

# **Increasing Employment Stability and Earnings for Low-Wage Workers**

## **Lessons from the Employment Retention and Advancement (ERA) Project**

**OPRE Report 2012-19**

**April 2012**

Office of Planning, Research and Evaluation (OPRE)  
Administration for Children and Families  
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**Increasing Employment Stability and Earnings for  
Low-Wage Wage Workers:  
Lessons from the Employment Retention  
and Advancement (ERA) Project**

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## Overview

Many recipients of Temporary Assistance for Needy Families (TANF) and other low-income individuals find or keep jobs for a while, but far fewer remain steadily employed and advance in the labor market. The Employment Retention and Advancement (ERA) project was launched in 1999 to identify and determine the effectiveness of different program strategies designed to promote employment stability and earnings growth among current or former welfare recipients and other low-income individuals. The study was conceived and funded by the Administration for Children and Families in the U.S. Department of Health and Human Services; supplemental support was provided by the U.S. Department of Labor, and the evaluation was conducted by MDRC.

Using random assignment research designs, ERA tested 16 different program models in eight states and estimated effects over a three- to four-year follow-up period. The focus of this synthesis is primarily on the 12 programs that targeted more employable groups, as opposed to “harder-to-employ” groups, such as individuals with known disabilities. Three of these 12 programs produced consistent increases in individuals’ employment retention and advancement, and the others did not. The project points to some strategies that succeeded in improving retention and earnings among low-income single parents and provides some lessons. Key ones include:

- Supporting employment stability is likely to be a more effective strategy than encouraging job stability — that is, staying employed in the same job.
- Earnings supplements, tied to job retention and that help to make low-wage work pay, ideally coupled with job coaching, can promote sustained employment and advancement.
- By themselves, counseling and referrals to services to help people stay employed do not appear to increase employment retention and advancement.

Although the ERA project found that some strategies can improve low-income individuals’ employment and earnings, the improvements were not transformational. The majority of the programs tested did not improve participants’ retention and advancement, and most sample members remained poor or near-poor at the end of the study. Much is left to learn about how best to foster upward mobility for the millions of low-wage workers across the nation and lift them and their families out of poverty.

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Finally, we extend our deep appreciation to the thousands of parents who participated in the ERA study and gave generously of their time to respond to surveys. As policymakers continue to seek new and better ways to increase employment retention and advancement within low-income families, the lessons gleaned from the experiences of the study's sample members and their families will provide guidance for many years to come.

The Authors

## Executive Summary

Many recipients of Temporary Assistance for Needy Families (TANF) and other low-income individuals find or keep jobs for a while, but far fewer remain steadily employed, advance in the labor market, or earn wages that lift their families out of poverty. To address these issues, a number of initiatives have aimed to help low-wage workers stay employed and move up in the labor market. Several such programs, trying different strategies, were studied as part of a multiyear, multisite evaluation called the Employment Retention and Advancement (ERA) project. The project points to a few strategies that succeeded in improving individuals' employment retention and earnings as well as strategies that did not. The report synthesizes the key findings and lessons from ERA.

### The ERA Project

During the 1980s and 1990s, much research was conducted about how to help welfare recipients find jobs. However, little of this research indicated how best to foster employment retention and advancement. To help bridge this knowledge gap, the ERA project was launched in 1999 to identify and rigorously test a diverse set of programs designed to promote employment stability and wage or earnings progression among current or former welfare recipients and other low-income individuals. The study was conceived and funded by the Administration for Children and Families in the U.S. Department of Health and Human Services,<sup>1</sup> and the evaluation was conducted by MDRC.

ERA tested 16 programs in eight states and included over 45,000 individuals in its research sample. The synthesis report primarily focuses on 12 ERA programs that were *not* targeting specific groups often considered to be “harder-to-employ,” such as individuals with known disabilities. It focuses on the single parents, mostly women, who comprised over 90 percent of those studied. The 12 core programs targeted diverse individuals, most of whom had a precarious foothold in the labor market. Less than a third had worked for more than 24 of the previous 36 months. Among those who were employed when they entered the study, less than half were working full time. About half of the research sample lacked a high school diploma or a General Educational Development certificate (GED), which limited their training and employment options.

ERA tested a variety of strategies that experts and practitioners hypothesized would have the potential to improve employment retention and advancement. The strategies and ideas tested in the 12 core ERA programs are summarized in Table ES.1. Programs in Los Angeles

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<sup>1</sup>Supplemental support was provided by the U.S. Department of Labor.

**Table ES.1**

**Key Strategies and Ideas Tested in ERA**

| <b>Strategies</b>   | <b>Ideas</b>   | <b>ERA Found Supporting Evidence</b> |
|---|--|--------------------------------------|
| Encouraging unemployed individuals to find jobs               | <b>A selective approach in job club:</b> Does encouraging seeking a job in a preferred career field work better than quick placement in any job? (One model in Los Angeles)  |                                      |
|   | <b>Service continuity, before and after job placement:</b> Does continuity of job coaching starting before and continuing after job entry produce effects? (Salem, Oregon, model)  |                                      |
| Encouraging <i>job</i> stability                              | <b>Basing services at the work site:</b> Do retention services provided at the job site produce effects? (Cleveland model)   |                                      |
| Encouraging <i>employment</i> stability                       | <b>Financial incentives:</b> Does providing employment retention-conditioned earnings supplements plus job coaching produce effects? (Texas model)   | ✓                                    |
|   | <b>For-profit provider (that provided assistance with job-to-job transitions):</b> Does the use of a for-profit provider with close ties to employers produce advancement effects? (Chicago model)                                 | ✓                                    |
| Encouraging participation in education and training           | <b>Flexible work mandates:</b> Does reducing or allowing flexibility in work requirements to encourage employed welfare recipients to participate in education and training produce effects? (Two models in Riverside, California) |                                      |
| Providing individual counseling and social services referrals | <b>Customizing services:</b> Does reducing caseloads to increase individualized attention produce effects? (One model in Los Angeles)  |                                      |
|   | <b>Using community-based organizations (CBOs):</b> Do individualized retention and advancement services provided by CBOs produce effects? (One model in Riverside, California)   | ✓                                    |
|   | <b>Welfare and Work Investment Act (WIA) agency partnerships:</b> Do partnerships leverage expertise, services, networks, and resources, and produce effects? (Eugene and Medford, Oregon, models)                                 |                                      |
|   | <b>Assisting those who had earlier left TANF:</b> Does serving former welfare recipients who left the rolls up to three years earlier produce effects? (South Carolina model)  |                                      |

and Salem, Oregon, targeted unemployed individuals and began by encouraging them to find specific types of jobs. A program in Cleveland provided services at work sites with high turnover to encourage job stability at that employer. Programs in Texas and Chicago encouraged employment stability, the first by providing earnings supplements, and the second by assisting with participants' job-to-job transitions. Two programs in Riverside, California, focused solely on encouraging participation in education and training to prepare employed individuals for better jobs. Programs in five other sites provided individual counseling and referred people to a variety of services.

The ERA study used a random assignment research design to measure program effectiveness. To estimate the effect or "impact" of the programs, between 2000 and 2004 MDRC assigned targeted individuals at each site either to a program group, eligible to receive ERA services, or to a control group, eligible for other, often less-intensive, services offered by welfare agencies or other providers. Random assignment ensures that the characteristics of the program and control groups in each site are not systematically different. Thus, any differences between the groups that emerged after random assignment can be attributed to a site's ERA program. The study, therefore, estimated the value added of the ERA programs, above and beyond what individuals normally received. Impacts were measured through 2007 (before the start of the recent recession), yielding about three to four years of follow-up, depending on the program. Outcomes measured include employment retention, defined as the cumulative duration of an individual's employment, and advancement, defined primarily as increases in earnings due to either working more hours or getting wage increases. (The specific results presented below focus on earnings.)

## **Overview of ERA's Results**

- **Increases in participation in retention and advancement services beyond control group levels were not consistent and often were not large.**

Engaging individuals in services at levels above what they would have received in the absence of the programs was challenging. For some types of services, this reflected high levels of control group participation; for others, this reflected low take-up of services by program group members. In addition, in some programs a higher priority was placed on having staff spend their time helping newly unemployed participants find new jobs, as opposed to working with those who were employed. The inconsistent and often moderately sized differences between participation levels for the program groups and control groups likely made it difficult for many programs to achieve impacts on individuals' employment retention and advancement.

- **Three of the 12 ERA programs generated consistent increases in individuals' employment retention and advancement.**

The Texas ERA program targeted unemployed TANF applicants and recipients and began services before people found jobs. It offered a monthly stipend of \$200 to individuals who, after leaving welfare, consistently worked at least 30 hours per week, and offered postemployment services. The program was operated by local workforce development boards under contract with nonprofit organizations. For the study, the program was compared with the services of the state's welfare-to-work program. As implemented in one of three Texas cities in the study, Corpus Christi, the program increased average annual earnings by \$640 over the four-year follow-up period, or almost 15 percent relative to control group earnings. (Table ES.1 includes a checkmark in the right-hand column for this program and the other two that produced consistent positive effects. Lack of a checkmark does not indicate that the strategy or idea cannot work but, rather, that ERA did not find supporting evidence for its effectiveness.)

The Chicago ERA program, a mandatory work-focused advancement program, helped people find a better job while they were working. Program services were provided by staff in a private, for-profit firm that had experience placing welfare recipients in jobs and had strong linkages to firms in a variety of industries. For the study, the program was compared with the area's standard welfare-to-work services, which were provided by welfare agency staff and, in contrast to ERA services, were optional while individuals remained on TANF. The Chicago ERA program raised average annual earnings by almost \$500, or 7 percent, relative to the control group level, over a four-year follow-up period.

In the Riverside Post-Assistance Self-Sufficiency (PASS) ERA program, three community-based organizations and a community college were the main providers of a range of individualized services to employed former welfare recipients, including reemployment activities, career development services, referrals to education and training, life skills workshops, support services, and referrals to social services. The program was compared with the community services normally available in Riverside to former TANF recipients. The Riverside PASS program increased average annual earnings by \$870 over a four-year follow-up period, an increase of 10 percent relative to the control group level.

- **Almost all ERA sample members remained poor or near-poor at the end of the follow-up period.**

This was true, on average, even for sample members who participated in programs that produced positive effects on employment, indicating that strategies to promote upward mobility remain elusive. Thus, a continued search for new, potentially more effective strategies is warranted.

## **Selected Lessons on Strategies to Promote Retention and Advancement**

The synthesis report offers many lessons. This section presents selected lessons in one area: the effectiveness of different strategies for fostering retention and advancement. It focuses only on lessons based on findings from the 12 core ERA programs. (The report also offers some lessons on specific program practices that can be used across different strategies, and some lessons based on related research; those are not summarized here.)

- **ERA did not provide evidence that encouraging unemployed individuals to find a job in their preferred field during job clubs, as opposed to any job, yields greater employment retention or advancement.**

One ERA site tested two different versions of a “job club,” a group job search activity designed to help unemployed people find work. In the Enhanced Job Club model in Los Angeles, individuals were urged to seek jobs in their field of interest, based on the theory that this might enable them to stay in jobs longer and ultimately move into better jobs along a career path. This model was compared with a traditional job club model, which emphasized getting jobs quickly, regardless of the field. Implementation research indicated that staff in the two programs did indeed deliver different messages about the types of jobs to seek. The enhanced model, however, did not increase employment retention or advancement over a three-year follow-up period.

- **ERA did not provide evidence that encouraging *job* stability, at least as tried in ERA, is an effective strategy for increasing employment retention or advancement.**

The Cleveland ERA program attempted to help individuals stay in their current job and advance in that workplace. The program targeted low-wage workers in the long-term nursing care industry and offered counseling, peer support groups, and supervisory training at their work sites. Care facilities were chosen randomly either to be program group facilities that offered services, or to be control group facilities without special on-site services. The study compared the experiences of low-wage employees at the two groups of facilities. The ERA program increased participation in services, although overall levels were modest. The program, however, did not increase employment retention or advancement over a three-year follow-up period. While there are several potential explanations, it is possible that staying in the job they had when they entered the program may not have been in the employees’ best interest, and it may have been challenging to advance within their firms.

- **Supporting *employment* stability can be an effective strategy.**

Two of the three ERA programs that succeeded in increasing employment retention and advancement (in Texas and Chicago) encouraged employment stability (steady employment maintained through consistent work but not necessarily in the same job), as opposed to job stability (staying employed in the same job). Furthermore, some of the patterns underlying the positive economic impacts found for the Chicago and Riverside PASS ERA programs provide evidence of the effectiveness of supporting employment stability as opposed to encouraging job stability. The impacts in these two programs were driven by more people moving into new jobs, rather than by more people remaining stably employed at the job they had when they entered the study.

- **Earnings supplements to promote employment retention, ideally coupled with job coaching, can promote sustained employment.**

Past research has shown that supplementing low-wage workers' earnings can promote employment.<sup>2</sup> The effects, however, tended to fade for the full targeted groups before their eligibility for the supplement ended. Results for the Texas ERA program in Corpus Christi suggest that longer-lasting effects may be attainable. The economic effects of the program, which offered a monthly stipend for employment retention as well as postemployment services, lasted into the final year of the study's follow-up period (the fourth year), well beyond the period during which the incentive was offered.

- **ERA did not provide evidence that a strategy centered on encouraging employed TANF recipients to also participate in education and training will yield increases in employment retention and advancement.**

Two ERA programs in Riverside, California, focused on encouraging newly employed welfare recipients to attend education and training, and one of the programs modified the TANF work participation rules to facilitate that attendance. While the programs increased participation in education and training for a subset of the research sample, the increases did not lead to improvements in employment outcomes for those individuals. Specifically, among sample members who entered the study without a high school diploma or a General Educational Development certificate (GED), the programs increased the proportion of individuals who participated in adult basic education or GED classes. However, the programs generated only small increases in the receipt of credentials and did not increase participation in vocational training or college classes for this group. In the end, the programs did not meaningfully improve employment outcomes for these sample members. Among sample members who entered the

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<sup>2</sup>See, for example, Karin Martinson and Gayle Hamilton, *Providing Earnings Supplements to Encourage and Sustain Employment: Lessons from Research and Practice*, (New York: MDRC, 2011); and Charles Michalopoulos, *Does Making Work Pay Still Pay? An Update on the Effects of Four Earnings Supplement Programs on Employment, Earnings, and Income*, (New York: MDRC, 2005).

ERA study with a diploma or a GED, the two Riverside programs produced little or no increase in participation in education or training (and no positive economic impacts).

- **By themselves, counseling and referrals to services to help people stay employed do not appear to increase employment retention and advancement.**

All the ERA programs included interaction between staff members and clients, as do most employment programs and other social service programs. This staff-client interaction can be defined as the process of program staff working one-on-one with participants to provide a range of services and assistance. It can be a service itself as well as a vehicle for providing other services. Staff-client interaction (sometimes referred to as “case management”) is often looked to as a promising tool to help workers stay in jobs and move up in the labor market. Evidence from ERA, however, suggests that while it may be a necessary ingredient of programs like those studied, it is not sufficient to make a meaningful difference in employment outcomes. It can be effective when combined with other services, such as with earnings supplements, as was the case in the Texas ERA program, or with assistance to quickly help individuals who lost a job find another one, as was done in the Riverside PASS program.

## **Conclusions and Implications**

Encouragingly, the ERA project found that some strategies can improve low-income individuals’ employment and earnings and foster upward mobility. It provided several lessons for the field about promising strategies — as well as those that are less promising — and practices that might be employed in future programs. The effects of the successful programs, however, were generally modest. Furthermore, the majority of the programs tested did not improve employment outcomes, and most sample members remained poor or near-poor at the end of the study.

Thus, a continued search for new, potentially more powerful interventions is needed, particularly ones strong enough to make headway against competing labor market trends that do not support upward mobility for low-wage workers. The report identifies several areas of possible exploration, including combining into a single program several features already shown to be effective in ERA and related studies; adopting a career pathways framework, which aims to move individuals through well-articulated training and employment steps to jobs in high-demand occupations; and providing earning supplements to new groups or in new ways to “make work pay.” Much is left to learn about how best to foster upward mobility for the millions of low-wage workers across the nation and lift them and their families out of poverty.

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## Introduction

While many recipients of Temporary Assistance for Needy Families (TANF) and other low-income individuals have jobs — or eventually find them — many do not remain employed or consistently earn wages that will foster upward mobility and lift them out of poverty. To address this, a number of initiatives have aimed to help low-wage workers stay employed and advance in the labor market. Over a dozen such programs, embodying different strategies, were studied as part of the Employment Retention and Advancement (ERA) project. ERA was a multiyear, multisite evaluation designed to assess the effectiveness of different employment retention and advancement strategies. This document synthesizes findings and lessons from ERA.

### **The Employment Retention and Advancement Project: Origin and Context**

During the 1980s and 1990s, program administrators and policymakers learned a fair amount about how to help welfare recipients prepare for and find jobs. However, by the end of this period, when the ERA study began, little was known about how best to encourage retention and advancement in work. ERA’s goal was to identify and rigorously test a diverse set of innovative program models designed to promote employment stability and wage or earnings progression among current or former welfare recipients or other low-income individuals, most importantly, single mothers. The study, launched in 1999, was conceived and funded by the Administration for Children and Families in the U.S. Department of Health and Human Services.<sup>1</sup> The evaluation was conducted by MDRC.

ERA encompassed 16 different program models implemented in eight states and included over 45,000 individuals in its research sample. The aims, target populations, and services of the ERA programs varied. Some programs focused on helping low-income workers (in most cases, employed individuals currently or recently receiving TANF) move into better jobs by offering such services as career counseling and referrals to education and training. Others focused on job placement, retention, and advancement — in that order — and targeted TANF applicants and recipients searching for jobs. This synthesis primarily (but not exclusively) covers results from 12 of the 16 models — those that were *not* aiming to help specific groups often considered to be “harder-to-employ,” such as individuals with substance abuse problems

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<sup>1</sup>Supplemental support was provided by the U.S. Department of Labor.

or known disabilities.<sup>2</sup> In addition, the synthesis focuses on single parents in ERA, who made up more than 90 percent of those studied.

ERA used a rigorous research design to measure program effectiveness. In each site, targeted individuals were randomly assigned to either a program group, eligible to receive ERA services, or a control group, eligible for other, often less-intensive, services offered by welfare agencies or other providers. Random assignment for the study started in 2000 in the earliest-starting test and ended in 2004 in the latest-starting test. The random assignment process ensured that, when people entered the study, there were no systematic differences in individuals' characteristics, measured or unmeasured, between the program and control groups in each site. Thus, any differences between the groups that emerged after random assignment could be attributed to a site's ERA program — in contrast to the services and supports already available in the site. Such differences (called “impacts”) were measured through 2007, providing roughly three to four years of follow-up, depending on the program. Of particular interest were impacts on employment retention, defined as the cumulative duration of an individual's employment (the number of quarters with employment), and on *advancement*, defined primarily as increases in earnings due to either working more hours or getting wage increases (and, in some cases, working more weeks *within* a quarter), rather than due to just increases in the number of quarters with employment (the duration of employment).<sup>3</sup>

Drawing primarily on administrative and fiscal records, surveys of study sample members, and field research in the participating sites, and capitalizing on the random assignment design, the ERA study addressed questions such as:

- What services did each ERA program offer and how did the program deliver them?
- How did service providers address implementation and operational problems?
- What ERA services were actually received, and by whom?

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<sup>2</sup>Appendix A provides specific information for the 12 models. Appendix B briefly describes the program strategies and ideas tested in the four ERA programs that targeted harder-to-employ individuals. For more detail on three of these four programs, as well as the final results of evaluations of these three programs and of four other programs studied as part of the HHS-funded Enhanced Services for the Hard-to-Employ Demonstration and Evaluation project, see Butler et al. (2012).

<sup>3</sup>Improvements in fringe benefits received, working conditions, or opportunities for promotions were also examined, but only for three programs.

- Compared with the experiences of control group members, to what extent did the programs increase the receipt of relevant services by program group members?
- Compared with control group members, to what extent did the programs improve participants' employment rates, retention, advancement, and other key outcomes?
- How cost-effective were the programs?

Coupled with the findings from other rigorous studies, ERA's results provide some of the strongest evidence on the effectiveness of various strategies to improve retention and advancement for low-income individuals. In addition, they suggest strategies to explore and test in the future.

### **The ERA Programs: Target Groups, Strategies, and Tested Hypotheses**

The low-income populations served by the 12 ERA programs covered in this synthesis included individuals with diverse backgrounds, but many had precarious footholds in the labor market when they entered the study. Less than a third had worked for more than 24 of the previous 36 months. Among those employed, less than half were working full time. More than a third had received welfare for two years or more. Finally, about half lacked a high school diploma or a General Educational Development certificate (GED), which limited their training and employment options.<sup>4</sup>

The ERA programs used different strategies and tested a variety of ideas that experts and practitioners hypothesized would have the potential to increase employment retention and advancement, given that so little was known about what might work when the project began. One idea tested, for example, was a specific approach to operating job clubs to find out whether encouragement to seek a job in a preferred career field could improve employment retention and advancement more than a strategy of quick placement in any job. As another example, a different test explored whether paying former TANF recipients monthly bonuses for retaining full-time work and providing them job coaching, could produce retention and advancement effects. Another test explored whether reducing caseloads to increase individualized career guidance could improve retention and advancement. Table 1 shows the primary ERA strategies

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<sup>4</sup>The individuals ERA served, most of whom were low-wage workers, represent a particular subset of low-wage workers generally. Nationally, about half of all low-wage workers are women, and only about a fifth are in single-parent households. In addition, only a minority of low-wage workers do not have at least a high school diploma or a GED, and over two-thirds work full-time hours. (Acs and Nichols, 2007, and calculations from the March 2005 Current Population Survey, U.S. Census Bureau.)

**Table 1**

**Primary Strategies for Improving Employment Retention and Earnings and Selected Ideas Tested in 12 Core ERA Programs**

| <b>Strategies</b>   | <b>Ideas</b>   | <b>ERA Found Supporting Evidence</b> |
|---|--|--------------------------------------|
| Encouraging unemployed individuals to find jobs               | <b>A selective approach in job club:</b> Does encouraging seeking a job in a preferred career field work better than quick placement in any job? (One model in Los Angeles)  |                                      |
|   | <b>Service continuity, before and after job placement:</b> Does continuity of job coaching starting before and continuing after job entry produce effects? (Salem, Oregon, model)  |                                      |
| Encouraging <i>job</i> stability                              | <b>Basing services at the work site:</b> Do retention services provided at the job site produce effects? (Cleveland model)   |                                      |
| Encouraging <i>employment</i> stability                       | <b>Financial incentives:</b> Does providing employment retention-conditioned earnings supplements plus job coaching produce effects? (Texas model)   | ✓                                    |
|   | <b>For-profit provider (that provided assistance with job-to-job transitions):</b> Does the use of a for-profit provider with close ties to employers produce advancement effects? (Chicago model)                                 | ✓                                    |
| Encouraging participation in education and training           | <b>Flexible work mandates:</b> Does reducing or allowing flexibility in work requirements to encourage employed welfare recipients to participate in education and training produce effects? (Two models in Riverside, California) |                                      |
| Providing individual counseling and social services referrals | <b>Customizing services:</b> Does reducing caseloads to increase individualized attention produce effects? (One model in Los Angeles)  |                                      |
|   | <b>Using community-based organizations (CBOs):</b> Do individualized retention and advancement services provided by CBOs produce effects? (One model in Riverside, California)   | ✓                                    |
|   | <b>Welfare and Work Investment Act (WIA) agency partnerships:</b> Do partnerships leverage expertise, services, networks, and resources, and produce effects? (Eugene and Medford, Oregon, models)                                 |                                      |
|   | <b>Assisting those who had earlier left TANF:</b> Does serving former welfare recipients who left the rolls up to three years earlier produce effects? (South Carolina model)  |                                      |

and ideas tested and indicates whether or not ERA found supporting evidence for them, recognizing that results from other studies also need to be taken into account to definitively determine whether or not they work.

Regardless of the strategy or idea tested, the ERA programs delivered services in new ways and/or provided new types of services or new combinations of services. A number of programs provided services through partnerships between welfare agency staff and staff from other organizations, such as Workforce Investment Act (WIA) One-Stop contractors. In addition, many programs gave staff flexibility in when and where they met with clients, and a few developed linkages with employers. Finally, several programs provided earnings supplements or financial rewards (of a substantial amount in only one program), encouragement and help to change jobs, support to employed individuals to participate in education and training, and counseling on job-related issues. Brief descriptions of each of the 12 ERA programs as well as summaries of the services or programs with which each ERA program was compared are provided in Table 2.

### **Research Considerations**

In interpreting the ERA findings, several factors need to be borne in mind. First, control group members were eligible for generally available community services and supports and, often, for the site's standard welfare-to-work program or, in some cases, minimal efforts that sites already had in place to provide postemployment assistance. The ERA effects, or impacts, thus represent the added value of special programs and not the value of special programs relative to no services at all. Second, people generally were included in the research samples based on their welfare status and not their interest in receiving ERA services; moreover, participation in ERA services generally was voluntary. As a result, program staff usually had to strongly market ERA services to those who were randomly assigned to the program group. Only a portion ended up participating in ERA's special services, particularly on an ongoing basis, due to a lack of interest, ability, time, or, in some cases, program implementation challenges. This situation provides good estimates of the effects of broadly targeting ERA-like programs — the approach that was of interest to the ERA sites and policymakers when ERA started. But it results in weak estimates of the effects of particular interventions that are targeted only to those interested in them (as is the case in many studies of voluntary education or training programs). Finally, while the earliest ERA programs began during a recession, many of the programs operated primarily during a modest economic expansion — a situation much different from the economic conditions of the past few years, from 2008 to 2011.

**The Employment Retention and Advancement Project**

**Table 2**

**Brief Descriptions of 12 ERA Programs and the Services with Which They Were Compared**

| <b>Program</b>  | <b>Target Group</b>  | <b>Program Description</b>   | <b>Control Group Services</b>   |
|---|--|--|---|
| <b>Los Angeles<br/>Enhanced Job<br/>Club</b>            | Unemployed TANF recipients   | Mandatory five-week job club focused on career development activities and job search targeted to individuals' careers of interest; operated jointly by county welfare and education agency staff   | Mandatory, traditional three-week job club focused on getting any type of job quickly; operated jointly by county welfare and education agency staff  |
| <b>Salem (Oregon)</b>                                   | Unemployed TANF applicants   | Mandatory preemployment job search assistance and voluntary postemployment services; jointly provided by welfare agency and community college staff located at the WIA One-Stop Center   | Mandatory preemployment job search assistance services; jointly provided by welfare agency and community college staff located at the welfare office  |
| <b>Cleveland</b>  | Low-wage workers at specific employers who earned less than \$13 per hour and who had been in their current job for less than 6 months | Voluntary (with active recruitment), employer-based employment retention program, including ongoing staff-client relationships, weekly peer support groups, and supervisory trainings; provided by a community-based organization  | Voluntary (intermittently offered) employer-based counseling, should individuals choose to pursue it  |
| <b>Texas</b><br>Corpus Christi<br>Fort Worth<br>Houston | Unemployed TANF applicants and recipients  | Mandatory preemployment job search assistance, followed by voluntary postemployment assistance (which could include employer site visits and reemployment assistance), with a monthly stipend of \$200 for former TANF recipients working at least 30 hours per week; services provided by staff in nonprofit organizations contracted by local workforce agencies | Mandatory preemployment job search assistance, followed by limited, voluntary postemployment assistance with no stipend; services provided by staff in nonprofit organizations contracted by local workforce agencies |

(continued)

**Table 2 (continued)**

| <b>Program</b>                                    | <b>Target Group</b>   | <b>Program Description</b>   | <b>Control Group Services</b>   |
|---|---|--|---|
| <b>Chicago</b>                                    | TANF recipients who had worked at least 30 hours per week for at least 6 consecutive months | Mandatory (in addition to existing TANF requirements) work-focused advancement program offering targeted job search assistance and help to identify and access career ladders; provided by staff in a private, for-profit firm   | Mandatory (standard TANF requirements) less intensive and more retention-oriented program; provided by staff at the local welfare agency  |
| <b>Riverside Training Focused</b>                 | TANF recipients who had worked at least 20 hours per week for at least 30 days              | Education/training-focused advancement program with flexibility to reduce or eliminate required work hours (for TANF receipt) if participating in education or training; operated by workforce agency  | Work-focused advancement program with no flexibility to reduce or eliminate required work hours (for TANF receipt) if participating in education or training; operated by county welfare agency |
| <b>Riverside Work Plus</b>                        | TANF recipients who had worked at least 20 hours per week for at least 30 days              | Education/training-focused advancement program with less flexibility (compared with the Riverside Training Focused program) to reduce or eliminate required work hours (for TANF receipt) if participating in education or training; operated by county welfare agency | Work-focused advancement program with no flexibility to reduce or eliminate required work hours (for TANF receipt) if participating in education or training; operated by county welfare agency |
| <b>Los Angeles Reach for Success</b>              | TANF recipients who had worked at least 32 hours per week for at least 30 days              | Voluntary (beyond TANF work requirements), intensely marketed, individualized retention and advancement program; administered by welfare agency staff  | Voluntary (beyond TANF work requirements), less individualized, and more “rule-bound” postemployment program; administered by welfare agency staff  |
| <b>Riverside Post-Assistance Self-Sufficiency</b> | Employed former TANF recipients   | Voluntary (marketed), individualized retention and advancement program; provided primarily by three community-based organizations and a community college  | Voluntary, less-intensive postemployment services provided by staff in local welfare agency, should individuals choose to pursue them   |

(continued)

**Table 2 (continued)**

| <b>Program</b>          | <b>Target Group</b>   | <b>Program Description</b>   | <b>Control Group Services</b>  |
|-------------------------|---|--|--|
| <b>Eugene (Oregon)</b>  | Employed individuals who had left TANF within the year and who were working more than 20 hours per week   | Voluntary, individualized program, including career counseling and service referrals; provided through a welfare agency partnership with a community college and WIA contractor  | Voluntary, nonindividualized postemployment services normally offered in the community, should individuals choose to pursue them |
| <b>Medford (Oregon)</b> | Employed individuals who were former recipients of TANF or current recipients of the Oregon Food Stamp Employment and Training program and/or the Employment-Related Day Care program | Voluntary (with active recruitment), individualized retention and advancement program, including career counseling and service referrals; provided through a welfare agency partnership with a nonprofit employment service provider | Voluntary, nonindividualized postemployment services normally offered in the community, should individuals choose to pursue them |
| <b>South Carolina</b>   | Individuals who left TANF for any reason between October 1997 and December 2000   | Voluntary program (with active recruitment) offering individualized job placement, retention, and advancement services with modest financial incentives for program engagement and employment; provided by a welfare agency          | Voluntary employment-related services normally available in the community, should individuals choose to pursue them              |

SOURCES: ERA site-specific reports. For citations, see Appendix D.

## Overview of Synthesis

The next section provides an overview of results for the 12 ERA models that are the focus of this document. It does not cover each model or specific ideas tested; rather, it gives a “bird’s eye” view of the project’s findings. The third section discusses the extent to which the ERA findings, buttressed by results from some other, related rigorous studies, provide evidence of the effectiveness of different strategies in promoting employment retention and advancement. This section is based on MDRC’s assessment of what contributed to or impeded the effects found for the different strategies. The fourth section, in contrast to the third, focuses on MDRC’s assessment of specific practices or program elements that might be effective regardless of overall program strategy. The suggestions come from ERA’s field research, as well as from random assignment-based data analysis. Finally, the concluding section suggests some implications of ERA for the next generation of programs and study in this area.

## Overview of ERA Results

Looking across the whole of the study, ERA yielded many types of findings. Presented first are indications of the extent to which employment retention and advancement were issues for the individuals the ERA programs targeted. Next, implementation and program participation results for the 12 programs that are the primary focus of this synthesis are discussed, to illustrate the extent to which the services the program and control groups received differed, in reality, in type or prevalence. Building on these results, since differences between the services the program and control groups received generally “drive” economic effects in a study like this, any increases in employment and earnings are then discussed. Finally, benefit-cost findings for the programs that did increase employment and earnings are described. The findings in this section span all 12 ERA programs; specific results for each program are contained in Appendix A.

- **Over the study’s follow-up period, individuals the ERA programs targeted frequently moved in and out of work and experienced gains and losses in earnings and income. Their circumstances thus were neither static nor improved in a predictable way.**

Of the more than 27,000 single parents in the 12 ERA program tests, only about half (considering both program and control group members) were continuously employed for a year or more during a three-year follow-up period. In any given quarter during this period, about one in seven without employment in the previous quarter started a job, but a similar number who had been working in the previous quarter were no longer employed. Only one in four single

parents experienced a notable increase in earnings between the first follow-up year and the third. Most of the other parents either spent long periods of time out of work or lost ground.<sup>5</sup>

Dividing parents into groups according to their status at the end of the three-year follow-up period, parents who had a significant earnings increase over the three years, compared with other parents, tended to have returned to work more quickly if they became unemployed and to have experienced faster earnings growth while working, especially when they changed jobs. Overall, the frequent job loss and changes in employment status among the sample challenged ERA staff to remain aware of program group members' employment status and provide them with different types of services in various situations.

- **ERA program operators generally were able to implement most or all of the features of the program designs.**

Much more often than not, planned program model features — which differed by program but included such features as job clubs with particular messages, staff/client coaching meetings at set intervals, peer support groups, earnings supplements, targeted job search assistance, referrals to education and training programs, and career counseling — were implemented across the programs. Program services were offered to the appropriate target groups and almost always offered for their expected duration.

As discussed below, however, several aspects of implementation moderated how the program designs and features played out. While staff provided career counseling and job coaching, for example, some staff did not have the experience or skills needed to provide these services to program participants with the depth or as knowledgeably as planned. In addition, take-up of offered services was often lower than originally anticipated. Finally, issues in some sites, for example, budget cuts, funding interruptions, and inconsistencies in management, resulted in weakened program services or short gaps in services at some points in program operations. Nevertheless, most or all of the features of the programs were put in place and, given that the types of programs implemented were often new, the study shed light on the service quality, take-up, and dosage that can be expected in various types of programs when they are operated in specific contexts.

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<sup>5</sup>Nine of the 12 programs also offered services to adults in two-parent families. An analysis showed that, generally, the two-parent and single-parent ERA sample members had similar patterns of employment and that retention and advancement is as important an issue for adults in low-income two-parent families as it is for single parents.

- **To deliver services, most of the ERA programs expanded already existing institutional linkages, often partnerships among several agencies and organizations.**

Typically, ERA programs represented partnerships among several agencies and organizations, including welfare agencies, WIA contractors, nonprofit employment service providers, community-based organizations, community colleges, and others. While the welfare agency usually played the lead organizing role, the workforce system had a lead or joint leadership role in several programs; some programs were co-located at WIA One-Stop Centers; and some programs set up teams of welfare and workforce staff to provide ERA services.

- **It was challenging for programs to engage individuals in voluntary employment and retention services on a continuing basis.**

Extensive field research found that staff in the ERA programs expended considerable energy trying to engage individuals in program activities. Many ERA programs — particularly those targeting individuals who were not connected to TANF — did intensive marketing and outreach.

Once individuals were engaged, the programs used a variety of strategies to maintain staff-client relationships and to encourage continuing participation in program activities. Strategies in some programs included offering financial incentives to encourage contact and meeting with individuals at their workplaces. While most program group members reported having at least one contact with ERA program staff, it was less common for them to continue to have contact with staff over the course of the first year after they entered the study. Only five of the 12 programs increased the percentage of program group members who were still in contact with staff from an employment program by the end of the first year of follow-up.<sup>6</sup> Moreover, even in these five programs, increases in participants' engagement with staff were modest. Thus, over time, program staff's ability to find out that participants had lost their jobs, help them to find new ones, and give them advice on advancement diminished.

- **Increases in participation beyond control group levels — that is, participation impacts — were not consistently found and often were not large. For some types of activities, this reflected high levels of control group participation in services; for others, this reflected low take-up of services by program group members. The inconsistent and often moderately**

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<sup>6</sup>All “increases” discussed in this section represent program-control group differences and are statistically significant — meaning that there is a probability of 10 percent or less that the estimated difference would have occurred by chance in the absence of any effect of the program.

**sized program-control participation differences likely made it difficult for the ERA programs to achieve impacts on employment retention and advancement.**

ERA programs provided job search assistance in several situations: to those who entered the programs without a job; to those who were employed but had lost a job; and to employed individuals looking to move into better jobs. Across all 12 programs, between 42 and 80 percent of program group members participated in a job search activity during a one-year follow-up period. Control group members, however, also had high rates of job search activity, often because they participated in services offered through mandatory welfare-to-work programs. As a result, only four of the 12 ERA programs increased the likelihood of participating in job search beyond the already high rates of participation among control group members, and increases for three of the four programs were not substantial (less than 11 percentage points).

Many ERA programs encouraged employed individuals to participate in education and training and counseled them about how to balance these activities with work, although only two of the programs focused exclusively on this route to advancement. Across the 12 programs, between 22 and 42 percent of program group members participated in such activities in the year after they entered the study. A substantial proportion of control group members, however, participated — on their own — in education or training as well. Only three of the 12 programs increased the likelihood of participation in education and training, and those increases were modest (less than 10 percentage points).

ERA programs also provided services that could be considered “nontraditional” in a TANF context, including helping individuals find a better job while they were working and giving them advice on how to handle problems on the job. Fewer program group members than expected received this type of help: in 11 of the 12 programs, fewer than 20 percent of the program group reported receiving one of the two nontraditional services described above. Unlike the situation with more traditional activities, however, few control group members (under 10 percent) reported that they had received help finding a better job while working or advice regarding problems on the job. As a result, while the majority of ERA programs increased the receipt of these two types of nontraditional services, increases were small, owing to relatively low take-up of the services by program group members.

- **Of the 12 ERA programs, three produced consistent, positive economic impacts; nine did not. The three with positive effects increased employment retention and advancement.**

Increases in employment retention and earnings were largest and most consistent over a four-year follow-up period in the Texas ERA program in Corpus Christi, the Chicago ERA program, and the Riverside PASS ERA program.

*Texas ERA program:* This program targeted unemployed TANF applicants and recipients and began services before people found jobs. The program offered a monthly stipend of \$200 to individuals who, after leaving TANF, consistently worked at least 30 hours per week. It also offered other services before employment (when participation was mandatory) and during employment (when participation was voluntary). Services were provided by local workforce development boards under contract with nonprofit organizations. For the study, the program was compared with the services normally offered through the Texas welfare-to-work program, which emphasized quick job entry and provided some limited postemployment services. As implemented in Corpus Christi, the Texas ERA program increased average annual earnings by \$640 over the four-year follow-up period, or almost 15 percent relative to control group earnings. The program generated its largest effects on earnings in the fourth year, when it increased earnings by \$900, or 18 percent, relative to the control group level, suggesting that the impacts might have continued past the follow-up period. As implemented in Fort Worth, the Texas ERA program also increased earnings, but the effects were concentrated in the second and third years of follow-up, with earnings increases of \$900 — an increase of 17 percent relative to the control group level — in the third year. The Texas program in Fort Worth experienced a number of early implementation problems, such as lack of coordination between the two agencies staffing the program, limited marketing of the earnings supplement, and an assessment process that delayed individuals' eligibility for other program services. While these problems subsided over time, they may have diluted the program's impacts because many individuals went through the program before the implementation issues were resolved.<sup>7</sup> Neither the Corpus Christi program nor the Fort Worth program produced any effects on TANF benefits received over the four-year follow-up period. The Corpus Christi program, however, produced a small decrease in food stamp receipt, while the Fort Worth program produced a small increase in food stamp receipt — effects taken into account in the benefit-cost analysis described below.

*Chicago ERA program:* This program helped employed TANF recipients find a better job while they were working. Unlike the other ERA programs that served employed TANF recipients, individuals in this mandatory work-focused advancement program needed to participate in ERA-specific activities in addition to the usual TANF activities in order to remain eligible for full TANF benefits. Staff in a private, for-profit firm that had experience placing welfare recipients in jobs provided the services. For the study, the program was compared with the area's standard welfare-to-work services, which, for those working while receiving TANF, included voluntary job retention-oriented assistance provided by welfare agency staff. In contrast to the Chicago ERA program, these services were not advancement-oriented, were

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<sup>7</sup>The third site at which the Texas program was implemented — Houston — focused on key program components of the Texas ERA model, particularly the postemployment ones, only near the end of the study period.

provided by a different type of staff, were not mandatory, and could not continue if individuals left TANF. The Chicago ERA program raised average annual earnings by almost \$500, or 7 percent, relative to the control group level, over a four-year follow-up period. In contrast to the Texas-Corpus Christi ERA program, the earnings effects weakened over time; the effects were no longer statistically significant in year four as a whole but impacts persisted in some quarters. The Chicago ERA program also produced about a 23 percent reduction in TANF assistance received and about a 4 percent increase in food stamps, relative to control group levels, over the follow-up period.

*Riverside Post-Assistance Self-Sufficiency (PASS) ERA program:* In this voluntary retention and advancement program, three community-based organizations and a community college were the main providers of a range of individualized services to employed former welfare recipients. Services included reemployment activities, career development services, referrals to education and training slots, life skills workshops, support services, and referrals to social service programs. The program was compared with the community services normally available in Riverside to people who had left welfare. The Riverside PASS program increased average annual earnings by \$870 over a four-year follow-up period, an increase of 10 percent relative to the control group level. In addition, the program generated its largest effects on earnings (\$970) in the fourth year, suggesting that the program may have increased earnings beyond the end of the follow-up period. The program did not produce any effects on TANF or food stamp benefits received.

*Retention effects for all three programs:* In the Chicago and Riverside PASS ERA programs, the economic impacts were not driven by the programs having caused more people to remain stably employed at the job they held as of random assignment. Instead, they were driven by more people having started a new job, either right after leaving another job or after a period of unemployment. This finding suggests that, even in programs serving working individuals, staff should anticipate focusing on ways to identify and address job loss and to help participants find a new job that puts them on an upward trajectory, as discussed later in this report.

*Advancement effects for all three programs:* There is evidence that all three programs (including the Texas program as operated in Fort Worth) led to increases in advancement, meaning that employed program group members tended to earn more over time than employed control group members. This suggests that the programs likely increased hours or weeks worked or wage rates, relative to the control group levels. In particular, the Chicago program increased total earnings over the last two years of follow-up, although there were no gains in quarterly employment during that period. In addition, the Chicago program increased the proportion of individuals who received a raise and/or a promotion in the fourth follow-up year — an effect not found for Riverside PASS and not measured for the Texas program.

- **Combining sample members across all ERA program tests, those whose recent employment and earnings were at a “medium” level when they entered the study experienced positive economic effects; those with higher levels or lower levels of recent employment and earnings did not.**

Evaluations of employment and training programs in the past have found that programs can work better for particular types of individuals. An ERA cross-program pooled analysis focused on whether the effects of the programs varied according to individuals’ duration of employment and total earnings in the year before they entered the study. Sample members from across the ERA model tests were combined and, based on their employment and earnings in the previous year, were put into three subgroups: those having high, medium, or low recent labor force attachment. Impact analyses conducted for these three groups showed that the programs produced positive economic effects (albeit relatively modest) for the group that entered ERA with a medium level of labor force attachment (individuals who had worked in two or three quarters of the prior year or had earnings between \$3,000 and \$10,000 that year), while no improvements were found for the other groups.

The middle group did not do better because they were more likely to receive ERA services, relative to their control group counterparts, as there were not large or consistent participation impact differences across the high, medium, and low subgroups. Rather, the middle group may have had a greater economic response to the services. Moreover, further analysis, which examined these three subgroups within each ERA program test, found that even in some programs that did not have positive economic effects for their overall full samples, the programs produced greater positive economic impacts for the middle group than for the other two subgroups. Finally, looking only at the three programs that had overall positive economic effects (the Texas, Chicago, and Riverside PASS programs), the analysis also showed that the middle group was not the sole “driver” of effects in each of these programs.

Taken together, these results suggest that the features of specific models matter, as evidenced by the positive effects produced by the Texas, Chicago, and Riverside PASS programs overall and for more than just their middle subgroup. But they also suggest that better targeting could improve some ERA-type programs’ economic effects, as evidenced by the middle group having been found to experience positive effects even in some programs that did not produce effects for their full samples. Perhaps individuals who have not worked recently (those in the low recent labor force attachment subgroup) have too many barriers to employment to benefit from some program services, while those same services offer too little of value to individuals with extensive recent employment (those in the high recent labor force attachment subgroup).

- **In the three ERA programs with consistent, positive economic effects, a benefit-cost analysis found that program group members were better off**

**financially, relative to control group members, as a result of the programs.**

The ERA benefit-cost analysis examined results from several perspectives, two of which are discussed in this and the next paragraph. From the perspective of program group members, some programs end up producing net financial losses for them if, for example, earnings gains (compared with a control group) are more than offset by public benefits losses and work expense increases. In ERA, individuals experienced net financial gains as a result of the Texas, Chicago, and Riverside PASS programs, taking into account a greater array of outcomes than those examined in the impact analysis and including earnings, employment fringe benefits, taxes paid, the Earned Income Tax Credit, public assistance benefits (including food stamps), and other outcomes.

- **In the same three ERA programs, the benefit-cost analysis found that each dollar the government invested in the programs resulted in program group members' income increasing by more than a dollar. This suggests that ERA-like programs, when effective, can be an efficient means of transferring government resources to needy individuals.**

From the perspective of the government budget, benefit-cost analyses show whether the government recoups its investment in programs. In ERA, the government essentially broke even on the Riverside PASS program, but the additional amount it spent on ERA services in the other two programs was not completely recouped through public benefit savings or increased tax revenues. Nevertheless, for every extra dollar the government invested in the three programs, program group members gained between about \$1.00 and \$3.50 in increased income, depending on the program.

- **There are several possible reasons why nine of the 12 ERA programs did not produce consistent, positive economic impacts.**

Three broad reasons can be offered to explain why three-fourths of the ERA programs covered in this synthesis did not have economic effects. First, there is a somewhat obvious reason: While the ERA programs' approaches and features seemed promising at the outset of the project, rigorous testing showed that some were, in fact, not effective. As one example (and discussed later in this report), the pattern of findings in ERA suggests that providing individual counseling and referring people to services to help them stay in their jobs without providing concurrent and additional concrete opportunities, connections, or incentives — the approach used by many of the ERA programs without economic effects — may not be sufficient to make a meaningful difference in people's economic situations.

Second, the results for the programs without economic impacts might also reflect the difficulty that many of the programs had in increasing service receipt levels substantially above those of control group members. It could be that engaging individuals in services, particularly in programs where participation is voluntary, was hampered by the limited available time of individuals who were parenting on their own and working. It could also be that the single parents did not view the services many of the ERA programs offered as valuable investments of their time.

Finally, the programs might not have been strong enough to overcome competing labor market trends that do not support upward mobility. These were “real world” programs initiated by practitioners and largely paid for through existing funding streams. In an environment in which jobs with higher pay were not plentiful, particularly ones suitable for the many ERA sample members with low levels of credentials and skills, the programs may not have been able to make headway. (See Box 1 for an illustration of the challenges encountered for three individuals in the Chicago program, which focused on helping people make job-to-job transitions.)

As reflected later in this report, much can be learned from programs that are not effective. Moreover, given the paucity of knowledge about effective employment retention and advancement strategies that existed in 1999, the fact that some strategies were found to be effective is encouraging.

Regardless of whether they participated in programs that did or did not have economic effects, almost all ERA sample members remained poor or near-poor at the end of the follow-up period. At the end of the follow-up period, wages remained very low, at an average of a little over \$10 per hour, as shown in Box 2. Moreover, the industries and occupations in which study sample members commonly were working — health care/social assistance, retail trade, and accommodation and food services — often do not have many positions that offer clear or quick routes to advancement. Overall, this suggests that a continued search for new, potentially more effective strategies is warranted.

## **Effectiveness of Different Strategies Intended to Foster Employment Retention and Advancement**

ERA embodied states’ and localities’ choices of program goals, target populations, and services, and thus provided an opportunity to explore the effectiveness of a variety of strategies implemented for different populations. This diversity, however, presents challenges in drawing cross-site lessons, particularly since the control group conditions varied by program test as well. Moreover, only a few program-control differences in program features or take-up of services

## Box 1

### Looking Inside an ERA Program: Successes and Challenges

MDRC reviewed some cases from the Chicago ERA program — one of the three ERA programs with consistent, positive economic effects — to understand how the staff worked with participants. Below are summaries of three cases in which a participant had substantial contact with her Career and Income Adviser but faced some barriers in achieving her employment goals. The participants in the first two cases succeeded in advancing but the third did not. The cases were not selected randomly, but were chosen to illustrate how programs can make a difference for low-wage workers and some of the challenges.

#### **Case 1: A participant providing child care in her home at program entry and earning less than the minimum wage; speaks Spanish but not English**

The Career and Income Adviser focused on helping the participant find a higher-paying job that did not require English. Cleaning companies and hotel housekeeping positions were identified as the primary targets. The participant was hired by a cleaning company at the wage of \$9.10 per hour, although her hours fluctuated. The ERA program reimbursed the employer for a portion of the participant's wages during an initial on-the-job training period. At one point, the adviser contacted the participant's supervisor on her behalf to clarify her employment status (temporary or permanent). The adviser also referred the participant to a counselor at a Spanish-speaking organization after the participant told the adviser that she was feeling depressed and suicidal. The adviser helped the participant obtain housing assistance by contacting outside agencies on her behalf and then connecting her with those contacts. The adviser had 12 telephone contacts and four in-person contacts with this ERA participant over a 10-month period.

#### **Case 2: A participant teaching infants and toddlers at a child care center at program entry and earning \$7.00 per hour; liked her job but wanted to earn more money and was nervous about asking the center's director for a raise**

The adviser gave the participant some tips about how to talk to her boss, and they role-played the conversation. The client asked for the raise and got it — to \$8.13 per hour. Later, her hourly wage was raised again, to \$8.67. Over one year, the adviser had eight telephone contacts and four in-person contacts with the participant, including a phone contact in the evening and an in-person contact at the participant's workplace.

#### **Case 3: A participant working as a dietary aide in a nursing home at program entry, making \$6.30 per hour and working about 25 hours per week**

The initial strategy was to obtain a job in a different industry. The participant was referred to several job openings but was not hired. Eventually, the adviser discovered that the participant had a previous felony conviction that she had not disclosed. The adviser concluded that the participant's criminal history would make it difficult for her to get

(continued)

**Box 1 (continued)**

another job, so the strategy shifted to focus on advancement within the current job. The adviser called the participant's work supervisor and was told that the participant would get a raise if she obtained a sanitation license. The ERA program paid several hundred dollars to clear an old debt to the city college system and to pay for tuition and textbooks for the sanitation course, which the participant completed. However, the owner of the nursing home refused to give the participant a raise. The adviser contacted the owner on the participant's behalf, but to no avail. The adviser had 13 telephone contacts and 10 in-person contacts with the participant over a period of 15 months.

were obviously clustered among the three programs with economic effects and were not also present in the programs without economic effects. This makes it difficult to draw conclusions about the relative effectiveness of different strategies.<sup>8</sup>

To aid in drawing such lessons, this section thus reviews the ERA results in combination with those of a number of other rigorous related and recent multisite studies, which are described in detail in Appendix C. Including the other studies provides more examples of the different strategies and permits a richer analysis. The section discusses, in turn, each of the five types of employment retention and advancement strategies explored in the 12 core ERA programs and highlighted in Table 1: encouraging unemployed individuals to find jobs; encouraging *job* stability; encouraging *employment* stability; encouraging participation in education and training to qualify individuals for better jobs; and providing individual counseling and making referrals to social and other services. ERA also tested a sixth strategy: assessing individuals' career possibilities and helping them overcome barriers to employment before they search for a job. The four ERA programs that targeted harder-to-employ individuals used this strategy. This section begins with a brief discussion of that strategy and then discusses in more depth the five strategies tested in the 12 core ERA programs.

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<sup>8</sup>A multilevel analysis was tried in ERA to statistically identify features across the ERA programs that might be related to variation in site economic impacts (that is, program-control differences in employment or earnings), but the analysis was deemed to be statistically infeasible. There was not enough variation across all the programs in economic impacts and too much variation in all of the other program-related inputs, such as target groups served, specific program features, and participation impacts.

**Box 2**

**Characteristics of ERA Sample Members' Jobs**

The ERA project collected information on various characteristics of jobs that individuals held during the study. The richest data on jobs are from two surveys that were administered to the ERA research sample in three locations (Chicago, Los Angeles, and Riverside) at 12 and 42/48 months after individuals entered the study. The table below shows job information for survey respondents among this group who worked in the first year of the study and also in roughly the fourth year (about four in five respondents). Data are for program and control group members combined.

The table suggests that jobs held by ERA sample members tended to be full time, fairly low wage, often without paid sick days or health insurance, and commonly in the “health care/social assistance” industry, which includes jobs such as clerical assistants in health care offices and nurses’ aides, and frequently in service occupations. Between the first and fourth follow-up year, wages went up slightly for these sample members, and a few more jobs had paid sick days or provided medical coverage, but the industries and occupations in which sample members worked did not change much.

| <b>Job Characteristic</b>              | <b>Year 1</b> | <b>Year 4</b> |
|--|---------------|---------------|
| Hours worked per week (%)              |               |               |
| 29 or fewer                            | 17.2          | 17.2          |
| 30-34                                  | 15.3          | 14.8          |
| 35 or more                             | 66.2          | 68.1          |
| Hourly wage (\$)                       | 9.40          | 10.16         |
| Offers paid sick days (%)              | 30.9          | 41.6          |
| Offers medical plan (%)                | 36.1          | 48.1          |
| Industry (%)                           |               |               |
| Construction                           | 1.3           | 2.4           |
| Manufacturing                          | 5.4           | 5.4           |
| Transportation and utilities           | 4.7           | 7.1           |
| Retail                                 | 17.5          | 13.8          |
| Wholesale trade                        | 1.4           | 0.4           |
| Finance, insurance, and real estate    | 3.5           | 4.3           |
| Health care/social assistance services | 32.4          | 33.3          |
| Accommodation and food services        | 11.1          | 10.0          |
| Other services                         | 16.5          | 18.3          |
| Other                                  | 6.2           | 4.9           |
| Occupation (%)                         |               |               |
| Clerical                               | 21.0          | 20.3          |
| Operatives/laborers                    | 15.4          | 18.0          |
| Sales                                  | 17.0          | 14.7          |
| Services                               | 37.8          | 40.0          |
| Other                                  | 8.9           | 6.9           |

## **Assessing Career Possibilities and Helping Remove Barriers to Work Before Job Search**

- **Devoting considerable resources to assessing unemployed individuals' barriers to employment — even if the assessments are well implemented — is unlikely to lead to increases in employment, at least when increases in the use of follow-up services do not also occur.**

Because barriers to employment and, by extension, to retention and advancement, often go undetected, some programs conducted in-depth assessments, sometimes family-focused, before participants searched for a job. The underlying theory posits that people will be better able to obtain and hold jobs if their employment barriers are addressed before they start working. Results from two ERA programs that served harder-to-employ individuals — the Minnesota and Portland programs (described in Appendix B) — shed light on the effectiveness of this strategy.

The Minnesota ERA program, compared with the state's already-strong welfare-to-work program, had smaller caseloads to allow staff to pay more attention to the unique circumstances of individuals and their families. It included assessments that were far more comprehensive and in-depth, had staff meet more frequently with participants, and placed a greater emphasis on assigning and referring individuals to a broader range of services, including those that could help with problems related to mental health, substance abuse, or domestic violence. The ERA program, however, did not increase enrollees' use of such services, relative to individuals in the state's welfare-to-work program. Moreover, overall, the program had little effect on employment or earnings over a three-year follow-up period. It is not clear that the program *would have* increased employment if it had increased participation in follow-up services, but without such increases, it did not. A similar ERA program in Portland (described in Appendix B) also encountered difficulties in increasing participants' use of services after an intensive two-week assessment of employment barriers.

Findings from a program in another project — the Success Through Employment Preparation (STEP) program in Philadelphia, studied as part of the Enhanced Services for the Hard-to-Employ Demonstration and Evaluation — echo those of the two ERA programs described above.<sup>9</sup> The first step for individuals enrolled in the STEP program was an extensive assessment to identify barriers to employment, followed by an analysis of the assessment results and the design of an individualized plan to help individuals overcome these barriers. This plan could include, for example, life skills classes and counseling. Eventually, depending on individuals' motivation levels and their employment barriers, job search began. While those in the program

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<sup>9</sup>Jacobs and Bloom (2011).

were more likely than a control group to participate in job search and receive mental health treatment, STEP did not increase the use of services to address other barriers to employment and had no effect on employment or earnings.

### **Encouraging Unemployed Individuals to Find Jobs**

- **ERA results do not provide evidence that supports the effectiveness of encouraging unemployed individuals to seek a job in their preferred career area during job clubs, as opposed to encouraging quick placement in any field and any type of job, as a means to foster greater employment retention or advancement.**

“Job club” is a group job search activity, usually lasting several weeks, designed to help unemployed people find jobs. It usually includes classroom activities that teach participants about the mechanics of looking for work, such as likely sources of jobs, how to prepare a résumé, and how to answer questions from prospective employers during interviews; days or half-days in which individuals search for jobs; staff who provide job leads and offer guidance on individuals’ job search efforts; and the provision of computers to create résumés and telephone banks to contact prospective employers.

Many “traditional” job clubs targeted to unemployed welfare recipients emphasize getting individuals into jobs quickly, regardless of the field, wage rates, or promotional opportunities. The underlying reasoning is that getting people quickly into jobs will allow them to earn money right away, develop a longer work history and positive work behaviors, master skills, and build a social network that might lead to better job opportunities. One ERA test assessed whether a different approach to job clubs would improve on the traditional one. In this ERA test, individuals were urged to seek jobs in their field of career interest from the outset, under the theory that this approach might enable them to keep their jobs longer and ultimately move into better jobs along a career path. In addition to imparting basic job search skills, the Enhanced Job Club (EJC) model in Los Angeles thus featured career planning and used a “step-down” approach. First, individuals looked for the most desired job in their area of interest. If they could not get that type of job, they would “step down” to the next most desired job in that field. If they could not find that type of job either, they would take the next step down in their job search, and so on. Those who could not find a job in their field of interest by the fourth week of job search were advised to look for a “skill-building” job, combined with education or training.<sup>10</sup> The EJC model was directly compared with a traditional job club model. Field

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<sup>10</sup>While the EJC model was informed by another job club model that operated in Portland, Oregon, during the National Evaluation of Welfare-to-Work Strategies (NEWWS), it was different from that model: The  
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research indicated that staff who used the traditional job club approach and those who used the EJC “step-down” approach did indeed deliver different messages about the types of jobs to seek (although EJC staff did not have any special job development resources and had the same weekly job placement goals). These different messages, however, appear not to have been retained by job seekers. When surveyed 12 to 15 months later, the overall message recalled by individuals who went through the EJC model was that they should quickly find a job, and there were few differences in recalled messages between the individuals who had participated in the two different types of job clubs. The EJC model did not result in employment retention or advancement outcomes over a three-year follow-up period that were different from those of the traditional job club model. Moreover, the quality of the jobs in which individuals were employed during the follow-up period did not differ for the two types of clubs.

- **Continuing to coach participants after they find a job is difficult and, as such, does not appear to foster employment retention or advancement.**

A strong participant-staff relationship that begins before people find jobs and continues after they are working is viewed by some as integral to increasing employment retention and advancement. The Salem ERA program embodied this view and sought to build these relationships early, targeting TANF applicants who were required to search for a job and offering services after individuals found jobs as well. The program emphasized individualized services and was located at a local WIA One-Stop Center, rather than the welfare office, and was co-operated by TANF and community college staff. Staff were able to provide preemployment services (in which participation was mandatory). But they struggled to find the time to fully provide postemployment services (in which participation was generally voluntary), given high caseloads and a staff priority, when time was short, on delivering preemployment services. Directly compared with the experiences of TANF applicants who were in Oregon’s standard welfare-to-work program, the Salem ERA program resulted in small to moderate increases in individuals’ participation in retention and advancement services, such as receiving help dealing with problems on the job or help with further job search while employed. But the program produced no improvements in employment retention or advancement over a three-year follow-up period. Among other insights, the Salem ERA experience suggests the operational difficulty of requiring the same staff to focus on both helping individuals find jobs and providing retention and advancement services once people are working.

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Portland model emphasized seeking a job that had a relatively high rate of pay, fringe benefits, and an opportunity for advancement. The EJC model, in contrast, emphasized seeking the most desired job in an individual’s area of interest, which might not necessarily be the highest-paying job.

### **Encouraging *Job* Stability**

- **For low-wage workers, supporting *job* stability, at least as tried in ERA, does not appear to be effective.**

Helping individuals to keep their current job and advance in that workplace is one way to seek to improve low-income individuals' economic success. One ERA test — in Cleveland — explicitly focused on helping individuals to keep the job they had when they entered the study, as opposed to helping them remain employed in general in a series of jobs or find a better job. The Cleveland ERA program targeted low-wage workers in the long-term nursing care industry and offered counseling, peer support groups, and supervisory training at their work sites in order to make it more convenient for them to participate in services. Facilities were chosen randomly either to be program group facilities and offer these services, or to be control group facilities without special on-site services, and the experiences of low-wage employees at the two groups of facilities were compared. The ERA program was strongly implemented at the program group nursing care facilities, even though the program encountered some difficulties in consistently securing space to hold program activities and in ensuring that participants could regularly attend activities given their frequent “on-call” status. It produced an increase, relative to the control group facilities, in low-wage employees' receipt of retention services, although overall participation levels were modest. The Cleveland program, however, did not increase employment retention (or advancement) over a three-year follow-up period. While there are several possible explanations for why the program did not have positive economic effects, one is that it might not have been in the employees' best interest to stay in these jobs or easy for them to advance within their firms, as illustrated by Box 3. Evidence that moving up at one's current employer is not a strategy that most low-wage workers prefer is also provided by another study, the Work Advancement and Support Center (WASC) demonstration. When low-wage workers enrolled in WASC, most expressed a desire to leave their current employers and move into a field in which they had more interest.<sup>11</sup>

### **Encouraging *Employment* Stability**

- **Supporting *employment* stability can be an effective strategy.**

Some of the patterns underlying the positive economic impacts found for the Chicago and Riverside PASS ERA programs provide evidence for the strategy of supporting employ-

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<sup>11</sup>Miller, Tessler, and Van Dok (2009).

### Box 3

#### **Advancement Opportunity and Meaning in Long-Term Nursing Facilities: Findings from Cleveland ERA Employee Interviews**

The Cleveland ERA test examined an employer-based retention program that provided counseling, peer support groups, and supervisory trainings at mostly long-term nursing care facilities; the program's goal was to decrease turnover among low-wage workers, particularly nurse's aides. In a special study, 115 in-person interviews were conducted with employees (entry-level employees, supervisors, day-to-day managers, and administrators) at 11 of the facilities at two points two years apart during program operations. Findings from key questions related to advancement were:

- **Advancement opportunities within long-term nursing care facilities vary by position.** As one administrator put it, "Health care is a caste system. If you're an STNA [state-tested nursing assistant], you can [only] do a certain amount of things. For up-and-coming nursing students, this is a stepping stone."
- **Different long-term nursing care facilities provide different advancement supports to employees.** Some but not all facilities had tuition reimbursement, scholarship programs, and/or flexible work hours.
- **Supervisors overwhelmingly felt that education was the key to "getting ahead," especially for STNAs.** Some supervisors said, for example: "Education — can't go anywhere as an aide without it." "STNAs are at a roadblock unless they go back to school."
- **Entry-level employees, in contrast, were less uniform in their views about the best routes to a better job; some expressed reservations about advancement in this sector.** While entry-level employees recognized that going to school for nursing would enable them to get a better job at their same facility, some said they were not interested in going back to school, felt they were too old to consider advancing in this sector, preferred to move to a new sector to advance, or did not want to handle longer hours or added responsibility.
- **While administrators in many facilities emphasized a desire to promote from within their facility, few employees were promoted in the previous year.** In contrast, interviewees mentioned a number of people who had left the facility for a better job elsewhere (echoing findings from the larger ERA study, described in the previous section).
- **Entry-level employees had a range of criteria that defined advancement for them.** Some defined it in terms of a better work environment (for example, how they were treated); others in terms of better pay and benefits; and others in terms of a job or sector that was of more interest to them.

ment stability (where employment is maintained through consistent attachment to the labor market, although not necessarily in the same job), as opposed to job stability (where one stays employed in the same job). As discussed earlier, the impacts in these programs were driven by more people moving into new jobs, as opposed to more people remaining stably employed at the job they had when they entered the study. Moreover, as described in the previous section, descriptive analyses of ERA sample members' employment retention and advancement patterns suggest that the sample members who earned more over time tended to be those who changed jobs as opposed to those who stayed in the same jobs. While remaining in the same job can demonstrate good work habits and job commitment, other research has also suggested that low-wage workers often advance by changing jobs, particularly when they move to the types of employers that pay higher wages, such as large firms.<sup>12</sup>

- **Earnings supplements to promote employment retention, ideally paired with job coaching, can promote sustained employment.**

A number of rigorous studies have shown that supplementing low-wage workers' earnings can promote employment.<sup>13</sup> However, the effects tended to fade for the full targeted groups generally before their eligibility for the supplement ended (but not for all subgroups). Results for the Texas ERA program in Corpus Christi suggest that longer-lasting effects may be attainable. The economic effects of the Corpus Christi program, which offered a monthly stipend for employment retention, lasted into the final available year of follow-up (year four) — well beyond the period when the incentive was offered. A similar program in the United Kingdom — UK ERA — offered a combination of job coaching and bonuses tied to staying employed full time to several groups receiving government income support. This program also increased employment and earnings. However, the effects lasted only through the second year of follow-up for the mostly female, single-parent target group that was most similar to the group targeted in the Texas ERA program. For the target group that consisted of mostly long-term unemployed men, the effects emerged later and lasted through the fifth (and last) year of follow-up.<sup>14</sup>

- **It appears to be important for providers and staff to have close employer connections that will give them detailed knowledge about the specific types of jobs that employers will likely seek to fill.**

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<sup>12</sup>Andersson, Holzer, and Lane (2005).

<sup>13</sup>See results from evaluations of the Minnesota Family Investment Program-MFIP (Gennetian, Miller, and Smith, 2005), the New Hope project (Huston et al., 2003; Miller et al., 2008), and the Self-Sufficiency Project-SSP (Michalopoulos, 2005; Michalopoulos et al., 2002).

<sup>14</sup>Hendra et al. (2011).

Connections with employers can take several forms. The Chicago ERA program, one of the ERA programs that produced retention and advancement effects, was operated by a for-profit company with strong linkages to firms in a variety of industries, including the fast-growing security industry. Based on their knowledge of employers' requirements, likely openings, and job characteristics, the program's primary advancement strategy was to help individuals move fairly quickly to jobs at different employers that paid more than their current jobs, preferably in firms or sectors that offered access to career ladders. Once staff identified appropriate job openings, they would help clients create résumés and schedule and prepare for job interviews. In addition, the program provided some coaching on how individuals could move up in their current jobs.

An in-depth knowledge of employers' current and future needs also appears to have been key in several sector-based training programs for low-income individuals studied as part of the Sectoral Employment Impact Study.<sup>15</sup> This evaluation examined three small-scale programs that in many respects differed from the ERA programs, as discussed in more detail below. The programs targeted a highly screened segment of low-income individuals: those with an interest in and aptitude for specific careers, almost all of whom had a high school diploma or a GED. Services were provided by nongovernmental organizations and included integrated skills training tied to specific sectors — for example, medical and basic office skills, information technology, health care, and manufacturing — and job matching assistance to employers in those industries. Over a two-year follow-up period, the programs increased employment and earnings and, in the second follow-up year, employment stability.<sup>16</sup> The evaluators identified the driving factors of the programs' success as partly the close ties training agencies established with specific employers positioned to hire participants who completed the training — in addition to the actual skills graduates acquired through the program and the sector focus.

- **Using community-based organizations to assist in providing services may enhance effects, but the evidence for this is only suggestive.**

The Riverside PASS ERA program offered a variety of reemployment, career development, and other services to employed individuals who had left TANF. This approach was based on the assumption that organizations other than the welfare agency would be more familiar with the jobs and services available in their communities and that people who were

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<sup>15</sup>The study was conducted by Public/Private Ventures; results in this paragraph are summarized in Maguire et al. (2010).

<sup>16</sup>Pooled earnings impacts for the three programs over the two-year period were large and of a similar magnitude, in terms of overall percentage increases in earnings relative to the control group, as those achieved over four years by the Texas ERA (Corpus Christi) program. It is unknown whether the sector program impacts would have grown or diminished if follow-up beyond two years would have been possible.

leaving TANF would be more willing to work with organizations other than the welfare agency. Several community-based organizations (CBOs) and a community college were chosen to provide these services. Compared with a control group that had access to limited postemployment services through the welfare agency (if individuals chose to pursue them), the program increased employment retention, earnings, and advancement over a four-year follow-up period, as discussed earlier. These effects were concentrated among people in the areas the CBOs served, as opposed to among those in the area the community college served. It is not possible to determine the specific reasons for this pattern of impacts. The pattern, however, coupled with the fact that the Riverside PASS program as a whole was one of only three ERA programs to produce economic impacts, suggests that there may be some advantages to providing services through CBOs.<sup>17</sup>

### **Encouraging Participation in Education and Training**

- **It is possible for programs to increase participation in adult basic education courses among employed single-parent TANF recipients. Such increases, however, may not yield employment or earnings increases, at least for this population and in this context.**

Two other ERA programs in Riverside — the Work Plus Phase 2 program and the Training Focused Phase 2 program — referred welfare recipients who were newly employed and worked 20 or more hours per week to community education and training programs. Both programs shared the same operating principle: that to advance in the labor market, low-wage workers need to obtain skills and credentials beyond what they can acquire on the job. One program, operated by the welfare agency, encouraged individuals to meet California’s 32-hour-per-week TANF participation requirement by adding another 12 hours of attendance in adult basic education, vocational training, or postsecondary education to their hours of employment. The other program, operated by the workforce development agency, allowed recipients to substitute additional hours of the same types of schooling for hours on the job, or even to temporarily forgo employment and participate full time in approved skill-building activities.

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<sup>17</sup>CBOs also provided services in other ERA programs — the Texas and Cleveland ERA programs. But the Riverside PASS test was the only test where CBOs provided services to program group members in some locations but not in others (unlike Cleveland) *and* CBOs did *not* provide services to control group members as well (unlike Texas). The Riverside PASS test is thus uniquely positioned to shed light on the possible contribution of CBOs. New Hope, a demonstration project and evaluation operated in Milwaukee in the 1990s that offered earnings supplements, among other services, is another example of an effective program operated by a CBO (Huston et al., 2003). Like the Cleveland ERA program, New Hope services were provided by the CBO in both program target neighborhoods, and the evaluation’s control group could not receive New Hope services but could receive other community services.

Both programs were compared with a typical “work-first” program with a 32-hour-per-week work participation requirement that did not emphasize education and training.

For those who entered the programs without a high school diploma or a GED, both programs almost doubled the proportion who participated in basic education or GED classes above the levels of the control group. Increases in the receipt of credentials, however, were small, and there were no increases in participation in training or college classes for this subgroup. Neither program produced positive economic impacts over a four-year follow-up period. One possible reason for the lack of economic impacts may be that, as shown in prior research, increases in adult basic education may not have a large payoff in economic benefits unless they result in the receipt of a GED and are accompanied or followed by postsecondary education or training (preferably also resulting in a credential).<sup>18</sup>

- **It is difficult for programs to increase the proportion of employed single-parent TANF recipients who enroll in postsecondary education or training, particularly among those working at least 20 hours per week.**

The same two Riverside Phase 2 programs described above also served individuals who, when they entered the program, already had a high school diploma or a GED. For these individuals, however, the two programs produced little or no increases in participation in any type of education or training relative to the control group and did not increase the receipt of certificates or diplomas. Another, earlier program operated in Riverside — New Visions — showed similar results. This program was targeted to TANF recipients who worked at least 20 hours a week and had a high school diploma or a GED. Run at a community college, it provided a 24-week college “bridge” program to prepare people for occupational training programs and offered a flexible schedule of classes, self-paced curricula, and short (six-week) class segments.

Compared with a group of working welfare recipients eligible for Riverside’s usual services, New Visions resulted in only a small increase in the likelihood of people enrolling in community college courses and no increase in the likelihood of accumulating regular college

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<sup>18</sup>See Bos et al. (2002); and Murnane, Willett, and Boudett (1995). The Greater Avenues for Independence (GAIN) evaluation and the National Evaluation of Welfare-to-Work Strategies (NEWWS) — large random assignment studies conducted in the 1980s and 1990s — also examined whether it was possible to increase adult basic education participation among welfare recipients. Unlike in ERA, however, very few sample members in GAIN and NEWWS were employed, given the earnings disregard and welfare-to-work program participation rules in effect at the time. In addition, the ERA programs did not specifically mandate education or training participation (as opposed to other activities) or did not mandate participation in any activity at all (for example, while people were employed), whereas education or training participation was specifically mandated in certain programs studied under GAIN and NEWWS.

credits or obtaining a certificate or degree over a three-year follow-up period.<sup>19</sup> The evaluations of all three of these voluntary programs posited similar reasons for their limited effects on participation in education and training, based on field research. The chief difficulty appeared to be convincing many employed single parents — especially those working full time — to cut back on their hours of work or on family time in order to attend school or training. There were also challenges to increasing persistence and completion. For those with a high school diploma or a GED, none of the programs (as would be expected, given the lack of participation increases) had impacts on program group members' employment or earnings.

- **Non-ERA research suggests that providing financial incentives to promote participation in education and training can increase enrollment and, in some cases, persistence, for groups that are likely similar to employed single-parent TANF recipients.**

A substantial proportion of low-income individuals participate in education or training courses on their own, without any prodding from welfare-to-work programs. In the ERA tests of programs targeted to individuals receiving TANF, about one-third of control group members did so. Persistence in and completion of education and training, however, is the exception rather than the rule. Thus, some programs outside of ERA have offered financial assistance conditioned on the take-up of, persistence in, and completion of education and training. Given that these programs have been able to increase some of these outcomes, whereas the Riverside ERA programs largely did not, the following paragraphs and section briefly summarize selected non-ERA programs and their effects, in order to provide ideas on this topic.

One such program was UK ERA, referenced above. In addition to offering earnings supplements tied to full-time employment, the program also offered tuition assistance if individuals undertook training while they were employed for at least 16 hours per week and awarded a bonus to individuals who completed training. UK ERA increased enrollment in training but did not result in increases in receipt of degrees or certificates.<sup>20</sup> The Dayton, Ohio, site in the WASC demonstration similarly offered payment contingent on participation in education or training while the targeted low-income individuals were working (part time as well as full time) as long as a minimum grade point average (GPA) was maintained. It also offered career coaching as well as a bonus for completing courses with a credential and another bonus if completing a course led to a job promotion. Within a currently available one-year follow-up period, the Dayton program increased education and training as well as receipt of a credential.<sup>21</sup>

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<sup>19</sup>Fein and Beecroft (2006).

<sup>20</sup>Hendra et al. (2011).

<sup>21</sup>Miller, Tessler, and Van Dok (2009).

Finally, some programs have offered scholarships to low-income community college students — many of whom were single parents and receiving some income-related government benefits — for meeting certain academic benchmarks, such as maintaining half-time enrollment and a satisfactory GPA. These performance-based scholarship programs have been found to increase full-time enrollment and credits earned, and one increased persistence in college.<sup>22</sup>

- **Other non-ERA research suggests that integrated skills training and job-matching assistance tied to specific industries can increase training participation as well as employment and earnings. Such programs have been very small, however, and narrowly targeted to highly screened and motivated low-income individuals.**

Over a two-year follow-up period, the three programs evaluated in the Sectoral Employment Impact Study, described earlier, increased the percentage of individuals who began skills training by almost three-fold, and three-quarters of the program group members who began the skills training completed it.<sup>23</sup> However, the three programs were very different from the ERA programs in their very small scale, the characteristics of those targeted (more credentialed volunteers with an aptitude for specific careers), their enrollment practices, and the quite specific vocational skills imparted in training. As discussed in the last section of this synthesis, future planned research will examine whether similar sector-focused programs can be more broadly targeted and operated at much greater scale and still produce such positive results.

### **Providing Individual Counseling and Social Service Referrals**

- **By themselves, counseling individuals and referring them to services to help them stay employed do not appear to increase employment retention and earnings. Programs that offer services in addition to counseling and referrals, such as earnings supplements or financial incentives, individualized job placements, or direct connections to employers, appear to be more effective.**

All the ERA programs included interaction between staff members and clients, as do most employment programs and other social service programs. This staff-client interaction can be defined as the process of program staff working one-on-one with participants to provide a range of services and assistance. It can be a service itself as well as a vehicle for providing other services. Staff-client interaction (sometimes referred to as “case management”) is often looked to as a promising tool to help workers stay in jobs and move up in the labor market. As dis-

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<sup>22</sup>Richburg-Hayes et al. (2009); Cha and Patel (2010); Richburg-Hayes, Sommo, and Welbeck (2011).

<sup>23</sup>Maguire et al. (2009).

cussed below, evidence from ERA and several other studies, however, suggests that while it may be a necessary ingredient of programs like those studied, it is not sufficient to make a meaningful difference in employment outcomes.

Several ERA programs — the Reach for Success (RFS) program in Los Angeles, the Eugene and Medford, Oregon, ERA programs, and the South Carolina ERA program — offered case management on a voluntary basis to employed current or former TANF recipients in the form of job coaching, referrals to supportive services, assistance in developing career plans, and advice on education and training programs. While some of these programs increased participation in a few services relative to control group levels, such as career assessment, the increases were generally small. None of these programs increased employment or earnings.

Several explanations for the results of these four ERA programs are possible. It could be that the services they offered are available to low-income workers outside of special programs to a greater extent than is normally assumed. It is possible that single parents found it difficult to set aside time to talk regularly with program staff while working and fulfilling family responsibilities. It is also possible that employed individuals may not have seen the offered services as likely to benefit them or may have needed more time in the labor market or in a particular job to be ready for such services. Nonetheless, contrasting the ERA programs that offered only counseling and case management (the Los Angeles, Eugene, Medford, and South Carolina programs) with ERA programs that offered these services plus others (such as the Texas ERA program, which also offered earnings supplements, and the Chicago ERA program, which also offered employer connections that facilitated specific job placements) suggests that counseling and case management by themselves are not effective.

Two other studies support this conclusion. The Postemployment Services Demonstration (PESD)<sup>24</sup> — an ERA precursor project in the 1990s — studied programs that primarily offered case management services and found no economic effects. A program run in San Diego as part of the WASC demonstration offered job and career coaching but, in contrast to the Dayton WASC site, did not offer special services such as financial incentives for education and training participation. The San Diego program did not improve employment outcomes.

The Riverside PASS program, which provided many services similar to those offered in the four ERA programs described above, actually did increase employment retention and advancement. While direct evidence is not available on why this program's results might have been different, one possible explanation is the program's emphasis on quickly helping individuals who lost a job to find another one. In general, however, it appears that without offering

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<sup>24</sup>Rangarajan and Novak (1999).

additional services, programs that offer only counseling and referrals to services are unlikely to promote increases in employment retention and earnings.

## **Program Practices That Can Foster Employment Retention and Advancement**

This section presents some lessons about specific practices or program elements that might help increase employment retention and advancement. In contrast to the lessons shared in the third section, which focused on which broad strategies appear to be effective, lessons in this section are more oriented toward how to implement retention and advancement strategies. Some of the lessons in the next few pages are based on analyses of quantitative research data while others are based on field research, which involved qualitative analysis of many interviews with program administrators and staff as well as direct observations of program activities.<sup>25</sup>

### **Facilitating Engagement in Education and Training**

- **Less-skilled, low-income individuals may need pointed guidance about the types of training to pursue.**

As discussed in the previous section, ERA and other projects found that financial incentives and tuition payment assistance can help increase participation in education and training and can sometimes increase completion. However, analyses of data pooled across a number of studies — ERA, the UK ERA study, the WASC demonstration, and an evaluation of a conditional cash transfer program in New York City<sup>26</sup> — suggest that without guidance about what types of training to pursue, individuals in special programs are likely to enroll in the same types of education and training in which they would have enrolled in the absence of the programs. For a significant proportion of people, this means training for occupations with little chance for upward mobility. Perhaps more pointed advice needs to be imparted regarding realistic goals, opportunities for advancement, and the availability of courses offering high-quality instruction in high-demand occupations.

### **Using Earnings Supplements**

- **To enhance the effectiveness of earnings supplements designed to increase employment and income, program operators should consider also**

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<sup>25</sup>For a wide-ranging collection of concrete recommendations about how to provide retention and advancement services, see the technical assistance guide that MDRC created during the ERA project, in collaboration with its technical assistance partner. The guide can be found at: [http://www.acf.hhs.gov/programs/opre/welfare\\_employ/employ\\_retention/reports/prac\\_tips/prac\\_tips.pdf](http://www.acf.hhs.gov/programs/opre/welfare_employ/employ_retention/reports/prac_tips/prac_tips.pdf).

<sup>26</sup>See Riccio et al. (2010) for a description of this program.

**offering services to help people find jobs, providing services after the supplements end, and aggressively marketing the incentive.**

Earnings supplements — monetary payments to employed individuals to encourage work and increase the payoff of low-wage work — have been found to increase employment, family income, and, in some cases, employment retention, at least while the supplement is provided and sometimes longer. But implementing an earnings supplement program effectively is challenging. The ERA Texas program and four other programs MDRC studied<sup>27</sup> provide some lessons for designing and operating earnings supplement programs that reach the intended recipients.

When designing an earnings supplement, it is useful to include additional employment services in the package to help participants find jobs — particularly services that prepare individuals for work and emphasize advancement. Program designers should also consider ways to lengthen the period that individuals receive supplements and provide additional supports after the supplements end. With the exception of the ERA program in Corpus Christi, Texas (and the UK ERA program as targeted to single men), the positive effects of the programs studied ended before participants' eligibility for the supplement ended (in some cases because control group members caught up and in others because job loss within the program groups did not lead to lasting gains). Finally, alternative programmatic platforms for offering supplements should be considered. Earnings supplements have been successfully provided through TANF, by community-based organizations, and by other organizations.

When operating an earnings supplement program, it is critical to ensure that individuals are aware of and take advantage of the benefit. If it is used only by those who would have worked anyway, it serves primarily as a “windfall” for those individuals rather than acting as an incentive to employment. Aggressive marketing is key, along with clear explanations of how the supplement works and how it can benefit individuals and their families. Establishing relatively straightforward service and eligibility rules may help maximize take-up rates.

**Strategies for Reemployment**

- **It is important for programs to learn promptly that participants have lost a job so that they can help them to quickly find another. Practices to facilitate this include designating staff to work with newly unemployed**

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<sup>27</sup>The Canadian Self Sufficiency Project (SSP), the Minnesota Family Investment Program (MFIP), Milwaukee's New Hope Project, and the United Kingdom Employment Retention and Advancement (ERA) program.

**participants, contacting workers soon after they begin a job, and asking questions designed to detect on-the-job problems.**

As noted above, many ERA participants lost jobs shortly after entering the program. To provide effective reemployment services, it is useful for program administrators to designate staff to work specifically with participants who have recently lost their job. It is also important to hire staff or to partner with organizations that have knowledge of job dynamics in the low-skills labor market and strong relationships with employers, and provide frequent training to help staff understand and fulfill their responsibilities.

To ensure that job loss is identified promptly, program staff should contact newly employed workers soon after they begin a job and regularly thereafter. Programs can make it easier for staff to interact with participants more frequently by expanding hours of operation and meeting participants at their workplace or other convenient locations. Programs can also encourage participants to maintain contact with staff by offering incentives, such as public transportation passes, movie passes, or diapers, to those who meet with a staff member. During the meetings, staff should ask questions specifically designed to detect possible threats to job stability.

To guide staff members' work with participants who lose a job, programs should develop a short-term timeline for activities such as résumé updating, finding job leads, and application help. Staff should help participants examine the issues that led to the job loss to avoid similar situations in the future. Through contact with participants' employers, programs can also learn about job loss and can improve services by understanding the requirements and characteristics of specific positions.

### **Staff-Client Interaction**

- **In an ERA-like program, given the nature of services, staff caseloads cannot be large. Below a certain threshold, however, simply reducing caseloads may not be enough to improve employment outcomes for participants.**

Although the ERA project was not designed to provide evidence about a maximum or optimum number of individuals who should be on a staff member's caseload in retention and advancement programs, ERA field research suggests that it is important that caseloads do not become too large if services are intended to be offered and given to everyone targeted. Providing individualized retention and advancement services is time-consuming, and staff also need to spend time helping participants get reemployed when they lose jobs.

The previous section showed that although some amount of staff-client interaction is a necessary component of programs like the ones studied in ERA, it is not sufficient by itself to make a meaningful difference in employment outcomes. Assuming that caseloads are not above a certain threshold, however, reducing the number of people on each staff member's caseload may not, on its own, yield improved outcomes. Two ERA programs intentionally had caseloads that were lower than usual (that is, lower than caseloads for staff working with control group members). In the Los Angeles Reach for Success ERA program, program staff offered individualized and flexible retention and advancement services to caseloads that were roughly half the size of those of staff in the control group program. In the Minnesota ERA program (see Appendix B for a description of the program), staff had smaller caseloads than their control group program counterparts so that they could pay more attention to the unique circumstances of individuals who had remained on the TANF rolls for a long time without working, conduct assessments that were more in-depth, and refer people to a broad range of services. Neither of these two ERA programs yielded increases in participants' employment. These findings are echoed in a special study that was conducted as part of the Greater Avenue for Independence (GAIN) evaluation in Riverside, California. In that study, significantly lower caseloads for program staff did not improve employment outcomes for welfare recipients. All of these results suggest that lower caseloads, and the greater level of interactions that they allow, may be effective only when increased interaction with and in-depth knowledge of clients translates into clients actually participating more in a fuller range of services that specifically address the issues identified during the staff-client interactions.

### **Delivering Services at Workplaces**

- **Situating retention and advancement programs at workplaces can have benefits but also presents some daunting practical challenges, including recruiting employers with enough eligible workers to make the program worthwhile and finding private space and time in the workday for meetings.**

Although this is not a common practice, ERA-like programs can be situated at work sites. One of the ERA programs (in Cleveland) provided services to low-wage workers on site at select employers, with the aim of increasing retention. A WASC program in Fort Worth, Texas, provided services to low-wage workers at select workplaces to foster advancement and connect people to work supports.<sup>28</sup> The experiences of these programs suggest some lessons that policymakers and practitioners should keep in mind if they are considering locating retention or advancement services at workplaces.

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<sup>28</sup>Schultz and Seith (2011).

This arrangement can yield some benefits. It can engage workers who might not be reached through government or other social service agencies and can make services more convenient to access. Employers' endorsement of the services can enhance their credibility and legitimacy for workers, and the services can be developed in collaboration with specific employers, possibly increasing their relevance. Finally, this arrangement potentially can help employers improve their workers' skills and productivity as well as their engagement and attendance.

Despite the potential benefits, however, the experiences of the programs in Cleveland and Fort Worth point to some substantial challenges. Recruiting employers can be very difficult. Some employers do not have enough eligible workers to make an on-site program useful, some accept turnover as a cost of doing business and are not interested in retention services, and some do not view advancement as a pressing need. In addition, it can be difficult to locate space at work sites for private conversations about retention and advancement, and it may be challenging for employees to find time in the work day to meet with program staff. Moreover, providing services at the workplaces of multiple employers rather than in a central location can be less efficient and more costly. Some employers are also reluctant to allow outside training providers to learn too many proprietary details. Finally and importantly, providing services at workplaces may mean that the program is serving two customers with divergent goals: The number of advancement opportunities that a given employer has available is often limited, so sometimes advancement for an individual employee means seeking a job elsewhere.

- **Meeting participants at their workplace may be a useful way to deliver postemployment services. The Texas ERA program offers some lessons for doing this effectively, including emphasizing the benefits for employers and keeping the interactions brief.**

In the ERA project, few programs included substantial interaction with employers. One that attempted to provide postemployment services to participants at their work site — the Texas program in Corpus Christi — ended up meeting with only a small minority of its program group members at their workplace. The program's experiences, however, can provide some lessons for administrators who are considering this approach.

During the workplace visits, ERA staff spoke with both the employee and his or her supervisor about job performance and any issues that might have arisen. After someone had been stabilized on the job, staff members discussed advancement possibilities with both the employee and the employer. Staff noted that most employers were amenable to meeting with them about specific employees, but some were not. To gain employers' buy-in to the program, staff found that it was important to explain the goals of the ERA program, to emphasize the assistance that they could provide (such as improving job retention by addressing specific problems, assisting

with staff development, and helping the employer to fill future vacancies), and to build a relationship with the employer. In addition, staff found that it was helpful to keep the meetings with employers “friendly and casual” and short, lasting less than five minutes. For those employees who were amenable to workplace visits, they saved the employees from having to visit the program office or connect by phone. If an employee or employer did find the visits problematic, ERA staff arranged to meet with the employee during a lunch hour or break or at an off-site location.

### **Staffing Considerations**

The ERA project offers some lessons about staffing a retention and advancement program. Box 4 shares some information on how ERA staff spent their time and the nature of their interactions with participants that can be useful when designing an ERA-like program. The project also provides the guidance below.

- **Expect that staff in ERA-like programs targeting a similar population will spend a significant amount of their time providing reemployment services, because job loss will be common.**

As discussed above, rates of job loss were high in the ERA programs. In fact, many of the participants in the programs that aimed to help employed individuals stay in their jobs or move up had already lost their jobs by the time ERA staff first contacted them. Because many participants experienced rapid job loss, staff spent a substantial amount of time helping participants find new jobs (as shown by field research and also by the ERA time study, summarized in Box 4) and thus spent less time than planned providing employment retention and advancement services. When staffing programs and determining staff responsibilities and workloads, program administrators should keep this in mind and hire or assign to the program at least some staff with strong job search and job development experience.

- **Programs that provide retention and advancement services require staff with a broader range of skills and expertise than do standard welfare-to-work programs.**

In most of the ERA programs, staff were responsible for providing a range of services, rather than specializing in one or a few. Many of these services — such as recruitment, career counseling, labor market assessment, and job development to facilitate moving from job to job — are not typically provided in standard welfare-to-work programs. Thus, the ERA programs often demanded that staff have skills and knowledge in particular areas or expertise in working with populations that were new to those whose only experience had been working in welfare agencies — or even in other employment programs or agencies. ERA field research indicated that program administrators, for example, needed to establish what constituted advancement for

#### **Box 4**

### **Lessons for Operating Retention and Advancement Programs from the ERA Staff Time Study**

A time study was administered to the ERA staff to better understand the nature of staff-client interactions (or “case management”) in employment retention and advancement programs. The study collected detailed information on the nature of the interactions and the topics covered. The findings suggest that when designing, staffing, and operating an employment retention and advancement program or adding this component to an existing program, one should expect the following:

- Staff will spend about one-third of their work time in contact with clients, with each client contact generally lasting less than half an hour.
- Overall, contact will be equally likely to be initiated by clients as by program staff.
- Contact with nonworking clients is likely to be in person, while contact with working clients is likely to be via telephone.
- The most commonly discussed topics will differ by program, reflecting, among other factors: programs’ primary goals; whether programs are operated by TANF staff (who control or have access to supportive services and, in some cases, TANF eligibility, and who may need to enforce mandatory participation requirements); and whether financial incentives are offered as part of the program. However, even in programs focused primarily on advancement, a substantial proportion of client contact will include at least some discussion of activities or topics related to reemployment.
- In-person contact, compared with other types of contact, will be more likely to be used to initially engage clients in the program. In addition, in-person contact will tend to address supportive services, career goals, specific employment and training options, reemployment, and screenings or assessments.
- Three types of activities during client contact will take up the most time: initially engaging clients in the programs, conducting screenings and assessments, and discussing career goals and advancement.

the targeted population, figure out how to measure concrete steps taken toward it, and determine how to explain these measures to staff and hold them accountable for achieving them. In reaction, staff needed to determine when and how best to broach the topic of advancement, particularly for participants who were working steadily. In addition, given the individualized nature of the services, ERA staff had to use extensive discretion in determining appropriate employment plans, services, and goals, compared with the situation in most welfare-to-work programs in which services and goals are more prescribed. For example, field research also indicated that staff needed to use various methods to ascertain a participant's current employment situation, constraints, and goals; inform the participant about possible employment and career choices and pathways; make an advancement plan together with the participant that might include a range of possible services; and help the participant to solve problems as they arose.

Even though ERA programs made efforts to hire and train qualified staff, providing an extensive range of retention and advancement services was a struggle for many ERA program staff. The ERA project was not designed to find out what kinds of skills, knowledge, and experience staff would need in order to effectively provide retention and advancement services, but the experiences of the programs suggest that administrators should focus on this issue.

## **Implications for the Next Generation of Programs**

While the ERA project and related evaluations point to some strategies that can improve low-income individuals' employment and earnings and foster upward mobility, the effects of the studied programs were rarely what might be considered transformational. Furthermore, the majority of the programs tested did not succeed in improving employment outcomes. Thus, a continued search for new, potentially more powerful interventions — and rigorous testing of their feasibility and effectiveness — seems warranted. Areas of possible exploration, some overlapping, include the following:

*Adopting a career pathways framework:* Programs using this framework generally offer academic, occupational, and life skills training that employers value; financial and supportive services; and defined links to employment opportunities. Their goal is to move individuals through well-articulated training and employment steps to jobs in high-demand occupations.<sup>29</sup> Some studies of this type of program are already under way. The Administration for Children and Families (ACF), Office of Planning, Research and Evaluation (OPRE), for example, is funding the Innovative Strategies for Increasing Self-Sufficiency (ISIS) project, which is testing nine career pathways approaches aimed at increasing access to and success in postsecondary

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<sup>29</sup>See <http://www.projectisis.org/project.html> for a depiction of this framework.

education. In another ACF OPRE-funded effort, evaluations will soon begin of a number of health care-related education and training programs. These programs are operated using Health Professions Opportunity Grants, are targeted to TANF recipients and others, and adopt a career pathways framework.

*Combining into a single program several features already shown to be effective:* Such a program might include financial incentives (to promote work as well as skill-building), sector-focused training, and strong connections to employers in specific industry sectors. One such initiative — the WorkAdvance project — is being funded as part of a Social Innovation Fund grant and will be rigorously evaluated. The WorkAdvance approach is combining postemployment strategies with sector-based training and placement. Within the initiative, training programs are being implemented at a larger scale than they have been previously, as well as in different settings and focusing on different sectors.

*Providing services through different institutions:* While difficult to mount, evaluations assessing the effectiveness of using different service providers — TANF agencies, workforce development agencies, community colleges, community-based organizations, for-profit groups, and others — could shed light on an operational issue of key importance to policymakers and program administrators.

*Focusing on low-skilled individuals:* Individuals with low literacy skills or with only rudimentary education credentials, such as high school diplomas or GEDs, are at a severe disadvantage in the labor market: They generally lack advancement opportunities in their workplaces and often do not meet the entry requirements for many training programs. Moreover, increasing the literacy skills or education credentials of low-skilled adults often requires a significant investment of time. Nevertheless, new and innovative program strategies for this group are needed, particularly when labor markets are tight and more highly skilled individuals are likely to crowd those with lower skills out of promotions, better job opportunities, and training slots. Possible program strategies could include combining basic skills and occupational instruction, as is being done in Washington State’s I-BEST program<sup>30</sup> and in pilot programs where GED instruction is specially designed to be a direct “bridge” to occupational programs. Other strategies could include very short, sector-recognized credential programs that would qualify individuals for pay raises, such as programs to certify home attendants as home health aides. In addition, financial incentives could be offered to encourage low-skilled individuals to

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<sup>30</sup>See Zeidenberg, Cho, and Jenkins (2010) for a description of I-BEST and early results from an I-BEST quasi-experimental evaluation. I-BEST and possibly one or two “bridge” programs will be experimentally tested in the ISIS project.

participate in basic skills instruction, occupational training, or credential programs and to partly offset the amount of time these activities take, often at the expense of work hours.

*Changing the work environments, workplace rules and practices, or general ethos of low-wage jobs:* While difficult to do, as they would require the initiative and cooperation of employers, a test of such changes could assess the effects on employment retention and advancement of altering workplace factors and environments, as opposed to the effects of altering the behavior and personal and family circumstances of low-wage workers.

*Exploring ways to “make work pay:”* Finally, since many of the available jobs over the next decade are forecast to be low-skilled, low-wage ones, the exploration of more ways to help “make work pay” could be useful. As one example, this report has shown how earnings supplements have been an effective way to increase the employment and earnings of employed single parents, almost all of whom are women. Possible future studies could explore whether such programs could have similar effects for single men.

In sum, while this synthesis demonstrates that a number of strategies have been effective in helping low-income individuals remain employed, earn more, and advance, there is still much to learn about how best to foster their upward mobility and lift them out of poverty.

**Appendix A**

**Detailed Information on Each of the 12 ERA Programs**

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### Appendix Table A.1

#### Program Summary: Los Angeles EJC (Enhanced Job Club)

|  |   |
|--|---|
| <b>Strategy</b>                        | Encouraging unemployed individuals to find jobs   |
| <b>Goal</b>                            | Place unemployed TANF recipients in targeted and promotable jobs within an identified field of interest   |
| <b>Target group</b>                    | Unemployed TANF recipients  |
| <b>Key program components</b>          | <ul style="list-style-type: none"> <li>• <b>Participation requirements:</b> Participation in job club workshops was mandatory in order to continue receiving the TANF grant.</li> <li>• <b>Outreach and marketing:</b> Because participation was mandatory, staff did not recruit or attempt to engage participants before the scheduled start date of their job club.</li> <li>• <b>Staff-client engagement:</b> Workshops were conducted during standard office hours at the program workshop offices; ongoing staff-client relationships were not a priority of the model, and staff did not attempt to stay in contact with participants after they left the job club.</li> <li>• <b>Job preparation and placement services:</b> Job search activities targeted a specific range of jobs within an occupational field of interest defined by the participant.</li> <li>• <b>Retention services:</b> Program did not provide specific services in this area but addressed it in indirect ways, such as encouraging participants to meet employers' expectations for work site behavior and ensuring that participants made arrangements for child care and transportation needs in preparation for employment.</li> <li>• <b>Advancement services:</b> Program offered career development activities, quick access to education and training if participants were unable to find employment, and encouraged blending part-time work with participation in education or training.</li> <li>• <b>Employer linkages:</b> Strategies were minimal to involve employers in job placement or career development activities.</li> </ul> |
| <b>Implementation challenges</b>       | Implemented largely as designed   |
| <b>Location</b>                        | San Gabriel Valley region and Central Los Angeles region of Los Angeles County  |
| <b>Management structure</b>            | Jointly operated by the Los Angeles County Department of Public Social Services and the Los Angeles County Office of Education  |
| <b>Key funding source</b>              | State TANF program  |
| <b>Years of operation</b>              | 2002-2004   |
| <b>Control condition</b>               | Required to participate in a traditional job club, emphasizing seeking any type of job that could result in a quick placement, with limited access to a job coach and no career development guidance  |
| <b>Participation impacts</b>           | Resulted in no differences between the groups on most measures of sample members' contact with any employment program staff   |
| <b>Employment and earnings impacts</b> | Did not generate any changes in the main measures of employment, employment retention, earnings, or advancement   |

**Appendix Table A.2**  
**Program Summary: Salem**

|  |  |
|--|--|
| <b>Strategy</b>                        | Encouraging unemployed individuals to find jobs  |
| <b>Goal</b>                            | Job placement, job retention, and career advancement among unemployed TANF applicants  |
| <b>Target group</b>                    | Unemployed TANF applicants   |
| <b>Key program components</b>          | <ul style="list-style-type: none"> <li>• <b>Participation requirements:</b> Participation was mandatory in the preemployment job search to continue to receive TANF grant; postemployment services were voluntary.</li> <li>• <b>Outreach and marketing:</b> Staff conducted intake meetings and orientation sessions with the marketing of ERA program services, emphasizing the program’s enhanced customer service and ongoing postemployment services.</li> <li>• <b>Staff-client engagement:</b> Services were tailored to individual participants’ interests and employment barriers, with flexibility in the scheduling and location of staff-client meetings; frequent contact was made with engaged participants through workshops and regular check-ins.</li> <li>• <b>Job preparation and placement services:</b> Preemployment workshops and one-on-one assistance from program staff was provided to address long-term career interests and employment barriers and provide support services.</li> <li>• <b>Retention services:</b> Staff were unable to provide postemployment services consistently.</li> <li>• <b>Advancement services:</b> Preemployment workshops were held, including advancement messages, career interest assessments, and career path activities.</li> <li>• <b>Employer linkages:</b> Staff were unsure of how to approach employers. Participants repeated that they did not want program staff involved in their work relationships.</li> </ul> |
| <b>Implementation challenges</b>       | <ul style="list-style-type: none"> <li>• Staff lacked experience in providing retention and advancement services.</li> <li>• Higher-than-anticipated caseloads made it difficult for staff to focus on postemployment services.</li> <li>• State hiring freeze affected job opportunities available to participants as well as the program’s staffing.</li> </ul>  |
| <b>Location</b>                        | Salem, Oregon  |
| <b>Management structure</b>            | Jointly operated by the welfare agency (DHS) and Chemeketa Community College. Staff were colocated at the Winema Career Center (a WIA One-Stop Career Center).   |
| <b>Key funding source</b>              | State TANF program   |
| <b>Years of operation</b>              | 2002-2005  |
| <b>Control condition</b>               | Participated in Oregon’s standard welfare-to-work program providing preemployment job search services that essentially ended once clients found jobs and were no longer eligible for TANF assistance   |
| <b>Participation impacts</b>           | The program group had a higher number of contacts with DHS or community college staff, compared with the control group; the program group was more likely to participate in job search and to receive help with retention and advancement.   |
| <b>Employment and earnings impacts</b> | Did not generate statistically significant impacts on employment, retention, or advancement  |

**Appendix Table A.3**  
**Program Summary: Cleveland**

|  |   |
|--|---|
| <b>Strategy</b>                        | Encouraging <i>job</i> stability  |
| <b>Goal</b>                            | Increase retention among low-wage, entry-level workers in the long-term nursing care industry   |
| <b>Target group</b>                    | Workers earning less than \$13 per hour, hired within the past six months, and employed by 42 long-term nursing care firms and two manufacturing firms  |
| <b>Key program components</b>          | <ul style="list-style-type: none"> <li>• <b>Participation requirements:</b> Participation was voluntary.</li> <li>• <b>Outreach and marketing:</b> Staff heavily marketed services, using strategically placed flyers and facility-wide loudspeaker announcements encouraging attendance and garnering enthusiasm for the program.</li> <li>• <b>Staff-client engagement:</b> Generalist staff were stationed at employers with regularly scheduled office hours and activities provided during all three shifts; staff tailored services to individual participants.</li> <li>• <b>Job preparation and placement services:</b> Not a priority of the model and not pursued by staff</li> <li>• <b>Retention services:</b> Lunch and learn sessions provided life skills education; staff provided help dealing with problems that might put individuals at risk of losing their job, such as transportation or child care needs; staff provided work supports and social service referrals.</li> <li>• <b>Advancement services:</b> Advancement was not a priority of the model and was not pursued by staff.</li> <li>• <b>Employer linkages:</b> As an employer-based program, had strong connections with participants' employers.</li> </ul> |
| <b>Implementation challenges</b>       | <ul style="list-style-type: none"> <li>• Participation challenges due to the round-the-clock nature of duties in the long-term nursing care industry</li> <li>• Difficulty navigating workplace rules and space constraints in the delivery of services</li> </ul>  |
| <b>Location</b>                        | Cleveland, Ohio   |
| <b>Management structure</b>            | Operated by Towards Employment, a community-based social service organization   |
| <b>Key funding source</b>              | Public and private grant funding raised by Towards Employment   |
| <b>Years of operation</b>              | 2002-2005   |
| <b>Control condition</b>               | Had no special on-site retention initiatives  |
| <b>Participation impacts</b>           | Increased participation in retention and advancement services but had only modest levels of overall participation   |
| <b>Employment and earnings impacts</b> | Did not produce any changes in the main measures of employment, employment retention, earnings, or advancement  |

**Appendix Table A.4**

**Program Summary: The Texas ERA Program in Corpus Christi, Fort Worth, and Houston**

|  |  |
|--|--|
| <b>Strategy</b>                        | Encouraging <i>employment</i> stability  |
| <b>Goal</b>                            | Job placement, job retention, and career advancement for unemployed TANF applicants and recipients   |
| <b>Target group</b>                    | Unemployed TANF applicants and recipients  |
| <b>Key program components</b>          | <ul style="list-style-type: none"> <li>• <b>Participation requirements:</b> Preemployment programs were mandatory for individuals while they were receiving TANF; to receive the \$200 monthly employment retention stipend, individuals were required to exhaust their TANF earnings disregard, work 30 hours per week, and attend some type of employment-related activity each month.</li> <li>• <b>Outreach and marketing:</b> Stipend marketing was strong in Corpus Christi, was initially limited in Fort Worth, and was very weak until late in Houston.</li> <li>• <b>Staff-client engagement:</b> The staff-client relationship was initiated during preemployment services and continued after individuals found employment; services were tailored to individual participants, with limited flexibility in meeting times and locations, and client assessment was aimed toward development of career plans.</li> <li>• <b>Job preparation and placement services:</b> One-week job search workshop, including job search resources, résumé development, and interviewing techniques, followed by three to five weeks of directed individual job search</li> <li>• <b>Retention services:</b> Individualized assistance with job-related issues; monthly stipend for former TANF recipients working at least 30 hours per week</li> <li>• <b>Advancement services:</b> Corpus Christi staff discussed participants' career paths and the requirements to obtain the ideal job, and they tried to make site visits to employers; similar services developed over time in Fort Worth and Houston.</li> <li>• <b>Employer linkages:</b> Strong in Corpus Christi, gained strength in Fort Worth, and limited in Houston</li> </ul> |
| <b>Implementation challenges</b>       | <ul style="list-style-type: none"> <li>• All the sites faced staffing shortages and caseloads that were higher than intended.</li> <li>• Stipend receipt rates were lower than expected.</li> </ul>  |
| <b>Location</b>                        | Corpus Christi, Fort Worth, and Houston  |
| <b>Management structure</b>            | Operated by local nonprofit organizations contracted by Local Workforce Development Boards   |
| <b>Key funding source</b>              | State TANF program; stipend funded by AFDC sanction resettlement funds   |
| <b>Years of operation</b>              | 2000-2004  |
| <b>Control condition</b>               | Similar preemployment services were offered to the program and control groups; however, the control group was not eligible to receive the financial incentive, and staff did not maintain contact with control group members once they left TANF and were no longer receiving their TANF earnings disregard.   |
| <b>Participation impacts</b>           | Increased the proportion of ERA group members who received retention and advancement services; Corpus Christi achieved the highest stipend receipt rate, with 30 percent of the program group receiving at least one payment (compared with 20 percent in the other sites).  |
| <b>Employment and earnings impacts</b> | Corpus Christi and Fort Worth both produced positive earnings impacts, as well as increases in employment retention; Houston did not show positive impacts.  |

**Appendix Table A.5**  
**Program Summary: Chicago**

|  |  |
|--|--|
| <b>Strategy</b>                        | Encouraging <i>employment</i> stability  |
| <b>Goal</b>                            | Advance employed TANF recipients into higher-paying jobs   |
| <b>Target group</b>                    | TANF recipients who worked at least 30 hours per week for at least six consecutive months  |
| <b>Key program components</b>          | <ul style="list-style-type: none"> <li>• <b>Participation requirements:</b> Besides standard participation requirements to continue to receive the TANF grant, ERA added the additional requirement of regular contact with program staff.</li> <li>• <b>Outreach and marketing:</b> Aggressive marketing and outreach strategy with tailored messaging to participants and financial participation incentives</li> <li>• <b>Staff-client engagement:</b> Generic staff provided intense monitoring and follow-up; services were tailored to individual participants, with little flexibility in meeting times and locations.</li> <li>• <b>Job preparation and placement services:</b> Though not a priority of the model, staff provided reemployment services because a substantial number of program group members were no longer employed when they first had contact with program staff.</li> <li>• <b>Retention services:</b> Though not a priority of the model's design, staff connected participants with social services and helped provide such work supports as child care subsidies.</li> <li>• <b>Advancement services:</b> Program provided job search activities, such as résumé writing assistance and interview preparation, career counseling via an employment plan, and, though not a priority of the model, exposure and referrals to education and training services.</li> <li>• <b>Employer linkages:</b> Staff had strong preexisting relationships with local employers and were required to identify jobs within those firms as part of their ERA responsibilities.</li> </ul> |
| <b>Implementation challenges</b>       | <ul style="list-style-type: none"> <li>• Difficulty engaging participants and maintaining their ongoing participation</li> <li>• Unexpected retention and reemployment needs, which hampered advancement services</li> <li>• Ever-increasing caseloads (Service eligibility was open-ended and distinct from TANF receipt.)</li> </ul>   |
| <b>Location</b>                        | Selected welfare offices in Cook County (Chicago area)   |
| <b>Management structure</b>            | Operated by a for-profit company, Employment and Employer Services (E&ES), under contract to DHS; included staff performance incentives  |
| <b>Key funding source</b>              | State TANF program, with special U.S. Department of Labor grant after unspent TANF funds were rescinded, resulting in a brief funding gap  |
| <b>Years of operation</b>              | 2002-2004  |
| <b>Control condition</b>               | Participated in a standard welfare-to-work program that offered postemployment services and limited advancement assistance   |
| <b>Participation impacts</b>           | The ERA group was more likely than the control group to receive help finding a better job, but staff struggled to keep people engaged in the program.  |
| <b>Employment and earnings impacts</b> | Modestly increased employment and earnings   |

## Appendix Table A.6

### Program Summary: Riverside Phase 2 - Training Focused

|  |   |
|--|---|
| <b>Strategy</b>                        | Encouraging participation in education and training   |
| <b>Goal</b>                            | Employment retention and advancement among employed TANF recipients   |
| <b>Target group</b>                    | TANF recipients who had worked at least 20 hours per week for at least 30 days  |
| <b>Key program components</b>          | <ul style="list-style-type: none"> <li>• <b>Participation requirements:</b> Riverside “Phase 2” was subject to standard TANF rules that required 32 hours per week of work. Training Focused allowed hours of education and training participation to be substituted for any or all of the 32 required hours, at least temporarily.</li> <li>• <b>Outreach and marketing:</b> Staff conducted intensive outreach, including recruitment pitches customized to participants’ career and family characteristics.</li> <li>• <b>Staff-client engagement:</b> Generic staff provided services tailored to individual participants; client assessment leading to development of employment plans; intense ongoing contacts with flexibility in their means, timing, and location</li> <li>• <b>Job preparation and placement services:</b> Not a priority of the model and not pursued by staff</li> <li>• <b>Retention services:</b> Other than facilitating work supports and social service referrals, not a priority of the model and not pursued by staff</li> <li>• <b>Advancement services:</b> Training Focused staff directed participants to particular education and training providers and programs and supported addressing basic education needs in the context of particular skill-training programs</li> <li>• <b>Employer linkages:</b> Not included in the model and not pursued by staff</li> </ul> |
| <b>Implementation challenges</b>       | <ul style="list-style-type: none"> <li>• Difficulty engaging participants and maintaining their ongoing participation</li> <li>• Unexpected retention and reemployment needs among participants</li> <li>• Fluctuations in the education and training funding streams</li> </ul>  |
| <b>Location</b>                        | Riverside County, California  |
| <b>Management structure</b>            | Operated by the Welfare-to-Work Division of the Economic Development Agency (EDA)   |
| <b>Key funding source</b>              | Primarily funded with TANF grant money; a key resource for providing education and training services to the Training Focused program was ACCESS, a welfare-to-work grant won by EDA from the U.S. Department of Labor   |
| <b>Years of operation</b>              | 2000-2006   |
| <b>Control condition</b>               | Participated in a less flexible program without a focus on education and training   |
| <b>Participation impacts</b>           | Increased attendance in education or training by only a small amount, relative to participation levels in the control group   |
| <b>Employment and earnings impacts</b> | Did not lead to greater employment retention or higher earnings relative to the levels achieved by the control group  |

**Appendix Table A.7**  
**Program Summary: Riverside Phase 2 - Work Plus**

|  |   |
|--|---|
| <b>Strategy</b>                        | Encouraging participation in education and training   |
| <b>Goal</b>                            | Employment retention and advancement among employed TANF recipients   |
| <b>Target group</b>                    | TANF recipients who had worked at least 20 hours per week for at least 30 days  |
| <b>Key program components</b>          | <ul style="list-style-type: none"> <li>• <b>Participation requirements:</b> Riverside “Phase 2” was subject to standard TANF rules that required 32 hours per week of work. Work Plus required at least 20 hours of work per week with the 12 remaining hours fulfilled by education and training participation and/or job search activities.</li> <li>• <b>Outreach and marketing:</b> Staff conducted intensive outreach, including recruitment pitches customized to participants’ career and family characteristics.</li> <li>• <b>Staff-client engagement:</b> Generic staff provided services tailored to individual participants; client assessment leading to development of employment plans; intense ongoing contacts with flexibility in their means, timing, and location</li> <li>• <b>Job preparation and placement services:</b> Not a priority of the model and not pursued by staff</li> <li>• <b>Retention services:</b> Other than facilitating work supports and social service referrals, not a priority of the model and not pursued by staff</li> <li>• <b>Advancement services:</b> Work Plus staff recommended a number of education and training providers from which participants could choose and prioritized addressing basic education needs before vocational training.</li> <li>• <b>Employer linkages:</b> Not included in the model and not pursued by staff</li> </ul> |
| <b>Implementation challenges</b>       | <ul style="list-style-type: none"> <li>• Difficulty engaging participants and maintaining their ongoing participation</li> <li>• Unexpected retention and reemployment needs among participants</li> <li>• Fluctuations in the education and training funding streams</li> </ul>  |
| <b>Location</b>                        | Riverside County, California  |
| <b>Management structure</b>            | Operated by the county welfare agency   |
| <b>Key funding source</b>              | Primarily funded with TANF grant money  |
| <b>Years of operation</b>              | 1998-Present  |
| <b>Control condition</b>               | Participated in a less flexible program without a focus on education and training   |
| <b>Participation impacts</b>           | Increased attendance in education or training by only a small amount, relative to participation levels in the control group   |
| <b>Employment and earnings impacts</b> | Did not lead to greater employment retention or higher earnings relative to the levels achieved by the control group  |

### Appendix Table A.8

#### Program Summary: Los Angeles RFS (Reach for Success)

|  |   |
|--|---|
| <b>Strategy</b>                        | Providing individual counseling and social service referrals  |
| <b>Goal</b>                            | Help working TANF recipients retain their employment and secure better jobs   |
| <b>Target group</b>                    | Single-parent welfare recipients who were Greater Avenues for Independence (GAIN) participants and who had been working in a full-time job of at least 32 hours per week for generally more than 30 days  |
| <b>Key program components</b>          | <ul style="list-style-type: none"> <li>• <b>Participation requirements:</b> ERA-specific activities did not introduce any additional mandatory TANF participation requirements</li> <li>• <b>Outreach and marketing:</b> Staff conducted multifaceted strategies that included the development of marketing materials, offers of off-site meetings with clients, and emphasis on the voluntary and individualized nature of services.</li> <li>• <b>Staff-client engagement:</b> Generic staff provided intense monitoring and follow-up; services were tailored to individual participants with considerable flexibility in meeting times and locations.</li> <li>• <b>Job preparation and placement services:</b> Not a priority of the model and not pursued by staff</li> <li>• <b>Retention services:</b> Staff provided considerable reemployment services, which focused on securing better jobs rather than any job, and facilitated the securing of work supports and provided social service referrals.</li> <li>• <b>Advancement services:</b> Staff developed and maintained employment plans and encouraged and directed clients to education and training providers within the context of their employment plan.</li> <li>• <b>Employer linkages:</b> Not part of the model and not pursued by staff</li> </ul> |
| <b>Implementation challenges</b>       | <ul style="list-style-type: none"> <li>• Difficulty engaging participants and maintaining their ongoing participation</li> <li>• High demand for reemployment services, which often precluded delivery of advancement services</li> <li>• Limited career counseling skills among staff</li> </ul>   |
| <b>Location</b>                        | Region 1 (western Los Angeles County and neighborhoods surrounding LAX airport), Region 5 (including South Central Los Angeles), and Region 6 (including East Los Angeles) of the Los Angeles County Greater Avenues for Independence (GAIN) program  |
| <b>Management structure</b>            | Operated by the Welfare-to-Work Division of the Los Angeles County Department of Public Social Services   |
| <b>Key funding source</b>              | TANF grant money  |
| <b>Years of operation</b>              | 2002-2005   |
| <b>Control condition</b>               | Participated in a less-intensive postemployment program that provided work supports   |
| <b>Participation impacts</b>           | Produced limited increases in the use of retention and advancement services   |
| <b>Employment and earnings impacts</b> | Led to a small early increase in employment retention, but these retention impacts were not sustained and no other impacts on employment or earnings materialized   |

### Appendix Table A.9

#### Program Summary: Riverside PASS (Post-Assistance Self-Sufficiency)

|  |  |
|--|--|
| <b>Strategy</b>                        | Providing individual counseling and social service referrals   |
| <b>Goal</b>                            | Job retention and advancement among employed individuals who recently left TANF  |
| <b>Target group</b>                    | Employed former TANF recipients who recently left TANF   |
| <b>Key program components</b>          | <ul style="list-style-type: none"> <li>• <b>Participation requirements:</b> Participation was voluntary.</li> <li>• <b>Outreach and marketing:</b> All five service providers made a concerted, sustained effort to contact program group members and encourage them to enroll in the program.</li> <li>• <b>Staff-client engagement:</b> The program used various service delivery models, including coordination among partnering organizations; staff met with program group members during regular work hours and in the office; services were tailored to participants' needs and interests.</li> <li>• <b>Job preparation and placement services:</b> Varied by provider but could include one-on-one job search assistance, help with creating or updating a résumé, or providing job leads</li> <li>• <b>Retention services:</b> Staff devoted considerable attention to rapid reemployment services, provided assistance payments, and made social service referrals for program group members who identified needs.</li> <li>• <b>Advancement services:</b> Staff provided some career counseling and development of employment plans; however, such services were varied across providers and were largely informal. Referrals for education and training services were offered.</li> <li>• <b>Employer linkages:</b> Not included in the model and not pursued by staff</li> </ul> |
| <b>Implementation challenges</b>       | <ul style="list-style-type: none"> <li>• Some providers were inexperienced at running postemployment programs for former TANF recipients.</li> <li>• Staff had difficulty locating sample members due to incomplete or out-of-date contact information.</li> <li>• It was difficult to convince participants to use services.</li> </ul>   |
| <b>Location</b>                        | Riverside County, California   |
| <b>Management structure</b>            | Operated by three community-based organizations, a community college, or a small Department of Public Social Services office — depending on clients' residence   |
| <b>Key funding source</b>              | State TANF funds   |
| <b>Years of operation</b>              | 2002-2003  |
| <b>Control condition</b>               | Had access to limited, ongoing postemployment services through the welfare agency, if individuals chose to pursue them   |
| <b>Participation impacts</b>           | Increased those who received some type of program service; service receipt rates ranged, depending on the provider, from 32 percent to 60 percent  |
| <b>Employment and earnings impacts</b> | Increased employment and earnings during the four years of follow-up   |

**Appendix Table A.10**  
**Program Summary: Eugene**

|  |  |
|--|--|
| <b>Strategy</b>                        | Providing individual counseling and social service referrals   |
| <b>Goal</b>                            | Help former TANF recipients retain their jobs and advance to better jobs and wages   |
| <b>Target group</b>                    | Employed individuals who had left TANF within the year and who were working more than 20 hours per week  |
| <b>Key program components</b>          | <ul style="list-style-type: none"> <li>• <b>Participation requirements:</b> Participation was voluntary.</li> <li>• <b>Outreach and marketing:</b> Through mail and phone, staff sought to schedule intake meetings, emphasizing the program’s advancement focus.</li> <li>• <b>Staff-client engagement:</b> Staffed by two-person, colocated teams that provided flexibility when accommodating participants; staff-client interactions were highly personalized and frequent.</li> <li>• <b>Job preparation and placement services:</b> Not part of the model and not pursued by staff</li> <li>• <b>Retention services:</b> Staff provided job search assistance, social service referrals, and assistance securing work supports; job-specific retention services were informal.</li> <li>• <b>Advancement services:</b> Staff provided referrals to education programs, particularly for vocational and skills training, as well as job leads and suggestions for job advancement, and goals-focused career counseling.</li> <li>• <b>Employer linkages:</b> Not part of the model design and not pursued by staff</li> </ul> |
| <b>Implementation challenges</b>       | <ul style="list-style-type: none"> <li>• Cross-organizational cultural differences hampered working relationships and institutional support.</li> <li>• High caseloads and ERA staff policies restricted flexibility for participant meetings.</li> <li>• Demands for reemployment services detracted from the career counseling envisioned in the model.</li> </ul>   |
| <b>Location</b>                        | Eugene, Oregon   |
| <b>Management structure</b>            | Jointly operated by the Oregon Department of Human Services (DHS) and Lane Community College (LCC), with services provided in the DHS offices  |
| <b>Key funding source</b>              | State TANF program; although state funding was reduced during the 2001-2003 and 2003-2005 state bienniums, funds from the Department of Labor allowed services to continue.  |
| <b>Years of operation</b>              | 2002-2005  |
| <b>Control condition</b>               | Had access to employment-related services in the community, if individuals chose to pursue them  |
| <b>Participation impacts</b>           | Did not increase contact with staff from DHS, LCC, or other employment programs; ERA group members were more likely to have received help with employment retention or advancement and to have participated in job search activities.  |
| <b>Employment and earnings impacts</b> | Generated no impacts on employment retention or advancement; a small early increase in initial employment retention faded later in the follow-up period.   |

**Appendix Table A.11**  
**Program Summary: Medford**

|  |   |
|--|---|
| <b>Strategy</b>                        | Providing individual counseling and social service referrals  |
| <b>Goal</b>                            | Help low-wage working people retain their jobs and advance to better jobs and wages   |
| <b>Target group</b>                    | Employed individuals who had left TANF or who were currently participating in the Oregon Food Stamp Employment and Training program or the Employment Related Day Care program  |
| <b>Key program components</b>          | <ul style="list-style-type: none"> <li>• <b>Participation requirements:</b> Participation was voluntary.</li> <li>• <b>Outreach and marketing:</b> Staff used a proactive approach to engagement.</li> <li>• <b>Staff-client engagement:</b> Staff teams provided program group members with flexibility in whom they met with, and frequent contact was emphasized; services were driven by participants' career interests and participant-defined goals.</li> <li>• <b>Job preparation and placement services:</b> Not part of the model and not pursued by staff</li> <li>• <b>Retention services:</b> Staff provided assistance in preparing résumés and job applications, making social service referrals, and securing work supports, and spoke with participants about problems they were having on the job.</li> <li>• <b>Advancement services:</b> Personal Development Plans were developed and staff assisted participants with career moves or asking for raises; staff also encouraged training and education as advancement strategies.</li> <li>• <b>Employer linkages:</b> Originally the service delivery model called for staff to reach out to area employers on behalf of clients, but this goal never fully materialized due to the staff's lack of experience.</li> </ul> |
| <b>Implementation challenges</b>       | <ul style="list-style-type: none"> <li>• The program was beset with funding difficulties and staff turnover.</li> <li>• Reemployment consumed more time than originally anticipated.</li> <li>• Staff initially struggled to define advancement and determine how to help clients progress.</li> </ul>  |
| <b>Location</b>                        | Medford, Oregon   |
| <b>Management structure</b>            | Jointly operated by the Oregon Department of Human Services, The Job Council, the Employment Department, and Rogue Community College  |
| <b>Key funding source</b>              | State TANF program; although state funding was reduced during the 2001-2003 and 2003-2005 state bienniums, funds from the Department of Labor allowed services to continue  |
| <b>Years of operation</b>              | 2002-2005   |
| <b>Control condition</b>               | Eligible for DHS transitional services and other services available in the community, if individuals chose to pursue them   |
| <b>Participation impacts</b>           | Increased the percentage of individuals that had contact with a case manager, that reported they had received help with employment retention or advancement and job preparation, and that participated in education and training  |
| <b>Employment and earnings impacts</b> | Did not generate an increase in employment retention and advancement and appears to have generated a reduction in the percentage of program group members who were employed at some point during the follow-up period   |

**Appendix Table A.12**  
**Program Summary: South Carolina**

|  |  |
|--|--|
| <b>Strategy</b>                        | Providing individual counseling and social service referrals   |
| <b>Goal</b>                            | Help former TANF recipients get jobs, sustain employment, advance, and increase their earnings   |
| <b>Target group</b>                    | Employed and unemployed former TANF recipients who had left welfare between October 1997 and December 2000 and had not returned to the rolls   |
| <b>Key program components</b>          | <ul style="list-style-type: none"> <li>• <b>Participation requirements:</b> Participation was voluntary.</li> <li>• <b>Outreach and marketing:</b> Staff worked hard to engage participants and offered modest incentives to promote engagement.</li> <li>• <b>Staff-client engagement:</b> Generalist staff were available beyond the standard 9 to 5 workday; staff provided career assessments and developed employment plans; services were tailored to individual participants.</li> <li>• <b>Job preparation and placement services:</b> Unemployed participants received assistance preparing for and searching for a job.</li> <li>• <b>Retention services:</b> Program provided modest financial incentives for employment achievements, such as retaining a job for three months; staff provided assistance with securing work supports and making social service referrals, and held periodic check-ins with participants to talk about workplace problems and concerns.</li> <li>• <b>Advancement services:</b> Staff provided some referrals to short-term education and training; staff strategized with some participants on how to ask for a raise or how to learn about promotion opportunities.</li> <li>• <b>Employer linkages:</b> No formal connection between the program and local employers</li> </ul> |
| <b>Implementation challenges</b>       | <ul style="list-style-type: none"> <li>• Some staff lacked experience working with employed former TANF recipients.</li> <li>• Funding interruptions presented operations challenges.</li> </ul>   |
| <b>Location</b>                        | Pee Dee region, which includes six South Carolina Department of Social Services (DSS) offices (in Chesterfield, Darlington, Dillon, Florence, Marion, and Marlboro Counties)   |
| <b>Management structure</b>            | Operated by the six county DSS (welfare) offices listed above  |
| <b>Key funding source</b>              | State TANF funds   |
| <b>Years of operation</b>              | 2001-2005  |
| <b>Control condition</b>               | No systematic outreach or targeted employment-related services, but control group members could seek out such services in the community on their own.  |
| <b>Participation impacts</b>           | Modestly increased the receipt of employment-related services  |
| <b>Employment and earnings impacts</b> | Did not increase employment, retention, earnings, or advancement   |

**Appendix B**

**Summary of the Four ERA Programs  
That Targeted Hard-to-Employ Individuals**

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**Appendix Table B.1**

**Selected Ideas Tested in Four ERA Programs That Targeted Hard-to-Employ Individuals**

| <b>Strategy for Improving Employment Retention and Earnings</b>              | <b>Ideas Tested</b>   | <b>ERA Found Supporting Evidence</b> |
|--|---|--------------------------------------|
| Assessing career possibilities and helping remove barriers before job search | <p><b>Providing in-depth assessments:</b> Can more in-depth assessments of barriers to employment and the provision of other individualized services, made possible by smaller-than-usual caseloads, improve the employment rates of TANF recipients at risk of reaching their benefit-receipt time limit? (Minnesota “Tier 2” model)</p>   |                                      |
|  | <p><b>Engaging individuals who are “employable with limitations”:</b> Can TANF recipients with work-limiting chronic physical or mental health conditions that normally exempt them from TANF participation requirements be engaged in program activities tailored to their health conditions and be helped to move into the labor market? (New York City Personal Roads to Individual Development and Employment [PRIDE] model)</p>  | ✓                                    |
|  | <p><b>Facilitating substance abuse treatment:</b> Can intensive and coordinated case management services lead to higher levels of referral to and enrollment in treatment and, ultimately, higher levels of employment and lower levels of welfare receipt, compared with usual services, for welfare recipients with substance abuse issues? (New York City Substance Abuse Case Management [SACM] model)</p>  |                                      |
|  | <p><b>Holistic case management:</b> Can enhanced screening and assessment tools to detect employment barriers, a team approach to case management, and other services lead to employment retention and advancement for individuals with long receipts of TANF or intermittent employment? (Portland, Oregon, Career Builders model)</p> <p>Various challenges prevented the program from being implemented as designed, and it provided services that were very similar to the regular TANF program. As a result, the study was terminated.</p> |                                      |

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**Appendix C**

**Descriptions of Other Recent ERA-Related Studies**

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In addition to the findings from the ERA study, this document draws on results from four other major studies that have rigorously tested the effectiveness of different employment retention and advancement services for low-income individuals. Program details and results for each of the four studies are described below.

## **United Kingdom’s Employment Retention and Advancement Project (UK ERA)**

Launched in 2003 with funding from the UK Department for Work and Pensions, UK ERA sought to improve the labor market prospects of low-paid workers and people who had been unemployed for a long time. Situated in select government employment and training agencies, the program provided postemployment job coaching and financial incentives to participants in addition to the job placement services regularly available. Once employed, UK ERA participants could receive at least two years of assistance and guidance from an employment adviser to help them maintain and advance in work. Those who consistently worked full time or completed training courses while they were working could receive substantial cash rewards.

Three groups were targeted by the UK ERA program: (1) unemployed single parents receiving a government-funded out-of-work benefit, (2) single parents working part time and receiving a means-tested earnings supplement, and (3) long-term unemployed people aged 25 or older receiving unemployment benefits.

UK ERA increased participation in training courses, especially for single parents working part time. For the two single parent target groups, the program produced short-term earnings gains, though these effects generally faded after the program ended. For the long-term unemployed mostly male participants, UK ERA produced modest but sustained increases in employment and substantial and sustained increases in earnings. These positive effects emerged after the first year and were still evident at the end of a five-year follow-up period. For more details about the study and its effects, see Hendra et al. (2011).

## **Work Advancement and Support Center (WASC) Demonstration**

The WASC demonstration is testing an innovative strategy that provided assistance with advancement, as well as work supports, to help low-wage workers increase their income. 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 (HHS).

Starting in 2005, workers in three sites — Bridgeport, Connecticut; Dayton, Ohio; and San Diego, California — were offered services to help stabilize their employment, improve

their skills, and increase their earnings by working more hours or finding higher-paying jobs. The program also provided easier access to a range of financial work supports. A unique feature of WASC in the three sites was that all services were offered in a single location — the One-Stop Career Centers created by the Workforce Investment Act of 1998 to provide job search assistance services. 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. In addition, a fourth WASC site — in Fort Worth, Texas — served individuals entirely through an employer-based approach.

While WASC did not increase employment or earnings in either Dayton or San Diego during the first year of the study's follow-up period, the program did increase the receipt of several key work supports. The program in Dayton also substantially increased participation in education and training activities and increased the receipt of certificates and licenses. Longer-term follow-up for Dayton and San Diego, as well as the first follow-up on economic effects for Bridgeport, will be forthcoming. (The WASC study in Fort Worth is an implementation-only study and is not examining economic effects.) For more detailed results, see Miller, Tessler, and Van Dok (2009) and Schultz and Seith (2011).

## **The Sectoral Employment Impact Study**

Funded by the Charles Stewart Mott Foundation, Public/Private Ventures launched the Sectoral Employment Impact Study in 2003 to test the effectiveness of sector-focused employment programs. Three organizations employing various approaches were selected to take part in the study. These programs were located in Milwaukee, Wisconsin; Boston, Massachusetts; and New York City:

- **The Wisconsin Regional Training Partnership**, an association of unions and employers, provided short-term, job-specific training to low-income and unemployed community residents. Training programs were focused in the construction, manufacturing, and health care sectors.
- **Jewish Vocational Service - Boston** is a community-based nonprofit that serves a diverse range of Boston's disadvantaged populations, including refugees, immigrants, and welfare recipients. Its five-and-a-half-month training program offered job-specific occupational skills development in medical billing and accounting.
- **Per Scholas** is a social venture that combines skills training with industry-oriented work experience. Its 15-week, 500-hour computer technician train-

ing program is closely aligned with the industry-recognized A+ certification and prepares participants for jobs in the repair and maintenance of computers.

About 1,300 people were recruited for the study across the three sites over a two-year period. Using random assignment, those recruited were divided into a program group and a control group. Program group members were eligible to receive services from the study sites, but control group members could not access these services for 24 months. Instead, control group members were able to attend other employment programs or seek access to other services. Each of the three programs served roughly 100 study participants per year.

The study found that these sector-focused programs significantly increased participants' earnings compared with the control group's earnings, primarily in the second year of the follow-up period. Program group members were also more likely to be employed and, in the second year, worked more consistently than control group members. Finally, program group members were significantly more likely to work in jobs with higher wages and jobs that offered benefits. Program follow-up ended with the second year. For additional background and findings, see Maguire et al. (2010).

## **Enhanced Services for the Hard-to-Employ Demonstration and Evaluation Project (HtE)**

The HtE project, sponsored by the Administration for Children and Families, Office of the Assistant Secretary for Planning and Evaluation in HHS, and the Department of Labor, evaluated four diverse strategies designed to improve employment and other outcomes for low-income parents and others who face serious barriers to employment. Enrollment of the demonstration's participants was completed in all four sites by December 2006. These programs and their impacts include:

- **Center for Employment Opportunities, New York City:** a comprehensive employment program for former prisoners that generated large impacts on initial employment. However, effects faded quickly as program group members transitioned to unsubsidized jobs.
- **Kansas and Missouri Early Head Start:** a two-generation program that provided enhanced self-sufficiency services and skills training to parents, in addition to high-quality child care. At the 42-month follow-up, there were no impacts for the full research sample on parental employment, economic outcomes, parenting, or child outcomes.

- **Alternative Employment Strategies for Long-Term Welfare Recipients in Philadelphia:** a test of two strategies: one that emphasized services to assess and treat recipients' barriers to employment (STEP), and another that placed recipients in paid transitional employment (TWC). TWC increased employment in both transitional and unsubsidized jobs and reduced cash assistance receipt early in the follow-up period, but there were few differences between groups beyond the first year of the follow-up period. Economic effects were not found for STEP.
- **Working toward Wellness:** an intensive telephonic care management program for Medicaid recipients in Rhode Island who were experiencing serious depression. Though earlier results suggested that there may have been modest impacts on depression, there were no significant differences in depression severity detected 36 months after sample members entered the study. In light of this finding, it is not surprising that there were no differences in employment between the program group and control group.

For further results for these four programs, as well as a summary of the final results for three of the four ERA programs that served hard-to-employ individuals, see Butler et al. (2012).

**Appendix D**

**List of MDRC Reports, Papers, and Briefs on ERA**

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- Providing Earnings Supplements to Encourage and Sustain Employment: Lessons from Research and Practice.* 2011. Karin Martinson, Gayle Hamilton.
- Can Low-Income Single Parents Move Up in the Labor Market? Findings from the Employment Retention and Advancement Project.* 2011. Cynthia Miller, Victoria Deitch, Aaron Hill.
- The Employment Retention and Advancement Project: Background Characteristics and Patterns of Employment, Earnings, and Public Assistance Receipt of Adults in Two-Parent Families.* 2010. Sonya Williams, Stephen Freedman.
- The Employment Retention and Advancement Project: Paths to Advancement for Single Parents.* 2010. Cynthia Miller, Victoria Deitch, Aaron Hill.
- The Employment Retention and Advancement Project: Finding the Next Job: Reemployment Strategies in Retention and Advancement Programs for Current and Former Welfare Recipients.* 2010. Melissa Wavelet, Karin Martinson, Gayle Hamilton.
- The Employment Retention and Advancement Project: Benefit-Cost Findings for Three Programs in the Employment Retention and Advancement (ERA) Project.* 2010. Cindy Redcross, Victoria Deitch, Mary Farrell.
- The Employment Retention and Advancement Project: How Effective Are Different Approaches Aiming to Increase Employment Retention and Advancement? Final Impacts for Twelve Models.* 2010. Richard Hendra, Keri-Nicole Dillman, Gayle Hamilton, Erika Lundquist, Karin Martinson, Melissa Wavelet with Aaron Hill, Sonya Williams.
- The Employment Retention and Advancement Project: Results from the Los Angeles Reach for Success Program.* 2009. Jacquelyn Anderson, Stephen Freedman, Gayle Hamilton.
- The Employment Retention and Advancement Project: Findings for the Eugene and Medford, Oregon, Models: Implementation and Early Impacts for Two Programs That Sought to Encourage Advancement Among Low-Income Workers.* 2009. Frieda Molina, Mark van Dok, Richard Hendra, Gayle Hamilton, Wan-Lae Cheng.
- The Employment Retention and Advancement Project: Results from the Substance Abuse Case Management Program in New York City.* 2009. John Martinez, Gilda Azurdia, Dan Bloom, Cynthia Miller.
- Findings for the Cleveland Achieve Model: Implementation and Early Impacts of an Employer-Based Approach to Encourage Employment Retention Among Low-Wage Workers.* 2008. Cynthia Miller, Vanessa Martin, Gayle Hamilton with Lauren Cates, Victoria Deitch.
- A Comparison of Two Job Club Strategies: The Effects of Enhanced Versus Traditional Job Clubs in Los Angeles.* 2008. David Navarro, Gilda Azurdia, Gayle Hamilton.
- The Employment Retention and Advancement Project: Impacts for Portland's Career Builders Program.* 2008. Gilda Azurdia, Zakia Barnes.

*The Employment Retention and Advancement Project: Results from the Valuing Individual Success and Increasing Opportunities Now (VISION) Program in Salem, Oregon.* 2008. Frieda Molina, Wan-Lae Cheng, Richard Hendra.

*The Employment Retention and Advancement Project: Results from Two Education and Training Models for Employed Welfare Recipients in Riverside, California.* 2007. David Navarro, Stephen Freedman, Gayle Hamilton.

*The Employment Retention and Advancement Project: Results from the Personal Roads to Individual Development and Employment (PRIDE) Program in New York City.* 2007. Dan Bloom, Cynthia Miller, Gilda Azurdia.

*The Employment Retention and Advancement Project: Results from the Post-Assistance Self-Sufficiency (PASS) Program in Riverside, California.* 2007. David Navarro, Mark van Dok, Richard Hendra.

*The Employment Retention and Advancement Project: Results from Minnesota's Tier 2 Program.* 2007. Allen LeBlanc, Cynthia Miller, Karin Martinson, Gilda Azurdia.

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NOTE: A complete publications list is available from MDRC and on its Web site ([www.mdrc.org](http://www.mdrc.org)), from which copies of reports can also be downloaded.

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