



Strategies to Help Low-Wage Workers Advance

IMPLEMENTATION AND EARLY IMPACTS
OF THE WORK ADVANCEMENT AND
SUPPORT CENTER (WASC) DEMONSTRATION

Cynthia Miller
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JUNE 2009

THE WORK ADVANCEMENT AND SUPPORT CENTER DEMONSTRATION

Executive Summary

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Overview

The Work Advancement and Support Center (WASC) demonstration is testing an innovative strategy to help low-wage workers, who make up a large segment of the U.S. workforce, increase their incomes. WASC offers services to help workers stabilize their employment, improve their skills, and increase their earnings by working more hours or finding higher-paying jobs. The program also provides easier access to a range of financial work supports for which workers may be eligible, such as child care subsidies, food stamps, and the Earned Income Tax Credit. A unique feature of WASC is that all these services are offered in a single location — the One-Stop Career Centers created by the Workforce Investment Act of 1998 to provide job search assistance services — and are provided by workforce development and welfare staff in one unit. In addition, the program targets a group — the working poor — that has not typically been served by the federal workforce development system. WASC’s designers expected that the program would have an immediate effect on workers’ incomes, largely through increased use of existing work supports. In contrast, increases in earnings would come over the longer term, as the advancement services began to pay off.

MDRC developed and manages the WASC demonstration and is evaluating it using a random assignment research design. Low-wage workers in three sites — Bridgeport, Connecticut; Dayton, Ohio; and San Diego, California — were assigned at random to the WASC program or a control group. This report presents findings on program implementation from all three sites and first-year effects on employment, earnings, and work supports receipt in Dayton and San Diego.

Key Findings

- **Implementation.** Each site succeeded in bringing together workforce development and welfare staff into integrated teams focused on advancement and eased access to work supports, representing a significant culture change for the workforce development system. Staff were able to provide the key services to participants, although some services were delivered less intensively than envisioned. All sites faced some difficulty in delivering the services, largely because of funding shortages and staff turnover. Recruitment of low-wage workers also posed a major challenge, requiring significant staff time and effort.
- **Work supports.** More workers in the WASC group than the control group received food stamps, with increases of 10 percent in Dayton and 23 percent in San Diego. In both sites, children in WASC families were more likely than children in control group families to be covered by publicly funded health care. The WASC program in San Diego also increased Medicaid coverage for adults. Finally, the San Diego program substantially increased parents’ use of child care.
- **Advancement.** WASC did not increase employment or earnings in either site during year 1 — and in San Diego, it led to a small reduction in employment, an effect that will be important to track over time. Instead, WASC’s key effect on advancement during year 1 was to increase skill acquisition in Dayton. The program in that site substantially increased participation in education and training activities and increased the receipt of certificates and licenses. These effects are encouraging and may lead to advancement over time.

The next report, scheduled for 2010, will present two-year findings for Dayton and San Diego and one-year findings for Bridgeport.

Preface

A large segment of the workforce in the United States today earns wages that are not enough to move their families out of poverty. Some of these workers will move up over time on their own, but many of them will continue to struggle to make ends meet, while often going without health insurance and other benefits. Although policymakers are focusing more and more on helping low-wage workers increase their incomes by getting better jobs and receiving available benefits, no public system targets this group. The One-Stop Career Centers around the country, funded by the Workforce Investment Act (WIA) of 1998 to provide employment services to job seekers, have to date focused primarily on helping the unemployed find work.

MDRC's Work Advancement and Support Center (WASC) demonstration tests a strategy that expands the mission of the One-Stop Career Centers to serve people who are already working, but at low wages. The WASC model offers services to help working individuals stabilize their employment, find better-paying jobs, improve their skills through education and training, and increase their access to key work supports, such as food stamps and health insurance for adults and children. A key feature of the model is that both types of services are offered in one location, in existing One-Stop Career Centers, and by teams of workforce development and welfare staff working together in the same unit. This report presents early findings about the program's effect on the use of work supports, employment, and earnings in two of the three WASC demonstration sites. After one year, the program is connecting more workers to key financial work supports, particularly food stamps and publicly funded health care coverage. Although WASC did not increase employment rates or earnings after one year, it did substantially increase enrollment in education and training in one site. Longer-term follow-up will show whether this increased training, as well as the other advancement services provided, will eventually pay off.

Bringing low-wage workers into the system and helping them to acquire the skills needed to advance is a broader approach to workforce development than has been tried before — one that stands to benefit employers as well as workers — and one that many have called for as Congress considers reauthorization of the original WIA legislation. Although some localities have moved in the direction of providing comprehensive services to low-wage workers, findings from the WASC demonstration will speak to the challenges and feasibility of serving this group and what works to help them advance. In addition, the recently passed economic stimulus bill — the American Recovery and Reinvestment Act of 2009 — provides workforce development centers around the country with additional resources to meet increased demand, to innovate, and to develop effective strategies to serve workers. While much of their focus in the short term will be on moving the unemployed back to work, the system should not lose sight of the fact that in today's labor market, finding a job is only the first step.

Gordon Berlin
President

Acknowledgments

The Work Advancement and Support Center (WASC) demonstration would not have been possible without the hard work and commitment of the administrators and staff in all the sites. Special thanks go to Angela Porter, Nestor Leon, and Joe Carbone in Bridgeport; to Erthale Barnes, Vickie Mosier, and Heath MacAlpine in Dayton; and to Linda Weber, Jessica Mosier, and Diana Francis in San Diego — their leadership has made WASC a reality. Many of these individuals also reviewed earlier drafts of this report. We would also like to thank all of the career coaches and other staff from the sites, past and present, who skillfully implemented the WASC program, allowed us to observe them at work, answered our questions, and provided a wealth of information about how the program played out at the front lines. Thanks also go to Jodie Sue Kelly, a consultant to MDRC, who developed the training materials for the demonstration and conducted trainings with frontline staff in all three sites.

MDRC's capacity to carry out a demonstration with an ambitious learning agenda depends heavily on the ongoing commitment of key funding partners. They are acknowledged at the front of the report.

WASC's Work Advancement Calculator was based in part upon an earlier benefits estimator entitled "Oregon Helps," developed for Multnomah County, Oregon.

Several people provided help with securing the necessary data: Fran Hersh, Vickie Maddux, Mary Lou Owens, and Staci Wise at the Ohio Department of Job and Family Services; Aileen Douglas from the Employment Development Department in California; Patrick Valdivia, Roxanne Brown, Diane Francis, and Donna Rodriguez at the County of San Diego Health and Human Services Agency; and Heath MacAlpine, Erthale Barnes, and Vickie Mosier from the Montgomery County Department of Job and Family Services in Ohio.

At MDRC, Frieda Molina, James Riccio, and John Wallace provided important input and guidance on the analysis and early drafts. The report also benefited from reviews by Donna Wharton-Fields, Caroline Schultz, Barbara Goldman, Gayle Hamilton, Richard Hendra, and John Hutchins. David Navarro helped oversee the data collection and Alla Chaplygnia helped with the exchange, logging, and archiving of data files for the project. Albert Fang, Anne Warren, and Alexandra Pennington programmed the data and assisted in the analysis. Daniel Schlaff assisted with report production. Alice Tufel edited the report, and David Sobel and Stephanie Cowell prepared it for publication.

We would like to pay special tribute to Kenneth Samu, a dedicated career coach from Bridgeport, who passed away in December 2008. Ken had a cheerful, engaging personality that put both his customers and his coworkers at ease. We are grateful for the contributions he made to the WASC program and the difference he made for his customers.

Finally, we extend our deep appreciation to the people who participated in the study and gave generously of their time to respond to a survey and participate in focus groups.

The Authors

Executive Summary

This report presents first-year impact results from two sites in the Work Advancement and Support Center (WASC) demonstration — San Diego, California; and Dayton, Ohio — and implementation findings for those two sites as well as for a third site, Bridgeport, Connecticut. (Only San Diego and Dayton are covered in this Executive Summary.) WASC is an innovative program designed to help low-wage workers advance in the labor market and increase their incomes. It offers services to help workers stay employed, improve their skills, and find higher-paying jobs. It also provides easier access to a range of financial work supports, such as child care subsidies and the Earned Income Tax Credit (EITC), for which workers may be eligible. Finally, a key feature of WASC is that all these services are offered in a single location — the local One-Stop Career Centers created by the Workforce Investment Act (WIA) of 1998. The program was explicitly designed to build the capacity of the workforce development system to serve low-wage workers, and its findings will be of direct relevance to the debate on WIA reauthorization.

MDRC developed and manages the WASC demonstration and is responsible for its evaluation. The demonstration is currently being funded by the U.S. Department of Labor, the Ford Foundation, The Rockefeller Foundation, the Robert Wood Johnson Foundation, and the U.S. Department of Health and Human Services. The project has also been supported by earlier grants from The Annie E. Casey Foundation, the U.S. Department of Agriculture, The David and Lucile Packard Foundation, The Joyce Foundation, The William and Flora Hewlett Foundation, The James Irvine Foundation, and the Charles Stewart Mott Foundation.

WASC is being evaluated using a random assignment research design, in which individuals eligible for the demonstration are assigned at random to the WASC group or to a control group. The WASC group is eligible to receive WASC benefits and services, while the control group is not eligible for WASC services but is eligible to seek out existing services in the community. The impact of WASC is assessed by comparing outcomes for the WASC and control groups.

Key findings from the first year of follow-up show that:

- The program is meeting one of its two primary objectives — increasing the receipt of several key work supports. In both sites, more individuals and families in WASC than in the control groups received food stamps and publicly funded health coverage. In the San Diego site, families in WASC were much more likely than families in the control group to use child care, although they were not more likely to report receiving assistance paying for this care.

- The program substantially increased participation in education and training activities in Dayton, leading in turn to an increase in the number of participants who obtained certificates and licenses. However, WASC had no effect in that site on employment or earnings through the first year. In San Diego, the program led to a small reduction in employment covered by the unemployment insurance (UI) system.

The results presented here should be considered an early and preliminary assessment of the program, given that they rely on a partial sample in San Diego. In addition, effects on advancement may take more than one year to emerge, particularly if participants pursue training as a route to higher earnings.

The WASC Model

In today's labor market, a large segment of the workforce in the United States earns wages that are not enough to lift their families out of poverty. One out of four workers, for example, earns less than \$10 per hour.¹ While some of these workers will move up over time on their own, recent research indicates that such advancement is the exception rather than the norm.² As a result, many of these workers will continue to earn low wages, while often going without health insurance and other benefits.

Although policymakers are increasingly focused on helping low-wage workers boost their incomes by advancing in the labor market and obtaining available benefits, no public system targets this group. The workforce development system of One-Stop Career Centers largely serves unemployed individuals and dislocated workers (those who have lost a job and have been reemployed at a lower wage). Similarly, while not explicitly targeting the unemployed, the welfare system has not typically focused on low-wage workers. In fact, working individuals are often unaware of the financial benefits for which they are eligible or have little time to complete the often burdensome application process.

WASC was designed to fill this gap. The model calls for the provision of retention and advancement services — that is, services designed to help workers remain employed, receive promotions, or move into better-paying jobs — and simplified access to financial work supports, all offered in one location by integrated teams of workforce development and welfare staff.³ Key work supports include food stamps, medical insurance for adults (Medicaid) and

¹Bureau of Labor Statistics, “May 2007 National Occupational Employment and Wage Estimates, United States” (Washington, DC: U.S. Department of Labor, n.d.). Web site: www.bls.gov/oes/current/oes_nat.htm.

²Fredrik Andersson, Harry Holzer, and Julia Lane, *Moving Up or Moving On: Workers, Firms, and Advancement in the Low-Wage Labor Market* (New York: Russell Sage Foundation, 2005).

³“Employment stability” and “retention” are used interchangeably in this report.

children (Medicaid and the State Children’s Health Insurance Program, known as SCHIP), subsidized child care, and federal and state Earned Income Tax Credits and the federal Child Tax Credit. Services were offered to participants for up to two years. Major elements of the WASC program include career coaching, skills development, education about available work supports, and simplified work support application procedures.⁴ Although the same basic program was set up across the participating WASC locations, each site had some leeway to offer services that fit its population’s needs or to take advantage of local opportunities. The specific elements of each site’s program are presented in the report.

The goal of the program is to help low-wage workers increase their incomes, but program designers envisioned that this would occur through different mechanisms over the shorter versus the longer term. The short-term goal was to increase family’s incomes and well-being through the use of existing work supports. Some work-based supports can increase employment rates, employment stability, and earnings, all key inputs to advancement, but both economic theory and findings from studies of the effects of cash welfare payments suggest that the additional income from some work supports could reduce employment and possibly discourage advancement. For this reason, the provision of advancement services was viewed as key to helping workers increase their incomes through higher earnings alone over the long term.

The WASC Evaluation and Target Population

WASC was implemented in four sites around the country — Dayton, Ohio; San Diego, California; Bridgeport, Connecticut; and Fort Worth, Texas.⁵ MDRC is tracking outcomes for the study participants using a variety of data sources. For this report, the data cover one year after study entry.

WASC recruited two broad and sometimes overlapping target groups: (1) low-wage workers, and (2) reemployed dislocated workers. The majority of individuals who were eventually enrolled into the study earned less than \$10 per hour and had a family income below 130

⁴WASC planners had hoped that a key feature of the model would be to offer services to groups of participants at their workplaces, which would make participation more convenient and strengthen ties with employers. For reasons discussed in the report, however, providing services at the workplace did not turn out to be a key feature of the WASC model as it was actually implemented.

⁵The Fort Worth site was unique in the demonstration, in that services were to be offered entirely at the workplace. Employers were to be recruited into the study and services offered to a randomly chosen subset of their employees. For various reasons, the site experienced difficulty recruiting employers into the demonstration and was subsequently converted to a site for which only the implementation of the program will be studied.

percent of the poverty line.⁶ Thus, although the WASC sample represents a particular segment of the low-wage worker population, it is one that nonetheless stands to benefit from the program. They earn fairly low wages, they are likely to live below the poverty line, and many of them do not receive benefits for which they are likely eligible.

Key Findings on Program Implementation

- **WASC was implemented largely as designed in Dayton and San Diego, although the sites did face difficulties along the way.**

The new model — of bringing together workforce development and welfare staff in one unit to collaborate and deliver integrated services to low-wage workers — required a culture change among staff: After having previously focused on eligibility rules, compliance, or job placement only, they now had to adopt a new focus on job advancement. Both sites were successful in integrating staff and achieving this focus on advancement, although staff from each system did retain some degree of specialization. In addition, both sites were able to recruit low-wage workers into the study and deliver advancement and work support services.

- **Recruiting low-wage workers to a voluntary program was a major challenge; recruitment was very labor-intensive for staff, at times distracting them from service delivery.**

Recruiting sufficient numbers of workers into the study was more complicated and time-consuming than originally envisioned, and the sites spent considerable effort devising strategies to find these workers and contact them. In addition, the sites did not have sufficient numbers of staff to take on this labor-intensive effort while also providing services to individuals who were already enrolled. As a result, when the sites made strong recruitment efforts, the delivery of services often lapsed and staff were not able to meet with enrolled WASC participants (also referred to as “customers”) as often as planned.

- **WASC staff provided easier access to work supports for their customers. In addition, individuals in the WASC group were more likely than those in the control group to report receiving encouragement in and help with applying for the full range of available work supports.**

⁶During the pilot phase of the demonstration, eligibility was restricted to those earning no more than \$9 per hour and with household income of no more than 130 percent of the federal poverty line. As it became evident that recruitment would be a major challenge, the eligibility guidelines were modified as part of a larger strategy to help the sites’ efforts.

The WASC sites created an application environment for work supports that differed significantly from business as usual. WASC customers came to one location and met with just one or two staff members, who handled eligibility screening, application, and recertification for each of the various work supports being offered. WASC coaches could usually complete several applications by referring to the first application for information. As a result, the customer was asked to provide information only once. In one site, the applications for several programs were also combined and simplified. Additionally, WASC made it even easier for customers to apply for work supports by offering, in most sites, flexible hours or locations to meet with staff. Finally, in sites with a waiting list for child care assistance, WASC moved its eligible customers to near the top of the list.⁷

- **WASC staff succeeded in providing a range of advancement services to participants. Low-wage workers in the WASC group were much more likely than those in the control group to have met with a career coach and to have received help with retention and advancement.**

The WASC model called for provision of a wide range of advancement services. Staff were expected to develop advancement plans with their customers, identify specific steps to achieve those goals, stay in contact with customers, and meet with customers on a flexible schedule. Overall, all sites adhered fairly closely to the model, with some exceptions.

The survey data also confirm that staff did provide more advancement services than participants would have otherwise received. Individuals in the WASC group were much more likely than those in the control group to have met with a career coach in the four weeks prior to the 12-month survey that was administered to a subset of the full sample. The WASC group was also more likely to report receiving help with career assessments and job preparation over the prior year. Finally, the WASC group reported receiving more encouragement from staff to pursue long-term career goals and to pursue better jobs or promotions.

Key Findings on Program Impacts

- **WASC increased the receipt of food stamps by about 10 percent in Dayton and 23 percent in San Diego.**

The effects are remarkably similar across sites (see the top panel of Table ES.1). In both Dayton and San Diego, WASC increased the proportion of individuals who received food stamps during the first year of the program by 5.5 percentage points (from a control group level

⁷In practice, a waiting list existed in San Diego only, and that site ultimately used separate funds to subsidize child care for its clients. Therefore, individuals in the control groups were not pushed further back on the waiting list because of WASC.

The Work Advancement and Support Center Demonstration

Table ES.1

Year 1, Impacts on Receipt of Work Supports

Dayton and San Diego

Outcome	Dayton			San Diego		
	WASC Group	Control Group	Difference (Impact) Percentage Difference	WASC Group	Control Group	Difference (Impact) Percentage Difference
<u>Food stamps</u>						
Ever received food stamps (%)	59.4	53.9	5.5 **	29.6	24.1	5.5 **
Months receiving food stamps	4.8	4.1	0.7 ***	2.0	1.6	0.4 **
Amount of food stamps received (\$)	1,410	1,284	126 *	628	494	135 *
Sample size (total = 1,977)	595	589		397	396	
<u>Child care arrangements^a (%)</u>						
Used child care since random assignment	67.1	61.8	5.3	51.3	37.4	14.0 *
Received any help with child care costs ^b	38.7	34.4	5.3	21.8	14.6	7.3
<u>Health care coverage (%)</u>						
Respondent has health care coverage	67.2	64.8	2.4	69.1	61.9	7.2
Publicly funded	32.4	31.0	1.5	39.0	31.4	7.6 *
Privately funded	35.0	33.8	1.1	30.0	30.5	-0.5
All dependent children have health care coverage ^c	92.5	89.1	3.4	86.0	78.6	7.4
Publicly funded	77.5	67.6	9.9 *	71.9	57.2	14.7 **
Privately funded	14.4	21.4	-7.0	14.0	21.3	-7.2
Sample size (total = 929)	254	248		219	208	

(continued)

Table ES.1 (continued)

SOURCES: MDRC calculations using administrative records for food stamp impacts, and survey data for child care and health care impacts for both Dayton and San Diego.

NOTES: Sample sizes vary because of missing values.

A two-tailed t-test was applied to differences between research groups. Statistical significance levels are indicated as: *** = 1 percent; ** = 5 percent; * = 10 percent.

^aChild care measures are among sample members with at least one child age 11 years or younger at time of random assignment.

^bRespondent is coded as receiving help with child care costs if someone else paid for child care since random assignment, if the respondent received refund for child care since random assignment, or if the respondent received subsidized child care since random assignment.

^cThe percentage of sample members who have medical insurance may not necessarily equal the sum of those with public coverage and private coverage because of missing values.

of 53.9 percent in Dayton and 24.1 percent in San Diego). This impact represents a 10 percent increase in Dayton, given its relatively high receipt rates, and a 23 percent increase in San Diego. The increase in use translated into more months of food stamp receipt on average for the WASC group and about \$130 more in food stamps over the entire year. Separate analyses (not shown) indicate that both sites increased food stamp use largely by increasing the receipt of benefits, rather than by helping individuals stay on food stamps for longer periods, although the program in Dayton did have some effects on benefit duration. While it is difficult to pinpoint the particular feature of the program that led to increased benefits receipt, the implementation findings suggest that a key factor was easier access. Individuals in the WASC group received help in filling out applications, did not have to make multiple visits or wait in long lines, and were able to come in during nonstandard hours.

While the gain of \$130 may seem modest, it represents an average gain across all sample members, many of whom did not receive food stamps. When one looks only at individuals who took up food stamps because of WASC, the average participant gained more than \$2,000 in food stamp benefits over the year. This finding is consistent with other analyses (not shown) showing that WASC generally increased food stamp amounts by about \$150 to \$300 per month.⁸

- **WASC substantially increased the use of child care in San Diego but not the reported receipt of child care subsidies. No such effects were found in Dayton.**

Among the control group members in San Diego, 37 percent reported using child care (informal or formal arrangements) in the year after study entry, compared with 51 percent of the WASC group, for a sizable impact of 14 percentage points (see the second panel of Table ES.1). However, the program did not increase the reported use of subsidized child care, defined broadly here as receiving any assistance with child care costs. It is possible that recipients are not always aware that their child care is subsidized. A future report will use state records data on child care subsidies to confirm this finding.

The findings on child care are consistent with variation in the program models and environments across sites. Although all WASC sites were required to guarantee subsidized child care to eligible families by placing them near the top of subsidized care waiting lists, a waiting list existed in San Diego only. In addition, San Diego staff used discretionary funds to directly subsidize care for many of their customers. In Dayton, in contrast, the treatment difference consisted primarily of help with the application.

⁸WASC had no effect on sample members' use of the Earned Income Tax Credit, although these results are uncertain given the limitations of the survey data in measuring the receipt of this benefit.

- **WASC increased the rate of Medicaid coverage for adults in San Diego. The program also increased the rate of publicly funded health coverage for children in both sites, although these effects may have been partially offset by reductions in private coverage.**

WASC increased respondents' use of publicly funded coverage (Medicaid) in San Diego, from 31.4 percent for the control group to 39 percent for the WASC group, for an increase of 7.6 percentage points (see bottom panel of Table ES.1). The effect on having any type of coverage is similar in size, although it just misses being statistically significant (not shown). (Effects that are statistically significant are unlikely to be due to chance). In contrast, WASC had no effect on adult health care coverage in Dayton.

Effects on children's coverage were more similar across sites. In Dayton and San Diego, WASC led to an increase in the rate of publicly funded coverage (Medicaid or SCHIP). The program did not increase overall coverage because of partially offsetting reductions in private coverage, although these differences are also not statistically significant. It is not unusual for this type of substitution to occur with increased access to public or other low-cost health care coverage.⁹ The net effect for participants is not clear, but substitution of public for private coverage is an issue to consider in the effort to connect low-wage workers to work supports.

- **In Dayton, WASC increased the number of individuals who reported being enrolled in college courses or vocational training programs during the first year and increased the number who reported receiving a vocational license or certificate.**

A large number of participants reported being interested in WASC as a route to pursue education or training. WASC staff were proficient in connecting participants to training and drawing down training funds, with some differences. Dayton had access to state discretionary funds that helped to provide extra and quite generous financial incentives to individuals for participating in and completing training. In addition, WIA funding for training was generous and accessible for working people. In San Diego, in contrast, funding for training through WIA was difficult to access for those who were already employed. This site primarily referred customers to existing, low-cost training opportunities within the community.

The survey data suggest that additional funding for training, as available in Dayton, was important to increasing its use. The WASC groups in both San Diego and Dayton were more likely than their control group counterparts to report that staff encouraged them to pursue

⁹See, for example, Cynthia Miller et al., *New Hope for the Working Poor: Effects After Eight Years for Families and Children* (New York: MDRC, 2008), for evidence from the New Hope project.

education and training, but only in Dayton did the program lead to increased enrollment. In this site, WASC increased the proportion of individuals enrolled in any type of education or training by 23 percentage points, from 54 percent for the control group to 77 percent for the WASC group (Table ES.2). This entire effect was a result of increased enrollment in either college courses or vocational training programs. Most of the effect also appears to be driven by individuals who participated while working.

- **WASC had no effect on employment or earnings through the first year in Dayton, and reduced UI-covered employment somewhat in San Diego.**

The bottom panel of Table ES.2 shows that employment rates were not quite 100 percent during the year for all groups, reflecting the fact that some individuals at study entry worked in jobs that are not covered by the UI system.¹⁰ Although over 90 percent of the sample worked at some point during the year in a UI-covered job, a much lower percentage worked for all four quarters of the year, suggesting a fair amount of job loss.

The WASC program had no effects on employment or earnings in Dayton. In San Diego, however, WASC reduced the number of individuals who worked all four quarters of the year by 6.5 percentage points. Although it is not clear what caused the reduction in employment, survey data (not shown) suggest that the increased receipt of work supports allowed some individuals to work in part-time, informal jobs. It will be important to track these effects over the longer term.

Conclusion

The WASC program represents an ambitious attempt to build the capacity of the workforce development system's One-Stop Career Centers to recruit a new population of low-wage workers into their offices, help them obtain access to work supports, and provide them with advancement services to increase their earnings. By expanding the mission of the workforce development system to include low-wage workers and requiring the creation of new practices to serve them, WASC represents a major culture change for the system and one that many have proposed in the ongoing debate over WIA reauthorization.

The findings to date, although preliminary, suggest that the One-Stop sites in the WASC demonstration have achieved some but not all of the program's goals. The sites brought together workforce development and welfare staff into integrated teams and developed a focus on advancement and eased access to work supports. This type of institutional change did not

¹⁰Examples of employment that is not covered by UI records are self-employment, informal jobs, agriculture jobs, and federal government jobs.

The Work Advancement and Support Center Demonstration

Table ES.2

Year 1, Impacts on Education/Training and UI-Covered Employment and Earnings

Dayton and San Diego

Outcome	Dayton		San Diego		P-Value	P-Value		
	WASC Control Group	Difference (Impact)	WASC Control Group	Difference (Impact)				
Education and training (%)								
Participated in any education/training activity	76.6	53.7	22.9 ***	0.000	44.6	44.3	0.3	0.953
College courses	56.2	39.2	17.0 ***	0.000	18.9	20.3	-1.4	0.670
Vocational training	32.8	19.8	13.1 ***	0.001	18.8	14.8	4.0	0.282
Ever participated in an employment or education activity while working	71.4	51.9	19.5 ***	0.000	48.7	42.4	6.3	0.181
Obtained a license, certificate, or degree	23.4	15.2	8.2 **	0.022	12.3	8.5	3.8	0.208
License or certificate ^a	18.1	11.3	6.8 **	0.034	10.5	5.4	5.1 *	0.054
Any degree or diploma ^b	7.3	5.1	2.2	0.307	2.5	4.6	-2.1	0.258
Employment and earnings								
Ever employed (%)	95.9	95.0	0.8	0.470	90.7	90.9	-0.2	0.935
Employed 4 consecutive quarters (%)	74.8	73.7	1.1	0.653	63.2	69.7	-6.5 **	0.036
Total earnings (\$)	12,669	12,913	-244	0.547	13,447	14,408	-961	0.146
Sample size (total = 1,977)	595	589			397	396		

SOURCES: MDRC calculations from unemployment insurance (UI) administrative records from the states of Ohio and California.

NOTES: A two-tailed t-test was applied to differences between research groups. Statistical significance levels are indicated as: *** = 1 percent; ** = 5 percent; * = 10 percent.

^aIncludes trade license or training certificate.

^bIncludes a General Educational Development (GED) certificate, high school diploma, associate's degree, bachelor's degree, and graduate degree.

come without significant challenges along the way, which are documented in this report. The sites also increased low-wage workers' receipt of several key work supports, including food stamps and publicly funded health care coverage, but did not increase their earnings.

The effects on food stamp receipt rates, although moderate in size, are encouraging. First, they occurred on top of recent increases in food stamp receipt among working families, in part a result of state and local efforts to increase access and outreach. The WASC findings suggest that there is even more room for improvement and illustrate some of the ways in which this improvement might be achieved. For the families affected, the gains were large. Similarly, the demonstration has shown that it is possible to increase the receipt of publicly funded health care coverage for children, although this increase was partially offset by a reduction in private coverage. The ability to connect families to this benefit may become more and more important, if unemployment increases or if the costs of employer-provided coverage continue to rise. Finally, the effects on child care use are quite large and may have longer-term implications for both adults and children.

The next report, scheduled for early 2010, will present two-year findings for Dayton and San Diego, as well as findings after one year for Bridgeport. The report will include longer-term follow-up on both food stamps and earnings, using records data, and will present new findings from records data on the receipt of child care subsidies. Finally, the report will examine in more depth whether the program had different effects for particular subgroups of the sample.

About MDRC

MDRC is a nonprofit, nonpartisan social 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
- Promoting Successful Transitions to Adulthood
- 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.