

Fall 12-10-2015

# Breaking the Cycle of Incarceration: Strategies for Successful Reentry Final Report for Labyrinth Outreach Services for Women

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## Recommended Citation

Moe, Carolyn; Titzler, Brian; Johnson-Gross, Melissa; Conley, Darek; Blankenberger, Emily; Richardson, Kirk; Owen, Bethan; Griffen, Caleb; Kuka, Andrew; Stanton, George; Troxtel, Lauren; Uresti, Eliud; Thornburg, John; Canfield, Nicholas Anthony; Longwood, Patricia; Linder, Jessica; and Britenstein, Amanda, "Breaking the Cycle of Incarceration: Strategies for Successful Reentry Final Report for Labyrinth Outreach Services for Women" (2015). *Stevenson Center for Community and Economic Development*. Paper 11.

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Breaking the Cycle of Incarceration: Strategies for Successful Reentry

Final Report for Labyrinth Outreach Services for Women

Illinois State University



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This study was made possible by the generous support of the Pohlmann Family Development Grant.

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### **Abstract**

Working with a local reentry organization, Labyrinth Outreach Services to Women, the purpose of this study was to gather information about opportunities and barriers related to two aspects of their program: employment services and establishment of a microbusiness. Information was obtained through a 22-item questionnaire given to a sample of local businesses, key informant interviews, and secondary data analysis. Thirty-nine businesses in the Bloomington-Normal area responded to the questionnaire via on-line and paper survey methods, nine face-to-face interviews were conducted, along with three case studies of similar reentry microbusiness programs and a review of current literature. Stigmas of formerly incarcerated women, such as being unmotivated, irresponsible, disobedient, and violent were found to be major barriers to hiring. Significant facilitators identified for increased consideration for employment were: having support of a job coach, professionalism, expressing passion for the job, and seeking jobs with low customer contact. Successful microbusinesses within similar reentry organizations involved realistic expectations, client control over business operations, local community involvement, practice of a holistic approach, insurance of high product quality, and a focus on multiple products. Major barriers identified were obtaining start-up capital and revenue not meeting expenses. The most appropriate structure was found to be a social enterprise, which focuses more on non-monetary benefits for the employees rather than a profit focus of a traditional microbusiness. Recommendations based on the findings were made to the client.

### **Acknowledgements**

We would like to thank the staff of Labyrinth Outreach Services for Women and the businesses and members of the community who took their time to guide and participate in our research. Thank you to Dr. Joan Brehm, whose experience and flexible management style provided just enough pressure to coordinate the intersection of 18 different minds.

## Introduction

Since the 1980s, women in the United States have been incarcerated at an increasing rate. The 1986 mandatory sentencing law and new and increased penalties for drug-related crimes spurred the incarceration rate among women (Beichner & Rodda; Bui & Morash, 2010; Covington, 2001; Freudenberg, 2002; Hattery & Smith, 2010; Koons et al., 1997; Morash et al., 1998). The disproportionate incarceration rate between men and women mirrors a gender-based difference in how women become incarcerated, experience incarceration, and transition back into the community upon release. The relationship between drug use and incarceration is simply a starting point in delineating the broader characteristics of female offenders and the challenges they face upon reentry into the community.

For many women offenders, drugs are a means to cope with prior physical abuse often first experienced at a young age, and frequently at the hands of an intimate partner (Beichner & Rodda; Covington, 2001; Koons et. al., 1997). The prevalence of physical and sexual abuse preceding drug use is startlingly high. One study found that nearly 80 percent of incarcerated women reported having been victims of some form of abuse (Covington, 2001). In addition to past and continuing physical and substance abuse, women are more likely to experience mental and physical health issues, difficulty finding employment, and are more likely than men to be the primary caregiver for dependent children (Bui & Morash, 2010; Freudenberg, 2011; Morash et al., 1998). These gender-specific challenges are present for women in addition to the more general reentry challenges faced by all prisoners.

The barriers to successful reentry are clearly reflected in recidivism rates. Of the women who enter prison, 52 percent are likely to recidivate within three years following release, either for committing a new crime, or for violating the conditions of their release (Hattery & Smith,

2010). The question of to what to attribute such high recidivism rates remains unclear, as past changes in laws, sentencing practices, and intervention strategies have done little to change a recidivism rate which has remained stable for decades (Domurad & Carey, 2009). However, as the problems grow and become more politically salient, promising research is being given more attention. Among the crucial aspects of a successful post-release intervention strategy is a holistic approach to providing service provision and barrier-reduction for reentering women (Cobbina, 2010; Koons et al., 1997; Scroggins & Malley, 2010). Such an approach emphasizes the unique challenges reentering women face by providing gender-specific programming, which is what Labyrinth Outreach Services to Women is providing in McLean County, Illinois.

### **Literature Review**

#### **Characteristics of Women Offenders**

Women who end up incarcerated have unique characteristics, many of which play a role in their incarceration. Incarcerated women tend to be involved in non-violent crimes, have a history of abuse and/or drug use, and tend to be of a lower socio-economic status. The crimes women get arrested for most often correspond to their lower social and economic status (Scroggins & Malley, 2010; Freudenberg, 2002). The racial divisions are also stark. One study reported that black women are over seven times more likely to be incarcerated than white women (Freudenberg, 2011). On average, women earn lower wages and are less likely to be employed. Chronic unemployment may be explained in part by a lack of educational attainment which keeps them from being competitive for living-wage jobs. One study found that less than half of the incarcerated women in the study had completed high school (Freudenberg et al., 1998). The implication for women reentering the community is a return to the same social circumstances which influenced their original criminogenic behavior.

For many women, prior victimization is linked to imprisonment (Morash et al., 1998; Koons et al., 1997). Research conducted by Freudenberg (2002) reported that 52 percent of incarcerated women in their study had been raped. Moreover, many had drug-related problems linked to experiences of prior abuse (Koons et al., 1997). While 80 percent of inmates have serious substance abuse problems (Luther, 2011), women in prison are estimated to use more drugs and do so more frequently than men (Morash et al., 1998; Luther, 2011). Additionally, mental health disorders, HIV/AIDs and other sexually transmitted diseases are common problems incarcerated women face. Freudenberg (1998) found that more than half had had a sexually transmitted disease and Luther (2011) reported that of all individuals moving through the justice system, 15 percent were HIV positive.

Family and social relationships also play an important role as “networks have important effects on employment, earnings, education and skills, and mental health” (Bui & Morash, 2010). Having an intimate partner who participates in high-risk behaviors, for example, increases the likelihood that women will recidivate. Conversely, a returning woman who gains financial and emotional support from her personal relationships has a better chance of refraining from high-risk behavior (Bui & Morash, 2010). The majority of incarcerated women also have children under the age of eighteen, with one study reporting as many as 80 percent of women (Scroggins & Malley, 2010). Resultant custody issues can exacerbate psychiatric conditions and drug use, just as being the primary caregiver for dependent children can make it more difficult to find and retain employment and housing, as well as fulfilling parole obligations.

### **Barriers to Reentry**

Once released from prison, women still face many challenges to overcome. A myriad of barriers ranging from perceived efficacy to institutional arrangements and social norms depress



the ability of women to reintegrate successfully. These barriers to reentry are widespread across the United States and in large measure explain why women recidivate. These barriers include lack of post-prison services, social stigmas, a lack of positive social networks, and restrictive employment behaviors and laws.

### ***Lack of Post-Prison Services***

As men comprise the overwhelming majority of the prison population, few studies are conducted on post-prison services for women. Women are represented in the aggregate and thus little is known about gender specific services (Ross & Fabiano, 1986; Bloom & Covington, 1998). The studies which have been conducted, however, reveal a lack of services which adequately address the post-prison needs of reentering women.

One service that is essential to reentry is childcare, yet it is the least provided and accessible service for formerly incarcerated women (Scroggins & Malley, 2010). When women lack childcare services, employment and other essential reentry activities become more difficult. Mental health care is also an important service for which women do not receive adequate support. Women who leave prison have high rates of treatable mental illnesses, yet only a fraction of women receive the mental health services they need (Teplin et al., 1997; Scroggins & Malley, 2010). When these women do receive mental health services, it is often to a lesser extent than that provided for men (Lovell et al., 2002). Transportation services, such as access to cars and public transit, are also an important and underprovided component of reentry programs. Access to transportation services allow women more flexibility to go to work, take care of their children, and attend to other needs which help them successfully reintegrate (Scroggins & Malley, 2010).

Women who are members of post-prison programs are much less likely to recidivate because these programs create alternatives to crime by providing services which demonstrate a communal investment in the success of reentering women (Freudenberg et al., 1998; Haney 2003). These programs are important not only because they fill the gap for a lack of societal support, but because they address the needs expressed by formerly incarcerated women themselves (Beichner & Rodda). The under provision of these service is a strong barrier to successful reentry.

### *Social Stigma*

Stigmatization of former incarceration is a far reaching barrier to reentry that has many consequences for newly released women. Society tends to view people who have been formerly incarcerated as lower class, and this bias is often reflected in the legal system (Austin, 2004). Stigmatization of formerly incarcerated women often extends to the families and communities to which many women return which consequently damages the communal reputations and self-worth of formerly incarcerated women (Clear et al., 2001). Women also face increased scrutiny due to gender expectations. Formerly incarcerated women are seen to be more deviant than men for having broken the social standards to which society holds them, and this can bar these women from inclusion in everyday social activities (Bloom & Covington, 1998).

The confluence of social pressures experienced by formerly incarcerated women often leads women to self-identify with the image provided them by society, which in turn can increase deviant behavior (Austin, 2004). Stigma against formerly incarcerated women is a multi-faceted barrier impacting the success of reentering women which lends itself, additionally, to the difficulty women experience in constructing positive social networks.

***Poor Social Networks***

Establishing positive and strong social connections after incarceration is essential to reentry, yet some women are not able to establish these relationships due to a poor social environment. The chances for recidivism increase when women fail to create positive social networks and instead return to previous negative ones (Bui & Morash, 2010). Negative networks do not help formerly incarcerated women overcome the many obstacles they face after prison. Families, the most important social network, are critical to successful reintegration because they reduce a woman's burdens by providing financial, emotional, and childcare support. When families do not support returning members, the women must bear a greater proportion of the responsibilities associated with reintegration (Cobbina, 2010). Negative social networks also provide minimal information about job opportunities, social gatherings, and other day-to-day responsibilities (O'Brien, 2001). Good relationships with parole offices are also essential to successful reentry because they facilitate the legal and social transition, yet some parole officers hassle rather than help their parolees (Skeem et al., 2003). Poor social networks increase women's chances of returning to prison and prevent women from establishing themselves as productive and employed community members.

***Employment Barriers***

Formerly incarcerated women also face insurmountable legal hiring restrictions for many types of employment. There are several state laws that restrict employment for formerly incarcerated people based on the nature of the offense, the time elapsed since the offense, and the nature of the job being sought. These laws are further bolstered at the federal level by Title VII of the Civil Rights Act of 1964. Thirty-seven states have laws permitting employers and occupational licensing agencies to ask about and consider non-conviction arrests in making

employment decisions, and twenty-nine states have no standards against occupational licensing agencies restricting occupational licenses based on conviction records (Samuels & Mukamal, 2004). These legal barriers to employment legitimize a strong employer bias against formerly incarcerated women.

Studies have shown that employers discriminate against formerly incarcerated applicants based upon the perceived severity of the offense (Atkin & Armstrong, 2013; Cerda et al., 2015). Employers have also been shown to be extremely biased against violent offenders with some studies showing that between seventy-six and ninety percent of employers are unwilling to hire people with violent criminal backgrounds (Albright, 1996; Holzer et al., 2004). While the majority of formerly incarcerated women do not have violent records, a smaller subset of the population faces extremely high barriers to finding employment. A disincentive to hire women for economic crimes such as shoplifting, however, impact a much larger number of formerly incarcerated women and may be similarly difficult to overcome. Lack of employment has been shown to be a major predictor of recidivism (Bahr et al., 2010; Holzer et al., 2003), and these increased barriers to becoming employed only increase the chances of women recidivating.

### **Combatting Barriers**

Community resources are important factors which affect the ability of previously incarcerated women to reintegrate successfully into their communities. Increasingly, community resources provided in hopes of reducing reentry barriers are becoming more available for these women to utilize. A major concern is the availability of health services addressing physical, emotional, and substance abuse needs. Substance abuse treatment is consistently ranked as one of the most vital resources women need upon being released from prison or jail (Richie, 2001). Since relapse is a notable factor in recidivism among women, it is important to assist these

women in achieving and maintaining their sobriety. Across the United States, programs are opening their doors to previously incarcerated women in order to address their substance abuse issues. The National Institute of Corrections (NIC) created the National Directory of Programs for Women with Criminal Justice Involvement, which provides lists of programs that offer assistance to previously incarcerated women for a variety of issues. The National Institute of Corrections (2015) has a list of 140 substance abuse programs which are readily available to women who have been involved in the criminal justice system (2015).

A common structure for these programs involve 5-, 8-, and 12-step programs. These programs are setup to address gender-specific issues, and tend to have small class sizes of women, though the range varies. One such program, Helping Women Recover, stationed in Boise, Idaho, can only admit ten to twelve women at any given time (National Institute of Corrections, 2011). Another outreach program, The Family Shelter, located in Yuma, Arizona, can accommodate 50 women at any given time, including their children (National Institute of Corrections, 2011). Though focused on substance abuse problems, these programs often provide resources to other support services as well, such as domestic violence, education, and mental health.

Mental health services constitute another important element of support services aimed at reducing recidivism among women. The intersection of mental health and substance abuse is a particularly important consideration in the design of gender-specific programs. Female offenders are more likely to suffer from a mental illness and/or have a substance abuse problem than male offenders, and are also more likely to be suffering from trauma (Richie, 2001). Whether sexual or physical abuse, this trauma corresponds to an increased likelihood of suffering from a mental illness (Hatton et al., 2006). Many prisons have adopted four basic forms of psychological

treatment: psychotropic medication, individual psychotherapy, group psychotherapy, and family intervention (Hills et al., 2004). While these programs are relatively effective for currently incarcerated women, community resources are needed to assist those women who are attempting to reenter successfully into society. One program, OpenDoors, located in Providence, Rhode Island, assists approximately 1,000 women with post-release services, including mental health assistance (National Institute of Corrections, 2012). Another program, Center for Women in Transition, located in St. Louis, Missouri, assists approximately 300 women per year make a successful transition from jail to their community and provides services such as substance abuse treatment and mental health assistance (National Institute of Corrections, 2011).

In order to effectively reduce the rate of recidivism among incarcerated women, studies show community-based programs need to have gender-responsive policies and practices (Bloom & Covington, 1998). Stephanie Covington, a nationally recognized clinician, suggests that programs should incorporate five specific things in their structure: 1) the concept of levels of burden into policy and program design, 2) should address the fragmentation of services for issues that are interconnected through use of comprehensive and coordinated services, 3) should address the barriers created by categorical funding, utilize wraparound services that provide continuity of care and continuity of relationship, 4) should introduce the service continuum in correctional settings so access to services is not just another hurdle when released, and 5) should use services and relationships (e.g., self-help groups, peer educators) developed therein as transitional objects of support. (Covington, 2001).

### **Program Models**

Studies have described five program models for working with formerly incarcerated women: gender-responsive model, theoretical model, refugee model, sanctuary model, and

community-based model (Covington, 2001). Gender-responsive models are appropriate for dealing with issues in safe and nurturing environments based on respect, mutuality, and compassion. These models focus on issues specific to women (Sydney, 2005). The theoretical model integrates theoretical perspectives of psychological issues, trauma, addiction, etc. This can outline the underlying causes of criminogenic behavior and explore new paths of rehabilitation (Covington, 2001). The refugee model is informed by the approach Catholic organizations have taken to resettle refugees across the world. It focuses on reintegrating incarcerated women into the community through the promotion of coordinated services and healthy relationships. This model is primarily used by local parishes (Travis & Waul, 2003). The sanctuary model is institutionally based and promotes community projects using SAGE (Safety, Affective Management, Grieving, and Emancipation). This provides a staged model for treatment. Lastly, the community-based model incorporates various services from the local community to engender the successful reintegration of formerly incarcerated woman into society. These services are provided through agreements with community providers. Each model utilizes unique techniques and, while they are effective on their own, it would be most effective to use differing models at different stages of reintegration into the community (Covington, 2001).

Studies have been conducted which focus on incarcerated women who have successfully transitioned out of jails into their communities. Galbraith (1998) noted that there were key themes as to which aspects of programs were most important to these incarcerated women. These key themes included well-trained (particularly female) staff, relationships with “people who cared, listened,” relationships with other women who acted as role models, proper assessment and classification, safe environments, and efforts to reduce re-victimization and trauma (Covington, 2001).

**Microbusiness Approach**

Many community organizations have adopted the use of microbusinesses as a tool for the rehabilitation of formerly incarcerated women. The microbusiness approach allows for the transfer of skills, both technical and interpersonal, to the women (Gomez, Thetford, & Klein, 2015). While research has shown that this practice is not practical in moving formerly incarcerated women out poverty, it is an excellent tool to assist with the transition from incarceration to employment (Gomez et al., 2015). Studies show that microbusinesses can cause a “ripple effect,” which leads to further employment for members of the community (Association for Enterprise Opportunity). Microbusinesses provide greater flexibility in working hours and location, which is an important factor for previously incarcerated women with children. This employment option is an important tool for women to achieve upward mobility, as it allows for the development of the skills and expertise needed for in higher positions (Gomez et al., 2015). Microbusinesses are a viable alternative to low-wage jobs with minimal room for promotion. Another reason that microbusinesses can be successful are their low barriers to entry. Less than half of all microbusiness owners have a college degree, and for the majority of formerly incarcerated women who lack a higher education and have experienced sustained unemployment, microbusiness may be the most viable option (Association for Enterprise Opportunity).

**Description of Study**

In collaboration with Labyrinth Outreach Services for Women, we performed an assessment of microbusiness and employment barriers and opportunities in the Bloomington-Normal area for the formerly incarcerated women who are clients of Labyrinth. Labyrinth Outreach Services for Women is a not-for-profit, 501(c)(3) organization that provides long term supportive services to women from McLean County who have been incarcerated or are on



probation. The goal of Labyrinth is to collaborate with all available local social service agencies to assist the women to remain free of future court involvement and ultimately reduce recidivism.

The research conducted focused on the issue of long-term supportive services to women from McLean County who have been incarcerated or are on probation. The first project focused on assisting the newly hired Job Coach with issues related to employment, such as providing statistics on the knowledge of employment benefits and the aptitude of hiring managers towards formerly incarcerated women. The second project focused on issues related to the formation of a microbusiness by creating a summary of key case studies from across the United States for similar organizations that have experience with microcredit/microbusiness projects (both successes and failures). Using a variety of research methods, students actively engaged with community members and key stakeholders to assess what local businesses may need to consider when hiring Labyrinth women. Students also conducted extensive secondary data collection and used key informant interviews to assess ‘best practices’ in similar programs in other parts of the region and country, focusing on those that utilize microcredit/microbusiness projects. Students then analyzed the data from these inquiries and assessments and summarized their findings and the current status of knowledge and priority concerns. The students’ research concluded with recommendations to Labyrinth staff and Board members regarding directions for future projects or activities as they relate to a local employment effort and the further development of microcredit/microbusiness opportunities.

## **Research Questions and Rationale**

### ***Employment***

Following initial meetings with the staff of Labyrinth Outreach, several research questions were identified for the project which focused on employment issues. The main

objective of the research was to gather information about local (Bloomington-Normal) employment opportunities and to identify possible barriers for Labyrinth women in pursuing these opportunities. More in-depth knowledge on employment issues unique to Labyrinth women would ideally assist the employees of Labyrinth with the employment assistance portion of their programming. We identified three questions to direct our research:

- (1) From the perspective of a business owner, what are the barriers to hiring formerly incarcerated women and/or women with a felony record?
- (2) What factors will positively influence local business owners to increase their consideration of employing Labyrinth clients?
- (3) From the perspective of a local business owner, what can Labyrinth do to increase the likelihood that their clients will be successful in the job application process?

Specifically, several goals were formulated to attempt to give a better understanding to the issues in the above research questions. The first goal was to create a list of local companies open to the idea of hiring Labyrinth women. Identifying businesses willing to consider hiring formerly incarcerated women would hopefully increase the efficiency of the employment search and also increase the likelihood of a successful job search. Ideally, the list could cut down on the amount of leg-work needed by Labyrinth employees to locate promising employment leads.

As a possible factor to increase consideration for employment, the second goal was to determine local businesses' level of knowledge and awareness of state and federal tax incentives for hiring formerly incarcerated persons and of the "Ban the Box" requirement. These two pieces of knowledge were specifically stated by Labyrinth employees as important outcomes of the research. Knowing the level of awareness of possible incentives should give the Labyrinth employees a better idea of the need for educating businesses owners on incentives. If there is little awareness, giving business owners and managers a better understanding could give Labyrinth women an increased chance of being hired. Similarly, if businesses are not aware of "Ban the Box" and are not abiding by the guidelines then making them aware, and hopefully

compliant, could increase the chances of Labyrinth women making it to the interview stage of the hiring process.

In response to perceived barriers of business owners, the third goal was to identify potential barriers and hindrances Labyrinth women may face in the employment process. Determining specific areas of concern that businesses may have in hiring or considering hiring a formerly incarcerated woman could help Labyrinth employees and clients navigate through the employment process more efficiently. This information should give Labyrinth a better understanding of the specific information to address and pitfalls to avoid in applications and interviews.

As a potential approach to increase the likelihood of gaining employment, the final goal was to attempt to build a long term collaborative relationship between Labyrinth and the Illinois State University (ISU) Business school. The desired outcome of this relationship would be that the ISU students would gain experience with conducting employment assistance programs such as mock interviews and resume building workshops, and the Labyrinth women could gain valuable job skills training through their participation in those activities. Any suggestions or perspectives gained from local business owners could also be considered for possible activities.

### ***Microbusiness***

Labyrinth Outreach Services is in the research stage of creating a microbusiness that seeks to heighten a focus on the issue of long-term supportive services for women from McLean County who have been incarcerated or are on probation. This microbusiness would serve a dual purpose. First, the microbusiness would generate revenue to sustain the not-for-profit or at least help offset some degree of operational costs. The creation of revenue will allow Labyrinth Outreach Services to become more financially secure and less dependent on outside funding as

state and private grant availability continues to decline. Second, the microbusiness will serve as an employment-training program for their clients. Chronic unemployment is an identified barrier of reentry for formerly incarcerated women. The ability to offer employment to their clients can help individuals develop valuable employment and interpersonal skills while allowing clients an opportunity to begin saving financial resources for their future. The microbusiness team's primary goal was to create a summary of both key case studies from similar organizations in the United States that have experience with microcredit/microbusiness projects and gauge the level of support from local Bloomington-Normal businesses for potential business models and products. For this section of the project, four research questions were identified to direct the research:

- (1) How are the concepts of microcredit and microbusiness being used as part of outreach programs for formerly incarcerated women in other parts of the United States (or beyond)?
- (2) What barriers most limit the success of these programs?
- (3) What factors most enable the success of these programs?
- (4) How might Labyrinth best structure and develop a successful microcredit/microbusiness program to assist their clients?

Prior to partnering with the Stevenson Center, Labyrinth Outreach Services had already familiarized themselves with two non-profits that were of interest to them as exemplary models: Women's Bean Project in Denver, CO and Thistle Farms in Nashville, TN. Both of these organizations provide employment-training programs while functioning as social enterprises. The microbusiness team looked to further analyze these organizations to discover how business models could serve a social justice agenda while creating revenue. Exploring how these organizations holistically approached their employment-training programs could present valuable information for how Labyrinth Outreach Services could establish their employment-training framework. The Women's Bean Project and Thistle Farms are both well-established social

enterprises that offer rather transparent histories. They have been featured in various media outlets over the years to share stories of challenges and successes in creating their programs. They provide examples of their strategic plans and financial statements online for the public. By examining the framework of these two organizations, and others like it across the United States, Labyrinth Outreach Services can better replicate successful programs, as opposed to creating an entirely new microbusiness program on their own.

Understanding the local Bloomington-Normal business market is essential for Labyrinth Outreach Services' microbusiness project to be successful. Labyrinth Outreach Services' current intended product is laundry detergent, and the coinciding employment-training program is to be named Clean Slate. The microbusiness team sought to network with local businesses to identify if there was a market for such a product and who would be interested or able to distribute the product. The microbusiness team also sought to identify locally-specific challenges and successes from independently run businesses and business support agencies in the area that could be of assistance to Labyrinth.

## **Methods**

### ***Employment***

The employment team used a mixed methods approach, involving qualitative in-person interviews with a select number of key informants and a quantitative online and in-person survey distributed to a purposive non-random sample of businesses in the Bloomington-Normal area.

First, we identified people from the community who we felt had above average knowledge of employment and hiring practices or had in-depth knowledge and experience with Labyrinth employment services. We identified and were able to interview a total of five key informants. The purpose of these interviews was to develop an understanding of the specific

context of both the employment and hiring situations in Bloomington-Normal as well as the employment services of Labyrinth. Due to confidentiality requirements as part of the Institutional Review Board (IRB) process, the findings will not discuss any key informants by name or identify their organization (See Appendix A for interview protocol).

Our other primary research method involved administering an online and in-person survey among businesses located in the Bloomington-Normal area. We initially decided to use the online survey method in part because we wanted to reach as many businesses as possible, and decided that an online survey was easy to distribute and accessible to nearly everyone. An online survey was also appealing due to our limited time frame; it was a fast way to distribute surveys to a large group. Lastly, an online survey worked well because it provided a built-in online method for collecting and analyzing data. After distributing 120 emails, we received 30 completed surveys from recipients for a response rate of 25 percent.

We sent the survey only to employers or store locations in the Bloomington-Normal area. We chose to only gather information from local sources because Labyrinth is a community-centered organization, and we are assuming that since the majority of women in the Labyrinth program live locally, they will therefore be searching for jobs in the immediate area. We initially only emailed businesses that came from a list of local felon-friendly establishments provided by the Center for Economic Growth. However, we discovered that many of the listed establishments were large chain organizations with no local email address. In light of this, we divided the Bloomington-Normal area into sections and assigned different group members to gather local emails from the businesses in these designated areas.

The advantage to using these local emails is that we hoped to have a higher response rate than we would have from chain corporations with a corporate email; the disadvantage is that our

surveys are limited to our arbitrarily drawn out areas of town, and to those businesses with easily accessible local emails. As a final effort to gather survey data, we distributed a printed survey in person to a small area of Normal, Illinois, with a high concentration of small, local businesses (See appendix B). It should be noted that since our collected sample of businesses was purposive and not random, we cannot generalize our results to businesses outside our specific sample. After contacting 23 businesses in-person, we received 9 completed surveys for an in-person response rate of 39 percent. In total, we received 39 completed surveys from a sampling frame of 143 local businesses, for an overall response rate of 27 percent.

Our questions were designed to evaluate how local business owners felt about hiring people, specifically women, with a former prison record. We asked questions about hiring considerations, concerns and motivations of hiring formerly incarcerated women, and past experiences with hiring formerly incarcerated women. Our goal was to present Labyrinth Outreach Services with a thorough explanation of barriers and opportunities to employment so that they can devise a successful strategy to help their clients gain viable employment.

### ***Microbusiness***

The microbusiness team completed exploratory research through primary and secondary data analysis to provide Labyrinth Outreach Services with an insight into the local business market and best practices as well as challenges to establishing a microbusiness. Our primary data involved identifying and interviewing key informants. Using purposive sampling, team members identified individuals and local business owners in the Bloomington-Normal area who have knowledge of microbusinesses and/or the local business sector. Five key informants were purposefully selected to provide insight from different perspectives such as a small business that could potentially sell Labyrinth's products and an organization that assists start-up businesses.

Each interview took thirty to forty-five minutes to complete. The interview questions included six core questions which were asked to every key informant and four to five questions specific to each informant (See Appendix C for Interview Protocol). Our team identified secondary informants through purposive sampling using suggestions from team members, and through snowball sampling. During each key informant interview we asked if they had suggestions for other contacts to speak with. After each interview, transcripts were analyzed for key themes.

We were able to complete a total of six interviews. We interviewed four of the five identified key informants in a face-to-face interview, one key informant completed a self-administered questionnaire via e-mail, and one key informant interview included a site visit to the social enterprise Thistle Farms. Having two members of the team visit Thistle Farms to participate in a workshop was very beneficial, as it provided them the opportunity to interact with the organization's staff, women served by the organization, and other attendees.

The use of open-ended interview questions allowed informants to share detailed responses specific to their experiences. In conversation, informants brought up ideas and resources that we were unfamiliar with such as a program that provides skilled interns to assist non-profits. It was also beneficial to receive suggestions from informants of other contacts who could provide valuable information to our team. An issue with open ended questions is that the answers from each informant can be varied and contradictory, and the responses are difficult to code for analysis. Due to time constraints and a limited number of interviews, the responses compiled may not accurately represent the views of people who work with small businesses and/or disadvantaged populations in the Bloomington-Normal community. We chose to complete a qualitative analysis of informant responses to identify key themes. Due to



confidentiality requirements as part of the Institutional Review Board (IRB) process, the findings will not discuss any key informants by name or identify their organization.

The secondary data analysis included research using case studies, aggregate data, and business model theory. During our research, we used internet searches such as Inter-university Consortium for Political and Social Research (ICPSR) and Illinois State University's Milner Library search to identify relevant journal articles, studies, and data sets. We also used course readings to gather information about the issues individuals face during and after incarceration, and to identify suggestions for easing the reentry process.

The amount of published data and articles about microbusinesses that employ formerly incarcerated women is very limited. During the secondary data research, we had to consider studies about microbusinesses run by women and/or disadvantaged individuals and programs for formerly incarcerated men. Although this research is not based off of studies related specifically to formerly incarcerated women, we believe the key themes gathered from the secondary data analysis are relevant and relatable for Labyrinth.

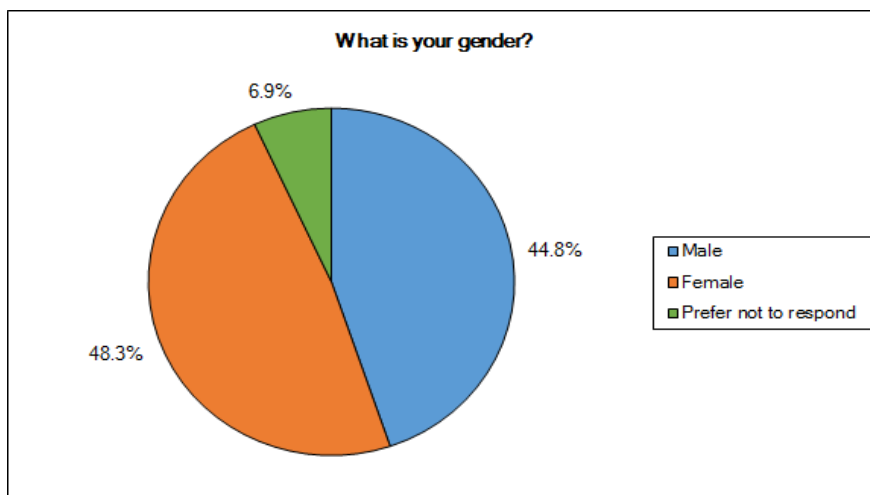
### **Findings**

The research findings were derived from a total of 9 key informant interviews, 39 survey responses, and 3 social enterprise case studies. In the following section, we will first summarize the survey respondents' demographic characteristics and then discuss the interview and survey findings as they apply to the employment of formerly incarcerated people in the Bloomington-Normal area. Next, we will present the analysis of 3 social enterprise case studies. We will then present the strengths, weaknesses, opportunities, and threats to both the micro business and social enterprise models.

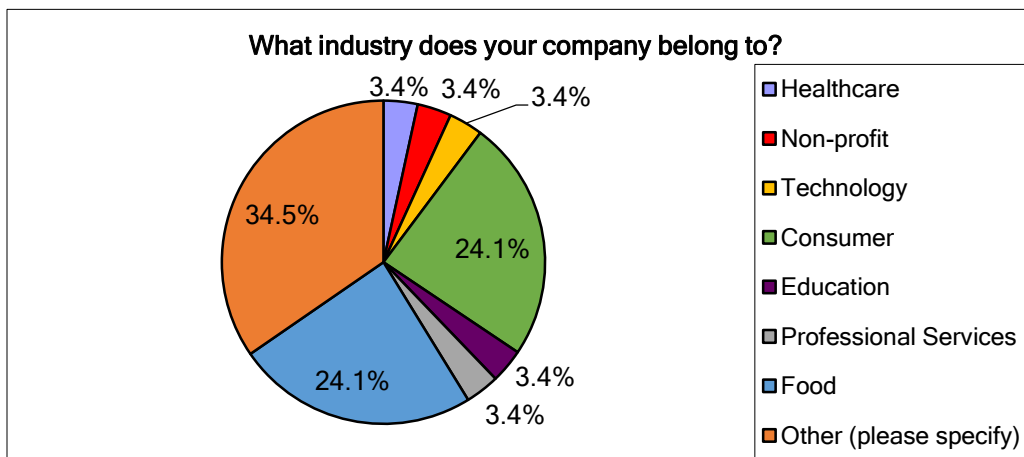
**Demographics of Survey Respondents**

The gender of our survey respondents was distributed fairly evenly, with forty-four percent male respondents and forty-eight percent female (see Figure 1). We also saw a good spread of company sizes with a slightly higher response rate from small companies with six to twenty employees (35 percent). Additionally, a majority of them had been in business for over sixteen years (55 percent). A wide range was seen in the type of company surveyed (see Figure 2), with the highest percentage of respondents in foodservice (24 percent), consumer-based services (24 percent), and “other” (34 percent).

**Figure 1**



**Figure 2**



## **Employment Findings**

This section summarizes the qualitative and quantitative findings from the collected data for the employment project. The general themes from the key informant interviews and survey results are presented together below. Common themes are then discussed, connected to, and compared against findings from previous empirical studies. At the end of this section, we briefly recap the key points of our findings and how they relate to our primary research questions.

### ***Barriers to Employment: Public Perception of Formerly Incarcerated Women and Stigma***

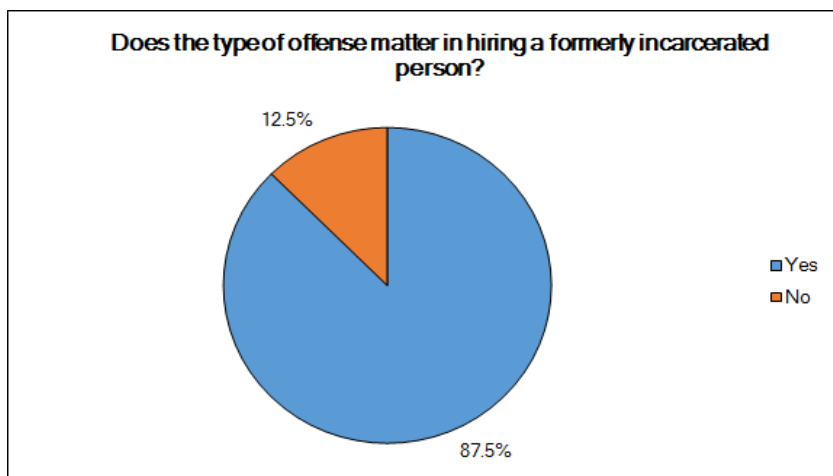
The public perception of formerly incarcerated women has an impact on every part of the employment process. It influences how motivated clients are in their job searches, what job sectors clients are encouraged or discouraged from, how likely clients are to be contacted for an interview, how clients are treated in that interview, and how clients are treated at work once they are hired. With such a broad influence on an individual's employment experience, it is important to understand the details of public perception so a concerted effort can be made to address those opinions that create additional obstacles for formerly incarcerated women seeking employment.

One key informant, who was a local business owner, indicated that in general, formerly incarcerated people are perceived as unmotivated. Labyrinth employees pointed out that women are held to higher behavioral standards than men, especially when they have children. Another employer noted that women who have a history of drug abuse are thought to have attitude problems, making it difficult to keep a job. They also noted that the label "felon" often means "violent criminal" to the public, even though many felony crimes are nonviolent. This finding heavily correlates with the research done by Scroggins and Malley (2010), and Freudenberg (2002), stating most women who have been incarcerated tend to be characterized by circumstantial non-violent crimes. Overall, interview respondents suggested that formerly

incarcerated women are commonly perceived to be unmotivated, irresponsible, unruly, and potentially dangerous. This public perception makes finding employment difficult in any job sector or community. One business owner, who had experience working with formerly incarcerated people, claimed that the perception is even stronger in suburban areas than it is within cities. This could possibly be due to higher rates of incarceration within the city, and greater public familiarity of people with criminal histories.

To develop a better understanding of public perceptions, we survey a purposive sample of local businesses. The survey was sent out via email or delivered in person to 143 local businesses. Out of the 39 business representatives who responded to our survey we found that 95 percent of the respondents were able to make hiring decisions. Even though the respondents were able to make hiring decisions, half of them reported having corporate restrictions for hiring formerly incarcerated individuals. Another goal of the survey was to measure business representatives' experiences in hiring formerly incarcerated people. In regards to hiring practices, 40.63 percent of respondents indicated that they have at some point in time, hired a formerly incarcerated person. Additionally, 87.50 percent indicated that the type of offense mattered when they considered hiring an individual (see Figure 3).

**Figure 3**



Labyrinth employees stated that stigma is the biggest challenge when hiring a formerly incarcerated person. Key informants reported that employers do not consider any extenuating circumstances that may have led to a woman's incarceration. Subsequently, employers appear to be more heavily influenced by stigmas and stereotypes that ultimately limit opportunities for these women. These findings are consistent with Austin (2004), where research found that society tends to view people who have been formerly incarcerated as lower class. However, our findings fell short of concluding that women also faced increased scrutiny due to gender expectations (Bloom & Covington, 1998). Ultimately, the negative perceptions and elements of stigma that emerged in the key informant interviews and survey data can provide a large barrier to proving the character and employability of women who have been formerly incarcerated.

According to Labyrinth staff, many women who have been formerly incarcerated face emotional and social problems. Most have never learned to cooperate well with others and have not developed essential team building skills due to a lack of education. This was re-affirmed by other key informants who indicated that formerly incarcerated women with attitudes were often difficult to deal with. One key informant indicated that women who felt entitled to a second chance seemed to have a chip on their shoulder, and typically had bad attitudes. Based on this person's experience, these particular women were perceived as being convicted for assault and battery. In the end, this informant felt that they were more likely to start fights and arguments with other employees. Another key informant indicated that formerly incarcerated women seemed to have a sense of entitlement which, from their perspective, may stem from fear of failure. They proposed that what the employees may have needed was help and guidance, but were afraid to ask for it. Survey data indicated that overall, the type of offense did influence their willingness to hire a formerly incarcerated person. Respondents were far less likely to be

open to hiring a formerly incarcerated person with a violent offense, misdemeanor charge, or a felony, compared to someone with a non-violent offense, someone with a job coach, or someone in a reentry program (see Figure 4). Based on both qualitative and survey data, the type of offense matters to the employers.

Survey respondents were also asked to rate their specific concerns when hiring a formerly incarcerated person on a scale of 1 (no concern) to 5 (high concern). A low level of experience was of least concern (mean = 2.61). Conversely, low professionalism (mean = 4.29), punctuality (mean = 4.16), and harm to other employees (mean = 4.23) were of the greatest concern (see Figure 5).

**Figure 4**

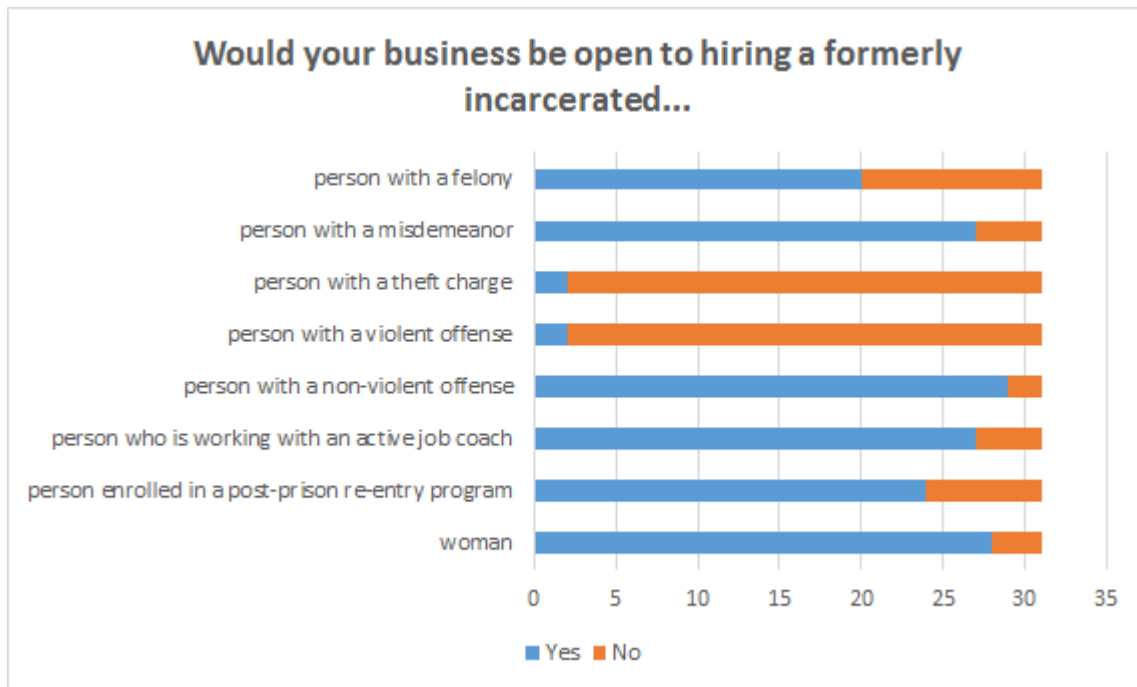
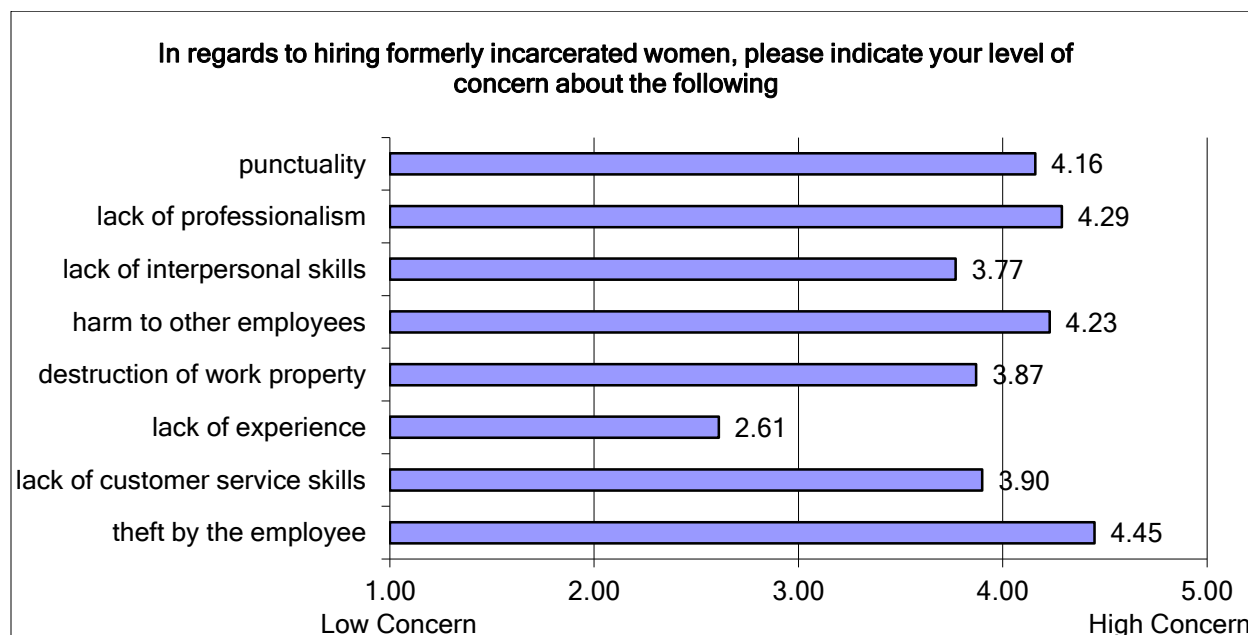


Figure 5



Many of our key informants indicated that they were worried about the women repeating their bad habits. These habits usually precipitated the women's initial incarceration. They expressed a concern about women who were formerly dependent on drugs and the possibility of relapse. There was also concern about employees with a history of theft stealing from their business. The key informants indicated that they would no longer be able to trust that employee if this occurred. Two key informants noted that they associated formerly incarcerated employees with a high turnover rate. One key informant stated that a lot of training goes into each hired employee and managers are disappointed when they quit after two or three weeks. They also felt that at risk populations should consider starting with an entry level job to first establish a solid and reliable work routine and demonstrated record of success.

***Structural and Legal Factors Influencing Employment***

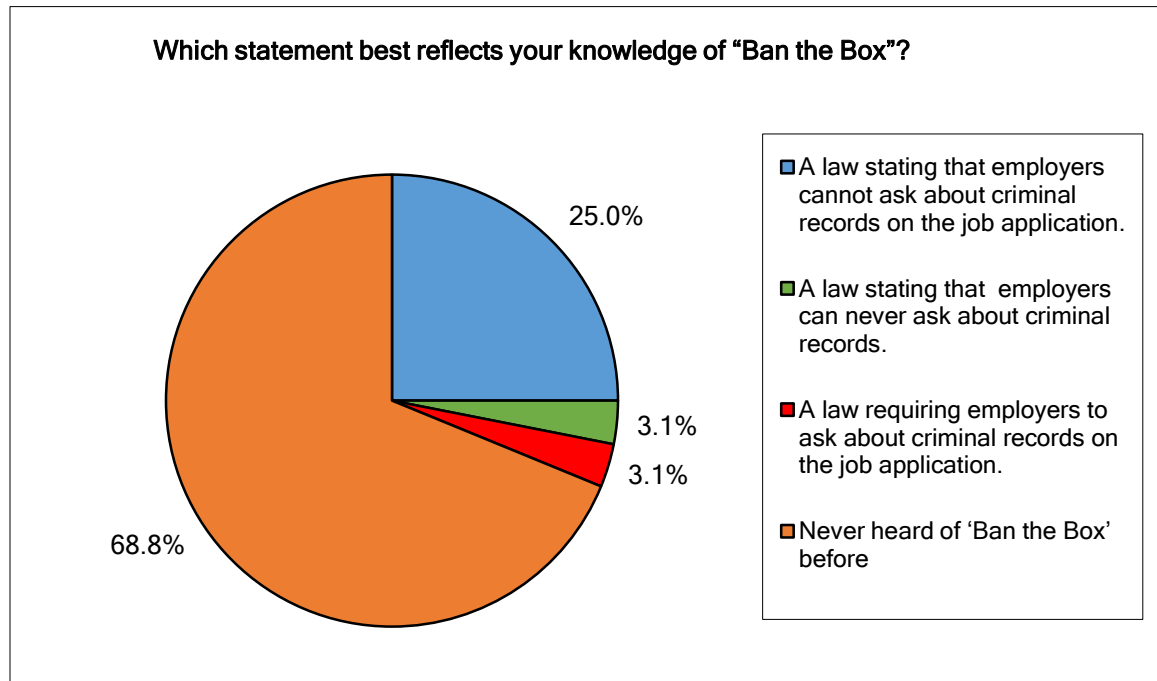
When it comes to employment, often times employers are unaware of the different initiatives that pertain to formerly incarcerated individuals. “Ban the Box” is a state law which helps to prevent employers from discriminating against applicants with criminal records.

Usually, near the top of a job application there is an indicator of an applicant’s incarceration. The “Ban the Box” state initiative encourages employers to know applicants for their skills, rather than their prison histories. Our results indicate that the majority of survey respondents (68.75 percent) have a lack of knowledge about the “Ban the Box” initiative (see Figure 6).

Additionally, this figure presents findings relevant to the level of knowledge about tax incentives for hiring formerly incarcerated women. Most business representatives reported being unaware of the two types of tax incentives available. Most businesses were unaware of fidelity bond insurance (78.12 percent), and the federal work tax credits (56.25 percent) which are available to those businesses hiring formerly incarcerated women.



Figure 6



At this time, one of the biggest concerns for Labyrinth women is obtaining an initial employment interview. Survey data and key informant interviews demonstrate that a job coach would be helpful as a liaison between the business owner and the employee. The survey found that 87.1 percent of the respondents indicated that their business would be open to hiring a formerly incarcerated person if they had an active job coach. A key informant also indicated that having a job coach would make hiring much easier on the managers as well. These findings indicate that there is a desire for business managers to work with a job coach when hiring formerly incarcerated women. Several key informants indicated that they want their employees to be able to communicate well with others. They expect their employees to be upfront and honest with them so they can develop trust. Survey data supports these findings by indicating that businesses look for people who have a sense of professionalism and are passionate about their job.

Key informants reported that by gaining experiences such as volunteering, these women had a greater chance of having their resumes considered. They also recommended that formerly incarcerated women seeking employment should achieve professional certifications, acquire skills in a trade, or take college courses in order to have post-incarceration experiences on their resume. One key informant mentioned the importance for formerly incarcerated women to place these experiences at the top of their resumes so that it is apparent they have post-incarceration experience. Another key informant stated the more experiences a woman can provide on a resume after her incarceration, the more she shows that she is “changing her life”.

### ***Challenges in the Interview Process***

Even after Labyrinth women are contacted for an interview, challenges persist. Labyrinth employees indicated that women tend to feel pressured to share too much information about their past and their reasons for incarceration. Additionally, some women were unsure of how much of their story to tell in their interview. One Labyrinth employee suggested that the women need to emphasize their increased stability, through Labyrinth’s various support services, during the job interview to help them stand out as a motivated candidate. One key informant stated that in order to increase a candidate’s chance of having a successful interview, women should understand how to present and promote themselves. They also need to understand that while intrusive questions may be asked, it is vital to maintain a high level of professionalism throughout the interview process. The key informant suggested that Labyrinth women partner with local business clubs to gain experience through mock interviews. Survey responses show that most employers want to know the type of crime committed, which reinforces the need to help the women to learn how to most effectively and appropriately share this information in a professional manner.

***Benefits to hiring formerly incarcerated women***

One research question focused on what factors could increase the likelihood of hiring a formerly incarcerated woman. Motivation was the response received most often from the survey data. Key informants also expressed that formerly incarcerated women seemed to be grateful to have a job, which subsequently motivated them to work harder. Many key informants stated that formerly incarcerated women seemed more willing to work than other employees because it would keep them out of trouble. Labyrinth employees expressed that formerly incarcerated women are extremely loyal, especially if they have a good support system. The findings from key informant interviews have also shown that they were perceived to be reliable, particularly if they had families or children to support. It was suggested by key informants that formerly incarcerated women knew that if they did not have a job, they were at risk of going back into the social service system (family services, welfare, etc). According to Scroggins & Malley (2010), almost 80 percent of women had children under the age of eighteen, therefore it is essential for business managers to understand what these women have at stake and how it can motivate them.

***Types of Employment***

Incarceration makes the employment of women in traditionally feminine workplaces difficult. Medical services, child care, and financial service jobs are all jobs that legally exclude formerly incarcerated individuals from employment. One Labyrinth employee stated that, to add to Labyrinth clients' restricted access to traditionally feminine jobs (child care, nursing), they also face difficulty entering the arena of traditionally masculine jobs (construction, physical labor jobs). Research shows that these jobs are usually higher paying, and may be more open to hiring formerly incarcerated people than traditionally feminine jobs. One key informant suggested that entry level jobs that require physical labor, focus on retail, or are service oriented

would be most accepting of women with criminal histories. One local business owner echoed this sentiment, adding that fast-food service-type jobs can provide a base of work experience after incarceration. When asked what would increase the likelihood of a formerly incarcerated woman receiving a job, survey respondents indicated that these women should pursue jobs that have less direct exposure to customers.

Additionally, Labyrinth employees indicated that corporate employers are not targeted because of bureaucratic obstacles to hiring formerly incarcerated persons. These obstacles take the form of rigid policies written and enforced by people far removed from day to day operations. Labyrinth employees noted that smaller and local businesses are easier to partner with, and easier for the job coach to more directly work with. These types of businesses are more likely to have an understanding of the context behind a woman's incarceration, and have the ability to be more flexible in their hiring policies.

Survey data and key informant interviews have been analyzed in an attempt to answer the research questions. These objectives included an examination of barriers to hiring formerly incarcerated women, factors that can increase the likelihood of hiring formerly incarcerated women, and considerations that can help formerly incarcerated women fulfill requirements of the job application process. Data has shown that negative attitudes and stigmas are primary factors in the creation of barriers to employment for formerly incarcerated women. The main factors that could increase the likelihood of hiring formerly incarcerated women are targeting appropriate job markets and increasing the interviewing skills of women. Overall, these findings can provide some guidance for Labyrinth as they work with their clients to improve their ability to gain meaningful employment following incarceration.

### **Microbusiness Findings**

The research findings were derived from four key informant interviews, case studies, and aggregate data analyses. In the following section, we will summarize the findings and information gathered from the four key informant interviews and will provide the findings based on the analyses of the aggregate data. We will then discuss the results of the case studies, where we will present the strengths and weaknesses associated with starting and operating a microbusiness and will provide information regarding successful microbusinesses and social enterprises.

### ***Microbusiness & Social Enterprise Theory***

A key foundational finding for the microbusiness group was in the terminology itself. Although some terms, such as microbusiness or microenterprise, are often used interchangeably, “social enterprise” was identified as being the most appropriate and most accurate term for the goal that Labyrinth is seeking through their implementation of the Clean Slate project. A microbusiness is typically made up of a small number of employees (no more than 5) and its main objective is to turn a profit. In the case of a social enterprise, it is a viable option to structure an organization based on a social enterprise model, however, the primary goal would be to help the target community, not just to turn a profit. The main objective of the Clean Slate project would not be the maximization of profits, but rather providing opportunity for their clients to develop transferable skills in preparation for reentry into the workforce and society. Therefore, it seems that the social enterprise concept may be a more appropriate term going forward, compared to the microbusiness concept.

The large majority of our key informants’ comments supported the idea of Labyrinth’s microbusiness aspirations to establish a social enterprise. The main emphasis of these responses

was that the transferable skills and work experience gained in Labyrinth's social enterprise program, regardless of profit margin or the type of microbusiness, would be valuable assets to the women in future professional endeavors once they begin to seek full-time employment elsewhere. Although differing in goals and terminology, findings suggest that the microbusiness model is useful for profit-seeking microenterprises as well as social enterprises. Labyrinth and the Clean Slate project do not have the same monetary goals as an ordinary microbusiness may have, however they still face the same market changes and limited resources that all microbusiness face. Microbusinesses often do not have the resources to survive in economic downturns and therefore need adaptability to changes in the market, and must work together to maximize the resources of other organizations with similar goals. In addition to the task of analyzing the market, organizations like Labyrinth must consistently be cognizant of funding amounts and partners.

Key informants experienced in working with nonprofits and similar organizations suggested that organizations with similar missions could partner with one another in their search for resources to minimize negative effects of possible inconsistencies or lack of funding from donors. By combining their efforts, rather than competing with one another, one key informant said, the potential to receive funding from a new donor is increased. The same source elaborated on the previous comment by stating that through cooperating with one another, organizations increase their efficiency and their impact on the community. By doing so, they demonstrate tangible evidence that their approach is working, and are more likely to receive funds from new donors and from current donor(s) in the future. Labyrinth and Clean Slate can maximize their potential for success by working together with other organizations that have the same goals, which is already being pursued by partnering with the YWCA. Additionally, Labyrinth and

Clean Slate could also benefit by partnering with other microbusinesses or social enterprises that demonstrate support for similar objectives.

A major part of successful reentry for these women is becoming financially independent. A study by the Association for Enterprise Opportunity (2013) states that employees of microbusinesses usually make more than minimum wage, which is an important factor in supporting the upward mobility of women. This is a highly significant finding because, according to established literature, the crimes women get arrested for usually correspond to their low socio-economic status (Scroggins & Malley, 2010; Freudenberg, 2002). Expediting the process for women attempting to reenter the workforce may prove useful in decreasing the chances of recidivism, at least in cases of crimes based on low-income status. Lastly, the study notes that working as part of a microbusiness increases the flexibility of the workplace, something that is important to women from Labyrinth who have other commitments like seeking treatment or raising children, as it has been found that women are more likely than men to be the primary caregiver for dependent children (Bui & Morash, 2010; Freudenberg, 2011; Morash et al., 1998).

Although the Clean Slate project may not be the permanent employment opportunity Labyrinth's clients seek, it can serve as a type of transitional, skills building program that prepares its employees for long-term employment. The employment opportunity with Clean Slate will be distinct from employment elsewhere and more conducive to success because of the integration of the other services provided to the women. Direct approaches to meeting the needs of special circumstances concerning housing, counseling, and job coaching will expedite their acquisition of skills during this temporary employment with Labyrinth. This holistic approach is

a crucial aspect of successful post-release intervention strategy (Cobbina, 2010; Koons et al., 1997; Scroggins & Malley, 2010).

Due to the unique environment provided for the women at Labyrinth, they will receive the attention required to identify personal and professional strengths and weaknesses and receive sufficient assistance to manage both effectively. Addressing various unique factors associated with former female offenders by Labyrinth, combined with the work experience from the Clean Slate social enterprise aspect, will have a long-term impact on clients by increasing their capability of meeting the qualifications for long-term employment, decreasing chances of recidivism and ultimately promote successful reentry into society.

### *Case Studies*

An important part of evaluating the potential success of a social enterprise model is looking at other organizations that employ that model. We focus on three key case studies that show how a social enterprise model might work and be successful. The three case studies we chose are the Women's Denver Bean Project, Thistle Farms, and the Delancey Street Foundation (see Table 1). All three organizations are applicable to Labyrinth because they focus on similar populations and use a social enterprise model. Although the scope of their operations may seem massive, it is important to note that they all started out with very meager resources. Their results, then, are not unattainable. This section comprises of a discussion of key takeaways and themes that are common for all three case studies.



*Table 1*

	<b>Women’s Denver Bean Project</b>	<b>Thistle Farms</b>	<b>Delancey Street Foundation</b>
<b>Target Population</b>	Women facing severe financial difficulties	Women who are survivors of abuse, addiction, trafficking, and prostitution	Substance abusers, formerly incarcerated individuals, homeless people
<b>Program Structure</b>	<ul style="list-style-type: none"> <li>• 9 month transitional training program</li> <li>• Case plan is developed and access to housing, transportation, child care, and health care is made available</li> <li>• Weekly life skills classes</li> <li>• Job coaching</li> <li>• Program participants are hired into the social enterprise</li> </ul>	Women are hired into the social enterprise	<ul style="list-style-type: none"> <li>• Multiyear program (average of 4 years per resident).</li> <li>• Residents are taught basic job skills</li> <li>• Tutoring</li> <li>• Program participants are hired into one of 20 social enterprises.</li> </ul>
<b>Social Enterprise Products</b>	Beans, soup, and other food products	Bath & Body products, tea & coffee, food services, artisan paper, candles, operation of a coffee shop and a store, and clothing.	Food service, art, catering & event planning, car service, digital prints, furniture, landscaping, moving, paratransit bus services, advertising, Christmas tree decorating and sales.

***Realistic Expectations***

While social enterprises are a good model to follow for many reasons, the financial justifications are less clear. In the case studies we examined, complete financial stability has been elusive for these organizations. Start-up costs are typically high, and the revenue generated from products (especially initially) can be dishearteningly low. After many years of trial and error, at least two of the organizations examined are making about 80 percent of their costs back through revenue from sales of products, but all three organizations still rely on grant funding to

some extent. Thistle Farms for example have annual revenue of \$1 million, but still operate at a loss with expenses of \$1.7 million, with the rest of the funding coming from private sources. This budgetary gap, however, does not necessarily indicate that the social enterprise model is financially unwise. Gaining at least part of the costs back can ease the demands and vulnerabilities that come from relying exclusively on a donor model. It also gives the organization more control over *how* exactly it wants to spend its money because there is less accountability to donors.

These case study results are consistent with the broader findings of social enterprise in general. A study by Sanders entitled *Employment options for low-income women: Microenterprise versus the labor market* (2004) found that microbusiness and social enterprise programs did not typically provide significant financial income for the organizations. Another study by the Association for Enterprise Opportunity found similar results (2000).

That being said, the social enterprise model achieves other goals besides strictly financial ones. For instance, it provides at-risk women with employment, job skills, and serves as an important socializing agent. An Aspen Institute (2015) report found that microbusinesses and social enterprises provide employees with greater opportunities to learn new skills and increased flexibility to manage work schedules with life outside the workplace. Greater control over their schedule gives employees a chance to explore further education, training, and attend to health needs. Microbusinesses and social enterprises have the added benefit of effectively targeting disadvantaged populations, especially communities of color and the previously incarcerated, to improve their economic freedom and mobility. Microbusinesses and social enterprises effectively “raise the floor and build the ladder to success” (Aspen Institute 2015). This is consistent with the general literature. For example, Gomez (2015) references skill development

and the pursuit of additional expertise as an important means of achieving higher status in the workplace. The data gathered from our key informant interviews also supports this conclusion. Key informants reported that businesses try to hire employees that possess soft skills and exhibit basic professional behavior such as punctuality, courtesy, and reliability. When these basic skills are developed, there is a greater opportunity for Labyrinth women to get hired and reintegrate successfully into the community.

However, start-up costs need to be considered as well. Purchasing the initial equipment to create a decent social enterprise product can be expensive, and may require additional capital/loans. Unfortunately, through our discussions with community stakeholders, it became clear that there are no available loan programs in the Bloomington-Normal area that provide start up capital for social enterprises. There is one revolving loan program in Normal, but it is marketed towards mid-sized businesses to help cover costs of expanding existing operations and has specific repayment conditions. The key informant indicated that Labyrinth would not qualify. Due to the lack of access to capital, the informant mused that the Bloomington-Normal business environment is rather risk-averse and not especially supportive of entrepreneurial activity.

The problem of gaining initial start-up capital and the difficulty of totally recouping the cost of doing business through sales of social enterprise products are formidable challenges, but need not discourage embracing social enterprise as a viable model. It is important to keep these challenges in mind, certainly, but as discussed, there are additional benefits besides financial ones.

### ***The Importance of Ownership***

In the case studies we examined, models where the women take full control of the social enterprises themselves worked the best. The Delancey Street Foundation, for instance, has no

staff at all. Their entire range of social enterprises (20 in all) is run completely by the residents of their program. Thistle Farms uses a similar approach in their model. Having the women running every aspect of the social enterprise not only reduces costs from having to hire outside help, but it also has an important impact on the women themselves. By controlling their own products, they not only build important job and leadership skills, but they also exhibit higher levels of productivity because they now have a bigger stake in the success of their work. In this way, the employees gain the same sort of benefits that they would with a traditional co-operative.

### ***Community Involvement***

All the case studies we examined made sure to involve their local communities as much as possible in their social enterprise projects. This includes public awareness campaigns, using volunteers from the community, reaching out to the local business community, and asking key stakeholders in the local community to serve as advisory board members. Involving the local community in the social enterprise as much as possible helps them catch the vision of the work and increase the likelihood of its success. The Women's Denver Bean Project exemplifies this approach. They have developed nearly twenty strategic partnerships with local businesses and organizations in the area to ensure the success of their social enterprise project. Community is also central to the mission of Thistle Farms. Indeed, they say that promoting stronger communities is essential to their very existence as an organization. This is supported by the perspective of one of our key informants, who posited that the strength of the social connection between a business and the community is directly related to profitability.

Related to community involvement is the importance of initially focusing the products *locally*. The case studies we examined have all kept a significant local presence in their communities, even after expanding to a more regional and national market. Fortunately for

Labyrinth, the local community is already invested somewhat in buying local. Downtown Bloomington and Uptown Normal are home to several small businesses that promote ‘shopping small’ - the act of supporting independently run local businesses. This support of local businesses and products is borne out by the results of the business survey. Over 34 percent of the Bloomington-Normal business respondents reported selling locally sourced products from within a 100-mile radius. When asked if they would consider stocking local products, more than 20 percent of respondents were “very interested” and over 30 percent were “somewhat interested”. In fact, one business provided the researchers with contact details in order to connect with Labyrinth regarding specific sales opportunities. This demonstrates the openness of the local business community in supporting fellow local businesses and suggests that a robust market might exist for locally made products that are of high quality.

One of the local businesses surveyed provided some insight in how to get shelf space for a product in local stores. They suggested that Labyrinth personally visit stores and speak with staff regarding sales opportunities (or by email if that is more convenient). These personal visits are an important part of not only building brand awareness, but also to potentially mobilize support in the local community for a product that could benefit local residents. This will likely be particularly effective for Labyrinth as they already have some positive name recognition in the community, which will make any product they produce an easier sell.

### ***A Holistic Approach***

Simply making and selling a product as part of a social enterprise is not the panacea to poverty. The organizations we looked at made sure to use a multi-faceted or holistic approach that included many different elements apart from the social enterprise. This included providing housing, tutoring, job coaching, case management, counseling, drug treatment programs, and

other health benefits. The importance of a holistic approach is echoed by the broader findings of social enterprises in general. Sanders (2004) has found that social enterprises were most beneficial to women when paired with ongoing learning and networking opportunities for further personal development. A report entitled *Success of Women in Micro Enterprise Development* (James 2012) furthers this perspective. James finds that social enterprise strategy should combine policy and program interventions as measures to tackle the socio-cultural barriers of disadvantaged populations. James (2012) cites the following as ways to tackle barriers: increasing leadership opportunities for women through education, creating expertise through training and confidence building, raising awareness of women's economic role, advocating for policies that publicize the success of female entrepreneurs, and promoting women's access to productive resources. Promoting access for women includes encouraging women's participation in business, identifying existing barriers, and designing support systems specifically for women.

The conclusion from both the case studies and the broader findings on social enterprises suggest that social enterprises work best when they are paired with benefits that address other areas of the women's lives. It is unrealistic, for instance, to expect an employee to work to her fullest capacity when she is suffering from problems related to drug addictions or other mental health problems.

### ***Tax Structure***

Using a tax structure that maximizes the benefits to the social enterprise is an important consideration. Regular non-profit status, 501(c)3, is not necessarily the ideal entity form for a typical social enterprise because its tax-exempt status limits the social enterprise's ability to pursue profit. The non-profit corporation, however, can be adapted for some social enterprise purposes by creating a for-profit subsidiary that generates profit to fund the non-profit

corporation. Other possible organization setups include Low Profit LLCs (L3C). These are formed with the primary objective of furthering the accomplishment of one or more charitable or educational purposes. Unlike a nonprofit entity, the L3C is not precluded from earning a profit. Like any other LLC, the L3C shields its owners from personal liability for the venture and offers flexibility with regard to corporate governance and tax planning. Most importantly, the L3C is designed to be able to receive “program-related investments” by private foundations and private philanthropic investors. Consulting with an accountant to determine which entity format is best suited to the social enterprise is a must, rather than simply accepting the generic 501(c)3 status. That is not to say that 501(c)3 status is a bad option, however. Thistle Farms, for instance, operates as a DBA (Doing Business As) under the umbrella of their parent organization (Magdalene) which is a 501(c)3. There are many different and creative ways to organize for tax purposes, and these have very real implications for the success of the social enterprise itself.

### ***Product Quality***

The product made by the social enterprise needs to not only fit the market, but it should also be recognized for its high quality. The product should be well-made, and almost more importantly, well-packaged. This is because social enterprise products operate on a slightly different footing than most commercial products. Typically, people are looking for the product with the best value (i.e. lowest cost), but with social enterprise products, the market of people who buy them are usually willing to spend more on them than they would on a “normal” product because they recognize the philanthropic element. Indeed, recent studies have found that nearly 90 percent of U.S. consumers would switch brands to one associated with a positive cause if the prices were comparative, and more importantly- nearly half of consumers *would pay extra* for products that represented a positive social cause (Cone Communications Social Impact Study,

2013; Nielson Global Research, 2014). This at least was the motivation behind Thistle Farms' marketing strategy for their products. From interviews with Thistle Farms, we know as an organization they value high quality products that appeal visually to consumers.

In this way, the product is the story behind the creation of the product, rather than the physical product itself. People will buy it because it is a positive story. They will not buy it again, however, if the product is poor, no matter how uplifting the story. Making sure the product is of good quality, even if that raises its cost, is vital.

### *A Multi-Product Approach*

All three case studies we examined used multiple products for their social enterprises. This is wise because it raises potential profits and acts as insurance against any rapid decrease in demand for a single product. It also exposes the women to more potential job opportunities and gives them an opportunity to either self-select based on their skills sets and aptitudes, or develop a more varied skill set by doing a range of unfamiliar work. The products and services provided by the organizations examined show how diverse and creative they can be in tapping into new markets. Some examples of their products and services include food service, art, catering and event planning, car service, digital prints, furniture creation, landscaping, moving services, Christmas tree decorating, bath and body products, artisan paper, candles, coffee, and soups. There is an incredible range of potential products, and using several different products can be beneficial. There is always a tradeoff that exists, however, in expanding too fast and diluting one's core competencies. Successfully navigating that tradeoff is incredibly important to achieve long-term success.

Our findings show that a social enterprise model will not likely provide significant revenue to cover production costs, nor will it enable Labyrinth women sufficient mobility to



move out of poverty. However, employment provided through social enterprises utilizing a holistic approach can be a powerful tool to improve skills, confidence, and marketability of Labyrinth women. It has been shown that integrating ownership and community into the model creates a network of support for employees and goes far to ensure success of the organization. In addition, a high quality, diverse product range has potential to be received well among Bloomington-Normal small businesses.

### **Limitations and Recommendations for Future Research**

#### **Limitations**

Although the research conducted in this study has provided some insightful findings, it is also important to note the limitations of the research. The entire project from start to finish was conducted in sixteen weeks. Time was our greatest limitation throughout the duration of the study. Given our time constraint, it was difficult to develop, implement, and make adjustments to our plan. This resulted in fewer key informant interviews and a smaller sample size for our survey, an issue which we will revisit. These issues were largely a result of the time frame because there was little time to follow up with respondents. Secondary interviews and associated data were limited for the same reasons. Another issue involved with such a short time span is the lack of the longitudinal impacts of the findings. Research to address the questions raised in this project often takes months and the resulting impact could span several years. Therefore, it is difficult to determine if the research that was conducted will have any long-term effects on Labyrinth.

This study was conducted under the supervision of the Institutional Review Board (IRB). IRB is a federal requirement for any research involving human subjects and they ensure that

human subjects are treated ethically with minimized amount of risk to the individual. This requirement meant we were unable to communicate directly with Labyrinth women due to the potential risks it could cause them. In order to accurately advise Labyrinth on their social enterprise it would have been beneficial to gain some perspective directly from the target population. Due to the lengthy Institutional Review Board (IRB) process this was not possible. Secondary data gathering was made difficult by the lack of case studies available for analysis and best practices. When collecting and analyzing our secondary data we found that this topic is unusual in that there exists very little relevant existing research.

Another limitation of this study was that most of the researchers had arrived in the Bloomington-Normal area only a few weeks prior to this study. This meant that the researchers were not familiar with the community and its institutions. If the researchers had been better connected to the community prior to the study it would have resulted in more relevant key informants. Additionally, we could have partnered with organizations to conduct surveys and designed a study which could have been more participatory with the entire Bloomington-Normal community.

The last limitations involve the sampling of businesses in the employment survey. First, the sample for the employment survey was limited to 143 businesses of which only 39 were completed. This responses are still beneficial despite a lower response rate than desired. Secondly, the businesses that were asked to participate in the employment survey were not selected at random, but rather purposively, which means that the findings are not generalizable to the broader community of businesses. Given our time constraint, businesses were selected based on our ability to distribute the survey in a timely manner.

## **Recommendations**

### ***Employment Recommendations***

Based upon the findings presented in this report, we recommend the implementation of a “workplace attitude and skills” assessment tool. The primary purpose of the tool would be to determine whether the women are prepared to be placed in a mainstream work environment. While finding employment for the women is of the highest priority, Labyrinth should proceed with caution. Based on previous findings, sending an individual into the field when they are not ready can have negative consequences. Based on findings from the survey, business managers claimed that they are most concerned about whether a worker exhibits good communication skills, professionalism, and punctuality. Therefore, the assessment tool can help to measure whether a particular woman has these critical qualities. The tool could be constructed in a number of ways, such as asking how they would respond to hypothetical situations, role playing exercises, or reflecting on past experiences. If Labyrinth women do well on the assessment, then they could be further coached to seek employment. If the woman fails to exhibit or acknowledge the importance of these qualities, then additional training may be beneficial before they pursue outside employment. The assessment could also be expanded to be conducted at various points in time following their release from prison. Since business managers have labeled these qualities as critical job skills, perhaps revisiting the topic after employment is gained would be beneficial to help ensure continued success in the workplace. Thirty and sixty day check-ins would be valuable to reinforce the importance of these qualities. Based on previous research, incarcerated women have been found to frequently lack interpersonal skills that could lead to successful employment. For some women additional training or experience could be very beneficial.

An additional recommendation would be to connect with Heartland Community College to explore the possibility of Labyrinth clients attending “Work Readiness” classes. Labyrinth has already utilized Heartland Community College to help clients obtain a GED and this relationship can be expanded upon. The “Work Readiness” program at Heartland offers tuition free classes with the mission to develop the “real world” skills that employers want. Heartland also provides a path for the students to obtain a “National Career Readiness Certificate”. These classes would help prepare Labyrinth women for the workplace and would also serve as a resume builder.

When Labyrinth is seeking employment for the women, there are a few existing tools that they can utilize. These include “Ban the Box”, the federal work opportunity tax credit, and fidelity bond. These tools were designed to protect formerly incarcerated persons and provide incentives for businesses to hire them. It is in the best interest of Labyrinth that local businesses are informed of these tools, although based on our findings this does not appear to be the case. The business survey indicates that a large percentage of the respondents were unaware of these three tools. The key informant interviews were consistent with the business survey and showed that many businesses do not know these tools existed. It is also important to note that some businesses did know about the tax incentives, however they perceived it to be a lengthy process and not worth the time. To address these findings, our recommendation is to raise more awareness about these specific topics regarding formerly incarcerated women. We recommend a public relations campaign that would target local businesses within Bloomington-Normal. One approach to this is perhaps meeting with local government agencies such as the Economic Development Council and the Chamber of Commerce. Given that these organizations are vital points of contact with many local businesses they can help this campaign by educating existing and new businesses about “Ban the Box”, fidelity bond, and the tax incentives. Raising

awareness about “Ban the Box”, the federal work opportunity tax credit, and the fidelity bond will hopefully create more incentives for businesses in hiring a formerly incarcerated woman. It is possible that not all businesses will be open to pursuing these incentives, although we encourage Labyrinth to be as active as possible. Most of the survey respondents indicated that working with a job coach is desirable. The more active the job coach is, the more likely businesses will utilize the incentives and hire Labyrinth women.

An additional possible future opportunity for Labyrinth women was discovered during the interview process. An ISU Business Club representative proposed the idea that Business Club members could earn volunteer hours by facilitating employment or resume workshops and holding mock interviews at the ISU campus. This would be a good collaborative effort that could benefit both students and Labyrinth women.

### ***Microbusiness (Social Enterprise) Recommendations***

From the collection and analysis of a variety of data from the key informant interviews and secondary sources, we have developed the following recommendations for the Labyrinth microbusiness (social enterprise) initiative.

The most important recommendation is for Labyrinth to consider becoming a Thistle Farms Sister Organization. Thistle Farms is a social enterprise working with women of addiction and human trafficking in Nashville, Tennessee. This organization has created a network of similar non-profits and social enterprises throughout the United States who work with women, each of which are called sister organizations. The goal of this network is for these organizations to come together to learn from the successful model of Thistle Farms as well as share challenges and best practices with one another. They have the experience and wisdom obtained from many years of hard work, dedication, and overcoming challenges in the field which could be of great

benefit to Labyrinth. Labyrinth would not be in competition with Thistle Farms, because even though they serve the same target population, they serve in different communities. Both parties could mutually benefit from a partnership. Additionally, we believe that it would be an excellent use of time and resources for the leadership team of Labyrinth to attend one of the monthly educational workshops hosted at Thistle Farms. The workshops provide relevant education on creating a social enterprise and on “housing first” models of rehabilitation and transition for women. It is also a chance to meet with people from all around the country working towards the same mission of helping these underserved women.

Labyrinth should consider employing an innovative management model such as the “Strategic Management Model” to perform a SWOT (Strengths, Weakness, Opportunities, and Threats) analysis and answer a variety of question pertaining to starting up a new business. This analysis would benefit from a broader discussion of the following: “mission, vision, values, goals and objectives, strategy formulation and deployment, measurement and feedback, critical success factors, and competitive advantage” (Pryor, 2010, p. 3). Through the “Strategic Management Model”, Labyrinth women can determine the strengths (skills, previous experience, etc.) that they possess along with the weaknesses (areas they lack knowledge, skills they would like to learn, etc.) they would like to address. They can also brainstorm possible opportunities (funding, growth, etc.) to take advantage of and address potential threats (high competition within chosen market, low demand for products, etc.) to their success. This model is also very complimentary to the implementation of a “workplace attitude and skills” assessment tool which was previously suggested by the employment team. Together, these tools can help to ensure that the women are as prepared to be successful in the workplace as possible before they actually begin seeking an external job opportunity. It would also be beneficial to the women of Labyrinth to seek

assistance from professionals or those who are knowledgeable in the business start-up process so that they can learn from these individuals and do the best they can to address these questions among others.

Labyrinth may also wish to consider employing or taking advantage of a large variety of new technologies that are currently being utilized in the workplace environment. For example, if the women receive training in website design, social networking, crowd funding, etc, they may improve their potential to create a successful social enterprise that has a significant reach and name recognition throughout McLean County. Crowdfunding represents a form of alternative finance that has been increasing in popularity over the years. It utilizes an innovative approach by implementing internet technology as a means to attract financial support from large numbers of people all over the world. If enough people provide even small individual donations, it could add up in the aggregate to a significant amount of funding.

In order to maximize responsiveness from consumers to Labyrinth products and initiatives, it may be helpful to utilize emotional appeal in advertising and products. Many consumers genuinely care about social issues and will more likely purchase a product or support a cause if they know they are doing good for their community in the process. This conclusion is supported by behavioral economics and a variety of academic studies which were previously referenced in the findings. These studies confirm that appropriate marketing and presentation of products is crucial. Finally, we recommend that Labyrinth consider calling the “microbusiness” a “social enterprise”, because it better describes Labyrinth’s goals.

Social enterprises often do not have the resources to weather economic downturns and drastic changes in market conditions. Therefore, it is important for Labyrinth to work collaboratively to leverage the resources of similar organizations with the same goals. Labyrinth

should consider partnering with other organizations which are doing similar work to their own or could help further their objectives. Cultivating partnerships within the Bloomington-Normal community is essential to building a comprehensive support structure and network. This could be accomplished by building relationships with key stakeholders such as mental health services or employment agencies. Building a network will allow Labyrinth to be better recognized in the community which will provide positive benefits to the women who are served by Labyrinth. Businesses and organizations will be more likely to work with women associated with an organization they are familiar with.

Since Labyrinth's women-led microbusiness (social enterprise) will not be created with the sole intent of profit maximization like most traditional businesses are, it would be beneficial to have broader social welfare objectives in mind for the women who serve in the social enterprise. With this in mind, it is crucial to provide skills training and other practical hands-on education. Transferrable, useful skills are ultimately what make individuals marketable and valuable to different organizations. A valuable strategy for Labyrinth is to focus on a holistic approach to build strong, confident women who are able to withstand any challenges that might be thrown at them. Providing education, training, and specific skills are important, but these should be combined with an emphasis on the emotional, psychological, and even spiritual (if applicable) aspects of a woman's wellbeing. Helping women achieve personalized individual sustainability is critical to addressing all aspects of their well-being to maximize their chances for long-term success.

### ***Recommendations for Future Research***

The majority of the data collected during this process was through the use of a limited number of business surveys, key informant interviews, and secondary data analysis. While the



survey has produced important overall findings for Labyrinth, we feel that utilizing focus groups comprised of members of the business community throughout Bloomington-Normal could also be enlightening going forward. It could also help Labyrinth staff to gain a more in-depth picture of the perceptions and knowledge about formerly incarcerated women in the workforce. Secondly, 143 surveys were sent to local businesses and organizations. This yielded 39 responses which equates to a 27 percent response rate. To obtain additional data and higher response numbers, it might be necessary to survey even more businesses. Statistically, the more businesses which are surveyed, the higher the response numbers will be, which will result in more accurate data that is representative of the larger business community population.

More research may need to be conducted to determine which model of staffing would make the social enterprise most effective: transitional or non-transitional. It would also be worthwhile to conduct more research on effective management models besides the “Strategic Management Model”. It may be worthwhile to research management best practices for supervising and overlooking populations who suffer from emotional distress and emotional stunting due to abuse and other negative experiences. Learning these best practices will be beneficial when helping Labyrinth women transition into the workforce and for structuring an appropriate work environment in the social enterprise. The social enterprise work environment will need to be a bit more lenient and understanding than a regular work environment so that the Labyrinth women can learn and grow in a non-threatening, non-judgmental work environment.

### **Conclusion**

The increasing rate of incarceration among women coupled with high rates of recidivism accentuate the lack of institutional and programmatic support for women moving in and out of the prison system. Since most post-release programs are designed to provide general support,

there is a gap between present resources and the needs of women which often differ from those of men in several key areas. Since many formerly incarcerated women are the primary caregivers of dependent children, the lack of proper reentry support becomes a generational issue characterized by demographic inequality. By targeting the needs of reentering women through a holistic, gender-specific approach to treatment and support, practitioners in the field may similarly improve the lives of future generations.

The barriers to successful reentry include a lack of post-prison services, coordination in their delivery, gender-responsive services, stigmatization of formerly incarcerated women, defunct social networks, and restrictive employment practices. While various organizations are increasingly providing supportive services in regard to these barriers, there remains a large need for more comprehensive and holistic services which effectively reduce the gender-specific challenges women face. While it remains difficult to attribute causality to the many aspects of service provision strategies for their impact on recidivism rates among women, growing research is demonstrating the importance of a gender-specific approach which implements the programmatic elements discussed.

When looking to identify the barriers of incarceration, the results were not what we expected to find. The initial hypothesis was that the stigma associated with formerly incarcerated women would hold them back. However, what we found was that the community was more concerned with the potential lack of soft skills, such as communication, punctuality, and professionalism, in the majority of cases. Our research showed that there are community members interested in potentially working with Labyrinth clients and case studies showed that there are great levels of success with employing this population. While we can never truly break

down all the barriers that make up the cycle of incarceration, we know that these strategies could be the start of finding a solution.

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## Appendix A

### Interview Protocol – Micro-Business Research Team

#### Core Questions:


1. Could you tell us a little more about your role here at [organization]?
2. What has made your organization successful in the community? What have been the challenges?
3. What factors might contribute to a local micro-business being successful or unsuccessful?
4. What is your experience serving disadvantaged populations?
5. Probing question: If so, have you dealt specifically with formerly incarcerated people?
6. Probing questions: If so, what experiences have you had with formerly incarcerated women?
5. Do you know of any local businesses that have worked to serve a social cause?
6. Probing question: What strategies did they use?
6. Can you think of any local contacts or other resources which may be helpful? Any non-local resources?
7. **FINAL QUESTIONS FOR EVERYONE: Is there anything from this interview that you would prefer we not use in our final report?**

#### Supplemental Questions Dependent upon Informant Role:


1. What do you perceive as the primary goals for our group in this project in the short-term and long-term? How do you intend to use the data we provide?
2. Could you please explain more about your previous research on micro-business?
  - a. Probing question: Do you have any suggestions for other products that you think would be viable for Labyrinth women to produce and sell?
3. What do you envision for the size or scale of this micro-business program? How do you envision incorporating the stories of the clients you serve to promote the micro-business?
4. Do you know of current or potential funding resources to start up this program?
5. Can you elaborate on your upcoming merger with YWCA? What are the implications for structure/management/funding/programming?

6. Can you describe the process of starting a business in McLean County? Legal, licensing etc.
7. How do you choose which products you carry in your store?
  - a. What sort of financial agreement do you have with the people whose products you stock?
8. What strategies did you use to build relationships with other small businesses?
9. How did you first launch your business in the community and build brand awareness?
10. What are the specific challenges in assisting clients with starting small businesses in the McLean county area?
  - a. Probing question: What are some potential solutions to those challenges?
11. What are the industries of growth in McLean County?
12. What kinds of goods and services could be produced by a micro-business that would resonate with consumers in McLean County?
13. What unique challenges do you see for women who start a micro-business, especially for those who have been formerly incarcerated?
  - a. Probing question: What possible solutions do you see to help lessen these challenges?
14. What financial incentives/tax credits/subsidies does the county offer to micro-businesses and start-ups?
  - a. Probing question: Are you aware of any other organizations that offer such incentives?
15. Can you tell us a little about your organization's engagement with small businesses?
  - a. Probing question: Does your organization assist small businesses in any way?
16. What types of businesses/business models work well for your clients? Do you know of a model that might work for Labyrinth's vision?
17. Could you explain a bit about possible grant funding that might be available to new micro-businesses?
18. What financial incentives/tax credits/subsidies does the county offer to micro-businesses and start-ups?
  - a. Probing question: Are you aware of any other organizations that offer such incentives?

## Appendix B



**STEVENSON CENTER**  
FOR COMMUNITY AND ECONOMIC DEVELOPMENT  
*Illinois State University*



**labyrinth**outreach  
Services to Women

**Bloomington-Normal Business Survey**

**Welcome to My Survey**

In collaboration with Labyrinth Outreach Services for Women, a group of graduate students at Illinois State University is working on an assessment of employment and micro-business opportunities and barriers for formerly incarcerated women who are clients of Labyrinth. Labyrinth Outreach Services to Women is a not-for-profit, 501(c)(3) organization that provides long-term supportive services to women from McLean County who have been incarcerated or are on probation. The goal of Labyrinth is to collaborate with all available local social service agencies to assist the women to remain free of future court involvement and ultimately reduce recidivism. One of the primary avenues to accomplish this is to assist the women with finding meaningful and sustainable employment or business opportunities once they are released from incarceration.

This survey is designed to collect data about employment practices and micro-business opportunities in McLean County. Your survey answers will assist Labyrinth in developing more effective job coaching practices and the further development of viable micro-business opportunities for their clients. This research is designed to better understand the needs and assets specific to the issue of micro-business employment opportunities for formerly incarcerated women. Results from this project will be provided to the staff of Labyrinth and their partners to assist in preparing their clients for successful employment and business opportunities following their incarceration.

Your participation is completely voluntary and all information will remain confidential. The survey should take no more than 10 minutes to complete. There is no way to associate your name or your businesses name with any of the data we collect and therefore we will not associate your name or any other identifying information with any of the final data or in any final reports. All data will be reported in the aggregate in the final report, which will be provided to Labyrinth at the end of our project in early December. Participation involves minimal risks associated with completing any survey about employment and opportunities/barriers for formerly incarcerated women. The benefits would be helping to improve employment and business opportunities for the clients of Labyrinth. If you choose not to participate or choose to discontinue your participation at any point in time, there will be no penalty. You may skip any questions that you are not comfortable answering without any penalty.

If you have any questions or need any additional information, please contact Dr. Joan Brehm, Illinois State University, tel: 309-438-7177, email: [jmbrehm@ilstu.edu](mailto:jmbrehm@ilstu.edu). You may also contact Illinois State University's Research Ethics and Compliance Office at (309) 438-2529. The role of the Research Ethics and Compliance Office is to field questions about participant research rights.

By completing the survey, you are consenting to the information outlined above.



**Bloomington-Normal Business Survey**

1. Does your business have hiring restrictions regarding formerly incarcerated people?

- Yes
- No
- Not sure

2. Do you have the authority to make hiring decisions?

- Yes
- No



### Bloomington-Normal Business Survey

#### Hiring

3. Has your business ever hired a formerly incarcerated person?

- Yes
- No
- Not sure

4. Does the type of offense matter in hiring a formerly incarcerated person?

- Yes
- No

If yes, please specify why?

5. Would your business be open to hiring a formerly incarcerated...

	Yes	No
woman?	<input type="radio"/>	<input type="radio"/>
person enrolled in a post-prison re-entry program?	<input type="radio"/>	<input type="radio"/>
person who is working with an active job coach?	<input type="radio"/>	<input type="radio"/>
person with a non-violent offense?	<input type="radio"/>	<input type="radio"/>
person with a violent offense?	<input type="radio"/>	<input type="radio"/>
person with a theft charge?	<input type="radio"/>	<input type="radio"/>
person with a misdemeanor?	<input type="radio"/>	<input type="radio"/>
person with a felony?	<input type="radio"/>	<input type="radio"/>

6. In regards to hiring formerly incarcerated women, please indicate your level of concern about the following

	Not Concerned				Extremely Concerned
theft by the employee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
lack of customer service skills	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
lack of experience	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
destruction of work property	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
harm to other employees	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
lack of interpersonal skills	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
lack of professionalism	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
punctuality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

7. What would increase the likelihood of your business hiring a formerly incarcerated person?



**Bloomington-Normal Business Survey**

**Incentives**

8. Which statement best reflects your knowledge of "Ban the Box"? Please select only one answer

- A law stating that employers cannot ask about criminal records on the job application.
- A law stating that employers cannot ask about criminal records during the job interview.
- A law stating that employers can never ask about criminal records.
- A law requiring employers to ask about criminal records on the job application.
- Never heard of 'Ban the Box' before

9. Please indicate your level of knowledge on the following incentives for hiring formerly incarcerated persons

	Never heard of it	Heard of it	Very knowledgeable
Federal work opportunity tax credit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Fidelity bond (insurance)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Other (please specify)

10. How important are these incentives when making hiring decisions?

	Not applicable	Not at all important			Very Important
Federal work opportunity tax credit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Fidelity bond (insurance)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



**Bloomington-Normal Business Survey**

**Selling**

**Labyrinth Outreach Services is in the early stages of creating a small business which will provide a supportive work environment for the clients of Labyrinth and create a source of funding for the organization. These questions seek to gain information about the feasibility of a small business in the Bloomington-Normal area.**

11. How interested would you be in stocking your store with locally made products (within 100 mile radius)?

- Not at all interested
- Somewhat interested
- Very interested
- Does not apply

12. Which of the following products are most likely to sell in your store? Please select all that apply

- Natural household cleaning products
- Soaps/Candles
- Crafts/Arts
- None
- Does not apply
- Other (please specify)





**Bloomington-Normal Business Survey**

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**STEVENS ON CENTER**  
FOR COMMUNITY AND ECONOMIC DEVELOPMENT  
*Illinois State University*



**labyrinth**outreach  
Services to Women

**Bloomington-Normal Business Survey**

**Demographics**

16. What is your gender?

Male  
 Female  
 Prefer not to respond

17. What industry does your company belong to?

18. How many years has your business been in operation?

less than 1 year  
 1-3  
 4-7  
 8-15  
 16 or more years

19. How many employees does your business have?

1-5  
 6-20  
 21-50  
 51+

20. Would you be interested in working with an organization that assists formerly incarcerated women, such as Labyrinth?

Yes

No

21. If you are interested in working with Labyrinth and would be interested in leaving your contact information, please do so below. Please note that your previous answers will be held confidential and separate from your contact information. Data from this survey will only be reported in the aggregate.

## Appendix C

### Interview Protocol –Employment Research Team

#### Core Questions:

1. Could you tell us a little more about your role here at [organization]?
2. What concerns might an employer have regarding hiring a formerly incarcerated person?
3. Probing Question: Are there any unique concerns in hiring a formerly incarcerated woman?
4. What do you think the public's perception is about women who have been incarcerated?
5. What are some more suitable and less suitable job sectors in which a formerly incarcerated woman would be successful?
6. What could be some of the benefits and barriers of hiring a formerly incarcerated woman?
7. In considering hiring a formerly incarcerated woman, what information would be most helpful?
8. **FINAL QUESTION FOR EVERYONE: Is there anything from this interview that you would prefer we not use in our final report?**

#### Supplemental Questions Dependent upon Informant Role:

1. What is your role as a liaison between employers and Labyrinth clients?
2. What jobs do Labyrinth clients want to have?
3. What data do you collect on the current employers of Labyrinth women?
  - a. Probing question: Do you have any hiring or firing rate data?
4. What type of information do you want employers to know that would help Labyrinth clients have a better chance at getting hired?
5. Could you rank the most important pieces of information that you would like to receive from our research?
  - a. Probing Question: How would you use that information?
6. What businesses do you perceive to be most open to hiring formerly incarcerated women?
7. Do you believe that businesses know about tax or any other benefits of hiring formerly incarcerated women?
  - a. Probing Questions: Do you advocate for these benefits? How well informed would you say businesses are about tax benefits?
8. Could you recommend anyone else who may be knowledgeable about the employment of formerly incarcerated women that we could talk to?
9. To your knowledge, what incentives are there to hire formerly incarcerated people?

- a. Probing Questions: How did you find out about them? How valuable are these benefits?
10. If there was a liaison provided between Labyrinth and your business, how would that influence your decision to hire a Labyrinth client?
11. What would be your personal motivations behind hiring formerly incarcerated women?
12. What would be the challenges of hiring a formerly incarcerated woman?
  - a. Probing Questions: Have you hired any formerly incarcerated women? Why or why not?
13. What data on the current employers of Labyrinth women do you currently keep?
14. Could you rank the most important pieces of information that you would like to receive from our research?
  - a. Probing Question: How would you use that information?
15. What is the biggest concern that Labyrinth women have with gaining employment?
16. What characteristics would an ideal employer have?
17. From a business owner's perspective, what do you see as possible risks and benefits of hiring formerly incarcerated citizens?
18. Is there any business advice that you think would be useful for formerly incarcerated women or an organization like Labyrinth?
19. Do you know any businesses in the community that might be willing to partner with Labyrinth?
20. How interested would you be in collaborating with Labyrinth in areas such as mock interviews, resume workshops, etc...?