
Best Practice Fact Sheet – Workforce Development

WELFARE to WORK PROGRAM - Portland, Oregon

Program

Description: Based on solid upfront assessment of client skills and needs, and strong partnerships between Department of Human Services and various local providers, including colleges, chambers of commerce, JTPA agencies, etc. Program far outperformed all others in employment and earnings gains in the NEWWS randomized evaluation by MDRC.

Target Population: TANF and low income clients

Goal: Help people move into jobs. In contrast to many employment-focused programs, participants were encouraged to look for and take "good" jobs — full-time, paying above the minimum wage, with benefits and potential for advancement. The overarching goal was to foster the self-sufficiency of adult recipients through increased employment and decreased welfare receipt." <http://www.mdrc.org/publications/121/execsum.html>

Cost: The two-year net cost of Portland's program was \$2,017 per person.

Evidence: NEWWS Evaluation of human capital vs. labor force development program on welfare recipients employment outcomes

Caseload Data: Evidence based on randomized controlled trial of 4,028 single-parent welfare applicants or recipients whose children were over one year in age

Assessment: Screened and assessed by case manager in the welfare department responsible for placing client in appropriate program services (e.g. job search, education, or training), and insuring that they participated in these activities.

Services Overview:

- Less job-ready people were assigned to adult education, vocational training, or life skills classes at the discretion of case managers;
- Others were assigned to job search or, in some cases, life skills classes.
- Job search was the most common next activity for those who completed their initial activities.
- Portland's program was designed and implemented through an unusually strong partnership between the welfare department and various local service providers, including the local community colleges, chambers of commerce, JTPA agencies, the state Employment Department, and others.
- Program participants deemed job-ready by their case manager (65% of all non-deferred participants) were placed in a "fast track" designed to quickly move them into the workforce. They first attended a 20-person job club led by contractor staff. Job clubs met for 60 hours over two weeks, and included discussion of job search strategies, resume preparation, and videotaped practice interviews. After job club, Portland JOBS participants were usually required to conduct a job search, utilizing resources at the welfare office and contractor sites (e.g. job listings, computers, staff advice etc).
- JOBS participants with little or no work and/or education history were placed in an "enhanced track," providing them with short-term education/training to quickly increase their employability and move them into the workforce. Those placed in the enhanced track first attended a 4-5 week life skills training class (i.e. problem-solving and job search strategies).
- Those with no high school diploma or equivalent attended six weeks of basic education to complete their GED.

- The rest were placed in either vocational training, a job club, or unpaid volunteer work to gain work experience.
- The program was strongly mandatory, with 21% of participants losing some of their welfare benefits for not participating in assigned activities.

Eligibility: TANF and former TANF

Findings:

- The Portland Welfare to Work program was the only program in the study that was a “mixed” program of human capital (education and training) and labor force (work first) strategies.
- It by far outperformed the 10 other programs in the study in terms of both the size and consistency over time of its earnings gains (and its employment gains).
- The Portland program increased average five-year earnings by 25 percent and the average number of quarters employed by 21 percent.
- The program also increased stable employment and earnings growth more than any of the other 10 programs.
- Looking only at the second year, the Portland program produced a 21 percent increase in employment and a 40 percent increase in earnings.
- This program was evaluated in one randomized controlled trial of 4,028 single-parent welfare applicants or recipients whose children were over one year in age, and who had completed the initial mandatory job search described above. These applicants or recipients were randomly assigned, during 1993 and 1994, either to (1) a group required to participate in the JOBS program, or (2) a control group that was not eligible for the program, but could participate in other services in the community. (evidencebasedprograms.org/wordpress)

Implications for Policymakers and Program Developers to Consider:

- This program cost more up front than labor force programs but was cheaper than human capital programs studied.
- In cost/benefit – it out-performed all other programs studied.
- A key component was getting good up-front assessment of client skills and needs

Resources:

<http://www.mdrc.org/publications/121/execsum.html>; <http://aspe.hhs.gov/hsp/newws/synthesis02/index.htm>