

**The Employment Retention  
and Advancement Project**

**Results from Two Education and Training Models  
for Employed Welfare Recipients  
in Riverside, California**

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# Overview

This report assesses the implementation and two-year impacts of two education and training initiatives — together called Phase 2 — for employed, single-parent welfare recipients in Riverside County, California. The first, Riverside’s Work Plus program, encourages enrollees to meet the welfare system’s quid pro quo “participation” requirements by combining at least 20 hours of employment per week with up to 12 additional hours of attendance in remedial education, postsecondary education, or vocational training. The second, Riverside’s Training Focused program, allows enrollees to substitute additional hours in school or training for hours on the job or even to forgo employment temporarily and instead participate full time in approved skill-building activities. MDRC is relying on a random assignment design to evaluate the Work Plus and Training Focused strategies — employed recipients are randomly assigned to one of the two special programs or to a control group (whose members are not encouraged to enroll in education or training and are expected to maintain or seek full-time employment). The Work Plus and Training Focused programs are among the 16 models being tested by MDRC in the national Employment Retention and Advancement (ERA) project under contract to the Administration for Children and Families (ACF) in the U.S. Department of Health and Human Services (HHS), with additional support from the U.S. Department of Labor (DOL).

## Key Findings

- **The two programs had only small impacts on attendance in education or training overall, but they showed larger effects among more disadvantaged groups.** Surprisingly, many control group members participated in an education or training activity on their own initiative during the first year of follow-up — a level of participation only slightly below those of the Work Plus (37 percent) and Training Focused (41 percent) groups. Impacts differed markedly by subgroup. Among single parents who were high school graduates or working full-time hours at random assignment, the two programs had difficulty getting more people to attend school or training beyond those who probably would have done so anyway. In contrast, among more disadvantaged recipients, including nongraduates and part-time workers, the two programs boosted participation by a considerable margin above the control group, primarily in remedial education activities.
- **Over two years, neither program increased employment and earnings levels above the control group.** Work Plus and Training Focused group members remained employed for about the same length of time as control group members, and all three groups received about the same amount in total earnings. No increases in employment or earnings above the control group were found for any subgroup, including more disadvantaged groups with relatively large impacts on attending school or training.

Although not encouraging, these results are not the final word on the Work Plus and Training Focused approaches (longer follow-up periods eventually will be analyzed) or on other strategies that encourage employed single-parent TANF recipients or other low-income workers to combine work and training.



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## About the Employment Retention and Advancement Project

The federal welfare overhaul of 1996 ushered in myriad policy changes aimed at getting low-income parents off public assistance and into employment. These changes — especially cash welfare’s transformation from an entitlement into a time-limited benefit contingent on work participation — have intensified the need to help low-income families become economically self-sufficient and remain so in the long term. Although a fair amount is known about how to help welfare recipients prepare for and find jobs in the first place, the Employment Retention and Advancement (ERA) project is the most comprehensive effort thus far to ascertain which approaches help welfare recipients and other low-income people stay steadily employed and advance in their jobs.

Launched in 1999 and slated to end in 2009, the ERA project encompasses more than a dozen demonstration programs and uses a rigorous research design to analyze the programs’ implementation and impacts on research sample members, who were randomly assigned to the study groups. The study was conceived and funded by the Administration for Children and Families in the U.S. Department of Health and Human Services; supplemental support has been provided by the U.S. Department of Labor. The project is being conducted by MDRC. Most of the ERA programs were designed specifically for the purposes of evaluation, in some cases building on prior initiatives. Because the programs’ aims and target populations vary, so do their services:

- **Advancement programs** focus on helping low-income workers move into better jobs by offering such services as career counseling and education and training.
- **Placement and retention programs** seek to help participants find and hold jobs and are aimed mostly at “hard-to-employ” people, such as welfare recipients who have disabilities or substance abuse problems.
- **Mixed-goals programs** focus on job placement, retention, and advancement, in that order, and are targeted primarily to welfare recipients who are searching for jobs.

The ERA project’s evaluation component investigates the following aspects of each program:

- **Implementation.** What services does the program provide? How are those services delivered? Who receives them? How are problems addressed?

- **Impacts.** To what extent does the program improve employment rates, job retention, advancement, and other key outcomes? Looking across programs, which approaches are most effective, and for whom?

A total of 16 ERA models have been implemented in eight states: California, Illinois, Minnesota, New York, Ohio, Oregon, South Carolina, and Texas. But — given significant differences in implementation in the three sites operating the Texas model — the project ultimately will yield 18 independent estimates of site effectiveness.<sup>1</sup>

The evaluation draws on administrative and fiscal records, surveys of participants, and field visits to the sites.

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<sup>1</sup>Past reports list 15 ERA models. This number was changed, however, to recognize that one of the tests in Riverside, California, actually involved two models, given the two initiatives' different sets of service providers and program rules. Note that "site effectiveness" refers to the effectiveness of different models or to the effectiveness of a model that was implemented very differently in a number of locations.

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Finally, we extend our deep appreciation to the thousands of Riverside Phase 2 sample members whose program experiences will contribute to the policy world's knowledge of the challenges faced by working recipients of Temporary Assistance for Needy Families (TANF) as they strive to improve their lives.

The Authors



## Executive Summary

This report assesses the implementation and two-year impacts of two approaches to providing education and training services to employed welfare recipients in Riverside County, California. The two approaches, called Work Plus and Training Focused, together known as Phase 2, enrolled recipients of Temporary Assistance for Needy Families (TANF) benefits (primarily single parents) who worked for 20 or more hours per week but earned too little to leave assistance. Both approaches, still in operation in Riverside, encourage working TANF recipients to attend courses in remedial education, postsecondary education, or vocational training, depending on recipients' levels of educational attainment and career aspirations. The Work Plus and Training Focused approaches offer a different mix of services, participation requirements, and messages but share the same operating principle: that, to advance in the labor market, low-wage workers need to attain skills and credentials beyond what they can acquire on the job.

To better understand the effects of encouraging employed TANF recipients to combine work with education or training, Riverside's Work Plus and Training Focused approaches are being compared with a third, limited-services approach, called Work Focused (and referred to in this evaluation as the "control group"). Similar to postemployment programs run by states and localities (including Riverside) in the mid- to late 1990s, the Work Focused approach makes available, upon request, case management services to promote job retention and payments to defray enrollees' child care, transportation, and other work-related expenses.

This study is part of the Employment Retention and Advancement (ERA) project, which is testing 16 models across the country. The ERA project was conceived and funded by the Administration for Children and Families (ACF) in the U.S. Department of Health and Human Services (HHS) and is also supported by the U.S. Department of Labor (DOL). The project is being conducted by MDRC, a nonprofit, nonpartisan research organization, under contract to HHS.

The findings for the Work Plus and Training Focused approaches are of particular interest because the strategy the approaches use — encouraging enrollees to combine work with education or training — stands in stark contrast to "work-based" strategies that focus almost exclusively on helping low-wage workers (1) address barriers to employment retention, such as child care and transportation problems; (2) get more hours of work, better work schedules, raises, or promotions; or (3) find a better job. The setting of the study in California is also important. In any given quarter, more than 30 percent of California's adult TANF recipients combine work and welfare (more than 40 percent in Riverside), reflecting the state's relatively high grant levels and rules that disregard most of recipients' earnings when calculating their grant amounts. In a state like California, therefore, postemployment strategies must promote career advancement to help recipients earn enough to leave assistance.

## **History of Postemployment Programs in Riverside County**

Since the mid-1980s, Riverside's Department of Public Social Services (DPSS) has operated a mandatory preemployment program for welfare recipients, called Greater Avenues for Independence (GAIN), which excels at moving recipients quickly into jobs. However, evaluations of Riverside's program, along with DPSS's internal reviews, showed that many enrollees who found jobs through GAIN subsequently left employment and that relatively few advanced to better jobs. Starting in 1994, DPSS sought to address these problems by adding a postemployment component to GAIN. At first, DPSS focused primarily on providing case management services and payments for enrollees' child care, transportation, and other work-related expenses (similar to the Work Focused approach in the present study). Evaluated as part of the national Post-Employment Services Demonstration (PESD), Riverside's initial postemployment program did not improve enrollees' ability to retain employment or increase their earnings beyond what they would have been without the program.

In 1998, DPSS switched to a postemployment program that encouraged enrollees to attend education or training courses while continuing to meet the state's work requirements. DPSS named its new program Phase 2 and renamed its preemployment program Phase 1. That same year, DPSS administrators designed an alternative education- and training-focused postemployment program for TANF recipients, called New Visions. Operated by Riverside Community College, New Visions offered a flexible schedule of classes, self-paced curriculum, and short (six-week) class segments. An evaluation of New Visions found that the program did not increase employment and earnings above the levels attained by enrollees in the regular Phase 2 program.

During the ensuing years, DPSS worked with area education and training providers to make attendance in Phase 2 easier for working parents (creating courses with flexible schedules, for example) and to recruit enrollees more aggressively. The result was the version of Phase 2 referred to as the Work Plus approach. Concerned that it was difficult to combine work with education and training, DPSS administrators subsequently contracted with the Economic Development Agency (EDA) of Riverside County, the county's Workforce Investment Agency, to design a new Phase 2 approach that encourages enrollees to maximize their hours of attendance in education or training activities, even if enrollees cut back on their hours of work. DPSS and EDA administrators named this alternative version of Phase 2 the Training Focused approach. After successfully completing a short pilot phase, EDA began operating the Training Focused approach on a countywide basis in January 2001.

## **Key Features of Each Approach**

Table ES.1 summarizes the key features of the Work Plus, Training Focused, and Work Focused approaches.

### **Administration, Case Management, and Recruitment**

The Work Plus approach is operated by the Phase 2 (postemployment) unit within DPSS, while the Training Focused approach is operated by the Welfare-to-Work Division within EDA. Case managers in each approach are specialists, having no enrollees in other programs in their caseload, and they actively recruit eligible TANF recipients for program services. The Work Focused approach is operated by the Phase 1 (preemployment) unit within DPSS. Work Focused enrollees are added to the caseloads of Phase 1 case managers, whose main task is to help unemployed recipients find a job. Work Focused case managers do not actively recruit eligible TANF recipients for program services.

### **Balance of Work and Training**

Enrollees in all three approaches are subject to California's statewide TANF rule, which requires recipients to work or engage in approved employment preparation activities for a total of 32 hours per week. Work Plus enrollees may meet this requirement with a combination of work and attendance in approved education or training activities, but they must maintain at least 20 hours of employment per week. Training Focused enrollees may substitute additional hours in school or training for hours on the job or, with their case manager's approval, even forgo employment temporarily to participate full time in education or training activities. Work Focused enrollees are expected to meet the 32-hour requirement with at least 20 hours per week of employment, supplemented, where necessary, with participation in approved job search activities.

### **Education and Training Services and Philosophy**

Work Plus case managers work with new enrollees to develop an Employability Plan and choose an appropriate course of study. Work Plus enrollees are responsible for contacting providers and signing up for a specific education or training program. Case managers encourage high school graduates and General Educational Development (GED) certificate recipients to attend short-term vocational training. Nongraduates are encouraged to attend classes in adult basic education or GED preparation before enrolling in vocational training.

Training Focused case managers refer new enrollees to a formal vocational assessment. After reviewing assessment results, case managers refer enrollees to specific education or training providers within EDA's service delivery network. Case managers encourage enrollees to attend long-term vocational training courses (of up to two years duration). Nongraduates are

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**Table ES.1**

**Comparison of Participation Mandates and Other Program Dimensions  
Across the Three Research Groups**

**Riverside Phase 2**

<b>Program Feature</b>	<b>Program Type</b>		
	<b>Work Plus</b>	<b>Training Focused</b>	<b>Work Focused (Control Group)</b>
<b>Administrative agency</b>	County welfare department (postemployment division)	County workforce agency	County welfare department (preemployment division)
<b>Minimum weekly participation mandate</b>	32 hours of employment or approved employment preparation activities		
<b>Minimum weekly work requirement</b>	20 hours	None	20 hours
<b>Advancement strategy</b>	20 hours or more of work plus education or training	Maximize hours of education or training	Maximize hours of employment
<b>Education and training focus</b>	Remedial education or short-term training	Long-term vocational training	None
<b>Case management</b>	Intensive and proactive	Intensive and proactive	Limited and reactive
<b>Financial supports for work or training</b>	Available		

encouraged to attend programs that combine basic education or GED preparation and vocational training.

Work Focused case managers monitor the employment status of enrollees, contact enrollees periodically, and encourage them to maximize their hours of work. Case managers do not encourage attendance in education or training activities. If requested by enrollees, Work Focused case managers provide child care and transportation payments for self-initiated education or training activities that are short term and that teach a job skill known to be in demand in Riverside County.

**Income Supports**

Enrollees in all three approaches are equally eligible to receive TANF benefits, food stamps, child care and transportation assistance, and medical coverage.



## **Response to Job Loss**

Work Plus and Work Focused enrollees who leave employment remain eligible for services for up to 60 days, after which they return to DPSS's Phase 1 (preemployment) program. Training Focused enrollees who leave employment remain eligible for services indefinitely but are required to meet California's weekly participation mandate through participation in job search, education, or training activities.

## **Services for TANF Leavers**

Through September 2002, enrollees in all three approaches who left TANF lost eligibility for services but could, on their own initiative, enroll in a limited-services, post-TANF program operated by Phase 1 case managers. Starting in October 2002, Work Plus and Training Focused enrollees retained their eligibility for services, but Work Focused enrollees did not.

## **Evaluation Design**

MDRC and its subcontractor, The Lewin Group, are conducting a rigorous experimental comparison of the Work Plus and Training Focused approaches with the Work Focused approach. The study focuses on TANF recipients who became newly eligible for Phase 2 services, having enrolled in Phase 1, DPSS's mandatory preemployment program, and having recently started a job providing 20 or more hours per week of work with wages of \$6.75 or more per hour, the state minimum. DPSS randomly assigned these recipients to the Work Plus or Training Focused approaches or to the Work Focused approach, hereafter referred to as the control group. DPSS assigned Work Plus and Training Focused group members to new case managers who specialized in providing their approach's services and reassigned members of the control group to their Phase 1 case managers. Random assignment took place between January 2001 and October 2003. This report summarizes the effects of each approach for 2,907 single parents (mostly mothers) who were randomly assigned through September 2003.

The random assignment process ensured that there are no systematic differences in sample members' characteristics, measured and unmeasured, among the three research groups. Thus, any differences that emerge when comparing employment or other outcomes between any two of these groups can be described with confidence as true effects and not the result of chance.

## **Evaluation Sample**

In evaluations of social policy initiatives, the background characteristics and experiences of sample members often affect the types of services they receive and their subsequent labor market behavior. Most notably for this evaluation, about 56 percent of the sample mem-

bers were working for 32 hours or more per week at their time of random assignment. Having met the TANF weekly participation requirement through their work hours, these sample members remained eligible to participate in Work Plus or Training Focused activities but had no obligation to do so — not even to maintain contact with their case managers. In contrast, participation was mandatory for the 44 percent of Work Plus and the Training Focused group members who worked between 20 and 32 hours per week and had not met California’s 32-hour weekly participation requirement at their time of random assignment.

Also important, at the time of random assignment, about 42 percent of sample members lacked a high school diploma or GED certificate, the minimum credentials required to enter many training courses offered at community colleges and private vocational institutions. (Some training programs enroll nongraduates, but nongraduates often need to complete courses in basic education, English as a Second Language, or GED certificate preparation before entering their preferred course of study.) Thus, the education and training options initially open to many Work Plus and Training Focused sample members were limited.

Finally, on average, sample members had two children, and two-thirds of sample members had at least one child age 5 or younger as of random assignment. Thus, many single-parent sample members needed to arrange for child care while they worked or attended education or training courses.

## **Key Findings on Program Implementation and Participation**

To have a fair test of the Work Plus and Training Focused approaches, a relatively large proportion of Work Plus and Training Focused group members would have to attend education or training activities, and their levels of participation in those activities would have to greatly exceed the participation level of the control group. For several reasons, these benchmarks proved difficult to achieve, most notably because a higher than expected proportion of control group members attended education or training activities on their own initiative. However, as discussed below, the two approaches attained greater success in boosting participation beyond control group levels among sample members working part-time hours at random assignment, for whom participation was mandatory, and among nongraduates, who faced greater difficulties in enrolling in vocationally oriented education or training courses.

- **Compared with the control group, the Work Plus and Training Focused approaches increased participation in education or training activities primarily among sample members who, as of random assignment, were working part time or were without a high school diploma or GED certificate.**

Table ES.2 displays levels of participation in each research group for a subsample of 712 single parents who responded to a survey administered around 12 months following their date of random assignment. Work Plus and Training Focused respondents reported attendance in skill-building activities that their case managers recommended, as well as in other programs that group members sought out and enrolled in entirely on their own. The table shows rates and averages for all survey respondents (“full sample”) and separate results for subgroups defined by members’ level of educational attainment and number of hours of employment at random assignment.

As the table shows, 32 percent of control group respondents reported that they attended an education or training activity — remedial education, postsecondary education, or vocational training — on their own initiative during the first year of follow-up. (Interviews with DPSS administrators and case managers and an examination of agency records confirmed that Phase 1 case managers almost never referred control group members to education or training activities.) Control group members’ level of participation in education or training is surprisingly high, especially for working single parents. Most likely, the setting of the evaluation in Riverside County contributed to this result. Riverside has a large number of public and private educational institutions that enroll unemployed and low-wage workers and offer Pell Grants and other support for attendees. Moreover, sample members in all three research groups enrolled and participated in essentially the same types of education and training programs, especially in the medical field (Certified Nurse’s Aide programs, in particular) and the office assistant field.

During the first year of follow-up, the Training Focused approach led to a modest increase in participation in education and training activities. About 41 percent of survey respondents in the Training Focused group attended an education or training course, 9 percentage points more than did survey respondents in the control group. Compared with the Training Focused group, a slightly smaller percentage of the Work Plus group participated in education or training (37 percent), and the difference between the Work Plus and control group rates of participation is not statistically significant. In all three groups, only about 10 to 13 percent of sample members were still participating in an education or training activity at the end of Year 1, and a similar percentage attained a degree or vocational certificate by that time (results not shown).

Results for subgroups reveal a more complex pattern (Table ES.2). Similar to the full sample, the two approaches had little or no effect on participation in education or training activities among high school graduates and GED certificate recipients or among those who were working full time (32 or more hours per week) as of random assignment. In contrast, among those who were working part time (20 to 30 hours per week), around half of Work Plus and Training Focused respondents participated in an education or training activity, compared with only about one-third of the control group. The differences of 18 percentage points for the Work Plus group and 14 percentage points for the Training Focused group are statistically significant and represent rela-

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Table ES.2

Impacts on Participation in Education and Training and Job Search Activities

Riverside Phase 2

Outcome (%)	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training Focused Group	Control Group	Difference (Impact)	P-Value
<b>Full sample</b>								
Participated in an education/training activity	37.3	32.0	5.4	0.234	41.3	32.0	9.3 **	0.037
Currently participating	13.4	9.9	3.6	0.240	13.0	9.9	3.1	0.299
Participated while working	29.6	22.6	7.0 *	0.086	25.9	22.6	3.3	0.418
Participated in a job search activity	64.3	60.0	4.2	0.341	62.4	60.0	2.3	0.599
Sample size (total = 712)	237	241			234	241		
<b>High school graduate or GED recipient</b>								
Participated in an education/training activity	32.3	33.2	-0.9	0.877	38.1	33.2	4.9	0.395
Currently participating	15.1	11.2	3.9	0.359	15.3	11.2	4.2	0.322
Participated while working	29.3	27.1	2.2	0.686	23.8	27.1	-3.3	0.541
Participated in a job search activity	61.9	63.1	-1.2	0.837	63.8	63.1	0.7	0.906
Sample size (total = 426)	141	144			141	144		
<b>Nongraduate</b>								
Participated in an education/training activity	41.1	30.8	10.3	0.159	48.2	30.8	17.4 **	0.020
Currently participating	9.8	7.2	2.6	0.559	12.0	7.2	4.8	0.285
Participated while working	27.2	16.4	10.7 *	0.091	30.5	16.4	14.0 **	0.030
Participated in a job search activity	66.2	56.9	9.4	0.175	59.5	56.9	2.6	0.711
Sample size (total = 281)	95	96			90	96		

(continued)

**Table ES.2 (continued)**

Outcome (%)	Work				Training			
	Plus Group	Control Group	Difference (Impact)	P-Value	Focused Group	Control Group	Difference (Impact)	P-Value
<b><u>Worked 20 to 31 hours per week at random assignment</u></b>								
Participated in an education/training activity	51.4	33.5	18.0 **	0.016	47.0	33.5	13.5 *	0.064
Currently participating	21.2	13.0	8.2	0.141	13.4	13.0	0.4	0.941
Participated while working	42.2	26.0	16.2 **	0.021	27.9	26.0	1.9	0.778
Participated in a job search activity	66.6	60.2	6.3	0.392	62.4	60.2	2.1	0.768
Sample size (total = 301)	104	97			100	97		
<b><u>Worked 32 or more hours per week at random assignment</u></b>								
Participated in an education/training activity	26.5	29.8	-3.2	0.581	37.0	29.8	7.3	0.210
Currently participating	7.9	6.4	1.5	0.680	13.2	6.4	6.8 *	0.059
Participated while working	19.9	18.3	1.6	0.756	24.9	18.3	6.7	0.193
Participated in a job search activity	62.4	59.3	3.1	0.604	62.1	59.3	2.8	0.636
Sample size (total = 405)	131	140			134	140		

ES-9

SOURCE: MDRC calculations from responses to the ERA 12-Month Survey.

NOTES: Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

Rounding may cause slight discrepancies in calculating sums and differences.

Two-tailed t-tests were applied to differences between outcomes for the Work Plus and control groups and for the Training Focused and control groups.

Statistical significance levels are indicated as: \* = 10 percent; \*\* = 5 percent; and \*\*\* = 1 percent.

Education/training activities include adult basic education (ABE), General Educational Development (GED), English as a Second Language (ESL) classes, postsecondary education, and vocational training.

tively large effects on participation. Among nongraduates, a similarly large impact on (of 17 percentage points) was found for Training Focused group members. A higher percentage of Work Plus group members participated in an education or training activity as well, but the difference is smaller (10 percentage points) and not statistically significant.

Several factors appear to explain why the Work Plus and Training Focused approaches led to only modest increases in participation in education or training activities beyond what control group members attained on their own initiative. Work Plus and Training Focused case managers reported difficulty in convincing many employed single parents, especially those working full time, to cut back on their hours of work or on time devoted to family in order to attend school or training. Other sample members stopped participating or chose not to enroll in education or training programs when they left employment — opting, instead, to look for work. Additionally, about half of the sample left TANF within one year of random assignment (results not shown), which, during much of this report’s follow-up period, ended their eligibility for services. Finally, for part of the follow-up, a shortage of funds that were intended to pay for specialized training opportunities reduced the number of openings in longer-term training programs, especially for members of the Training Focused group.

## **Findings on Employment and Earnings Impacts**

- **Over the two-year follow-up period, neither the Work Plus nor the Training Focused approach led to greater employment retention rates or higher earnings than the levels achieved by the control group.**

For each research group, Table ES.3 displays average quarterly employment rates (a measure of employment retention, showing the percentage of follow-up quarters with employment) and total earnings during Years 1 and 2. These measures were calculated from quarterly earnings reported to California’s unemployment insurance (UI) system. All sample members were working as of random assignment; therefore, employment levels could only move downward over time. For instance, control group members worked at UI-covered jobs during 72 percent of the follow-up quarters in Year 1 but during only 62 percent of the quarters in the following year — indicating a fairly rapid decline in employment. Control group members earned relatively little during the follow-up period, averaging about \$8,350 per year in total earnings (including zero earnings for group members without employment in a UI-covered job).

In keeping with their advancement goals, the Work Plus and Training Focused approaches are expected to increase employment retention and total earnings above control group levels. However, education and training initiatives generally do not lead to employment and earnings impacts in the first year of follow-up, while most participants are attending school or training.

The Employment Retention and Advancement Project

Table ES.3

Years 1-2, Impacts on UI-Covered Employment and Earnings

Riverside Phase 2

Outcome	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training Focused Group	Control Group	Difference (Impact)	P-Value
<b><u>Full sample</u></b>								
Year 1								
Average quarterly employment (%)	70.0	72.4	-2.4	0.132	67.5	72.4	-4.9 ***	0.008
Total earnings (\$)	8,055	8,346	-291	0.348	8,022	8,346	-325	0.366
Year 2								
Average quarterly employment (%)	60.2	61.6	-1.4	0.457	59.5	61.6	-2.2	0.308
Total earnings (\$)	8,134	8,360	-226	0.562	8,640	8,360	279	0.536
Sample size (total = 2,907)	1,466	723			718	723		
<b><u>High school graduate or GED recipient</u></b>								
Year 1								
Average quarterly employment (%)	70.9	72.8	-1.9	0.365	67.9	72.8	-5.0 **	0.040
Total earnings (\$)	8,475	9,071	-596	0.175	8,669	9,071	-402	0.428
Year 2								
Average quarterly employment (%)	61.5	63.7	-2.3	0.351	62.5	63.7	-1.3	0.645
Total earnings (\$)	8,814	9,212	-398	0.477	9,588	9,212	376	0.560
Sample size (total = 1,668)	856	394			418	394		

(continued)

**Table ES.3 (continued)**

Outcome	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training Focused Group	Control Group	Difference (Impact)	P-Value
<b><u>Nongraduate</u></b>								
Year 1								
Average quarterly employment (%)	69.0	72.2	-3.2	0.179	66.6	72.2	-5.6 **	0.047
Total earnings (\$)	7,551	7,451	100	0.815	7,057	7,451	-393	0.431
Year 2								
Average quarterly employment (%)	58.9	59.7	-0.8	0.763	54.6	59.7	-5.1	0.119
Total earnings (\$)	7,317	7,349	-32	0.951	7,198	7,349	-151	0.806
Sample size (total = 1,215)	599	320			296	320		
<b><u>Worked 20 to 31 hours per week at random assignment</u></b>								
Year 1								
Average quarterly employment (%)	68.3	71.2	-3.0	0.211	64.6	71.2	-6.7 **	0.018
Total earnings (\$)	7,041	7,126	-85	0.836	6,742	7,126	-384	0.426
Year 2								
Average quarterly employment (%)	58.9	61.8	-3.0	0.274	60.4	61.8	-1.4	0.650
Total earnings (\$)	7,453	7,559	-106	0.852	8,308	7,559	749	0.260
Sample size (total = 1,261)	650	312			299	312		

(continued)



**Table ES.3 (continued)**

Outcome	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training Focused Group	Control Group	Difference (Impact)	P-Value
<b><u>Worked 32 or more hours per week at random assignment</u></b>								
Year 1								
Average quarterly employment (%)	71.4	72.8	-1.5	0.494	69.9	72.8	-2.9	0.232
Total earnings (\$)	8,874	9,301	-427	0.344	8,941	9,301	-360	0.486
Year 2								
Average quarterly employment (%)	61.3	60.6	0.8	0.759	59.5	60.6	-1.1	0.699
Total earnings (\$)	8,637	8,968	-331	0.542	8,930	8,968	-38	0.951
Sample size (full sample = 1,620)	800	404			416	404		

SOURCE: MDRC calculations from California Employment Development Department Unemployment Insurance (UI) records.

NOTES: This table does not include employment outside California or in jobs not covered by UI (for example, "off-the-books" jobs, some agricultural jobs, and federal government jobs). Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Significance levels are indicated as follows: \*\*\* = 1 percent, \*\* = 5 percent, \* = 10 percent. Twenty-four sample members were excluded from calculations for educational attainment subgroups because of missing values on educational attainment. Rounding may cause slight discrepancies in calculating sums and differences. Dollar averages include zero values for sample members who were not employed. The p-value indicates the likelihood that the difference between the program and control group arose by chance.

The average quarterly employment measure was computed by adding up the number of quarters employed, dividing by the total number of quarters potentially employed, and expressing the result as a percentage.

To date, the results for each approach are not encouraging. During the first two years of follow-up, Work Plus and Training Focused group members remained employed at UI-covered jobs for about the same number of quarters as control group members and received, on average, about the same amount in total earnings. The only statistically significant impact recorded during the follow-up period is for the Training Focused group during Year 1 — a modest decrease in quarterly employment of 4.9 percentage points below the control group. This result probably reflects the choice made by some Training Focused group members to temporarily forgo employment while they attended education or training activities. The difference in quarterly employment between the Training Focused and control groups diminished during Year 2 and was no longer statistically significant.

In addition to results for the full samples, Table ES.3 displays results for graduates and nongraduates and for part-time and full-time workers. As with the full sample, the Work Plus approach did not increase employment or earnings above the control group for any subgroup. The pattern of impacts is nearly as consistent for the Training Focused group, involving a decrease in quarterly employment in Year 1 (for three of the subgroups) and no statistically significant effect on earnings during either year of follow-up.

## **Conclusions and Policy Implications**

A two-year follow-up period may be too short to assess the impacts of education and training initiatives for working TANF recipients. However, the findings from the Riverside study so far underscore the difficulty of designing and implementing education and training initiatives for low-income adults under the conditions that governed the Riverside study. These problems made it harder for each approach to raise participation in education and training activities beyond control group levels. They include:

- Services were targeted to TANF recipients who had only recently started employment. It may be difficult to convince people who are adjusting to their new jobs to participate in activities aimed at achieving career advancement in the long term.
- Most enrollees were already working full time.
- Enrollees were expected to attend education or training courses by traveling to traditional venues like adult education schools, community colleges, or vocational training institutions during nonwork hours.

- Attendance at school or training sometimes required enrollees to decrease their income, at least temporarily, by reducing their work hours or forgoing employment.

As the results for the Work Plus and Training Focused approaches have shown, only some single parents have the characteristics — sufficient time, energy, reliable child care arrangements, and a willingness to forgo the few hours they do not devote to work and family — that can enable them to engage in skill-building activities. Moreover, it appears from the participation findings for control group members that many people with these characteristics will seek out education and training opportunities on their own initiative (without the active support of agency administrators and case managers), especially in a service-rich environment such as Riverside County.

This finding applies more to sample members who were working full time at random assignment and to high school graduates and GED certificate recipients — subgroups that exhibited little or no increase in participation in education or training beyond their counterparts in the control group — than to part-time workers and nongraduates. For the latter two groups, which represent more disadvantaged TANF populations, the Work Plus and Training Focused approaches increased attendance in skill-building activities — particularly in adult basic education or GED certificate preparation classes — but so far have not led to higher levels of employment or earnings beyond what would have happened without either intervention.

Finally, it is worth noting that the Work Plus and Training Focused approaches are only two of several advancement strategies for low-income adults that encourage attendance at school or training. Examples of other similar programs that have shown promise in previous or ongoing evaluations include: mandatory education-focused preemployment programs for Aid to Families with Dependent Children (AFDC) or TANF recipients in Atlanta, Georgia, and Columbus, Ohio (two of seven programs evaluated in the National Evaluation of Welfare-to-Work Strategies [NEWWS] that stressed education or training); and an initiative involving two community colleges in the New Orleans, Louisiana, area (part of the Opening Doors demonstration), which offers low-income parents enhanced scholarships if they remain enrolled and maintain a minimum grade point average. Other initiatives currently under study include training programs operated at the workplace and sectoral employment initiatives (involving business groups, unions, government agencies, and community-based organizations, individually or in partnership) that develop career opportunities and training curricula for low-wage workers in specific industries. In the coming years, it will be important for program administrators and policymakers to understand the long-term effects of the Work Plus and Training Focused approaches, as well as those of similar alternative approaches. There is still much to learn about which services and supports offer the greatest promise of helping low-income adults advance in the labor market.



# Introduction

## Overview of the ERA Project

For over a decade, policymakers and program operators have struggled to learn what kinds of services, supports, and incentives are best equipped to help low-income, working parents retain steady employment and move to better jobs. This issue has assumed even greater urgency in the wake of the welfare reforms of the 1990s, which made long-term welfare receipt much less feasible for families. And yet, while a great deal is known about alternative approaches to job preparation and placement, there is still relatively little hard evidence about effective strategies to promote employment retention and advancement. Previous studies on retention and advancement efforts — notably, the Post-Employment Services Demonstration (PESD), a four-site project that tested programs providing follow-up case management to welfare recipients who found jobs — generally failed to improve employment retention.<sup>1</sup>

The Employment Retention and Advancement (ERA) project was designed to improve on past efforts to learn what works in this area by identifying and testing innovative models designed to promote employment stability and wage progression among welfare recipients or other low-income groups. The project began in 1998, when the Administration for Children and Families (ACF) in the U.S. Department of Health and Human Services (HHS) issued planning grants to 13 states to develop new programs. The following year, MDRC was selected by ACF/HHS to conduct an evaluation of the ERA programs.<sup>2</sup> From 2000 to 2003, MDRC and its subcontractor, The Lewin Group, worked closely with the states that had received planning grants — and with several other states — to mount tests of ERA programs. MDRC, The Lewin Group, and Cygnet Associates also provided extensive technical assistance to some of the states and program operators, because most were starting programs from scratch, with no proven models on which to build.

Ultimately, a total of 16 ERA models (also called “tests”) were implemented in eight states. Almost all the programs target current or former recipients of Temporary Assistance for Needy Families (TANF), the cash welfare program that mainly serves single mothers and their children, but the program models are extremely diverse. One group of programs targets low-wage workers and focuses strongly on advancement. Another group targets individuals who are considered “hard to employ” and aims primarily to place them in stable jobs. Finally, a third group has mixed goals and targets a diverse set of populations, including former TANF recipients, TANF applicants, and low-wage workers in particular firms. Some of these programs ini-

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<sup>1</sup>Rangarajan and Novak (1999). Riverside County was one of the four sites in the PESD evaluation.

<sup>2</sup>The U.S. Department of Labor has also provided funding to support the ERA project.

tiate services before individuals go to work, while others begin services after employment. Each model is described in Appendix Table A.1.

The evaluation design is similar in most of the sites. Individuals who meet ERA eligibility criteria (which vary from site to site) are assigned, at random, to a program group, also called “the ERA group,” or to a control group. Members of the ERA group are recruited for — and, in some sites, required to participate in — the ERA program, while those in the control group are not eligible for ERA services. The extent and nature of services and supports available to the control group vary from site to site, but it is important to note that, in most sites, the ERA program is not being compared with a “no services” control group; that is, most of the control group members in the various sites receive at least limited services. The random assignment process ensures that any differences in outcomes between the research groups that emerge during the follow-up period can be attributed to the ERA program rather than to differences in the characteristics of people in the groups. Differences in outcomes are known as impacts. To track the research groups over time, MDRC is using surveys and administrative records (data on quarterly earnings in jobs covered by unemployment insurance and records of TANF and food stamp payments).

## **The Riverside Phase 2 Program**

### **History of Postemployment Programs in Riverside County**

Since the mid-1980s, the Riverside County Department of Public Social Services (DPSS) has operated a mandatory preemployment program for welfare recipients, called Greater Avenues for Independence (GAIN). Using the Work First program model (subsequently adopted by many states and localities), GAIN excelled at moving recipients quickly into jobs. However, evaluations of the GAIN program, along with DPSS’s internal reviews, convinced the agency’s administrators that many GAIN clients who found jobs subsequently left employment and that relatively few advanced to better jobs. Moreover, GAIN clients who became reemployed found the same type of entry-level jobs without any wage progression or career movement.

Starting in 1994, DPSS sought to address these problems by adding a postemployment component to GAIN. At first, DPSS’s initiative focused primarily on case management services and provision of payments for enrollees’ child care, transportation, and other work-related expenses (similar to the Work Focused approach in the present study). The program was evaluated as part of the national Post-Employment Services Demonstration (PESD). As noted in the previous section, the evaluators found that PESD programs in Riverside and other localities did not

improve enrollees' ability to retain employment beyond what they would have done on their own initiative.

In January 1998, DPSS launched a new postemployment program that encouraged enrollees to attend education or training courses outside of work. DPSS named its new program Phase 2 and renamed its preemployment program Phase 1. The Phase 2 program targeted Phase 1 participants who found and held jobs for at least 30 days but who were still receiving a TANF grant because of their relatively low earnings.<sup>3</sup> These individuals had to be working a minimum of 20 hours per week. Phase 2 attempted to connect them with education and training activities (primarily vocational training and postsecondary education programs) while they were working, in order to increase their skills and expertise and help them gain greater access to higher-paying jobs with career advancement ladders. Phase 2 staff tried to get prospective clients to enroll in education and training programs as soon as possible, so that they could attend and complete their programs before they reached the end of their TANF eligibility period. Not doing so meant that clients would not only lose their TANF grants and suffer a loss of income but also complicate their ability to participate in and finish their education and training programs.

Initially, Phase 1 case managers were given the responsibility of handling the postemployment activities of their clients once they found jobs. However, the Phase 1 staff found that their preemployment duties (getting clients employed and off their caseloads as quickly as possible) and their postemployment responsibilities (keeping clients working but encouraging them to enroll in education and training programs and stay on their caseloads) were incompatible tasks that were difficult to balance. Within six months, DPSS created a separate Phase 2 unit to conduct program administration and case management operations.

During the ensuing years, DPSS Phase 2 staff worked with education and training providers to make attendance easier for working parents (creating courses with flexible schedules, for example) and to recruit enrollees more aggressively. The result was the Work Plus version of Phase 2. DPSS administrators remained concerned that Phase 2 enrollees often chose employment at low-paying jobs over attendance in education and training activities. In response, DPSS worked with the Economic Development Agency (EDA) of Riverside County, the local workforce agency, to design an alternative version of Phase 2 that encourages enrollees to maximize their hours of attendance in education and training activities, even if they cut back on their hours of work. EDA administers employment and training programs for unemployed and underemployed workers, funded by the federal Workforce Investment Act. Its administrators and case managers strongly advocated attendance in education and training activities as means of advancing in the labor market. DPSS and EDA administrators named this alternative version

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<sup>3</sup>California called its TANF program CalWORKs: California's Work Opportunities and Responsibility to Kids.

of Phase 2 the Training Focused approach. After successfully completing a short pilot phase, EDA began operating the Training Focused approach on a countywide basis in January 2001.

Throughout their years of operating Phase 2, DPSS administrators have experimented with alternative approaches to providing postemployment education and training services for working TANF recipients. The first of the programs was called New Visions. New Visions was a 24-week college “bridge” program operated by Riverside Community College from 1998 to 2003. It offered a flexible schedule of classes, self-paced curriculum, and short (six-week) class segments. An evaluation of New Visions found that the program did not increase employment rates and earnings above the levels attained by enrollees in the mainstream Phase 2 program.<sup>4</sup>

### **Description of Research Groups**

The Phase 2 study involved randomly assigning working TANF recipients to three separate research groups. Each group’s services, philosophy, and staff responsibilities were as follows:

- The *Work Plus group* (the original DPSS Phase 2 program) was eligible to receive intensive case management and enhanced supportive services to encourage employment stability and advancement. These employed recipients were encouraged to attend education and training activities as a way to increase their earnings, but in order to do so they had to work at least 20 hours per week. The hypothesis underlying this approach was that working reinforces the value of education and training classes, and requiring people to work while they are in school or training increases the likelihood that they will complete their programs and use their newly learned skills in the labor market. DPSS Phase 2 case managers operated this program.
- The *Training Focused group* was also eligible to receive intensive case management and enhanced supportive services to encourage employment stability and advancement. These employed recipients were encouraged to attend education and training activities as a way to improve their earnings, but unlike Work Plus group members, they had the option (with case manager approval) to decrease or eliminate their work hours while participating in education and training activities. The hypothesis underlying this approach was that in order to take advantage of a broader array of education and training programs (many requiring numerous hours of instruction and requirements), some trade-off between education and training and work responsibilities might be needed.

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<sup>4</sup>Evaluated by Abt Associates, the New Visions study ran from 1999 to 2005. For further details on the study findings, see Fein and Beecroft (2006).



Elimination of the work requirement while in education and training activities was thought to give Training Focused sample members opportunities to access more intensive education and training programs and to increase the likelihood that they would enroll in and complete such programs, resulting in greater earnings because of their higher skill levels. The expectation was that with more flexibility, more working recipients would be likely to participate in education and training activities. Phase 2 case managers in the Welfare-to-Work division of EDA operated this program.

- The *Work Focused group* (the control group) was not referred to Work Plus or Training Focused services. Working recipients in this group were contacted periodically to verify their employment status and were encouraged to remain employed, find full-time work if they were currently working part time, and find better jobs in the future as a means of increasing their earnings. The focus was on work, and the underlying hypothesis was that continued work experience would result in sustained and increased earnings. DPSS Phase 1 case managers operated this program.

Regardless of research group assignment, clients had to fulfill the state-mandated 32-hour weekly participation requirement through work, education and training participation, job search activities, or some combination of the three. Furthermore, sample members in all three research groups retained full eligibility for TANF, food stamps, Medicaid, child care, transitional child care, and Medicaid benefits in accordance with the rules of those programs.

## **External Environment**

Riverside County is one of the most diversified areas in California. The metropolitan Riverside area (which includes Riverside, Corona, Norco, and Moreno Valley) dominates the western portion of the county and possesses the most broadly based economy in the county. Hemet, San Jacinto, and Perris, located in the central region of the county, are part of a rural area quickly transforming into a bedroom community for the metro Los Angeles area. The desert communities of Palm Springs and Rancho Mirage and, farther to the east, Indio and Coachella, are in the sparsely populated but rapidly growing eastern sector of the county. The leisure industry dominates the Palm Springs and Rancho Mirage economies, while the agriculture sector predominates in the Indio and Coachella areas. The county's population increased steadily throughout the study, growing from 1,583,600 in 2001 to 1,877,000 in 2005.<sup>5</sup> The unemployment rate decreased slightly during this period, declining from 6 percent in 2002 to 5 percent in

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<sup>5</sup>California Employment Development Department (2006a).

2005.<sup>6</sup> Regional unemployment rates ranged from 6 percent in the metro Riverside area to around 9 percent in the central and eastern regions.<sup>7</sup>

TANF caseloads in Riverside County have declined noticeably, dropping from 11,940 in 2001 to 9,274 in 2005.<sup>8</sup> TANF grant levels for a family of three increased from \$614 in 2000 to \$689 in 2005.<sup>9</sup> Because of California's relatively high TANF grant levels and generous earnings disregards, TANF recipients can earn a significant amount of money before becoming ineligible for this assistance. For example, in 2002 and 2003 a family of three, which is the typical family size of Phase 2 sample members, could earn up to \$1,519 per month before losing their TANF eligibility. In other words, clients could work full time (40 hours per week) at \$9.50 per hour before reaching this threshold. Moreover, at this level of earnings, the net earned income of \$1,418 (after taxes) was more than the federal poverty guideline of \$1,252.<sup>10</sup> Not surprisingly, approximately half of all TANF single-parent case heads in Riverside County were employed during the study period.<sup>11</sup>

## About the Evaluation

### Research Questions

The Phase 2 study tests if the spectrum of Phase 2 services — such as ongoing case management, career assessment and counseling, referrals to education and training activities, and provision of work support payments — coupled with greater flexibility for employed TANF recipients to combine work and education and training activities will, among other things, increase full-time employment, wages, earnings, and benefits and ultimately reduce the welfare caseload. The unique three-group random assignment design in the Phase 2 study allows for several comparisons: Differences in outcomes between the Work Plus and control groups represent the effects of DPSS's longstanding postemployment approach beyond what working recipients could attain on their own initiative. Similarly, differences in outcomes between the Training Focused and control groups represent the effects of EDA's more strongly training-focused approach relative to no assistance in enrolling in skill-building activities. It is also possible to directly compare results for the Work Plus and Training Focused groups.

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<sup>6</sup>California Employment Development Department (2006b).

<sup>7</sup>California Employment Development Department (2006c). Regional averages were estimated across annual unemployment rates from 2001 to 2005.

<sup>8</sup>California Department of Social Services (2006a).

<sup>9</sup>California Department of Social Services (2006b).

<sup>10</sup>California Department of Social Services (2006c, 2006d).

<sup>11</sup>California Department of Social Services (2006e).

The study includes three major components: (1) an implementation analysis, which studies the way the program operates; (2) a participation analysis, which examines the extent to which Work Plus, Training Focused, and control group members received postemployment services; and (3) an impact analysis, which assesses the economic difference the programs make relative to what would have happened in the absence of the program.

This report focuses on the following questions.

- **Implementation:** How did DPSS and EDA launch and operate their Phase 2 programs? What messages were delivered and services offered by DPSS and EDA? What strategies, tools, and rules did Phase 2 case managers use to ensure that their clients fulfilled the weekly participation mandate of 32 hours per week? How did Phase 2 case managers spend their time?
- **Participation:** Did the Phase 2 staff succeed in engaging a substantial proportion of individuals in education and training activities? What types of services did people receive? How did participation levels of the Work Plus and the Training Focused groups compare with the level of the control group?
- **Impacts:** Within the follow-up period, did the Work Plus and Training Focused groups, relative to the control group, experience increases in employment retention and earnings and reductions in public assistance receipt? Did individuals' measured income increase as a result of the program? Did the presence or absence of a work requirement improve employment retention and advancement outcomes?

### **Research Design and Random Assignment Process**

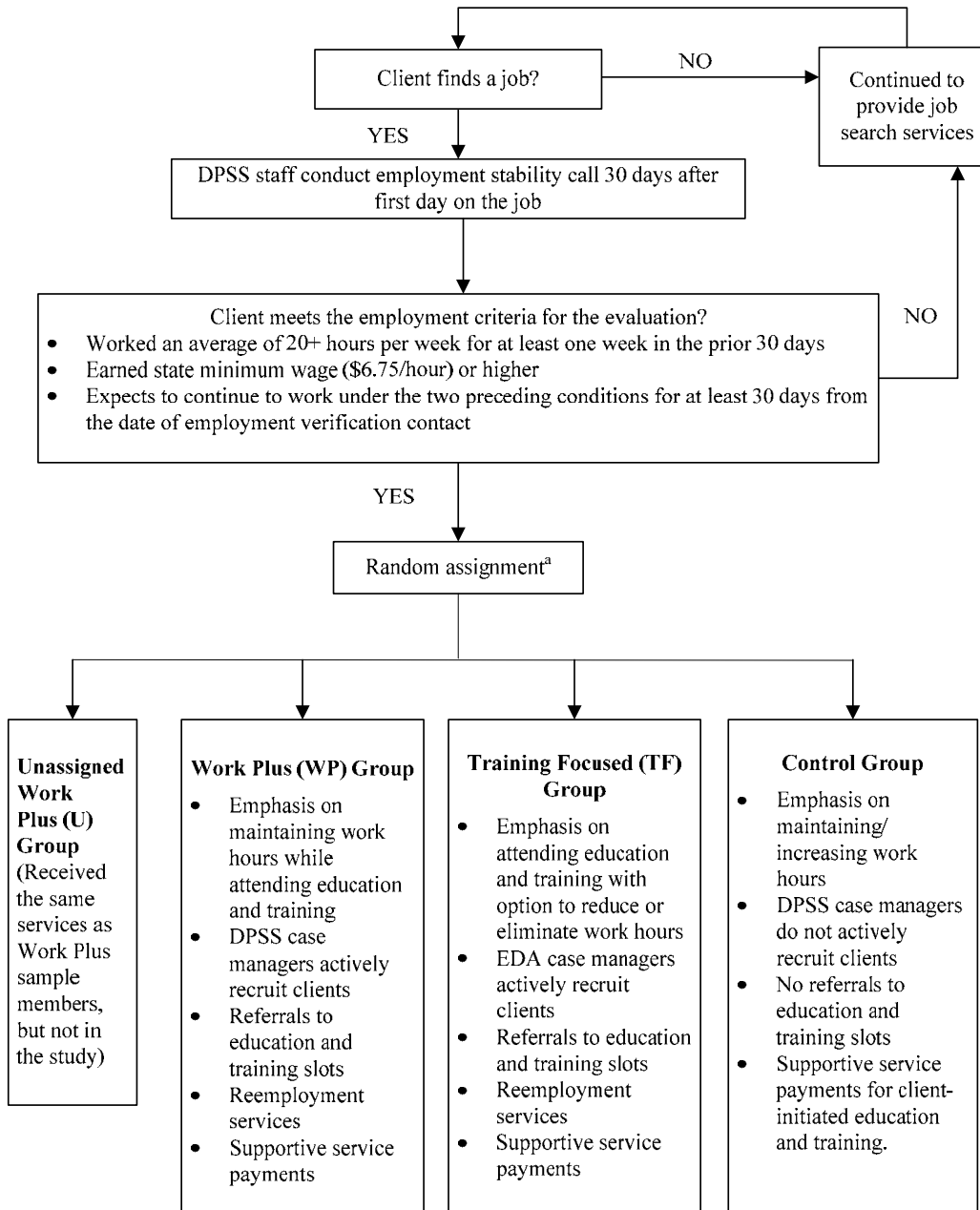
Figure 1 illustrates the random assignment process in the Phase 2 study. Phase 1 clients who reported finding work had an employment record entered on the GAIN Employment Activity and Reporting System (GEARS), which was the automated program tracking system used by the Phase 1 and Phase 2 programs. Approximately 30 days from the date that clients reported starting their jobs, a DPSS Phase 1 staff person called them to verify that they were still working. To be eligible for random assignment, clients needed to fulfill all three of the following criteria during the 30-day verification of employment contact:

- Work a total of 20 or more hours for at least one week within the last 30 days
- Earn an hourly wage equal to or greater than the state minimum wage (\$6.75)
- Expect to work an average of 20 hours or more per week for at least 30 days from the date of the employment verification contact

# The Employment Retention and Advancement Project

Figure 1

## Research and Program Design of the Riverside Phase 2 Evaluation



NOTE: <sup>a</sup>If the person is a New Visions or PASS sample member then she is not randomly assigned but is eligible for the same set of services as the Work Plus group members.

Riverside DPSS staff then used a module, developed in-house (with MDRC input) and installed on GEARS, to randomly assign clients who met these criteria into the three research groups. Random assignment operations began on January 17, 2001, and concluded on October 31, 2003. Of the individuals eligible for random assignment, approximately 14 percent were assigned to the Work Plus group; 7 percent were assigned to the Training Focused group; and 7 percent were assigned to the control group. The remaining 72 percent were placed in a nonresearch group called the Unassigned Work Plus group,<sup>12</sup> which was eligible for the same set of Phase 2 services as the Work Plus sample members.<sup>13</sup>

The module identified and excluded three groups of clients from Phase 2 random assignment: (1) clients already enrolled in Phase 2 at the time that random assignment began in January 2001, (2) New Visions sample members, and (3) Post-Assistance Self-Sufficiency (PASS) study sample members.<sup>14</sup> If these clients appeared eligible for random assignment, the Phase 2 random assignment module would identify them as being in one of the exclusion groups and would automatically place them in the Unassigned Work Plus group.

### **Characteristics of the Phase 2 Research Sample**

Table 1 shows selected demographic characteristics of the single-parent sample members at the point they entered the study. (For a breakdown of these characteristics by research group, see Appendix Table A.2.) Nearly half of the sample are Hispanic. Moreover, the sample is overwhelmingly female (90 percent). The average age of sample members at random assignment was about 30 years, which is fairly typical across the ERA sites. Approximately 42 percent

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<sup>12</sup>MDRC created the Unassigned Work Plus group for two reasons. First, DPSS estimated that there would be a surplus of clients eligible for random assignment. Not all of these individuals would need to be randomly assigned into the study in order for MDRC to have a sufficient sample size to conduct its impacts analysis. Second, MDRC, DPSS, and EDA wanted to ensure that the client flow would not overwhelm the case managers in the three research groups, especially for the Training Focused group, which had only five case managers throughout the county.

<sup>13</sup>Individuals in the Unassigned Work Plus group, if they subsequently left TANF altogether and were employed, were eligible for random assignment into the Post-Assistance Self-Sufficiency (Riverside PASS) study, which is also being studied as part of the ERA evaluation. To avoid confusing the treatment effects of the two Riverside ERA studies, sample members in the three Phase 2 research groups, if they left TANF and were working, were not randomly assigned into the PASS study but were eligible to receive the same set of minimal post-TANF services as PASS control group members.

<sup>14</sup>PASS was the program created by Riverside DPSS for employed TANF recipients who left the welfare rolls. PASS provided voluntary postemployment services, such as case management, reemployment activities, and referrals to education and training programs and social services, to help former TANF recipients keep their jobs, stay off TANF, and find jobs with better pay and advancement opportunities.

**The Employment Retention and Advancement Project**

**Table 1**

**Selected Characteristics of Single Parents**

**Riverside Phase 2**

Characteristic	Total
Gender (%)	
Female	92.3
Male	7.7
Age (%)	
20 years or younger	9.1
21 to 30 years	47.4
31 to 40 years	31.6
41 years or older	11.9
Average age (years)	30.1
Number of children in household (%)	
None	0.5
1	34.3
2	30.1
3 or more	35.1
Average number of children	2.2
Age of youngest child in household	
2 years or younger	45.9
3 to 5 years	22.3
6 years or older	31.8
Race/ethnicity (%)	
Hispanic	45.4
Black, non-Hispanic	20.4
White, non-Hispanic	31.3
American Indian	0.7
Asian	2.3
Primary language (%)	
Spanish	11.9
English	86.8
Speaks English adequately for employment (%)	94.3
Education (%)	
California High School Proficiency Exam	0.2
GED	9.5
High school diploma	41.4
Technical/associate's degree/2-year college	5.4
4-year (or more) college	1.2
None of the above	42.1
High school diploma/GED or higher (%)	57.9

(continued)

**Table 1 (continued)**

Characteristic	Total
Housing status (%)	
Rent, public housing	6.6
Rent, subsidized housing	6.0
Rent, other	73.5
Emergency/temporary housing	2.1
Owns home or apartment	2.3
Other	9.4
Hours worked per week (%)	
Less than 20	0.9
20 to 31	43.4
32 or more	55.7
Average hours worked per week <sup>a</sup>	31.5
Hourly wages (%)	
Less than \$6.25	1.0
\$6.25 to \$6.99	47.7
\$7.00 to \$9.99	43.7
\$10.00 or more	7.7
Average hourly wages (\$)	7.43
Months employed in past 3 years (%)	
Did not work	5.7
Less than 6	25.1
7 to 12	19.9
13 to 24	22.7
More than 24	26.7
Type of employment in past 3 years (among those ever employed) (%)	
Mostly part time	37.6
Mostly full time	49.5
Equal amounts part time and full time	12.9
Total prior AFDC/TANF receipt (%)	
NA (applicant)	5.5
Less than one year	35.5
1 year to less than 2 years	17.8
2 to 5 years	24.5
6 to 10 years	9.5
Over 10 years	7.2
Sample size (total = 2,907)	

(continued)

## Table 1 (continued)

SOURCE: Data recorded in Riverside Department of Public Social Services automated tracking system, the GAIN Employment Activity and Reporting System (GEARS).

NOTES: <sup>a</sup>Because of the Phase 2 research design and baseline data sources, 100 percent of the sample members in all three research groups were employed as of random assignment into the study.

lacked a high school diploma or a General Educational Development (GED) certificate, which indicates that a substantial portion of the sample would need basic education services. Sample members had an average of two children in their households, and over half had at least one child age 5 or younger, suggesting a need for child care while employed. While only 94 percent spoke English adequately for employment, all sample members were working at the time of random assignment. Almost 60 percent of sample members had been receiving TANF for two years or less. Further, as of random assignment, about 44 percent of the sample members were working less than full time (32 hours per week). These last two points indicate that while nearly half the sample potentially had some nonwork time available to participate in program activities, they also had only a short time frame in which to take advantage of the supports that would be given to them in conjunction with education and training participation, given their impending TANF time limit. Strikingly, 56 percent of the sample were working full time as of random assignment, which suggests that getting these individuals to participate in Phase 2 — especially in longer-term activities such as education and training programs — would be challenging, given their limited amount of available time.

### Sample Sizes and Data Sources

This report analyzes 2,907 single-parent sample members (1,466 in the Work Plus group, 718 in the Training Focused group, and 723 in the control group) randomly assigned into the study from January 2001 through September 2003, which represents over 96 percent of the total single-parent sample.<sup>15</sup> Most of the report's findings cover a two-year follow-up period. The data sources used in the report's analyses are described below.

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<sup>15</sup>In all, 3,004 single-parent individuals were randomly assigned as part of the Riverside Phase 2 study. In order to make two complete years of follow-up data using UI wage records available for analysis in this report, the remaining 97 single-parent sample members who entered the study during the last month of random assignment (October 2003) were not included. In addition, data for 484 sample members in two-parent families and 25 sample members in child-only cases were not analyzed for this report.



- **Baseline Data.** For each sample member, client demographic characteristics, such as gender, race/ethnicity, educational background, and welfare history were collected from records stored on the Machine Budgeting System (MBS) and GEARS databases at the time sample members were randomly assigned into the study.
- **Unemployment Insurance, TANF, and Food Stamp Records Data.** Employment, earnings, and public assistance impacts were estimated using automated state unemployment insurance (UI) wage files and county TANF and food stamp eligibility and payment records. One year of follow-up for TANF and food stamp records and two years of follow-up for UI wage records are available for all sample members.
- **12-Month Client Survey Data.** MDRC conducted a client survey for a subset of sample members from the three research groups 12 months after their random assignment date. A total of 911 sample members were selected from among those randomly assigned between October 2001 and June 2002, of whom 712 (78 percent) completed the survey. The survey explored clients' participation in employment, education and training activities, employment and job characteristics, household composition and income, child care use, and other experiences.
- **Special Education and Training Survey.** MDRC also conducted a special education and training client survey. A total of 156 sample members were selected from among the 12-month client survey sample members who reported participation in education and training activities, of whom 116 clients completed the survey. The special survey verified the participation in education and training activities first reported in the 12-month survey and further explored clients' participation experiences in these activities.
- **Time-Study Data.** MDRC designed and administered a two-week time study of case managers. The time study collected detailed information on the nature of staff-client interactions and on the topics covered in these interactions. In addition, the study collected information on how case managers typically spend their time each day. The time study was administered confidentially to protect the identity of case managers. A total of 64 Work Plus, Training Focused, and control group case managers completed the time study in July 2003.
- **Field Research Data.** Starting in 2001 and running through late 2003, MDRC staff periodically interviewed DPSS and EDA program staff and ad-

ministrators to learn about the goals, structure, and operations of the Phase 2 programs. MDRC researchers collected information on a range of topics, including the marketing and outreach approaches used to recruit prospective clients, the types of program services and supportive service payments offered to participants, and the organizational philosophies and management structure of the two agencies. As part of this work, MDRC also reviewed a number of sample members' case files in the two agencies.

## **Roadmap of the Report**

This report focuses on program implementation and early impact findings. The next section provides more detail on the design, implementation, and operation of the Phase 2 programs. Subsequently, there is a description of the frequency, type, and subjects of client-staff interactions and the Phase 2 programs' impacts on receipt of services. The final section presents early information regarding the programs' impacts on employment, earnings, and other outcomes.

## **Implementation of the Phase 2 Program**

This section draws from field research, including interviews and observations; the time study; and program tracking data to describe how the Work Plus and Training Focused programs of the Riverside Phase 2 study were designed, implemented, and operated. In addition, this section describes how the control group program was set up and operated.

### **Putting Phase 2 into Place**

The Riverside County Department of Public Social Services (DPSS) launched the Phase 2 program in January 1998. Initial contact and services participation rates were low. According to DPSS administrators, by mid-1998 only 8 percent of the working Temporary Assistance for Needy Families (TANF) recipients eligible for Phase 2 were enrolled and participating in program services. (In this context, enrollment meant that a client signed a Phase 2 contract agreeing to participate in program services. DPSS staff contacted more than 8 percent of the eligible population, but only 8 percent ultimately agreed to enroll in Phase 2. Participation covered an array of activities including but not limited to basic education, reemployment services, and vocational education and college.) In response, DPSS modified its outreach approaches to be more intensive and more attuned to client concerns and needs. DPSS staff devised a pervasive but persistent recruitment approach, which they characterized as “gentle pressure relentlessly applied.” DPSS also worked with education and training providers across the county to raise the providers’ awareness of Phase 2 and the needs of the Phase 2 clientele, such as programs with courses with flexible schedules, as well as to develop training capacity (programs and slots). Once Phase 2 staff became familiar with the types of programs and providers available, they used this information to present education and training options to their clients but did not refer them to specific providers. Staff believed that clients would be more likely to enroll and participate in education and training activities if they chose the program and the provider for themselves. By January 2001, all of these activities resulted in considerably higher program participation rates. According to DPSS administrators, approximately 40 percent to 42 percent of the county’s working TANF recipients had enrolled in Phase 2 and started program activities, primarily education and training programs.

The Economic Development Agency (EDA) of Riverside County had long expressed an interest in serving the welfare population (even prior to TANF), but DPSS maintained control of employment services for cash assistance recipients. The development of the ERA evaluation created an opportunity to include EDA as a service provider and to compare a Phase 2 program operated by DPSS that enforced the 20-hour work requirement with one operated by EDA that did not have this mandate and would be run within the context of EDA’s organizational structure, philosophy, and service delivery network.

In November 2000, to ensure that EDA staff would be able to engage clients at or near the same rate as DPSS workers, a “mini-pilot” was conducted; this pilot tracked 400 clients who were referred to DPSS and EDA case managers in September and October 2000. DPSS used GAIN Employment Activity and Recording System (GEARS) program tracking and case file data to calculate case manager-client contact rates and program intake rates, which MDRC corroborated with a small case-file review. Findings from this work revealed that EDA and DPSS staff enrolled clients into their programs at approximately the same rate — 36 percent over a four to five week follow-up period.

In light of this promising outcome, DPSS and MDRC launched random assignment operations in January 2001, as described in the previous section. As part of the research design, DPSS set up the control group program, which offered a minimal set of services (primarily case management) aimed at ensuring that sample members who were assigned to this group stayed employed. Having the control group allowed MDRC to compare the value-added effect of the Work Plus and the Training Focused programs against a counterfactual group that is typical of many postemployment programs. In short, the control group program demonstrated the type, intensity, and duration of services that working TANF recipients would engage in if Phase 2 did not exist.

## **The Framework: Organizational Structure, Staffing, and Funding**

### **DPSS**

The Riverside County Department of Public Social Services (DPSS) is the county’s welfare department. DPSS operated the Work Plus program from its Adult Services Division, which also houses the Phase 1 (GAIN) program. DPSS employed approximately 65 full-time Work Plus case managers across its 11 CalWORKs/GAIN offices. While these workers were primarily generalists, they informally developed specialized functions. For example, each DPSS office had a lead case manager who did not carry many cases but had other responsibilities instead, usually including serving as a liaison to the community colleges. Some offices had a technician who ran job clubs (job search workshops for approximately 10 to 30 clients), while others had a specialized case manager who recruited and worked with the “hard-to-serve” segment of the Work Plus sample. In addition, Work Plus staff in each office had access to a collocated DPSS job developer, who worked with both Phase 1 and Phase 2 clients as needed.

### **EDA**

The Economic Development Agency (EDA) of Riverside County is the county’s Workforce Investment Agency (WIA). EDA ran the Training Focused program from its Welfare-to-Work Division. EDA started program operations in late September 2000 with five full-time case

managers: three in Riverside and one each in Hemet and Indio. Like their DPSS counterparts, EDA case managers were generalists. They could, however, call on specialized staff, such as job developers from the colocated One-Stop office, if they needed their expertise.

## **Funding**

DPSS funded its Work Plus program operations through its annual CalWORKs allocation from the California Department of Social Services. DPSS entered into a contract with EDA to fund the Training Focused program, allocating \$367,000 for Fiscal Year 2000-2001 to underwrite case management and administrative costs. Since then, DPSS has extended its contract with EDA through the present.

DPSS did not pay for education and training services — it opted to use its “push-pull” referral process (as described below in the section “Assessment and Initial Service Referral”) to steer participants toward providers that possessed other funding sources to pay for education and training slots. EDA had its own funding sources (such as Access, a Welfare-to-Work grant from the U.S. Department of Labor) to pay for education and training slots.

## **Program Flow, Messages, and Services of the Phase 2 Program**

### **Client Engagement and Intake**

Once the random assignment module assigned sample members to one of the three Phase 2 research groups, GEARS generated a letter, notifying clients of their assignment and informing them that if they were assigned to either the Work Plus or the Training Focused groups, their new case managers would be contacting them shortly. In contrast, control group members were informed in their letters that their Phase 1 case manager would also be their Phase 2 case manager. (For a description of the program eligibility rules and participation mandates for each group, see Table 2.) At the same time that client letters were sent, GEARS sent an alert to Phase 2 case managers. Work Plus and Training Focused case managers, in turn, sent a letter introducing themselves and the Phase 2 program to their new clients.

Work Plus and Training Focused case managers scheduled sample members for an intake appointment by calling them or mailing them an introductory letter. In addition, case managers usually attempted to call new clients within two to three days of receiving them on their caseload. Workers stressed to MDRC researchers that customizing the recruitment pitch to each client was critical. Prior to engaging a specific client, staff reviewed the person’s case file, noting specific needs and interests. Case managers then used this information to sell the program, highlighting services and features that the client would find compelling. For example, one Work Plus case manager said she uses “different sale pitches and materials on a case-by-case basis. I

**The Employment Retention and Advancement Project**

**Table 2**

**Comparison of Participation Mandates and Other Program Dimensions  
Across the Three Research Groups**

**Riverside Phase 2**

	<b>Work Plus Group (DPSS)</b>	<b>Training Focused Group (EDA)</b>	<b>Work Focused Control Group (DPSS)</b>
<b>Subject to 32-hour weekly participation mandate</b>	Yes		
<b>Subject to 20-hour employment mandate</b>	Must maintain 20 hours employment per week	No work requirement if engaged in education and training	Must maintain 20 hours employment per week
<b>Case management</b>	DPSS Work Plus case manager handles Phase 2; client returns to Phase 1 worker if Phase 2 eligibility is lost	EDA staff perform Phase 1 and Phase 2 case management duties	DPSS Phase 1 workers handle both Phase 1 and Phase 2 case management duties
<b>Employment message</b>	Employment emphasized, along with stability and advancement through education and training	Employment is not emphasized; stability and advancement through education and training is emphasized	Emphasize constant employment; focus is to increase hours and earnings
<b>Education and training eligibility</b>	Yes, as long as client works 20 hours per week	Yes, with or without concurrent employment	Education and training not pushed, but permitted if client self-enrolls
<b>Full-time education and training activities</b>	Not available	May participate in education and training up to 32 hours per week to meet the participation mandate	Not available
<b>Supportive services</b>	Eligible for child care, transportation, and ancillary payments needed to participate in program activities		Eligible for child care, transportation, and ancillary payments if client self-enrolls in an approvable education and training program
<b>Program flow to Phase 1</b>	If employment drops below 20 hours per week, client has 60 days to bring up hours, otherwise returns to Phase 1	Client stays with EDA, which provides job search services	Client remains with Phase 1 worker regardless of weekly work hours
<b>Eligibility for public assistance programs</b>	Eligible for TANF, food stamps, and Medi-Cal in accordance with the rules of these programs		

don't give up on them; they will eventually break down and call me." Further, both Work Plus and Training Focused case managers focus on encouraging part-time workers to enter training because, according to one Work Plus case manager, "the clients are making minimum wage and have two to five children. I offer them a reality check and tell them about time limits and ask them what they're going to do then when their time runs out." Other case managers use a somewhat more balanced approach toward recruiting both part-time and full-time workers, stressing the participation options that these two groups possessed. A Work Plus caseworker characterized this approach as "trying to offer choices to part-time workers to meet their requirements. With full-time workers, I try to tell them what is available and explain that they should really take advantage of their opportunities."

Both Work Plus and Training Focused staff attempted to keep in contact with people who initially chose not to enroll in Phase 2, with the ultimate goal of recruiting them into the program. They did this by cultivating a relationship with these individuals, in order to learn about their specific barriers to participating in the program and helping to eliminate those barriers. One of the Training Focused case managers said she tells her clients upfront that participating in education and training is not going to be easy but that they can and have to do it for themselves. Moreover, she tells them that she intends to be very honest with them and that she anticipates the same behavior from them. She also stresses that she is there to offer them options. Overall, she said, clients like her candidness. A Work Plus case manager said she hardly ever discontinued contact with people and could usually convince them to participate, given enough time with them. Many of the case managers at both agencies recognized that fear, especially about returning to school, was one of the biggest barriers that clients faced. Thus, they often helped clients take their first steps toward education or training activities. Some case managers drove their clients to the education and training provider so they could take tours to familiarize themselves with it. As part of these tours, case managers introduced clients to the EDA/DPSS contact person at the school, in case the client had any questions or concerns once the program started.

In contrast, control group case managers did not actively recruit their sample members into Phase 2 program services. Instead, they reminded clients that they needed to meet the weekly participation mandate of 32 hours per week, primarily by maintaining (or increasing if needed) their weekly work hours. (Case workers contacted sample members on a monthly basis by mail to verify their work hours.) To help clients increase their work hours or find new jobs, case managers provided job leads as needed. Further, case managers consistently reminded their clients that their TANF time-limit clock was still ticking while they were combining welfare with work, so they would be better off if they increased their hours and left TANF altogether. Moreover, clients who wanted to enroll in education and training programs had to find the programs themselves, without the assistance of their case manager.

## **Assessment and Initial Service Referrals**

After Work Plus sample members enrolled in the program (approximately 46 percent of them did so), DPSS case managers used a variety of assessment tools, such as the Comprehensive Adult Student Assessment System (CASAS) and Choices, to measure the vocational aptitude and interests of their clientele. With input from the clients, case managers developed an Employability Plan to guide sample members on the selection of education and training providers and programs.

Unlike their DPSS counterparts, EDA case managers utilized a formal assessment process after Training Focused sample members enrolled in the program (40 percent of them did so). Case managers referred clients to a third-party vocational assessor. Clients underwent a battery of aptitude and assessment instruments (for example, the Career Occupational Preference System [COPS]) over a two-day period. The assessor forwarded the results and recommendations to the EDA case manager, who, with client input, crafted a Self-Sufficiency Plan to guide subsequent referrals to education and training slots and providers, as well as to social service programs.

Rather than referring clients to specific education and training providers, DPSS Work Plus case managers utilized a “push-pull” referral process, which functioned as follows: Work Plus case managers discussed the merits and drawbacks of specific providers offering classes and programs, and clients then visited the providers, ultimately selecting one that best fit their education and training goals and schedule. (This is the “push.”) At the same time, case managers aggressively marketed the Work Plus program and its clientele to the education and training providers in the community, thereby raising the profile of both. (This is the “pull.”) Unlike the DPSS workers, Training Focused case managers referred clients to specific education and training providers within the EDA service delivery network.

## **Types of Program Services and Activities**

Work Plus and Training Focused staff offered a variety of program services to their clients. The most commonly used activities are listed below:

- **Vocational Training and College Activities.** Work Plus and Training Focused case workers referred their clients to an array of education and training programs. According to the client survey and case manager interviews, the most common types of training programs in which clients in both programs participated included health care, primarily Certified Nurse’s Aide and Licensed Vocational Nurse certification, office and administrative support, manufacturing, and truck driving (principally for male clients). Types of education and training providers included community colleges, proprietary schools, and community-based organizations.



- **Role of Access.** A key resource for providing education and training services to the Training Focused group was Access, a welfare-to-work grant won by EDA from the U.S. Department of Labor. Access was an unusually flexible funding source that paid for a wide variety of education and training slots, usually lasting six to twelve months, which were offered by EDA's network of service delivery providers. EDA blended its Access dollars with its existing Workforce Investment Agency funds to maximize the number of available education and training slots.

While the majority of clients that enrolled in Access-funded education and training programs were Training Focused sample members, Work Plus case managers often referred their clients to EDA to tap into these programs as well. If Work Plus clients met the Access eligibility requirements (which covered educational level, language ability, and barriers to participation), EDA referred them to an appropriate Access-funded provider within its service delivery network.

From July 1, 2001, to June 30, 2002, EDA provided vocational training services to 280 TANF recipients under the Access program at a cost of \$1,367,584.

- **Basic Education Activities.** Both the Work Plus and Training Focused programs offered basic education services — Adult Basic Education (ABE), General Educational Development (GED) preparation, and English as a Second Language (ESL) classes — to clients as needed. DPSS contracted with the local adult schools for these services, to which Work Plus case managers made traditional referrals (referring clients to specific providers and classes). Some Work Plus case managers strongly recommended to their clients who lacked a GED certificate that they obtain one, stressing that the certificate serves as a step toward better-paying jobs. Training Focused case managers stated that they preferred to refer clients who needed basic education to education and training programs that integrated basic education with the vocational training curriculum.
- **Job Search Activities.** Work Plus sample members had to be working at least 20 hours per week in order to maintain their Phase 2 program eligibility. If they lost their jobs, they had a 30-day window to find employment before they were referred back to Phase 1. (DPSS expanded this window to 60 days in the fall of 2001.) Although sample members usually engaged in job search activities independent of program staff direction, case managers also provided clients with job leads, assisted them with resumes, and directed them to DPSS resources, such as the phone room and job developers. Work Plus case

managers could refer clients to Job Club if they had not found a job within two to three weeks on their own. The focus of the job search was generally on getting any job rather than a better job, given that the immediate goal was to reestablish Phase 2 eligibility. Some participants who completed a training program were engaged in job search to find employment related to their training. According to both Work Plus and Training Focused staff, sample members in neither group participated in job search to find a job that made it easier to blend work and school schedules or to find a job in their field of study. Work Plus case managers had their clients participate in job search activities if they did not have enough hours of employment to remain eligible for Phase 2 services. While Training Focused sample members did not have this same work requirement, some of them participated in job search in order to meet the weekly participation mandate.

Neither the Work Plus nor the Training Focused program developed work-based advancement strategies. In both programs, most case managers did not have much contact with employers. Some noted that they discussed with a few of their clients topics like ways to move up at their current workplace, or when and how to discuss a promotion or raise.

- **Supportive Service Payments.** Both Work Plus and Training Focused case managers identified and paid for clients' child care, transportation, and ancillary needs (such as books, uniforms, and tools). EDA also offered support services for housing, utilities, and referrals to their One-Stop partners' services. Funding for child care was readily available, but clients working or participating in training at odd hours had access to fewer child care slots. Public transportation was not always adequate, especially in the desert areas. Furthermore, many clients tended to use unreliable cars, particularly in the desert.

Control group members were eligible to receive the same supportive service payments as Work Plus and Training Focused sample members. In order to get these payments, control group members had to be participating either in job search activities or in a self-initiated education and training program, and they had to be working at least 20 hours per week. Moreover, if the client was participating in self-initiated education and training, the case manager needed to verify that the program was on the county's list of education and training programs leading to employment in the local labor market.

- **Social Services.** Both programs assessed and addressed any mental health, domestic violence, and substance abuse issues that their clients or their clients' families had. Moreover, most DPSS offices had mental health and domestic violence counselors colocated in their offices. Occasionally, case

managers made referrals. Staff did not, however, push mental health, domestic violence, or substance abuse services on clients unless they asked for them. Generally, staff reported that they may have had clients who needed such services but that these individuals usually developed their own coping strategies and were not open to a referral to related social services.

### **Case Management Practices**

Both Work Plus and Training Focused case managers attempted to contact their clients at least once a month to verify employment hours and arrange support services as needed. Work Plus staff contacted clients at least once a month but often spoke with them more frequently. Training Focused workers, in contrast, generally communicated with their clients just once a month, unless participants contacted them. Caseworkers in both programs tried to monitor clients' progress in their activities. However, since the education and training providers did not send attendance or progress reports to program staff on a consistent basis, checking client progress past initial enrollment and actual completion proved difficult. In terms of consistently sending attendance and progress reports to the case managers, adult schools were generally the most reliable, followed by community colleges and proprietary schools.

Because EDA staff usually worked with clients who were more motivated or had fewer barriers to participation than the Phase 2 population that made up their new clientele, Training Focused case managers generally possessed less experience in working with a harder-to-serve population than DPSS case managers.

### **Program Experiences**

During the implementation and operational phases of the Work Plus and the Training Focused programs (from the beginning of random assignment in January 2001 through the end of the follow-up period in September 2005) both programs devised responses to the problems they encountered, such as getting clients to participate, addressing clients' reemployment needs, and providing an adequate number of education and training program slots across the county on a sustained basis.

### **Participation Issues**

Getting sample members to enroll and participate in program activities proved to be difficult. As noted above, Work Plus and Training Focused case managers did not force reluctant sample members into the program. Technically, clients not in compliance with the 32-hour weekly participation requirement could be sanctioned — that is, they could have their portion of the case's TANF grant subtracted from the monthly payment amount. In reality, case managers in both groups initially did not sanction clients, as long as clients continued to work a minimum

of 20 hours per week. As one Work Plus staffer stated, “Why would we want to sanction someone who is working, which is the core goal of what we want clients to do?” Over time, in both groups, case managers hardened their stance. They spoke to their clients about the need to fulfill the participation requirements, and if clients did not comply with this mandate, they sometimes raised the specter of sanctions — but they still, for the most part, did not resort to sanctioning. One Work Plus case manager explained, “I do home visits to try and motivate clients to participate. If I sanction them, then I dig [them] a bigger hole. It’s not really going to save the county money.” Another Work Plus case worker said she and her colleagues “don’t really sanction as many people in Phase 2 [as in Phase 1]. We try to help them solve the issue that is making it difficult for them to participate.” As for the Training Focused program, one case manager estimated that she has sanctioned “maybe three people out of a caseload of about 60 active clients.” The time-study data reflect this emphasis on engaging clients. Work Plus and Training Focused staff devoted about one-quarter of all their client-staff interactions to addressing participation and noncompliance issues.

Initially, Training Focused clients did not exercise their option to reduce or eliminate their work hours in order to engage in more intensive education and training programs to the degree originally envisioned by EDA administrators. Training Focused case managers reported that clients were concerned about maintaining their household income if they cut back on their work hours. However, according to Training Focused staff, their clients increasingly used this option as the follow-up period progressed. One reason for this increase in the take-up rate was that Training Focused caseworkers intensified their recruitment efforts when they learned of clients losing their jobs. Staff emphasized to these individuals that they now had an opportunity to enroll and participate in a full-time education and training program without the distraction of a job — they could concentrate on their studies and finish them more quickly than if they had to balance work and school responsibilities. Clients could then use their new skills, certificates, and degrees to find higher-paying jobs in their career fields more rapidly.

### Addressing Clients’ Reemployment Needs

Both Work Plus and Training Focused caseworkers had to spend more time on job retention activities than originally anticipated. In particular, staff in both agencies discovered that many clients quickly lost their jobs shortly after program intake and thus needed reemployment assistance. The program did not have many formal retention strategies in place other than such work supports as child care and transportation payments. With the higher-than-expected numbers of clients needing reemployment services, some DPSS offices responded with more formalized services, such as job clubs, which were similar to those operated by the Phase 1 program.

## Usage and Availability of Education and Training Services

Work Plus and Training Focused case managers took a markedly different approach to utilizing education and training resources. Work Plus staff used a more incremental approach to connect their clients to education and training services. Careful not to overwhelm clients trying to juggle work and education, caseworkers explained to MDRC researchers that it was important for clients to take “baby steps” — that they “have to crawl before they can walk.” They did not want to refer clients to vocational programs if clients were not equipped with the skills needed to succeed in these programs. Instead, Work Plus case managers encouraged their clients to participate in basic education and take care of their initial educational needs before enrolling in vocational programs.

Training Focused case managers, on the other hand, strongly encouraged clients to enroll in vocational educational programs from the start. When asked what messages they tried to convey to their clients, a common response was to tell clients that the opportunity to participate in education or training is temporary and is especially crucial since the advent of time-limited TANF benefits. Given this small window of opportunity, it is important that clients not waste time and that they enroll in programs that will prepare them for desirable careers.

Fluctuations in the education and training funding streams presented operational challenges to both the Work Plus and the Training Focused program, in terms of client recruitment, education and training slot type and availability, and staff morale.

EDA exhausted its Access funds in August 2002. The number of clients in both Phase 2 programs who were referred to education and training activities declined significantly in the fall of 2002. Both EDA and DPSS actively sought new funding sources and achieved some success. EDA requested and received \$100,000 in Employment Development Department (EDD) funds in December 2002. Further, in February 2003, DPSS disbursed \$700,000 in Time-Limited Tuition money to pay for education and training slots. (Time-Limited Tuition was the Riverside DPSS name for the temporary funding source used to pay for the education and training costs of Phase 2 clients. Time-Limited Tuition funds came from DPSS’s TANF incentive dollars.) DPSS allocated \$240,000 of these Time-Limited Tuition funds to EDA while keeping the balance for use by DPSS Work Plus staff. During the period from February to June 2003, Work Plus case managers used the Time-Limited Tuition funds to pay for education and training slots. According to the DPSS Phase 2 program manager, Work Plus case managers referred 247 clients to training slots funded by Time-Limited Tuition funds. Of this number, 215 clients (87 percent) participated in education and training programs, and 114 (58 percent) completed their programs by November 2003.

Nonetheless, the instability of education and training funding disrupted program operations in both Phase 2 programs. In particular, Work Plus and Training Focused administrators and

case managers had difficulty projecting the number and type of education and training slots to which they could refer their clients. As the education and training slot shortage unfolded, program staff also faced the dual challenge of effectively recruiting prospective participants and keeping their existing clients motivated to participate until they could get referred to an education and training program. While staff attempted to compensate by referring their clients to activities such as free basic education classes, case managers reported that their constrained ability to provide participants with vocational training and college — the hallmark components of both the Work Plus and the Training Focused program — lowered staff morale.

In addition to the funding instability, the outlying areas of the county (especially in the central and desert regions) never had as many, or as varied, education and training programs as existed in the metro Riverside area. For example, Work Plus case managers in Banning noted that they often enrolled clients in basic education simply because there were few other education and training programs in the area, and they wanted some way to maintain their relationship with their clients until a suitable program became available.

## **How Phase 2 Staff Spent Their Time**

In order to more fully understand the practices of the Phase 2 case managers and what it takes to operate such a postemployment program, MDRC administered a time study as part of the Phase 2 research. (The same study was administered in the other programs that are also part of the ERA evaluation.) The time study captured detailed information on the nature of staff-client interactions and on the topics covered in these interactions. It also collected information on how case managers typically spent their time each day. Phase 2 case managers participated in the time study for the period from July 14 through July 27, 2003. A total of 42 Work Plus, 5 Training Focused, and 17 control group case managers completed time-study booklets during this period.<sup>16</sup>

Work Plus and Training Focused case managers both averaged 55 clients during the time-study period. Almost all of the clients on the Work Plus case managers' caseloads were working, compared with only 65 percent (36 out of 55 clients on the average-size caseload) for the Training Focused case managers. This difference is not surprising, given the option that Training Focused clients had to stop working while they participated in program activities. These numbers fell within the range of the average caseload sizes in other programs in the ERA evaluation, which varied from 39 to 77 clients. In contrast, control group case managers averaged 11 Phase 2 clients, almost all of whom were working. (The rest of their clients were Phase 1 participants.)

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<sup>16</sup>A review of the time-study booklets for the control group staff indicates that they spent almost no time interacting with control group sample members during the two-week time period. It appears that they were doing almost all GAIN Phase 1 work as opposed to Phase 2 work.

As shown in Figure 2, Work Plus case managers spent 28 percent of their work time in contact with clients, and Training Focused case managers spent 32 percent of their work time in contact with clients — about two hours per day for both groups. This result was typical across the ERA sites. The Work Plus case managers spent far more time interacting with working clients (24 percent of their work time) than with nonworking clients (4 percent of their work time). In contrast, Training Focused case managers spent somewhat more time with nonworking clients (19 percent of work time) than with working clients (13 percent of work time).

Figure 2 further illustrates that case managers in both groups spent a similar proportion of time on other types of program activities. However, for the Work Plus and Training Focused case managers, the differences in some of the percentages shown in the figure seem to indicate that the Work Plus staff devoted more of their time in organizational and client compliance activities, such as meeting with staff and monitoring client work hours. The differences could be a manifestation of the more structured managerial and operational style of DPSS, or they could merely reflect the relative scale of program operations in the two organizations: EDA had only 5 case managers in 3 offices, while DPSS had 46 case managers, plus support staff and administrators, spread across 11 offices. DPSS may have needed to structure and manage staff activities more formally in order to operate the Work Plus program efficiently.

As shown in Table 3, Work Plus case managers had an average of 5.6 client interactions a day, with each of these interactions lasting 18.5 minutes, while Training Focused case managers had a similar average number of client interactions a day (5.3), but spent a slightly longer time (23.1 minutes) with each client. Again, this was typical across the ERA sites. In comparison, control group case managers averaged only 3 client contacts and 26 minutes on program activities during the *entire* two-week time study period. Not surprisingly, Work Plus case managers saw working clients much more frequently than nonworking clients, whereas Training Focused case managers tended to see equal numbers of working and nonworking clients each day. Interestingly, both Work Plus and Training Focused case managers spent slightly more time in each interaction with nonworking clients than in those with working clients.

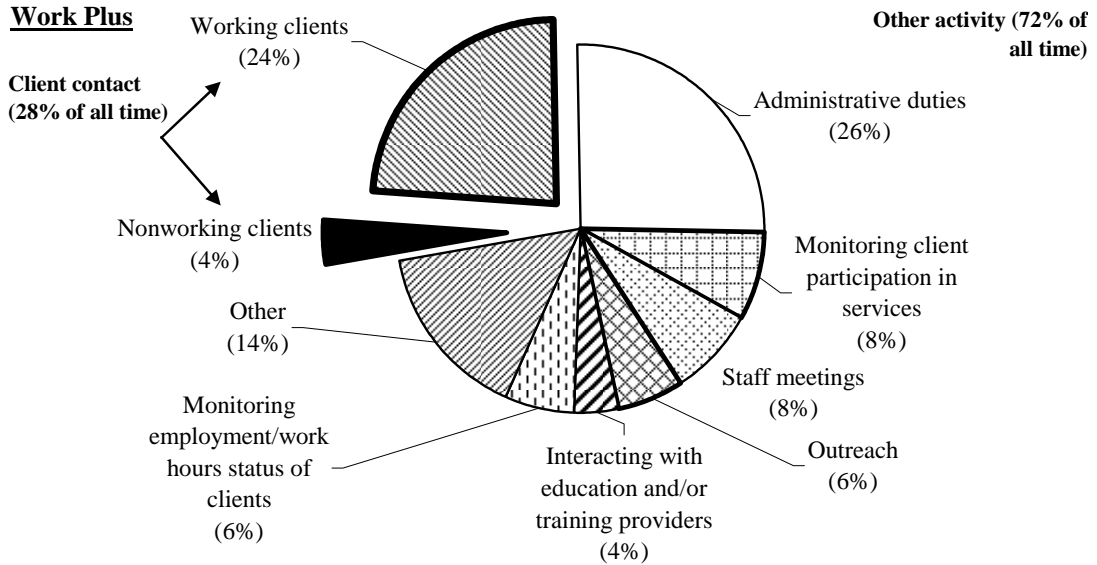
The majority of client contacts for both Phase 2 programs — 69 percent for Work Plus and 72 percent for Training Focused — were not in person. (See Table 4.) Most commonly, client contacts occurred via telephone. Training Focused case managers spent somewhat more time than their Work Plus counterparts on the telephone with clients. Work Plus and Training Focused case managers utilized office visits as the next most common form of contact, which they employed with similar frequency. Written communication was the third most common form of client-staff contact, but case managers in both groups devoted very little time each day to this type of contact.

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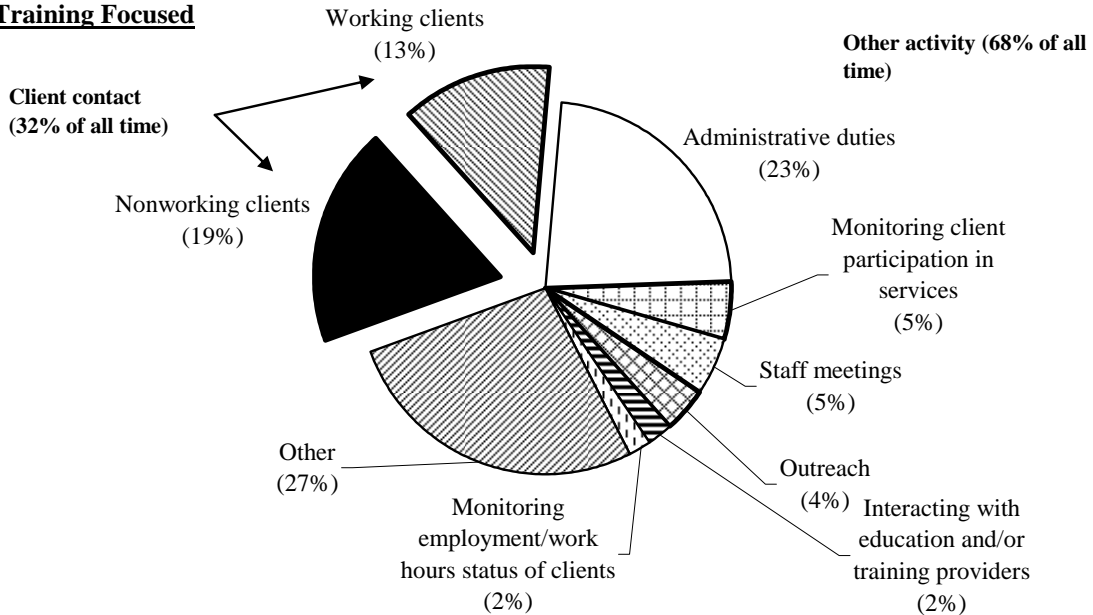
**Figure 2**

**Summary of How Riverside Phase 2 Case Managers Typically Spent Their Time**

**Riverside Phase 2**



**Training Focused**



SOURCE: MDRC calculations from the ERA time study.



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**Table 3**

**Extent of Contact Between Case Managers and Clients**

**Riverside Phase 2**

	Work Plus Group	Training Focused Group
Percentage of work time spent in contact with		
Any client	27.7	32.1
Working clients	23.5	13.0
Nonworking clients	4.1	19.1
Work experience clients	NA	NA
Average number of client contacts per day per case manger		
Any client	5.6	5.3
Working clients	4.8	2.5
Nonworking clients	0.8	2.8
Work experience clients	NA	NA
Average number of minutes per contact with		
Any client	18.5	23.1
Working clients	17.7	19.1
Nonworking clients	21.1	25.4
Work experience clients	NA	NA
<b>Number of case managers time-studied</b>	<b>42</b>	<b>5</b>

SOURCE: MDRC calculations from the ERA time study.

NOTE: NA = not applicable.

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**Table 4**

**Description of Contact Between Case Managers and Clients**

**Riverside Phase 2**

	Work Focused Group	Training Focused Group
Percentage of all client contacts that were:		
In person	30.6	27.6
Office visit	26.6	26.0
Home visit	2.6	0.0
Employer visit	0.6	0.0
Elsewhere	0.8	1.6
Not-in person	69.4	72.4
Phone contact	59.4	63.6
Written contact	9.3	6.8
Other type of contact	0.7	2.0
Percentage of all client contacts that were initiated by:		
Staff member	52.1	45.8
Client	47.4	54.2
Another person	0.5	0.0
<b>Number of case managers time-studied</b>	<b>42</b>	<b>5</b>

SOURCE: MDRC calculations from the ERA time study.

As was the case in most ERA programs, Work Plus case managers, as opposed to clients, initiated the majority of contacts (52 percent compared with 47 percent). In contrast, Training Focused clients, as opposed to program staff, initiated the majority of contacts (54 percent compared with 46 percent).

Table 5 presents the breakout of client-staff interactions by contact type and program topic. In general, both Work Plus and Training Focused caseworkers preferred to use in-person contacts for most types of program topics, especially when broaching subjects for which a more personal approach would make the interaction more productive. In particular, both Work Plus and Training Focused staff favored face-to-face contacts to recruit prospective clients into the program, discuss career goals and advancement, and explore specific employment and training options.

The most common topics covered during any type of client contact in both programs, in order of frequency from most common to least common, were as follows:

1. Arranging supportive services
2. Discussing career goals and advancement
3. Exploring specific employment and training options
4. Discussing program participation and sanctioning issues

Taken together, these topics appear geared toward articulating the services and work support payments needed to develop clients' career advancement plans, as well as identifying and resolving barriers to participation. One key difference between the two programs is that Work Plus case managers spent more time than Training Focused case managers providing re-employment assistance to their clients. Given that Work Plus clients needed to meet the 20-hour weekly work requirement in order to maintain their Phase 2 eligibility while Training Focused clients did not, this finding is not surprising.

The range and ordering of these topics is typical for similar postemployment programs in the ERA evaluation with one notable exception — discussing participation and sanctioning issues. About 23 percent of all client-staff contacts in both the Work Plus and the Training Focused program dealt with addressing and resolving participation problems. This finding seems to corroborate the challenge that case managers in both groups faced in persuading sample members to enroll in and persist in program activities while they were also working at least 20 hours per week.

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**Table 5**

**Topics Covered During Contact Between Case Managers and Clients  
Riverside Phase 2**

	Work Plus Group		Training Focused Group	
	In-Person	Other	In-Person	Other
Percentage of all clients that included the following topics: <sup>a</sup>				
Initial client engagement	11.0	7.2	19.1	12.0
Supportive service eligibility and issues	37.6	29.4	45.8	41.4
General check-in	21.3	31.7	13.9	19.2
Screening/assessment	15.6	1.8	13.0	3.1
Address on-the-job issues/problems	4.5	3.7	2.9	0.8
Address personal or family issues	15.4	13.6	16.3	11.3
Explore specific employment and training options	23.6	15.5	23.6	13.9
Discuss career goals and advancement	27.7	13.3	32.4	12.2
Assist with reemployment	18.2	12.6	10.3	11.1
Discuss issues related to financial incentives or stipends	1.7	0.9	0.0	0.0
Enrollment in government assistance and ongoing eligibility	2.4	2.4	0.0	1.0
Assistance with the EITC	0.1	0.0	0.0	0.0
Participation/sanction issues	23.1	31.3	23.0	23.7
Schedule/refer for screening/assessment	3.0	5.3	1.2	3.9
Schedule/refer for job search or other employment services	6.3	6.0	10.3	1.5
Schedule/refer for education or training	11.9	6.0	9.2	7.2
Schedule/refer for services to address special or personal issues	3.1	1.6	0.0	0.4
Number of case managers time-studied	42		5	

SOURCE: MDRC calculations from the ERA time study.

NOTE: <sup>a</sup>These percentages will add up to more than 100 percent because more than one topic could be recorded for each client contact.

## Impacts on Client-Staff Contacts and Service Receipt

This section uses results from the ERA 12-Month Survey of clients to describe the extent of client-staff interactions, as well as the Phase 2 programs' impacts on service receipt. In addition, this section presents descriptive findings on the types of education and training activities that sample members participated in, based on data from the special education and training survey. (Boxes 1 and 2 describe how participation is measured in the ERA evaluation and how to read the tables in this report.)

### Summary of Key Findings

Several key findings emerged from MDRC's analysis of the client survey data:

- **Only the Training Focused approach produced a statistically significant increase in participation relative to the control group.** This was the case despite the fact that, overall, a higher proportion of sample members in both the Work Plus and the Training Focused group, compared with control group members, participated in education and training activities during the 12 months after random assignment.
- **Both Phase 2 program approaches increased participation in education and training activities, as well as the length of time people spent in those activities, relative to the control group.** Among sample members who, as of random assignment, were working part time (20-31 hours per week), both Phase 2 program approaches increased participation in education and training activities as well as the length of time people spent in these activities, relative to the control group. Among part-time workers, around half of the Work Plus and Training Focused survey respondents participated in an education or training activity, compared with only about one-third of the control group, representing relatively large effects on participation.
- **Among sample members who lacked a high school diploma or General Educational Development (GED) certificate as of random assignment, a similarly large increase in participation was found.** This increase was statistically significant for Training Focused group members but not for Work Plus group members.

## Box 1

### Measuring Participation in ERA

In order to interpret the results of a random assignment evaluation, it is critical to understand the “dose” of services that each research group receives. In many studies, this is relatively straightforward, because the “treatment” is easy to measure (for example, the number of hours of training or the dollar value of incentive payments). In contrast, in many of the ERA programs, including Phase 2, services are delivered mostly in one-on-one interactions, during which staff advise, coach, or counsel participants. This type of service is inherently difficult to measure. In addition, to accurately measure a program’s *impact* on service receipt, it is important to collect data in the same way for both the ERA group and the control group. In practice, this means that survey questions cannot refer to the ERA program in particular but, instead, must ask in general about the kinds of services that ERA provided.

MDRC sought to measure service receipt in three main ways, using the ERA 12-Month Survey. Each approach has both strengths and limitations, and each contributes to the overall analysis:

- First, the survey asked whether respondents participated in “traditional” employment-related services, such as job search workshops and training classes, and how many weeks they participated (see Table 8). These services are relatively easy to measure, but they are not the heart of most ERA programs (including the Phase 2 program).
- Second, the survey asked how frequently respondents had had contact with staff members from employment or social service agencies and where those contacts took place (see Table 6). These questions are more central to the ERA programs, but it is difficult to determine which types of staff the respondents were referring to. For example, contact with a worker who determines food stamp eligibility is likely to be quite different from contact with a Phase 2 case manager. Moreover, it may be difficult for respondents to recall the number of such contacts over a one-year period.
- Third, the survey asked whether respondents received assistance in a variety of specific areas, some of which — such as “finding a better job while working” — are central to Phase 2 (see Table 7). These questions are fairly straightforward, but they do not provide any information about the *amount* of service that was received in each area.

## Box 2

### How to Read the Tables in the ERA Evaluation

Most tables in this report use a similar format, illustrated below. (Note that only one program group is shown in the example.) The table shows a series of participation outcomes for the Work Plus group and the control group. For example, it shows that about 12 (12.4) percent of the Work Plus group and 7 percent of the control group participated in adult basic education (ABE) or General Educational Development (GED) classes.

Because individuals were assigned randomly either to the Work Plus group or to the control group, the effects of the program can be estimated by the difference in outcomes between the two groups. The “Difference” column in the table shows the differences between the two research groups’ participation rates — that is, the program’s *impacts* on participation. For example, the impact on participation in ABE/GED can be calculated by subtracting 7.0 from 12.4, yielding a difference of 5.3 percentage points.

Differences marked with asterisks are “statistically significant,” meaning that it is quite unlikely that the differences arose by chance. The number of asterisks indicates whether the impact is statistically significant at the 1 percent, 5 percent, or 10 percent level (the lower the level, the less likely that the impact is due to chance). For example, as shown below, the Work Plus group had a statistically significant impact of 5.3 percentage points at the 5 percent level on participation in ABE/GED. (One asterisk corresponds to the 10 percent level; two asterisks, the 5 percent level; and three asterisks, the 1 percent level.) The p-values show the exact levels of significance.

#### Impacts on Participation in Job Search, Education, Training, and Other Activities

Outcome	Work Plus Group	Control Group	Difference (Impact)		P-Value
Participated in an education/training activity (%)	37.3	32.0	5.4		0.234
ABE/GED	12.4	7.0	5.3	**	0.047
ESL	5.8	2.6	3.2	*	0.077
College courses	18.0	17.3	0.7		0.842
Vocational training	8.2	8.3	-0.1		0.974

NOTE: This table excludes the columns that compare impacts for the Training Focused group with impacts for the control group.

- **Among sample members who were working full time, or who were high school graduates or GED certificate recipients, neither the Work Plus nor the Training Focused program generated statistically significant participation impacts.**

## **Extent and Nature of Contacts Between Clients and Staff**

Approximately 59 percent of the Work Plus survey respondents and 58 percent of the Training Focused respondents said that, since entering the study, they had had contact with a case manager or a staff person from an employment, welfare, or other agency, or with programs that help people find or keep jobs, compared with 50 percent of the control group. (See Table 6.) For both Phase 2 programs, the increase of 9 percentage points on ever having contact is statistically significant.

Contacts with case managers or program staff were more likely to be over the telephone than in person. Half or slightly more than half of the sample members in the three research groups never met face-to-face with their case managers. When face-to-face meetings did take place, they almost always occurred at the case manager or staff person's office.

The number of contacts sample members had with case managers or program staff members ranged from an average of 8 (in the control group) to 10 (in the Training Focused group) during the follow-up period. (These averages include zeroes for people who never had contact with a case manager or program staff person in the 12 months following random assignment.) Almost one-quarter of survey respondents in each of the three research groups had talked with a case manager or staff person in the four weeks prior to the survey. While only about one in eight sample members reported that case managers or program staff had any contact with their employers, Work Plus clients were slightly more likely than control group clients to report that their case managers had talked with their employers at some point during the follow-up period.

- Among the three research groups, there were few differences relating to sample members' likelihood of receiving help of various types. (See Table 7.) The few statistically significant differences include the following: Training Focused group members were more likely than control group members to receive help with job preparation activities from their case managers. (While 48 percent of the Training Focused group received assistance to prepare and look for a job, only 39 percent of the control group members did. The resulting impact of 9 percentage points is statistically significant.)



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Table 6

Year 1, Impacts on Contacts with Program Staff

Riverside Phase 2

Outcome	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training		Difference (Impact)	P-Value
					Focused Group	Control Group		
Any contacts with case manager since random assignment <sup>a</sup> (%)	58.9	49.8	9.1 **	0.048	58.3	49.8	8.5 *	0.061
Average number of contacts with staff/case manager	8.6	7.9	0.7	0.661	9.9	7.9	2.0	0.224
In person	3.4	2.9	0.5	0.405	3.3	2.9	0.4	0.534
By telephone	5.2	5.0	0.2	0.885	6.6	5.0	1.6	0.202
Talked with staff/case manager in past 4 weeks (%)	23.8	21.6	2.3	0.561	23.7	21.6	2.2	0.572
Ever met with staff/case manager (%)	49.8	43.3	6.6	0.150	45.1	43.3	1.9	0.680
At home	4.7	1.2	3.6 **	0.010	0.8	1.2	-0.4	0.801
At workplace	1.7	2.9	-1.2	0.444	3.9	2.9	1.0	0.522
At staff/case manager's office	48.2	42.9	5.3	0.247	42.9	42.9	0.0	0.999
At school/training program	5.1	3.5	1.6	0.371	3.3	3.5	-0.2	0.931
In other places	2.5	2.1	0.4	0.796	3.8	2.1	1.7	0.283
Staff/case manager talked with respondent's employer (%)								
Never	82.8	88.6	-5.8 *	0.065	89.0	88.6	0.3	0.913
Once or twice	8.3	5.5	2.8	0.225	6.9	5.5	1.4	0.536
More than two times	1.3	0.9	0.4	0.649	0.8	0.9	0.0	0.976
Don't know	7.6	5.1	2.5	0.224	3.3	5.1	-1.8	0.399
Sample size (total = 712)	237	241			234	241		

SOURCE and NOTES: See Appendix B.

<sup>a</sup>This measure includes respondents who said "yes" on the client survey to either of the following questions: "Have you had any experiences with programs or organizations that help people find or keep jobs since your random assignment date?" "Since your random assignment date, have you had any contact, in-person or by phone, with a case manager or a staff person from an employment, welfare or other agency?" However, subsequent survey questions regarding the number and location of contacts were asked only of respondents who said "yes" to the latter question. Therefore, there are some respondents who reported contact but were not asked about the number and location of contacts.

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Table 7

Impacts on Areas in Which Respondents Received Help

Riverside Phase 2

Outcome (%)	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training		Difference (Impact)	P-Value
					Focused Group	Control Group		
Received help with support services	63.7	60.3	3.4	0.431	60.9	60.3	0.6	0.892
Finding or paying for child care	53.7	52.2	1.5	0.724	52.5	52.2	0.3	0.941
Finding or paying for transportation	34.9	28.7	6.2	0.147	30.5	28.7	1.8	0.675
Received help with basic needs	38.0	42.5	-4.5	0.320	35.2	42.5	-7.3	0.105
Housing problems	10.5	10.5	-0.1	0.983	11.0	10.5	0.5	0.859
Access to medical treatment	29.2	34.1	-4.9	0.253	28.5	34.1	-5.6	0.189
Financial emergency	8.3	7.8	0.6	0.824	7.0	7.8	-0.8	0.760
Received help with public benefits	62.2	64.8	-2.6	0.560	67.3	64.8	2.5	0.576
Getting Medicaid	58.8	60.5	-1.7	0.703	61.5	60.5	1.0	0.821
Getting food stamps	47.6	50.4	-2.8	0.535	51.6	50.4	1.3	0.783
Received help with job preparation	46.0	38.9	7.1	0.124	47.9	38.9	9.0 *	0.050
Enrolling in job readiness or training	25.2	19.4	5.9	0.120	19.0	19.4	-0.4	0.920
Looking for a job	31.9	28.7	3.2	0.470	35.2	28.7	6.5	0.134
Finding clothes, tools, or supplies for work	32.2	28.7	3.5	0.417	33.1	28.7	4.4	0.305
Received help with retention/advancement services	28.9	21.6	7.4 *	0.068	24.1	21.6	2.6	0.524
Finding a better job while working	11.4	9.4	2.0	0.481	9.9	9.4	0.5	0.857
Enrolling in life skills classes while working	7.7	8.6	-0.9	0.691	4.3	8.6	-4.4 *	0.061
Career assessment	15.4	10.3	5.0	0.112	13.5	10.3	3.2	0.306
Dealing with problems on the job	6.6	7.3	-0.7	0.763	4.6	7.3	-2.6	0.234
Addressing a personal problem that makes it hard to keep a job	8.5	9.6	-1.2	0.653	8.0	9.6	-1.6	0.532
Sample size (total = 712)	237	241			234	241		

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SOURCE and NOTES: See Appendix B.

- Almost 29 percent of the Work Plus group reported getting support from their case managers to help them hold onto a job or advance in the labor market, compared with 22 percent of the control group. The resulting impact of 7 percentage points is statistically significant. In each group, comparable percentages of survey respondents (ranging from 60 percent to 67 percent) reported having received help finding or paying for support services, such as child care and transportation, or obtaining public benefits, such as Medi-Cal (California’s Medicaid program) and food stamps.

## **Impacts on Service Receipt for the Full Sample**

Overall, approximately 75 percent of survey respondents in each of the three research groups reported participating in job search, education or training, unpaid work, or life skills classes during the year after they entered the study. (See Table 8.) Notably, compared with the control group, only the Training Focused approach led to statistically significant increases in the likelihood of sample members attending education and training activities: Slightly over 41 percent of the Training Focused group participated in any type of education and training activity, compared with 32 percent of the control group, for an impact of 9 percentage points. Across the three research groups, only 10 percent to 13 percent of sample members were still participating in an education and training activity at the end of Year 1.

Both Phase 2 programs led to increases — of 5 to 6 percentage points — in sample members’ likelihood of attending Adult Basic Education or GED classes. Notably, Work Plus and Training Focused staff specifically assessed their clients’ educational skills, referring clients in need of basic education to Adult Basic Education and GED courses, both as separate activities and as part of integrated education and training/basic education programs. Control group members, in contrast, did not have their educational skills assessed and were not directly referred to basic education classes.

Surprisingly, survey respondents in the three research groups had comparable participation rates in college (primarily two-year Associate of Arts degree programs) and with slightly less occurrence, in vocational training. Approximately 17 percent to 19 percent of the survey respondents in the three groups attended college during the 12 months following random assignment, while about 8 percent to 12 percent participated in vocational training programs. As discussed in above (see “Program Flow, Messages, and Services of the Phase 2 Program”), control group members could enroll and participate in education and training programs on their own initiative, and many did so. Further, according to the time-study data and the field research interviews, control group case managers did not review and approve these self-initiated college programs to any significant degree. Thus, some control group members may not have received

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Table 8

Impacts on Participation in Job Search, Education, Training, and Other Activities

Riverside Phase 2

Outcome	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training		Difference (Impact)	P-Value
					Focused Group	Control Group		
Ever participated in any activity <sup>a</sup> (%)	78.5	73.3	5.1	0.194	75.3	73.3	2.0	0.609
Participated in any employment-related activity <sup>b</sup> (%)	65.6	61.2	4.5	0.311	65.0	61.2	3.8	0.387
Participated in a job search activity (%)	64.3	60.0	4.2	0.341	62.4	60.0	2.3	0.599
Group job search/job club	44.8	44.7	0.1	0.980	38.6	44.7	-6.1	0.183
Individual job search	51.2	48.4	2.8	0.539	50.9	48.4	2.5	0.580
Participated in an education/training activity <sup>c</sup> (%)	37.3	32.0	5.4	0.234	41.3	32.0	9.3 **	0.037
ABE/GED	12.4	7.0	5.3 **	0.047	12.8	7.0	5.7 **	0.032
ESL	5.8	2.6	3.2 *	0.077	4.3	2.6	1.6	0.355
College courses	18.0	17.3	0.7	0.842	19.9	17.3	2.5	0.471
Vocational training	8.2	8.3	-0.1	0.974	12.2	8.3	3.9	0.157
Currently participating an education/training activity (%)	13.4	9.9	3.6	0.240	13.0	9.9	3.1	0.299
Participated in unpaid work/subsidized employment (%)	3.6	6.3	-2.7	0.235	9.5	6.3	3.2	0.151
Participated in education/training activity while working (%)	29.6	22.6	7.0 *	0.086	25.9	22.6	3.3	0.418
Average number of weeks participating in								
Job search activities	4.0	4.9	-0.9	0.321	5.5	4.9	0.6	0.494
Education/training activities	8.7	5.1	3.5 ***	0.006	6.9	5.1	1.7	0.179
Unpaid work/subsidized employment	0.4	1.5	-1.1 **	0.036	1.2	1.5	-0.3	0.536
Sample size (total = 712)	237	241			234	241		

(continued)

**Table 8 (continued)**

SOURCE and NOTES: See Appendix B.

<sup>a</sup>"Any activity" includes employment-related activities, education/training activities, life skills, and other types of activities.

<sup>b</sup>"Employment-related activities" include job search activities, unpaid jobs, and on-the-job-training.

<sup>c</sup>"Education/training activities" include adult basic education (ABE), General Educational Development (GED), and English as a Second Language (ESL) classes.

the support service payments (such as child care and transportation) for which many of them might have been eligible.

Finally, Work Plus survey respondents stayed in their education and training activities longer than their control group counterparts. The average number of weeks of participation in education and training activities for Work Plus sample members amounted to nine weeks, compared with five weeks for control group members. (These averages include zeroes for those who did not participate in education and training during the follow-up period.) There was a smaller, and not statistically significant, difference between the amount of time the Training Focused group stayed in education and training activities and the amount that the control group did.

Notably, many education and training participants in all three research groups were — at some point during the follow-up period — going to school or attending training programs while they were working (30 percent of the Work Plus group, 26 percent of the Training Focused group, and 23 percent of the control group). The Work Plus approach produced an impact of 7 percentage points relative to the control group, a difference that is statistically significant. The difference between the Training Focused and the control group on this outcome is smaller and not statistically significant. This follows from the design of the two Phase 2 programs, given that sample members in the Training Focused approach were allowed to cut back on or cease employment to accommodate education or training participation while those in the Work Plus approach were prohibited from doing so.

## **Impacts on Service Receipt for Subgroups**

MDRC examined service receipt rates for two key subgroups, defined relative to their status at random assignment: (1) sample members working full time versus those working part time and (2) sample members with and without a high school diploma or GED certificate. Highlights of these analyses are as follows. (For the complete set of outcomes, see Appendix Tables D.1 and D.2.)

Increases in education and training activities were concentrated primarily among sample members who entered the study working part time. The two Phase 2 approaches had little or no effect on participation in education and training activities among those who entered the study with full-time work.

Among the part-time workers, 51 percent of the Work Plus group members and 47 percent of the Training Focused group members participated in any education and training activity in the 12 months following random assignment, compared with 34 percent for the control group. The differences for both groups, relative to the control group rate, are statistically significant. Of the part-time workers subgroup, 42 percent of the Work Plus and 28 percent of the

Training Focused sample members participated in any education and training activity while employed, compared with 26 percent of the control group members. The difference between the Work Plus group and the control group — 16 percentage points — is statistically significant. Work Plus sample members who worked part time at least initially attended their education and training activities for 13 weeks on average, compared with 7 weeks for control group members — another statistically significant difference. The difference between the Training Focused group and the control group is not statistically significant.

For the Training Focused group, increases in education and training participation were concentrated primarily among those who entered the study without a high school diploma or GED certificate. The two Phase 2 approaches had little or no effect on participation in education and training activities among high school graduates and GED certificate holders.

Among sample members without a high school diploma or GED certificate, about 48 percent of Training Focused group members reported participating in any education and training activity (primarily in basic education), a statistically significant increase of 17 percentage points above the control group average. About 41 percent of nongraduates in the Work Plus group reported participating in any education and training activity, a difference of 10 percentage points in comparison with the control group, but this difference is not statistically significant. Among those sample members who did not have a high school diploma or a GED certificate, 27 percent of the Work Plus sample members and 31 percent of the Training Focused sample members participated in an education and training activity while employed, compared with 16 percent of control group members who did. The differences for both Phase 2 groups, compared with the control group, are statistically significant. Work Plus and Training Focused sample members who lacked a diploma or a GED certificate attended their education and training activities for seven weeks on average, compared with three weeks for control group members. The differences for the two Phase 2 programs are statistically significant.

## **Impacts on Degree and Certificate Receipt**

MDRC analyzed the effects of the Phase 2 programs on the receipt of degree and vocational certificates for the full sample and the key subgroups. The Work Plus approach generated small but statistically significant impacts on GED receipt for the entire sample, and somewhat larger increases for nongraduates and part-time workers. The Training Focused program produced an increase of 7 percentage points in the receipt of trade or occupational certificates for full-time workers. This finding is somewhat surprising given the lack of participation impacts for this subgroup. (See Appendix Table D.4 for the full set of outcomes and Box 3 for information about the evaluation's special education and training survey.)

### Box 3

#### Results from the Special Education and Training Survey

Because the education and training participation rates reported by control group members in the 12-month client survey were higher than anticipated, MDRC conducted a special survey of a subsample of 12-month client survey respondents who reported participating in education and training activities. Because the special survey sample is a subsample of only education and training participants, the findings from this special education and training survey are nonexperimental. Nonetheless, they offer valuable insights into the types of education and training programs that clients attended, the likelihood of clients' completing their programs, and clients' views on the challenges of combining work and school or training.

- The survey verified that, in fact, the education and training participation reported in the 12-month survey was “real” and that education and training participation rates were comparable across the three research groups.
- Among the education and training participants, 60 percent had taken college classes (typically, at a community college); 25 percent had taken vocational training classes (almost all as part of a program leading to a certificate); and 25 percent had taken basic education classes. In all, 43 percent of the education and training participants noted that getting a two- or four-year college degree was their eventual goal.
- Across the three research groups, the most popular types of college or vocational training activities in which individuals enrolled were in the nursing/medical field (usually Certified Nurse Assistant [CNA] and Licensed Vocational Nurse [LVN] programs) and in computer graphics and programming.
- By the end of the 17- to 28-month follow-up period of the special education and training study, about one-third of respondents to the special survey were still participating in their course of study. The proportion currently participating was highest among respondents who attended college programs and lowest among basic education participants.
- When survey respondents were asked about their biggest challenge in combining work and school or training, they most frequently mentioned time issues. When asked what type of assistance from an agency or organization was most helpful when going to school or training while working, they most frequently mentioned financial assistance.



## Conclusions

To have a fair test of the Work Plus and Training Focused approaches, a relatively large proportion of Work Plus and Training Focused group members would have to have attended education and training activities, and their levels of participation in these activities would have to have greatly exceeded the participation level of the control group. For several reasons, these benchmarks proved difficult to achieve, although the two approaches attained greater success with certain groups of sample members than with others.

At least two factors appear to explain why the Work Plus and Training Focused approaches did not produce larger impacts on education and training engagement for the sample as a whole, including relatively high levels of education and training participation among the control group: (1) the difficulty of getting working single-parent TANF recipients to enroll in school or training in numbers greater than the number who were likely to do this on their own and (2) frequent job loss among sample members (described in detail in the next section), which usually diverted people's focus to job search and away from education or training.

These findings point to the need to develop strategies that might substantially increase voluntary participation in education or training programs — enrollment in such programs as well as completion of them — among individuals not likely to seek out and meet these milestones on their own. The findings also suggest a need to devise strategies that might help such individuals achieve increased participation in education and training programs without forcing them to choose between obtaining higher incomes by working more hours and shooting for long-term, uncertain increases by earning a GED certificate, training certificate, or college degree.



## **The Effects of the Work Plus and Training Focused Approaches on Employment, Public Assistance, and Income**

This section analyzes the effects of the Work Plus and Training Focused approaches on sample members' employment, earnings, receipt of Temporary Assistance for Needy Families (TANF) and food stamps, and combined income from earnings and public assistance. The analysis uses statewide unemployment insurance (UI) wage data to estimate effects on employment and earnings for two years (eight quarters), following each sample member's date of random assignment. Only one year of follow-up data was available from Riverside County's automated TANF and food stamp payment system for estimating effects on receipt of public assistance. A portion of the sample, 712 single parents, provided information on job characteristics and other outcomes by responding to a survey interview around 12 months after their date of random assignment.

Average employment and public assistance outcomes for the control group represent what happens when employed TANF recipients rely solely on their own initiative to enroll in education and training activities. As discussed earlier, Riverside County has many private and public institutions that offer degree-granting and non-degree-granting instruction to low-wage workers. Furthermore, as elsewhere, many low-wage workers may obtain Pell Grants and other forms of support for education and training activities with the help of their educational institution's financial aid officers.

Differences in average outcomes between the Work Plus and control groups represent the effects, or impacts, of the DPSS's longstanding postemployment approach beyond what working recipients could attain on their own initiative. Similarly, differences in average outcomes represent the effects, or impacts, of EDA's more strongly training-focused approach (relative to receiving no assistance in enrolling in skill-building activities). It is also possible to directly compare results for the Work Plus and Training Focused groups. Such a comparison may show that one approach's mix of services, mandates, and messages leads to better outcomes than that of the other approach, but that finding would only be meaningful if the group with better outcomes also had better outcomes than the control group. MDRC reports impacts as true program effects when the impacts are statistically significant at the 10 percent level or less — meaning that it is unlikely that the differences occurred by chance. Unless otherwise noted, all impacts discussed in this report are statistically significant.

As discussed previously, sample members were already working at their time of random assignment, although some were employed at jobs not recorded by California's UI system. Under such circumstances, employment levels for members of all three research groups can

only go downward over time. Nonetheless, one or both Phase 2 approaches may increase employment retention above the control group level by helping Work Plus and Training Focused group members stay on the job longer or move sooner to new jobs. The two approaches could also increase members' total earnings above the control group's by helping Work Plus and Training Focused group members keep their jobs longer, increase their hours of work or their hourly pay, or move to more stable or higher-paying jobs.

Most employment outcomes presented in this report cover the first two years after random assignment. The results include each approach's effects on employment levels and stability, earnings, and advancement in the labor market. These results are important, but they are not the final word on the Phase 2 program, as MDRC will ultimately track employment and earnings outcomes for the study's participants for at least three years.

## **Expected Effects**

Previous random assignment evaluations of preemployment education or training programs for welfare recipients have shown that such programs rarely lead to increases in employment and earnings during the first year of follow-up. Typically during Year 1, individuals assigned to basic education, postsecondary education, or vocational training programs attend classes and cut back on or forgo employment. Several programs (like some in the study of the National Evaluation of Welfare-to-Work Strategies) led to increases in employment and earnings during the second year of follow-up.<sup>17</sup> It is possible that the same pattern will occur for postemployment initiatives like the Work Plus and Training Focused approaches. For this reason, the analysis will pay particular attention to results from Year 2 and from Quarter 9, the final quarter of that year.

The pattern of delayed program effects described above assumes that the program led to a relatively large increase in participation in at least one type of education and training activity beyond the level recorded for members of the control group. As noted in the previous section, based on survey responses, neither Phase 2 approach resulted in large increases in participation for the sample as a whole, suggesting that employment and earnings impacts should also be small. On the other hand, Work Plus group members averaged somewhat longer spells of attendance than control group members. Furthermore, among certain subgroups, sizable impacts on participation were found for one or both approaches. Finally, it should be noted that the Work Plus and Training Focused approaches may result in gains in employment and earnings relative to the control group even in the absence of impacts on participation. For instance, case managers from DPSS and EDA may have helped members of the two Phase 2 program groups enroll

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<sup>17</sup>Hamilton et al. (2001), pp. 95-100.

in types of education or training activities that offered better prospects for employment in stable and well-paying jobs, compared with the education or skills training activities in which control group members enrolled on their own initiative.

## Employment Patterns for Control Group Members

As expected, nearly all (92.1 percent) control group members worked for pay in a UI-covered job for at least one quarter during the first two years of follow-up. (See Table 9 and Figure 3.) However, many control group members experienced difficulty retaining employment. The percentage of control group members who worked in UI-covered jobs decreased quarter-by-quarter during Years 1 and 2. About 60 percent of control group members were working in UI-covered jobs during Quarter 9 (the final quarter of Year 2) — including some control group members who returned to employment after a spell of joblessness earlier in the follow-up period. On average, control group members remained employed for 5.4 out of the eight follow-up quarters, equivalent to an average quarterly employment rate of 67 percent. A slightly smaller proportion of control group members (63.2 percent) remained employed for at least four consecutive quarters during Years 1 and 2 — a key indicator of employment retention.

As is often the case for welfare recipients who find jobs, members of the control group received low earnings during Years 1 and 2: a total of \$16,707 from UI-covered jobs — or a little more than \$8,000 per year. (This average includes zeroes for the small segment of the control group with no earnings reported to California’s UI system.) More than one-third (36.8 percent) of the control group received \$20,000 or more in earnings over two years, another important indicator of employment retention. On average, control group members earned about the same in Year 2 as in Year 1. However, the number of control group members who worked at UI-covered jobs decreased during this period. These findings suggest that a portion of the control group earned more over time.<sup>18</sup>

## Impacts on Employment and Earnings

- **Over the two-year follow-up period, neither Phase 2 approach led to increases relative to the control group on measures of employment retention or total earnings.**

To date, findings on employment and earnings are not encouraging for either approach. During Years 1 and 2, members of the Work Plus group and the control group recorded a very

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<sup>18</sup>In Year 2, 77.4 percent of control group members worked at a UI-covered job for at least one quarter. They earned an average of  $\$8,360/.774 = \$10,800$ . The corresponding average for control group members who worked at a UI-covered job in Year 1 was  $\$8,346/.892 = \$9,360$ .

**The Employment Retention and Advancement Project**

**Table 9**

**Years 1-2, Impacts on UI-Covered Employment and Earnings**

**Riverside Phase 2**

Outcome	Work Plus Group				Training Focused Group			
	Control Group	Difference (Impact)	P-Value	Control Group	Difference (Impact)	P-Value		
<b>Years 1-2</b>								
Ever employed (%)	91.5	92.1	-0.6	0.609	90.7	92.1	-1.4	0.325
Average quarterly employment (%)	65.1	67.0	-1.9	0.219	63.5	67.0	-3.5 **	0.045
Number of quarters employed	5.2	5.4	-0.1	0.219	5.1	5.4	-0.3 **	0.045
Employed 4 consecutive quarters (%)	61.0	63.2	-2.2	0.305	58.8	63.2	-4.4 *	0.076
Total earnings (\$)	16,189	16,707	-517	0.418	16,661	16,707	-45	0.951
Earned over \$20,000 (%)	36.0	36.8	-0.8	0.712	35.8	36.8	-1.1	0.666
<b>Year 1</b>								
Ever employed (%)	88.7	89.2	-0.5	0.732	86.8	89.2	-2.4	0.145
Employed in last quarter of Year 1 (%)	63.4	66.5	-3.1	0.155	62.2	66.5	-4.3 *	0.081
Average quarterly employment (%)	70.0	72.4	-2.4	0.132	67.5	72.4	-4.9 ***	0.008
Employed 4 consecutive quarters (%)	48.8	51.8	-2.9	0.189	47.3	51.8	-4.4 *	0.085
Total earnings (\$)	8,055	8,346	-291	0.348	8,022	8,346	-325	0.366
Earned over \$10,000 (%)	35.9	37.4	-1.5	0.474	34.7	37.4	-2.7	0.273
<b>Year 2</b>								
Ever employed (%)	75.7	77.4	-1.7	0.374	76.5	77.4	-0.9	0.677
Employed in last quarter of Year 2 (%)	58.2	59.9	-1.7	0.433	58.2	59.9	-1.7	0.512
Average quarterly employment (%)	60.2	61.6	-1.4	0.457	59.5	61.6	-2.2	0.308
Employed 4 consecutive quarters (%)	42.9	44.8	-2.0	0.374	41.3	44.8	-3.5	0.166
Total earnings (\$)	8,134	8,360	-226	0.562	8,640	8,360	279	0.536
Earned over \$10,000 (%)	36.0	38.6	-2.6	0.227	37.9	38.6	-0.7	0.786
Sample size (total = 2,907)	1,466	723			718	723		

SOURCE and NOTES: See Appendix C.

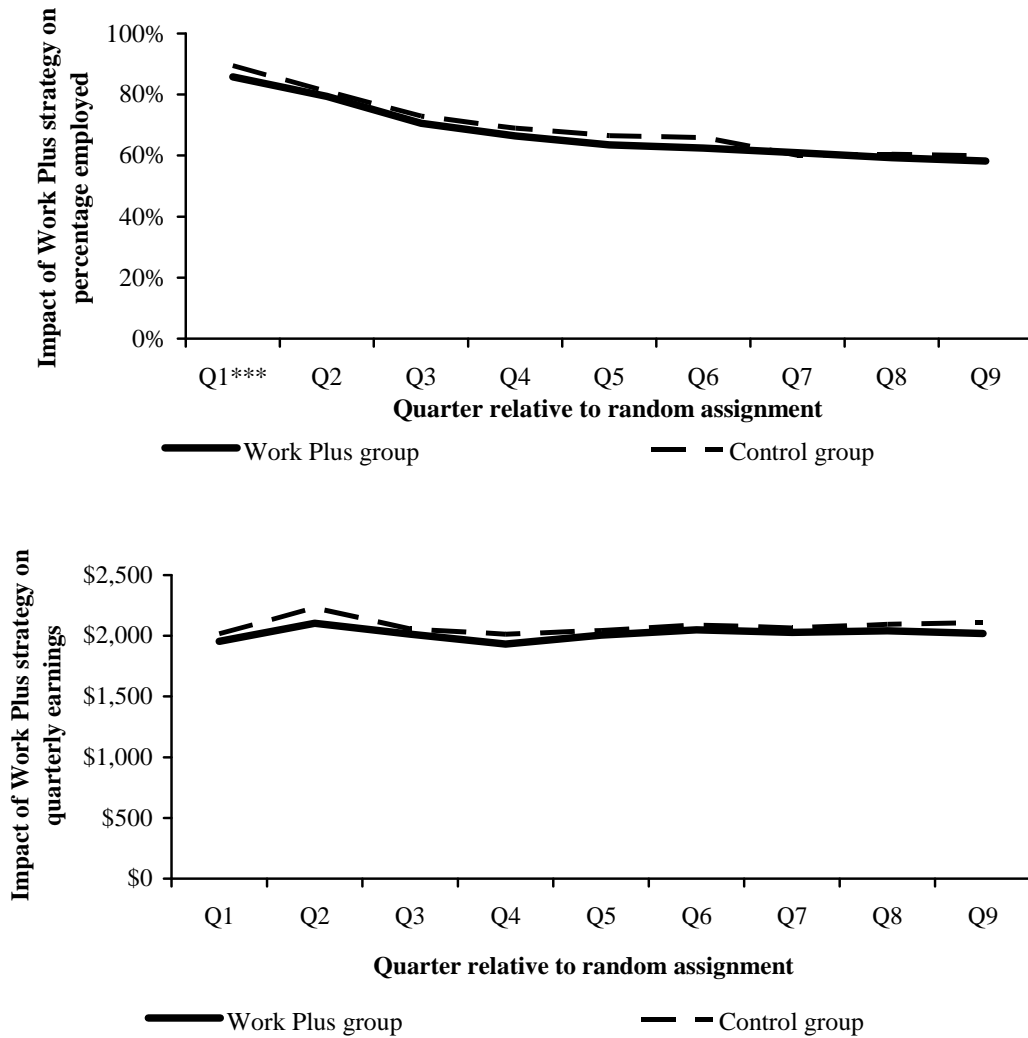
This table includes only employment and earnings in jobs covered by the California unemployment insurance (UI) program. It does not include employment outside California or in jobs not covered by UI (for example, "off-the-books" jobs, some agricultural jobs, and federal government jobs).

The Employment Retention and Advancement Project

Figure 3

Impacts of the Work Plus Strategy on UI-Covered Employment and Earnings Over Time

Riverside Phase 2



SOURCE and NOTES: See Appendix D.

This figure includes only employment and earnings in jobs covered by the California unemployment insurance (UI) program. It does not include employment outside California or in jobs not covered by UI (for example, "off-the-books" jobs, some agricultural jobs, and federal government jobs).

Significance levels are indicated as: \*\*\* = 1 percent; \*\* = 5 percent; \* = 10 percent.

similar pattern of employment and earnings. (See Table 9 and Figure 3.) Each group worked at UI-covered jobs for about the same number of quarters and earned about the same amount during each year of follow-up. Similar percentages of Work Plus and control group members were working during the final quarter of Year 2, suggesting the likelihood that the Work Plus approach will not lead to employment and earnings gains relative to the control group in later years.

A different pattern of results emerged for the Training Focused approach. (See Table 9 and Appendix Table E.1.) As discussed earlier, EDA, the agency that operated the Training Focused approach, encouraged enrollees to reduce, or even to forgo, employment temporarily to participate in longer-term skill-building activities. In fact, during Year 1, when most Training Focused group members were expected to attend school or training, Training Focused group members remained employed for a somewhat shorter period of time than their counterparts in the control group. (See Figure 4.) Specifically, about 67.5 percent of Training Focused group members worked at a UI-covered job during a typical quarter in Year 1, a decrease of nearly 5 percentage points below the control group average. By a similar margin, a smaller percentage of Training Focused group members were working during the final quarter of Year 1. The following year, the differences between the Training Focused and control groups in measures of employment retention diminished and ceased to be statistically significant. Furthermore, by the end of Year 2, a similar percentage of each group worked at a UI-covered job, and members of each group averaged about the same amount in earnings. This trend suggests the possibility that the Training Focused approach will lead to employment and earnings gains relative to the control group in later years; subsequent reports will address this issue.<sup>19</sup>

## **Impacts on Public Assistance Receipt and Payments**

- **The Work Plus and Training Focused approaches had little effect on receipt of public assistance relative to the control group during the first year of follow-up.**

As noted above, TANF and food stamp payment data were available for only one year of follow-up. (See Table 10.) Education-focused programs can lead to temporary increases in receipt of TANF and food stamps if enrollees substitute attendance at education or training activities for employment. However, in Riverside, members of the three research groups recorded similar levels of participation and employment during Year 1; thus, little, if any, difference in receipt of public assistance should be expected.

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<sup>19</sup>For an early cohort with three years of follow-up (representing about two-thirds of the sample), neither approach led to impacts on employment or earnings during Year 3. (This finding is not shown anywhere in this report.)

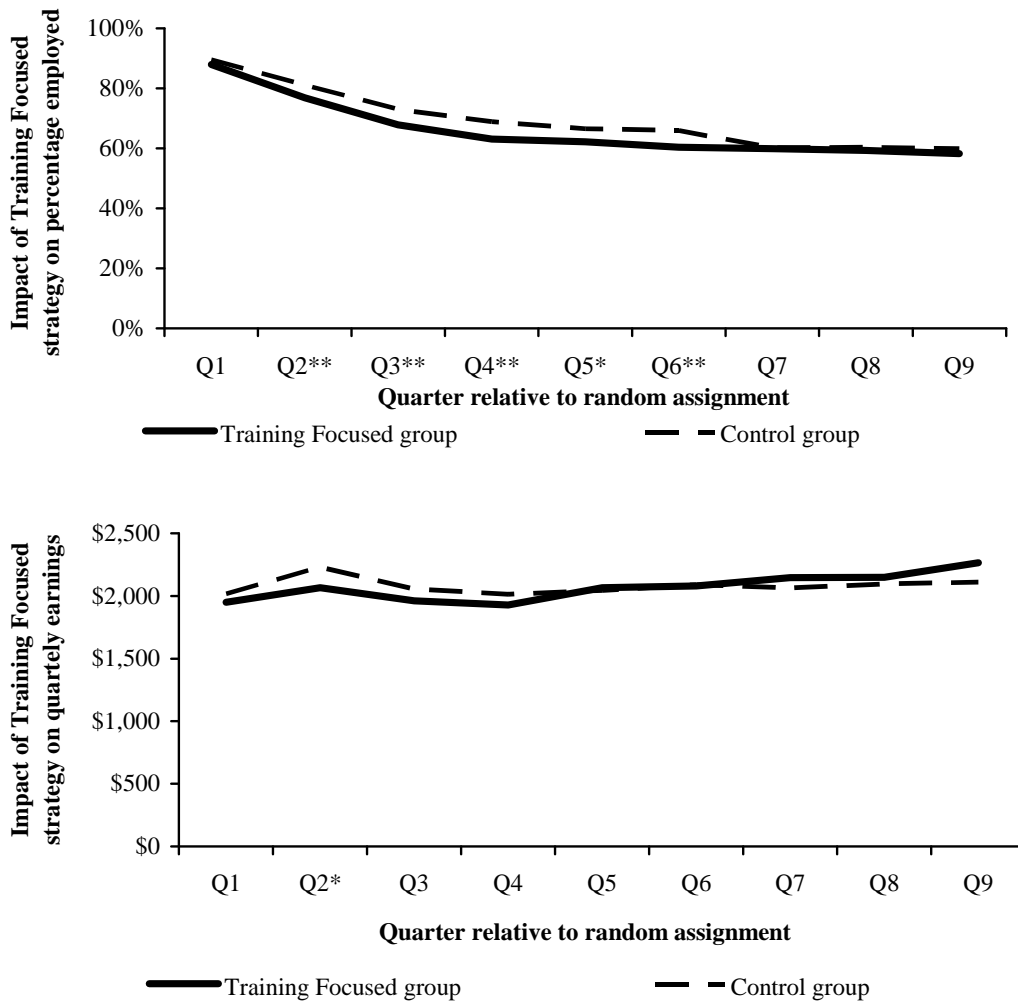


The Employment Retention and Advancement Project

Figure 4

Impacts of the Training Focused Strategy on UI-Covered Employment and Earnings Over Time

Riverside Phase 2



SOURCE and NOTES: See Appendix D.

This figure includes only employment and earnings in jobs covered by the California unemployment insurance (UI) program. It does not include employment outside California or in jobs not covered by UI (for example, "off-the-books" jobs, some agricultural jobs, and federal government jobs).

Significance levels are indicated as: \*\*\* = 1 percent; \*\* = 5 percent; \* = 10 percent.

**The Employment Retention and Advancement Project**

**Table 10**

**Year 1, Impacts on Public Assistance, Employment and TANF Receipt, and Income**

**Riverside Phase 2**

Outcome	Work				Training			
	Plus Group	Control Group	Difference (Impact)	P-Value	Focused Group	Control Group	Difference (Impact)	P-Value
<b><u>Year 1</u></b>								
Number of months receiving TANF	7.0	6.8	0.2	0.374	7.0	6.8	0.2	0.395
Amount of TANF received (\$)	3,117	3,079	39	0.722	3,271	3,079	192	0.126
Number of months receiving food stamps	7.0	6.6	0.4 *	0.077	6.8	6.6	0.2	0.374
Amount of food stamps received (\$)	1,452	1,393	58	0.252	1,428	1,393	34	0.561
Total measured income (\$) <sup>a</sup>	12,624	12,819	-195	0.487	12,720	12,819	-98	0.762
<b><u>Quarter 5</u></b>								
Ever received TANF (%)	50.4	50.2	0.2	0.946	53.4	50.2	3.2	0.217
Amount of TANF received (\$)	647	666	-19	0.580	729	666	63	0.114
Ever received food stamps (%)	53.6	52.2	1.5	0.493	53.7	52.2	1.5	0.543
Amount of food stamps received (\$)	345	340	5	0.760	343	340	3	0.874
Employed and not receiving TANF (%)	32.7	34.8	-2.1	0.321	32.6	34.8	-2.2	0.367
Employed and receiving TANF (%)	30.8	31.7	-1.0	0.641	29.6	31.7	-2.2	0.371
Not employed and receiving TANF (%)	19.6	18.5	1.1	0.534	23.8	18.5	5.3 **	0.011
Not employed and not receiving TANF (%)	17.0	15.0	1.9	0.239	14.1	15.0	-1.0	0.612
Sample size (total = 2,907)	1,466	723			718	723		

SOURCES and NOTES: See Appendix C.

This table includes only employment and earnings in jobs covered by the California unemployment insurance (UI) program. It does not include employment outside California or in jobs not covered by UI (for example, "off-the-books" jobs, some agricultural jobs, and federal government jobs).

<sup>a</sup>This measure represents the sum of UI earnings, TANF, and food stamps.

During Year 1, control group members exited from assistance at a relatively rapid pace. By Quarter 5, the final quarter of Year 1, only half of the control group received TANF benefits, and a similar percentage received food stamps.<sup>20</sup> On average, control group members received TANF and food stamps for a little less than 7 out of the 12 months in Year 1.

In general, the two Phase 2 approaches had little effect on receipt of public assistance during Year 1. Members of the Work Plus group received food stamps for a slightly longer duration during Year 1 than members of the control group — a statistically significant difference of 0.4 months (less than two weeks). However, during Year 1, Work Plus group members received about the same amount of food stamp dollars as control group members, and the Work Plus approach resulted in no impact on TANF receipt and dollars.<sup>21</sup>

Similarly, members of the Training Focused and control groups received TANF and food stamps for about the same number of months during Year 1. On the other hand, Training Focused group members received somewhat more in TANF payments compared with the control group. The differences between the two groups in average TANF dollars received during Year 1 (\$192, or 6 percent) and in Quarter 5 (\$63, or 9 percent) were just above the 10 percent-level of statistical significance (p-values = 0.126 and 0.114) — reflecting, perhaps, the lower employment levels by Training Focused group members during Year 1.

Finally, neither approach led to statistically significant effects on combined income from earnings in UI-covered jobs, TANF payments, and food stamps during Year 1. Members of each group received just under \$13,000 in income from these sources. (See Table 10.)

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<sup>20</sup>Elsewhere in the United States, at least some groups of former TANF recipients are more likely to continue their receipt of food stamps. For instance, in the Chicago site of the ERA demonstration, which, like Phase 2, provided advancement services for employed TANF recipients, half of control group members received TANF, but over 90 percent were receiving food stamps during the final quarter of Year 1 (Bloom, Hendra, and Page, 2006, Figure 3.2).

<sup>21</sup>Surprisingly, at the end of Year 1, survey respondents in the Work Plus group reported considerably lower levels of TANF receipt than their counterparts in the control group. (See Appendix Table E.4.) It is not clear why this result varied from impacts calculated with administrative data. On the other hand, Work Plus respondents reported an equally large increase (nearly 10 percentage points) relative to the control group in receipt of publicly funded post-TANF medical coverage for themselves and their children. Respondents in the Training Focused group reported a slightly smaller increase in medical coverage relative to the control group. Possibly, greater contact with program staff members facilitated Work Plus and Training Focused group members' higher enrollment in transitional Medi-Cal, the Children's Health Insurance Program (CHIP), and other programs providing coverage to low-income families. However, it was beyond the scope of this report to investigate program effects on levels of medical coverage (other than those reported by survey respondents for a single month at the end of Year 1).

## Impacts for Selected Subgroups

The impact findings presented so far may mask significant variation in program effects among the different welfare populations that make up the research sample. To explore this issue, the analysis presents separate impact estimates for subgroups based on sample members' educational attainment and current and recent work history at their time of random assignment. The analysis considers two key issues for the Work Plus and Training Focused groups:

1. Did subgroups that recorded impacts on participation in education or training activities relative to the control group also show impacts on employment and earnings?
2. Were impacts larger for sample members who entered the study with relatively strong educational credentials and work experience or for sample members who had fewer advantages in the labor market?

For this evaluation, these questions are closely related. As discussed in the previous section (and as shown in Appendix Tables D.1 through D.3), the Work Plus and Training Focused approaches led to impacts on participation in skill-building activities among more disadvantaged subgroups, including nongraduates, part-time workers, and sample members without employment in a UI-covered job in the quarter prior to random assignment. In contrast, the two approaches did not increase participation relative to the control group among high school graduates and GED certificate recipients, full-time workers, and sample members who worked at a UI-covered job in the quarter prior to random assignment — subgroups with better chances of employment retention and advancement.

- **Over two years, neither approach raised employment and earnings outcomes above control group levels for subgroups based on current employment status, recent work history, or educational attainment. Results were more negative for the more disadvantaged subgroups.**

Not surprisingly, nongraduates, part-time workers, and sample members with no recent work history earned less over two years than their counterparts without these barriers — among control group members, the differences in total earnings ranged from \$2,300 to \$3,600. (See Table 11.) In general, the two Phase 2 approaches led to few impacts on measures of employment and earnings for any subgroup. Less positively, all differences with the control group that reached the level of statistical significance or close to it (with p-values of between 10 percent and 15 percent) pointed to less stable employment and lower earnings for members of the Work Plus or Training Focused group. Notably, all of these differences were concentrated among members of the more disadvantaged subgroups. Among nongraduates, for example, 55.3 percent of Training Focused group members worked at a UI-covered job for at least four consecu-

The Employment Retention and Advancement Project

Table 11

Years 1-2, Impacts on UI-Covered Employment and Earnings for Selected Subgroups of Single Parents

Riverside Phase 2

Outcome	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training Focused Group	Control Group	Difference (Impact)	P-Value
<b><u>Educational status at random assignment</u></b>								
No high school diploma or GED								
Average quarterly employment (%)	63.9	66.0	-2.0	0.381	60.6	66.0	-5.3 **	0.050
Employed 4 consecutive quarters (%)	59.5	62.2	-2.7	0.421	55.3	62.2	-6.9 *	0.075
Total earnings (\$)	14,868	14,800	68	0.938	14,255	14,800	-545	0.593
Sample size (total = 1,215)	599	320			296	320		
High school diploma or GED								
Average quarterly employment (%)	66.2	68.3	-2.1	0.300	65.2	68.3	-3.1	0.177
Employed 4 consecutive quarters (%)	62.3	64.6	-2.3	0.422	61.2	64.6	-3.4	0.312
Total earnings (\$)	17,289	18,283	-994	0.274	18,257	18,283	-26	0.980
Sample size (total = 1,668)	856	394			418	394		
<b><u>Employment status in quarter prior to random assignment</u></b>								
Not employed								
Average quarterly employment (%)	56.8	62.1	-5.3 **	0.034	57.7	62.1	-4.5	0.123
Employed 4 consecutive quarters (%)	51.7	58.9	-7.2 **	0.035	53.1	58.9	-5.8	0.140
Total earnings (\$)	13,645	15,410	-1,765 *	0.079	14,999	15,410	-411	0.722
Sample size (total = 1,263)	642	311			310	311		

(continued)

**Table 11 (continued)**

Outcome	Work Plus Group				Training Focused Group			
	Control Group	Difference (Impact)	P-Value	Control Group	Difference (Impact)	P-Value		
<b>Employed</b>								
Average quarterly employment (%)	71.7	70.5	1.2	0.519	67.9	70.5	-2.5	0.249
Employed 4 consecutive quarters (%)	68.3	66.2	2.0	0.468	63.1	66.2	-3.1	0.340
Total earnings (\$)	18,215	17,670	546	0.512	17,853	17,670	183	0.849
Sample size (total = 1,644)	824	412			408	412		
<b><u>Hours per week of work at random assignment</u></b>								
<b>Part time: 20 to 31 hours</b>								
Average quarterly employment (%)	63.6	66.5	-3.0	0.186	62.5	66.5	-4.1	0.126
Employed 4 consecutive quarters (%)	59.6	62.9	-3.3	0.318	57.8	62.9	-5.1	0.186
Total earnings (\$)	14,494	14,685	-191	0.829	15,050	14,685	365	0.725
Sample size (total = 1,261)	650	312			299	312		
<b>Full time: 32 or more hours</b>								
Average quarterly employment (%)	66.4	66.7	-0.3	0.868	64.7	66.7	-2.0	0.398
Employed 4 consecutive quarters (%)	62.1	62.7	-0.5	0.853	60.4	62.7	-2.3	0.493
Total earnings (\$)	17,511	18,269	-758	0.406	17,871	18,269	-398	0.703
Sample size (total = 1,620)	800	404			416	404		

SOURCE and NOTES: See Appendix C.

This table includes only employment and earnings in jobs covered by the California unemployment insurance (UI) program. It does not include employment outside California or in jobs not covered by UI (for example, "off-the-books" jobs, some agricultural jobs, and federal government jobs).

tive quarters (a key indicator of employment retention), a decrease of nearly 7 percentage points below the control group. Similarly, over two years, Work Plus group members with no recent UI-covered employment earned, on average, \$1,765 (or 11 percent) less than their counterparts in the control group, a relatively substantial decrease. This pattern of employment and earnings differences looks about the same when only Year 2 results are considered, meaning that there is no discernable trend toward positive effects for either approach in later years. The one possible exception concerns part-time workers in the Training Focused group, whose members earned several hundred dollars less than members of the control group in Year 1 (not shown) and several hundred more in Year 2. However, these differences in earnings are not statistically significant for either year, meaning that it is not certain whether the Training Focused approach had any effect on earnings for this subgroup. (See Table 11 and Appendix Table E.2.)

Neither strategy led to statistically significant differences in employment and earnings measures for high school graduates, full-time workers, or sample members with recent UI-covered employment. Considering the trend in earnings outcomes, differences with the control group became more positive over time for both approaches for the subgroup with recent UI-covered employment. For instance, during Year 1, Training Focused group members earned about \$400 less than the control group (not shown), but nearly \$600 more in Year 2 (Appendix Table E.2). A similar trend occurred for Training Focused group members in the high school graduate subgroup — but for neither approach among full-time workers. These results suggest the possibility that, in later years, at least one education-focused approach will realize earnings gains above the control group level for subgroups with greater advantages in the labor market. It should be kept in mind, however, that none of these earnings differences is statistically significant.<sup>22</sup>

## Conclusions and Policy Implications

A two-year follow-up period may be too short to assess the impacts of education and training initiatives for working TANF recipients. However, the findings from the Riverside

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<sup>22</sup>Other studies have found statistically significant differences of \$350 to \$600 in annual earnings (see, for example, Hamilton et al. 2001, Appendix Table C.2, pp. 355-357), but with larger sample sizes. It is often difficult to estimate precise earnings impacts for subgroups because smaller sample sizes tend to magnify the variation in earnings within each research group. In particular, small sample sizes make calculations of group means and differences especially sensitive to the effect of a few sample members with unusually high earnings. To test whether small sample sizes are responsible for the absence of statistical significance in estimates for the subgroup with recent UI-covered employment, MDRC combined the Work Plus and Training Focused groups into a single program group and compared mean earnings of this group for Year 2 with mean earnings for the control group in the same period. Once again, the difference in earnings is not statistically significant. More troubling, a second test, which excluded the 10 highest earners (0.6 percent of subgroup members) showed that differences were highly affected by results for a few sample members. Results from both of these tests suggest that the trend in earnings differences is not as positive as it initially appeared.

study so far underscore the difficulty of implementing education and training initiatives for low-income adults under the conditions that governed the study. Problems that may have hindered the success of Work Plus and Training Focused approaches to date include:

- Services were targeted to TANF recipients who had only recently started employment. It may be difficult to convince people who are adjusting to their new jobs to participate in activities aimed at achieving career advancement in the long term.
- Most enrollees were already working full-time hours.
- Enrollees were expected to attend education or training courses by traveling to traditional venues like adult education schools, community colleges, or vocational training institutions during nonwork hours.
- Attendance at school or training sometimes required enrollees to decrease their income, at least temporarily, by reducing their work hours or forgoing employment.

As the results for the Work Plus and Training Focused approaches have shown, only some single parents have the characteristics — sufficient time, energy, reliable child care arrangements, and a willingness to forgo scarce hours not devoted to work and family — that can enable them to engage in skill-building activities. Moreover, it appears from the participation findings for control group members that many people with these characteristics will seek out education and training opportunities on their own initiative (without the active support of agency administrators and case managers), especially in a service-rich environment such as Riverside County.

This finding applies more to sample members who were working full time at random assignment and to high school graduates and GED certificate recipients — subgroups that exhibited little or no increase in participation in education and training beyond their counterparts in the control group — than to part-time workers and nongraduates. For the latter, more disadvantaged TANF populations, the Work Plus and Training Focused approaches increased attendance in skill-building activities — particularly in adult basic education or GED certificate preparation classes — but have not led so far to higher levels of employment or earnings beyond what would have happened without either intervention.

Finally, it is worth noting that the Work Plus and Training Focused approaches are only two of several advancement strategies for low-income adults that encourage attendance at school or training. Examples of other programs that involve other low-income populations and have shown promise in previous or ongoing evaluations include mandatory, education-focused, preemployment programs for Aid to Families with Dependent Children (AFDC) or TANF re-



ipients in Atlanta, Georgia, and Columbus, Ohio (two of seven programs evaluated in the National Evaluation of Welfare-to-Work Strategies [NEWWS] that stressed education or training); and an initiative involving two community colleges in the New Orleans, Louisiana, area (part of the Opening Doors demonstration) that offer low-income parents enhanced scholarships if they remain enrolled and maintain a minimum grade point average. Other initiatives currently under study include training programs operated at the workplace and sectoral employment initiatives (involving business groups, unions, government agencies, and community-based organizations, individually or in partnership) that develop career opportunities and training curricula for low-wage workers in specific industries. In the coming years, it will be important for program administrators and policymakers to understand the longer-term effects of the Work Plus and Training Focused approaches, as well as those of alternative approaches to combining work with education or training. There is still much to learn about which services and supports offer the greatest promise of helping low-income adults advance in the labor market.



Appendix A

**Supplementary Tables for “Introduction”**

**The Employment Retention and Advancement Project**

**Appendix Table A.1**

**Description of ERA Models**

State	Location	Target Group	Primary Service Strategies
<b><u>Advancement projects</u></b>			
Illinois	Cook County (Chicago)	TANF recipients who have worked at least 30 hours per week for at least 6 consecutive months	A combination of services to promote career advancement (targeted job search assistance, education and training, assistance in identifying and accessing career ladders, etc.)
California	Riverside County Phase 2 (Work Plus)	Newly employed TANF recipients working at least 20 hours per week	Operated by the county welfare department; connects employed TANF recipients to education and training activities
California	Riverside County Phase 2 (Training Focused)	Newly employed TANF recipients working at least 20 hours per week	Operated by the county workforce agency; connects employed TANF recipients to education and training activities with the option of reducing or eliminating their work hours
<b><u>Placement and retention (hard-to-employ) projects</u></b>			
Minnesota	Hennepin County (Minneapolis)	Long-term TANF recipients who were unable to find jobs through standard welfare-to-work services	In-depth family assessment; low caseloads; intensive monitoring and follow-up; emphasis on placement into unsubsidized employment or supported work with referrals to education and training, counseling, and other support services
Oregon	Portland	Individuals who are cycling back onto TANF and those who have lost jobs	Team-based case management, job search/job readiness components, intensive retention and follow-up services, mental health and substance abuse services for those identified with these barriers, supportive and emergency services

(continued)

**Appendix Table A.1 (continued)**

State	Location	Target Group	Primary Service Strategies
<b>Placement and retention (hard-to-employ) projects (continued)</b>			
New York	New York City PRIDE (Personal Roads to Individual Development and Employment)	TANF recipients whose employability is limited by physical or mental health problems	Two main tracks: (1) Vocational Rehabilitation, where clients with severe medical problems receive unpaid work experience, job search/job placement and retention services tailored to account for medical problems; (2) Work Based Education, where those with less severe medical problems participate in unpaid work experience, job placement services, and adult basic education
New York	New York City Substance Abuse (substance abuse case management)	TANF recipients with a substance abuse problem	Intensive case management to promote participation in substance abuse treatment, links to mental health and other needed services
<b>Projects with mixed goals</b>			
California	Los Angeles County EJC (Enhanced Job Club)	TANF recipients who are required to search for employment	Job search workshops promoting a step-down method designed to help participants find a job that is in line with their careers of interest
California	Los Angeles County (Reach for Success program)	Newly employed TANF recipients working at least 32 hours per week	Stabilization/retention services, followed by a combination of services to promote advancement: education and training, career assessment, targeted job development, etc.
California	Riverside County PASS (Post-Assistance Self-Sufficiency program)	Individuals who left TANF due to earned income	Family-based support services delivered by community-based organizations to promote retention and advancement

(continued)

**Appendix Table A.1 (continued)**

State	Location	Target Group	Primary Service Strategies
<b>Projects with mixed goals (continued)</b>			
Ohio	Cleveland	Low-wage workers with specific employers making under 200% of poverty who have been in their current jobs less than 6 months	Regular on-site office hours for counseling/case management; Lunch & Learn meetings for social support and presentations; and supervisory training for employer supervisors
Oregon	Eugene	Newly employed TANF applicants and recipients working 20 hours per week or more; mostly single mothers who were underemployed	Emphasis on work-based and education/training-based approaches to advancement and on frequent contact with clients; assistance tailored to clients' career interests and personal circumstances
9 Oregon	Medford	Newly employed TANF recipients and employed participants of the Oregon Food Stamp Employment and Training program and the Employment Related Day Care program; mostly single mothers	Emphasis on work-based and on education/training-based approaches to advancement and on frequent contact with clients; assistance tailored to clients' career interests and personal circumstances; access to public benefits purposefully divorced from the delivery of retention and advancement services
Oregon	Salem	TANF applicants	Job search assistance combined with career planning; once employed, education and training, employer linkages to promote retention and advancement
South Carolina	6 rural counties in the Pee Dee Region	Individuals who left TANF (for any reason) between 10/97 and 12/00	Individualized case management with a focus on reemployment, support services, job search, career counseling, education and training, and use of individualized incentives
Texas	Corpus Christi, Fort Worth, and Houston	TANF applicants and recipients	Individualized team-based case management; monthly stipends of \$200 for those who maintain employment and complete activities related to employment plan

**The Employment Retention and Advancement Project**

**Appendix Table A.2**

**Selected Characteristics of Single Parents**

**Riverside Phase 2**

Characteristic	Work Plus Group	Training Focused Group	Control Group	Total
Gender (%)				
Female	91.3	93.7	92.9	92.3
Male	8.7	6.3	7.1	7.7
Age (%)				
20 years or younger	9.5	8.6	8.9	9.1
21 to 30 years	47.1	48.5	46.9	47.4
31 to 40 years	31.9	30.9	31.8	31.6
41 years or older	11.5	12.0	12.4	11.9
Average age (years)	30.1	30.1	30.2	30.1
Number of children in household (%)				
None	0.4	0.4	0.8	0.5
1	34.9	33.3	34.0	34.3
2	30.5	30.6	28.6	30.1
3 or more	34.2	35.7	36.5	35.1
Average number of children	2.2	2.2	2.3	2.2
Age of youngest child in household				
Less than 3 years	45.2	44.8	48.3	45.9
3 to 5 years	23.4	22.6	19.8	22.3
6 years and older	31.4	32.6	32.0	31.8
Race/ethnicity (%)				
Hispanic	44.3	45.8	47.4	45.4
Black, non-Hispanic	20.9	20.2	19.4	20.4
White, non-Hispanic	31.6	31.5	30.4	31.3
American Indian	0.8	0.4	0.8	0.7
Asian	2.5	2.1	2.0	2.3
Primary language (%)				
Spanish	11.8	12.3	11.8	11.9
English	86.9	86.5	86.9	86.8
Speaks English adequately for employment (%)	94.7	93.2	94.6	94.3
Education (%)				
California High School Proficiency Exam	0.1	0.6	0.1	0.2
GED	10.0	9.5	8.7	9.5
High school diploma	42.7	40.9	39.4	41.4
Technical/associate's degree/2-year college	4.7	6.9	5.5	5.4
4-year (or more) college	1.4	0.7	1.5	1.2
None of the above	41.2	41.5	44.8	42.1
High school diploma/GED or higher (%)	58.8	58.5	55.2	57.9

(continued)

**Appendix Table A.2 (continued)**

Characteristic	Work Plus Group	Training Focused Group	Control Group	Total
<b>Housing status (%)</b>				
Rent, public housing	6.8	6.2	6.8	6.6
Rent, subsidized housing	5.9	5.7	6.6	6.0
Rent, other	74.0	73.7	72.5	73.5
Emergency/temporary housing	2.1	2.2	2.0	2.1
Owns home or apartment	2.3	2.1	2.6	2.3
Other	9.0	10.1	9.5	9.4
Employed at random assignment (%)	1.0	1.0	1.0	1.0
<b>Hours worked per week (%)</b>				
Less than 20	1.1	0.4	1.0	0.9
20 to 31	44.3	41.6	43.2	43.4
32 or more	54.6	57.9	55.9	55.7
Average hours worked per week <sup>a</sup>	31.3	31.5	31.7	31.5
<b>Hourly wages (%)</b>				
Less than \$6.25	0.7	1.3	1.2	1.0
\$6.25 to \$6.99	47.6	48.1	47.4	47.7
\$7.00 to \$9.99	44.0	42.9	43.7	43.7
\$10.00 or more	7.7	7.8	7.6	7.7
Average hourly wages (\$)	7.43	7.46	7.41	7.43
<b>Months employed in past 3 years (%)</b>				
Did not work	5.1	6.8	5.6	5.7 *
Less than 6	24.0	25.7	26.7	25.1
7 to 12	19.6	18.1	22.2	19.9
13 to 24	23.1	24.5	19.9	22.7
More than 24	28.2	24.8	25.6	26.7
<b>Type of employment in past 3 years (among those ever employed) (%)</b>				
Mostly part time	37.9	36.3	38.4	37.6
Mostly full time	49.5	49.0	50.1	49.5
Equal amounts part time and full time	12.6	14.8	11.5	12.9
<b>Total prior AFDC/TANF receipt (%)</b>				
NA (applicant)	5.4	4.6	6.6	5.5
Less than 1 year	34.7	37.0	35.5	35.5
1 year to less than 2 years	19.0	16.6	16.5	17.8
2 to 5 years	25.1	23.4	24.2	24.5
6 to 10 years	8.5	10.9	10.3	9.5
Over 10 years	7.3	7.5	6.9	7.2
<b>Sample size (total = 2,907)</b>	<b>1,466</b>	<b>718</b>	<b>723</b>	<b>2,907</b>

(continued)



### **Appendix Table A.2 (continued)**

SOURCE: Data recorded in Riverside County's Department of Public Social Services automated tracking system, the GAIN Employment Activity and Reporting System (GEARS).

NOTES: A Chi-squared test for categorical variables and ANOVA for continuous variables were run to determine whether there is a difference in the distribution of the characteristics across research groups. Significance levels are indicated as: \*\*\* = 1 percent; \*\* = 5 percent; \* = 10 percent.

<sup>a</sup>Because of the Phase 2 research design and baseline data sources, 100 percent of the sample members in all three research groups were employed at the end of their random assignment into the study.



**Appendix B**

**Source and Notes for Tables and Figures  
Displaying Impacts Calculated with Responses  
to the ERA 12-Month Survey**

Source for Tables 6, 7, and 8 and Appendix Tables D.1, D.2, D.3, D. 4, E.3, and E.4: MDRC calculations from responses to the ERA 12-Month Survey.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

Rounding may cause slight discrepancies in calculating sums and differences.

Two-tailed t-tests were applied to differences between outcomes for the Work Plus and control groups and for the Training Focused and control groups. Statistical significance levels are indicated as: \* = 10 percent; \*\* = 5 percent; and \*\*\* = 1 percent.

*Italics indicate comparisons that are nonexperimental. These measures are computed only for sample members who were employed. Since there may be differences in the characteristics of program group and control group members who were employed, any differences in outcomes may not necessarily be attributable to the ERA program. Statistical tests were not performed.*

Unless otherwise stated, results are for single-parent sample members who were randomly assigned from October 2, 2001, to December 31, 2003.

Appendix C

**Sources and Notes for Tables and Figures  
Displaying Results Calculated  
with Administrative Records Data**

Source for Tables 9 and 11, Appendix Tables E.1 and E.2, and Figures 3 and 4: MDRC calculations from California Employment Development Department unemployment insurance (UI) records.

Sources for Table 10: MDRC calculations from California Employment Development Department unemployment insurance (UI) records and Temporary Assistance for Needy Families (TANF) and food stamp administrative records from Riverside County.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

Rounding may cause slight discrepancies in calculating sums and differences.

Two-tailed t-tests were applied to differences between outcomes for the Work Plus and control groups and for the Training Focused and control groups. Statistical significance levels are indicated as: \* = 10 percent; \*\* = 5 percent; and \*\*\* = 1 percent.

“Year 1” refers to Quarters 2 to 5. “Year 2” refers to Quarters 6 to 9. Quarter 1 is the quarter in which random assignment took place.

Dollar averages include zero values for sample members who were not employed or were not receiving TANF or food stamps.

Unless otherwise stated, results are for single-parent sample members who were randomly assigned from January 17, 2001, to September 30, 2003.

**Appendix D**

**Supplementary Tables for Impacts on Client Contacts  
and Service Receipt**

The Employment Retention and Advancement Project

Appendix Table D.1

Impacts on Participation in Education and Training, by Level of Educational Attainment

Riverside Phase 2

Outcome	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training Focused Group	Control Group	Difference (Impact)	P-Value
<b><u>High school graduate or GED recipient</u></b>								
Ever participated in any activity <sup>a</sup> (%)	75.8	78.4	-2.6	0.607	77.5	78.4	-0.9	0.861
Participated in any employment-related activity <sup>b</sup> (%)	64.1	64.5	-0.4	0.942	66.6	64.5	2.1	0.713
Participated in a job search activity (%)	61.9	63.1	-1.2	0.837	63.8	63.1	0.7	0.906
Group job search/job club	40.4	44.7	-4.3	0.479	38.8	44.7	-5.8	0.327
Individual job search	49.5	50.4	-0.9	0.888	51.5	50.4	1.1	0.862
Participated in an education/training activity <sup>c</sup> (%)	32.3	33.2	-0.9	0.877	38.1	33.2	4.9	0.395
ABE/GED	1.6	1.4	0.2	0.903	2.6	1.4	1.2	0.473
ESL	2.6	0.2	2.4 *	0.064	0.7	0.2	0.5	0.672
College courses	24.8	24.4	0.4	0.940	27.7	24.4	3.3	0.533
Vocational training	7.3	9.5	-2.2	0.555	14.9	9.5	5.4	0.143
Currently participating in an education/training activity (%)	15.1	11.2	3.9	0.359	15.3	11.2	4.2	0.322
Participated in education/training while working (%)	29.3	27.1	2.2	0.686	23.8	27.1	-3.3	0.541
Average number of weeks participating in								
Job search activities	2.1	3.3	-1.2	0.200	3.5	3.3	0.2	0.859
Education/training activities	9.4	6.6	2.8	0.132	7.2	6.6	0.6	0.745
Unpaid work/subsidized employment	0.6	1.9	-1.3	0.125	1.4	1.9	-0.5	0.538
Sample size (total = 426)	141	144			141	144		

(continued)



**Appendix Table D.1 (continued)**

Outcome	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training				
					Focused Group	Control Group	Difference (Impact)	P-Value	
<b><u>Nongraduate</u></b>									
Ever participated in any activity <sup>a</sup> (%)	79.9	66.9	13.1 **	0.044	72.1	66.9	5.3	0.426	
Participated in any employment-related activity <sup>b</sup> (%)	65.9	58.0	7.9	0.247	61.9	58.0	3.9	0.579	
Participated in a job search activity (%)	66.2	56.9	9.4	0.175	59.5	56.9	2.6	0.711	
Group job search/job club	51.0	44.7	6.3	0.379	37.4	44.7	-7.3	0.320	
Individual job search	53.2	46.6	6.6	0.358	48.6	46.6	2.0	0.785	
Participated in an education/training activity <sup>c</sup> (%)	41.1	30.8	10.3	0.159	48.2	30.8	17.4 **	0.020	
ABE/GED	28.0	15.9	12.1 *	0.055	29.1	15.9	13.2 **	0.040	
ESL	11.0	5.3	5.8	0.155	9.4	5.3	4.2	0.311	
College courses	5.0	7.6	-2.6	0.508	10.0	7.6	2.4	0.551	
Vocational training	8.4	6.2	2.2	0.582	8.0	6.2	1.8	0.660	
Currently participating in an education/training activity (%)	9.8	7.2	2.6	0.559	12.0	7.2	4.8	0.285	
Participated in education/training while working (%)	27.2	16.4	10.7 *	0.091	30.5	16.4	14.0 **	0.030	
Average number of weeks participating in									
Job search activities	2.6	3.1	-0.4	0.706	4.0	3.1	0.9	0.460	
Education/training activities	6.8	3.2	3.6 **	0.032	6.7	3.2	3.4 **	0.046	
Unpaid work/subsidized employment	-0.1	1.2	-1.3 ***	0.009	1.1	1.2	-0.1	0.795	
Sample size (total = 281)	95	96			90	96			

SOURCE and NOTES: See Appendix B.

<sup>a</sup>"Any activity" includes employment-related activities, education/training activities, life skills, and other types of activities.

<sup>b</sup>"Employment-related activities" includes job search activities, unpaid jobs, and on-the-job-training.

<sup>c</sup>"Education/training activities" includes adult basic education (ABE), General Educational Development (GED), and English as a Second Language (ESL) classes.

The Employment Retention and Advancement Project

Appendix Table D.2

Impacts on Participation in Job Search, Education, Training, and Other Activities,  
by Full-Time or Part-Time Employment Status at Random Assignment

Riverside Phase 2

Outcome	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training			P-Value
					Focused Group	Control Group	Difference (Impact)	
<b><u>Worked 32 hours or more per week</u></b>								
Ever participated in any activity <sup>a</sup> (%)	73.3	70.8	2.5	0.654	72.4	70.8	1.6	0.769
Participated in any employment-related activity <sup>b</sup> (%)	63.3	59.8	3.5	0.556	65.2	59.8	5.4	0.361
Participated in a job search activity (%)	62.4	59.3	3.1	0.604	62.1	59.3	2.8	0.636
Group job search/job club	48.1	45.9	2.2	0.724	37.9	45.9	-8.0	0.188
Individual job search	50.0	47.3	2.6	0.670	51.7	47.3	4.4	0.480
Participated in an education/training activity <sup>c</sup> (%)	26.5	29.8	-3.2	0.581	37.0	29.8	7.3	0.210
ABE/GED	13.3	7.9	5.4	0.136	11.6	7.9	3.7	0.313
ESL	4.2	4.1	0.1	0.957	3.6	4.1	-0.4	0.856
College courses	8.8	14.1	-5.3	0.207	17.8	14.1	3.7	0.372
Vocational training	5.9	8.8	-2.9	0.419	12.7	8.8	4.0	0.271
Currently participating in an education/training activity (%)	7.9	6.4	1.5	0.680	13.2	6.4	6.8 *	0.059
Participated in unpaid work/subsidized employment (%)	3.7	3.7	0.0	0.996	9.0	3.7	5.4 *	0.058
Participated in education/training activity while working (%)	19.9	18.3	1.6	0.756	24.9	18.3	6.7	0.193
Average number of weeks participating in								
Job search activities	2.4	3.3	-0.9	0.321	3.1	3.3	-0.2	0.840
Education/training activities	5.6	3.8	1.7	0.219	5.4	3.8	1.6	0.259
Unpaid work/subsidized employment	0.4	1.1	-0.7	0.364	1.1	1.1	0.0	0.961
Sample size (total = 405)	131	140			134	140		

(continued)

**Appendix Table D.2 (continued)**

Outcome	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training			
					Focused Group	Control Group	Difference (Impact)	P-Value
<b>Worked 20 to 31 hours per week</b>								
Ever participated in any activity <sup>a</sup> (%)	85.2	75.3	9.9	0.104	79.3	75.3	4.0	0.502
Participated in any employment-related activity <sup>b</sup> (%)	68.3	62.4	5.8	0.424	64.4	62.4	2.0	0.781
Participated in a job search activity (%)	66.6	60.2	6.3	0.392	62.4	60.2	2.1	0.768
Group job search/job club	41.1	42.3	-1.2	0.876	40.2	42.3	-2.0	0.781
Individual job search	54.0	49.9	4.1	0.591	48.4	49.9	-1.5	0.840
Participated in an education/training activity <sup>c</sup> (%)	51.4	33.5	18.0 **	0.016	47.0	33.5	13.5 *	0.064
ABE/GED	11.8	5.2	6.6	0.131	13.7	5.2	8.4 **	0.050
ESL	8.2	0.6	7.6 **	0.012	4.9	0.6	4.3	0.146
College courses	29.1	20.9	8.1	0.194	23.5	20.9	2.6	0.675
Vocational training	12.1	7.0	5.1	0.279	11.6	7.0	4.6	0.320
Currently participating in an education/training activity (%)	21.2	13.0	8.2	0.141	13.4	13.0	0.4	0.941
Participated in unpaid work/subsidized employment (%)	4.1	10.0	-6.0	0.151	10.0	10.0	0.0	1.000
Participated in education/training activity while working (%)	42.2	26.0	16.2 **	0.021	27.9	26.0	1.9	0.778
Average number of weeks participating in								
Job search activities	2.8	3.3	-0.5	0.732	3.9	3.3	0.6	0.662
Education/training activities	13.0	6.6	6.4 ***	0.010	8.7	6.6	2.1	0.379
Unpaid work/subsidized employment	0.6	2.1	-1.5 *	0.099	1.3	2.1	-0.8	0.358
Sample size (total = 301)	104	97			100	97		

SOURCE and NOTES: See Appendix B.

<sup>a</sup>"Any activity" includes employment-related activities, education/training activities, life skills, and other types of activities.

<sup>b</sup>"Employment related activities" includes job search activities, unpaid jobs, and on-the-job-training.

<sup>c</sup>"Education/training activities" include adult basic education (ABE), General Educational Development (GED), and English as a Second Language (ESL) classes.

The Employment Retention and Advancement Project

Appendix Table D.3

Impacts on Participation in Education and Training, by Employment Status

Riverside Phase 2

Outcome	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training		Difference (Impact)	P-Value
					Focused Group	Control Group		
<b><u>Employed</u></b>								
Ever participated in any activity <sup>a</sup> (%)	75.0	72.6	2.4	0.669	71.7	72.6	-0.9	0.875
Participated in any employment-related activity <sup>b</sup> (%)	61.5	58.2	3.3	0.592	60.9	58.2	2.7	0.655
Participated in a job search activity (%)	59.6	56.7	2.9	0.638	60.4	56.7	3.7	0.553
Group job search/job club	41.3	41.5	-0.2	0.977	37.5	41.5	-4.0	0.523
Individual job search	49.8	46.2	3.6	0.567	51.3	46.2	5.1	0.414
Participated in an education/training activity <sup>c</sup> (%)	39.2	38.7	0.5	0.934	38.8	38.7	0.1	0.984
ABE/GED	11.8	9.0	2.8	0.447	10.4	9.0	1.4	0.705
ESL	4.8	2.4	2.5	0.262	2.2	2.4	-0.2	0.916
College courses	19.5	22.1	-2.6	0.620	20.4	22.1	-1.6	0.750
Vocational training	9.2	8.7	0.5	0.892	12.6	8.7	3.9	0.303
Currently participating in an education/training activity (%)	12.5	12.1	0.3	0.936	12.0	12.1	-0.1	0.976
Participated in education/training while working (%)	31.0	29.5	1.5	0.795	23.2	29.5	-6.3	0.271
Average number of weeks participating in								
Job search activities	2.8	2.8	-0.1	0.960	4.3	2.8	1.5	0.169
Education/training activities	7.3	6.2	1.1	0.525	7.0	6.2	0.8	0.629
Unpaid work/subsidized employment	0.5	1.4	-0.8	0.223	0.9	1.4	-0.5	0.451
Sample size (total = 386)	125	138			123	138		

(continued)

**Appendix Table D.3 (continued)**

Outcome	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training			P-Value
					Focused Group	Control Group	Difference (Impact)	
<b><u>Not employed</u></b>								
Ever participated in any activity <sup>a</sup> (%)	83.3	73.3	10.1 *	0.083	79.5	73.3	6.3	0.268
Participated in any employment-related activity <sup>b</sup> (%)	72.4	62.8	9.6	0.149	69.6	62.8	6.8	0.299
Participated in a job search activity (%)	71.5	62.1	9.4	0.165	64.9	62.1	2.8	0.671
Group job search/job club	49.5	47.8	1.7	0.815	40.0	47.8	-7.8	0.269
Individual job search	54.2	49.7	4.4	0.540	50.6	49.7	0.8	0.908
Participated in an education/training activity <sup>c</sup> (%)	34.4	25.0	9.4	0.161	43.0	25.0	18.1 ***	0.006
ABE/GED	11.6	5.6	6.1	0.147	15.5	5.6	10.0 **	0.015
ESL	7.4	2.9	4.5	0.137	6.1	2.9	3.3	0.271
College courses	16.0	11.8	4.2	0.400	18.8	11.8	7.0	0.156
Vocational training	7.3	7.8	-0.5	0.905	11.5	7.8	3.7	0.357
Currently participating in an education/training activity (%)	14.9	6.4	8.5 *	0.062	14.2	6.4	7.9 *	0.077
Participated in education/training while working (%)	28.4	13.3	15.1 **	0.011	28.4	13.3	15.1 ***	0.010
Average number of weeks participating in								
Job search activities	2.1	3.6	-1.5	0.140	3.0	3.6	-0.6	0.542
Education/training activities	10.0	4.0	6.0 ***	0.004	6.8	4.0	2.8	0.163
Unpaid work/subsidized employment	0.4	1.9	-1.5 *	0.092	1.4	1.9	-0.4	0.626
Sample size (total = 326)	112	103			111	103		

SOURCE and NOTES: See Appendix B.

<sup>a</sup>"Any activity" includes employment-related activities, education/training activities, life skills, and other types of activities.

<sup>b</sup>"Employment-related activities" includes job search activities, unpaid jobs, and on-the-job-training.

<sup>c</sup>"Education/training activities" includes adult basic education (ABE), General Educational Development (GED), and English as a Second Language (ESL) classes.

The Employment Retention and Advancement Project

Appendix Table D.4

Impacts on Receipt of Educational Credentials After Random Assignment, by Subgroup

Riverside Phase 2

Outcome (%)	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training		Difference (Impact)	P-Value	
					Focused Group	Control Group			
<b>Full sample</b>									
Any degree, license, or certificate	11.2	11.1	0.1	0.986	13.6	11.1	2.4	0.410	
GED	1.7	0.3	1.4 *	0.086	0.5	0.3	0.2	0.831	
Trade or occupational license or certificate	8.2	10.8	-2.7	0.343	12.2	10.8	1.4	0.610	
Sample size (total = 712)	237	241			234	241			
<b><u>Educational status at random assignment</u></b>									
<b>High school graduate or GED recipient</b>									
Any degree, license, or certificate	11.2	15.4	-4.1	0.339	16.3	15.4	1.0	0.816	
GED	0.0	0.0	0.0	0.000	0.0	0.0	0.0	0.000	
Trade or occupational license or certificate	9.7	15.5	-5.8	0.167	15.7	15.5	0.3	0.950	
Sample size (total = 426)	141	144			141	144			
<b>Nongraduate</b>									
Any degree, license, or certificate	9.1	4.9	4.2	0.285	10.7	4.9	5.7	0.153	
GED	4.4	0.5	3.9 *	0.064	1.5	0.5	1.0	0.629	
Trade or occupational license or certificate	4.1	4.4	-0.3	0.938	7.6	4.4	3.3	0.342	
Sample size (total = 281)	95	96			90	96			

(continued)

**Appendix Table D.4 (continued)**

Outcome (%)	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training		Difference (Impact)	P-Value
					Focused Group	Control Group		
<b><u>Hours per week of work at random assignment</u></b>								
Part time: 20 to 31 hours								
Any degree, license, or certificate	12.4	12.8	-0.4	0.928	9.7	12.8	-3.2	0.506
GED <sup>a</sup>	2.9	0.0	2.9 **	0.021	0.6	0.0	0.6	0.601
Trade or occupational license or certificate	9.2	13.3	-4.1	0.368	8.5	13.3	-4.8	0.288
Sample size (total = 301)	104	97			100	97		
Full time: 32 or more hours								
Any degree, license, or certificate	10.0	9.5	0.5	0.894	16.1	9.5	6.7 *	0.086
GED	1.6	0.9	0.7	0.580	0.6	0.9	-0.3	0.785
Trade or occupational license or certificate	7.0	8.4	-1.4	0.703	15.1	8.4	6.7 *	0.068
∞ Sample size (total = 405 )	131	140			134	140		

SOURCE: See Appendix B.

NOTES: <sup>a</sup> In rare cases, negative values among the control group were changed to zero. This occurred because the impact analysis uses ordinary least squares regression, which can result in estimates slightly below zero. For example, if ordinary least squares regression estimated that 3 percent of ERA group members and negative 0.2 percent of control group members participated in job club, MDRC would change the control group participation rate estimate to zero percent and the ERA group to 3.2 percent so that the value of the impact estimate remains unchanged.





**Appendix E**

**Supplementary Tables for the Effects of the Work Plus  
and Training Focused Approaches  
on Employment, Public Assistance, and Income**

The Employment Retention and Advancement Project

Appendix Table E.1

Impacts on Quarterly UI-Covered Employment and Earnings

Riverside Phase 2

Outcome	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training Focused Group	Control Group	Difference (Impact)	P-Value
<b>Ever employed (%)</b>								
Quarter of random assignment	85.8	89.5	-3.7 ***	0.009	88.0	89.5	-1.6	0.349
Q2	79.4	81.0	-1.6	0.364	76.9	81.0	-4.2 **	0.045
Q3	70.6	73.0	-2.3	0.252	67.8	73.0	-5.1 **	0.029
Q4	66.5	69.0	-2.5	0.242	63.1	69.0	-5.9 **	0.017
Q5	63.4	66.5	-3.1	0.155	62.2	66.5	-4.3 *	0.081
Q6	62.5	65.9	-3.5	0.108	60.4	65.9	-5.5 **	0.026
Q7	61.0	60.2	0.8	0.713	59.9	60.2	-0.3	0.920
Q8	59.4	60.4	-1.0	0.635	59.3	60.4	-1.2	0.647
Q9	58.2	59.9	-1.7	0.433	58.2	59.9	-1.7	0.512
<b>Earnings (\$)</b>								
Quarter of random assignment	1,954	2,016	-62	0.332	1,949	2,016	-67	0.365
Q2	2,102	2,230	-128	0.114	2,065	2,230	-165 *	0.079
Q3	2,013	2,057	-44	0.620	1,962	2,057	-96	0.355
Q4	1,933	2,014	-82	0.386	1,928	2,014	-87	0.426
Q5	2,007	2,044	-37	0.709	2,067	2,044	23	0.846
Q6	2,049	2,090	-42	0.693	2,080	2,090	-10	0.932
Q7	2,028	2,063	-36	0.741	2,146	2,063	83	0.503
Q8	2,040	2,096	-55	0.618	2,149	2,096	53	0.679
Q9	2,018	2,111	-94	0.409	2,264	2,111	153	0.243
Sample size (total = 2,907)	1,466	723			718	723		

SOURCE and NOTES: See Appendix C.

This table includes only employment and earnings in jobs covered by the California unemployment insurance (UI) program. It does not include employment outside California or in jobs not covered by UI (for example, "off-the-books" jobs, some agricultural jobs, and federal government jobs).

The Employment Retention and Advancement Project

Appendix Table E.2

Year 2, Impacts on UI-Covered Employment and Earnings for Selected Subgroups of Single Parents

Riverside Phase 2

Outcome	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training Focused Group	Control Group	Difference (Impact)	P-Value
<b><u>Educational status at random assignment</u></b>								
No high school diploma or GED								
Average quarterly employment (%)	58.9	59.7	-0.8	0.763	54.6	59.7	-5.1	0.119
Employed 4 consecutive quarters (%)	40.3	42.9	-2.6	0.433	37.2	42.9	-5.7	0.141
Total earnings (\$)	7,317	7,349	-32	0.951	7,198	7,349	-151	0.806
Sample size (total = 1,215)	599	320			296	320		
High school diploma or GED								
Average quarterly employment (%)	61.5	63.7	-2.3	0.351	62.5	63.7	-1.3	0.645
Employed 4 consecutive quarters (%)	45.0	47.4	-2.4	0.420	44.1	47.4	-3.3	0.338
Total earnings (\$)	8,814	9,212	-398	0.477	9,588	9,212	376	0.560
Sample size (total = 1,668)	856	394			418	394		

(continued)

Appendix Table E.2 (continued)

Outcome	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training Focused Group	Control Group	Difference (Impact)	P-Value
<b><u>Employment status in quarter prior to random assignment</u></b>								
Not employed								
Average quarterly employment (%)	52.6	57.5	-4.9 *	0.090	53.6	57.5	-3.9	0.242
Employed 4 consecutive quarters (%)	34.7	41.5	-6.8 **	0.043	35.2	41.5	-6.3	0.102
Total earnings (\$)	6,843	7,895	-1,052 *	0.082	7,695	7,895	-200	0.774
Sample size (total = 1,263)	642	311			310	311		
Employed								
Average quarterly employment (%)	66.3	64.5	1.8	0.444	63.9	64.5	-0.7	0.811
Employed 4 consecutive quarters (%)	49.3	47.2	2.0	0.501	46.0	47.2	-1.3	0.709
Total earnings (\$)	9,162	8,717	445	0.387	9,308	8,717	591	0.321
Sample size (total = 1,644)	824	412			408	412		
<b><u>Hours per week of work at random assignment</u></b>								
Part time: 20 to 31 hours								
Average quarterly employment (%)	58.9	61.8	-3.0	0.274	60.4	61.8	-1.4	0.650
Employed 4 consecutive quarters (%)	41.4	43.0	-1.6	0.621	41.5	43.0	-1.5	0.699
Total earnings (\$)	7,453	7,559	-106	0.852	8,308	7,559	749	0.260
Sample size (total = 1,261)	650	312			299	312		
Full time: 32 or more hours								
Average quarterly employment (%)	61.3	60.6	0.8	0.759	59.5	60.6	-1.1	0.699
Employed 4 consecutive quarters (%)	43.9	45.5	-1.6	0.598	41.5	45.5	-4.0	0.250
Total earnings (\$)	8,637	8,968	-331	0.542	8,930	8,968	-38	0.951
Sample size (total = 1,620)	800	404			416	404		

SOURCE and NOTES: See Appendix C.

**Appendix Table E.3**  
**Impacts on Job Characteristics of Current Job, Recorded from Survey Responses at End of Year 1**  
**Riverside Phase 2**

Outcome	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training Focused Group	Control Group	Difference (Impact)	P-Value
<b><u>Employment status</u></b>								
Ever employed since random assignment (%)	93.5	89.3	4.3	0.107	90.3	89.3	1.0	0.694
No longer employed	23.5	25.2	-1.6	0.694	31.9	25.2	6.7 *	0.098
Currently employed	70.0	63.7	6.4	0.150	58.4	63.7	-5.3	0.231
Current working status (%)								
Full time	53.7	51.1	2.6	0.574	45.1	51.1	-6.1	0.187
Part time	16.3	12.5	3.8	0.245	13.3	12.5	0.8	0.807
Currently employed at a "good job" <sup>a</sup> (%)	29.4	25.6	3.8	0.350	26.0	25.6	0.4	0.918
<b><u>Hours</u></b>								
Average hours per week	25.0	22.8	2.2	0.216	20.4	22.8	-2.5	0.155
Total hours per week (%)								
Less than 30	16.3	12.5	3.8	0.245	13.3	12.5	0.8	0.807
30-34	11.9	10.1	1.8	0.498	6.6	10.1	-3.5	0.196
35-44	33.4	33.4	0.0	0.991	34.3	33.4	0.9	0.843
45 or more	8.4	7.6	0.8	0.734	4.2	7.6	-3.4	0.142
Average hourly wage (%)								
Less than \$5.00	2.3	2.1	0.2	0.901	2.8	2.1	0.6	0.656
\$5.00-\$6.99	10.8	12.8	-2.0	0.481	7.9	12.8	-5.0 *	0.084
\$7.00-\$8.99	36.4	27.1	9.3 **	0.027	22.8	27.1	-4.3	0.307
\$9.00 or more	20.5	21.6	-1.1	0.778	24.9	21.6	3.3	0.379

(continued)

**Appendix Table E.3 (continued)**

Outcome	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training Focused Group	Control Group	Difference (Impact)	P-Value
<b><u>Earnings</u></b>								
Average weekly earnings (\$)	215	202	12	0.498	188	202	-14	0.424
Total earnings per week (%)								
Less than \$200	15.0	13.1	1.9	0.552	12.4	13.1	-0.7	0.824
\$201-\$300	21.2	23.3	-2.1	0.573	17.7	23.3	-5.6	0.134
\$301-\$500	31.1	20.8	10.3 ***	0.009	22.0	20.8	1.2	0.761
\$500 or more	2.8	6.5	-3.7 *	0.069	6.3	6.5	-0.2	0.937
<b><u>Benefits</u></b>								
Employer provided benefits at current job (%)								
Sick days with full pay	26.4	20.7	5.6	0.148	22.9	20.7	2.1	0.585
Paid vacation	34.0	31.0	3.0	0.484	26.8	31.0	-4.2	0.318
Paid holidays other than Christmas and New Year	29.7	29.8	-0.1	0.973	23.0	29.8	-6.8 *	0.099
Dental benefits	23.9	20.7	3.2	0.395	20.3	20.7	-0.4	0.919
Retirement plan	23.3	20.3	3.0	0.408	17.5	20.3	-2.8	0.451
Health plan or medical insurance	30.0	28.1	2.0	0.632	24.0	28.1	-4.1	0.315
<b><u>Schedule (%)<sup>b</sup></u></b>								
Regular	42.3	33.9	8.4 *	0.056	35.9	33.9	2.1	0.640
Split	1.6	0.4	1.2	0.151	0.5	0.4	0.1	0.922
Irregular	4.6	5.3	-0.7	0.743	5.8	5.3	0.5	0.809
Evening shift	11.9	8.0	4.0	0.105	2.8	8.0	-5.2 **	0.033
Night shift	4.4	1.9	2.5	0.168	5.6	1.9	3.7 **	0.039
Rotating shift	3.1	11.1	-8.0 ***	0.001	5.6	11.1	-5.5 **	0.016
Other schedule	1.3	2.4	-1.2	0.302	0.9	2.4	-1.5	0.190
Odd job	0.9	0.3	0.6	0.512	1.3	0.3	1.0	0.230
Sample size (total = 712)	237	241			234	241		

(continued)

### Appendix Table E.3 (continued)

SOURCE and NOTES: See Appendix B.

<sup>a</sup>A "good job" is a job in which a respondent works 35 or more hours per week, makes \$7 per hour, and receives health insurance. If a job does not offer health insurance, a "good job" is a job in which a respondent works 35 or more hours per week and makes \$8.50 or more per hour (Johnson and Corcoran, 2003).

<sup>b</sup>A split shift is one consisting of two distinct periods each day. An irregular schedule is one that changes from day to day. A rotating shift is one that changes regularly from days to evenings to nights.

**The Employment Retention and Advancement Project**  
**Appendix Table E.4**  
**Impacts on Household Income and Health Care Coverage**  
**Riverside Phase 2**

Outcome	Work Plus Group	Control Group	Difference (Impacts)	P-Value	Training Focused Group	Control Group	Difference (Impacts)	P-Value
<b><u>Household income</u></b>								
Percentage with each income source (%)								
Own earnings	74.9	72.1	2.8	0.498	68.6	72.1	-3.5	0.407
Earnings of other members	37.0	36.1	0.9	0.829	37.4	36.1	1.3	0.765
Child support	11.9	15.1	-3.2	0.323	16.5	15.1	1.4	0.671
Public assistance	60.6	61.9	-1.3	0.766	60.3	61.9	-1.6	0.716
TANF	32.0	42.4	-10.5 **	0.018	40.6	42.4	-1.8	0.678
Food stamps	50.7	51.3	-0.5	0.904	50.1	51.3	-1.1	0.793
SSI or disability	11.8	16.3	-4.5	0.161	12.7	16.3	-3.5	0.265
Total household income in prior month (\$)	1,632	1,608	24	0.835	1,868	1,608	260 **	0.025
Percentage of household income that is respondent's (%)	75.2	74.2	1.0	0.724	72.7	74.2	-1.5	0.615
<b><u>Health care coverage</u></b>								
Respondent has health care coverage <sup>a</sup> (%)	93.3	84.9	8.4 ***	0.004	88.2	84.9	3.3	0.245
Publicly funded	86.6	78.5	8.1 **	0.022	79.7	78.5	1.2	0.729
Publicly funded and not covered by TANF or SSI	35.4	23.3	12.1 ***	0.004	27.4	23.3	4.1	0.315
Privately funded	13.9	16.3	-2.4	0.472	15.7	16.3	-0.6	0.862
All dependent children have health care coverage (%)	89.1	84.1	5.0	0.111	86.9	84.1	2.8	0.376
All dependent children have health care coverage and respondent is not covered by TANF or SSI (%)	40.5	29.0	11.5 ***	0.008	35.6	29.0	6.6	0.129
Respondent and all children have health care coverage (%)	87.6	77.7	9.9 ***	0.004	85.1	77.7	7.4 **	0.031
Sample size (total = 712)	237	241			234	241		

(continued)



### **Appendix Table E.4 (continued)**

SOURCE and NOTES: See Appendix B.

<sup>a</sup>Measures of health care coverage combine data from the survey's sections on employment, health coverage, and income section and from administrative records of public assistance receipt. A respondent could be receiving both public and private care health coverage.



**Appendix F**

**Survey Response Analysis**

## Overview

This appendix assesses the reliability of impact results from the ERA 12-Month Survey. It also examines whether the impacts for the survey respondents can be generalized to the impacts for the research sample. The appendix describes how the survey sample was selected, discusses the response rates for the survey sample for the three research groups, and examines differences in background characteristics between survey respondents and survey nonrespondents, analyzing differences by research group among survey respondents. It then compares the impacts on employment, earnings, and receipt of public assistance as calculated with administrative records data across the survey samples and the report sample. Finally, it compares levels for each research group and impacts on employment and public assistance measures as calculated with survey and administrative records.

With some caution, the appendix concludes that the ERA 12-Month Survey for the Riverside Phase 2 program is reliable and that results for the survey respondent sample can be generalized to the report sample. A comparison between research groups among the survey respondents shows no systematic differences among the groups in characteristics that would affect respondents' likelihood of remaining employed and advancing in the labor market. Furthermore, impacts on respondents' employment and welfare receipt as calculated with administrative records data resemble the impacts for the report, eligible, and fielded samples (defined below). On the other hand, differences between the survey and administrative records were found in responses and impacts relating to employment items. This finding suggests that results from the survey should be taken cautiously.

### Survey Sample Selection

As noted in the first section of this report, "Introduction," the report sample includes 2,907 sample members randomly assigned between January 2001 and September 2003. MDRC used a two-step process to select the sample for the ERA 12-Month Survey:

- First, the "eligible sample" was selected. It includes 1,214 sample members, 42 percent of the report sample, who were randomly assigned from October 2001 to December 2002, aged 18 years or older at their time of random assignment, and able to speak English or Spanish. The random assignment period for the eligible sample covers less than half of the entire sample intake period, which raises some concern about the generalizability of the findings.
- Next, MDRC randomly selected 911 eligible sample members to be interviewed. This sample is referred to as the "fielded sample" and includes 311

Work Plus group members, 302 Training Focused group members, and 298 control group members. (Sample members who completed the ERA 12-Month Survey are referred to as “survey respondents,” or the “respondent sample,” while sample members who were not interviewed are known as “nonrespondents,” or the “nonrespondent sample.”)

#### **Box F.1**

### **Key Analysis Samples**

**Report sample.** Single parents who were randomly assigned from January 2001 through September 2003.

**Eligible sample.** Sample members in the report sample who were randomly assigned from October 2001 through December 2002 and who met the criteria for inclusion.

**Fielded sample.** Sample members who were randomly selected from the survey-eligible sample to be interviewed for the survey.

**Respondent sample.** Sample members in the fielded sample who completed the ERA 12-Month Survey.

**Nonrespondent sample.** Sample members in the fielded sample who were not interviewed because they could not be found or refused to be interviewed or because of other reasons.

## **Survey Response Rates**

Approximately 78 percent of the fielded sample, or 712 sample members, completed the survey. The response rate varied moderately among research groups, with 76 percent of the Work Plus group, 77 percent of the Training Focused group, and 81 percent of the control group responding. About 80 percent of the nonrespondent sample could not be located or were located after the fielding period expired. (The remaining 20 percent of the nonrespondent sample were not interviewed because they were incapacitated, institutionalized, or refused to be interviewed.)

A response rate of nearly 80 percent inspires confidence that findings calculated from survey responses may be generalized to all members of the report sample. However, response bias may occur even with a relatively high response rate, as when, for example, respondents from different research groups vary in background characteristics that may affect employment

and welfare receipt. In addition, survey results would be less reliable if a large proportion of members of a key subgroup did not complete an interview.

## **Comparison of Respondents and Nonrespondents Within the Survey Sample**

MDRC used ordinary least squares (OLS) regression to examine whether respondents and nonrespondents differed systematically in background characteristics. For this analysis, MDRC measured the strength of association between a series of background characteristics measures and an indicator of being a survey respondent. Appendix Table F.1 shows the estimated regression coefficients for the probability of being a respondent. As can be noted from this table, besides background characteristics such as race/ethnicity, age, employment history, and other measurable qualities, a research status indicator was included in the model.<sup>1</sup> The first column of the table provides the parameter estimates that indicate the effect of each variable on the probability of completing the survey. The asterisks and p-values show the statistical significance of this relationship.

In general, the results show no consistent differences in background characteristics between respondents and nonrespondents. A few measures predict greater or smaller likelihood of responding, and they attain statistical significance — including history of TANF receipt, English speaking ability, and educational attainment. However, the R-square statistic suggests that only approximately 4 percent of variance is explained by these significant factors, meaning that knowing a fielded sample member's background characteristics would not help much in predicting whether she or he responded to the survey.

## **Comparison of the Research Groups in the Survey Respondent Sample**

Appendix Table F.2 shows baseline characteristics of the Training Focused, Work Plus, and control group members. In general, differences among the research groups are relatively small and not statistically significant — a positive result. The only exception to this finding is that males make up a somewhat larger proportion of Work Plus respondents than the other two groups do. MDRC ran a more rigorous test of differences in background characteristics, using ordinary least squares regression, and obtained a similar finding (results not shown).

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<sup>1</sup>Sample members from both ERA programs, Training Focused and Work Plus, were pooled together to create the research status dummy. Therefore, a sample member in either research group received a value of 1 for the ERA program group measure.

**The Employment Retention and Advancement Project**

**Appendix Table F.1**

**Estimated Regression Coefficients for the Probability of Being a Respondent  
to the ERA 12-Month Survey**

**Riverside Phase 2**

	Survey Sample	
	Parameter Estimate	P-Value
ERA group	-0.041	0.159
Relative month of random assignment	-0.003	0.285
Female	0.067	0.224
No high school diploma or GED	-0.080 ***	0.007
Number of children	0.000	0.978
Black, non-Hispanic	-0.125	0.500
Hispanic	-0.018	0.922
White	-0.034	0.856
Asian	0.126	0.560
Youngest child 3 years old or younger	-0.011	0.749
Youngest child 6 years old or older	0.042	0.272
Limited English	0.102 *	0.092
Employed in the prior quarter	0.011	0.776
Earnings in prior quarter	0.000	0.854
Employed in the prior year	-0.012	0.760
Received TANF in prior year	-0.117 **	0.012
Long term TANF recipient	0.068 **	0.024
R-square (0.0421)		
F-statistic (2.31)		
P-value of F-statistic (0.002)		
Sample size	911	

SOURCE: Data recorded in Riverside County's Department of Public Social Services automated tracking system, the GAIN Employment Activity and Reporting System (GEARS).

**The Employment Retention and Advancement Project**  
**Appendix Table F.2**  
**Background Characteristics of Survey Respondents**  
**Riverside Phase 2**

Characteristic	Work Plus Group	Training Focused Group	Control Group
Relative month of random assignment (%)	19.8	19.9	19.9
Female (%)	89.9	95.3	96.3 ***
Age (%)			
20 years or younger	10.1	11.5	10.0
21 to 30 years old	48.5	48.7	43.2
31 to 40 years old	30.0	28.2	37.8
41 years or older	11.4	11.5	9.1
Race (%)			
Hispanic	48.5	47.4	50.6
Black	17.3	19.7	17.8
White	30.4	30.8	30.7
American Indian	0.8	0.4	0.4
Asian	3.0	1.7	0.4
Age of youngest child (%)			
Under 3 years	45.1	45.3	46.5
3 to 5 years	19.8	23.5	20.3
6 years and older	35.0	31.2	33.2
Average number of children	2.2	2.2	2.2
Limited English (%)	6.3	7.7	6.6
No high school diploma or GED (%)	40.3	39.0	40.0
Employed during the quarter prior to random assignment (%)	52.7	52.6	57.3
Earnings in quarter prior to random assignment (\$)	715	826	802
Employed during the year prior to random assignment (%)	73.8	71.4	73.9
Earnings in year prior to random assignment (\$)	3,641	4,122	3,840
Long term TANF recipient (%)	40.1	40.6	38.2
Received TANF in prior year (%)	90.7	85.9	90.0
Sample size (total = 712)	237	234	241

SOURCE: Data recorded in Riverside County's Department of Public Social Services automated tracking system, the GAIN Employment Activity and Reporting System (GEARS).

NOTES: Chi-square (categorical) and ANOVA tests were used to assess the differences in characteristics across research groups. Significance levels are indicated as: \*\*\* = 1 percent; \*\* = 5 percent; \* = 10 percent.

The period of random assignment is from October 2001 to December 2002.



## Comparison of Survey Respondents with the Fielded Sample and the Report Sample

Using administrative records data, this section discusses whether respondents' impacts can be generalized to the fielded, eligible, and report samples. Consistency of impact findings among the samples is considered to be the best result, suggesting that impacts on measures calculated from survey responses can be generalized to the report sample. Survey results may be considered unreliable because of response bias when impacts for survey respondents calculated with administrative data differ in size and direction from results for all other samples. Other patterns of inconsistency point to additional problems with the survey findings. Limiting sample selection to certain months of sample intake may introduce a "cohort effect"—a pattern of impacts that also occurs in the fielded and eligible samples but differs from the pattern when all members of the report sample are included. Alternatively, an unlucky sample draw may be inferred when impacts for the respondent sample resemble results for the fielded sample, but findings for both samples vary from those for the eligible and report samples from which they were drawn.

Appendix Table F.3 shows the adjusted means and impacts on employment and public assistance for the report, eligible, fielded, and respondent samples during the first year of the follow-up period.<sup>2</sup> Overall, the analysis found considerable similarity across the samples in impacts on employment, earnings, and receipt of public assistance. Among all samples, the Work Plus approach had no impact on any measure of employment, employment stability, or earnings. Results for the Training Focused approach were also consistent, except that the negative impact on one measure of employment stability (employment during all four quarters of Year 1) was somewhat larger for the respondent sample. With one exception (a small cohort effect), impacts on receipt of public assistance for the respondent sample also resemble impacts of the report, eligible, and fielded samples. The Work Plus program led to a small increase in food stamp receipt in Year 1 for the report sample, whereas the program did not have a significant effect for the eligible, fielded, or respondent samples.

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<sup>2</sup>All the impacts are regression-adjusted within each sample to control for differences in background characteristics, prior employment, prior public assistance, and period of sample intake.

The Employment Retention and Advancement Project

Appendix Table F.3

Comparison of Impacts for the Report, Eligible, Fielded, and Respondent Samples

Riverside Phase 2

Outcome	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training Focused Group	Control Group	Difference (Impact)	P-Value
<b>Year 1</b>								
Ever employed (%)								
Report sample	88.7	89.2	-0.5	0.733	86.8	89.2	-2.4	0.145
Eligible sample	88.5	87.8	0.6	0.778	87.2	87.8	-0.6	0.803
Fielded sample	89.7	88.2	1.6	0.540	87.1	88.2	-1.0	0.688
Respondent sample	90.1	89.7	0.4	0.878	88.6	89.7	-1.1	0.706
Average quarterly employment (%)								
Report sample	70.0	72.4	-2.4	0.132	67.5	72.4	-4.9 ***	0.008
Eligible sample	70.6	71.9	-1.4	0.581	67.9	71.9	-4.0	0.155
Fielded sample	71.2	72.2	-1.0	0.712	67.9	72.2	-4.3	0.127
Respondent sample	72.7	75.4	-2.8	0.381	69.6	75.4	-5.8 *	0.065
Number of quarters employed								
Report sample	2.8	2.9	-0.1	0.132	2.7	2.9	-0.2 ***	0.008
Eligible sample	2.8	2.9	-0.1	0.581	2.7	2.9	-0.2	0.155
Fielded sample	2.8	2.9	0.0	0.712	2.7	2.9	-0.2	0.127
Respondent sample	2.9	3.0	-0.1	0.381	2.8	3.0	-0.2 *	0.065
Employed 4 consecutive quarters (%)								
Report sample	48.8	51.8	-2.9	0.189	47.3	51.8	-4.4 *	0.085
Eligible sample	52.1	51.1	1.1	0.756	46.6	51.1	-4.4	0.269
Fielded sample	52.2	51.3	0.9	0.823	46.6	51.3	-4.7	0.249
Respondent sample	55.2	56.4	-1.2	0.790	48.4	56.4	-8.0 *	0.079

(continued)

**Appendix Table F.3 (continued)**

Outcome	Work				Training			
	Plus Group	Control Group	Difference (Impact)	P-Value	Focused Group	Control Group	Difference (Impact)	P-Value
Total earnings (\$)								
Report sample	8,055	8,346	-291	0.348	8,022	8,346	-324	0.367
Eligible sample	8,431	8,450	-19	0.969	8,059	8,450	-391	0.487
Fielded sample	8,142	8,491	-349	0.517	8,066	8,491	-426	0.431
Respondent sample	8,467	8,991	-525	0.394	8,230	8,991	-761	0.214
Ever received TANF (%)								
Report sample	86.6	84.7	1.9	0.212	86.7	84.7	2.0	0.271
Eligible sample	86.2	86.0	0.2	0.927	81.9	86.0	-4.1	0.153
Fielded sample	86.3	86.1	0.2	0.955	81.8	86.1	-4.4	0.130
Respondent sample	87.2	85.2	2.0	0.533	82.0	85.2	-3.2	0.329
Amount of TANF received (\$)								
Report sample	3,117	3,079	39	0.723	3,271	3,079	192	0.126
Eligible sample	3,065	3,066	0	0.999	3,123	3,066	57	0.769
Fielded sample	3,216	3,056	160	0.400	3,106	3,056	51	0.791
Respondent sample	3,225	2,997	228	0.283	3,138	2,997	141	0.505
Ever received food stamps (%)								
Report sample	83.5	80.5	3.0 *	0.062	81.5	80.5	1.0	0.594
Eligible sample	82.1	80.7	1.4	0.590	77.7	80.7	-3.0	0.303
Fielded sample	80.2	80.6	-0.4	0.895	77.7	80.6	-2.9	0.326
Respondent sample	80.1	79.5	0.6	0.851	77.1	79.5	-2.4	0.458
Amount of food stamps received (\$)								
Report sample	1,452	1,394	58	0.252	1,428	1,394	34	0.561
Eligible sample	1,412	1,427	-15	0.848	1,381	1,427	-45	0.617
Fielded sample	1,376	1,426	-50	0.578	1,378	1,426	-48	0.593
Respondent sample	1,375	1,362	13	0.896	1,370	1,362	8	0.937

(continued)

**Appendix Table F.3 (continued)**

Outcome	Work				Training			
	Plus Group	Control Group	Difference (Impact)	P-Value	Focused Group	Control Group	Difference (Impact)	P-Value
Total measured income (\$)								
Report sample	12,624	12,819	-195	0.487	12,720	12,819	-98	0.762
Eligible sample	12,908	12,942	-35	0.936	12,563	12,942	-379	0.447
Fielded sample	12,734	12,973	-239	0.621	12,550	12,973	-423	0.382
Respondent sample	13,067	13,351	-283	0.603	12,738	13,351	-612	0.257
<b><u>Last quarter in Year 1</u></b>								
Ever employed (%)								
Report sample	63.4	66.5	-3.0	0.156	62.2	66.5	-4.3 *	0.081
Eligible sample	65.6	65.5	0.1	0.970	60.9	65.5	-4.6	0.232
Fielded sample	67.1	65.8	1.3	0.730	61.0	65.8	-4.8	0.216
Respondent sample	70.6	68.9	1.7	0.693	63.5	68.9	-5.5	0.199
Ever received TANF (%)								
Report sample	50.4	50.2	0.2	0.946	53.4	50.2	3.2	0.217
Eligible sample	48.1	51.4	-3.3	0.343	50.5	51.4	-0.9	0.818
Fielded sample	50.2	51.3	-1.2	0.770	50.0	51.3	-1.3	0.748
Respondent sample	51.6	53.0	-1.4	0.754	52.1	53.0	-0.9	0.842
Ever received food stamps (%)								
Report sample	53.6	52.2	1.5	0.493	53.7	52.2	1.5	0.543
Eligible sample	50.8	51.5	-0.7	0.828	51.2	51.5	-0.3	0.943
Fielded sample	51.2	51.3	-0.1	0.978	50.9	51.3	-0.4	0.922
Respondent sample	55.0	51.5	3.4	0.430	52.8	51.5	1.3	0.761

(continued)

### **Appendix Table F.3 (continued)**

SOURCES: MDRC calculations from California Employment Development Department unemployment insurance records and TANF and food stamp administrative records from Riverside County.

NOTES: This table includes only employment and earnings in jobs covered by the California unemployment insurance (UI) program. It does not include employment outside California or in jobs not covered by UI (for example, "off-the-books" jobs, some agricultural jobs, and federal government jobs).

The report sample includes 2,907 sample members; Work Plus group: 1,466; Training Focused group: 718; control group: 723.

The eligible sample includes 1,214 sample members; Work Plus group: 614; Training Focused group: 302; control group: 298.

The fielded sample includes 911 sample members; Work Plus group: 311; Training Focused group: 302; control group: 298.

The respondent sample includes 712 sample members; Work Plus group: 237; Training Focused group: 234; control group: 241.

## **Consistency of Outcomes and Impacts Calculated with Survey and Administrative Data**

This section compares outcomes and impacts on employment and receipt of public assistance as calculated from survey responses with findings on similar measures as calculated from administrative data for survey respondents. Several factors lead to differences in reported employment rates between the survey and unemployment insurance-covered (UI-covered) employment. First, some respondents may underreport employment on surveys, while others may claim employment when they are not working. In addition, employment data reported in surveys include jobs not covered by the UI system, such as self-employment, informal employment, and out-of-state jobs. The mismatch on welfare measures are also discussed in this section.

For this analysis, survey results are considered to be less reliable when members of one research group show a greater propensity to underreport their employment or receipt of public assistance than their counterparts in the other research groups. Underreporting occurs when a respondent does not report employment or receipt of TANF or food stamps, even though administrative data show employment or receipt. MDRC performed a match analysis on employment and found some variation by research group in the level of underreporting. About 16 percent of Training Focused group respondents and 13 percent of control group respondents reported that they were not working at the end of Year 1, even though the UI records indicate employment, compared with only 7 percent of respondents in the Work Plus group (results not shown).

Appendix Table F.4 shows a comparison of impacts from administrative records and survey responses for the survey respondent sample. As mentioned, Training Focused and control group respondents showed a similar propensity to underreport their employment. As a result, the survey shows lower employment rates for both groups at the end of Year 1, compared with levels calculated using UI wage records, but differences between the groups did not vary. In contrast, the lower rate of underreporting among Work Plus respondents resulted in a bigger difference in employment when calculated from survey responses. However, the 6.4 percentage point increase for the Work Plus group was just above the 10 percent level of statistical significance ( $p$ -value = 0.150). For reasons that are not clear, Work Plus group members were much less likely to report receipt of TANF at the end of Year 1, compared with respondents in the other two research groups. (See Appendix Table F.4.) This discrepancy led to a large and statistically significant decrease in receipt that appears only in the survey. Considerable underreporting of food stamp receipt occurred, but the pattern was consistent among all research groups. Therefore, the survey and administrative records impacts on food stamp receipt are small and not statistically significant.

**The Employment Retention and Advancement Project**

**Appendix Table F.4**

**Comparison of Impacts from Administrative Records and Survey Responses for the Survey Respondent Sample  
Riverside Phase 2**

Outcome (%)	Work Plus Group	Control Group	Difference (Impact)	P-Value	Training Focused Group	Control Group	Difference (Impact)	P-Value
Employed in Year 1								
Records impact	90.1	89.7	0.4	0.878	88.6	89.7	-1.1	0.706
Survey impact	93.5	89.3	4.3	0.107	90.3	89.3	1.0	0.694
Employed at end of Year 1								
Records impact	70.6	68.9	1.7	0.693	63.5	68.9	-5.5	0.199
Survey impact	70.0	63.7	6.4	0.150	58.4	63.7	-5.3	0.231
Received TANF at end of Year 1								
Records impact	51.6	53.0	-1.4	0.754	52.1	53.0	-0.9	0.842
Survey impact	32.0	42.4	-10.4 **	0.018	40.6	42.4	-1.8	0.685
Received food stamps at end of Year 1								
Records impact	55.0	51.5	3.4	0.430	52.8	51.5	1.3	0.761
Survey impact	50.7	51.3	-0.5	0.901	50.1	51.3	-1.1	0.795
Sample size (total = 712)	237	241			234	241		

SOURCES: MDRC calculations from California Employment Development Department unemployment insurance (UI) records and from responses to the ERA 12-Month Survey.

NOTES: See Appendixes C and D.

Employment impacts based on records include only employment and earnings in jobs covered by the California unemployment insurance (UI) program. This does not include employment outside California or in jobs not covered by UI (for example, "off-the-books" jobs, some agricultural jobs, and federal government jobs).





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## About MDRC

MDRC is a nonprofit, nonpartisan social and education policy research organization dedicated to learning what works to improve the well-being of low-income people. Through its research and the active communication of its findings, MDRC seeks to enhance the effectiveness of social and education policies and programs.

Founded in 1974 and located in New York City and Oakland, California, MDRC is best known for mounting rigorous, large-scale, real-world tests of new and existing policies and programs. Its projects are a mix of demonstrations (field tests of promising new program approaches) and evaluations of ongoing government and community initiatives. MDRC's staff bring an unusual combination of research and organizational experience to their work, providing expertise on the latest in qualitative and quantitative methods and on program design, development, implementation, and management. MDRC seeks to learn not just whether a program is effective but also how and why the program's effects occur. In addition, it tries to place each project's findings in the broader context of related research — in order to build knowledge about what works across the social and education policy fields. MDRC's findings, lessons, and best practices are proactively shared with a broad audience in the policy and practitioner community as well as with the general public and the media.

Over the years, MDRC has brought its unique approach to an ever-growing range of policy areas and target populations. Once known primarily for evaluations of state welfare-to-work programs, today MDRC is also studying public school reforms, employment programs for ex-offenders and people with disabilities, and programs to help low-income students succeed in college. MDRC's projects are organized into five areas:

- Promoting Family Well-Being and Child Development
- Improving Public Education
- Raising Academic Achievement and Persistence in College
- Supporting Low-Wage Workers and Communities
- Overcoming Barriers to Employment

Working in almost every state, all of the nation's largest cities, and Canada and the United Kingdom, MDRC conducts its projects in partnership with national, state, and local governments, public school systems, community organizations, and numerous private philanthropies.