



WORKSHOP SUMMARY

Title of Event: TANF Job Retention and Post-employment Services Workshop

Date: August 12-13, 1998

Location: ACF Region X Office Building, Seattle, Washington

I. Overview

This two-day workshop was coordinated by the Administration for Children and Families (ACF) Region IX and Region X offices, with the support of the ACF Welfare Peer Technical Assistance Network. The purpose of this event was to provide a forum for the sharing of the latest research, perspectives, and promising practices regarding job retention and post-employment services for TANF clients. The workshop combined presentations from key Federal, State and corporate experts. Information related to post-placement services was provided by Region X state representatives.

II. Participants

Workshop participants included TANF representatives from the states of Idaho, Washington, Alaska, California, Oregon, and Arizona. ACF Representatives from Region X were present, and the ACF Central Office was represented by Stan Chappell, Strategic Planner. Speakers included Nancye Campbell, Office of the Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services; Susan Golonka, National Governors' Association; Fred Kramer, Director of Community Employment and Training Programs, Marriott International; as well as Diane Paulsell, LaDonna Pavetti, and Anu Rangarajan via teleconference from Mathematica Policy Research, Inc.

I. Session Summary

A. Presentations

Ms. Nancye Campbell opened the presentations with an overview of job retention and post-employment services research findings. Her presentation focused on the results of the Post-employment Services Demonstrations (PESD) program. She explained that PESD was modeled somewhat on Project Match in Chicago where there was an open-entry process and where relationships between clients and workers appeared to really matter in job retention efforts. The PESD was an “add-on” to the JOBS program in the demonstration sites, and was a case-management-based model for post-employment support.

Key points from Ms. Campbell’s presentation include:

- Reaching working recipients was difficult and time consuming for case managers.
- Typical support services available in each site included encouragement, counseling, referrals, help with car repairs, some rental assistance, promotion of EITC, and employer mediation.
- About 70-80% of participants took advantage of counseling support, but very few wanted employer mediation.
- Numerous mechanisms were used to make the services available to a working population, including maintaining flexible hours (i.e., evenings and weekends) and using beepers and answering machines.
- Significant portions of people in the study worked variable shifts, which made child care and transportation more difficult.
- People needed services sporadically over extended periods, and caseloads grew more than the sites had anticipated.
- Typical caseload size for a PESD case manager was 120-175.
- Most managers for PESD were current or former JOBS case managers, not social workers.
- The interim evaluation research on PESD found that, in terms of job retention, there was no difference between programs that received or were eligible to receive job retention services and control group members (who did not receive the special demonstration services), and there were no statistically significant differences on earnings or the amount of time employed.
- In implementing this type of support process, states should look at what they already have in place and seek to identify “value-added” services (as opposed to simply adding a job retention component). For example, if a process for getting people quickly back into job search after job loss already exists (e.g., an up-front job search requirement), then agency managers should look for other areas on which to focus new efforts.
- Research examining the experiences of welfare recipients and those who never received welfare (but otherwise have similar characteristics) has shown that welfare recipients and the “working poor” often take similar paths (begin in low-wage jobs, working variable shifts). However, welfare recipients have been found to have more difficult situations or have greater limitations, including low basic skills level, less education, and weaker work history.

- From the study findings, we have learned that the major reasons for leaving a recently acquired job, as reported by participants, were child care problems, transportation breakdowns, and instability in home life.

Ms. Campbell concluded her presentation by stating that much needs to be done to figure out effective ways to change welfare and related systems to support current or former TANF recipients who are working, part- or full-time.

Mr. Fred Kramer from Marriott International conducted a presentation on “An Employer Perspective on Job Retention and Post-employment Services.” His presentation focused on Marriott’s Pathways to Independence Jobs Training Program, which provides trainees with job skills that will allow them to gain entry-level positions and begin the process of building a career in the hospitality industry. Started in 1991, Pathways has placed close to 1,000 participants in full- time employment with Marriott. It is an intensive six-week program that is designed for people who have barriers to employment (e.g., those who are receiving public assistance, are economically disadvantaged, have disabilities, or have poor work stability). The goals of Pathways are to:

- Help participants become independent and employable;
- Assist participants in developing a strong work ethic;
- Train or re-train, and “try-out” before hiring;
- Hire qualified and motivated people;

Mr. Kramer discussed the challenges the program faces in working towards achieving its goals, including addressing both job skills and essential life skill concerns at the same time. Some of the major challenges include:

- Helping trainees establish a positive work ethic and unlearn old habits and attitudes about work and responsibility;
- Reinforcing positive behavior traits that will support ongoing, long-term employment (e.g., being on time, ability to take direction and criticism, etc.);
- Providing basic skills for acquiring and retaining employment (e.g., resume preparation, interviewing skills, job safety, customer service, etc.);
- Building confidence, self-esteem, and self-worth by focusing on essential life skills that will aid in the achievement of personal goals and employment success;
- Assisting trainees in recognizing those aspects of their environment that may be counter-productive to their success, and providing guidance as to how to effectively address them.

Mr. Kramer outlined what Marriott considers to be the keys to job retention:

- A. An effective partnership between the employer, employee, and the support agencies.
- B. A clear understanding of the expectations of all involved.
- C. An awareness of both employer and employee roles and responsibilities, as well as a

commitment to adhere to them.

- D. Ongoing employer-based training to continually enhance and expand occupational skills.
- E. Opportunities for, and a commitment to, career advancement beyond entry-level jobs.

Pathways benefits Marriott by allowing them to train people before they hire them, improve the retention of qualified and capable employees, and lessen the need to rely on a shrinking and less-qualified labor supply. Pathways is funded through collaborations with community-based organizations and government agencies who provide funding to offset costs for training and materials.

Ms. Susan Golanka, of the National Governors' Association (NGA) discussed specific initiatives states can take in providing job retention and post-employment services. The specifics of her presentation focused on lessons learned from past experiences with welfare-to-work, job training, education, and economic development programs. These “lessons” are contained in the publication “Working Out of Poverty: Employment Retention and Career Advancement for Welfare Recipients,” published by the NGA Center for Best Practices. Ms. Golonka discussed how these lessons can help states develop support programs that help welfare recipients stay employed, increase their wages and job advancement opportunities, and use transitional employment as a career development strategy for the hard-to-place.

A summary of Ms. Golonka's main points regarding lessons learned as to how states can provide effective job retention and post-employment support services is as follows:

1. Helping Welfare Recipients Stay Employed
 - Provide on-going case management to help participants cope with the workplace.
 - Develop effective mentoring programs to counsel newly hired recipients to cope with life, work, and behavioral issues.
 - Provide supportive payments or loans to offer short-term financial assistance.
 - Improve access to support services (e.g., child care, transportation, health care, etc.).
 - Promote Federal and State earned income tax credits to increase income of low-wage workers.
2. Helping Welfare Recipients Increase Their Wages and Advance
 - Change the design of government-sponsored job skill development programs to complement the work-first orientation to welfare reform.
 - Improve access to education and training outside of work to make it easier for people to take advantage of education and training opportunities.
 - Promote learning at the workplace by making job placements with employers who are more likely to provide training and promote the use of learning on the job.
 - Help individuals access career ladders or pathways by modernizing the workplace practices of firms that hire welfare recipients.
3. Using Transitional Employment as a Career Strategy for the Hard-to-Place

- Structure programs for effectiveness by ensuring that they address participant, employer, and community needs.
- Improve the quality of transitional employment by including work-based education and training, emphasizing career guidance and job placement efforts, linking classroom instruction to credentials and/or post-secondary credits, and strengthening workplace supervision.

B. Discussion of State Initiatives

During this session, participants from the six Region IX and Region X states presented shared examples of efforts taking place in their states related to job retention and wage progression. This opportunity was provided to allow the states to serve as a resource to each other, and spread information on promising practices throughout the region. Participants from Alaska, Arizona, California, Idaho, Oregon, and Washington shared information in the following categories:

Section I: Strategic Decisions

Participants shared information regarding who is eligible for services, what groups are specifically targeted for services, what services are offered, who delivers the services, how clients gain access to services, and when services are provided. Participants also discussed the performance measures used to evaluate post-placement success, the relationship between post-placement services and the One-Stop workforce system, and how voluntary vs. mandatory participation is addressed.

Section II: Program Services

Participants shared examples of how specific services are provided, including job-search assistance after job loss, child care assistance, transportation assistance, help with benefits issues, counseling and mentoring support, service referrals (substance abuse, domestic violence, etc.). Also discussed were how support payments for post-placement work needs were handled, the process for employer mediation and intervention, the provision of employer financial incentives, training provided to employers to facilitate hiring, and the promotion of earned income tax credits. The states also shared information regarding their training programs, including career and life planning training, job skills training, and workplace “basics” training.

Section III: System Changes for Post-Placement Goals

The states discussed missions, goals, and values revisions required to meet post-placement goals. They also shared the processes used to train staff, leaders, and partner organizations, and discussed how they addressed legislative requests and made changes in their resource allocations. The development of staff job descriptions and duties, contracting for outside services, data collection and performance measures, how work is actually carried out, and changes to organizational structures required were discussed as well.

C. Researchers' Teleconference Presentation

Three researchers from Mathematica Policy Research, Inc., provided, via teleconference, an overview of research on post-employment service issues. The three researchers were LaDonna Pavetti, Ph.D., Anu Rangarajan, Ph.D., and Ms. Diane Paulsell, M.P.A. Topics covered during these presentations included low-wage labor market issues, employment experiences of welfare recipients who find jobs, hard-to-serve issues, and learnings from Mathematica's GAPS study on job retention.

Dr. Pavetti delivered a presentation on low-wage labor market issues. She summarized a ten-year analysis that she had completed on labor market patterns for women. Her first point was that it is very rare that transitions to stable employment happen immediately. The usual pattern with young women is that they start out in low-wage jobs and eventually make the transition to higher wage jobs. During that period, there is quite a bit of movement completely out of the labor force and then movement back into the labor force. It takes time for people to actually become stable. By the time that they reach age 27, the majority of the people are working steadily. When people first enter the labor market, they are more likely to leave a low-wage job for unemployment than they are to move into a higher-wage job. This seems to be a routine process. The rates are probably higher with welfare recipients, but the process is not uncommon. What is most important is that there is a progression that happens over time.

Dr. Pavetti's second point was that it appears that time spent in a particular condition matters. The longer individuals are out of the labor force, the more likely they are to stay out or the less likely they are to return. The converse is also true. The longer individuals are employed, the more likely they are to stay employed. She stated that some of the efforts that we have seen to help people stay employed longer may end up having long-term payoffs, given this pattern.

Her third point, which she said is probably the most important, is that characteristics matter a great deal. Movement from low-wage jobs to high-wage jobs is far more common among women with better education and skills, those without children, and among white rather than minority women. The thing that is most striking is that steady employment, even over time, is not the norm for women with extremely low skills. She defined women with extremely low skills as those in the bottom decile (equivalent to about the third- or fourth-grade level). According to Dr. Pavetti's research, this includes about one-third of the AFDC caseload. For that group of women, it is much tougher to enter the work force and remain over the long term. It is critical to consider this when thinking about job retention for welfare recipients.

These findings indicate that job loss is common; it will naturally occur in welfare programs. Job loss is not necessarily bad. Some of it is part of a natural maturation and learning process for people trying to make the right job matches. She also suggested that special attention be paid to women at the lowest skill levels, because they are the least likely to be able to attain steady employment on their own.

Dr. Rangarajan spoke about the employment experiences of a sample of welfare recipients who have found jobs. Her findings were based on several studies, including the Post-employment Services Demonstration (PESD) grants, and some analysis of the data from the National Longitudinal Survey of Youth (NLSY), a national data set. The consistent findings across these studies are, first, that welfare recipients find low-paying and entry-level jobs. Very few (5-10% of the sample) were in jobs that paid more than \$10/hr. Secondly, less than half the jobs offered fringe benefits, and between one-fourth and one-third of the welfare recipients are finding temporary jobs with temporary agencies. One implication of temporary work is that it is difficult to develop a stable employment relationship when either employer or the employee can terminate the employment easily. A third noteworthy feature of these jobs is that one-third of them required the employee to work non-standard hours (i.e., evening or night shifts, or varied hours from week to week). Child care and transportation, and other logistics issues, become much more complicated with jobs of this type.

Regarding their observations of welfare recipients' employment experiences, Dr. Rangarajan noted that, consistent with Dr. Pavetti's comments, many recipients lose their jobs very quickly. Approximately 70% of the sample had lost their jobs within a year. The average amount of time required for re-employment was 5-6 months. Another observation is that the first 4-6 months are a fairly critical period during which many people lose their jobs. In each of the first four months, 10-15% of those who remain employed at the beginning of the month lose their jobs by the end of the month. After that period, the majority of those who are still employed tend to remain employed for a considerable period. The implication of this finding is that, when considering providing some kind of job retention services or assistance after placement, the first 4-6 months are a fairly critical time to monitor people. As for reasons that people lose their jobs, Dr. Rangarajan said that there are both work-related and non-work-related factors. Nearly 70% of welfare recipients reported some non-work-related problems. These are largely child care, transportation, budgeting, and family problems. With respect to child care, one of the responses of states has been to provide child care subsidies. In some cases, accessing child care subsidies is fairly complex. The paperwork is difficult. Providers have to fill out forms, and depending upon a client's TANF status or job status, they may have to fill out different forms and prorate hours. There were similar issues related to benefit payments.

Mathematica researchers also examined welfare recipients' longer-term employment behavior. About one-third of the study sample was able to find jobs and maintain stable employment over 2-5 years. Another 30-40% switched jobs and had intermittent employment. About 25% of the sample had a difficult time retaining jobs and was unemployed for most of the study period. Researchers also looked at wage growth. They found that about two-thirds of recipients move from entry-level jobs to better jobs, but a considerable number do not. Between 33% and 40% of the people are not moving to better jobs. When they examined wage growth, studying people who were employed five years later, they found that about 60% actually experienced wage growth, but 40% experienced a wage reduction. The study suggests that about 30-40% of welfare recipients do well with little assistance, but that the majority may need more assistance. Consistent with Dr. Pavetti's findings, Dr. Rangarajan also reported that characteristics matter.

However, in contrast to Dr. Pavetti's findings that education and basic skills affect a person's ability to find work, Dr. Rangarajan reported that other factors, such as a good starting salary and adequate child care arrangements, are more important when you examine factors contributing to job retention.

Policy implications learned from PESD experience are that in order to support and ease the transition to work: the child care payment process needs to be more seamless; income maintenance workers need more systematic training regarding earnings-related benefit issues, including accurate calculation of the monthly cash benefit and eligibility for transitional benefits, participants need clear information about the transition benefits that are available as well as how they can access them, and the access process needs to be simplified. Job retention strategies should include varying levels of services for different groups of people. If program officials can identify those most likely to make the transition from welfare to work with little assistance and those who will have a harder time holding on to their jobs, they may be able to better target services to those who will benefit the most. A “one-size-fits-all” approach is not supported by the research findings.

Dr. Pavetti made a second presentation during which she highlighted issues of the harder-to-serve among TANF populations. She stated her belief that it is a mistake for states to separate the issues of job retention, job advancement, and the harder-to-serve. Historically, job retention has been thought of in a post-employment strategy, focusing on what should be done to help people retain jobs once they have been hired. She recommended that we step back and consider whether there are things that we can do when we are helping people find jobs that will affect their job retention. Thinking about issues of the harder-to-serve is a part of that strategy. Harder-to-serve characteristics include substance abuse, physical and mental health problems, low skills, involvement in domestic violence, etc. Dr. Pavetti encouraged states to think about and address these issues up front. She also mentioned the targeting issue raised by Dr. Rangarajan, encouraging states to identify people for whom it may make sense to spend time with up front, before they get into the labor market. She noted that the traditional strategy has been case management; while case management may be a viable strategy for many clients, some clients may require a strategy that is more treatment oriented. This may be the case for clients with substance abuse problems, mental health problems, or clients with learning disabilities, for example. She acknowledged that we operate in environments where it may be difficult to implement a treatment model. Another strategy may be to respond to severe issues up front. That is, establish an employee assistance model to address issues that may lead to job loss after individuals are employed. Dr. Pavetti cautioned participants that, while paying attention to job retention issues such as health, child care, and transportation problems, they should not overlook other commonly occurring problems such as clients not getting along with co-workers and not showing up for work. She went on to say that there are not a lot of tried and true job retention strategies out there, so states will have to take some risks and try some things on a small scale to see if they actually make a difference.

Ms. Paulsell shared findings from the GAPS initiative. The GAPS initiative is a group of four job

retention programs that serve both current and former TANF recipients who are working in the Pittsburgh area. It is funded by the Pittsburgh Foundation and collaborates closely with the Allegheny County Welfare Agency to receive referrals. The programs are, however, run by community-based organizations (CBOs). The focus of this presentation was on issues associated with using CBOs as service providers for job retention services. The first thing that they found was that CBOs can provide very personal and flexible services to their clients. Staff are often from the local communities where the clients are living, and some are even former welfare recipients. They are very familiar with other service providers in the area and with the issues that are faced by community residents. Consequently, the neighborhood-based organizations may be more geared than others to delivering services in a more personal and perhaps a more flexible manner. For example, staff may be more willing and able to visit their clients in their homes, and they may be better able to develop a rapport and friendship with their clients. Another advantage of CBOs is that they can build on existing programs that they are already running. The CBOs providing GAPS services already have a variety of programs in place that focus on employment, housing, child care, and other types of assistance to low-income people.

Ms. Paulsell said that CBOs are quite diverse. They vary substantially in the services that they offer, and they also vary in the size of their service delivery areas. Some are county-wide, and some serve specific neighborhoods. The size of the service delivery areas impacts their ability to obtain referrals. County-wide CBOs frequently receive referrals from their county government, while neighborhood CBOs must recruit. Neighborhood CBOs, however, have the advantage of proximity to their clients. This proximity allows them to have more frequent meetings with their clients, making it more likely that they will meet with clients in their homes. With the larger CBOs, clients may spend 45 minutes traveling to the agency, and staff spend more time traveling to see clients. The staff of larger CBOs must also spend more time learning about community resources prior to making referrals. Ms. Paulsell emphasized the importance of close communication between CBOs and the welfare agency that makes referrals. GAPS case managers need training about transition benefits and need to maintain regular contact with the welfare agency.

IV. Workshop Evaluation Feedback

Participants completed a three-page evaluation feedback form that asked them to rate the TA support they received and to specifically comment on the workshop. The presenters were highly rated in terms of their knowledge, experience, and the quality of the information they provided. Following are a sample of the comments provided regarding:

1. Immediate benefits of TA:

- It was a good opportunity to meet all partners in this effort and be able to put faces with names.
- It provided future networking opportunities with partners.
- The information gives us a way to approach retention systematically and get contacts for collaboration.

- The TA results in more thoughtful program design around these topics.
 - It identified ideas and problems for additional federal attention.
 - The workshop provided interaction with other State and Federal agencies, the opportunity to learn more about status of job retention services, and current research findings.
 - Several components that are in the planning stages will take a better direction, since we know more about what works in employment retention.
2. Anticipated long-term benefits from TA:
- I made contacts and gathered report information to digest later.
 - It identified current and future research sources, which will enable me to develop relationships/interactions with other states.
 - The TA surfaced the issues around retention and provided sort of a jumping off point for addressing some of the most compelling challenges.
 - Hopefully, our retention services will be more comprehensive and use a systematic approach.
3. Identify what was most useful.
- I liked the informal nature; the basic planning and structure were also good.
 - The most useful information was the review of research about characteristics of entry-level employment experiences.
 - I truly enjoyed the employer presentations and perspectives.
 - I was impressed by the deep substantive program knowledge of the participants.
 - The state sharing exercise was most useful.
4. How could the TA have better met your needs?
- It should have provided some solutions, or at least discussion about solutions.
 - It would be great to do this with a broader audience within a state.
 - It should have included providers of retention services models that have been successful.
 - The teleconference was the only weak area, but I understood given budget considerations.
 - Perhaps representation from community-based organizations/intermediaries could have added another perspective.
 - I need more information about what works, but I guess we are not there yet.
 - The TA was very good; there just are not a lot of answers right now.