



## Workshop Summary

**Title of Event:** Post-Employment Services: *Making Job Retention and Post-Employment Services Work*

**Date(s):** May 19, 1998

**Location:** The DoubleTree Hotel, Arlington, Virginia

### I. Summary

The Welfare Peer Technical Assistance Network under contract from the Office of Family Assistance (OFA), Administration for Children and Families (ACF) coordinated a workshop on the topic of Post-employment Services: *Making Job Retention and Post-Employment Services Work*. The contractors on the Network are AFYA, Inc. and Caliber Associates. This one day technical assistance event was a multi-state workgroup designed to review the lessons learned from the Post-employment Services Demonstration Project (PESD) and to explore strategies for job retention and post-employment support.

### II. Participants

Workshop participants included eleven representatives from nine state and county welfare agencies, and representatives from nonprofit organizations, academic and research institutions, and federal agencies. Among the states represented in the workshop were Alaska, California, Colorado, Hawaii, Maryland, Pennsylvania, Rhode Island, South Carolina, and Washington.

## **I. Session Summary**

The workshop began with a welcome by the Technical Assistance Branch of the Office of Family Assistance and by AFYA, Inc. AFYA then provided an overview of the agenda and facilitated introductions of workshop presenters, speakers, and resource people.

### **A. Overview**

Going back to 1994 when ACF began to look into the issue of job retention we found that research on the employment status of former welfare recipients one year after leaving welfare for work showed that somewhere between 40% and 60-70% were unemployed. The prospects for retaining employment were poor. These findings indicated that post-employment services was an area that needed to be improved. It was found that many of the resources available to recently employed clients were underutilized, such as the transitional benefits for child care and Medicaid. Clients need to know how to access transitional services from the beginning, not after they get a job when the stresses are on and their world has changed. We need to think broadly about job retention strategies. Factors such as high welfare benefits and low benefits, which determine whether people get off of welfare right away or stay on, and high disregards and low disregards, vary from one jurisdiction to another and are important to the decisions which state or local managers make regarding overall job retention strategy.

### **B. Review of the Post-employment Services Demonstration (PESD) grant program**

Between 1994 and 1996, the Office of Planning, Research and Evaluation in ACF supported four Post-employment Services Demonstration (PESD) programs and also funded the evaluation of the programs. The four sites were Chicago, Illinois, Portland, Oregon, Riverside, California, and San Antonio, Texas. Key features of the demonstration were extended case management and financial assistance for employment related emergencies. In the demonstration sites, case managers were expected to provide an array of services including encouragement and support, mediation with employers, assistance with transitional benefits, supportive services, referrals for community based services as needed, money management assistance and counseling and job search or placement assistance if jobs were lost. The target population was welfare recipients who had participated in the states' JOBS program and recently found employment. More than 4,500 welfare recipients were identified to participate, and randomly assigned into program and control groups. At each site, there were 400 to 500 participants in each group.

Information from the Chicago site was provided as an example of implementation issues. The site in Chicago had six staff: a full time supervisor, three case managers, a job developer, and a clerical person. Going into the project, about 30% of the people who got jobs lost those jobs within six months and were back on welfare. The control group for the Illinois program received 90 days of case management services (which was the amount allowed by Federal and state policies under the JOBS Program). The experimental group was eligible for case management services for an unlimited period, up to the end of the demonstration project.

Under the JOBS program, workers advised all clients of transitional services such as child care and medical services. All of these services were not provided, however, mostly because program workers were overworked. Following the rules established under the JOBS program, during the demonstration the control group was offered initial employment expenses, up to a maximum of \$400 per year, if requested within the first 30 days after leaving welfare. In contrast, the experimental group was eligible to receive up to \$1,000 per year for employment expenses or expenses determined to be necessary to help maintain employment.

In the demonstration, it was planned that case workers would have follow-up contacts in the first, second, fourth and sixth weeks following the start of employment. These contacts were usually by telephone, and sometimes in program offices. During these contacts, program workers explored issues such as job performance, relationships

with supervisors, medical needs, and back up plans for child care and transportation. Clients experienced difficulties in some of these areas. Program workers helped clients communicate with other parts of the agency in order to access needed services. They also helped clients deal with cash assistance issues, such as eligibility or not receiving the right benefit amount, and with the earned income tax credit (EITC). The job developer found job opportunities that were available to project clients when they lost their initial jobs or wanted better jobs. Case workers also worked one-on-one with clients who lost their jobs, and conducted workshops. The workshops were on different topics, such as job search assistance, and included employer talks and sometimes role playing. Participation in the workshops was voluntary. These workshops provided program workers with opportunities to learn more about their clients, and their shortcomings with respect to employment.

The Illinois project served approximately 540 people. Caseloads were large, averaging around 160 to 180 clients per worker. Not all clients required services at once. At any given time, there would be about 50 people who had just gotten jobs in the past month or so, typically paying between \$5.00 to \$5.50 per hour. There were usually between 100 and 150 people who had just lost jobs. The job developer and case manager worked with these people to try to get them re-employed.

Program staff believe that they dealt very well with barriers such as transportation and child care. They do not believe, however, that they dealt well with some of the harder-to-serve clients, such as clients who had problems with domestic violence, substance abuse, or gang violence. Some clients had intractable problems that staff felt they had inadequate time to address. There was a problem with not having leverage on program volunteers (i.e., participants who were no longer welfare recipients). No great impact of program services was demonstrated. Program staff expressed their belief that if services had been provided over a longer period, they might have had a greater impact. The program ended in 1996, and the people who came in toward the end of the program received a shorter period of service.

There were similarities among all of the PESD sites. All of the programs hand-picked case managers, people who were willing to work very hard and were very dedicated. There were also some differences. In some sites there was more flexibility among program staff to work more evening or weekend hours to contact clients who worked odd shifts. Primarily because of differences in their JOBS program models and the point at which welfare recipients were identified as employed and could be randomly assigned for demonstration purposes, the Portland and San Antonio sites probably had more job-ready clients than Chicago and Riverside. The Chicago and Riverside programs basically served everyone who came in. By and large, the programs provided the same broad set of services, which included enhanced case management and extended case management for a longer period of time.

Early findings and lessons from the PESD program, as reported by Mathematica Policy Research, Inc., are summarized below:

*1. In-depth Analysis: Descriptions of the types of jobs welfare recipients find, how long they stay employed; what barriers to employment they face.*

Findings:

- Most participants obtain low-paying entry-level jobs with few fringe benefits
- Many have nonstandard hours/swing-shift jobs
- There were mixed employment patterns across the research sample (some lose jobs quickly, others hold on to them for longer periods)
- Welfare recipients face many personal and system related barriers including child care, workplace demands, lack of family or personal support, accessing child care subsidies, errors in benefit payments.

Lessons:

- Job retention programs can help address some of the barriers
- Broader system-wide policy changes at the state/local system level can make the transition easier.

2. *Implementation Analysis: Understanding program services, program implementation issues, service use.*

Findings:

- It is possible to implement programs such as PESD
- Some services are used a lot, others are harder to provide.

Lessons:

- Many problems start soon after job start, so start services as early as possible
- Effective inter-and intra-agency communication is important.

3. *Preliminary Impact Analysis: Understanding effectiveness of program services*

Findings:

*(These are interim preliminary results and should be viewed with some caution)*

- There were no existing models so these were pioneer programs, evolving and learning as they went along.
- Some of the findings need to be interpreted in the context of employment-related services already available as well as generosity of the state welfare program (i.e., there were large differences in the AFDC benefit levels among the four sites so that in some sites employed participants went off welfare immediately while in other sites they continued to receive reduced benefits for some time).
- Program services may have got diluted because: (1) these were new programs and case managers were generally expected to attempt to reach everyone; (2) not everyone may need or benefit from intensive and ongoing case management services.

### **C. Current Job Retention Strategies and Support Services**

1. The Welfare to Work Partnership is a Washington, D.C.-based nonprofit organization that promotes employer involvement in helping welfare recipients move into the workforce. The Partnership has over 5,000 members, including both large and small companies. Eighty percent of Partnership businesses have less than 250 employees. Companies get involved because they believe that hiring welfare recipients is a smart business decision. One partner, United Airlines, has committed to hiring 2,000 welfare recipients by the end of the year 2000. They have hired 725 welfare recipients and are currently ahead of their hiring schedule. The Partnership reports that retention rates for welfare recipients is sometimes higher than for the traditional labor force, possibly because they pay more attention to them. United Airlines established a mentoring program for newly hired welfare recipients. Peers from the employee group are assigned to work with the new workers. New workers can get assistance from their peer mentors, and do not have to be concerned about asking questions from someone from a higher level. Partnership members look for ways to solve child care and transportation problems. United Airlines, for example, is working with the Regional Transportation Administration in Chicago to find ways to extend and expand basic services.

CVS Pharmacy, another Welfare to Work Partnership partner, has a 64% retention rate among welfare recipients during the first year of employment. Their normal retention rate is only 40%. CVS allows for flexible start times and focuses on advancement opportunities for the welfare recipients that they hire.

Most employers are looking for job-ready workers; that is, workers who will be on time and who know how to dress, etc. Employers rely on service providers, such as non profits and faith-based organizations, to get workers job ready. For welfare recipients, employers are usually willing to provide job skills training just as they would for other workers. In addition to training, many employers are also willing to provide mentoring for the welfare recipients they hire.

The Welfare to Work Partnership began its efforts focusing on 16 urban communities. In the future, they will explore opportunities to work in rural communities.

2. The State of North Carolina has developed an Enhanced Employee Assistance Program (EEAP) that will operate in 11 counties, to encourage employers to hire welfare recipients. This program is a collaboration between the North Carolina Substance Abuse Services Section, the North Carolina Department of Health and Human Services, and the Behavioral Healthcare Resource Program of the University of North Carolina-Chapel Hill School of Social Work. The State determined that 35% of its welfare recipients needed substance abuse services. All welfare recipients in North Carolina are now screened for substance abuse problems. Each participating county has a qualified substance abuse counselor, located in the Department of Social Services. The emphasis is on early detection.

EEAP is employer driven. The State provides employee assistance program (EAP) services to all employees of a company, not just the welfare recipients, for two years in exchange for their hiring Work First/TANF participants. This service adds value to the employer's bottom line. This is an especially good solution for small businesses that may not be able to afford their own EAP. Planning grants were awarded in January 1998 and final applications were submitted in March. Seven EEAPs are now funded to cover eleven counties. Each county has a planning committee to assist with the coordination of services. The success of the program will be evaluated based on increased rates for employment and retention; not how many people go through the program, but how many are employed and retained.

**D. "Welfare Dependence to Self-Sufficiency Through Employment: What Happens After the First Job?" - A Report from Riverside, California**

Although Riverside County, California was a Post-employment Services Demonstration (PESD) project site, this report focused on strategies implemented and planned in Riverside since the PESD project ended. CalWorks, the TANF program in the State of California, is a Work First Program. California has a county-administered system, and Riverside County is one of 58 counties in the State. Riverside County has a population of 1.4 million and a TANF caseload of 30,000.

As a Work First state, the emphasis in Riverside is on testing people against the job market. They do not make assumptions about who can go to work. The employment program in Riverside was previously known as GAIN and the slogan was and is "self-sufficiency through employment." The management philosophy for GAIN, which is being continued, was to set goals for the program and to let managers and staff determine how to achieve those goals. GAIN workers were given the flexibility and authority to decide how to get things done. Riverside estimates that for every dollar they spend getting people into employment, three dollars is returned to the State Treasury from welfare savings. Last year, Riverside placed 15,000 TANF recipients in jobs. The goal for this year is 18,000. Each job placement must be for a minimum of 15 hours per week, and at least at minimum wage.

Workers are expected to place between 6 and 15 participants per month. Workers rarely miss this target. Typically, 12-15 caseworkers exceed 40 placements each month. Effective January 1, 1998, caseworkers can provide (retention) services for 12 months after the client gets off aid. Previously, employment workers could not provide any services beyond 30 days after the start of employment by participants. The new rules are a big change

and allow for much more interaction between worker and working participant. In California, clients, on average, continue to be eligible for TANF benefits if they earn less than \$8.00 per hour.

CalWorks in Riverside currently has two phases. In Phase I, the emphasis is on clients going to work as soon as possible. Once a client is working at least 20 hours per week in unsubsidized employment, he or she goes to Phase II. In Phase II, the emphasis is on achieving self-sufficiency, and the client is eligible for training and education services. Phase III is under development. In this phase, the emphasis will be on personal responsibility. Once the client has gone off aid, he or she will be able to access a variety of supportive services such as mentoring and substance abuse treatment, possibly through a "one-stop" type of delivery system.

## **E Framing Questions for Planning Job Retention and Post-employment Strategies**

Participants reviewed and discussed six framing questions to consider when planning job retention and post-employment services. These questions were developed by Mathematica Policy Research, Inc., based on lessons learned from their evaluation of the operational experiences of the PESD sites. These are examples and are intended to help stimulate thought about the multiple issues related to job retention strategies in varied settings under welfare reform. While the questions present what are believed to be some basic questions that should be considered, there are other questions and other points that might be considered under the questions. State and local agencies are encouraged to consider these questions as they attempt to design and refine job retention and post-employment services to welfare recipients:

1. Whom to serve? Consider whether you will provide services to:

- *All welfare recipients who find jobs, regardless of welfare status soon after job start?*
- *Only those welfare recipients who continue to receive welfare while employed?*
- *More narrowly targeted clients (those with certain individual characteristics related to education, work history, or other variables)?*

Closely related to the question of whom to serve is also how much the program wants to promote services (Question 4) and whether or not the program will include case management services (Question 3).

2. What types of services to provide? Types of services program planners could consider include:

- Child care, transportation, and housing assistance
- Resolution of benefit issues
- Counseling and support
- Service referrals (including substance abuse/physical abuse/mental health)
- Support service payments for work-related emergencies
- Employer mediation
- EITC and tax information
- Career- and life-planning classes and workshops
- Job search assistance (when jobs are lost or for job up-grades).

Some of these services can easily be made available to all TANF recipients who find jobs. Other services (such as counseling), which require a more intensive service delivery approach, may be made available to selected individuals.

3. How to deliver services? Alternatives include providing systematic case management or using available supports such as job clubs, resource rooms which have job leads, telephone banks, computers or typewriters to update resumes and, perhaps, job developer or other staff resource persons. One strategy is to integrate these two alternatives, by providing intensive case management for the most needy clients and (lower cost) enhanced resource room facilities for all.

4. How much to promote services? Agencies will have to decide how much to promote job retention and post-employment services. Two questions related to this are (1) *Should participation be mandatory or voluntary?* and (2) *Should outreach be passive or active?*

5. When to provide services? States or local agencies setting up job retention programs or services should consider two questions related to when to provide services: (1) *How soon after job start should services be provided?* and (2) *For how long should services be provided?*

6. Who will run the programs? Consider whether the programs will be run directly by welfare agency staff, by staff working for the welfare agency staff but with some separation from the normal welfare office/agency, or contracted out.

#### **F. Small Group Discussions of State Action Plans**

State participants engaged in brainstorming sessions on two questions: (1) What are the primary strategies and approaches that should characterize model job retention and post-employment services programs? and (2) What are the primary issues that must be addressed to adequately provide job retention and post-employment services to TANF recipients? A summary of these discussion is provided below. The idea of the brainstorming session was to encourage a free flow of ideas. Therefore, information that resulted does not necessarily represent a consensus among all of the participants.

1. What are the primary strategies and approaches that should characterize model job retention and post-employment services programs?

- Promote the employment message beginning on day one, with eligibility and establish mutual responsibility contracts
- Sell clients on the benefits of staying employed
- Continue to provide retention services to individuals when they go off TANF
- Maintain consistency and continuity of client services
- Provide for integration of benefits
- Employers should play a major role, by participating in tax credit programs and providing mentoring, etc.
- Employer as the client
- The program should have a top down commitment, with leadership provided by the Governor and the employment community
- Establish community support; involve the faith community and other community organizations in mentoring programs
- Establish priorities based on the characteristics of the population
- Be prepared to respond to a wide range of issues, such as:

child care  
utilities  
substance abuse  
adolescent children  
work-related issues

transportation  
money management  
health/dental  
special needs children  
sexual harassment

housing  
legal  
mental health  
school-age children  
discrimination/isolation

2. What are the primary issues that must be addressed in order to adequately provide job retention and post-employment services to TANF recipients?

- Income disregards
- Distinguishing between post-employment and employment services
- Determining the appropriate response for clients who live in areas where there are no jobs
- Staff training
- Policy interpretation
- Unions
- Staff disincentives
- Reframe post-employment programs to employee assistance programs
- Better promotion of job opportunities and the availability of services
- Getting services to clients
- Privacy
- Equity issues; welfare versus the working poor.