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ABSTRACT

The first findings of an evaluation of California's welfare-to-work program, Greater Avenues for Independence (GAIN), related to its impact on employment, earnings, and welfare payments. The impact results came from a study of applicants for and recipients of Aid to Families with Dependent Children (AFDC) in six counties and were limited to the first year after people entered GAIN. Information was collected about patterns of participation and implementation strategies used by local welfare departments. The research sample of 33,000 individuals included single heads of households (AFDC-FGs) and heads of two-parent households (AFDC-Us). Overall participation rates were generally as high or higher than levels reported in a 1989 study and within the range reported in studies of other mandatory welfare-to-work initiatives. The GAIN treatment was not uniform throughout California but was an intervention shaped by resource allocation and other choices made by county administrators. No single approach emerged as a clearly superior way to yield high participation rates. For AFDC-FG registrants, GAIN yielded increased earnings and corresponding reductions in AFDC payments in four counties. For AFDC-U registrants, GAIN increased earnings in four counties, although impacts were not statistically significant in one county; AFDC reductions were also found in those four counties. (The report includes an executive summary, 48 tables, and 17 figures. Appendixes contain 49 pages of supplemental tables, 16 references, and a list of related reports.) (YLB)

GAIN:

Program Strategies, Participation Patterns, and First-Year Impacts in Six Counties

California's Greater Avenues for Independence Program

James Riccio
Daniel Friedlander

Manpower Demonstration Research Corporation

May 1992

MDRC

BOARD OF DIRECTORS

GAIN:

PROGRAM STRATEGIES, PARTICIPATION PATTERNS, AND FIRST-YEAR IMPACTS IN SIX COUNTIES

James Riccio
Daniel Friedlander

with

Stephen Freedman
Veronica Fellerath

Manpower Demonstration
Research Corporation

May 1992

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The Authors

PREFACE

The significance of this report flows from the importance of the program and the timeliness of the findings. California's Greater Avenues for Independence (GAIN) Program is the nation's largest state welfare-to-work program. Created in 1985, it was a harbinger of a shift toward more comprehensive programs emphasizing basic education, especially for potential long-term recipients, as well as the more typical job-seeking activities. Throughout the state, GAIN offers a range of services to eligible welfare recipients, who are expected to stay active in the program as long as they remain on the rolls; others may volunteer. With the passage of the Family Support Act in 1988, states were required to implement Job Opportunities and Basic Skills Training (JOBS) programs, and GAIN, with modest changes, became California's JOBS program.

Since states began implementing JOBS in mid-1989, studies have described both progress and challenges. However, there has been no information on whether the basic JOBS approach would be successful in meeting program objectives: increasing employment and income, reducing welfare receipt, changing outcomes for long-term recipients, providing cost-effective services. This report is a first step toward answering those questions. It tracks the welfare receipt and work behavior of 33,000 GAIN eligibles for one year to determine the program's short-term impacts. Despite the fact that this is a brief time for a program that places large numbers of people in basic education, the results were generally encouraging. Overall, there was a pattern of earnings gains and welfare savings for both single mothers on AFDC and heads of two-parent households. There were also some positive results for other subgroups, including long-term recipients, a special target in GAIN and JOBS. And, despite GAIN's greater emphasis on services that should take longer to produce results, its first-year earnings impacts were roughly similar to those reported for the simpler programs of the 1980s, and its welfare savings compared favorably with them.

In general, the findings are positive news for JOBS programs that have in part adopted an investment strategy. But, as the authors clearly state, this is by no means the final word on GAIN. Subsequent reports will build on the solid evaluation now in place and, with longer follow-up and cost-benefit results, provide critical missing information on the potential of this important JOBS approach.

While the report is directly relevant to California, it offers significant lessons for other states as well. The overall bottom line is promising, but the authors' focus on the varied implementation

strategies of the six study counties provides even richer lessons on the possible link between implementation practices, local conditions, and program success. A better understanding of what factors promote success will be critical if other counties in California and states operating similar programs are to maximize the potential of GAIN and JOBS.

Judith M. Gueron
President

EXECUTIVE SUMMARY

The Greater Avenues for Independence (GAIN) Program is California's welfare-to-work program, which was established in 1985 and is currently operating as the state's Job Opportunities and Basic Skills Training (JOBS) Program. It is overseen by the State Department of Social Services (SDSS) and administered by staff in California's 58 counties. This report is part of an ongoing evaluation of the GAIN program, being conducted for SDSS by the Manpower Demonstration Research Corporation (MDRC). It contains the first findings on the impact of the GAIN program on employment, earnings, and welfare payments. The impact results come from a study of applicants for and recipients of Aid to Families with Dependent Children (AFDC) in six diverse counties -- Alameda, Butte, Los Angeles, Riverside, San Diego, and Tulare -- and are limited to the first year after people entered GAIN. For the same six counties, the report also presents information about patterns of participation in the program and the different strategies the local welfare departments used in implementing it.

The short, one-year follow-up for the analysis of program impacts suggests that care be taken in drawing policy or program lessons. In the six counties, a substantial proportion of GAIN enrollees participated in basic education or other education and training, and many were still in those activities -- or scheduled to enter them -- at the end of the follow-up period available for this report. If these components have a payoff, it will not be fully captured within such a short time frame. This limitation is relevant to an assessment of the overall results, and of the program's relative effectiveness for different subgroups, some of which participated primarily in the longer-term services (i.e., education and training). Further, it affects judgments as to the relative effectiveness of different counties, particularly those that enrolled a large number of people in education and training. The absence of longer-term follow-up also is the reason this report does not include an analysis of benefits compared with costs.

The 33,000 individuals included in the research sample for this report represent an important segment of the study counties' entire welfare population. The research sample contains those who were subject to GAIN's mandatory participation requirement (typically about one-third of the study counties' total welfare caseload) from early 1988 through mid-1990, when the sample was enrolled in GAIN. This group included single heads of households (AFDC-FGs, who are usually

mothers) with children age six or older, and all heads of two-parent households (AFDC-Us, typically fathers). Failure on the part of these individuals to participate without good cause in GAIN's orientation and services could result in a "sanction," i.e., a reduction or termination of the welfare grant. The research sample is further limited to those who were defined as mandatory and showed up for a GAIN orientation. Therefore, the study measures the effectiveness of GAIN's services and mandates beginning with orientation, and does not capture potential effects of GAIN (if any) on those who did not attend an orientation. Four counties had enough resources to extend GAIN's requirement and services to all mandatory registrants in the caseload. Two other counties focused exclusively on long-term recipients, in conformity with GAIN's rules in cases where resources did not permit services to all those required to participate. Individuals who volunteered for the program before being called in for orientation were included in the study only if they were subject to the participation mandate.

To determine the effects of GAIN's requirement that eligible welfare recipients participate in its services, mandatory registrants who attended an orientation were randomly assigned to either an experimental group (who remained subject to GAIN's mandate) or a control group (who were precluded from GAIN but could seek access to other services in the community). The average earnings and average welfare receipt of the two groups were compared over the course of the follow-up period. The *differences* between the two groups on these measures are the estimated impacts of GAIN.

A key feature of the program, which distinguishes it from most other welfare-to-work programs studied to date, is the use of educational and basic skills levels to sort enrollees into one of two different treatment streams. Those who do not have a high school diploma (or its equivalent) or fail to achieve predetermined scores on both parts of a math and literacy test or are not proficient in English are deemed by GAIN to be "in need of basic education." These individuals can choose to attend a basic education class or a job search activity first, but if they choose job search and fail to obtain employment, they must then enter basic education. Registrants judged "not in need of basic education" must participate in job search first. Recipients already enrolled in approved education and training programs when they enter GAIN can generally continue in those activities.

Thus, GAIN consists of three different sequences: one for those needing basic education, a second for those not needing basic education, and a third for those who had enrolled in education

or training on their own before starting GAIN. Participants in any of these sequences who do not obtain employment after completing their initial activities undergo an employability assessment designed to help them choose their next activity, e.g., skills training, vocationally oriented post-secondary educat' n, on-the-job training, or unpaid work experience.

GAIN – particularly its emphasis on education – was an important precursor of the JOBS program of the federal Family Support Act of 1988. Even though JOBS required some changes in GAIN that are not captured in this report – particularly the extension of the participation mandate to single parents with preschool-age children – the program model has remained stable since it was adopted in 1985.

The six counties selected to participate in the study capture a wide variety of local conditions in the state with the nation's largest welfare caseload and one of the highest grant levels. Three of these counties are in southern California: Los Angeles, with about one-third of the state's caseload and a welfare population larger than all but a few states'; San Diego, with the state's second-largest caseload; and Riverside, which has both urban and rural areas. Another county, Tulare, is located in the largely agricultural, rural Central Valley, while another, Alameda (which includes the city of Oakland), has the largest welfare caseload in the San Francisco Bay area. Finally, Butte is a mid-sized rural county in the northern part of the state.

Did GAIN Make a Difference in the First Year of Follow-Up?

The GAIN program in the six counties collectively produced an increase in earnings and a reduction in welfare payments for single parents (AFDC-FGs) and the heads of two-parent families (AFDC-Us) during the first year after enrollment. As indicated by the asterisks in the "all counties" row of Tables 1 and 2, these results were statistically significant, meaning that one can have greater confidence in them. Averaged across the six counties, with each county given equal weight, first-year earnings gains for AFDC-FGs were $271 per experimental group member (or 17 percent over the average control group member's earnings), and first-year welfare payments were reduced by $281 (or were 5 percent lower than the average payments for controls).[1] Among the

[1]Averages for experimentals and controls are calculated for the full sample, including people who did not work (and whose earnings are counted as zero) as well as those who did. Similarly, average welfare payments are estimated for the full sample, including people who received benefits as well as those who were not on the rolls at some time during the follow-up period.

TABLE 1

SUMMARY OF GAIN'S FIRST-YEAR IMPACTS ON EARNINGS AND AFDC PAYMENTS FOR AFDC-FGs (SINGLE PARENTS)

	Average Total Earnings in First Year (a)				Average Total AFDC Payments in First Year (a)			
County	Experimentals	Controls	Difference	Percentage Change	Experimentals	Controls	Difference	Percentage Change
Alameda	$1,413	$1,194	$218	18%	$6,917	$7,066	-$149	-2%
Butte	$1,992	$1,730	$261	15%	$5,132	$5,486	-$353 *	-6%
Los Angeles	$1,303	$1,311	-$8	-1%	$6,830	$7,156	-$325 ***	-5%
Riverside	$2,468	$1,499	$969 ***	65%	$4,913	$5,599	-$686 ***	-12%
San Diego	$2,457	$2,113	$345 **	16%	$5,529	$5,832	-$302 ***	-5%
Tulare	$1,779	$1,940	-$161	-8%	$6,363	$6,231	$132	2%
All counties (b)	$1,902	$1,631	$271 ***	17%	$5,948	$6,228	-$281 ***	-5%

SOURCE: Table 4.1.

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

(a) For this study the first year refers to quarters 2 through 5, with quarter 1 being the quarter of random assignment.

(b) This estimate is the average of the impacts for each county, which were equally weighted.

TABLE 2

SUMMARY OF GAIN'S FIRST-YEAR IMPACTS ON EARNINGS AND AFDC PAYMENTS FOR AFDC-Us (HEADS OF TWO-PARENT HOUSEHOLDS)

	Average Total Earnings in First Year (a)				Average Total AFDC Payments in First Year (a)			
County	Experimentals	Controls	Difference	Percentage Change	Experimentals	Controls	Difference	Percentage Change
Alameda (b)	--	--	--	--	--	--	--	--
Butte	$3,007	$2,394	$613 *	26%	$6,523	$6,746	-$223	-3%
Los Angeles	$1,469	$1,216	$253 **	21%	$9,362	$9,778	-$416 ***	-4%
Riverside	$3,690	$2,925	$765 ***	26%	$4,785	$5,760	-$975 ***	-17%
San Diego	$3,329	$3,088	$241	8%	$6,790	$7,301	-$510 ***	-7%
Tulare	$2,958	$2,955	$3	0%	$7,545	$7,523	$23	0%
All counties (c)	$2,891	$2,516	$375 ***	15%	$7,001	$7,421	-$420 ***	-6%

SOURCE: Table 5.1.

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

(a) For this study, the first year refers to quarters 2 through 5, with quarter 1 being the quarter of random assignment.

(b) Because of Alameda's small sample size for AFDC-Us, the magnitude of its earnings impact ($38, or a 3 percent increase over the control group average) and of its AFDC payments impact ($161, or a 2 percent increase) is considered much less reliable than in the other counties; therefore, the impacts have not been included in this table.

(c) This estimate is the average of the impacts for each county (except Alameda), which were equally weighted.

AFDC-Us, the earnings gains averaged $375 (a 15 percent increase), while welfare savings were $420 (a 6 percent reduction in welfare payments). (Alameda is excluded from the AFDC-U all-county averages because of small sample sizes.) The results for AFDC-Us are particularly noteworthy because the very limited number of prior studies of this population (most of whom are men) did not show consistent earnings impacts.

Although GAIN produced positive first-year impacts overall, the effects varied by county. Among the single parents (AFDC-FGs), who represent about two-thirds of the GAIN enrollees in the study, four of the six counties produced modest to large impacts on annual earnings – an average of $218 to $969 per experimental, or an increase of 18 percent to 65 percent over the control group average. In two of these four counties, the results were statistically significant. Welfare payments were reduced in five counties by $149 to $686 a year, or a 2 percent to 12 percent savings compared with the control group. (See Table 1.) These results were statistically significant in four counties.

GAIN's impacts on the AFDC-Us also varied across the counties. Earnings impacts of $241 (or 8 percent) to $765 (or 26 percent) were observed in four counties, and were statistically significant in three. Four out of five counties also produced first-year welfare savings for this group of between $223 and $975 (or 3 percent to 17 percent); three were statistically significant. (See Table 2.)

What Were the Results for the Individual Counties?

One county, Riverside, had first-year impacts on earnings and welfare payments for the combined AFDC-FG and AFDC-U sample that were statistically significantly above those in all the other counties except Butte. These were larger than the first-year impacts found in previous large-scale experimental studies of state programs and were seen for all key subgroups. Another county, Tulare, did not have statistically significant impacts overall for either earnings or welfare savings and, with one exception (not shown in the tables), it did not produce significant positive results for subgroups. Although the reasons are uncertain, the results are consistent with a few other experimental studies, which showed weak impacts in rural areas with high unemployment. Tulare's relatively high proportion of enrollees still in education and training activities at the end of the follow-up period may also be an important factor.

Among the other counties, the patterns vary. San Diego and Butte had statistically significant impacts on earnings and welfare payments for either AFDC-FGs, AFDC-Us, or both, although these effects were not consistently found across subgroups, as they were in Riverside. Los Angeles, which – like Alameda – focused exclusively on long-term welfare recipients, had welfare savings for both AFDC-FGs and AFDC-Us, but first-year earnings increases only for the latter. Alameda produced earnings gains and welfare savings for the single parents, with the earnings gains becoming statistically significant by the end of the follow-up period (not shown in Table 1). In Riverside and San Diego, it appears that nearly all of the first-year earnings gains for AFDC-FGs resulted from a larger number of people getting jobs rather than from higher earnings for those working. An opposite pattern appears to have been the case in Alameda and Butte.

How Do GAIN's Results Compare with First-Year Impacts of Past Programs?

State welfare-to-work programs previously studied using random assignment designs can be roughly categorized into two types. Some programs emphasized quick job placement (through job search and related services) and were intended to have immediate impacts. Others employed a mixed strategy, including both job search and some education and training. Prior studies show that many of these programs quickly produced both earnings gains and welfare savings for single parents, and that these results typically increased from the first to the second year of follow-up. Looking only at earnings increases, in some cases these results were small initially but grew substantially in subsequent years. This was especially true in one program that placed added emphasis on education and training, although it did not produce welfare savings. Finally, these studies found that while the programs were often cost-effective, they had limited success in increasing the earnings of the most disadvantaged members of the caseload.

There are a number of reasons (such as differences in research design, local conditions, and population served) to suggest caution in making precise comparisons between results from these studies and the GAIN evaluation. Further, given GAIN's emphasis on more intensive, longer-term services, first-year impacts might be expected to be lower than those reported for prior programs because individuals who might otherwise have been working were still in education and training activities. For example, even though a substantial number of GAIN participants were involved in job search, GAIN – compared to other programs studied by MDRC – places greater emphasis on basic education and other long-term investments, which may take longer to pay off. Despite this emphasis, GAIN's first-year earnings results are roughly similar to those reported in

earlier studies of welfare employment programs, including those providing primarily job search assistance, and its level of welfare savings compares favorably.

Did Short-Term Impacts Vary for Different Subgroups?

A central question for GAIN is whether some subgroups of clients benefit more or less than others from the services the program offers. Three important subgroups are those determined "not in need of basic education," those deemed "in need of basic education," and long-term welfare recipients, i.e., those who have received welfare for more than two years.

As summarized in Table 3 (for AFDC-FGs) and Table 4 (for AFDC-Us), there is evidence of earnings gains and welfare savings for each of the subgroups studied, but not in every county and not always statistically significant. (Impacts are generally less accurate and less likely to be statistically significant for subgroups, compared with the full research sample, because of smaller sample sizes.) As discussed below, earnings impacts for the "not in need of basic education" group were generally more positive and consistent across the counties than were the effects on the "in need of basic education" group or the long-term recipients. This first-year finding is not surprising because results from education programs (which these latter two groups used more heavily) can take longer to appear. Interestingly, however, welfare savings differed less among these three groups.

Results for Those Not in Need of Basic Education

As shown in the first panel of Table 3, for the single-parent (AFDC-FG) group determined "not in need of basic education," five counties produced modest to large first-year earnings gains, ranging from $139 to $1,320, with statistically significant results in three counties. The sixth county, Tulare, had a relatively large negative effect on earnings, possibly because experimentals were still in education, while controls were beginning to enter the labor market. Statistically significant welfare savings, ranging from $317 to $683, were found for three counties.

As shown in the first panel of Table 4, for the two-parent (AFDC-U) group "not in need of basic education," five counties increased earnings for experimentals over controls by differences ranging from $146 to $1,590. Results were statistically significant in three of these counties. Welfare savings, ranging from $115 to $1,217, were also found in five counties, and were again statistically significant in three. (As noted earlier, the AFDC-U results for Alameda are not reported.)

TABLE 3

SUMMARY OF GAIN'S FIRST-YEAR IMPACTS ON EARNINGS AND AFDC PAYMENTS
FOR KEY AFDC-FG (SINGLE-PARENT) SUBGROUPS

Subgroup and County	Average Total Earnings in First Year (a)			Average Total AFDC Payments in First Year (a)		
	Experimentals	Controls	Difference	Experimentals	Controls	Difference
AFDC-FGs determined to be not in need of basic education						
Alameda	$2,084	$1,396	$688 *	$6,512	$6,519	-$7
Butte	$2,307	$2,168	$139	$5,216	$4,816	$400
Los Angeles	$2,459	$2,276	$183	$6,152	$6,819	-$667 ***
Riverside	$3,306	$1,986	$1,320 ***	$4,551	$5,234	-$683 ***
San Diego	$3,396	$2,771	$625 **	$4,985	$5,301	-$317 **
Tulare	$2,526	$3,137	-$611 *	$5,853	$5,522	$331
AFDC-FGs determined to be in need of basic education						
Alameda	$1,064	$1,081	-$17	$7,145	$7,342	-$197
Butte	$1,682	$1,180	$503 *	$5,039	$6,243	-$1,204 ***
Los Angeles	$1,030	$1,067	-$38	$6,990	$7,244	-$254 ***
Riverside	$1,916	$1,173	$743 ***	$5,157	$5,819	-$662 ***
San Diego	$1,716	$1,644	$72	$5,957	$6,239	-$281 **
Tulare	$1,384	$1,281	$103	$6,641	$6,603	$39
AFDC-FGs who are long-term welfare recipients						
Alameda	$1,413	$1,194	$218	$6,917	$7,066	-$149
Butte	$1,113	$636	$477 *	$6,227	$6,615	-$388
Los Angeles	$1,303	$1,311	-$8	$6,830	$7,156	-$325 ***
Riverside	$2,097	$983	$1,113 ***	$5,479	$6,200	-$722 ***
San Diego	$1,753	$1,549	$203	$6,280	$6,638	-$358 ***
Tulare	$1,291	$1,424	-$133	$6,948	$6,863	$85

SOURCE: Table 4.2.

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

(a) For this study, the first year refers to quarters 2 through 5, with quarter 1 being the quarter of random assignment.

TABLE 4

SUMMARY OF GAIN'S FIRST-YEAR IMPACTS ON EARNINGS AND AFDC PAYMENTS FOR KEY AFDC-U (HEAD OF TWO-PARENT HOUSEHOLD) SUBGROUPS

Subgroup and County	Average Total Earnings in First Year (a)			Average Total AFDC Payments in First Year (a)		
	Experimentals	Controls	Difference	Experimentals	Controls	Difference
AFDC-Us determined to be not in need of basic education						
Alameda (b)	--	--	--	--	--	--
Butte	$3,933	$2,692	$1,240 *	$5,944	$6,466	-$521
Los Angeles	$1,743	$1,598	$146	$8,457	$9,675	-$1,217 ***
Riverside	$4,721	$3,131	$1,590 ***	$4,523	$5,688	-$1,165 ***
San Diego	$4,562	$3,531	$1,031 **	$5,852	$6,610	-$758 ***
Tulare	$4,242	$4,035	$207	$6,295	$6,410	-$115
AFDC-Us determined to be in need of basic education						
Alameda (b)	--	--	--	--	--	--
Butte	$2,356	$2,063	$294	$6,944	$6,970	-$26
Los Angeles	$1,425	$1,204	$220 *	$9,434	$9,779	-$346 ***
Riverside	$3,167	$2,836	$330	$4,907	$5,815	-$908 ***
San Diego	$2,619	$2,805	-$187	$7,345	$7,698	-$353 **
Tulare	$2,504	$2,578	-$75	$7,981	$7,925	$56
AFDC-Us who are long-term welfare recipients						
Alameda (b)	--	--	--	--	--	--
Butte	$2,009	$962	$1,047	$9,090	$9,739	-$648
Los Angeles	$1,469	$1,216	$253 **	$9,362	$9,778	-$416 ***
Riverside	$2,274	$1,324	$950 **	$6,044	$6,707	-$663 *
San Diego	$2,091	$1,929	$163	$8,461	$8,799	-$338
Tulare	$1,451	$1,644	-$192	$9,405	$9,571	-$167

SOURCE: Table 5.2.

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

(a) For this study, the first year refers to quarters 2 through 5, with quarter 1 being the quarter of random assignment.

(b) Because of Alameda's small sample size for AFDC-Us, the magnitude of its earnings impact and its AFDC payments impact is considered much less reliable than in the other counties; therefore, the impacts have not been included in this table.

Results for Those in Need of Basic Education

Among the single-parent (AFDC-FG) cases determined "in need of basic education," as shown in the second panel of Table 3, two of the six counties produced positive and significant earnings results. Of the other four counties, two had small positive results and two had very small negative results, none of which was statistically significant. Among AFDC-U cases, as shown in the second panel of Table 4, three counties showed earnings gains, but only in one case were the results statistically significant. The counties obtained more consistent first-year welfare savings, with four counties obtaining significant savings for the AFDC-FGs "in need of basic education," while three counties produced significant welfare savings for the "in need" AFDC-U subgroup.

Results for Long-Term Welfare Recipients

Individuals who have received welfare for a long period of time, generally more than two years, account for the bulk of all AFDC costs over time. Studies of welfare-to-work programs have not generally found earnings impacts for this group, although welfare savings have been found. The impact of GAIN on long-term recipients has added importance because two of the counties in this study (Alameda and Los Angeles) served long-term recipients exclusively. Notably, as shown in the third panel of Table 3, earnings gains for long-term AFDC-FG recipients, ranging from $203 to $1,113, were found in four counties and were statistically significant in two. Welfare savings of $149 to $722 were found across five counties, and were statistically significant in three counties. Among the AFDC-U long-term recipients, as shown in the third panel of Table 4, notable earnings gains, two of which were statistically significant, were found in four counties. AFDC-U welfare savings resulted in all but one of the counties, and were statistically significant in two.

Impacts (not shown in the tables) were also observed, in a number of counties, for AFDC applicants and for short-term recipients, although, again, the results were not always significant.

How Was GAIN Implemented During the Follow-Up Period?

Overall, participation in GAIN's job search, education, and training activities was substantial, and generally within the range found in other MDRC studies of mandatory welfare-to-work programs, but higher than the rate reported at an earlier point in the GAIN evaluation. (Registrants were counted as having "ever" participated in a GAIN activity if they attended an

activity -- excluding orientation and assessment -- for at least one hour, although most attendees stayed much longer.) In five of the six counties, from 51 percent to 63 percent of the AFDC-FG experimentals participated in at least one activity; the sixth county (Butte) had a 43 percent rate. That these rates were less than 100 percent is to be expected, given the normal dynamics of the welfare caseload in moving on and off the rolls, and because of GAIN's deferral rules. Indeed, by the end of follow-up, most of the nonparticipants had left welfare, or were no longer required to participate for other reasons (often because of part-time or full-time employment or illness).

Reflecting GAIN's primary service sequences, job search and basic education were the two most commonly used activities. Depending on the county, 12 percent to 34 percent of AFDC-FG experimentals took part in job search, while 15 percent to 39 percent participated in basic education. In most counties, self-initiated education or training was the third most common activity, used by about 3 percent to 15 percent of the AFDC-FGs in the study counties. (Participation patterns among the AFDC-Us were roughly similar.)

These participation results and other findings indicate that, during the study period, all of the counties were successful in implementing GAIN's essential program elements. They also effectively instituted a participation obligation for the proportion of their mandatory caseload that was targeted for services and showed up for GAIN orientation. Although some problems were encountered, the counties were able to develop a sufficient supply of services and to assign registrants to them in accordance with the guidelines set forth in the GAIN legislation. Moreover, in the opinion of the GAIN staff, these services were generally of good quality. With a few exceptions, the counties also established monitoring linkages with basic education and job search providers that produced timely information on registrants who were experiencing participation problems.

Not surprisingly, however, given California's state-supervised but county-operated welfare system, the counties' implementation approaches varied across counties. For example, the counties made different choices concerning the kinds of staff they hired to serve as case managers, their registrant-to-staff ratios, how much they promoted quick entry into jobs, how much they relied on GAIN's formal enforcement mechanisms (ending in financial sanctions) to enforce the legislation's participation mandate, and how much personalized attention they gave to registrants. In part, these and other choices reflected alternative views of how best to operate this complex program, and meant that welfare recipients' experiences in GAIN varied in ways that transcended the county differences in participation patterns. (Table 5 summarizes selected county differences in targeting and implementation.)

Are Some Approaches More Effective than Others?

The pattern of impacts across the six counties shows that GAIN can produce first-year impacts even when operated in various types of local labor markets, when targeted toward different types of welfare recipients, when implemented using quite divergent approaches, and even with varying patterns of participation. Nevertheless, some implementation approaches appear to be associated with larger short-term impacts. Riverside's approach – which, among other features, involved a comparatively strong emphasis on rapid employment (which management communicated consistently across all staff levels) combined with a commitment to securing the participation of all mandatory registrants and a greater reliance on GAIN's formal mechanisms (ending in sanctioning) to enforce the participation mandate – may have helped to produce its unusually large and consistent first-year impacts. However, it is too soon to tell whether this pattern will be sustained in the long run. One reason for caution is that Riverside's earnings impacts for AFDC-Us appear to have diminished after the third quarter of follow-up, while in at least one other county (Butte), the effect for AFDC-Us seemed to be increasing over time.

Hence, longer-term follow-up is essential to accurately assessing the relative effectiveness of the counties' different strategies for operating GAIN, and to fully measuring the impacts of their substantial investment in education and training. Indeed, in all six counties, participation rates in these activities were as high or higher than participation in job search (except for the AFDC-Us in Riverside). Furthermore, at the end of the one-year follow-up period, many enrollees were attending education and training classes, or waiting to do so. Policymakers and administrators should therefore be cautious in drawing conclusions from this report about what kinds of approaches to operating GAIN work best, or about the long-term payoff of the GAIN program.

MDRC's continuing evaluation will measure GAIN's impacts in the six counties over a longer follow-up period and will reexamine the relationship of county implementation conditions and strategies to county impacts. In addition, future reports will draw upon a survey of GAIN registrants and other data to examine the program's effects on a wide array of outcomes (such as educational attainment), estimate its benefits and costs, and explore the role played by other factors in shaping GAIN's effectiveness in moving welfare recipients off welfare and into jobs.

TABLE 5

AN OVERVIEW OF THE SIX COUNTIES
IN THE GAIN IMPACT STUDY

Alameda, which includes the city of Oakland, has the largest welfare caseload of single parents (AFDC-FGs), and the second-largest caseload of heads of two-parent households (AFDC-Us), among counties in the San Francisco Bay area. It was one of two evaluation counties that had a large inner-city welfare population and that enrolled only long-term recipients, a practice that was consistent with the statutory requirement for counties that did not have enough resources to serve all GAIN-eligibles. More than 80 percent of both its AFDC-FG and AFDC-U GAIN registrants were minorities; a large majority (69 percent) of its single-parent registrants were black, and a substantial proportion (40 percent) of its heads of two-parent families were Indochinese. Alameda had the second-highest proportion of registrants who were determined "in need of basic education" (65 percent for AFDC-FGs and 81 percent for AFDC-Us). Although Alameda sanctioned no one in its AFDC-FG research sample during the study period, it achieved the highest overall rate of participation for AFDC-FGs (63 percent). To some degree, this could have been due to the relatively high degree of personalized attention staff offered to registrants. Alameda also had the highest rate of participation in basic education classes among AFDC-FGs (39 percent) and the second-highest for AFDC-Us (42 percent). This reflected in part its emphasis on education and training services and the low priority it gave to immediate job placement; its job search activities, in which 26 percent of its AFDC-FGs participated, were not necessarily intended to result in employment, but rather to provide information to assist registrants in choosing an education or training program at assessment. The caseload size per case manager in Alameda was relatively low, about 75:1.

Butte, a mid-sized rural county in northern California, had by far the smallest welfare caseload of the counties studied and the largest proportion of non-minorities (more than 85 percent of AFDC-FGs and about three-quarters of AFDC-Us). Although it enrolled a broad cross section of its mandatory GAIN caseload, Butte appeared to have the least disadvantaged AFDC-FG sample in the study, with the lowest rate of those determined "in need of basic education" (49 percent), the lowest proportion of long-term recipients (28 percent), and the second-highest proportion of registrants with a recent work history (57 percent). Butte used an unusual GAIN intake procedure in order to keep caseload size per case manager relatively low (63:1); registrants were brought into GAIN but were placed on waiting lists for up to several months until a case manager had an opening. This contributed to Butte's having the lowest participation rate for single parents (43 percent), but permitted staff to provide a high degree of personalized attention once registrants were assigned to case managers. Consistent with the characteristics of its AFDC-FG population and its overall participation rate, Butte had the lowest rate of participation in basic education classes among AFDC-FGs (15 percent), compared with 18 percent in job search activities. Its rate of sanctioning was 4 percent for single parents.

(continued)

TABLE 5 (continued)

Los Angeles, with about one-third of the state's caseload and a welfare population larger than all but a few states', was the other county that had a large inner-city welfare population and that enrolled only long-term recipients. As a result, Los Angeles had the highest relative proportion of recipients in the research sample who were determined "in need of basic education" (81 percent for AFDC-FGs and 92 percent for AFDC-Us). Los Angeles' registrants also had the smallest proportion of AFDC-FGs with a recent work history (just 17 percent) and the second-smallest proportion of AFDC-Us who had recently worked (32 percent), the highest average age (almost 39 years for AFDC-FGs and 42 for AFDC-Us), and the highest proportion of minorities (nearly 90 percent for both AFDC-FGs and AFDC-Us). Nearly 60 percent of its AFDC-U population was Indochinese. Los Angeles' program started later and was somewhat less fully developed than other counties' programs during the study period. The overall rate of participation in GAIN was 51 percent for AFDC-FGs, with 37 percent of these registrants participating in basic education classes, compared with 12 percent in job search activities. It had the second-highest rate of sanctioning for AFDC-FGs (5 percent). The county established tight restrictions on case management duties in order to minimize discretionary decision-making by case managers. Alone among the counties in California, Los Angeles also contracted with a private-sector firm to conduct case management. Compared to other counties, Los Angeles placed lower emphasis on providing personalized attention to registrants; this may have been due in part to its GAIN caseload per case manager, which, at 128:1, was the highest among the six counties.

Riverside, a large county in southern California, which has both urban and rural areas, enrolled a broad cross section of its mandatory welfare population and operated the most employment-focused program, even for participants in basic education classes. This approach was continuously reinforced by top- and mid-level management and communicated to supervisory and line staff partly through the assignment of job placement standards to district offices, units within offices, and individual case managers. A prominent role was also given to job development. Riverside balanced its emphasis on job placement with a parallel focus on participation. A substantial proportion of its registrants (60 percent for AFDC-FGs, two-thirds for AFDC-Us) were determined "in need of basic education," and just over one-fifth of Riverside's AFDC-FG GAIN registrants participated in basic education classes, compared with more than one-third who were enrolled in job search activities. Nearly half of Riverside's AFDC-FG registrants, and 57 percent of its AFDC-U registrants, were minorities, largely Hispanic. Riverside's overall AFDC-FG participation rate was 60 percent. Its rate of sanctioning was the highest among the six counties (11 percent for AFDC-FGs, 15 percent for AFDC-Us), and it had the second-lowest ranking of the counties in the degree of personalized attention staff provided registrants. Owing to a special study of the impact of different caseload sizes, the average caseloads were about 53:1 (for one group of case managers) and 97:1 (for the other group).

(continued)

San Diego, with the state's second-largest AFDC-FG caseload and the fourth-largest AFDC-U caseload, enrolled a broad cross section of its caseload in GAIN. About 60 percent of its registrants were minorities, and well over half were determined "in need of basic education." The county's GAIN sample had the highest proportion of registrants who had recently worked -- 59 percent among AFDC-FGs -- and the second-highest among AFDC-Us (nearly 80 percent). For AFDC-FGs, San Diego recorded a 55 percent participation rate, a 4 percent rate of sanctioning, and the highest enrollment rate for self-initiated participants (15 percent). A key and highly regarded feature of San Diego's program was its network of computerized GAIN Learning Centers for basic education classes, although early on there were too few slots given the demand. This led to a lower rate of participation in basic education classes (19 percent for AFDC-FGs) and a higher rate in job search (30 percent) than the county intended. San Diego ranked in the middle of the counties in terms of the personalized attention staff gave to registrants, and it had the second-highest average caseload per case manager (103:1).

Tulare was the only county of the six that had to operate GAIN in the context of a rural and highly agricultural, seasonal labor market that, as a result of a winter freeze that boosted its already high unemployment rate to over 20 percent, was declared a state disaster area in the latter part of the follow-up period. The high proportion of Tulare's GAIN registrants who were determined "in need of basic education" (65 percent of AFDC-FGs and nearly three-fourths of AFDC-Us) may have contributed -- together with the poor state of its local economy -- to a relatively high use of basic education, in which 36 percent of its AFDC-FG registrants and more than two-fifths of its AFDC-U registrants participated. One-fifth of AFDC-FGs and 16 percent of AFDC-Us participated in job search. About 40 percent of its registrants were Hispanic, the highest proportion of any county. Tulare achieved the second-highest participation rate for both AFDC-FGs (61 percent) and AFDC-Us (60 percent), and had the second-lowest rate of sanctioning (under 2 percent) for AFDC-FGs. Tulare's emphasis on giving personalized attention to registrants was the second highest of the six counties, despite a relatively high average caseload per case manager -- a ratio of 100:1.

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ABBREVIATIONS

ABE	Adult Basic Education
AFDC	Aid to Families with Dependent Children
AFDC-FG	Aid to Families with Dependent Children–Family Group
AFDC-U	Aid to Families with Dependent Children–Unemployed Parent
CASAS	Comprehensive Adult Student Assessment System
CWEP	Community Work Experience Program (West Virginia)
EDD	California Employment Development Department
EDP	Employment Development Plan
EPP/EWEP	Employment Preparation Program/Experimental Work Experience Program (San Diego)
ESL	English as a Second Language
ESP	Employment Services Program (Virginia)
GAIN	Greater Avenues for Independence Program
GED	General Educational Development certificate
JOBS	Job Opportunities and Basic Skills Training Program
JTPA	Job Training Partnership Act (1982)
MDRC	Manpower Demonstration Research Corporation
OJT	on-the-job training
PREP	Pre-Employment Preparation
SDSS	California State Department of Social Services
SWIM	Saturation Work Initiative Model (San Diego)
UI	Unemployment Insurance
WIN	Work Incentive Program

CHAPTER 1

INTRODUCTION

In 1985, the California legislature replaced the state's Work Incentive (WIN) Program with the Greater Avenues for Independence (GAIN) Program, aimed at increasing employment and fostering self-sufficiency among people receiving welfare. Now operating in all 58 California counties, GAIN remains one of the most ambitious welfare-to-work initiatives in the United States. Among its most distinctive features is its emphasis on mandatory, upfront basic education -- usually preceding or following job search efforts -- for welfare recipients who lack either a high school diploma or basic literacy skills in mathematics, reading, or the English language. For most other recipients, the program begins with job search, an activity directed toward immediate employment. Additional education and training are available to participants who do not find employment after job search. Recipients who meet certain criteria are expected to participate continuously in these activities until they find employment, and they stand to lose part of their welfare grant if they fail to do so without an officially acceptable reason.

In July 1989, the GAIN program, with a few modifications, became California's version of the national Job Opportunities and Basic Skills Training (JOBS) Program. The basic service sequence was not changed in this transition, but the program's participation mandate was broadened considerably. Originally, those applicants for or recipients of Aid to Families with Dependent Children (AFDC) who were either single parents with school-age children or the heads of two-parent households were required to take part in the program. Under JOBS, single parents with children as young as age three, and in some cases the second parent in two-parent households, are required to participate in GAIN. Other changes were enacted, but none of them altered the basic program model.

This report offers the first analysis of the effectiveness of GAIN in increasing welfare recipients' employment and reducing their use of welfare.[1] It is the fifth in a series by the Manpower Demonstration Research Corporation (MDRC), which is evaluating the GAIN program under contract to the California State Department of Social Services (SDSS).[2] The report focuses

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[1]The registrants who were newly mandatory under JOBS are not included in the analyses presented in this report.

[2]MDRC's previous reports on GAIN are: John Wallace and David Long, *GAIN: Planning and Early*

on the *first-year* effects of the GAIN program in six counties: Alameda, Butte, Los Angeles, Riverside, San Diego, and Tulare. Future reports will present longer-term findings based on the same counties; longer-term findings are essential to judging the overall success of any program that makes a substantial investment in education and training, for the total return on such an investment may only be evident after several years.

This report presents separate impact findings for each of the six counties, recognizing that the program's effects may vary because of differences in the way the counties chose to implement GAIN as well as differences in local economic and other conditions. These alternative approaches have themselves been fostered by the manner in which California's welfare system is run: each county administers its own welfare agency under the supervision of SDSS. Thus, county administrators can exert significant control over the day-to-day operation of the program and the emphasis placed on different implementation strategies.

Results from the GAIN evaluation are important for other states because this is the first evaluation of a large-scale welfare-to-work program that puts a major emphasis on upfront basic education in addition to job search and a range of vocational training options. (Most pre-JOBS evaluations were of programs emphasizing primarily job search and subsidized work experience.[3]) But two factors potentially limit the relevance of results from California. First, the GAIN model is distinctive and may differ substantially from other state JOBS approaches. Second, California grant levels are among the highest in the nation.[4] This second factor can affect work incentives and the relationship between work and welfare, although in a number of different ways: high grants can reduce the relative attractiveness of low-paying jobs, but they also allow people to work and still remain on welfare, which, in certain cases, can increase work incentives. A state's grant levels may thus affect a program's impacts by hindering or reinforcing a program's efforts to move recipients into jobs and off welfare.

Implementation (New York: MDRC, 1987); James Riccio, Barbara Goldman, Gayle Hamilton, Karin Martinson, and Alan Orenstein, *GAIN: Early Implementation Experiences and Lessons* (New York: MDRC, 1989); Karin Martinson and James Riccio, *GAIN: Child Care in a Welfare Employment Initiative* (New York: MDRC, 1989); Stephen Freedman and James Riccio, *GAIN: Participation Patterns in Four Counties* (New York: MDRC, 1991).

[3]See Gueron and Pauly, 1991.

[4]In California, the basic AFDC grant for a family of three is $663. Grant levels are higher only in Alaska, Connecticut, Hawaii, and Vermont.

I. The GAIN Program and Model

The GAIN legislation sought to move beyond earlier welfare employment programs by offering welfare recipients a wider range of opportunities to develop their potential for employment. Moreover, it established sequences of GAIN services that varied according to an individual's welfare history, employment experience, and education level. Figure 1.1 illustrates the basic sequences in simplified form.

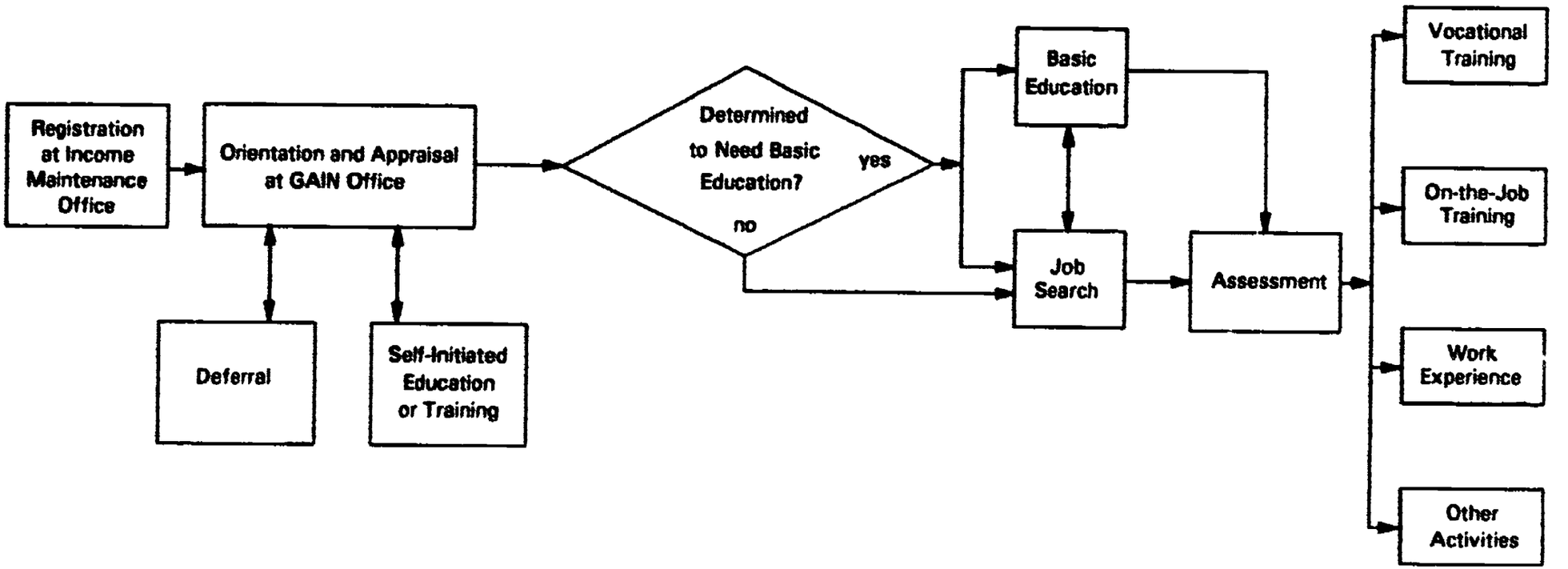
The GAIN model begins at the county welfare department's income maintenance office. Here, when determining initial or continuing eligibility for welfare, the staff are to register GAIN-mandatory AFDC applicants and recipients for the program, and offer to register recipients who are GAIN-exempt but might wish to volunteer for the program. After registration, eligibility workers refer new registrants to the GAIN office for orientation and appraisal. At orientation, the opportunities and obligations of the program are explained and the registrant takes a basic reading and mathematics test. As part of the appraisal interview, the assigned case manager reviews the registrant's background characteristics, including circumstances that might prevent her or him from participating in GAIN. The registrant is then either referred to a GAIN activity or deferred (i.e., temporarily excused from participating). GAIN support services, such as child care and transportation, are arranged at this time if the registrant needs them to take advantage of the program's activities.[5] Participation in GAIN is expected to continue until the individual finds employment, leaves welfare, or is no longer required to participate for other reasons.

As noted above, not all those who attend an orientation are expected to take part in a GAIN activity. GAIN's regulations permit temporary deferral from the participation requirement for those who have a part-time job, temporary illness, family emergency, or another situation that precludes attending an activity. Welfare recipients are also not required to remain registered for GAIN if they meet certain exemption criteria such as getting a full-time job (of at least 30 hours

[5]GAIN helps registrants find, and pays for, child care services for children who are under age 13 -- assistance that continues for a one-year transitional period after the registrant leaves welfare for employment. GAIN also reimburses program participants for relevant public transportation costs (unless a car is essential) including transportation for their children to and from a child care facility. Participants may also receive up to $450 for program-related expenses such as tools and books. Finally, GAIN funds can be used to identify the need for counseling for personal or family problems that arise from or hinder participation or employment and to make an appropriate referral. For details on GAIN's support services, see Riccio et al., 1989.

FIGURE 1.1

SIMPLIFIED DEPICTION OF THE GAIN PROGRAM MODEL



NOTE: Registrants can leave the GAIN program at any point because of employment or deregistration from GAIN for other reasons.

per week) that does not pay enough to make a person ineligible for AFDC or being chronically ill. These individuals are officially removed (i.e., "deregistered") from the program, as are those who leave AFDC entirely for employment or other reasons. Still others who *are* expected to participate but choose not to may be "sanctioned," meaning that their welfare grants are reduced or terminated as a penalty for noncompliance.[6]

As shown in Figure 1.1, GAIN has two primary service tracks. Registrants who do not have a high school diploma or its equivalent (a General Educational Development – GED – certificate), score low on either the reading or mathematics part of the basic skills test,[7] or are not proficient in English are determined by GAIN regulations to be "in need of basic education." They usually enter one of three basic education programs: GED preparation, Adult Basic Education (ABE), or English as a Second Language (ESL). Registrants on this track may elect to pursue job search assistance first, but must then enroll in a basic education class if they do not find a job. Alternatively, they may choose to participate in basic education first and then job search, or they may elect to attend job search and basic education concurrently.

The second track is for registrants who are determined "not in need of basic education" (i.e., they have a high school diploma or a GED, pass the literacy test, and are deemed to be proficient in English). They are usually referred first to a job search activity. Job search activities include job club – group training sessions in which participants learn basic job-seeking and interviewing skills – and supervised job search, in which participants have access to telephone banks, job listings, employment counseling, and other assistance under staff supervision.[8] Job search activities usually last for three weeks.

A third track is available for registrants who began an education or training activity *prior* to attending an orientation and appraisal (and irrespective of whether their appraisal determined them to be in need of basic education). At the appraisal session, the registrant's case manager decides whether the activity furthers the registrant's employment goal. If the decision is yes, the

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[6]Prior to JOBS, registrants who were heads of two-parent families lost their entire grant if they were sanctioned, whereas single parents lost only the parent's (not the children's) portion of the grant. Under JOBS, the heads of two-parent families who are sanctioned similarly lose only the parent's share of the grant.

[7]The screening test is the Comprehensive Adult Student Assessment System (CASAS) test, and a score lower than 215 on the reading or mathematics portion is a criterion for designating a person to be "in need of basic education."

[8]Some counties assign some individuals to unsupervised job search prior to an assessment.

case manager may authorize the registrant to continue attending the program as a GAIN activity and to be eligible (for no more than two years) for GAIN's support services. Such an activity is referred to in GAIN as "self-initiated" education or training.

Registrants who complete their upfront activities without having found a job must participate in a formal assessment of their career plans and work out an individual employment plan. They are then referred to "post-assessment" activities intended to further their employment plan. Possible activities include vocational or on-the-job training, unpaid work experience (or "workfare," which in GAIN is referred to as PREP),[9] supported work,[10] or other forms of education and training. For some individuals, a 90-day job search follows the post-assessment activity; they seek work on their own and periodically report to GAIN staff. If this fails to lead to a job, registrants are assessed again and another activity is selected.

In most of California's 58 counties, GAIN operates through a network of service providers in the community, with the welfare department at the center. Typically, the county welfare departments register people for GAIN, manage the overall program, provide case management, develop PREP positions (but only rarely during the period covered by this report), and, in some cases, conduct job clubs and other job search activities. With a few exceptions, the rest of the GAIN program functions and services are the responsibility of agencies outside the welfare department. For example, adult schools – and sometimes community colleges and other organizations – supplied basic education services, often using state Job Training Partnership Act (JTPA) 8 percent funds; community colleges, proprietary schools, regional occupational centers, and JTPA vendors typically provided vocational education and training. Also, in many counties, the local office of the state's Employment Development Department (EDD) operates GAIN's job club and other job search components. In addition, most counties rely on local child care resource and

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[9]PREP (Pre-Employment Preparation) is unpaid work experience in a public or nonprofit agency in exchange for the recipient's welfare grant. PREP assignments can be short-term, lasting up to three months, or long-term, lasting up to one year. The number of hours of the work assignment are determined by adding the recipient's grant (less any child support the noncustodial parent has paid to the county) and the Food Stamp allotment, and dividing that sum by the average hourly wage. PREP work assignments cannot exceed 32 hours per week.

[10]Supported work is paid work experience, in a group setting, for participants with little work history. It is characterized by close on-site supervision, peer support, and gradually increased responsibilities. A closely associated activity is transitional employment, which provides less intensive supervised training in a work setting. Neither of these activities was used in the six research counties during the period covered by this report.

referral agencies (although to different degrees) to help registrants find child care and often to make arrangements with child care providers. Frequently, the GAIN staff also take part in this process.

II. The Research Counties

The six counties in the study of GAIN's impacts represent diverse geographical regions of the state, vary widely in local economic conditions and population characteristics, and constitute a mix of urban and rural areas. (See Figure 1.2 and Table 1.1.) They include three large, mostly urban, southern counties (Los Angeles, Riverside, and San Diego); one county in the Central Valley, a rural region dominated by agriculture (Tulare); a moderate-size county in the San Francisco Bay area (Alameda, which includes the city of Oakland); and one small northern county with a substantial rural population (Butte). Two of the counties (Alameda and Los Angeles) include large inner-city neighborhoods, and all but Butte are home to sizable populations of recent Asian and Hispanic immigrants and refugees.

Partly reflecting differences in their geography, funding levels, and the degree of dispersion of their welfare populations, two of the counties operated their GAIN program out of a single location (Alameda and Butte), while the others established several local GAIN offices (San Diego, with eight, had the most). The total GAIN caseload ranged from 2,531 in Alameda to 24,397 in San Diego at the end of December 1990.

Although the GAIN participants in these six counties are not strictly representative (in a pure statistical sense) of GAIN registrants in California as a whole, together they accounted for about 35 percent of the state's entire GAIN caseload in December 1990. (Over half of the entire state AFDC caseload lives in these counties, with 33 percent of all cases located in Los Angeles alone.) Thus, while the results of the evaluation are not generalizable to the state as a whole, they do provide a test of GAIN as implemented under a wide range of conditions found across California.

All of the research counties began operating their GAIN program between January 1987 (Butte) and October 1988 (Los Angeles) (see Table 1.1). During the period of random assignment, Butte, Riverside, San Diego, and Tulare operated a "universal" program by registering all welfare applicants and recipients whose participation in GAIN was mandatory. (As previously noted, others who were exempt from the participation requirement were allowed to volunteer.) In contrast, Los

FIGURE 1.2

MAP OF CALIFORNIA SHOWING THE SIX COUNTIES PARTICIPATING IN THE GAIN IMPACT RESEARCH

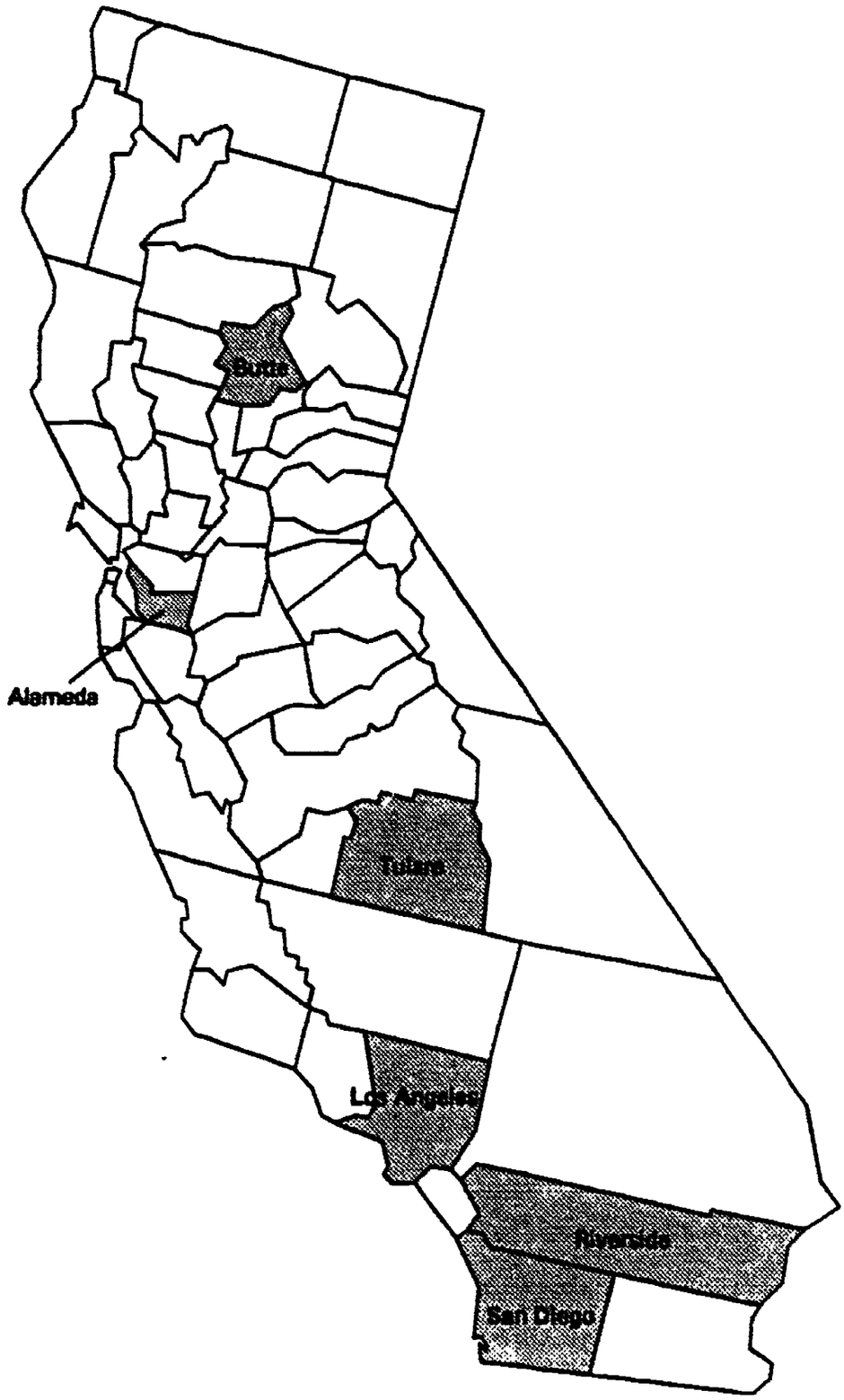


TABLE 1.1

SELECTED CHARACTERISTICS OF THE GAIN RESEARCH COUNTIES

Characteristic	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare
Date began operating GAIN program	9/88	1/87	11/88	9/87	10/87	7/88
Period of random assignment	7/89-5/90	3/88-3/90	7/89-3/90	8/88-3/90	8/88-9/89	1/89-6/90
Period covered by program tracking data	7/89-4/91	3/88-2/90	7/89-5/91	8/88-3/90	8/88-2/90	1/89-4/90
Period covered by employment, earnings, and welfare data	7/89-6/91	3/88-6/91	7/89-6/91	8/88-6/91	8/88-6/91	1/89-6/91
Unemployment rate (%)						
July 1989-June 1990	4.0	7.3	5.2	6.7	3.9	10.6
July 1990-June 1991	4.9	8.8	6.8	9.7	5.7	15.3
Population living in rural areas, 1980 (%)	1.1	29.3	1.1	17.5	6.8	37.7
Employed in agriculture, 1989 (%)	0.3	5.2	0.3	5.2	1.2	28.9
Number of welfare cases, December 1990 (a)						
AFDC-FG	27,245	4,432	208,016	21,823	45,123	11,497
AFDC-U	3,060	1,231	23,340	2,177	5,835	3,176
Proportion of California AFDC caseload in county (AFDC-FG and AFDC-U combined), December 1990 (b) (%)	4.4	0.8	33.7	3.5	7.4	2.1
Number of GAIN registrants, December 1990 (c)						
AFDC-FG (mandatory)	1,595	2,707	13,817	5,886	15,982	3,451
AFDC-U (mandatory)	251	2,057	3,899	2,489	6,426	1,925
Exempt volunteers (AFDC-FG and AFDC-U)	685	742	7	354	1,989	249
Total	2,531	5,506	17,723	8,729	24,397	5,625
Proportion of California GAIN caseload in county (AFDC-FG and AFDC-U combined), December 1990 (d) (%)	1.4	3.0	9.7	4.8	13.3	3.1
Number of GAIN offices in evaluation	1	1	5	4	8	5
GAIN mandatory caseload members targeted for registration	Long-term recipients only (e)	Cross section	Long-term recipients only (e)	Cross section	Cross section	Cross section

(continued)

TABLE 1.1 (continued)

SOURCES: California Employment Development Department (unemployment rates and percentages employed in agriculture); U.S. Bureau of the Census, 1980 (percentages in rural areas); California Health and Welfare Agency (welfare and GAIN data).

NOTES: (a) A "welfare case" is defined as a single-parent (AFDC-FG) or two-parent (AFDC-U) household that received an AFDC payment during December 1990 and remained eligible to receive AFDC at the end of the month.

(b) The statewide AFDC caseload at the end of December 1990 was 686,792.

(c) GAIN registrants include AFDC applicants and recipients who registered for GAIN at a county income maintenance office and were still eligible for GAIN services at the end of December 1990. In Butte and San Diego counties, the number of AFDC-U GAIN registrants exceeded the number of AFDC-U cases. Several factors could account for this discrepancy: registration of the second parent in the household; more AFDC applicants than recipients among those newly registered for GAIN; and delays in the deregistration of GAIN registrants who had recently left AFDC.

(d) The statewide GAIN caseload at the end of December 1990 was 183,127.

(e) In Alameda, the long-term recipients served in GAIN had been continuously receiving AFDC for over two years. In Los Angeles, the long-term recipients served had been continuously receiving AFDC for three years or more.

Angeles and Alameda registered mostly long-term welfare recipients, in accordance with GAIN regulations that require counties to give priority to long-term recipients when funding constraints do not permit services for all eligible clients. Los Angeles registered only welfare recipients who had received AFDC for at least three consecutive years. However, except for those who met the official exemption criteria, *all* recipients in this category were referred to GAIN. Alameda began by registering individuals who had been receiving AFDC since 1980 but subsequently registered more recent welfare recipients.[11]

As will become apparent below, the different intake policies across the counties, along with differences in the general makeup of the each county's local population, yielded research samples that varied markedly in their demographic composition. This is an important fact, which must be kept in mind when comparing the impacts of GAIN across the six counties.

Figure 1.3 presents trends in unemployment rates in each county during the period of random assignment as well as through the end of the follow-up period for this report. (These periods are denoted by the vertical lines on the graph. Random assignment began first in Butte and was completed last in Tulare. Data collection for employment, earnings, and welfare outcomes ended about one year after the last person was randomly assigned.) Tulare had the highest unemployment rate, with a monthly average of almost 11 percent between July 1989 and June 1990; it was dramatically higher for several months in the following year after a severe freeze destroyed much of the crop in that agricultural area. (See also Table 1.1.) Economic conditions also varied considerably across the other counties. Unemployment was notably higher in Butte and Riverside than in Alameda, Los Angeles, and San Diego.

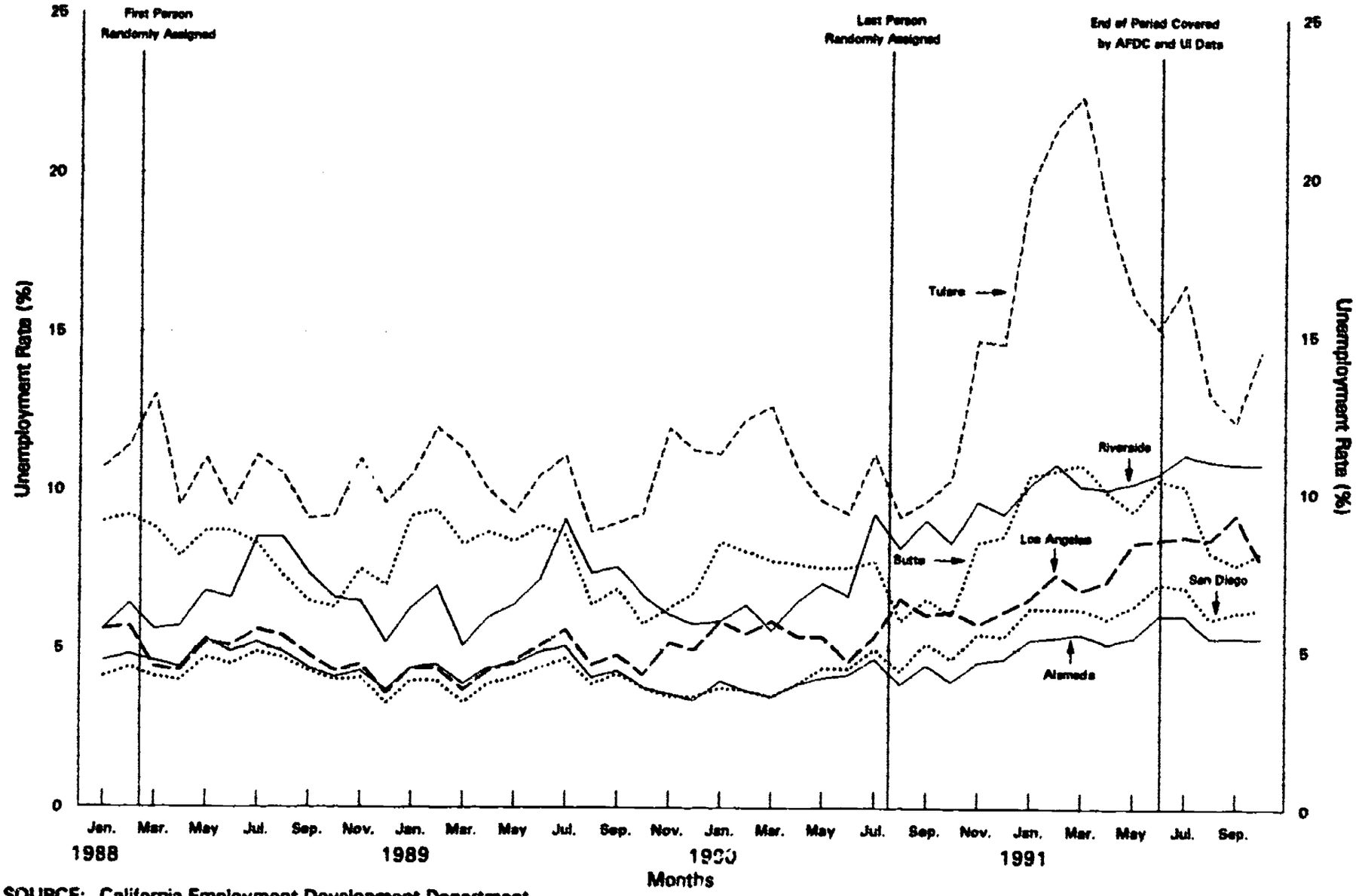
III. An Overview of the Research Design

To test the effectiveness of GAIN in increasing welfare recipients' employment and earnings and reducing their use of AFDC, a random assignment research design was instituted in each of the six counties. All individuals who, during the period of sample intake, were designated at the income maintenance office as mandatory registrants for GAIN[12] *and* attended a program

[11]Prior to the start of the evaluation, Alameda gave priority to long-term recipients who volunteered for the program within both the GAIN-exempt and non-exempt groups.

[12]As noted above, the mandatory population was broadened under JOBS, but only the groups considered mandatory for GAIN under the pre-JOBS rules – i.e., single parents whose youngest child was six or older and the heads of two-parent households – are included in the analyses for this report.

FIGURE 1.3
MONTHLY UNEMPLOYMENT RATES FOR THE SIX GAIN RESEARCH COUNTIES



SOURCE: California Employment Development Department.

NOTE: The month indicators have been placed at mid-month.

orientation and appraisal at the GAIN office were randomly assigned to either an experimental group, which was eligible to receive GAIN services and subject to the participation mandate, or to a control group, whose members were not eligible for those services – including GAIN child care services – and not subject to the mandate. (See Figure 1.4.) The controls could, however, seek alternative services in the community on their own initiative. Later, both groups – which together make up the research sample for study of GAIN's impacts – were followed up. The differences in their employment, earnings, and welfare receipt represent the measured impacts – or effects – of GAIN.

In some other studies of welfare-to-work programs, random assignment has taken place when people come to the income maintenance office, rather than later, at program orientation, as it did in the GAIN evaluation. Under the former type of design, the impact sample includes individuals who never show up at a program orientation as well as those who do show up, and thus fully represents the caseload of individuals referred to the program. When random assignment is placed later, at orientation, registrants who do not show up for the program – a potentially sizable group[13] – are not part of the research sample. Thus, the results cannot be generalized to the entire caseload of registrants referred from the income maintenance office. This issue, which is explored further in Chapter 4, is important when comparing the results of the GAIN evaluation with those of other studies.

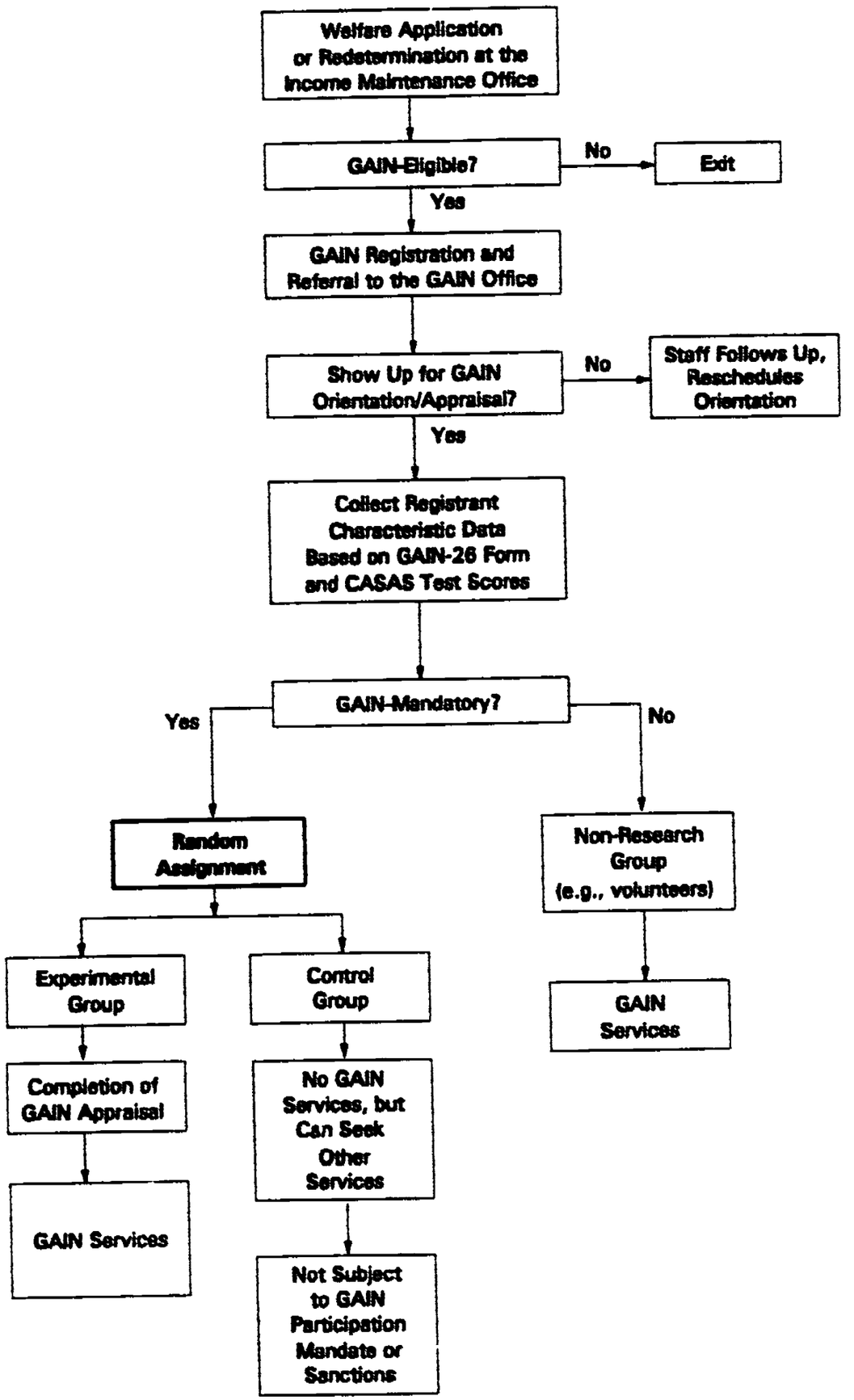
Table 1.1 shows that the random assignment period for the GAIN impact study started and ended at different times in each of the six counties. (Random assignment concluded when the number of people required for the research had been enrolled in the sample.) Butte, the smallest of the six counties, conducted random assignment for about two years, from March 1988 to March 1990. The process was shorter in the other counties, ending everywhere no later than June 1990.

Random assignment began in each county sometime between 7 and 14 months after the county began operating GAIN. The lag between the program and random assignment start dates was intended to allow the counties some opportunity, prior to the study period, to address the

[13]Although the orientation "no-show" rate was not measured in the six counties discussed in this report, it was measured in seven of the eight counties included in MDRC's 1989 implementation report (Riccio et al., 1989, Chapter 4). In that sample, nearly one-third of all mandatory registrants did not show up for an orientation and appraisal within six months of their scheduled orientation. By the end of the six-month follow-up period, roughly two-thirds of those who did not attend an orientation had either left welfare or were officially excused from participating in the program.

FIGURE 1.4

OVERVIEW OF THE INTAKE AND RANDOM ASSIGNMENT PROCESS FOR THE GAIN EVALUATION



inevitable problems associated with beginning a new program. Nonetheless, program procedures and policies have continued to evolve as administrators and staff refine their approaches and acquire more experience in operating GAIN. The transition to JOBS in July 1989 and reductions in state GAIN funds have also had to be dealt with. These circumstances should be kept in mind as part of the context for this report.

IV. The Riverside Case Management Experiment

An additional feature of the GAIN evaluation is a special study conducted in Riverside County on the effects of assigning GAIN registrants to case managers with different-size caseloads. One group of case managers was assigned half as many registrants as the others. Although the actual average ratio of registrants-to-staff fluctuated over time, the 2-to-1 difference was maintained throughout the random assignment period and for approximately a year thereafter. Furthermore, all case managers, as well as all registrants in the experimental group, were randomly assigned to either the higher or lower caseload group.

This special experiment was designed to test whether assigning registrants to staff with smaller caseloads, and allowing staff to monitor them more closely and work with them more intensively, would produce larger impacts on employment and earnings and larger welfare savings. The results of that study will be presented in a future report. In this report, all findings for Riverside refer to the county as a whole (i.e., both groups combined) unless otherwise stated.

V. The Research Samples and Data Sources

This study presents first-year impacts for GAIN-mandatory registrants, both for single parents with school-age children (mostly mothers), referred to as AFDC-FG – family group – registrants, and for the unemployed heads of two-parent families (mostly fathers), referred to as AFDC-U – unemployed parent – registrants. The full research sample for this report includes more than 33,000 experimentals and controls.[14] (About 22 percent of the AFDC-FGs and 31 percent of the AFDC-Us were randomly assigned to the control group, with the actual proportions varying across the counties and over time in some counties.)

[14]The total sample of more than 37,000 includes some individuals who were newly mandatory for GAIN under the JOBS legislation.

In addition to impacts for the full sample of experimentals and controls, impacts are also presented for an "early cohort" of AFDC-FGs and AFDC-Us within each county. These registrants were randomly assigned early during the period of sample intake, making it possible to examine, for them, impacts for a second year of follow-up. However, the two-year impacts for a county's early cohort may not reflect those for its full research sample if its early and later enrollees differ in their background characteristics, the labor market conditions they faced, the way GAIN was operated when they were in the program, and other factors. Therefore, the two-year findings included in this report should be interpreted cautiously. MDRC's final evaluation report, scheduled for the end of 1993, will present impacts covering a minimum of two and one-half years for the full sample in each county, and longer for the early cohort.

For the impact analysis, data on welfare receipt and welfare payment levels were obtained on all experimentals and controls from each county's computerized welfare payment records. Employment and earnings data come from the computerized California State Unemployment Insurance (UI) Earnings and Benefits Records. These data were collected for a period that began up to two years prior to random assignment (depending on the county) through June 1991.

Findings on the experimental group's patterns of participation in GAIN activities are presented for a subsample of AFDC-FGs and AFDC-Us (referred to as the "participant flow sample") and cover the first 11 months after each sample member's date of random assignment. In Alameda and Los Angeles, these participation data were obtained from computerized tracking systems, making it possible to include in the participant flow samples all experimentals in those two counties. In the other four counties, participation data were collected manually by MDRC staff from program casefiles. Consequently, data were obtained only for a subsample of the experimental group in those counties.[15]

This report also uses data from several other sources. To describe the background characteristics of the experimentals and controls (such as their age, ethnicity, family composition, and education and training, as well as their welfare and employment history), it uses information from the state's client information (or "GAIN-26") form. A few special categories were added to

[15]In the four counties with manually collected data, information was obtained for a randomly selected subsample of GAIN experimentals -- 920 AFDC-FGs and 519 AFDC-Us -- who were randomly assigned between March 1988 and May 1989. Because random assignment continued beyond this period, these data do not reflect the participation patterns of later cohorts of experimentals. For further details, see Freedman and Riccio, 1991.

this form in the six counties for research purposes. To describe the ways in which the counties implemented the GAIN model, the study draws upon responses to the MDRC Staff Activities and Attitudes Survey, which was administered to GAIN staff twice in each county (one and two years after GAIN began), along with a series of in-depth, in-person interviews with program case managers and administrators.

VI. Background Characteristics of the Full Sample for This Report

The top panel of Table 1.2 displays selected demographic characteristics of the full sample[16] of AFDC-FGs in each county (with the experimental and control groups combined). The bottom panel presents the same information for the AFDC-U group. County differences in the characteristics of their research samples are important to note because they may contribute to differences in registrants' participation patterns as well as in program impacts and costs. For instance, past research suggests that the effects of welfare-to-work programs tend to be different for recent applicants to welfare than for those already receiving welfare when they enter the program.[17] Educational background also matters, especially in a program such as GAIN, where the sequences of services received are intended to be different for registrants determined "in need of basic education" and those determined "not in need of basic education." Thus, county variations in these and other characteristics must be considered when comparing the counties' participation and impact results.

Table 1.2 reveals some striking contrasts in the background characteristics of the counties' research samples. For example, unlike samples in all of the other counties, those in Alameda and Los Angeles include no individuals who, at the time of their referral to GAIN, were AFDC applicants or short-term recipients. This reflects the special intake policies in those two counties, which were noted above. Furthermore, in the AFDC-FG group in the other four counties, the proportion of long-term recipients (who had received welfare for more than two years) ranged from 28 percent in Butte to 58 percent in Tulare. Across the six counties, the proportion who had

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[16]The full research sample of 33,222 registrants shown in Table 1.2 includes 289 cases that are not included in the impact sample because social security numbers and/or AFDC case numbers are missing, or for other reasons. Dropping these cases from the impact analyses (Chapters 4 and 5) accounts for the slight variation between subgroup percentages in the demographic and participation tables presented in Chapters 1-3 and those in the impact tables.

[17]See, e.g., Friedlander, 1988.

TABLE 1.2

SELECTED CHARACTERISTICS OF THE GAIN RESEARCH SAMPLE AT ORIENTATION

Sample and Characteristic	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare	
All AFDC-FG experimentals and controls							
Aid status (a) (%)							
Applicant	0.0	60.3	0.0	31.0	28.0	13.9	(b)
Short-term recipient	0.0	11.5	0.0	29.8	30.8	28.2	(b)
Long-term recipient	100.0	28.2	100.0	39.2	41.2	57.9	(b)
Employed within past 2 years (%)	23.9	56.8	16.5	49.3	59.2	48.7	***
In need of basic education, according to GAIN criteria (%)	65.4	49.0	80.6	60.3	56.1	65.2	***
Ethnicity (%)							
White, non-Hispanic	17.9	85.7	11.6	51.2	41.8	51.7	***
Hispanic	7.5	5.6	31.9	27.6	25.3	39.2	***
Black, non-H'spanic	68.6	3.5	45.3	15.5	22.5	3.6	***
Indochinese	2.1	0.6	9.9	1.3	5.5	0.4	***
Other Asian	0.8	2.2	0.7	1.7	0.9	2.3	***
Other	1.6	2.0	0.4	2.2	3.1	2.5	(b)
Limited English proficiency (%)	4.5	6.9	31.7	10.3	17.3	13.7	***
Average age (years)	34.7	33.6	38.5	33.7	33.8	34.9	***
Average number of children	1.9	1.7	2.1	1.8	1.7	2.0	***
Research sample status (%)							
Experimental	50.0	80.3	68.0	81.2	85.8	71.0	***
Control	50.0	19.7	32.0	18.8	14.2	29.0	***
Sample size	1,205	1,234	4,434	5,626	8,224	2,248	

(continued)

TABLE 1.2 (continued)

Sample and Characteristic	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare	
All AFDC-U experimentals and controls							
Aid status (a) (%)							
Applicant	0.0	76.2	0.0	42.8	32.9	22.2	(b)
Short-term recipient	0.0	11.8	0.0	37.3	37.7	42.2	(b)
Long-term recipient	100.0	12.1	100.0	19.9	29.4	35.7	(b)
Employed within past 2 years (%)	22.5	80.1	32.1	72.1	78.9	67.5	***
In need of basic education, according to GAIN criteria (%)	81.3	58.0	92.2	66.6	62.9	74.0	***
Ethnicity (%)							
White, non-Hispanic	15.9	74.8	11.2	42.7	36.2	36.3	***
Hispanic	9.3	7.8	22.5	31.8	26.6	41.6	***
Black, non-Hispanic	15.4	2.5	4.2	8.1	9.6	2.3	***
Indochinese	40.1	2.9	58.3	6.0	20.5	3.9	***
Other Asian	15.4	9.4	3.5	7.9	2.1	12.9	***
Other	2.2	2.3	0.2	3.2	3.5	2.7	(b)
Limited English proficiency (%)	55.5	16.7	82.7	23.9	30.1	31.3	***
Average age (years)	40.3	29.8	42.0	32.3	3[illegible].6	32.3	***
Average number of children	3.0	2.1	2.5	2.4	2.4	2.6	***
Research sample status (%)							
Experimental	52.7	77.4	50.4	69.2	74.2	69.3	***
Control	47.3	22.6	49.6	30.8	25.8	30.7	***
Sample size	182	1,019	1,459	2,407	3,277	1,907	

SOURCE: MDRC calculations from GAIN intake forms for the full research sample.

NOTES: Sample characteristics were recorded on the intake form by GAIN staff at orientation and are based on answers from GAIN registrants.

Distributions may not add to 100.0 percent because of rounding or because of items missing from some sample members' intake forms.

A chi-square test was applied to differences among counties. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

(a) Applicants are registrants applying for AFDC at the time of referral to GAIN orientation; they include reapplicants who may have had prior AFDC receipt. Short-term recipients have received AFDC for two years or less. Long-term recipients have received AFDC for over two years. (The AFDC receipt may not have been continuous.)

(b) A test of statistical significance was not performed.

worked for pay during the two years prior to orientation ranged from 17 percent in Los Angeles to 59 percent in San Diego, and the proportion considered to need basic education ranged from 49 percent in Butte to 81 percent in Los Angeles. The counties also varied widely in racial and ethnic composition. For example, 12 percent of Los Angeles's sample were non-Hispanic whites compared to 86 percent of Butte's. Also striking is the fact that almost one-third of the Los Angeles sample were considered to have limited proficiency in English, compared to 5 to 17 percent of the sample in the other counties.

In contrast to the AFDC-FG group, the AFDC-U sample members were less likely to be long-term welfare recipients (except in Alameda and Los Angeles), more likely to have been employed in the prior two years (except in Alameda), and more likely to have been determined to need basic education, in part because of their more limited knowledge of English. AFDC-Us also include a higher proportion of heads of households of refugee families from Vietnam, Laos, and Cambodia as well as from other countries. Notably, more than one-half of the AFDC-U samples in Alameda and Los Angeles were Indochinese or members of other Asian groups.

VII. Explaining County Variation in Impacts: Some Limitations

Although GAIN is based on a uniform program model that all of California's counties must operate, county administrators have considerable authority to shape the program's actual content. As will be shown, the GAIN administrators in the six counties analyzed in this report chose to implement the program in very different ways. In part, their decisions reflected their different beliefs about the best ways to institute the GAIN legislation's ongoing participation mandate for welfare recipients and to achieve the program's twin goals of moving registrants into jobs and off welfare.

This variation in implementation strategies provides the evaluation with an opportunity to explore whether some of these alternative approaches produce better participation and impact results than others. At the same time, it is important to recognize that this type of comparative analysis cannot be of the same level of rigor as the analysis of program impacts *within* each county. This is because registrants were randomly assigned to the experimental and control groups within each county, and not to the different county programs. To answer the question of how differences in implementation strategies affect impacts with the same level of rigor would require that sample members be randomly assigned to the various counties' programs (or to different types of

treatment, as was done for the Riverside case management experiment). Only in that way would it be possible to link with certainty any variation in impacts to those approaches rather than to other conditions that distinguish the programs.

In the absence of such a design, county comparisons must be interpreted cautiously or they can lead to misleading conclusions about "what practices work best."[18] In particular, judgments must be made about the possible influence of a whole host of factors that can affect a county's impacts before drawing any inferences about the role of any specific implementation practices. As illustrated in Figure 1.5, these include various characteristics of the local community in which the program is operated, and the types of individuals the program serves.

With these limitations clearly recognized, the present report will offer a preliminary assessment of whether the differences in the counties' implementation strategies influenced the counties' participation patterns and impacts during the first year of follow-up. Future reports will return to this issue, focusing on longer-term impact results. This is important because some approaches that appear to be the most effective in the short run may not be the most effective in the longer run. Longer-run results are especially important to consider when judging programs that, like GAIN, make a substantial investment in education and training the payoff of which may not be evident in the short run. Thus, any conclusions about the relative merits of different approaches should be drawn cautiously when only first-year results are available.

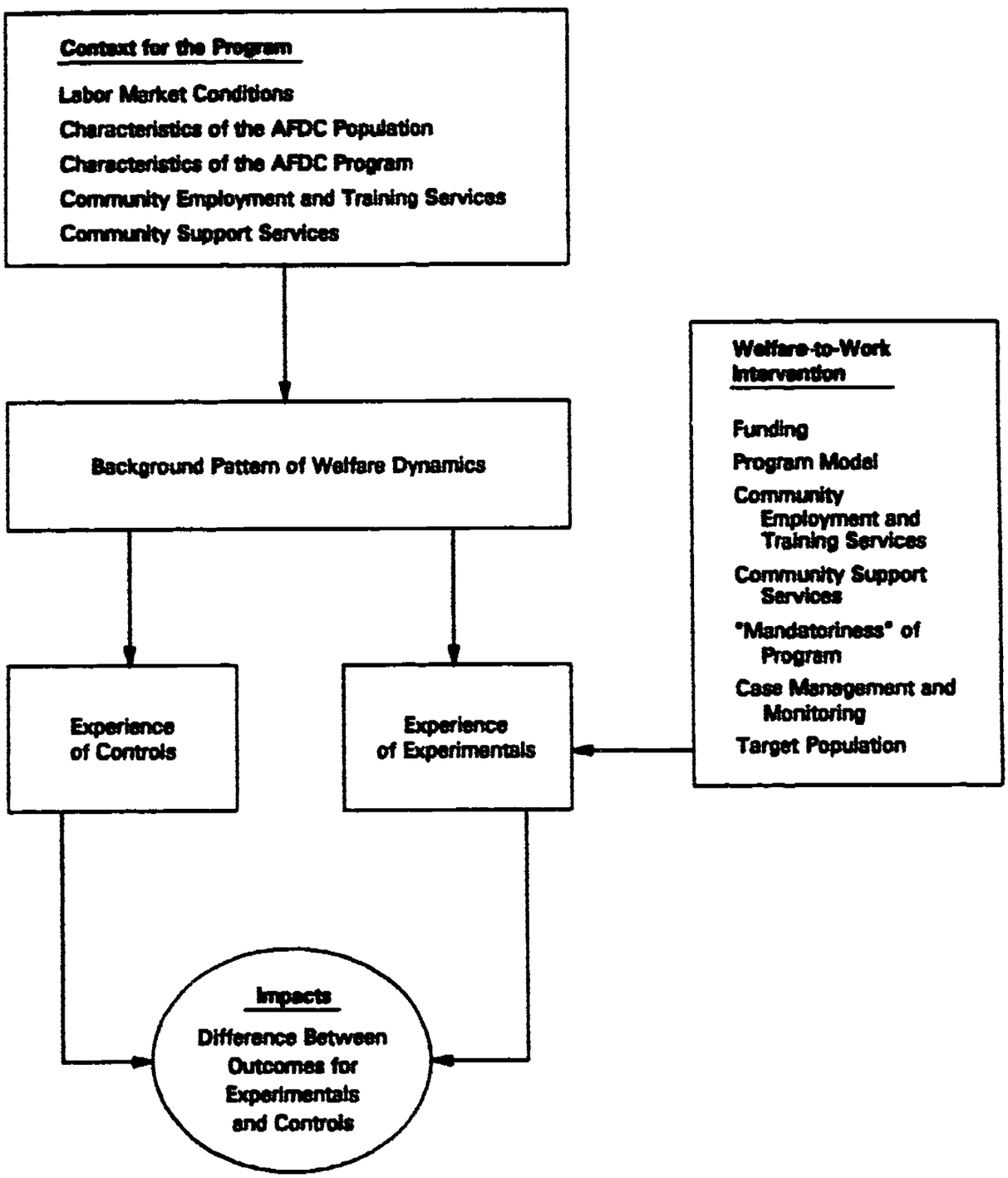
This report draws on a considerable body of information about the counties in comparing their first-year results. However, some crucial information will only be available in future reports. (See Table 1.3.) This includes data on the extent to which members of the control group get job search, education, and training on their own, which is being obtained from a special survey of GAIN registrants. This information is particularly important in comparing impacts across counties. For example, some counties may have smaller impacts if their control groups are more likely to receive non-GAIN services on their own initiative.

Future reports will also include some information on the effects of the basic education services used by the experimentals and controls, based upon the results of a literacy test being administered as part of the registrant survey. Other information on the characteristics of the instruction received by basic education participants will also be included. (Comparable information

[18]For further discussion of this issue in the context of an evaluation of a youth employment program, see Cave and Doolittle, 1991.

FIGURE 1.5

FACTORS AFFECTING THE IMPACTS OF WELFARE-TO-WORK PROGRAMS



SOURCE: Gueron and Pauly, 1991.

TABLE 1.3

PARTIAL LIST OF FACTORS THAT MAY CONTRIBUTE TO COUNTY VARIATION IN GAIN PARTICIPATION OR IMPACTS

Factor	Information available for this report?	Information available for future reports?
Local environment		
County unemployment rates	Yes	Yes
Other labor market conditions (e.g., changes in in-demand occupations)	No	No
Control group's participation in non-GAIN job search, education, and training activities	No	Yes
Registrants' characteristics		
Registrants' demographic and other background characteristics	Yes	Yes
Program implementation		
Experimental group's participation in GAIN activities	Yes	Yes
Selected aspects of program management	Yes	Yes
Staff background and experience	Yes	Yes
Registrant-to-staff ratios	Yes	Yes
Selected aspects of county case management practices (including degree of: participation monitoring, individualized attention to registrants, enforcement of participation mandate, and emphasis on education/ training vs. quick job entry)	Yes	Yes
Selected aspects of the organizational climate at the GAIN office (including staff morale, staff perceptions of welfare recipients, staff relationships with GAIN registrants, and staff perceptions of GAIN's efficacy)	Yes	Yes
Selected aspects of the quality of GAIN basic education services	No	Yes
Quality of job search and vocational education and training services	No	No
Staff perceptions of the availability and quality of GAIN services	Yes	Yes
Costs of GAIN and non-GAIN activities and support services	No	Yes

has not been collected on the quality of job search and vocational education and training services, for experimentals or controls.) Future reports will also include estimates of the cost of GAIN and non-GAIN (control group) services, which is essential for judging the merits of alternative implementation approaches.

VIII. An Overview of This Report

The next chapter (Chapter 2) describes the experimental group's patterns of participation in GAIN activities, showing how these patterns varied among different types of registrants and across counties. Chapter 3 describes some of the alternative ways in which the counties chose to implement GAIN. It devotes particular attention to case management practices and other implementation approaches that administrators believe are essential to operating a successful, cost-effective program. It also examines the relationship between these approaches and the participation outcomes described in Chapter 2.

A county's participation patterns and its implementation strategies together comprise much of the GAIN "treatment." Chapters 4 and 5 discuss the first-year impacts of that treatment on registrants' employment, earnings, and welfare receipt. Chapter 4 presents results for the AFDC-FG group (the single parents), while Chapter 5 concentrates on the AFDC-U group (the heads of two-parent households). Past studies have shown that these two groups tend to have different patterns of labor market and welfare behavior, which produce different patterns of impacts from welfare-to-work programs.[19]

The report concludes, in Chapter 6, with a preliminary assessment of how differences in the counties' GAIN enrollees, local labor markets, and strategies for implementing GAIN might be associated with differences in their first-year impacts. It also discusses how the interpretation of these relationships might change once the longer-term findings become available and once other important information, such as the extent to which the control group received non-GAIN services, can be examined.

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[19]See, e.g., Gueron and Pauly, 1991.

CHAPTER 2

PARTICIPATION PATTERNS

To interpret the results of the GAIN evaluation's impact and benefit-cost analyses, it is essential to understand how extensively the experimental group took part in GAIN activities and which activities they used most and least often. These patterns are a key part of what is meant by the program "treatment" from the registrants' perspective. As such, the patterns may help to determine GAIN's costs and effectiveness in the long run. This chapter presents a general portrait of participation in the six research counties and examines how these patterns varied for different types of individuals within the research sample.[1] Chapter 3 will consider whether the counties' different approaches to implementing GAIN, and their different local environments, help account for these participation outcomes.

I. Measuring and Interpreting Participation

There are many ways to define and measure participation in welfare-to-work programs. This analysis begins by using a fairly simple indicator, defining "participation in a GAIN activity" as ever entering a job search, education, or training activity within the follow-up period for this study – the 11 months following each person's GAIN orientation meeting, which was also when random assignment took place.[2] It includes activities to which individuals were referred by program staff as well as those that were "self-initiated." (The latter were activities that welfare recipients had already started before entering GAIN and were allowed to pursue as a way of meeting GAIN's participation requirement.) Orientation, assessments, appraisals, or meetings with case managers are not counted as participation. This definition differs substantially from the one embodied in the federal regulations for the Job Opportunities and Basic Skills Training (JOBS) Program but is consistent with MDRC's 1989 implementation report on GAIN and its earlier reports on other welfare-to-work initiatives. The analysis also examines other measures of participation, including,

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[1]Much of the discussion in this chapter has been drawn from Freedman and Riccio, 1991. However, unlike that report, it includes previously unavailable participation data from Alameda and Los Angeles, as well as data on the duration of participation in Butte, Riverside, San Diego, and Tulare.

[2]For this analysis, registrants were counted as having "ever" participated in a GAIN activity if they attended for at least one hour, although most attendees stayed much longer than this.

for four of the six research counties, individuals' length of participation in each activity and in the GAIN program overall.

It is important to remember that the findings presented here refer only to the experiences of the experimental group and do not describe the patterns of participation of a county's entire GAIN caseload. As explained in Chapter 1, this group includes "orientation attenders" who were single parents with school-age children and heads of two-parent households whose enrollment in the program was a condition for receiving AFDC. Individuals who were referred to GAIN by the income maintenance office but did not show up for orientation are not in this sample.

As a number of studies have shown,[3] an essential factor in understanding and interpreting participation rates is welfare caseload dynamics. Many welfare recipients go on and off welfare, often leaving without any special intervention. For example, some people get jobs on their own or get married. To the extent that this occurs among GAIN orientation attenders before they enter their first activity, it will lower a county's overall participation rate. This rate will be further lowered to the extent that orientation attenders get part-time employment that, under GAIN's regulations, makes them no longer subject to GAIN's participation requirement.

At the same time, GAIN may induce some of these changes. For example, a desire to avoid the participation requirement may lead some individuals to find employment or leave welfare sooner than they would otherwise have done, again lowering a county's participation rate if these actions are taken prior to entering an activity. Alternatively, some individuals might feel encouraged to remain longer on welfare in order to take advantage of GAIN's opportunities for education and training. Thus, participation rates, whether "high" or "low," are influenced by normal welfare caseload turnover as well as by the program's intervention. In any case, they should not be expected to reach 100 percent.

II. County Differences in Participation Patterns: AFDC-FGs (Single Parents)

This section presents the participation findings for the AFDC-FG experimentals, and the next section briefly compares them to the rates observed for the AFDC-U group.

[3]See Bane and Ellwood, 1983; Maxwell-Jolly and Warren, 1989.

A. Overall Rates of Participation

As Table 2.1 shows, more than half of the AFDC-FG experimental group in five of the six counties participated in a GAIN job search, education, or training activity. Participation rates in these counties ranged from 51 percent in Los Angeles to 63 percent in Alameda. The sixth county – Butte – had a markedly lower rate (43 percent), partly because it delayed assigning orientation attenders to case managers in order to limit the size of case managers' caseloads while still including as many people as possible in orientation and appraisal sessions. This waiting period usually lasted several months and delayed referral to the experimentals' first activity.[4]

While a substantial portion of the orientation attenders – ranging from 37 to 57 percent – did not participate in a GAIN activity, almost all of the nonparticipants were people who were not required to participate in GAIN activities by the end of the follow-up period. (See Appendix Table A.1.) The vast majority (80 to 100 percent) of the nonparticipants were either no longer enrolled in the program (i.e., they were "deregistered") because they had gotten a full-time job, left welfare, were sanctioned, or met other specific criteria, or were temporarily excused from participating because of part-time employment, illness, or other reasons (i.e., they were officially "deferred").

Among all experimentals, the rates of deferral varied across the counties, from 32 percent in Butte to 64 percent in San Diego. The two most common reasons for deferral were part-time employment and illness, with part-time employment being the leading reason in some counties and illness being the leading reason in others. Those deferred for part-time employment included individuals who had a part-time job when they started GAIN and those who got a part-time job after enrolling in the program.

B. The Use of Different GAIN Activities

Table 2.1 displays the incidence of participation in *each* GAIN activity, calculated in two different ways. The top panel presents these rates for *all* experimentals, including those who never started an activity. This approach is helpful for understanding the extent to which the entire

[4]Butte administrators set a limit of about 75 GAIN registrants per case manager, while still scheduling for orientation all welfare applicants and recipients who met GAIN's eligibility requirements. Because the rate of intake into GAIN exceeded the capacity set for case managers, orientation attenders were routinely placed on a waiting list for assignment to a GAIN case manager and were not contacted by the GAIN staff until a case manager slot became available.

TABLE 2.1

RATES OF PARTICIPATION IN GAIN ACTIVITIES AMONG AFDC-FG EXPERIMENTALS WITHIN 11 MONTHS AFTER ORIENTATION

Sample and Participation Status	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare	
All experimentals							
Ever participated in any GAIN activity, excluding appraisal and assessment (%)	63.1	42.5	51.3	60.1	55.1	60.9	***
Ever deferred (%)	46.2	31.5	48.9	48.0	64.4	53.3	***
Reason for first deferral among those ever deferred (%)							
Part-time employment	18.3	36.5	17.4	27.7	30.8	32.5	(a)
Illness	25.5	11.1	44.1	28.6	25.2	18.3	(a)
Other reasons	56.1	52.4	38.5	43.7	44.0	49.2	(a)
Total	100.0	100.0	100.0	100.0	100.0	100.0	
Ever deregistered (%)	27.9	51.0	46.3 (b)	79.4	56.7	40.4	***
With request for sanction	0.0	4.0	5.4 (b)	10.9	4.0	1.8	***
Ever participated in (%)							
Job search	26.4	18.0	11.9	34.3	29.6	20.4	***
Basic education (c)	38.5	15.0	36.8	21.8	19.0	36.4	***
GED	13.6	8.0	6.8	9.7	6.9	18.2	***
ABE	23.9	4.0	19.4	7.7	9.7	16.4	***
ESL	2.0	3.0	12.3	5.2	3.6	6.2	***
Self-initiated activity	3.2 (d)	10.0	6.2	13.3	15.4	7.6	***
Assessment	16.4	11.5	3.7	1.6	11.3	19.6	***
Post-assessment activity	17.3 (d)	4.0	1.1	2.4	8.1	9.3	***
Any education or training activity	53.0	27.5	43.8	36.3	37.2	49.3	***
Sample size	602	200	3,013	248	247	225	
Experimentals who started any GAIN activity (e)							
Participated in (%)							
Job search	41.8	42.4	23.2	57.0	53.7	33.6	***
Basic education (f)	61.1	35.3	71.8	36.2	34.6	59.9	***
Self-initiated activity	5.0 (d)	23.5	12.2	22.1	27.9	12.4	***
Post-assessment activity	27.4 (d)	9.4	2.2	4.0	14.7	15.3	***
Any education or training activity	83.9	64.7	85.4	60.4	67.6	81.0	***
Sample size	380	85	1,545	149	136	137	

(continued)

TABLE 2.1 (continued)

SOURCE: MDRC's participant flow sample.

NOTES: Distributions may not add to 100.0 percent because of rounding.

A chi-square test was applied to differences among counties. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

(a) A test of statistical significance was not performed.

(b) The deregistration rates for Los Angeles were adjusted upward by dividing by .7; a comparison of deregistration records in registrant casefiles and the GEARS system for a randomly selected subsample of 87 registrants revealed that only 7 of 10 deregistrations recorded in the casefiles were also recorded in GEARS.

(c) Subcategory percentages may not add to the category percentage because participation in more than one component of basic education was possible.

(d) Alameda registrants already in vocational education at orientation were coded as participating in vocational education instead of in self-initiated vocational education. This policy causes the post-assessment activity percentage, which includes vocational education, to be higher and the self-initiated activity percentage to be lower than if the coding had been consistent with that in the other counties.

(e) This sample includes only those experimentals who ever participated in any GAIN activity, excluding appraisal and assessment.

(f) GED preparation, ABE, and ESL.

sample received particular kinds of services. The bottom panel presents several participation rates for only *those experimentals who ever participated in any GAIN activity*. The latter measure is useful for comparing the mix of services across counties.

As Table 2.1 shows, both sets of measures reveal that job search and basic education were by far the most heavily used components in GAIN, a pattern that was also observed in MDRC's 1989 study of GAIN implementation. The great majority of participants attended only one GAIN activity (not shown on the table). Almost all sample members who participated in more than one activity took part in job search in addition to basic education or another component. Participation in more than two activities was extremely rare.[5]

The counties varied significantly in the proportion of registrants using particular components. For example, 12 to 34 percent of all experimentals entered job search (particularly job club), while 15 to 39 percent of experimentals used basic education (including GED preparation, an ABE course, and ESL instruction). Experimentals in Butte, Riverside, and San Diego used job search activities at a higher rate than any other single activity. Basic education was the second most commonly used activity in those counties. Just the opposite pattern occurred in Alameda, Los Angeles, and Tulare, where basic education was the leading component, followed by job search.

Participation in self-initiated education or training also varied widely across the counties. The proportion of experimentals entering this component ranged from 3 percent in Alameda to 15 percent in San Diego.[6] With few exceptions, self-initiated activities involved occupational skills training and not basic education.

Post-assessment activities – such as skills training, post-secondary education, and unpaid work experience (PREP) – were reserved for participants who did not obtain employment after completing the upfront job search and, when appropriate, basic education components. (See Figure 1.1) As previously noted, these individuals were to be given an in-depth assessment of their career interests and capabilities and then assigned to a suitable education or training activity.

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[5]See Freedman and Riccio, 1991.

[6]In the four counties where an analysis was done (Butte, Riverside, San Diego, and Tulare), 54 percent of all participants in self-initiated activities were in vocational training programs, such as those teaching clerical and technical skills, while 41 percent were in post-secondary education at community colleges, taking courses in vocationally-oriented curricula such as nursing and accounting. The remainder took part in basic education and high school programs.

Across the counties, 2 to 20 percent of all experimentals were assessed, while 1 to 17 percent actually entered a post-assessment activity by the end of the follow-up period.[7] (Many of those who were assessed entered an education and training program after the follow-up period.) Experimentals in Butte, Los Angeles, and Riverside were considerably less likely to take part in assessment and post-assessment activities than were their counterparts in other counties.[8]

Another measure on Table 2.1 combines all classroom-based education and training into a single category, "any education or training activity." This measure includes participation in basic education, self-initiated education and training, and post-assessment education and training. It excludes participation in on-the-job training (OJT) and PREP activities, both of which entail performing a job rather than classroom training. The table shows that "any education or training activity" was used by 28 percent (Butte) to 53 percent (Alameda) of all experimentals.

Looking just at those experimentals who entered any GAIN activity (i.e., the GAIN *participants*), it is evident that education and training characterized the program treatment most strongly in Alameda, Los Angeles, and Tulare, where 81 to 85 percent received such services (mostly basic education). These activities were less common – although still used by a majority of participants – in Butte, Riverside, and San Diego, where 60 to 68 percent took part in them.

The county differences in these participation patterns partly reflect differences in the types of welfare recipients enrolled in GAIN, such as the proportion who were determined to need basic education. For example, Alameda and Los Angeles, whose participants were among the highest users of basic education, were also the counties with the highest proportions of registrants determined to need basic education and registrants who were long-term welfare recipients. However, registrant characteristics are not the only relevant factors. For example, although Riverside had roughly the same proportion of experimentals in need of basic education as did Tulare, a considerably smaller proportion of its sample used that component. As noted earlier, Chapter 3 will examine the influence of county implementation practices on participation patterns.

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[7]In some counties, a few orientation attenders entered a post-assessment activity as an upfront component, without having undergone a formal assessment. This is most noticeable in Riverside and Alameda, where assessment rates were particularly low.

[8]Skills training was the most common type of post-assessment activity and was used in all six counties. Experimentals in only three counties (Alameda, San Diego, and Tulare) participated in PREP, but at a rate no higher than 2.4 percent. Post-secondary education was used by experimentals in Butte and Tulare only (1 and 2 percent, respectively).

C. The Duration of Registration and Participation

Table 2.2 presents information on other measures of program activity: the length of time experimentals remained registered for the GAIN program,[9] were actively participating in any of the program's job search, education, or training activities, and were actively participating in specific GAIN activities. This information is available only for the four counties in which tracking data were manually collected from registrants' casefiles by MDRC staff.[10]

The findings reveal that a high proportion of experimentals remained in GAIN for a long time. For example, at least 43 percent in three of the four counties were registered for more than 11 months (but not necessarily participating in activities for that entire time). Riverside was the exception, with only 21 percent enrolled for that long, reflecting the high rate of deregistrations in that county (as shown by Table 2.1). (A county's deregistration rate will reflect the normal caseload turnover of its welfare population, sanctions for nonparticipation, and any impacts the county has on moving registrants into full-time jobs or off welfare for other reasons.)

Another measure in Table 2.2 shows that many experimentals – some of whom left the program and then returned – were registered for GAIN at the end of the 11-month follow-up period. This ranged from 31 percent in Riverside to 64 percent in Tulare. Figure 2.1 shows that while some of these registrants were participating in a GAIN activity at this point, others were waiting to be referred to another activity, were deferred, or were in another status. (Because so many sample members had not permanently exited GAIN when follow-up ended, estimates of the full length of registration and participation in the program are underestimated and must therefore be interpreted cautiously.)

The bottom panel of Table 2.2 presents information on the length of participation in each major component (for registrants who ever participated in the specified components). These data show that 17 to 43 percent of registrants who started basic education at some point during the follow-up period were still active in it at the end of follow-up (although a good proportion – 17 to 33 percent – of those who attended that activity did so for one month or less). Furthermore, a substantial proportion of those who began self-initiated and post-assessment activities were still participating in them at the end of follow-up, especially in Butte.

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[9]Once enrolled in GAIN, individuals remained registered until they exited welfare or were officially exempted from the participation obligation.

[10]In Alameda and Los Angeles the automated tracking files did not permit a comparable calculation.

TABLE 2.2

LENGTH OF TIME THAT AFDC-FG EXPERIMENTALS WERE REGISTERED FOR GAIN AND PARTICIPATED IN SELECTED ACTIVITIES WITHIN 11 MONTHS AFTER ORIENTATION

Sample and Measure	Butte	Riverside	San Diego	Tulare
All experimentals				
Average number of months registered for GAIN during follow-up (a)	8.6	5.9	8.0	8.7
Length of time registered for GAIN during follow-up (a) (%)				
1 month or less	1.5	12.5	1.6	6.2
2-6 months	23.5	39.9	29.1	16.4
7-11 months	26.0	27.0	25.9	28.4
More than 11 months	49.0	20.6	43.4	49.0
Total	100.0	100.0	100.0	100.0
Was a GAIN registrant at end of 11 months (%)	52.5	30.6	49.8	64.0
Average number of months participating in GAIN activities during follow-up (a)	2.4	3.2	3.1	4.2
Sample size	200	248	247	225
Experimentals who started selected GAIN activities (b)				
Average number of months during follow-up participating in (a)				
Job search	0.5	0.7	0.7	0.6
Basic education (c)	2.4	3.8	2.5	4.6
Self-initiated activities	4.6	6.1	5.1	--
Post-assessment activities	--	--	3.2	3.2
In activity at end of 11 months among those starting the activity (%)				
Job search	2.8	3.5	1.4	2.2
Basic education (c)	43.3	16.7	17.0	32.9
Self-initiated activities	65.0	27.3	21.1	--
Post-assessment activities	--	--	45.0	47.6
Any education or training activity	56.4	20.0	23.9	38.7
Length of time participating in basic education during follow-up (a,c) (%)				
1 month or less	33.3	22.2	29.8	17.1
2-6 months	60.0	50.0	57.4	43.9
More than 6 months	6.7	27.8	12.8	39.0
Total	100.0	100.0	100.0	100.0
Average number of months participating in any education or training activity during follow-up (a)	3.3	4.7	3.9	4.9
Sample size (d)	n/a	n/a	n/a	n/a

(continued)

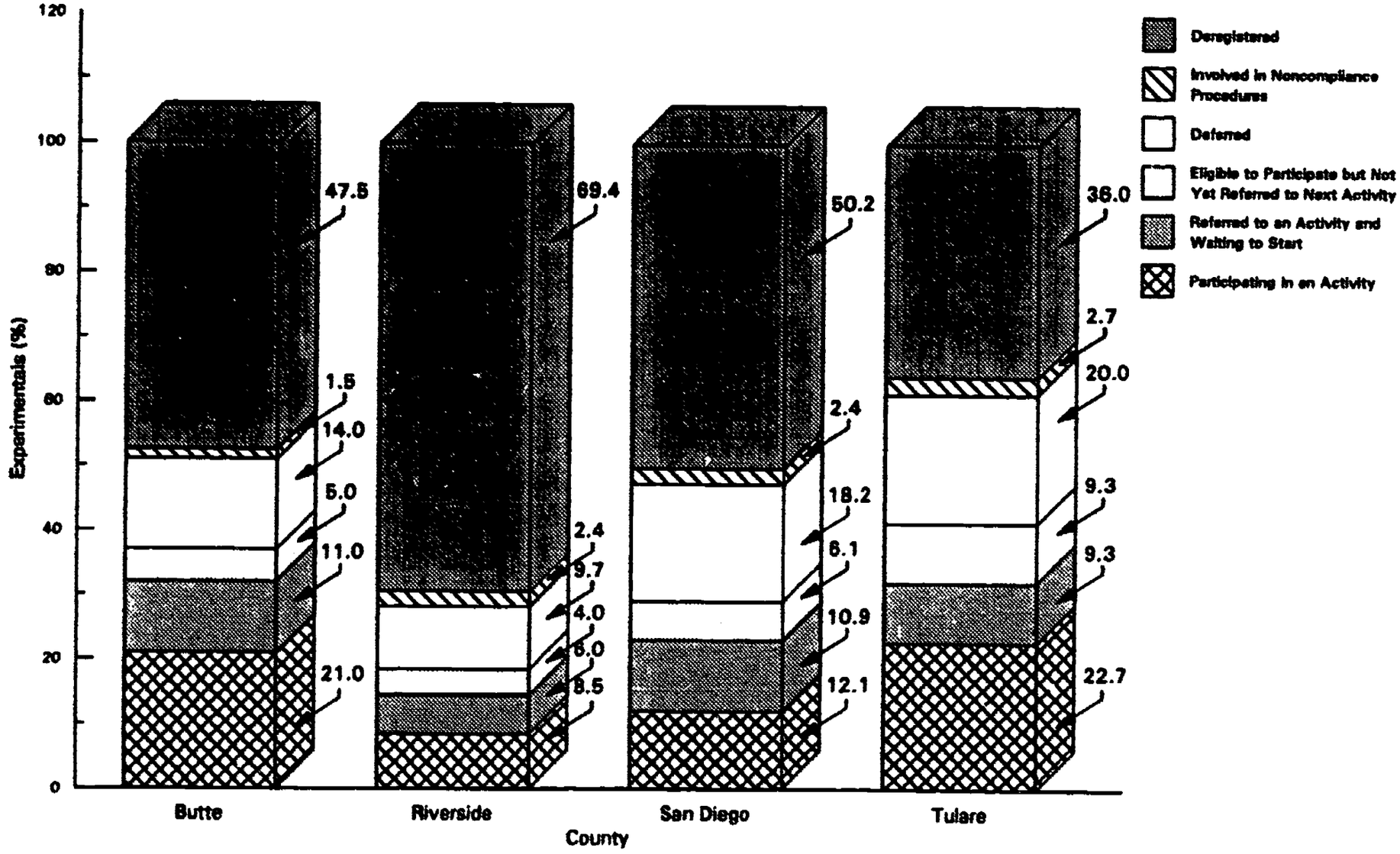
TABLE 2.2 (continued)

SOURCE: MDRC's participant flow sample.

NOTES: Data were not available for Alameda and Los Angeles counties.
Dashes indicate that the sample size is under 20; therefore, the calculation has been omitted.
Distributions may not add to 100.0 percent because of rounding.
A test of statistical significance was not performed.
(a) "Follow-up" refers to the 11 months after orientation.
(b) The data in this panel include only those experimentals who participated in the specified activity for at least one day.
(c) GED preparation, ABE, and ESL.
(d) The sample size varies among the measures in this panel; see Table A.2.

FIGURE 2.1

GAIN STATUS OF AFDC-FG EXPERIMENTALS 11 MONTHS AFTER ORIENTATION



SOURCE: MDRC's participant flow sample.

NOTE: Data were not available for Alameda and Los Angeles counties.

Taken together, these findings on experimentals' length of time in GAIN, and in its specific components, reinforce the importance of longer-term follow-up for drawing firm conclusions about the effectiveness of GAIN in moving registrants into jobs and off welfare, and the relative effectiveness of different implementation approaches. Many of these activities may not have their "payoff" until much later.

D. Participation Patterns Among Selected Subgroups

Participation patterns were also examined for two sets of subgroups within the full research sample. The first set distinguishes between sample members who were determined by GAIN's criteria to need basic education and those determined not to need that service. The second set splits the sample by registrants' welfare aid status (applicant, short-term recipient, and long-term recipient) at the time they were referred to GAIN. The participation findings for all of these subgroups are presented in Appendix Tables A.3 through A.7.

Across the six counties, the registrants determined to need basic education and those determined not to need it had roughly similar overall participation patterns. Not surprisingly, they differed most in terms of the types of activities they entered. Basic education was the most common activity for those experimentals determined to need it, while job search was the most common activity among those not needing basic education. The latter group was also more likely than the former to participate in a self-initiated activity or post-assessment education and training. Overall, a substantial proportion of experimentals in both of these groups – 21 to 38 percent among those "not in need of basic education" and 33 to 61 percent of those "in need of basic education" – took part in an education or training activity.

As discussed in Chapter 1 and summarized in Table 1.2, the counties differed in the proportion of the full research sample accounted for by AFDC applicants, short-term recipients, and long-term recipients. Most notable is the fact that Alameda and Los Angeles enrolled only long-term recipients (individuals receiving AFDC for more than two years), while the other counties enrolled a cross section of their GAIN-mandatory caseloads. Therefore, in comparing across counties, it is helpful to focus on the participation outcomes among the long-term welfare recipients, who are in the samples of all six counties.

These data reveal a pattern of county variation similar to that found for the full sample. For example, participation in any GAIN activity ranged from 51 to 68 percent for the long-term recipients compared to 43 to 63 percent for the full sample. Furthermore, participation rates for

the full sample and long-term recipients are also quite close in most counties. Also similar are the patterns of participation in specific GAIN activities. For example, 35 to 58 percent of all long-term recipients entered any education or training activity compared to 28 to 53 percent of the full experimental sample. This suggests that the overall variation in county participation results cannot simply be accounted for by variation in the proportion of long-term recipients in each county's sample.

III. Participation Patterns Among AFDC-Us (Heads of Two-Parent Households)

The overall participation experiences of AFDC-U and AFDC-FG experimentals were roughly similar. (See Tables 2.3 and 2.4 and Figure 2.2.) From 36 to 66 percent of the AFDC-U group participated in a GAIN activity (Table 2.3). These rates are close to those observed for the AFDC-FGs, although the county-by-county patterns were not always consistent for the two groups. The most notable difference occurred in Los Angeles, where a smaller proportion of AFDC-Us participated (36 percent compared to 51 percent), and a much higher number had been deferred (70 percent compared to 49 percent), most often because of part-time employment.

Differences between the AFDC-U and AFDC-FG groups were more likely to be found in their use of particular GAIN activities. The AFDC-U group was somewhat more likely than the AFDC-FG group to enter basic education (particularly English as a Second Language) and considerably less likely to be in self-initiated activities. (See Appendix Tables A.9 through A.13 for participation patterns among the key AFDC-U subgroups.)

In part, the greater use of basic education by the AFDC-Us reflects their greater likelihood of being determined to need this service. Compared to the AFDC-FG sample, the AFDC-U group, which included a higher proportion of Asian refugees, more often had a limited knowledge of English, although other reasons may also have contributed to their higher participation in basic education.

IV. Conclusion

The overall participation rates for the six research counties are generally as high or higher than the levels reported by MDRC in 1989 for GAIN orientation attenders in seven counties.[11]

[11]See Riccio et al., 1989. The counties covered in that report's analysis of orientation attenders are Butte, Kern, Napa, San Mateo, Santa Clara, Stanislaus, and Ventura. These were among the first 10 counties in California to begin operating GAIN. Butte is the only county included in both the 1989 report

TABLE 2.3

RATES OF PARTICIPATION IN GAIN ACTIVITIES AMONG AFDC-U EXPERIMENTALS WITHIN 11 MONTHS AFTER ORIENTATION

Sample and Participation Status	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare
All experimentals						
Ever participated in any GAIN activity, excluding appraisal and assessment (%)	56.3	38.4	36.0	66.0	46.3	59.7 ***
Ever deferred (%)	55.2	12.1	69.6	42.2	63.8	49.2 ***
Reason for first deferral among those ever deferred (%)						
Part-time employment	43.4	16.7	53.5	32.3	47.4	23.0 (a)
Illness	30.2	33.3	35.7	21.0	11.6	18.0 (a)
Other reasons	26.4	50.0	10.7	46.8	41.1	59.0 (a)
Total	100.0	100.0	100.0	100.0	100.0	100.0
Ever deregistered (%)	29.2	63.6	34.1 (b)	79.6	54.4	49.2 ***
With request for sanction	1.0	4.0	2.1 (b)	15.0	0.7	1.6 (c)
Ever participated in (%)						
Job search	14.6	16.2	5.0	42.2	22.1	16.1 ***
Basic education (d)	41.7	20.2	29.5	25.9	24.2	41.9 ***
GED	4.2	10.1	2.0	4.8	6.7	13.7 ***
ABE	10.4	1.0	4.8	6.8	11.4	16.9 ***
ESL	28.1	9.1	23.4	14.3	7.4	13.7 ***
Self-initiated activity	2.1 (e)	3.0	3.4	6.8	5.4	7.3
Assessment	9.4	9.1	1.1	4.1	11.4	14.5 ***
Post-assessment activity	9.4 (e)	2.0	0.1	2.0	6.7	6.5 (c)
Any education or training activity	51.0	25.3	32.7	32.0	33.6	52.4 ***
Sample size	96	99	736	147	149	124
Experimentals who started any GAIN activity (f)						
Participated in (%)						
Job search	25.9	42.1	14.0	63.9	47.8	27.0 ***
Basic education (g)	74.1	52.6	81.9	39.2	52.2	70.3 ***
Self-initiated activity	3.7 (e)	7.9	9.4	10.3	11.6	12.2
Post-assessment activity	16.7 (e)	5.3	0.4	3.1	14.5	10.8 (c)
Any education or training activity	90.7	65.8	90.9	48.5	72.5	87.8 ***
Sample size	54	38	265	96	69	74

(continued)

TABLE 2.3 (continued)

SOURCE: MDRC's participant flow sample.

NOTES: Distributions may not add to 100.0 percent because of rounding.

A chi-square test was applied to differences among counties. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

(a) A test of statistical significance was not performed.

(b) The deregistration rates for Los Angeles were adjusted upward by dividing by .7; a comparison of deregistration records in registrant casefiles and the GEARS system for a randomly selected subsample of 87 registrants revealed that only 7 of 10 deregistrations recorded in the casefiles were also recorded in GEARS.

(c) A test of statistical significance was not applicable.

(d) Subcategory percentages may not add to the category percentage because participation in more than one component of basic education was possible.

(e) Alameda registrants already in vocational education at orientation were coded as participating in vocational education instead of in self-initiated vocational education. This policy causes the post-assessment activity percentage, which includes vocational education, to be higher and the self-initiated activity percentage to be lower than if the coding had been consistent with that in the other counties.

(f) This sample includes only those experimentals who ever participated in any GAIN activity, excluding appraisal and assessment.

(g) GED preparation, ABE, and ESL.

TABLE 2.4

LENGTH OF TIME THAT AFDC-U EXPERIMENTALS WERE REGISTERED FOR GAIN AND PARTICIPATED IN SELECTED ACTIVITIES WITHIN 11 MONTHS AFTER ORIENTATION

Sample and Measure	Butte	Riverside	San Diego	Tulare
All experimentals				
Average number of months registered for GAIN during follow-up (a)	7.6	5.6	8.1	8.5
Length of time registered for GAIN during follow-up (a) (%)				
1 month or less	1.0	8.2	1.3	5.6
2-6 months	38.4	50.3	28.9	19.4
7-11 months	24.2	21.2	24.2	36.3
More than 11 months	36.4	20.3	45.6	38.7
Total	100.0	100.0	100.0	100.0
Was a GAIN registrant at end of 11 months (%)	43.4	27.2	55.7	58.1
Average number of months participating in GAIN activities during follow-up (a)	2.4	2.8	2.8	4.8
Sample size	99	147	149	124
Experimentals who started selected GAIN activities (b)				
Average number of months during follow-up participating in (a)				
Job search	--	0.9	0.9	0.7
Basic education (c)	3.2	4.5	2.4	5.1
Self-initiated activities	--	--	--	--
Post-assessment activities	--	--	--	--
In activity at end of 11 months among those starting the activity (%)				
Job search	6.3	4.8	3.0	0.0
Basic education (c)	40.0	21.1	19.4	46.2
Self-initiated activities	--	--	--	--
Post-assessment activities	--	--	--	--
Any education or training activity	44.0	21.3	22.0	49.2
Length of time participating in basic education during follow-up (a,c) (%)				
1 month or less	25.0	21.6	30.6	13.5
2-6 months	55.0	40.5	63.9	44.2
More than 6 months	20.0	37.9	5.5	42.3
Total	100.0	100.0	100.0	100.0
Average number of months participating in any education or training activity during follow-up (a)	3.3	5.0	3.4	5.3
Sample size (d)	n/a	n/a	n/a	n/a

(continued)

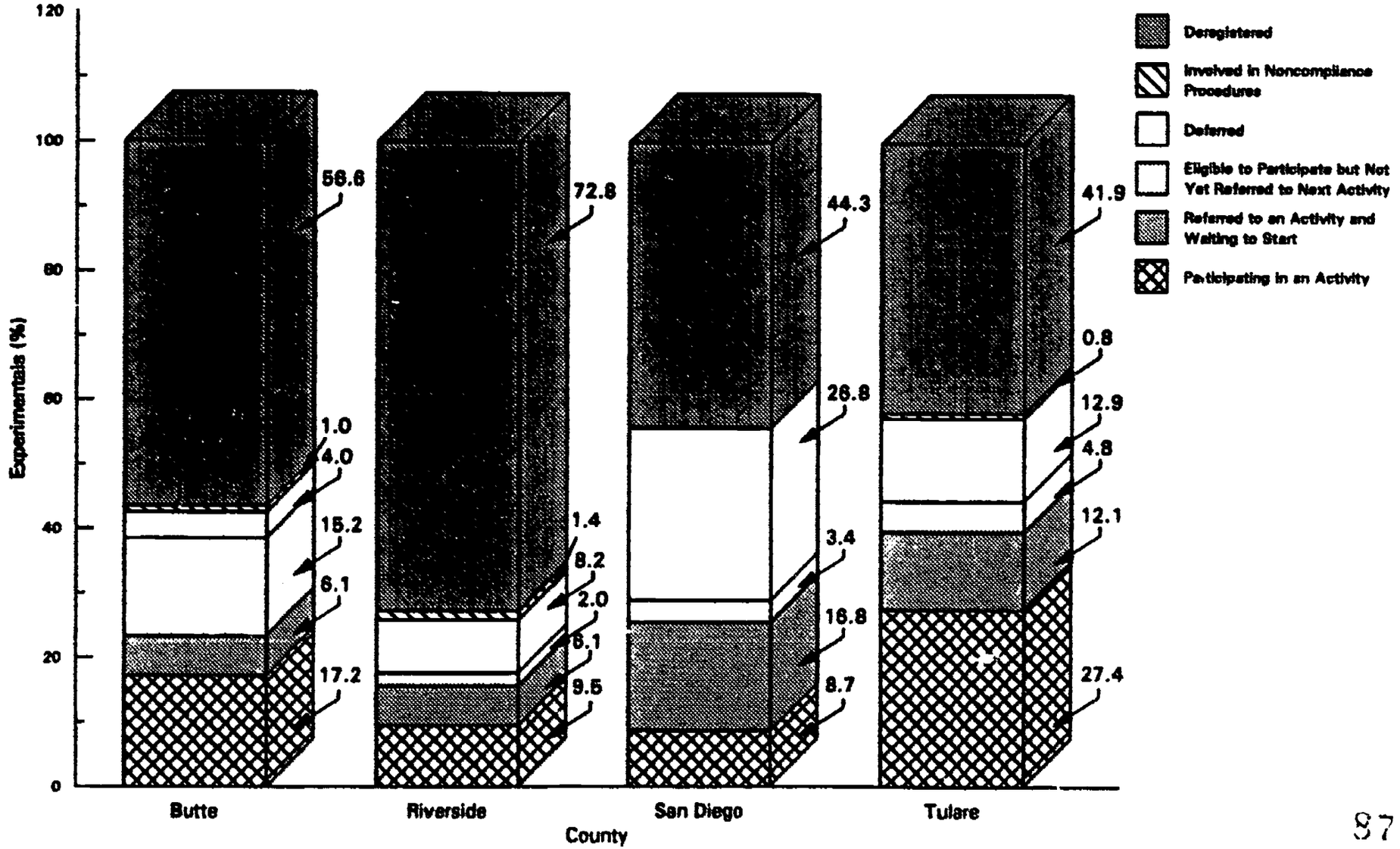
TABLE 2.4 (continued)

SOURCE: MDRC's participant flow sample.

NOTES: Data were not available for Alameda and Los Angeles counties.
Dashes indicate that the sample size is under 20; therefore, the calculation has been omitted.
Distributions may not add to 100.0 percent because of rounding.
A test of statistical significance was not performed.
(a) "Follow-up" refers to the 11 months after orientation.
(b) The data in this panel include only those experimentals who participated in the specified activity for at least one day.
(c) GED preparation, ABE, and ESL.
(d) The sample size varies among the measures in this panel; see Table A.8.

FIGURE 2.2

GAIN STATUS OF AFDC-U EXPERIMENTALS 11 MONTHS AFTER ORIENTATION



SOURCE: MDRC's participant flow sample.

NOTE: Data were not available for Alameda and Los Angeles counties.

That study found that within a four-month follow-up period, orientation attenders in four of the counties attained participation rates of about 55 percent, with an average of 47 percent across all seven counties.[12]

The rates of participation in the six counties analyzed in the present report also appear to be within the range reported in MDRC's studies of other mandatory welfare-to-work initiatives of the 1980s. However, comparisons with these other programs should be made with caution because programs differed in scale, eligibility requirements, and procedures for bringing enrollees into the program. Most of these other initiatives were limited to job search and subsidized work experience activities, although some included education and training. From about 38 to 70 percent of the orientation attenders in those programs took part in at least one activity.[13]

Job search, basic education, and self-initiated programs were the most heavily used activities in GAIN during the 11-month follow-up period covered by this report, and a much smaller proportion of experimentals had entered post-assessment activities. However, at the end of follow-up, almost half of all experimentals were still registered for the program, suggesting that the use of post assessment activities may have continued to increase. Furthermore, many registrants who entered basic education and self-initiated activities were still participating in them when data collection ended. The results point to the importance of longer-term follow-up data on employment, earnings, and welfare receipt – extending beyond the periods covered by the short-term impact findings presented in Chapters 4 and 5 of this report – in order to draw firm conclusions about GAIN's effectiveness.

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and this report. Butte sample members in the 1989 report attained a slightly higher participation rate (48 percent) than did members of the sample for the present report.

[12]See Riccio et al., 1989, Chapter 6 and Table 6.2 (p. 127).

[13]See MDRC's final reports on the welfare-to-work initiatives in Arkansas (Friedlander et al., 1985), Baltimore (Friedlander et al., 1985a), Cook County (Illinois) (Friedlander et al., 1987), San Diego (the Job Search and Work Experience Demonstration) (Goldman, Friedlander, and Long, 1986), and Virginia (Riccio et al., 1986).

CHAPTER 3

ALTERNATIVE STRATEGIES FOR IMPLEMENTING GAIN

The GAIN "treatment," through which counties aim to move welfare recipients into jobs and off welfare, consists of a great variety of elements. Participation in the program's activities, the subject of Chapter 2, is fundamental. However, participation patterns are by no means the whole story, for what registrants experience in GAIN is heavily influenced by how the program is implemented and what kinds of direct interactions registrants have with staff.

Drawing on a survey of GAIN staff in the six study counties, as well as in-person interviews with them, this chapter examines several dimensions of GAIN implementation. It focuses particularly on the relative emphasis counties placed on encouraging registrants to move quickly into jobs versus encouraging them to get more education and training, the degree of personalized attention they tried to give to registrants, and the extent to which they relied on GAIN's formal enforcement process (which ends with the imposition of financial sanctions) in responding to noncompliance. The chapter also describes the backgrounds of staff whom the counties hired as case managers, procedures and incentives through which administrators sought to guide the staff's handling of registrants, and the internal organizational "climate" of each county's GAIN office(s).

The chapter illustrates that the GAIN treatment is not uniform throughout California but, rather, that it is an intervention very much shaped by the resource allocation and other choices that county administrators make. These decisions, in turn, are influenced by the administrators' views of how best to institute the legislation's participation mandate, how to increase recipients' employment and earnings, and how to reduce their reliance on public assistance – and how to accomplish these goals in ways that are cost-effective.

In addition to describing these variations in the GAIN treatment – which are important to understand when interpreting GAIN's impacts – a second purpose of the chapter is to explore the influence of the different county approaches on participation outcomes. It also considers the role that local economic conditions may have played in shaping those outcomes. This kind of analysis is complicated by the fact that data are available from only six counties. Further, because many conditions vary simultaneously across those counties, it is extremely difficult to identify the causal influence of any single factor or set of factors. Therefore, the findings presented here must be viewed as tentative.

One of the main findings is that the counties with the highest participation rates achieved them under very different local conditions, with different types of staff, and using different implementation approaches. Thus, one lesson for program administrators aiming to increase participation rates, or to sustain high rates, is that a variety of approaches may work. However, these approaches entail alternative ways of allocating staff time – and hence a major share of program resources – so administrators should weigh carefully the trade-offs that may be associated with different options.

These options should not, of course, be judged simply in terms of their effects on participation. It is also important to consider their possible relationship to program impacts, a topic that is addressed in Chapter 6.

Finally, it is important to stress that the descriptions of county practices in this chapter are based on information collected no later than mid-1991, and prior to that in most cases. This is the relevant information for describing the "treatment" those in the research sample got. However, the information may not necessarily portray the counties' *current* modes of operating GAIN. All of the counties have continued to revise their implementation strategies as they have acquired more experience in operating this very complex welfare-to-work initiative, and some of the problems they may have confronted early on may have since been resolved.

I. Local Economic Conditions

Local economic conditions determine the availability of jobs and thus can influence the types of individuals who come onto welfare (and into GAIN) and their opportunities to find work once they get there. As a result, these conditions have the potential to influence a county's participation rate. For example, if conditions are such that many registrants are able, *prior* to entering a GAIN activity, to obtain part-time jobs leading to a deferral or full-time jobs resulting in deregistration, the effect would be to lower a county's participation rate. Equally important are registrants' perceptions of the opportunity to find a job – perceptions that the GAIN program, through its messages and the attractiveness of its services, might influence.[1] This raises the question of

[1]For example, some registrants who have part-time jobs at the time they are referred to GAIN may choose to give them up (and in some cases may be encouraged by GAIN staff to do just that) in the hope of getting a better job with the program's assistance. Or perhaps some registrants without jobs decide to seek employment as a way to avoid having to participate in GAIN activities altogether. In these and other ways, the program may weaken the influence that the local economy might otherwise exert.

whether county participation rates are largely a reflection of local economic circumstances over which administrators have no control, or whether they depend more on other factors.

The first panel of Table 3.1 presents county differences in unemployment rates during the follow-up period, which are a rough gauge of the condition of the local labor market facing program registrants. Tulare had the highest unemployment rates and was also a rural county with a high percentage of its labor force engaged in agricultural jobs. Among the other counties, Alameda, Los Angeles, and San Diego had lower rates of unemployment than did Butte and Riverside. (See also the discussion of county characteristics in Chapter 1.)

While the unemployment rate (together with the mix of rural and urban areas and of types of industries) did vary across the six counties, the differences do not directly correspond to the differences in participation. (See the bottom two panels of Table 3.1.) Indeed, three of the counties – Alameda, Riverside, and Tulare – had comparably high participation rates for AFDC-FGs and AFDC-Us, and for the key subgroups, despite their very different unemployment rates. Although the unemployment rate is an important factor that can affect individuals' labor market behavior, and although it is an imperfect measure of job opportunities in a community, the evidence suggests that counties' participation rates were not "high" or "low" simply because of the local economy.[2]

The employment rates of the evaluation's control group offer a way to gauge the "employment potential" of GAIN registrants in each county – in other words, the probability of their obtaining employment had they not been assigned to the program. This employment potential reflects characteristics of the registrants themselves, but may also partly capture the opportunities to find work in the local labor market. The evidence in Table 3.1 suggests no clear relationship between a county's participation rate and this measure of the potential to obtain employment in the absence of GAIN.

II. Service Supply and Quality

In addition to the local environment, the supply and characteristics of GAIN's services – key elements of the overall program treatment – also have the potential to influence participation patterns (and impacts).

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[2]It is true, as shown in Appendix Table A.1, that many registrants who did not participate in a GAIN activity were deferred for part-time employment. However, the county variation in these rates also did not closely correspond to the variation in unemployment rates.

A. Service Supply

MDRC's Staff Activities and Attitudes Survey asked a series of questions concerning the availability of key GAIN services. The findings are presented in Table 3.1, which shows the proportion of staff in each county who rated the availability of specified services as "high."[3] With a few exceptions, staff generally did not view access to job search, education, and training activities to be a major problem.

In San Diego, the problem concerned access to basic education, which was provided through a network of specialized Learning Centers. These were programs established at local public adult schools and community colleges to serve GAIN participants exclusively, with a strong emphasis on individualized and computer-aided instruction. Early on, however, the supply of slots in these centers was insufficient to meet the demand. Some registrants were placed on a waiting list for several months before they could begin basic education and, in the meantime, were referred to job search activities, resulting in a heavier use of that activity as a first component than the county had originally intended. The backlog was eventually eliminated.

In Los Angeles, access to post-assessment vocational education or training was limited during the first half of the follow-up period for this study. Agreements between the county welfare department and the service providers were not in place until late 1989, resulting in delays in assignments of up to nine months. This partially explains why participation in post-assessment activities was so limited in Los Angeles. (See Tables 2.1 and 2.3.)

Although several of the counties did face slot limitations at times during the follow-up period, usually for job search or basic education, this problem was generally not serious enough to determine whether registrants "ever participated" in a GAIN activity. However, in some counties, it resulted in waiting periods before registrants could enter those activities, and did influence how heavily specific GAIN components were used.

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[3]Scores could range from 3 to 21 on the three-item measure of the availability of *basic education activities*. Scores of 18 and above -- requiring that the respondent give very high scores on at least two items -- were defined as indicating a "high" rating. Scores could range from 2 to 14 on the two-item measure for *training activities*. Scores of 12 and above -- requiring that the respondent give a very high score to at least one of the items -- were defined as "high". Scores ranged from 1 to 7 on the single-item measure of *job search activities*. Scores of 6 or 7 were considered to be "high."

TABLE 3.1

COUNTY DIFFERENCES IN LOCAL ENVIRONMENT, IN PROGRAM ORGANIZATIONAL CAPACITY AND MANAGEMENT, AND IN PARTICIPATION RATES AMONG AFDC EXPERIMENTAL SUBGROUPS

Variable	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare
Local environment						
Unemployment rate (%)						
July 1989–June 1990	4.0	7.3	5.2	6.7	3.9	10.6
July 1990–June 1991	4.9	8.8	6.6	9.7	5.7	15.3
Population living in rural areas, 1980 (%)	1.1	29.3	1.1	17.5	6.8	37.7
Employed in agriculture, 1989 (%)	0.3	5.2	0.3	5.2	1.2	28.9
Control group members ever employed, quarters 2-5 (%)						
AFDC-FG	27.2	45.6	24.9	33.7	40.0	40.9
AFDC-U	18.8	44.1	29.5	48.6	50.1	51.3
Organizational capacity and management						
Job club service provider	EDD	GAIN (on-site)	EDD	EDD (on-site)	EDD/GAIN (on-site)	GAIN (on-site)
Staff who rated availability of a particular GAIN service as high (%)						
Job search	89.8	96.5	80.8	92.1	94.4	82.1
Basic education	94.5	77.2	82.5	82.3	63.6	90.5
Vocational education and training	79.7	82.5	28.7	54.4	83.7	76.8
Staff who rated a particular GAIN service as worthwhile for assigned registrants (%)						
Job search	60.3	80.7	27.9	65.1	76.5	78.6
Basic education	61.5	35.7	56.7	47.9	73.7	79.0
Vocational education and training	51.7	71.4	48.6	23.0	52.6	68.3
Selected staff background characteristics						
Average age (years)	45.2	39.5	34.0	39.9	41.8	38.8
Bachelor's degree or higher (%)	79.7	70.2	96.0	43.1	86.3	29.7
Master of social work degree (%)	3.4	1.8	0.7	0.8	1.2	0.0
Previously worked in a WIN, JTPA, or other job training program (%)	20.3	38.6	38.4	50.4	62.7	20.2
Previously worked as an income maintenance worker (%)	89.7	57.1	17.5	47.0	67.8	60.7

(continued)

TABLE 3.1 (continued)

Variable	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare
Registrant-to-staff ratio reported by case managers (a)						
First staff survey wave	76.4	60.5	101.0	43.1/76.7 (b)	91.6	124.9
Second staff survey wave	72.9	65.8	145.2 (c)	63.7/124.1 (b)	114.9	87.6
Combined average from first and second wave	74.7	63.2	127.9	53.0/96.7 (b)	103.4	100.3
Special case managers for basic education participants?	No	No	No	No	Yes	No
Special GAIN counselors on-site at any education or training provider?	No	Yes	No	No	No	Yes
Job placement bonuses or standards for case managers?	No	No	Bonus payments	Placement standards	No	No
Rates of participation in any GAIN activity (excluding appraisal and assessment) among AFDC-FG experimentals (d)						
All experimentals (%)	63.1	42.5	51.3	60.1	55.1	60.9 ***
Experimentals determined not to need basic education (%)	61.7	48.9	40.3	65.4	60.0	62.0 ***
Experimentals determined to need basic education (%)	63.9	37.0	53.9	57.5	51.1	60.3 ***
Applicants (e) (%)	n/a	37.4	n/a	59.4	60.0	36.4 ***
Short-term recipients (e) (%)	n/a	40.9	n/a	53.8	53.8	56.9
Long-term recipients (%)	63.1	52.4	51.3	65.7	52.0	68.1 ***
Rates of participation in any GAIN activity (excluding appraisal and assessment) among AFDC-U experimentals (d)						
All experimentals (%)	56.3	38.4	36.0	66.0	46.3	59.7 ***
Experimentals determined not to need basic education (%)	--	24.2	42.9	66.7	53.8	63.6 ***
Experimentals determined to need basic education (%)	52.6	45.5	35.5	65.7	43.6	58.8 ***
Applicants (e) (%)	n/a	39.2	n/a	59.0	50.9	46.2
Short-term recipients (e) (%)	n/a	--	n/a	68.9	46.8	72.1 **
Long-term recipients (%)	56.3	--	36.0	76.0	40.0	56.4 ***

(continued)

TABLE 3.1 (continued)

SOURCES: Tables 1.1, 2.1, 2.3, 4.1, 5.1, A.3-A.13, MDRC Staff Activities and Attitudes Survey, MDRC's participant flow sample, and MDRC field research.

NOTES: Dashes indicate that the sample size is under 20; therefore, the calculation has been omitted.

(a) These caseload sizes include the number of active and deferred registrants assigned to staff who performed ongoing case management duties.

(b) There are two ratios in Riverside because of the special test being conducted there to determine the effects of more intensive case management and monitoring. The first ratio is for the "low-caseload" group and the second is for the "higher-caseload" group.

(c) Caseloads were not normally this high; this estimate may have been affected by the timing of the second wave of the staff survey.

(d) Each subgroup in this panel is from MDRC's participant flow sample. A chi-square test was applied to differences among counties. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

(e) No data on AFDC applicants and short-term recipients are included for Alameda and Los Angeles counties because they targeted only long-term AFDC recipients for GAIN.

B. Service Quality

The character and "quality" of GAIN's job search, education, and training services are other important elements of the GAIN treatment. Although service "quality" is difficult to define and measure and was not investigated in depth for this report, data from the staff survey provide insights into the GAIN staff's own judgments about these services. The survey asked staff to rate "how worthwhile" each service was to the GAIN registrants who were assigned to it.[4] It is likely that these judgments reflect what staff learned about the activities from registrants and, in some cases, from their own visits to or other contacts with the schools or agencies. As Table 3.1 shows, staff views of GAIN services were generally positive.

Ratings of basic education were especially high in San Diego and Tulare. In San Diego, the results reflect the very high regard case managers had for the GAIN Learning Centers, which, as noted above, provided individualized and computer-aided instruction exclusively for GAIN students.[5] The schools in Tulare also provided a great deal of individualized instruction to students, in some cases making extraordinary efforts to cultivate, in classrooms devoted exclusively to GAIN students, a supportive environment for learning.

Table 3.1 also shows that a much smaller proportion of staff in Los Angeles (28 percent) than in the other counties (60 to 81 percent) held a positive view of job club and job search activities.[6]

While staff perceptions of service quality may reflect how registrants themselves view GAIN services, these perceptions proved not to be strongly related to a county's overall participation rate or (when the subgroups "in need" and "not in need" of basic education are considered separately) to the relative probability of entering job search, basic education, or other education and training programs. (See Tables 2.1, 2.3, 3.1, and Appendix Tables A.3, A.4, A.9, and A.10.) It is perhaps more likely that these service ratings would correspond more closely to other measures of participation that were not available for this report, such as the *consistency* of participation. For example, higher-quality services, if they are more appealing to registrants, might lead them to attend their scheduled classes more regularly.

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[4]"High" scores were defined using the same conventions adopted in reference to the availability of GAIN services. See note 3.

[5]All of these centers followed the same curricula and instructional approaches, resulting in a far more uniform educational treatment across schools than existed in any other county.

[6]For a discussion of the Los Angeles case managers' views of the service providers, and vice versa, see Hasenfeld et al., 1992.

III. Background Characteristics of Case Managers and Supervisors

Registrants' experiences in GAIN are also influenced by the characteristics of the staff with whom they must interact: the case managers and their supervisors. Information on some of these characteristics is available from the staff survey. (See Table 3.1.)

Overall, San Diego and Los Angeles had the most highly educated staff, with 86 percent and 96 percent, respectively, holding a Bachelor's degree or higher. Education levels were lowest in Tulare and Riverside, where 30 percent and 43 percent, respectively, had degrees from four year colleges. Few GAIN staff in any county held a Master's of Social Work degree.

A higher proportion of staff in Riverside (50 percent) and San Diego (63 percent) had worked in a WIN, JTPA, or other employment and training program, which may have helped prepare them for GAIN; in other counties, only 20 to 39 percent of the staff had such experience. A more striking difference across the counties is the proportion of staff who had previously been employed as eligibility workers, ranging from 18 percent in Los Angeles to 90 percent in Alameda.

It appears, however, that county differences in staff characteristics had little bearing on the participation rates shown in Table 3.1. Indeed, the counties with the highest rates – Alameda, Riverside, and Tulare – used quite different types of staff to operate their programs. At least in terms of producing a high "ever participated" rate (a limited measure of participation), there was no clear advantage to counties that had hired the most educated or experienced staff.

IV. Case Management Strategies and Other Organizational Approaches

In many welfare-to-work programs, it is through the case managers that the mission of the program is communicated to registrants and the efforts of the welfare department to influence their behavior are expressed. It is thus reasonable to expect, as many administrators do, that the way the role of case manager is defined and put into practice may have a great influence on how registrants respond to GAIN's participation mandate, and on the program's effectiveness in moving them into jobs and off welfare.[7]

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[7]In GAIN, the basic tasks of case management include: conducting the orientation sessions in which GAIN services and regulations are explained and the educational screening test is administered; conducting appraisal interviews in which registrants are assigned to their initial GAIN activity or temporarily deferred from participation; holding other meetings to assign them to subsequent components; monitoring their participation in GAIN activities; and, when necessary, administering GAIN's enforcement procedures and penalties. The typical case manager in the six research counties performed most of these functions, following a "generalist" staffing model. However, some specialization was instituted in several of the

In addressing the subject of case management, this study has chosen to focus on a set of practices that concern the "best" ways of providing case management in welfare-to-work programs. These practices, emphasized to different degrees by the six counties discussed in this report, include: (1) the extent to which staff encouraged registrants to raise their skills levels rather than try to find a job quickly (or vice versa), (2) the degree to which they gave registrants personalized attention, and (3) the extent to which they enforced GAIN's participation mandate through the formal penalty process. These dimensions of program implementation embody competing theories of how welfare-to-work programs can most effectively help welfare recipients progress toward self-sufficiency. They also have important implications for how a program's resources will be allocated. Consequently, it is important for administrators to know whether some of these approaches have more favorable effects on participation and impacts than others.

The rest of the chapter describes these staff behaviors and examines some of the organizational and management conditions that have influenced them; it concludes by assessing the relationship between these approaches and counties' participation outcomes. As was true for other organizational factors, the results point to the conclusion that counties seeking high participation rates can achieve this objective through a variety of approaches; no single method emerges as clearly superior. (Chapter 6 explores the relationship of these implementation approaches, as well as counties' participation outcomes, to counties' first-year impacts.)

A. Preparing Registrants for Jobs: Quick Job Entry Versus More Education and Training

An important decision that administrators must make is how much to emphasize the goal of moving registrants into the labor market quickly (even if it means taking low-paying jobs) versus encouraging them to get more education or training so as to prepare themselves for better-paying jobs in the future. Supporting the first approach is a view that almost any job is a positive first step, and that advancement will come through acquiring a work history and learning skills on the job. Support for the second approach comes from the view that low-paying jobs will not get many recipients off welfare or keep them from returning to the rolls. Many proponents of this view hold that education and training are needed to raise recipients' skills so that recipients can become permanently employed in jobs that offer wages and benefits exceeding what they could receive

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counties, particularly with staff assigned to special functions such as monitoring the basic education component and developing PREP, OJT, and sometimes vocational training slots and unsubsidized jobs.

on welfare. Prior research offers little guidance for judging which approach is likely to yield bigger impacts on employment and welfare over the longer term.[8]

Although the GAIN model's prescribed sequences of services (see Chapter 1) limit the ways in which counties can choose to prepare welfare recipients for employment, the counties can significantly influence the direction taken by the program through the policies and practices staff follow on a day-to-day basis. As MDRC's 1989 report on the early implementation of GAIN in a different set of counties showed, staff in some counties tend to discourage registrants who enter job search from seeking very low-paying or "dead end" jobs, urging them instead to take full advantage of the program's subsequent option for more education and training. They advise registrants to view upfront job search as an "informational experience," which would provide job-seeking skills and would be valuable after further education and training. In other counties, the primary objective of job search is to encourage immediate employment, with lower priority attached to the starting wage rate.[9]

1. County comparisons. The six counties examined in this report also varied in how they wanted to prepare registrants for employment. To compare counties, a scale was constructed by combining staff responses to four items on the staff survey.[10] The stronger a county staff's emphasis on quick employment, the higher the county's score on this scale. The summary data for each county are presented in Figure 3.1a, where a higher score is represented by a longer bar.

Riverside clearly stands apart from the other counties on this dimension: its staff placed much more emphasis on moving registrants into the labor market quickly than did the staff in any other county. Butte and Alameda have the lowest scores (i.e., they encouraged education and

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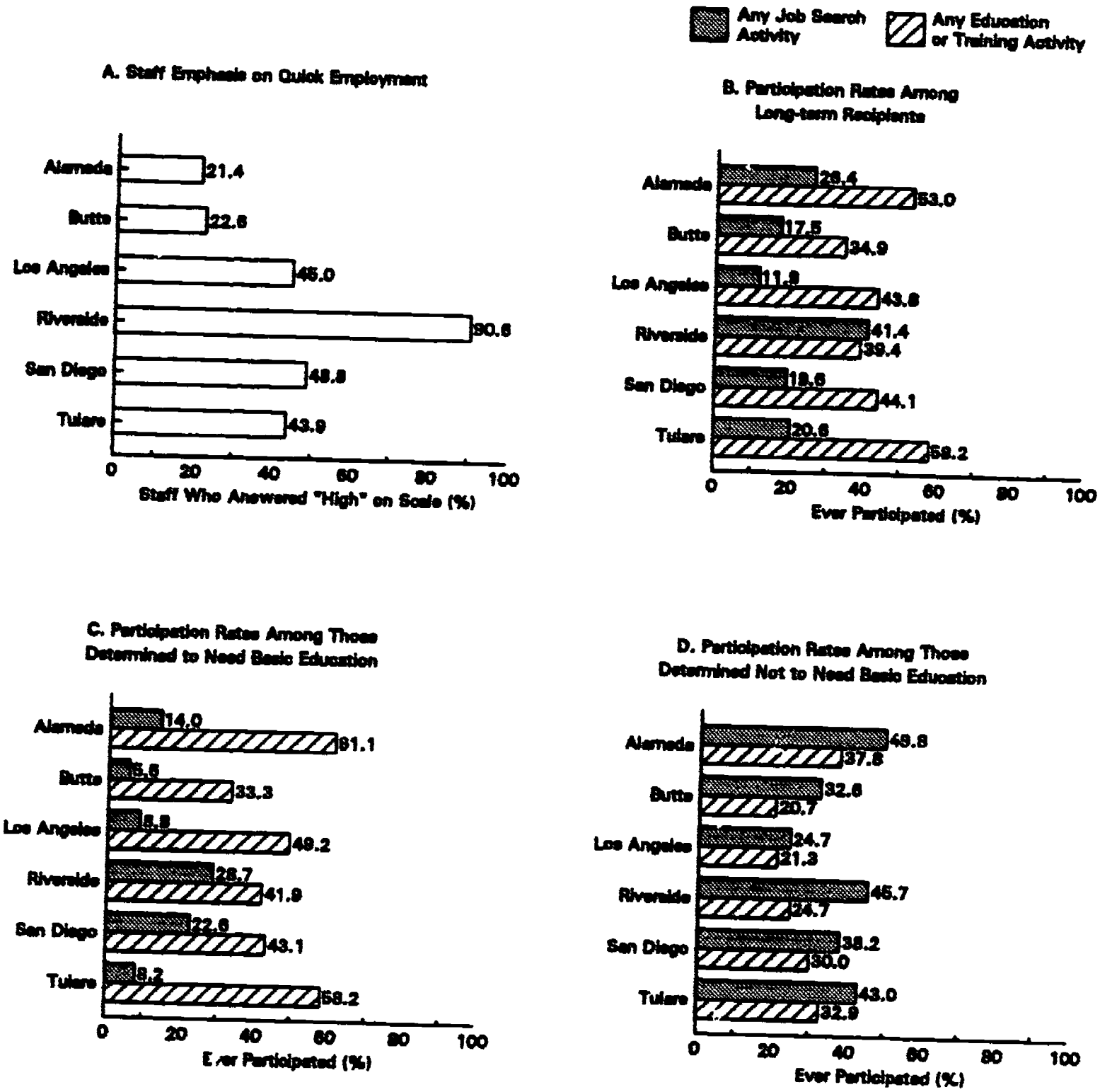
[8]This question will be studied directly in the national JOBS evaluation, using a random assignment research design. In three evaluation sites, welfare recipients will be randomly assigned to either a "labor force attachment" stream that aims to move clients into jobs as quickly as possible, or to a "human capital development" stream that emphasizes longer-term education and training, or to a non-JOBS control group. The employment, earnings, and welfare outcomes of each group over a follow-up period lasting several years will be compared to determine the relative effectiveness of each strategy. Riverside County is one of the three sites conducting this test.

[9]See Riccio et al., 1989, pp. 216-217.

[10]A score was computed for each respondent by summing the respondent's answers to the four questions in the scale. All respondents with a score above the midpoint of the distribution of scores for the full sample across all six counties and both waves of the survey were defined as having "high" scores. The higher the proportion of any county's staff scoring above the median, the higher the county's overall ranking on the scale. This standard was also adopted for the county rankings on other measures of case management discussed in this chapter. As an alternative measure, each county's *average* of "high" and "low" scores was also computed for each scale. This yielded exactly the same rank ordering of the counties on each scale as that found using the "percentage high" measure.

FIGURE 3.1

COUNTY DIFFERENCES IN STAFF EMPHASIS ON QUICK EMPLOYMENT AND IN RATES OF PARTICIPATION IN JOB SEARCH, EDUCATION, AND TRAINING ACTIVITIES AMONG AFDC-FG EXPERIMENTAL SUBGROUPS



SOURCES: MDRC Staff Activities and Attitudes Survey and MDRC's participant flow sample (see Tables A.3, A.4, and A.7 for participation rates).

training over quick employment). San Diego, Tulare, and Los Angeles rank in between, but closer to Butte and Alameda than to Riverside.

Riverside's distinction on this dimension can be seen more clearly when the responses to two of the items in the scale are examined. Staff in all counties were asked, "Based on the practices in your agency today, what would you say is the most important goal of your agency: to help clients get jobs as quickly as possible or to raise the education or skill levels of clients so that they can get jobs in the future?" In Riverside, 95 percent of the case managers rated quick job entry as a much stronger program focus than education and training. In the other counties, fewer than 20 percent gave a similar response.[11] Another item asked hypothetically about a welfare mother who was offered a low-paying job that would make her slightly better off financially; would the respondent advise her to "take the job and leave welfare" or "stay on welfare and wait for a better opportunity"? In Riverside, 69 percent of respondents said they would "very strongly" urge her to take the job; only 23 percent in Alameda, and no more than 40 percent in the other counties gave this answer.

Riverside's ranking reflects a program philosophy that was forcefully articulated by its welfare director and put into practice by its line staff, even though many disagreed with it.[12] An MDRC field researcher offered this description of Riverside:

> There is no doubt that the focus on job placements was ubiquitous in all of the offices I visited. There is inter-office and even inter-unit competition. One unit had a cardboard thermometer (like the United Way) with the mercury rising with each placement. In one office, the number of placements is posted on a big strip of computer paper on the wall, which also shows how many of the placements were off welfare. In another office, staff talked about a "20-plus club" for case managers who exceed 20 placements in a month.

In Riverside, each local office also had its own job developer, who established contacts with the employers in the community and encouraged them to call the GAIN office when they had positions open. One GAIN worker described the program's success in establishing these linkages:

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[11]In this and other illustrations, responses to a specific survey item pertain to either the first or second wave of the survey, in contrast to the overall rankings based on scales, which pool results across both waves.

[12]Interestingly, not all case managers personally shared the county welfare agency's philosophy. For example, when asked on the staff survey, "What do you personally think *should* be the more important goal of your agency, to help clients get jobs as quickly as possible or to raise the education or skills levels of clients so that they can get jobs in the future?" fewer than 10 percent of the staff answered that they strongly favored quick job entry over education and training. Indeed, in terms of their personal preferences, Riverside's case managers resembled the staff in the other counties.

> There's been a positive response in the community to us. The employers know us. They know we have a work force for them. We're not just "welfare." Our job development is doing a lot of public relations. Also, this is sometimes done by the counselors and supervisors -- letting employers know we're here and have a skilled and unskilled work force for them. We've been proactive. Employers are calling us for more people.

Other counties gave much less priority to direct job development.

Despite its strong focus on quick employment, Riverside's program was not simply a job search initiative. As shown in Chapter 2, over one-third of Riverside's AFDC-FG experimentals had participated in an education or training program (mostly basic education and self-initiated activities), and among those who took part in any GAIN activity, 60 percent had participated in an education or training program. (The range in the other counties was 65 percent to 85 percent. See Table 2.1.) The substantial use of education and training in Riverside is also evident in Figure 3.1b through 3.1d. (Those graphs show, for each county, participation rates in job search -- the shaded bars -- compared to education and training activities -- the striped bars -- for three major subgroups: long-term welfare recipients, registrants determined to need basic education, and those determined not to need it.) Nonetheless, Riverside showed a greater use of job search *relative to* education and training than any other county.[13] This was true not only for the full sample but also for the three subgroups analyzed.

What is perhaps most distinctive about Riverside's program, though, is not that its registrants participated somewhat less in education and training, but that the staff's emphasis on jobs *pervaded* their interactions with registrants throughout the program. This started with the appraisal interview, where registrants were assigned to their initial GAIN activity. In contrast to the typical practice in the other counties, Riverside staff were more likely to encourage registrants who were determined to need basic education to try job search *first*. As one case manager explained:

> In this county, the emphasis is on getting jobs. We look at whether they are interested in getting into basic education because they really want it or because they want to avoid job search. I put them in basic education if they demonstrate to me that they really

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[13]For example, among AFDC-FG registrants determined to need basic education, the proportion participating in job search (29 percent) comes closer to the proportion participating in education or training (42 percent) than in the other counties. (This is illustrated in Figure 3.1c by the smaller *gap* between the two bars for Riverside.) Tulare was at the opposite end of the spectrum, only 8 percent of this group having participated in job search compared to 58 percent in education and training. Further, among registrants determined not to need basic education (Figure 3.1d), the use of job search in Riverside (46 percent) also exceeded the use of education and training (25 percent) by a larger margin than in the other counties.

want it and will attend regularly. Since the county started emphasizing jobs more, I've been less free with basic education.

In most other counties, staff usually did not advocate job search as the initial activity. As a Tulare case manager explained,

> We offer the option of basic education and job search. We are very supportive of this . . . . They make the choice. However, we encourage education more.

Similarly, as a case manager in Alameda reported:

> We encourage clients to go to ABE, but *if they object*, they can go to job search then return to ABE if they don't find a job. [Italics added.]

It is thus not surprising to find that in Tulare and Alameda the first activity among registrants "in need of basic education" was far more likely to be basic education (and far less likely to be job search) than in Riverside. (See Figure 3.2 for the AFDC-FGs and Appendix Figure B.1 for the AFDC-Us.) This was also true in Butte and Los Angeles. In San Diego, the job search rate was higher than the county intended because, as previously noted, the supply of basic education slots early on was not adequate. This resulted in a waiting period during which some people slated for basic education were referred to job search.

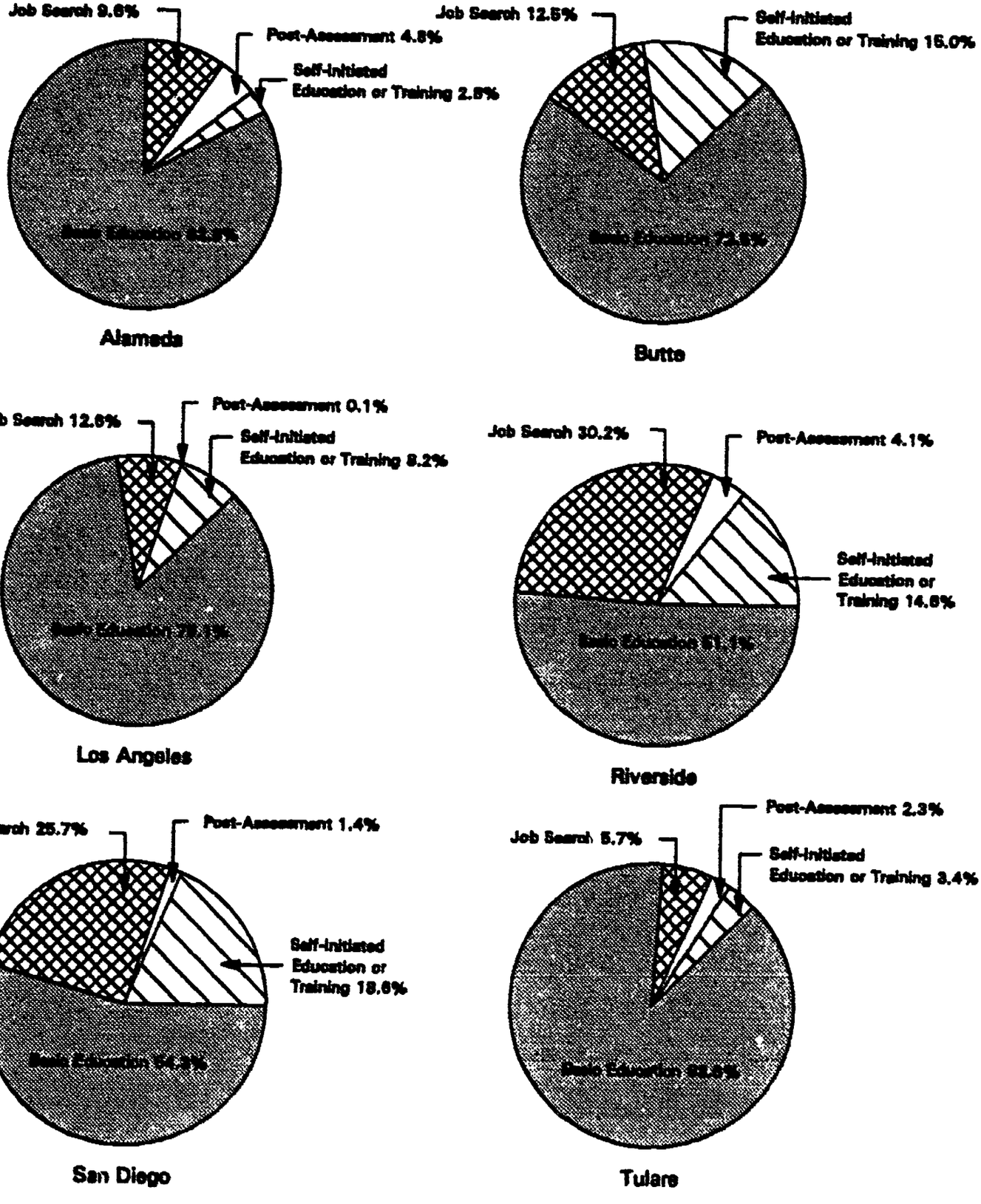
Reflecting its strong commitment to education and training as a path to getting jobs that offer a better chance to get off or stay off welfare, Alameda went further than any of the other counties in using job club as an "informational experience." Participants on a designated job club track (which accounted for the majority assigned to upfront job search) were not necessarily expected to look for a job that they could enter immediately. They were to find out from employers what kinds of qualifications were required and what wages and benefits they could expect from different types of work. This information was intended primarily to help registrants pick an education and training program when they got to the GAIN assessment. A number of GAIN staff described this component as essentially "career exploration."

Another contrast between Riverside and the other counties is that, in Riverside, GAIN staff were more inclined to remove registrants from basic education and reassign them to job search if they had serious attendance problems and gave the impression of not taking the activity seriously enough. According to another worker:

> I probably have problems with about half of the people I send to basic education. A lot of them know they can get out of work by going to education. They're just playing the system. If I have to call them in two to three times because of attendance, I ask

FIGURE 3.2

FIRST ACTIVITY FOR AFDC-FG EXPERIMENTALS DETERMINED TO NEED BASIC EDUCATION WHO STARTED ANY GAIN ACTIVITY



SOURCE: MDRC's participant flow sample.

them if they are really serious about the education. I'll usually give them another chance, but require perfect attendance the next month. If they still miss, then I'll reassign them to job club.

This response to attendance problems was much less evident in the other counties.

2. Staff incentive systems and the focus on employment. The emphasis in Riverside on quick employment was created, in part, by assigning case managers job placement standards. Further, supervisory units and district offices were assigned job placement goals as well, culminating in a county-wide goal. (None of the other evaluation counties had such a policy; see Table 3.1.) Administrators set these standards to send a clear message to staff that job placements were a high priority for the agency. How well staff met their job placement standards was an important determinant of their overall job performance ratings. In general, staff reported that the standards were not terribly difficult to meet, given the number of registrants with whom they worked, but they did feel pressure to achieve, and even exceed, them.

There was no evidence that Riverside staff were "creaming" their caseload – in other words, giving more attention to registrants who seemed most job-ready – in order to reach their standards. This is a common risk associated with placement standards.[14] These tendencies were kept in check by the management's expectation that staff would work with, and be able to account for, their entire GAIN caseload. For example, a staff member would not be evaluated positively if he or she had achieved high placement rates but at the same time had failed to assign to a GAIN activity other registrants who were expected to participate, or had excused registrants inappropriately from the participation requirement through excessive deferrals. Indeed, implementing GAIN's participation obligation for welfare recipients – an objective to which Riverside's administrators were also committed – required staff to work with all registrants on their caseloads, not just the most motivated or easiest to place.

Los Angeles was the only other research county to establish a concrete incentive for case managers to help registrants obtain jobs. Here, the reward was monetary. Staff were entitled to a $100 bonus payment for each of their registrants who found a job that led to a 50 percent or greater reduction in their welfare grant or a departure from welfare for at least six months. However, the incentive value of these bonuses was limited by, among other things, the fact that

[14]For example, there is some evidence from the JTPA Title II-A programs that establishing placement goals may lead program staff to tend to avoid serving the least employable clients, who could make it difficult to meet an agency's placement standards.

so many registrants were assigned to basic education (as was required by another county policy), so that the kinds of job placements that would lead to the bonuses were not quickly forthcoming.

B. The Issue of Personalized Attention

In addition to deciding how much to emphasize quick job entry versus more education and skills training, administrators of welfare-to-work programs must consider how much personalized attention registrants will receive. On this dimension, too, the six counties varied. Moreover, these variations appear to be correlated with other program characteristics, such as a county's registrant-to-staff ratio (personalized attention was typically higher where case managers had fewer registrants assigned to them) and the organizational climate within the GAIN office (staff tended to have more "positive" views of the program, their jobs, and welfare recipients where personalized attention was higher).

In GAIN, case managers begin to learn about registrants as individuals when they meet in the one-on-one appraisal sessions that follow orientation. In these meetings, they collect information on registrants' personal histories, at least enough to decide on the initial service assignment and support services, or to grant a deferral. Other contacts take place as case managers monitor registrants' participation in their assigned activities (or monitor their continued eligibility for a deferral), respond to participation problems (prior to imposing sanctions), and, for those reaching the assessment stage of the program, prepare an Employment Development Plan (EDP), which specifies an agenda for additional education and training.

This general framework permits staff variation in executing these responsibilities. For example, they may differ in *how much* they attempt to learn about registrants' personal histories and circumstances; *how much* they discuss the implications of choosing basic education over job search, or different kinds of job search, or different kinds of child care; *how much* they try to accommodate registrants' individual needs, situations, and preferences in making service assignments; and *how much* they stress persuasion, cajoling, counseling, and problem-solving when faced with registrants who are reluctant to participate or fail to do so consistently. Counties that more strongly emphasize personalized attention tend to view this as a way to increase registrants' interest in GAIN and desire to participate in its activities, to greatly lessen the need to rely on financial sanctions to enforce the participation mandate, and, ultimately, to produce larger impacts on employment, earnings, and welfare savings.

1. County comparisons. To measure the relative emphasis on personalized attention in each county, nine staff survey items were combined into a single scale.[15] According to this scale, Butte and Tulare reported the strongest emphasis on personalized attention. Alameda and San Diego ranked lower, but were fairly close to Butte and Tulare. Los Angeles and Riverside had the lowest relative scores. (See Figure 3.3a.)

It must be stressed that, as with all of the rankings based on the staff survey, a "lower" score only indicates a lower ranking relative to the other counties in this study and should not be interpreted as a "low" ranking in an absolute sense. Indeed, in most of the counties, most staff gave responses suggesting a moderate to high degree of personalized attention. It is certainly possible that, on the whole, the level of attention provided in most counties far exceeded what occurs in some other welfare-to-work programs. Nonetheless, the six counties did differ substantially among themselves in the degree to which these concerns were the focus of case managers' interactions with registrants.

Staff responses to a question about the appraisal process illustrates the differences among counties: "In this type of interview, how much effort does the staff make to learn about the client's goals and motivations to work *in-depth*?" More than 75 percent of the staff in Butte and Tulare answered "a great deal" compared with 36 percent to 52 percent of staff in the other counties. A second item asked about the assessment process: "In your opinion, how well is GAIN tailoring the education, training, and work experience services that clients receive to their particular needs, circumstances, and goals?" Approximately 60 percent of the staff in Tulare answered "very well" compared with about 22 percent of the staff in Los Angeles and Riverside.[16]

These county differences are consistent with information obtained through on-site observation and interviews. For example, an MDRC researcher summarized her observation of a one-hour appraisal interview in Butte, the county ranking highest on the personalized attention scale:

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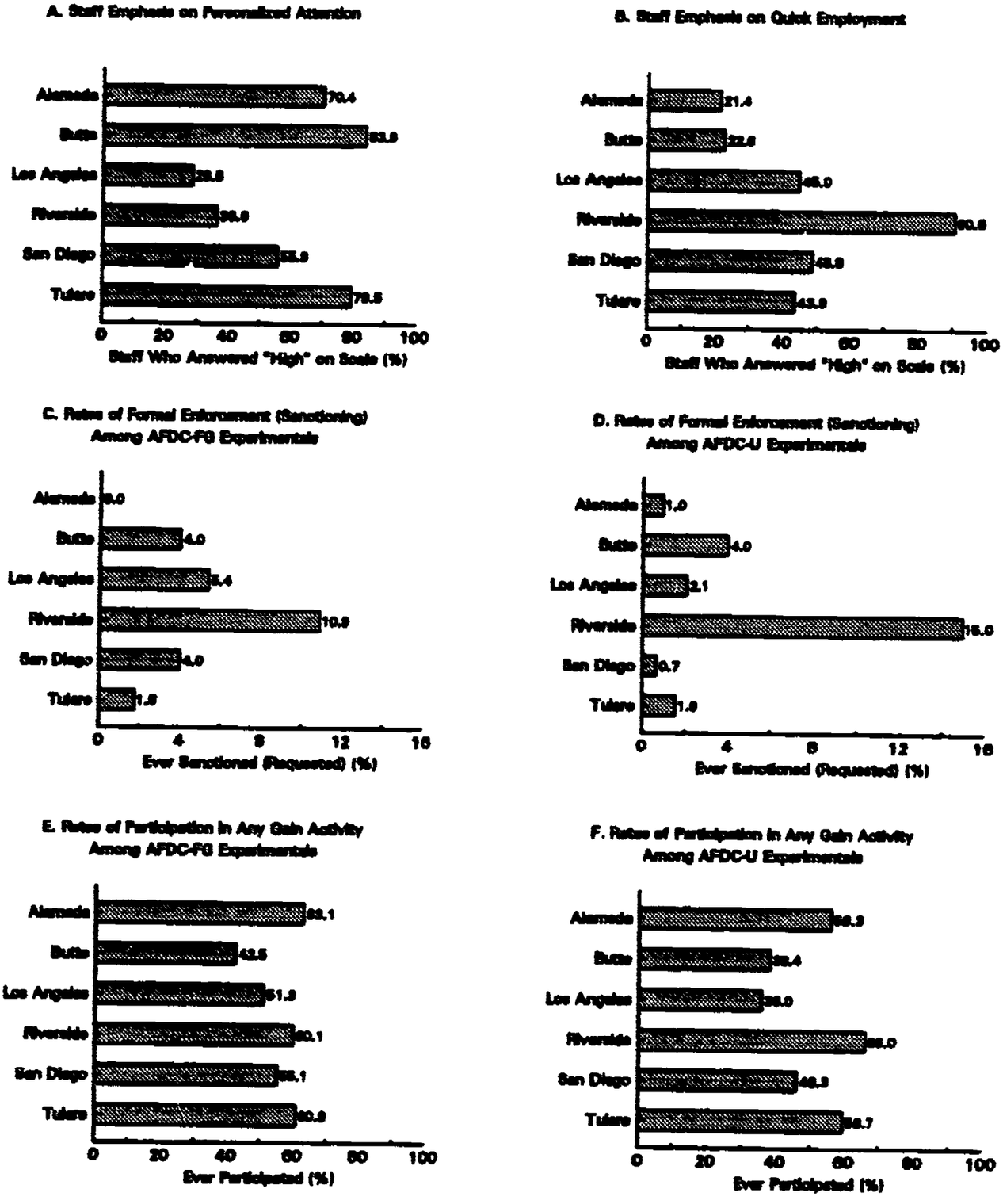
[15]These questions were taken from a larger list of questions concerning staff practices. Based on a factor analysis of this larger set, these nine questions were identified as measuring a similar dimension of practices. This same procedure was followed in creating a number of other scales in this report that were based on staff survey data. See Appendix Table B.1.

[16]The personalized attention scale was also found to correlate with staff responses to several other items in the survey concerning how staff interacted with registrants. For example, in the counties ranking higher on this scale, a higher proportion of staff answered "very likely" when asked, "How likely are workers to go out of their way to help clients?" In Alameda, Butte, and Tulare, 76 percent to 88 percent gave this response compared with 35 percent in Los Angeles, 58 percent in Riverside, and 63 percent in San Diego. Alameda, Butte, and Tulare staff were also much more likely to report that registrants viewed them much more as a "helper or counselor" than as a "rule enforcer."

FIGURE 3.3

COUNTY DIFFERENCES IN SELECTED CASE MANAGEMENT PRACTICES AND IN RATES OF PARTICIPATION IN ANY GAIN ACTIVITY AMONG AFDC-FG AND AFDC-U EXPERIMENTALS



SOURCES: MDRC Staff Activities and Attitudes Survey and MDRC's participant flow sample (see Tables 2.1 and 2.3 for sanctioning and participation rates).

Most of the appraisal time was devoted to talking up the program and building up the client's self-confidence. There was a marked effort on the part of the worker to make the appraisal a warm, personal, and helpful interaction. For example, as she assigned her client to basic education, the worker assured her that the program had good luck with the students they assigned to that school. But she encouraged the client to contact her if she had any trouble getting individual attention, because class sizes are growing at the school. And finally, in order to help the client overcome her qualms about being in a "class full of kids," the worker mediated a carpooling arrangement with an older client. She contacted the older client and got her permission to give her phone number to the current client so that they could work out the details. She emphasized what a delightful person the older client was, and how much the two of them would like each other.

Another Butte worker explained that, during his appraisals, he tries to get registrants to talk about their family situation, so they know he cares about it. He also tries to find out why the clients are on welfare and asks whether they have any plan of their own for getting off it. In general, he tries to get registrants to trust him, so that they will have confidence in the recommendations he makes.

In counties where personalized attention is emphasized, staff are also more likely to take greater advantage of opportunities to provide informal counseling throughout a registrant's involvement in the program. For example, in Butte, the process of learning about the registrant's personal life and family that begins in the appraisal interview continues through the monthly contacts case managers have with registrants, by phone, at the GAIN office, or at the registrant's home. One case manager explained that she likes to make home visits because she feels it is helpful to see people in their own surroundings, meet the rest of the family, and observe how they interact. Another case manager said that he feels like he is working with the whole family when he takes on a GAIN registrant.

This focus on personalized attention in Butte was reinforced by the fact that supervisors' evaluations of case managers' job performance gave significant weight to how knowledgeable the workers were about their cases. One supervisor commented that it "would be a bad sign" if a worker in his unit had to look at the materials in the casefile to update him on the status of the registrant.

In Riverside, which ranked lower on the personalized attention scale than most of the other counties, a number of staff comments suggest that the strong emphasis on quick employment may have lessened the intensity of personalized attention in that county. For example, one Riverside supervisor expressed concern that "the pressure from the job placement numbers probably leads

some staff to put some clients into job club without fully evaluating the client," although she thought that this did not happen very often.

Los Angeles had the lowest score on the personalized attention scale. This ranking may be due in part to that county's decision to develop a much more prescriptive case management role than was typical in other counties. In general, the county sought to minimize discretionary decision-making by case managers. For example, most appraisals focused primarily on completing the necessary paperwork and assigning registrants to the first component. One worker voiced concern about not crossing the line into counseling registrants if they brought up personal problems. This is consistent with the finding from the staff survey that Los Angeles staff were not very likely to report expending a great deal of effort to learn in-depth about registrants' family circumstances and motivations to work. This is not to say that these issues were ignored in Los Angeles, but they were much less a focus of staff interactions with registrants than in other counties.

To delineate the boundaries between discretionary and nondiscretionary decisions, the county prepared a detailed handbook that carefully described and specified each decision in the case management process. These include decisions concerning deferrals, approval of self-initiated training plans, "good cause" determinations, the conciliation process, the imposition of sanctions, and deregistration. County policies also had to accommodate Los Angeles' unique decision to subcontract out GAIN case management services. (Rules covering the use of federal welfare funds limit welfare agencies' ability to delegate certain discretionary decisions to staff outside the agency.) If exceptions regarding prescribed case management decisions arose, or if the handbook seemed ambiguous, the county's own GAIN staff were to be consulted for a decision.[17] Following a competitive bidding process, Los Angeles selected a private, for-profit firm, MAXIMUS, Inc., to provide case management.

Los Angeles was also unusual in the nature of its efforts to build registrants' motivation and self-esteem during the orientation process. The welfare department subcontracted with the County Office of Education to operate a six-hour workshop for all orientation attenders prior to their assignment to an initial GAIN activity. Informal observation suggested that registrants usually found this workshop helpful. However, because each workshop was conducted in a large group setting (often with about 25 to 50 people), the workshops did not involve much in-depth individualized interaction with staff.

[17]See Hasenfeld et al., 1992.

2. Caseload size and personalized attention. As is evident in Table 3.1, two of the three counties with the highest scores on personalized attention – Alameda and Butte – consistently had the lowest number of registrants per case manager, averaging 63 and 75, respectively.[18] (These caseload sizes are the combined averages reported by staff on the two waves of the staff survey and include the total number of active and deferred registrants assigned to staff who performed ongoing case management duties.) Caseloads were highest in Los Angeles (averaging 128),[19] the county with the lowest ranking on the personalized attention scale.[20]

Because caseload size also is a major determinant of program costs, deciding how much to emphasize personalized attention poses choices to county administrators about the allocation of program resources. These choices, in turn, may reflect different philosophies about how best to operate GAIN. In Butte, for example, the decision to limit caseload sizes in the face of a waiting list for the program clearly reflected a view that it is better to serve fewer welfare recipients with more personalized attention than to provide less attention in order to serve a higher volume of recipients.

3. Case management structure and personalized attention. In addition to caseload size, the way that each county organizes case management can also affect the emphasis that staff place on personalized attention. For example, several counties sought to engender a higher degree of personalized attention by using specialized staff to perform certain functions.

In San Diego, to take a notable example, each GAIN office had an "education social worker," who was responsible for all ongoing case management functions for registrants assigned to a basic education activity. This position was established in January 1989 as a strategy to improve participation in that component by giving registrants assigned to it special attention. The education

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[18]In Tulare, which also had a high ranking on personalized attention, staff appear to have had a more difficult time implementing that approach during the first year of the program, when average caseloads were 125 to 1, compared with the second year, when they had dropped to 88 to 1. For example, in response to the statement on the staff survey, "I have too many clients to do my job well," 52 percent of the staff in Tulare answered "strongly agree" during the first year, but only 17 percent gave that answer in the second year.

[19]In the fall of 1990, Los Angeles implemented a procedure by which most deferral decisions for individuals employed part-time were made prior to referral to the GAIN office. These deferred individuals, who typically required less attention on the part of case managers than other deferred and nondeferred individuals, were no longer assigned to GAIN case managers' caseloads. In this particular respect, during the latter part of the study, the composition of case managers' caseloads in Los Angeles differed from that in the other counties, which did not follow this procedure.

[20]In Riverside, the "lower caseload" group had a somewhat higher ranking on the personalized attention scale than did the "higher caseload" group but not nearly as high as the ranking in Alameda, Butte, and Tulare. (A majority of Riverside's registrants were assigned to the "higher caseload" group.)

social worker was expected to carry a lower caseload and develop a stronger working relationship with the Learning Centers. One such worker noted that the absentee rate in this component was large, and that administrators thought on-site social workers could alleviate the problem.

Another example is Alameda's creation of the special position of program ombudsman, who was responsible for helping orientation attenders understand their rights and responsibilities while in GAIN. He also helped registrants resolve problems with their case managers and tried to alleviate difficulties related to their participation in the program. He often spent time at the service providers, meeting with students and instructors, as well as at the GAIN office.

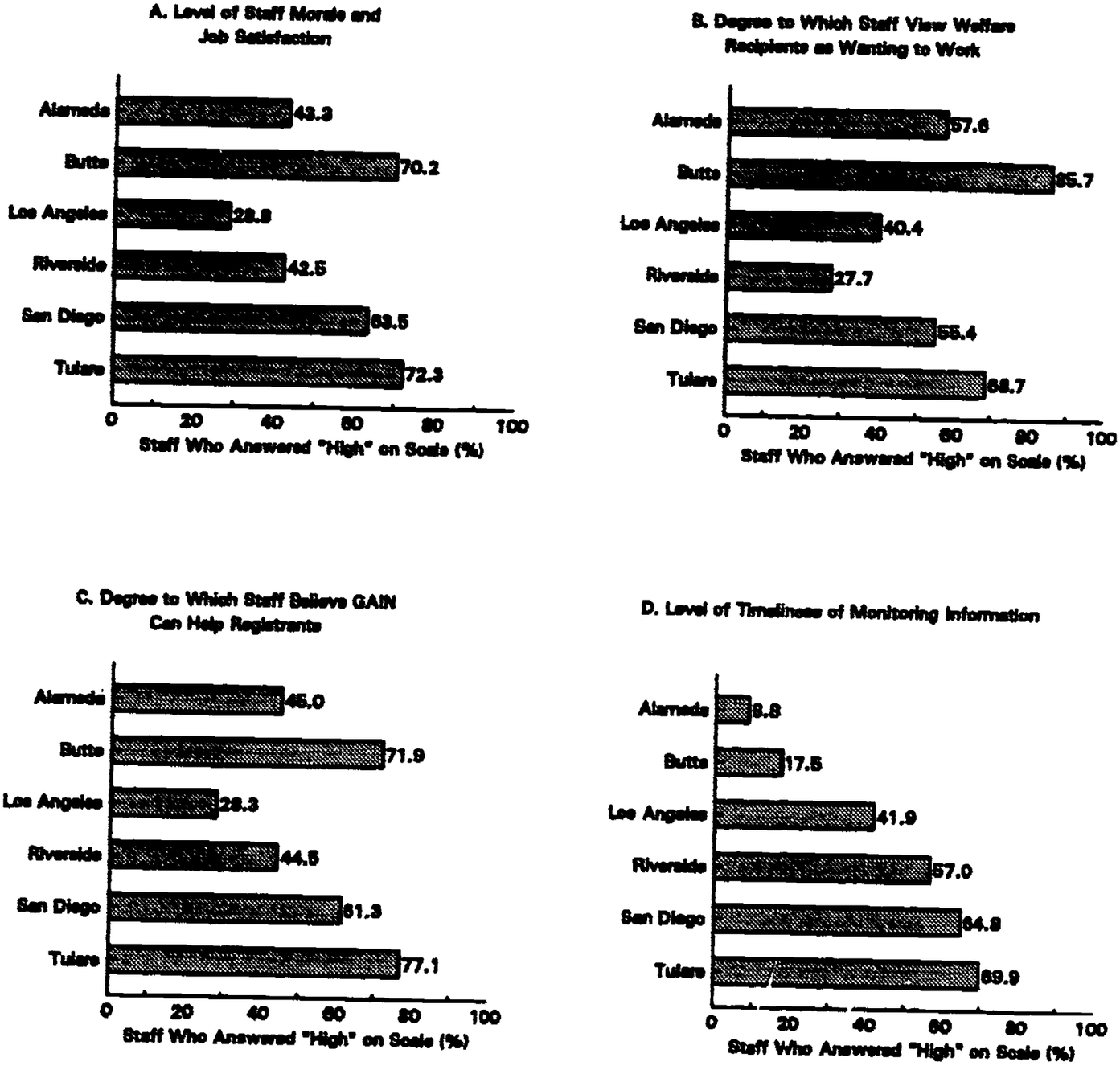
GAIN staff are not always the only source of personalized attention available to registrants. (See Table 3.1.) In Tulare, for example, the welfare department subcontracted with the county Department of Education to provide "transition counselors" for GAIN basic education students. Each of these counselors was located on-site at the schools several days a week to help monitor attendance and to assist registrants with personal and academic problems. One of these counselors described her role as involving a "tremendous amount" of counseling and problem-solving, offering registrants help with such issues as housing, parenting, and drug and alcohol problems. She also talked with case managers weekly about specific students and met with those staff in-person every month.

4. Personalized attention and organizational climate. The results from the staff survey suggest that the emphasis on personalized attention in a county is correlated (at least in this sample of counties) with the internal social climate within a welfare department's GAIN office. Three major aspects of organizational climate were investigated: staff morale and job satisfaction, staff perceptions of welfare recipients, and staff perceptions of GAIN's helpfulness to registrants.

a. Staff morale and job satisfaction. Nine survey questions were used to measure staff morale and job satisfaction. As illustrated in Figure 3.4a, the proportion of staff who answered "high" on this self-reported measure varied widely across the counties. The highest levels of morale and job satisfaction were reported in Butte and Tulare (70 percent or more answered "high" on this scale), the two counties that ranked highest on the personalized attention scale. The percentage of staff who answered "high" on the scale regarding morale and job satisfaction was lowest in Los Angeles (29 percent). (The second of the two waves of the staff survey was administered around the time the county was instituting a significant number of layoffs and higher case management caseloads. This may have contributed to the lower levels of morale and job

FIGURE 3.4

COUNTY DIFFERENCES IN PROGRAM ORGANIZATIONAL CLIMATE AND MONITORING



SOURCE: MDRC Staff Activities and Attitudes Survey.

satisfaction reported by staff in Los Angeles.) The county also had the lowest ranking of the six in terms of personalized attention.

A number of comments from the in-person interviews support the interpretation that staff often felt less satisfied with their job when it involved a lower degree of personalized attention. In Los Angeles, for example, case managers – who also had the highest GAIN caseloads of the study counties – talked about being frustrated with the constraints imposed on them by the case management subcontract, which sought to eliminate discretionary decision-making by case managers. Many expressed the desire to have more interaction with registrants and to do more counseling. And in Riverside, one worker offered this opinion:

> When the program first started, I thought it was good – we would be giving clients school and vocational education. I would be counseling clients. Then I found that we were pushing them into jobs. I'm somewhat disillusioned. I'd like to work more with clients.

b. Perceptions of welfare recipients. Ten questions were used to measure the degree to which staff viewed welfare recipients as wanting to work and wanting to get off welfare. A high score on this scale represents the view that being on welfare is primarily a consequence of broad societal or situational problems rather than being the desire or fault of the individual welfare recipient. For example, a respondent who scored high on the scale would be more likely to "strongly disagree" that "many people who apply for welfare would rather be on welfare than work to support their families." As Figure 3.4b illustrates, staff in Butte and Tulare were most likely to view welfare recipients as having a strong orientation toward work, while the Los Angeles and Riverside staff were least likely to hold these views. Again, the differences on this measure parallel the differences on personalized attention.

c. Perceptions of GAIN's potential to help registrants. Seven other items were used to gauge staff views of their GAIN program's potential to help registrants improve their lives. For example, respondents were asked how much they agreed or disagreed with these statements: "If someone really wants to get off welfare, they can get a lot of help from my agency," and, "If the people in my job do good work, we can really improve the lives of welfare recipients." The results in Figure 3.4c show that Butte and Tulare staff were, again, most likely to rank their program as

having a "high" potential to improve registrants' lives, while the Los Angeles staff were the least likely to give their program a high rating in this regard.[21]

Overall, these results suggest that the counties that more strongly emphasized personalized attention also tended to have higher staff morale and job satisfaction; to view welfare recipients more positively, as people who want to work and to leave welfare; and to believe that GAIN helps registrants move toward these goals. It may be that more personalized attention is the kind of service that GAIN staff themselves prefer to provide, and when they are providing this type of service, they view their work, their clients, and the program overall in more optimistic terms.

V. Responding to Noncompliance: Formal Enforcement

Administrators of mandatory welfare-to-work programs generally have some discretion in operationalizing the formal enforcement process – and, in particular, financial sanctions – as a method of securing registrants' compliance with the program's participation obligation. In the GAIN program, there is an official multi-step process for imposing penalties on registrants who fail to attend their assigned activity regularly. It begins with the registrant's being sent a Notice of Participation Problems (a "GAIN-22" form) outlining the sanctions that may be applied if the problems continue. This notice instructs the registrant to call or visit the case manager for a "cause determination" meeting and warns that a failure to respond may affect the registrant's welfare benefits. If no "good cause" is found to account for the participation problem, the next step is conciliation, an attempt by the case manager (and sometimes involving the supervisor) to get the registrant to agree to begin participating as required.[22] The final step is financial sanctioning, whereby the registrants' welfare grants are reduced by eliminating their share of the grant until they cooperate.[23]

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[21]Several other items in the staff survey were used to measure the organizational climate within the GAIN agency. One of these concerned staff members' perceptions of their relationships with registrants. Staff almost uniformly across the counties reported that they had "excellent" relationships with registrants. Staff were also asked how much they agreed or disagreed with the following statement: "I feel my agency wants me to set a tough tone with clients." Few staff (less than 7 percent) in most of the counties "strongly agreed" with the statement. Riverside staff were the exception. About 30 percent reported that their agency wanted them to set a "tough tone."

[22]Prior to JOBS, money management followed conciliation. This was an intermediate penalty whereby the registrant's welfare checks over the next three months were sent to a substitute payee to make any necessary expenditures on her or his behalf.

[23]Prior to JOBS, a sanction for AFDC-FG registrants meant a reduction in their welfare grant for three or six months; for AFDC-U registrants, it meant the termination of their welfare grant for three or six months. The duration of the sanction in both cases depended on whether the registrant was in

Some administrators believe that high compliance can be achieved without a heavy reliance on sanctions, and that efforts should be made to avoid imposing them except as a last resort. Others believe that sanctions are an essential tool for obtaining compliance and that, as long as the enforcement process is administered fairly, case managers should not take extraordinary steps to avoid using them.

A. County Comparisons

Figures 3.3c and 3.3d show how counties compare in terms of the proportion of AFDC-FG and AFDC-U experimentals whom they sanctioned during the follow-up period. (See also the subgroup participation tables in Appendix A for the sanctioning rates for key subgroups.) Riverside resorted to sanctioning much more than did any of the other research counties. Overall, 11 percent of the AFDC-FG experimentals were sanctioned in that county compared with zero percent to 5 percent in the other counties. Among AFDC-Us, the rate ranged from 15 percent in Riverside to no more than 4 percent in the other counties.

Riverside's relatively high use of sanctions seems to reflect a difference in program philosophy rather than a greater level of noncompliance among its registrants. This is suggested by the in-person interviews with staff, as well as by staff responses to the survey question, "Do supervisors in your GAIN program discourage or encourage the use of financial sanctioning?" About half of the staff in Riverside answered that sanctions were "strongly encouraged," while only 8 percent to 23 percent gave this response in the other counties.

In general, the sanctioning rate can be thought of as a rough proxy for a county's general emphasis on formal enforcement. When counties are compared on other measures, such as the extent to which registrants were in an official "conciliation" or other status prerequisite to a sanction, Riverside again shows a higher rate than the other counties.

Butte, Los Angeles, and San Diego had the next-highest sanctioning rates (at least for AFDC-FGs). The ranking in Los Angeles partly reflects the highly routinized structure of case management in that county. Because case managers could not exercise discretion, staff tended to invoke GAIN's formal stages in the penalty process routinely, usually without expending much effort to address participation problems through more informal contacts with registrants. They reported never making home visits or visits to the schools or other service providers, which would

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noncompliance for the first or second time.

also have been more difficult than in other counties because of the higher caseloads in Los Angeles.

Alameda and Tulare had the lowest sanctioning rates. A staff member in Alameda explained:

> We do bend over backwards to work with the clients before sending them to sanctions. We give them extra time, send notes, make phone calls. But if I find out they are not attending, I will cancel their child care and transportation and sometimes this gets their attention.

In Tulare, a case manager explained that if she learned from a school that a registrant had been absent for more than three days, she would call the registrant or make a home visit. She made about six home visits per month. In general, she approached instances of noncompliance by first looking at "what GAIN can do to help."[24]

B. The Timeliness of Monitoring Information

How quickly staff are able to respond to participation problems, either through enforcement or persuasion, depends of course on how soon they learn about those problems. Eight questions in the staff survey were used to measure the timeliness of the monitoring information staff in each county obtained. The results are presented in Figure 3.4d. (The greater the proportion of staff who answered "high" on this scale, the more timely was the monitoring information they received.) Riverside, San Diego, and Tulare had the highest scores. Alameda and Butte ranked distinctly below all the other counties.

The lower scores in Butte and Alameda reflect unusually slow attendance reporting by the basic education providers, particularly in Alameda. As one worker explained, "Most schools are supposed to send us a monthly attendance card, but we usually receive these at least a month later. We find out the clients weren't attending, and we were assuming that they were."[25] In most of the other counties, the basic education providers submitted daily or weekly attendance reports to

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[24]As previously noted, counties that more strongly emphasized personalized attention made greater efforts at persuasion and problem-solving prior to invoking sanctions. However, there is no *necessary* relationship between the level of personalized attention and the ultimate sanctioning rate in a county. A county could continuously delay sanctioning even after early attempts at persuasion failed to achieve cooperation. For example, Butte -- the county with the strongest emphasis on personalized attention -- had sanctioning rates comparable to those in Los Angeles, the county with the lowest ranking on the personalized attention scale.

[25]Alameda was working to establish a computer linkage between the schools and the GAIN office to speed the flow of attendance information to the case managers. Such a system had already been set up with the job club provider

the case managers, and in some, the case managers would visit the providers once or twice every week to meet with GAIN students.[26]

VI. The Relationship Between Case Management Practices and Participation Patterns

Whether to emphasize rapid employment or more education and training, more or less personalized attention, and more or less formal enforcement are all important decisions about how welfare-to-work programs are managed. These are practices that administrators can affect through their allocation of resources and by the policies they establish. Therefore, it is important to try to learn whether these practices affect participation patterns and impacts. This section examines the relationship to participation, while Chapter 6 investigates the influence on first-year impacts. Although it is not possible to draw firm conclusions about these relationships with only six counties, as noted at the outset of this chapter, a number of insights can be offered.[27]

A. The Influence of Personalized Attention and Enforcement

Some administrators view personalized attention as an essential strategy for guiding registrants toward self-sufficiency. Implicit in this philosophy is the expectation that paying close attention to registrants' individual problems and needs, family circumstances, and personal preferences, and trying to accommodate these in making decisions about GAIN services, will help to motivate registrants to take full advantage of the opportunities that GAIN offers them. If this approach increased GAIN's appeal to registrants, it is reasonable to expect that it would act as an inducement to take part in GAIN activities. Thus, counties that rank higher on personalized attention might be expected to have higher rates of participation in GAIN activities.

A comparison across the six counties does not reveal a consistent relationship between a county's emphasis on personalized attention and its participation rate. (This finding also holds

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[26]There was fairly close monitoring of registrants assigned to job club and job search services in all the counties. In contrast, arrangements with vocational education and training providers, such as community colleges and proprietary vocational institutes, were much less formal. As reported in MDRC's 1989 study of GAIN's early implementation, instructors at many of these schools often did not take daily attendance, and some reportedly did not feel obligated to complete monthly forms for GAIN. See Riccio et al., 1989, p. 169.

[27]Several analyses also compared GAIN offices within counties. Case management practices were sufficiently different across GAIN offices within several counties to permit this kind of analysis. These comparisons included 20 of the counties' 24 offices, and excluded those where the samples for participation data were extremely low. In general, the office-level results support the findings for the county-level comparisons, so these are not reported separately.

when the participation rates among subgroups, such as long-term recipients, are compared across the six counties. See Table 3.1 and Figure 3.3.) For example, while Alameda and Tulare both ranked very high in terms of personalized attention, their rates of participation were not very different from Riverside's, a county with a considerably lower ranking on personalized attention. Furthermore, Los Angeles and San Diego, which also differed significantly from each other on this implementation dimension, had fairly similar participation rates, especially among the AFDC-FGs.[28]

These findings do not rule out the possibility that counties with high personalized attention achieved high participation rates through these case management practices. Nor do they rule out the possible influence on other measures of participation such as the regularity of attendance in one's assigned activity. They do suggest, however, that a strong emphasis on personalized attention is not the *only* way to achieve high rates.

A strong emphasis on formal enforcement is another approach through which staff might influence registrants' participation patterns. For example, these efforts might help to underscore a county's seriousness about imposing GAIN's participation obligation and thereby act as an inducement to participate for registrants who might otherwise be inclined to ignore that mandate. It is thus reasonable to hypothesize that counties' participation rates will be correlated with counties' emphasis on formal enforcement.

Again, however, when counties are compared along this dimension, those that rank higher do not have consistently higher levels of participation. (See, e.g., Figure 3.3.) The fact that Riverside ranks high on enforcement and produces a high participation rate does suggest that this strategy may have contributed to that county's higher rates, but the measure's weak correlation with participation among the other counties suggests that a strong emphasis on formal enforcement is not necessarily superior to other strategies for achieving this outcome.

Interestingly, the three counties with the highest participation rates – Alameda, Riverside, and Tulare – have in common that they were ranked high on *either* enforcement *or* personalized attention. It may be that both of these approaches are effective in inducing participation and that, other things being equal, participation will tend to be lower where neither of them is given much

[28]It is important to note that the results from Butte are not very useful in any county comparisons using rates of participation in any GAIN activity. Its unusually low participation rate reflects, to an important extent, the effects of its upfront waiting period, which makes it particularly difficult to infer the effects of its other case management practices.

emphasis. Again, however, it is difficult to draw this conclusion firmly with only a small number of counties available for comparison.

B. The Effects of Encouraging Quicker Employment Versus More Education and Training

How registrants feel about participating in GAIN may depend on the types of activities to which they are routed. It is thus reasonable to expect that the degree to which case managers encourage quick entry into the labor force might affect the probability that registrants will take part in any GAIN activity.

The data do not lend consistent support to this hypothesis. For example, as can be seen in Figure 3.3, Alameda, Riverside, and Tulare emphasized quick job entry to different degrees, but this did not appear to produce substantially different participation rates.

If the emphasis on quick employment does not influence the overall rate of participation in GAIN activities, it may play a role in determining how much registrants use different *types* of GAIN activities. Consistent with this interpretation is the finding that Riverside was higher than the other counties *both* in terms of its staff's emphasis on quick employment *and* in its relatively greater use of job search compared to education and training. (See Figure 3.1.) However, the relationship between these two variables was weaker for the other counties. For example, the likelihood that a registrant who participated in a GAIN activity would enter job search was nearly as high in San Diego as in Riverside, despite the fact that San Diego's staff did not support quick job entry as fervently. (This result appears to have been due to a local circumstance – that early in the follow-up period, too few basic education slots were available in San Diego to meet the need.) Thus, other factors, including registrants' own preferences when these differed from the staff's advice, may have played an important role in shaping the use of different types of services.

VII. Summary

This chapter has described many of the different ways in which the six counties implemented the GAIN program. These practices, together with the participation patterns presented in Chapter 2, comprise much of what is meant by the GAIN "treatment" as it was experienced by welfare recipients in each county.

The chapter also investigated whether the different approaches that the counties adopted in implementing GAIN, and the different labor markets they faced, were related to the participation rates they achieved. In general, the analysis revealed that county differences along these

dimensions did not correspond closely to the variation in the overall rate of participation in a GAIN activity or in the types of activities used. Indeed, a number of counties that adopted quite different approaches and that operated GAIN in very different types of labor markets had similarly high levels of participation. This suggests that a variety of approaches to implementing GAIN can yield high participation rates; no single approach emerged as a clearly superior way to do so. Considering that some of these approaches may be more costly to implement than others, it is important for administrators to weigh the trade-offs that might be associated with adopting one approach or another (such as serving more or fewer GAIN registrants), and to decide whether particular approaches are worth the extra costs.

Whether or not the implementation strategies discussed in this chapter influence counties' participation patterns measured for this report, they may have important effects on program impacts. Following a discussion in the next two chapters of GAIN's impacts during the first year of follow-up, the report turns to this question in Chapter 6.

CHAPTER 4

FIRST-YEAR IMPACTS FOR SINGLE-PARENT (AFDC-FG) REGISTRANTS

The next two chapters present the first-year effects, or impacts, of GAIN on employment, earnings, welfare receipt, and welfare payments for AFDC-FG (Chapter 4) and AFDC-U (Chapter 5) registrants. Estimates for only one year of follow-up cannot, however, provide a full picture of the impact of GAIN. Previous experiments have shown that the effects of many other mandatory welfare-to-work programs, including those that provided mostly job search activities, had impacts that increased substantially after the first year. In addition, for many registrants, GAIN seeks to make investments in improving skills – investments whose returns may not be evident for a considerable time. Prior studies have indicated that impacts of lengthy education and training not only take longer to appear, but also involve an initial period, while participants are in school, in which employment and earnings may appear to decrease relative to individuals who are not involved in those activities.

In GAIN, the findings of previous chapters indicate that, in fact, many participants in education and training were still involved in services at the end of the first year of follow-up. Nevertheless, it is reasonable to expect that GAIN may produce some impacts even in the short term. These could result from a number of factors such as the program's upfront job search component, the education activities that at least some registrants finish quickly, the program's participation obligation, or other features of the counties' programs.

To summarize the findings: for AFDC-FG registrants, GAIN yielded increased earnings in the first follow-up year in four of the six counties examined in this report: Alameda, Butte, Riverside, and San Diego, although the Alameda and Butte impacts were not statistically significant. Reductions in AFDC payments were found in these four counties (not statistically significant in Alameda) and also in Los Angeles, where registrants obtained no first-year employment or earnings impacts. In Tulare, the program produced neither earnings gains nor welfare reductions in the available follow-up period. Examination of a group of early sample entrants with longer follow-up than the full sample failed to turn up evidence of earnings impacts appearing in year two in Los Angeles or of any impacts appearing in year two in Tulare. Averaged across the six counties, with each county given equal weight, first-year earnings gains for AFDC-FGs were $271 per experimental sample member and first-year welfare savings were $281, both statistically significant.

Differences in impacts across counties must be interpreted with caution. More uncertainty attaches to any specific ranking of counties by size of estimated impact than to general statements about the range of impacts across counties. In addition, as noted above, first-year findings will differ from longer-term results. Finally, specific comparisons of results for GAIN counties with those of earlier studies must be made with caution, since program goals and resources differ, as do research designs, sample characteristics, and local environments.

With these caveats in mind, it appears that Alameda, Butte, and San Diego can be grouped together as having had middle-level first-year impacts on annual earnings, in the range of $218 to $345 per experimental group sample member, or 15 to 18 percent of control group average earnings. Earnings gains for these counties are of comparable magnitude to the first-year earnings impacts estimated previously for broad-coverage welfare-to-work programs.[1] AFDC reductions for the same period were $149 in Alameda and over $300 in Butte, San Diego, and Los Angeles – reductions that amounted to 2 to 6 percent of the average AFDC payments to controls. These first-year welfare reductions compare favorably with those found in most prior experimental studies of welfare-to-work programs. Riverside produced first-year annual earnings impacts of $969 per experimental sample member and a $686 reduction in AFDC payments. The earnings impact was twice the size and the welfare impact was somewhat greater than the biggest first-year impacts previously estimated for a broad-coverage program.

First-year impacts on earnings and AFDC payments were found both for GAIN registrants assessed as not in need of basic education and for those assessed as needing it. In three counties – Alameda, Riverside, and San Diego – earnings gains were larger for those not in need; the opposite pertained in a fourth county, Butte. There was no clear tendency for welfare savings to be larger for one group or the other. Impact estimates for subgroups defined by recent welfare

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[1]The term "broad-coverage" denotes a program that aims to reach everyone in a particular target group. Broad-coverage programs contrast with approaches that select out from the target group only certain individuals to work with, with selection criteria usually based on subjective assessments of ability and motivation. Broad-coverage programs have, in the past, been large-scale or suitable for large-scale implementation, have mostly been mandatory, and have combined several activities and administrative procedures in a complete welfare-to-work "system." Selective or, more formally, "selective-voluntary" programs have been tested experimentally only as single activities that are pieces of larger systems, only at small scale, and, as the name implies, only with voluntary participation. Comparisons of impact results across the two categories are hazardous, and our contextual frame for GAIN includes previous findings for broad-coverage programs only. See Gueron and Pauly, 1991, for a fuller discussion of the distinction between broad-coverage and selective-voluntary programs.

history indicated that long-term recipients could and did experience impacts from GAIN (as did applicants and short-term recipients in some counties), although their first-year earnings gains were often not large or statistically significant.

I. Analysis Issues

Impact analyses must deal with two questions. The first is, "What were the rates of employment and welfare receipt and the average earnings and welfare payments for individuals enrolled in GAIN?" This question may be readily answered by observing the behavior of any representative sample of individuals eligible for GAIN services and subject to GAIN participation requirements. In this study, the experimental group provides estimates of outcomes for individuals in GAIN. The second question is, "How different would outcomes have been if there had been no GAIN program?" This question is much more difficult to answer, since the behavior of GAIN enrollees cannot be observed in the absence of GAIN. However, it is possible to observe that behavior of the control groups, which are similar in all respects to experimentals except that they were not eligible for GAIN. For each GAIN county, the differences between average outcomes for the experimental group and average outcomes for the control group are the estimated GAIN impacts for the county. Outcome differences between experimentals and controls were considered statistically significant if there was no more than a 10 percent probability that the measured differences could have been produced by chance and not as a result of GAIN.

The random assignment research design constitutes a simple yet powerful solution to the problem of estimating program impacts in an unbiased manner. To follow the experimental design faithfully, however, requires that comparisons between experimentals and controls closely adhere to certain protocols. In particular, all persons randomly assigned must be included in the impact calculations in order for the resulting impact estimates to be unbiased. This means, first, that *all* controls must be compared with *all* experimentals. Both GAIN nonparticipants and participants must be retained in the experimental samples. This, in turn, implies that impact estimates must be reported as impact "per experimental" and not, as is often the case with other kinds of evaluations, as impact "per participant." The "per-experimental" basis is especially suited for studying mandatory programs such as GAIN. The very existence of a requirement to participate may itself produce effects, perhaps prompting some program enrollees to avoid having to participate by finding a job on their own or by leaving welfare. In addition, those nonparticipants who did

not comply with program requirements may have been sanctioned with an AFDC grant reduction, which could represent a real reduction in welfare. Such effects, which would be part of the true impact of the program, would not be captured by impact estimates calculated only for participants. They can only be counted correctly if nonparticipants are included in the calculations along with GAIN participants.

Including all research sample members in the impact calculations means that estimates of average earnings and average AFDC payments must be interpreted carefully. It means, for example, that estimates of average earnings per experimental necessarily will include zero dollar amounts for sample members who were not employed during the period involved. Similarly, estimates of average AFDC payments will include zero dollar amounts for sample members who were not on welfare. These conventions are, however, appropriate for comprehending the full impact of GAIN. To the extent that the program converts nonearners to earners, or welfare recipients to nonrecipients, excluding the zero values from the experimental and control averages would obviously lead to a serious underestimate of program impacts.

The per-experimental basis encompasses only those persons who attended a GAIN orientation and were randomly assigned. It does not capture possible impacts on individuals who were referred to GAIN but never showed up for an orientation. Some of these individuals may have been sanctioned, while others may have left welfare or found a job specifically to avoid GAIN. Because these individuals were not included in the research samples for the current study, any impacts they might have felt will not be counted. The first-year impact estimates presented in this chapter and the next may therefore slightly underestimate the full impact of GAIN.

Random assignment at GAIN orientation presents difficulties for comparing impact estimates for GAIN with those for other program evaluations where the point of random assignment was located at a different stage of the intake process. In particular, for evaluations in which random assignment is performed at the point where individuals are first referred to the welfare-to-work program, the research sample may represent a larger share of the eligible caseload than in studies that place it at the later stage, which some referred individuals do not reach (e.g., because they leave welfare in the meantime). In addition, certain aspects of random assignment at referral may tend to raise, and others to reduce, the amount of program impact accruing to the research sample. On the one hand, the impact estimates will capture any effects – as, for example, from sanctions – occurring between referral and orientation. On the other hand, impact estimates will be diluted

by the presence in the sample of some welfare applicants who turn out to be ineligible for AFDC, whose applications are never approved, and who therefore are not obliged to show up at orientation and experience no impact from the welfare-to-work program.

Within GAIN, differences in targeting complicate comparisons across counties. Targeting differences create differences in the characteristics of sample members across counties. In addition, in counties with narrow targeting plans, GAIN registrants (and the research samples) will represent a smaller share of the overall AFDC caseload than in counties that target more broadly. For example, in Alameda and Los Angeles, which served only long-term AFDC recipients, the research samples will include, on average, individuals with greater skills deficits and employment barriers than elsewhere. The impact estimates in these two counties may not apply to other portions of their caseload.

Four kinds of outcomes are examined in this report: employment, earnings, receipt of AFDC (e.g., number of months receiving AFDC), and amount of AFDC payments. Earnings have greater variability across sample members than the other outcomes. Impact estimates for earnings will therefore generally be less precise than impact estimates for the other measures. This means, for example, that a given estimate of employment impact may be statistically significant while its associated estimate of earnings impact is not. In such cases, the employment result increases confidence that there is, in fact, an earnings impact.

Sample sizes available for subgroup analysis pose another problem. Reduced sample sizes decrease the precision of an impact estimate. This means that a particular impact value that was statistically significant in a full county sample may no longer be statistically significant if it appears as the impact estimate for only a portion of the county sample. In addition, a particular numerical impact estimate for a subgroup has a wider range of uncertainty around it than a full-sample estimate. Thus, the magnitude of the subgroup estimates should be interpreted with particular caution.

An additional set of analysis issues concerns the organization of the follow-up data on earnings and AFDC payments and the length of the follow-up period. Unemployment Insurance (UI) earnings data are maintained by calendar quarter periods: January through March, April through June, etc. But sample members were randomly assigned daily. Consequently, the earnings reported for any sample member's "quarter one," which includes the date of random assignment, will often include some earnings that preceded that person's random assignment. Such pre-program

earnings cannot logically be part of the GAIN program's impact. For that reason, quarter one is not counted in the summary measures of program impacts presented in this chapter and the next. Thus, for example, "follow-up year one" will be defined as quarters two through five.

AFDC payments data were available monthly. In order to exactly match the intervals covered by earnings data, AFDC payments were regrouped. This means that for someone randomly assigned in February, quarter two is April through June for both earnings and welfare. It also means that year one of welfare follow-up is composed of the 12 months from April through March of the subsequent year. This convention implies that any impact on employment or earnings in, say, quarter three pertains to exactly the same time period as an impact on welfare in quarter three. As with earnings, the quarter of random assignment is dropped from summary welfare measures.

UI earnings are maintained by the State of California statewide. AFDC payments are maintained separately by each county. If a sample member moves out of a county, AFDC payments will appear to go to zero in the evaluation data file, even if the individual returns to AFDC in a different county in the state. Earnings data will continue, however, unless the individual leaves the state. For cross-state migrants, both earnings and AFDC payments will appear to go to zero in the evaluation data. There is no expectation that such effects should differ systematically between experimental and control groups, however. Thus, even though average earnings and average AFDC payments may be somewhat underestimated for experimental and control groups, the *differences* between those averages should not be much affected. Any biases in impacts should be small.[2]

Earnings and AFDC payments data are available in all counties at least through quarter five. This is the "common" length of follow-up. In some counties, one additional quarter is available, and in San Diego data are available through quarter eight. For the full sample in each county, quarterly earnings and AFDC payments have been computed and are shown for as many quarters as are available. The discussion will, however, focus on the common follow-up, "year one" (quarters two through five).

Finally, some discussion of the expected mechanism of program impact is in order. As typically portrayed, welfare-to-work programs have their impacts first on employment and earnings,

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[2]Earnings not covered by or not reported to the UI system – e.g., earnings from domestic employment – may also result in minor biases of earnings impacts toward zero.

which in turn lead to reductions in receipt of AFDC and AFDC payments. In practice, the relationship between earnings gains and welfare reductions is far from clear-cut. In some past programs, large earnings gains have been found without welfare reductions. This may come about for several reasons. There may be errors in reports of earnings or administrative lags in AFDC case closure following the start of employment. Earnings gains may accrue mostly to short-term AFDC recipients who would have been off public assistance quickly anyway. Or earnings gains may take the form of earnings for individuals that are larger than the amounts needed to close AFDC cases. In addition, work expense and child care allowances provided for AFDC recipients may offset any increase in earnings.

Conversely, some welfare reductions have been observed without corresponding earnings gains. Again there may be several contributing factors. Sanctions may produce some welfare impacts without any effect on employment. Contact between welfare-to-work program staff and program registrants may speed the process of case closure for individuals who find work, even if they would have found those same jobs without the program's help. There may also be "deterrent effects" for individuals who leave AFDC to avoid having to participate in the welfare-to-work program but who do not take jobs. In some programs, there may be a real increase in job-finding that leads to an increase in case closure, but the jobs may not last very long and individuals may not return to AFDC right away.

II. A Context for Considering GAIN's First-Year Impacts

For analytical purposes, GAIN may be seen as two programs in one, corresponding to the two tracks for GAIN registrants – one for registrants deemed not to need basic education and one for those deemed to need it. From this perspective, it becomes natural to seek to compare the impact findings for AFDC-FGs in the two GAIN tracks with findings for single-parent registrants in two kinds of broad-coverage welfare-to-work programs evaluated with experimental designs during the 1980s. The first kind comprises low-cost programs consisting primarily of job search activities but often including a work experience activity as well. A second kind of program used job search and work experience but also incorporated some education and training and operated

at higher cost. Seven experimental studies of the first kind of program have been completed, two of the second kind.[3]

Among the low-cost programs, the median first-year earnings impact was about $170 per experimental sample member during the mid-1980s. The median first-year AFDC reduction was $70 per sample member. These programs were generally found to be cost-effective. However, although the programs increased employment and earnings, the pay rates of employed members of the experimental group were typically no greater than those for employed control group sample members and were not sufficient by themselves to lift many families out of poverty. Moreover, earnings gains were not found consistently for the most disadvantaged groups, including long-term AFDC recipients.

The SWIM demonstration in San Diego in the late 1980s illustrates another kind of program, a moderate-cost intervention that, again, began with job search followed by work experience. But SWIM assigned other activities, including education and training, to registrants who did not obtain employment during their initial activities. In addition, registrants could find and enroll in education and training outside SWIM and, if approved by SWIM, could participate in those activities as substitutes for the regular SWIM activities. During the first year of follow-up, San Diego SWIM produced earnings gains of $350 per experimental sample member and welfare reductions of $400.

In their emphasis on up-front job search, each of these programs bears some similarity to the job-search-first track of GAIN, which is intended for individuals determined not to need basic education. It is therefore reasonable to expect that GAIN, like these earlier efforts, will yield some positive impacts even in the first year, at least for experimentals on the job-search-first track.

The evidence suggests, however, that the prominent role assigned by GAIN to education may make first-year impacts smaller than later impacts. This possibility is illustrated by a second moderate-cost program, the Baltimore Options program, which differed from the others in providing

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[3]A comprehensive review of all nine studies and other research may be found in Gueron and Pauly, 1991. The seven low-cost programs were the two Louisville WIN Laboratory Experiments, the Arkansas WORK Program, the Cook County (Chicago) WIN Demonstration program, the West Virginia Community Work Experience Program (CWEP), the Virginia Employment Services Program (ESP), and the San Diego Employment Preparation Program/Experimental Work Experience Program (EPP/EWEP). The two programs with some education and training were Baltimore Options and the San Diego Saturation Work Initiative Model (SWIM). The experimentally evaluated small-scale programs, such as those in Maine and New Jersey, are not directly comparable to broad-coverage programs such as the nine listed and GAIN. Not only were they small, but they were also voluntary and enrolled individuals selectively.

some education or training as an alternative first assignment to job search and work experience. Although GAIN does not permit the same degree of choice, its basic education track has in common with the Baltimore program a significant emphasis on human capital development. In both cases, the payoff to the initial, longer-duration component is expected to be impacts that may take longer to appear but will be larger in the long run. As it turned out, Baltimore produced $200 per experimental sample member in year one, but this gain more than doubled to $450 by year two. In this connection, San Diego SWIM, which also had significant participation in education and training as well as in job search and work experience, likewise exhibited an increase in earnings gains, from $350 per experimental in year one to $650 in year two. The heavy use of education in GAIN may yield a similar pattern of impacts increasing after the first year. It should be noted that San Diego SWIM, which was among the most mandatory and heavily sanctioning of the nine comparison programs, achieved the largest welfare savings among them ($400 per experimental in year one and $550 in year two). In contrast, Baltimore, which was largely voluntary, achieved no welfare reductions.

III. First-Year Impacts for the Full County Samples

Figure 4.1 presents average quarterly earnings and average quarterly AFDC payments for experimental and control samples in the six counties. Control averages are shown by a solid line; experimental averages are shown by a dotted line. These quarterly estimates and other impact estimates for the AFDC-FG GAIN county samples are shown in detail in Appendix Tables C.1-C.6.

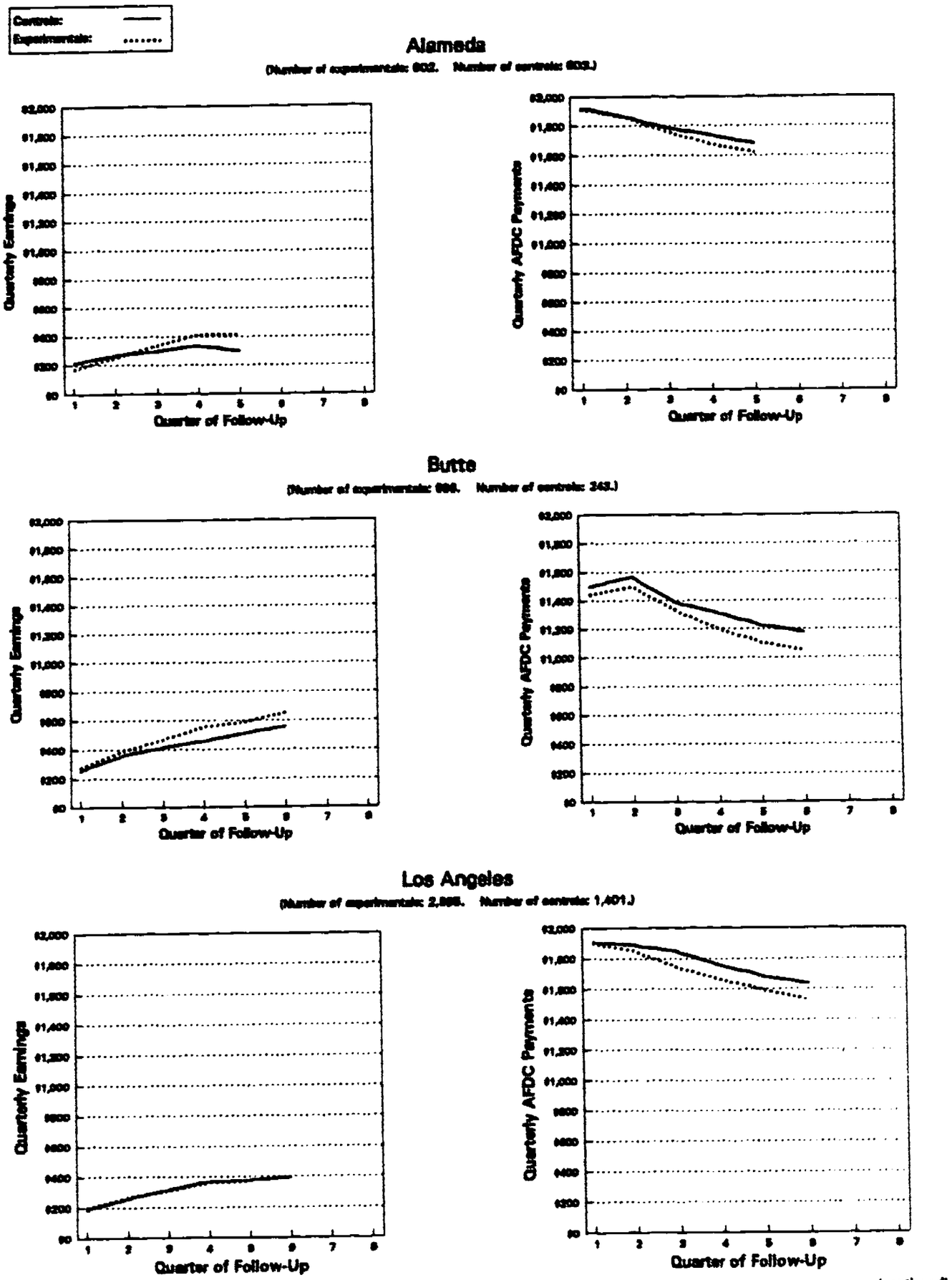
A. The Behavior of Controls

The control groups provide benchmarks for the earnings and welfare receipt the research sample would have experienced without GAIN. It is clear from Figure 4.1 that even without the assistance of GAIN, many controls were active in the labor force. Average earnings for controls increased steadily after the point of random assignment, indicating an increase in job-holding over time.

A comparison of employment rates for controls in the several counties illustrates their labor market activity and the differences in the make-up of program samples from county to county. Control group employment rates at the end of year one (i.e., in quarter five) were as follows:

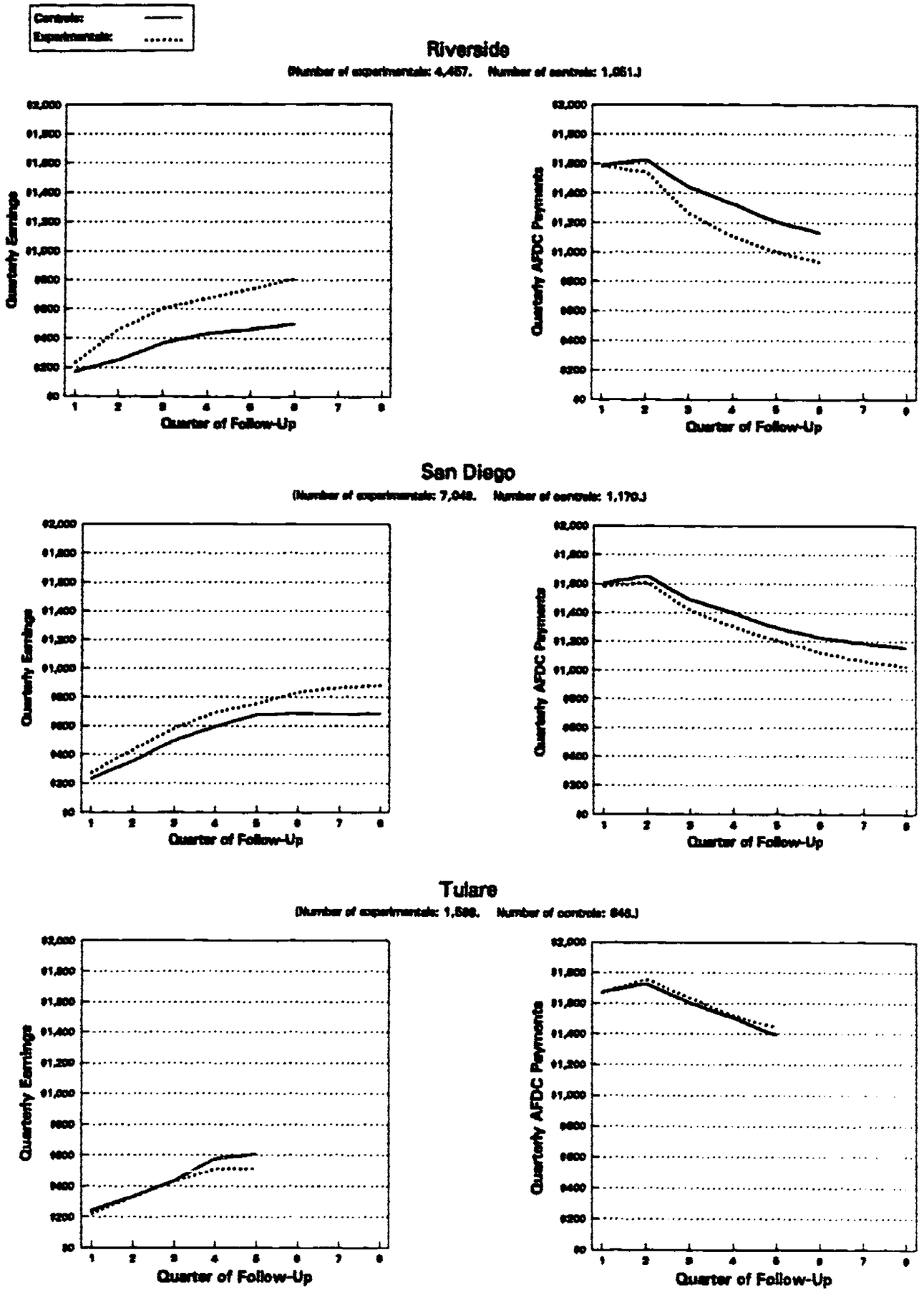
FIGURE 4.1

QUARTERLY EARNINGS AND AFDC PAYMENTS FOR THE FULL SAMPLE OF AFDC-FG REGISTRANTS



(continued)

FIGURE 4.1 (continued)



SOURCE and NOTES: See Table 4.1.

Alameda	16.7	percent	employed
Butte	26.8	"	"
Los Angeles	17.1	"	"
Riverside	22.0	"	"
San Diego	27.6	"	"
Tulare	27.1	"	"

These rates are similar to those found in other studies.[4] About one-quarter of the control groups in Butte, Riverside, San Diego, and Tulare were employed by the end of year one. Controls in Alameda and Los Angeles worked at about two-thirds the rate of the other four counties. These lower rates do not reflect differences in labor market conditions so much as the differences in the groups each county worked with. As previously noted, Alameda and Los Angeles worked only with long-term AFDC recipients, groups characterized not only by a long history of reliance on AFDC but also by lower rates of recent work experience and lower high school completion rates. Consequently, the control samples in Alameda and Los Angeles quite naturally evidenced lower rates of employment during the follow-up period.

Analogous patterns can be seen for controls in AFDC receipt. The figures show declining AFDC payments after random assignment as more and more controls left welfare. These case closures illustrate the normal process of welfare dynamics, with individuals leaving AFDC because they become married or reconciled, find jobs on their own (perhaps by participating in non-GAIN programs), or lose eligibility because their children "age out" of AFDC. Welfare receipt rates for controls show patterns mirroring the employment patterns in the six counties. In quarter one of follow-up, almost all controls were in receipt of AFDC. By quarter five, AFDC receipt rates had declined to the following:

Alameda	89.2	percent	received	AFDC
Butte	68.4	"	"	"
Los Angeles	87.9	"	"	"
Riverside	66.0	"	"	"
San Diego	72.1	"	"	"
Tulare	75.0	"	"	"

[4]In the demonstration of SWIM in San Diego, quarter five employment among AFDC-FG control group sample members was 26.9 percent. In the Baltimore Options evaluation, it was 31.8 percent. In the evaluation of Virginia ESP, the rate was 33.1 percent, and for the Chicago WIN Demonstration evaluation, 22.4 percent. All these programs worked with both AFDC applicants and recipients. The evaluation of job search and work experience in San Diego (EPP/EWEP) worked only with AFDC applicants, so the quarterly employment rate there (37.5 percent) is less relevant to GAIN.

Fairly rapid departure from welfare is common in the AFDC population, and has been noted for samples taken for other welfare-to-work programs.[5] No more than three-quarters of the control groups in Butte, Riverside, San Diego, and Tulare were still on AFDC by the end of year one. In Alameda and Los Angeles, however, nearly 90 percent continued on welfare. Again, these differences reflect the longer welfare histories of the Alameda and Los Angeles samples.

B. Impacts on Earnings and AFDC Payments

The difference between experimentals and controls in Figure 4.1 is the estimate of the impact of GAIN. Various other estimates of program impacts are shown in Table 4.1 (and others in Appendix Tables C.1-C.6). This table shows summary estimates for the first follow-up year (i.e., quarters two through five) and estimates for the end of the first follow-up year (quarter five). Estimates at the end of the year can indicate whether any impacts should be expected from later follow-up. In prior experimental studies, programs that produced impacts always showed at least some earnings gains by quarter five. However, impacts have been found on occasion to increase substantially after quarter five, particularly in programs with education and training components.[6]

The largest impacts were found in Riverside.[7] In that county, 33.7 percent of controls worked at some time during the first follow-up year. The corresponding rate for experimentals was 52.0 percent, for a difference or impact of 18.3 percentage points. The differential in employment rates between experimentals and controls was still strong at the end of the first year. In quarter five, 35.2 percent of experimentals were employed, compared to 22.0 percent of controls, a gain of 13.2 percentage points. Total earnings for year one were higher by $969, and by $277 in the final quarter. All impacts were statistically significant.

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[5]Among the several evaluation results for AFDC-FGs cited previously, three samples had similar welfare departure rates. In San Diego SWIM, 72.4 percent were still on AFDC in quarter five; in Baltimore Options, 70.4 percent; and in the Chicago WIN Demonstration, 77.1 percent. The Virginia sample, even though it contained both AFDC applicants and recipients, had a quarter five receipt rate of only 55.1 percent. San Diego EPP/EWEP, with only applicants, had a rate of 41.1 percent.

[6]For example, in the experimental evaluation of the Baltimore Options program, earnings gains were $64 in quarter five but more than doubled by the middle of year two of follow-up (Friedlander, 1987).

[7]The differences in impacts between each county and each of the other five counties were tested for statistical significance for the combined AFDC-FG and AFDC-U samples. These results are presented in Chapter 5. It was found that first-year earnings gains and welfare savings for Riverside were statistically significantly different from those for all other counties except Butte.

TABLE 4.1

FIRST-YEAR IMPACTS ON EMPLOYMENT, EARNINGS, AND AFDC RECEIPT FOR AFDC-FG REGISTRANTS

County and Outcome	Experimentals	Controls	Difference
Alameda			
Ever employed (%)			
Quarters 2-5	29.9	27.2	2.7
Quarter 5	19.9	16.7	3.2
Average total earnings ($)			
Quarters 2-5	1,413	1,194	218
Quarter 5	415	296	119 **
Average number of months receiving AFDC payments			
Quarters 2-5	10.79	10.99	-0.20
Ever received any AFDC payments (%)			
Quarter 5	86.0	89.2	-3.2 *
Average total AFDC payments received ($)			
Quarters 2-5	6,917	7,066	-149
Quarter 5	1,622	1,680	-58
Sample size (total = 1,205)	602	603	
Butte			
Ever employed (%)			
Quarters 2-5	42.3	45.6	-3.3
Quarter 5	29.0	26.8	2.2
Average total earnings ($)			
Quarters 2-5	1,992	1,730	261
Quarter 5	585	509	76
Average number of months receiving AFDC payments			
Quarters 2-5	8.60	8.65	-0.05
Ever received any AFDC payments (%)			
Quarter 5	65.0	68.4	-3.4
Average total AFDC payments received ($)			
Quarters 2-5	5,132	5,486	-353 *
Quarter 5	1,105	1,224	-118 *
Sample size (total = 1,229)	986	243	
Los Angeles			
Ever employed (%)			
Quarters 2-5	26.9	24.9	2.0
Quarter 5	18.1	17.1	1.0
Average total earnings ($)			
Quarters 2-5	1,303	1,311	-8
Quarter 5	371	374	-3
Average number of months receiving AFDC payments			
Quarters 2-5	10.58	10.88	-0.31 ***
Ever received any AFDC payments (%)			
Quarter 5	84.8	87.9	-3.1 ***
Average total AFDC payments received ($)			
Quarters 2-5	6,830	7,156	-325 ***
Quarter 5	1,590	1,679	-89 ***
Sample size (total = 4,396)	2,995	1,401	

(continued)

TABLE 4.1 (continued)

County and Outcome	Experimentals	Controls	Difference
Riverside			
Ever employed (%)			
Quarters 2-5	52.0	33.7	18.3 ***
Quarter 5	35.2	22.0	13.2 ***
Average total earnings ($)			
Quarters 2-5	2,468	1,499	969 ***
Quarter 5	735	458	277 ***
Average number of months receiving AFDC payments			
Quarters 2-5	8.06	8.71	-0.65 ***
Ever received any AFDC payments (%)			
Quarter 5	58.8	66.0	-7.2 ***
Average total AFDC payments received ($)			
Quarters 2-5	4,913	5,599	-686 ***
Quarter 5	1,001	1,207	-206 ***
Sample size (total = 5,508)	4,457	1,051	
San Diego			
Ever employed (%)			
Quarters 2-5	45.9	40.0	5.9 ***
Quarter 5	33.0	27.6	5.4 ***
Average total earnings ($)			
Quarters 2-5	2,457	2,113	345 **
Quarter 5	754	677	77 *
Average number of months receiving AFDC payments			
Quarters 2-5	9.11	9.48	-0.37 ***
Ever received any AFDC payments (%)			
Quarter 5	69.1	72.1	-3.1 **
Average total AFDC payments received ($)			
Quarters 2-5	5,529	5,832	-302 ***
Quarter 5	1,207	1,293	-86 ***
Sample size (total = 8,219)	7,049	1,170	
Tulare			
Ever employed (%)			
Quarters 2-5	39.6	40.9	-1.3
Quarter 5	26.6	27.1	-0.4
Average total earnings ($)			
Quarters 2-5	,,779	1,940	-161
Quarter 5	512	607	-94 *
Average number of months receiving AFDC payments			
Quarters 2-5	9.72	9.59	0.13
Ever received any AFDC payments (%)			
Quarter 5	76.7	75.0	1.7
Average total AFDC payments received ($)			
Quarters 2-5	6,363	6,231	132
Quarter 5	1,446	1,392	53
Sample size (total = 2,234)	1,588	646	

(continued)

TABLE 4.1 (continued)

SOURCE: MDRC calculations from California Unemployment Insurance earnings records and from county AFDC records.

NOTES: The sample for this table consists of individuals who were randomly assigned as follows:

Alameda	July 1988-May 1990
Butte	March 1988-March 1990
Los Angeles	July 1988-March 1990
Riverside	August 1988-March 1990
San Diego	August 1988-September 1989
Tulare	January 1989-June 1990

The impact sample is slightly smaller than the full research sample.

Dollar averages include zero values for sample members not employed and for sample members not receiving welfare. Estimates are regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in calculating sums and differences.

For all measures, the quarter of random assignment (quarter 1) refers to the calendar quarter in which random assignment occurred. Because the quarter of random assignment may contain some earnings and AFDC payments from the period prior to random assignment, it is excluded from the summary measures of follow-up.

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

AFDC impacts in Riverside were correspondingly large. The average number of months on AFDC during year one fell from 8.71 for controls to 8.06 for experimentals. AFDC payments during the same period dropped from $5,599 to $4,913, amounting to a saving of $686 per experimental, or 12.3 percent of the average payments to controls. Again, the experimental-control differentials were still in evidence at the end of the year (quarter five). And all impact estimates were statistically significant.[8]

First-year earnings impacts in Alameda, Butte, and San Diego fell in a middle range. Earnings for the first year increased between $218 and $345. The impact in Butte was not statistically significant, possibly owing to the smaller sample size there.[9] In Alameda, too, the first-year impact was not statistically significant, but the increase in earnings appeared only toward the end of the first follow-up year, as can be seen in Figure 4.1. The experimental-control differential in earnings in Alameda reached $119 by quarter five and was statistically significant at that point, suggesting that earnings gains were still growing at the beginning of the second year of follow-up. Some growth in earnings gains from year one to year two is evident in the San Diego graph as well.

Months on AFDC during the first year were down slightly in Alameda and Butte, more in San Diego. The experimental-control differentials in welfare were still growing at the end of the year in Butte and San Diego and possibly in Alameda as well, as can be seen in Figure 4.1. By the end of the year, the percent on AFDC was down from 3.1 to 3.4 percentage points in each of the three. Total savings in AFDC over the year ranged from $149 per experimental sample member in Alameda (not statistically significant) to $353 in Butte and $302 in San Diego, where they were also statistically significant. As a percent of payments to controls, the savings were 2.1 percent for Alameda, 6.4 percent for Butte, and 5.2 percent for San Diego.

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[8]The experimental group in Riverside is actually a combination of two separate experimental groups. These groups were created to test the efficacy of decreasing the number of registrants for whom each GAIN case manager was responsible, thereby increasing the amount of attention that caseworkers could give to individuals. The first experimental group operated with an average of about 97 registrants per case manager. It produced earnings gains for year one of $982 per experimental sample member and welfare savings of $645. The second experimental group operated with an average of about 53 registrants per case manager. It produced first-year earnings gains of $929 per experimental and welfare savings of $816. All estimates were statistically significant. Estimates for the two experimental groups did not differ from each other by much, and the differences between experimental groups were not statistically significant. These results indicate that lowering the registrant/caseworker ratio had minimal, if any, effect on the GAIN first-year earnings impacts in Riverside but may have slightly increased welfare savings.

[9]Merging the AFDC-FG and AFDC-U samples for Butte to provide a larger sample for estimation yields statistically significant estimates for the combined year-one earnings gains and year-one AFDC savings.

Earnings impacts did not appear in Los Angeles during the first year and showed no evidence of appearing later. There were no experimental-control differences in the summary employment or earnings measures in Table 4.1, nor were there differences in the quarterly earnings shown for Los Angeles in Figure 4.1. Moreover, the curves for Los Angeles in Figure 4.1 do not appear to be moving apart over time. The program in Los Angeles did, however, obtain reductions in months on AFDC and AFDC payments. By quarter five, 3.1 percentage points fewer experimentals than controls were still on AFDC. The savings of $325 per experimental for the year amounted to a decrease of 4.5 percent of the average payment per control. Quarter five savings remained statistically significant, and the curves for Los Angeles in Figure 4.1 show no clear tendency toward a narrowing of the experimental-control difference over time within the observable follow-up.

The program in Tulare produced neither earnings gains nor AFDC savings in the first year. Employment and earnings were similar for experimentals and controls on all measures, and the same was true for AFDC receipt and AFDC payments. The Tulare graphs in Figure 4.1 reveal no apparent movement toward impacts after the first year. It should be recalled that Tulare was the most rural of the counties, had the highest proportion employed in agriculture, and had the highest unemployment rate.

The gain in first-year earnings for Riverside and San Diego is associated almost entirely with an increase in employment rather than an increase in earnings among employed experimentals. That is, more experimentals worked as a result of the program, but the jobs they held during year one paid about as much, on average, as the jobs held by controls. In Alameda, nearly half the earnings gains were associated with increased earnings for employed experimentals; in Butte, more than two-thirds.[10] Among the nine prior experimental studies, usually only a small proportion of earnings gains was associated with higher pay rates for experimental group members.

Analogous calculations for AFDC payments indicate that about two-thirds of the first-year welfare savings in Alameda, Los Angeles, Riverside, and San Diego came from fewer months on

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[10]Dividing mean earnings for controls by the mean number of quarters employed (not shown in the table) gives average earnings per quarter employed for controls. Multiplying this figure by the impact on number of quarters of employment (not shown in the table) tells what the impact on earnings would have been if employed experimentals earned, on average, the same as employed controls. In Riverside, this figure is 95 percent of the estimated impact on first-year earnings. In San Diego, it is larger than the estimated impact. In Alameda, it is 57 percent of the estimated impact; in Butte, 27 percent. These calculations provide some basis for inferring that greater earnings for experimentals played a larger role in the earnings impacts of the latter two counties than the former, but they are not conclusive evidence.

AFDC. The remainder is associated with reduced average grant amounts per month of receipt for experimentals, possibly the effect of sanctions or an increase in employment while on AFDC.[11] Similar patterns were found in those of the nine comparison studies that obtained welfare reductions. For Butte, the contribution of reduced months was much smaller. It is uncertain whether this pattern will hold up in Butte over time, and the reasons for it are not clear.

In this report, impact estimates for the individual counties are given most prominence. Summary measures that cover all counties in the research are also of some interest, however. Averaged across the six counties, with each county given equal weight, first-year earnings gains for AFDC-FGs were $271 per experimental sample member and first-year welfare savings were $281, both statistically significant.[12]

IV. Impacts After the First Follow-Up Year

A complete assessment of the impacts of GAIN must take into account not only the immediate experimental-control differences but also the growth and persistence of those differences over time. The first-year follow-up data examined in the preceding section did not clearly indicate whether and in which counties earnings might remain higher after year one. Nor did the data clearly indicate whether and where AFDC expenditures might remain lower. The earlier discussion of control group behavior suggested that impacts may eventually start to decline as more and more controls find jobs and leave AFDC. That is, there may come a point in time when controls "catch up" with experimentals.

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[11]The average monthly payment amount for controls is obtained by dividing the average total dollar amount by the average number of months in which AFDC payments were received. Multiplying this figure by the reduction in months indicates what the total reduction in AFDC payments would have been had average monthly payment amounts been the same for experimentals and controls who remained on welfare. In Riverside, this makes up 61 percent of the estimated reduction in AFDC payments for year one. The other figures are 86 percent for Alameda, 9 percent for Butte, 63 percent for Los Angeles, and 75 percent for San Diego. (Tulare did not show AFDC reductions, as noted previously.) The remainder of the impact on first-year AFDC payments may have come from partial grant reductions imposed by sanctions or from part-time employment. Alternatively, the overall reduction in months of receipt may have fallen primarily on cases with above-average monthly grant amounts.

[12]A cross-county average impact for an outcome variable was calculated as the simple average of all county impact estimates for that variable. The variance of the average was calculated using the formula for the variance of the weighted sum of uncorrelated random variables. With six counties, this means that the variance of the average was 1/36 times the sum of the six estimated variances of the impacts that composed the average. The test statistic was the average divided by the square root of the estimated variance of the average.

Some information about longer-term impacts may be obtained by computing impacts separately for sample members randomly assigned early in the research project. These "early cohorts" will have more follow-up data on earnings and AFDC than the late cohorts simply because the data collection stopped on the same calendar date for all sample members. Figure 4.2 presents experimental-control differences in earnings and AFDC payments in each quarter of follow-up, separately for the early cohort and full sample in each county.

The date dividing an early cohort from a late cohort within a county is arbitrary, selected for this analysis without regard to any changes in the program over time. The object in defining cohorts in each county was to maximize the length of follow-up for the early cohort without leaving very few sample members in it. Cohort dates differ across counties. Early and late cohorts may differ in demographic characteristics or in the labor markets they faced after random assignment. Both of these differences may have contributed to differences in impacts. Dates and sample sizes for cohorts are shown in Figure 4.2. Because samples are smaller for cohorts than for the preceding, full-county analysis, the precision of the cohort impact estimates is lower. Early cohorts for Alameda and Butte, in particular, have the smallest samples, and the impact estimates in those counties should be considered of somewhat lower reliability relative to the others.

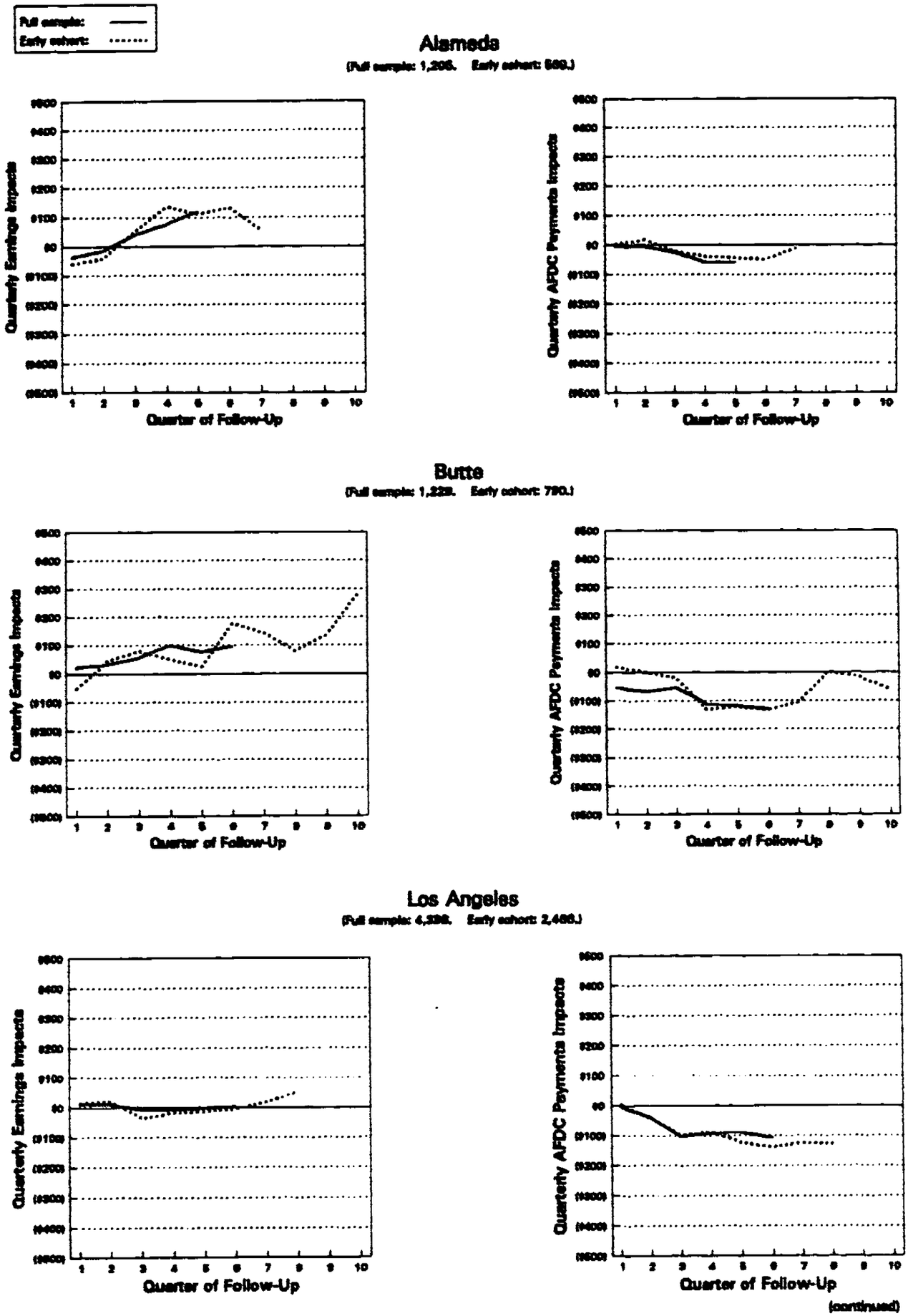
The graphs in Figure 4.2 can tell more about impacts after the first year of follow-up in three ways. First, in Butte, Los Angeles, and Riverside, one additional quarter of follow-up is available for the full samples after the first year and is shown in the graphs; in San Diego, three additional quarters are available. Second, by providing longer follow-up data for the early cohort, the graphs can show even longer-term impact estimates for a portion of the impact sample. Third, the movement of impacts over time -- i.e., increasing, decreasing, or remaining the same -- can serve as a basis for projecting impacts into the future.

Impact estimates for early cohorts suggest that the ranking of counties by large, middle-sized, and small impacts in the first follow-up year is likely to continue through the second year. The large earnings gains and welfare reductions in Riverside appear to persist. The experimental-control differential in earnings for the early cohort in that county increases through at least quarter six and almost certainly continues beyond quarter ten. The differential for AFDC payments appears to peak around quarter six, too, but is still strong even at quarter ten.

Among the counties with middle-sized impacts, earnings impacts for the early cohorts in Butte and San Diego appear to be larger in year two than in year one. This may be true for Alameda

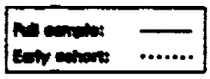
FIGURE 4.2

IMPACTS ON EARNINGS AND AFDC PAYMENTS FOR THE FULL SAMPLE AND EARLY COHORT OF AFDC-FG REGISTRANTS



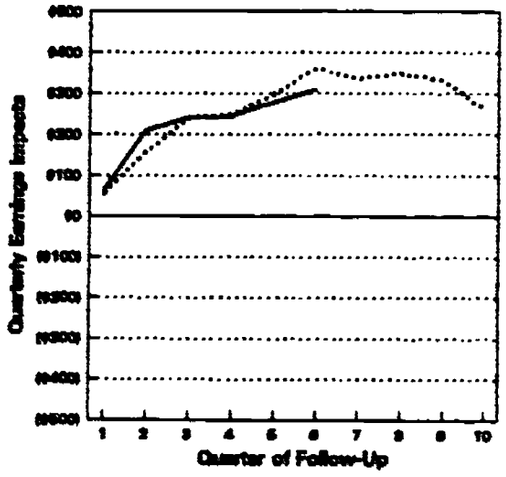
(continued)

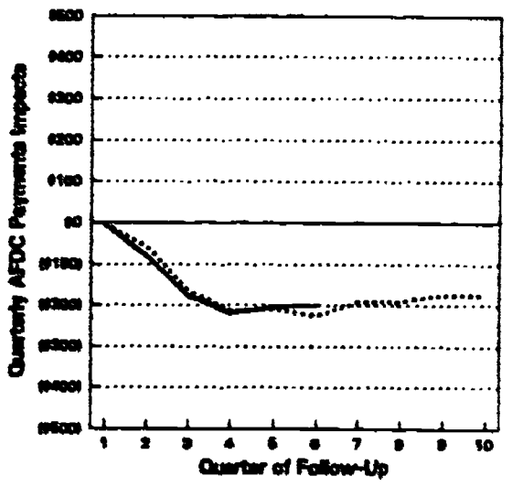
FIGURE 4.2 (continued)



Riverside

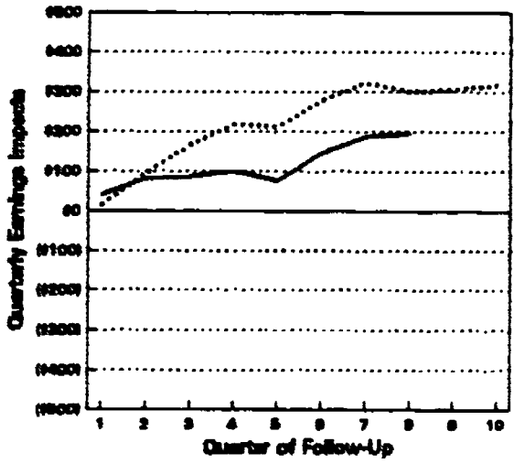
(Full sample: 5,608. Early cohort: 2,554.)

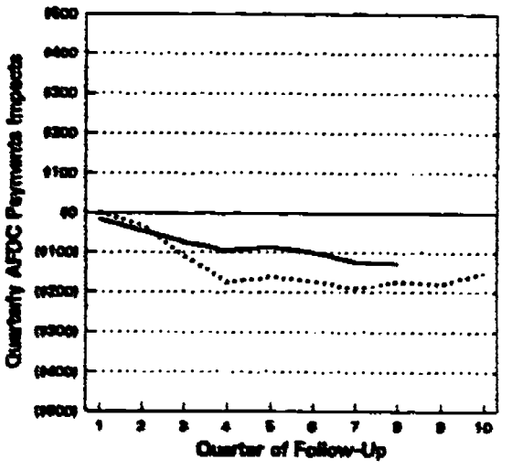




San Diego

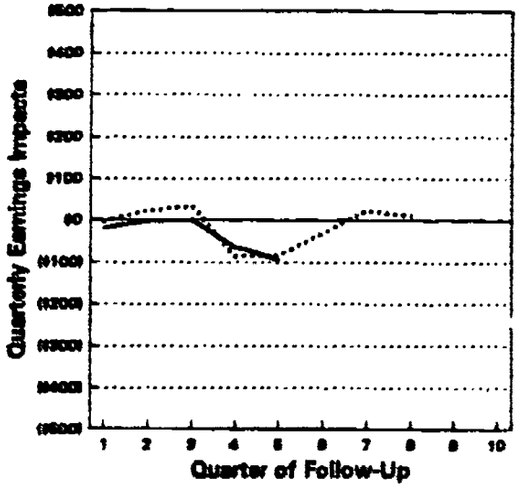
(Full sample: 8,218. Early cohort: 5,152.)

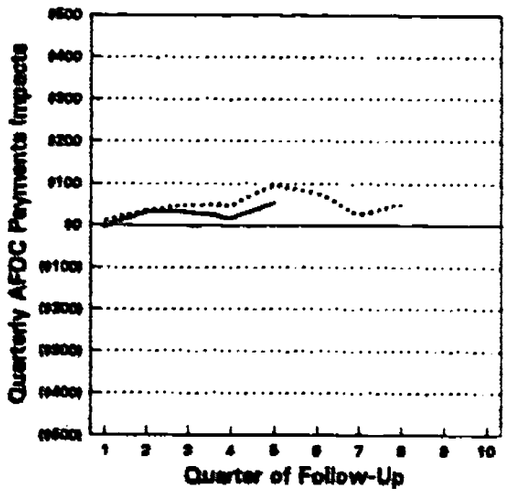




Tulare

(Full sample: 2,234. Early cohort: 1,295.)





(continued)

FIGURE 4.2 (continued)

SOURCE and NOTES: See Table 4.1. The early cohorts in this figure consist of individuals who were randomly assigned as follows:

Alameda	July 1988-December 1988
Butte	March 1988-March 1989
Los Angeles	July 1988-September 1988
Riverside	August 1988-March 1989
San Diego	August 1988-March 1989
Tulare	January 1988-September 1988

as well, but the quarter-by-quarter pattern there is not clear. For the early San Diego cohort, the impacts in year two were as large as in the full sample in Riverside. The San Diego full-sample impact was, however, considerably reduced by small impacts on the late cohort. It is unclear whether this cohort difference is substantive or merely the result of chance variation. As in Riverside, the experimental-control differences in AFDC payments in San Diego appear to level off in year two. Diminution of impacts may be occurring in Butte and Alameda, but the patterns shown by the data for those counties are less clear.

Where impacts did not appear in year one, there is no evidence of them beginning later. In Los Angeles, welfare savings were present in the additional quarters for the early cohort, but there was still no impact on earnings. No evidence of either earnings impacts nor AFDC impacts is revealed by the early cohort in Tulare.

V. First-Year Impacts for Subgroups

Different types of GAIN registrants may be expected to benefit to a greater or lesser extent from the various services they are offered by GAIN, thus affecting the potential magnitude of the program's impacts. This section begins with an examination of GAIN impacts on subgroups determined to need or not need basic education; then impacts for subgroups with different AFDC histories are discussed. It should be noted that subgroups are defined using information collected for each sample member *before* the individual was randomly assigned. It was thus possible to create subgroups for both experimentals and controls in the same fashion. For this reason, the impacts computed for these subgroups are unbiased experimental estimates.

The number of experimentals and controls in each subgroup will be less than the number in the full-county sample. As with the cohort analysis, this reduction in sample size makes the impact estimates for subgroups less reliable than impact estimates for the full sample. At times, impact amounts that were statistically significant for the full sample will not be statistically significant for a subgroup. In some cases, reliability for a small subgroup may be too low to yield credible impact estimates; this will be pointed out when it occurs.

A. Assessed Need for Basic Education

GAIN registrants vary substantially in their educational attainment and work skills. The GAIN program model explicitly recognizes that different kinds of services might be appropriate for

individuals depending on these differences. One of the most innovative features of GAIN is to allocate substantial resources to providing basic education to registrants who were judged to need it. It is therefore important to determine whether the subgroups of GAIN registrants who were deemed to need basic education experienced impacts on employment and welfare receipt.

As noted earlier, examination of the impacts of education in this report is hampered by the brevity of follow-up. The first-year impacts of GAIN may stem largely from job search assistance and other activities that can be started and completed quickly. The effects of education may take considerably longer to appear. As stated in Chapter 2, many GAIN registrants were still engaged in education 11 months after random assignment. For these individuals, the initial effect of GAIN on earnings may even have been negative, since they were participating for a long time rather than working, and such negative effects would pull down the overall impacts for subgroups containing a significant proportion of education participants. The year or so of follow-up data now available is therefore too short to support judgments about GAIN impacts for groups determined to need basic education.

However, first-year impact estimates for subgroups in the job-search-first track (i.e., subgroups judged not to need basic education) should, on the basis of past studies, provide a valid initial assessment about whether this part of GAIN is working. Impacts on subgroups with high initial participation rates in job search or other short-term activities may increase with additional follow-up, but they should not be zero or negative in the first year if those activities are at all effective. Furthermore, the small amount of empirical evidence available indicates that these initial impacts are not offset by assignments to longer-term activities that occur within the same service track. For example, in San Diego SWIM, which was a job-search-first model, assignments to education and training after job search (plus self-initiated education and training in lieu of job search) did not prevent the demonstration from attaining some of the highest first-year earnings gains among the nine comparison studies.

Table 4.2 presents the impacts of GAIN for AFDC-FGs by county, separately for portions of the samples determined by GAIN not to need basic education and for those determined to need basic education. GAIN registrants were determined to need basic education if they (1) did not have a high school diploma or GED certificate or (2) scored low on either the reading or mathematics portion of the CASAS test or were not proficient in English.

TABLE 4.2

FIRST-YEAR IMPACTS ON EARNINGS AND AFDC PAYMENTS
FOR AFDC-FG BASIC EDUCATION AND WELFARE STATUS SUBGROUPS

County and Subgroup	Percentage of Sample	Average Total Earnings, Quarters 2-5 ($)			Average Total AFDC Payments, Quarters 2-5 ($)			Sample Size	
		Experimentals	Controls	Difference	Experimentals	Controls	Difference	Experimentals	Controls
Alameda									
Determined to need basic education									
No	34.6	2,084	1,396	688 *	6,512	6,519	-7	209	208
Yes	65.4	1,064	1,081	-17	7,145	7,342	-197	393	395
Welfare status									
Applicant (a)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Short-term recipient (a)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Long-term recipient	100.0	1,413	1,194	218	6,917	7,066	-149	602	603
Butte									
Determined to need basic education									
No	51.2	2,307	2,168	139	5,216	4,816	400	502	127
Yes	48.8	1,682	1,180	503 *	5,039	6,243	-1,204 ***	484	116
Welfare status									
Applicant	60.1	2,415	2,291	125	4,577	4,863	-286	596	143
Short-term recipient	11.6	1,996	1,357	638	5,351	5,866	-515	106	36
Long-term recipient	28.3	1,113	636	477 *	6,227	6,615	-388	284	64
Los Angeles									
Determined to need basic education									
No	19.4	2,459	2,276	183	6,152	6,819	-667 ***	581	272
Yes	80.6	1,030	1,067	-38	6,990	7,244	-254 ***	2,414	1,129
Welfare status									
Applicant (a)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Short-term recipient (a)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Long-term recipient	100.0	1,303	1,311	-8	6,830	7,156	-325 ***	2,995	1,401

(continued)

TABLE 4.2 (continued)

County and Subgroup	Percentage of Sample	Average Total Earnings, Quarters 2-5 ($)			Average Total AFDC Payments, Quarters 2-5 ($)			Sample Size	
		Experimentals	Controls	Difference	Experimentals	Controls	Difference	Experimentals	Controls
Riverside									
Determined to need basic education									
No	39.8	3,306	1,986	1,320 ***	4,551	5,234	-683 ***	1,768	426
Yes	60.2	1,916	1,173	743 ***	5,157	5,819	-662 ***	2,689	625
Welfare status									
Applicant	30.6	2,832	2,038	794 ***	4,278	4,757	-479 ***	1,358	329
Short-term recipient	29.7	2,577	1,671	906 ***	4,816	5,656	-840 ***	1,327	311
Long-term recipient	39.6	2,097	983	1,113 ***	5,479	6,200	-722 ***	1,772	411
San Diego									
Determined to need basic education									
No	43.9	3,396	2,771	625 **	4,985	5,301	-317 **	3,080	532
Yes	56.1	1,716	1,644	72	5,957	6,239	-281 **	3,969	638
Welfare status									
Applicant	28.0	3,176	2,814	363	4,653	4,961	-308 *	1,975	326
Short-term recipient	30.8	2,756	2,204	552 **	5,315	5,589	-274 *	2,138	394
Long-term recipient	41.2	1,753	1,549	20[illegible]	6,280	6,638	-358 ***	2,936	450
Tulare									
Determined to need basic education									
No	34.9	2,526	3,137	-611 *	5,853	5,522	331	552	228
Yes	65.1	1,384	,281	103	6,641	6,603	39	1,036	418
Welfare status									
Applicant	13.8	2,464	2,381	83	5,129	5,155	-26	212	97
Short-term recipient	28.2	2,395	2,920	-525	5,773	5,436	336	450	180
Long-term recipient	58.0	1,291	1,424	-133	6,948	6,863	85	926	369

SOURCE: See Table 4.1.

NOTES: Except for the following, see Table 4.1.

(a) No data on AFDC applicants and short-term recipients are included for Alameda and Los Angeles counties because they targeted only long-term AFDC recipients for GAIN.

Before looking at the actual impact estimates, it is useful to consider differences in the behavior of controls across subgroups. Overall, differences in earnings and AFDC payments were not as large as might be expected. Both subgroups exhibited low levels of future earnings and high rates of future welfare receipt. Nevertheless, some differences in earnings would be expected, and they are evident in the data. Controls not in need of education earned more, on average, in year one than those deemed in need. The difference, however, was only around a thousand dollars in Butte, Los Angeles, Riverside, and San Diego; less in Alameda and more in Tulare.[13] The not-in-need subgroups also averaged less in AFDC payments over year one. In Riverside and San Diego, those differences were not much smaller than the earnings differences, and in Alameda and Butte, the dollar welfare differences exceeded the dollar earnings differences across control subgroups. AFDC payments per control sample member among the not-in-need subgroups were, however, never less than about 80 percent of those for controls judged to be in need.[14] Thus, although there may be education and skills differences between subgroups, these are reflected only in moderate, not large, differences in earnings and AFDC receipt in the control samples.[15]

That these differences are not somewhat larger probably stems in part from the design of the research. In GAIN, random assignment was conducted at orientation to the GAIN program. Thus, many applicants who were not approved for AFDC had exited the system before getting to the point where they could be randomly assigned to one of the study groups and begin the program. Consequently, most of the "applicants" in this study had actually had their welfare grants approved by the time they were randomly assigned and had become recipients. In some other experiments, in contrast, random assignment was conducted when individuals were first referred to

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[13]Ratios of earnings across subgroups are misleading when average earnings are low. For example, one could not conclude that a group earning $2,000 in a year was "half" as disadvantaged as a group earning $1,000 in a year. In both of these hypothetical groups, the great majority would have had little or no employment; the ratio of "percent jobless" would not be very different between them. Looked at from another perspective, average earnings in both subgroups are clearly quite far below a poverty line level of earnings. Thus, it is not relevant to the point under discussion in the text that in several counties the not-in-need subgroups earned twice as much or more than those in need of basic education.

[14]Ratios of dollar AFDC payments are relevant to the discussion even though ratios of earnings are not. In samples where some subgroups have a high proportion of members who continue to receive AFDC for a long time, the relative differences may well indicate important differences in the probability of extended future welfare receipt. For example, one might legitimately say that a group in which 50 percent normally remain on AFDC after a year is only "two-thirds as dependent" as a group in which 75 percent remain on.

[15]No direct comparison with other experimental studies is possible for the differences between GAIN educational need subgroups. For differences across welfare history subgroups, see note 20 in this chapter.

the welfare-to-work program at the AFDC office. Applicants in those studies therefore usually began the program without having had their grants approved. Thus, the GAIN welfare history subgroups were slightly more homogeneous in their probability of staying on AFDC than in some other studies, which means that demographic characteristics of sample members have somewhat less power to predict future welfare receipt than they have had in some other studies.

Notwithstanding the lack of even larger differences in earnings and AFDC payments among controls, some caution should be exercised in comparing impacts across educational need subgroups. One should not expect that the services given to one subgroup would produce the same impacts when given to a different subgroup. It is possible that education might produce small or even negative impacts for those deemed not to need it; and those who need education might not respond to other services alone.

Across counties, behavioral differences for AFDC-FG controls within each subgroup were not large, especially regarding AFDC payments. Across Butte, Riverside, San Diego, and Tulare, the range of average first-year AFDC payments for those not in need of basic education was only $706 (from $4,816 in Butte to $5,522 in Tulare). The range was $784 for those in need of basic education (from $5,819 in Riverside to $6,603 in Tulare). As noted earlier, Alameda and Los Angeles were similar to each other in average AFDC payments and had somewhat greater average AFDC payments than the other four counties.

The *mix* of subgroups differs substantially across counties, however. Less than half the AFDC-FG sample in Butte were judged to be in need of basic education. The typical figure was close to two-thirds. In Los Angeles, it was over 80 percent. The general preponderance of the in-need subgroup, combined with their somewhat higher average AFDC payments, means that this subgroup accounts for the bulk of all AFDC expenditures that would have been incurred for the GAIN research samples in the absence of GAIN.

Subgroup sample sizes for Table 4.2 are at times small and yield less precise numerical values for impact estimates in some counties. The least reliable estimates are those for both subgroups in Butte and for the not-in-need subgroup in Alameda.[16]

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[16]The relative size of impact samples depends in a complex way on the number of experimentals and controls. In classifying subgroups by sample size, an "equivalent control group size for balanced designs" was calculated, which lies between the sizes of the experimental and control groups but is generally less than the average of the sizes of both. Then the standard errors for the summary earnings gains and welfare reductions were examined to determine which equivalent control group sizes yielded quite imprecise estimates. As a result of this examination, subsamples with an equivalent control group size of 100 or less were

If we accept only statistically significant estimates as evidence of impact, Table 4.2 shows that sample members judged to be not in need of basic education obtained first-year earnings increases in three counties and first-year welfare reductions in three counties. Sample members judged to be in need of basic education obtained first-year earnings impacts in two counties. They obtained first-year welfare reductions in four counties plus additional savings in Alameda that were not statistically significant for the first follow-up year. In three of the counties with earnings gains, the subgroup that was not in need of education obtained the larger first-year earnings impacts. This was true for Alameda, Riverside, and San Diego; in Butte, the first-year earnings gains were larger among those in need of basic education. There was no clear tendency for first-year welfare savings to be larger for one group or the other.[17]

In Riverside, impacts were found for both educational need subgroups. Earnings gains may have been larger for those classed as not in need of basic education, but it is too soon to make a final judgment. Welfare reductions appear quite similar across subgroups in Riverside. In San Diego, first-year impacts on earnings and AFDC were evident for those not in need of basic education. For those in need of basic education, the estimates reveal impacts only on AFDC payments, but these, again, were of similar magnitude to savings for the not-in-need subgroup. Butte impacts were produced mainly for the subgroup in need of basic education. The estimated reduction in AFDC payments for that subgroup was particularly large, more than twice the earnings gain over the same period. It should be remembered that these estimates for Butte are based on one of the smaller subsamples, and the exact numeric values should, for this reason, be allowed a wider margin for error.[18]

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designated "unreliable"; from 101 up to 250, the subsamples were singled out for mention as being of reduced reliability relative to the other estimates.

[17]The differences between subgroup earnings gains in Alameda, Riverside, and San Diego are statistically significant at the 10 percent level or greater; the difference in Butte is not statistically significant. The difference in Tulare is also statistically significant, but it is not clear what interpretation to give to this result, since the earnings impact for the not-in-need subgroup is negative. With regard to first-year welfare savings, the differences in Butte and Los Angeles are both statistically significant, but these differences are of opposite sign.

[18]A good idea of the precision of impact estimates may be obtained directly from their estimated standard errors. The estimated standard error for welfare savings for AFDC-FGs in need of basic education in Butte is 50 percent greater than that for the full sample in that county. The estimated standard error for earnings gains is 13 percent greater. Compared to the in-need subgroup in, say, San Diego, which had many more sample members, the in-need subgroup in Butte produced standard errors about three times as high for AFDC payments impacts and twice as high for earnings gains.

In the other counties – Alameda, Los Angeles, and Tulare – the subgroup determined to need basic education showed no evidence of earnings impacts in year one, although earnings impacts might appear later on. In Alameda, earnings gains accrued to the not-in-need subgroup, but, again, the exact numeric value is based on a relatively small sample and should be allowed a wider margin for error. The modest welfare savings for the in-need subgroup were not statistically significant and were without corresponding earnings gains. In Los Angeles, subgroup differences do not account for the absence of an overall earnings impact: AFDC reductions without statistically significant earnings gains are present in both subgroups. In Tulare, differences between educational need subgroups do not account for the absence of first-year program impacts.

B. Past Welfare Receipt

One of the most important ways in which GAIN registrants differ is in their prior receipt of AFDC, and evidence from past research indicates that such differences are strongly related to future AFDC receipt: individuals with a number of years of previous AFDC receipt are more likely to continue on AFDC for several more years than are individuals who have just started receiving AFDC. The former group – long-term recipients – may have a greater *potential* for welfare savings simply because they are likely to remain on longer in the absence of special services. However, long-term recipients often have severe skills deficits and other barriers to employment that GAIN might not be able to overcome. Their greater potential for welfare savings may therefore not be realized in practice. For this reason, it is of considerable interest to calculate actual impacts for subgroups with short and long welfare histories. Impacts for long-term recipients are also of interest because that subgroup is specifically targeted for priority attention by GAIN and JOBS.

There is one other reason for a subgroup analysis by length of welfare history. The counties in this report differ greatly in the manner in which they targeted GAIN services. Alameda and Los Angeles worked exclusively with long-term AFDC recipients; the other counties worked with a mix of short- and long-termers. These cross-county differences in composition of the target groups may have contributed to differences in impacts, and separate impact estimates for long-term recipients may reveal similarities across counties that were not apparent earlier.

Three subgroups were defined for this analysis. The first subgroup consists of sample members who were applying for AFDC at the time they were referred to GAIN. This group will

be called "applicants," even though most of its members became AFDC recipients during the follow-up period. The applicant group contains some individuals who had never been on AFDC before and some who were returning to AFDC after a spell off the rolls. On average, however, this group has the shortest AFDC histories. The second group consists of sample members who were receiving AFDC at the time of random assignment but had a total AFDC history of two years or less. This group will be called "short-term recipients." The third group were also receiving AFDC at the time of random assignment but had more than two years of prior AFDC receipt. This third group will be referred to as "long-term recipients."

Table 4.2 presents results for welfare history subgroups for each county. For Alameda and Los Angeles, because they worked only with long-term recipients, the table shows results only for that subgroup, and these estimates are identical to those shown in Table 4.1 for the full samples in those two counties. In the other counties, splitting the samples into three parts reduces the number of experimentals and controls available for each subgroup impact estimate. The sample is particularly small and yields unreliable estimates for the middle subgroup in Butte. Also of below-average reliability are estimates for the top and bottom groups in Butte and the top group in Tulare.[19]

As before, we first examine the outcomes for controls, looking for differences across subgroups within counties and differences across counties for each subgroup. Earnings and AFDC payments for controls do differ across AFDC subgroups. Differences in earnings are slightly larger and differences in AFDC payments are moderately larger than for the "in need" and "not in need" of education subgroups, but are not quite as pronounced as prior research might have suggested.[20]

As part and parcel of the location of random assignment and the exclusion of applicants who were not approved for AFDC, there are relatively few applicants in the GAIN samples compared to some earlier studies. Butte had the most applicants, 60 percent. Riverside and San Diego had

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[19]See note 16 in this chapter.

[20]Some direct comparisons with other of the nine broad-coverage experiments are possible. For example, in the Baltimore Options program, which worked with the full spectrum of AFDC applicants and short- and long-term recipients, the average annualized earnings for applicant controls were more than $1,800 greater than for control recipients with more than two years on the rolls (in evaluation-year dollars) over a period covering approximately years two and three of follow-up. At the same time, AFDC payments for the applicants in Baltimore were only 57 percent of those for recipients. In the Arkansas and Virginia samples, the same AFDC payments ratios were close to 40 percent. These southern states do not afford ready comparisons for earnings owing to regional wage rate differences. See Friedlander, 1988, p. 58 and pp. 64-65, for the estimates behind these subgroup comparisons.

much lower percentages, Tulare had very few, and Alameda and Los Angeles had none. Across counties, there were large differences in the share of long-term recipients, ranging from a little over one-quarter in Butte, to about 40 percent in Riverside and San Diego, nearly 60 percent in Tulare, and the entire samples in Alameda and Los Angeles.

Welfare history subgroups defined by these objective characteristics do not necessarily behave the same across counties. Of particular interest in this connection are Alameda and Los Angeles, which focused exclusively on long-term recipients. Los Angeles only registered AFDC recipients who had been on welfare *continuously* for at least three years. Alameda also limited its GAIN caseloads to longer-term welfare recipients, and called into the program first those recipients who had been on AFDC the longest. Control group mean earnings and AFDC payments are quite similar for the samples in Alameda and Los Angeles. At the same time, controls in these two counties received more AFDC payments, on average, than long-term recipient controls in the other four counties. Their average earnings were sometimes higher and sometimes lower. Consequently, the target groups for Alameda and Los Angeles may have been somewhat more attached to AFDC than elsewhere, but it is not clear that they were less employable.

The impact estimates in Table 4.2 indicate that groups with a long history of welfare receipt can, in fact, experience impacts from GAIN. In Riverside, the large earnings gains and welfare reductions were obtained for all three welfare history subgroups, and these impacts may even have been slightly larger for the two recipient groups than for applicants. In San Diego, no pronounced subgroup differences in earnings impacts or AFDC impacts are evident. In Butte, the earnings gains appear concentrated in the two recipient subgroups. In Tulare, the applicant subgroup is small; the two recipient subgroups display the general absence of positive impacts in that county.[21]

The first-year results for long-term recipients in Butte, Riverside, and San Diego may eventually be useful in assessing program results in Alameda and Los Angeles, but the conclusions from such an assessment are not yet clear. On the one hand, the quite positive results for Butte and Riverside for long-term recipients suggest that the small earnings impacts for AFDC-FGs in Los Angeles and the larger but still modest earnings impacts in Alameda do not stem from those counties' decisions to focus on long-term recipients. On the other hand, it has already been shown that the samples in Los Angeles and Alameda were more attached to AFDC than even the

[21]None of the differences in earnings impacts or welfare impacts across welfare history subgroups is statistically significant within any of the counties.

subsamples we have defined as long-term recipients in the other counties, so direct comparisons with other counties on this basis may not be pertinent. In addition, earnings gains for long-term recipients in San Diego were rather modest, as they were in Alameda. It may be that long-term recipient subgroups in highly urbanized areas such as Alameda, Los Angeles, and San Diego constitute a more entrenched and challenging target than long-term subgroups in less urbanized areas such as Butte and Riverside.

CHAPTER 5

FIRST-YEAR IMPACTS FOR REGISTRANTS WHO WERE HEADS OF TWO-PARENT HOUSEHOLDS (AFDC-Us)

Paralleling Chapter 4's analysis regarding single-parent (AFDC-FG) registrants, this chapter presents the first-year impacts of GAIN on the employment, earnings, welfare receipt, and welfare payments of heads of two-parent households (AFDC-Us). The purpose is to see not only whether GAIN had impacts for the AFDC-U cases but also how the counties ranked in the magnitude of their impacts. If the rankings are similar to those found for the AFDC-FGs, it would tend to confirm that impact differences are associated with real county differences in program approach or environment.

Analysis issues discussed in the previous chapter are not repeated here. Also, since the AFDC-U sample in Alameda was too small to produce impacts of much reliability, estimates of impacts for Alameda are shown only for the full AFDC-U sample and not for cohorts or educational need subgroups.[1] Even the full AFDC-U sample for Alameda should not be weighted at all heavily in any assessment of the overall impacts of GAIN for AFDC-Us.

For AFDC-U registrants, GAIN increased earnings in the first follow-up year in four of the five (excluding Alameda) research counties – Butte, Los Angeles, Riverside, and San Diego – although the San Diego impacts were not statistically significant. Riverside again had the largest first-year impact on annual earnings, an increase of $765 per experimental group sample member. Butte also produced a relatively large earnings impact for AFDC-Us – $613 per experimental. Impacts in Los Angeles ($253) and San Diego ($241) were smaller. Relative to control group mean earnings during the first year, the dollar impacts in these four counties represented increases of 8 percent to 26 percent.

Reductions in AFDC payments were also found in those four counties, although they were not statistically significant in Butte. In Los Angeles, Riverside, and San Diego, welfare savings were larger than earnings gains. Riverside's welfare impacts were the largest: a saving of $975 per

[1]Adjusted control group means for Alameda are, however, shown for the educational need subgroups in the subgroup table, since these can be useful in drawing conclusions about the relative disadvantage of target groups across counties. The impact estimates for welfare history are shown, since long-term recipients are identical to the full sample in Alameda, as they are for AFDC-FGs.

experimental for year one, or 17 percent of the average payments to controls. Los Angeles and San Diego were in the middle range at $416 (4 percent) and $510 (7 percent), respectively. Tulare produced neither earnings impacts nor AFDC impacts. Alameda did not show evidence of impacts on earnings or AFDC payments either, but the sample size was too small to permit confidence in these results.

Averaging across five counties (omitting Alameda), and giving each county equal weight, yields first-year earnings gains for AFDC-Us of $375 per experimental group sample member and first-year welfare savings of $420, both statistically significant. Across counties, earnings gains and welfare savings for AFDC-Us were highly correlated with those for AFDC-FGs. In addition, within the AFDC-FG category and within the AFDC-U category, the dollar magnitude of earnings gains was correlated across counties with the dollar magnitude of welfare savings.

The future course of impacts for AFDC-U registrants is difficult to predict, even with the assistance of extra quarters of follow-up for the early cohorts. Riverside's earnings impacts in particular showed evidence of pronounced decline, beginning in year one, although some portion of the experimental-control differential in earnings may persist. AFDC reductions in Riverside may last longer than earnings gains. Butte's earnings impacts may continue to grow after year one, but there is no evidence in the early cohort of large welfare reductions commensurate with those earnings gains appearing after year one. Los Angeles and San Diego show greater persistence for the impact in AFDC payments than for the impact in earnings. Thus, for Los Angeles, Riverside, and San Diego, AFDC savings may continue to exceed earnings gains, and the long-run difference may be larger than that observed in the first year.

For subgroups, both earnings gains and welfare savings were generally larger for the group assessed as not in need of basic education, a pattern that, at least for earnings gains, was similar to the one found for AFDC-FG registrants. Impact estimates for subgroups defined by recent welfare history indicate that long-term recipients could and did experience impacts from GAIN, although their first-year earnings gains were often not large.

I. A Context for Understanding GAIN's First-Year AFDC-U Impacts

In this report, the FG and U assistance categories are treated separately because they are subject to different program rules and labor market and welfare constraints. Rules defining

mandatoriness for GAIN during the period covered by this report exempted AFDC-FG case heads with a child under age six. For this reason, nearly two-thirds of the AFDC-FG caseload was not subject to the GAIN participation requirement. No such exemption existed for AFDC-U case heads. The AFDC-U samples for this report represent virtually the whole of the able-bodied AFDC-U caseload. Impacts reported in this chapter may therefore be more readily translated into impacts on the full AFDC-U caseload.

The limited number of experimental studies performed for the AFDC-U assistance category makes it difficult to establish a relevant context for understanding the first-year impacts of GAIN on AFDC-Us. Of the nine broad-coverage studies discussed in Chapter 4, only two offered reliable results for AFDC-Us: the San Diego EPP/EWEP evaluation and the San Diego SWIM demonstration.[2] The impact estimates from these experiments will be discussed below, but it is worth considering first some reasons why impacts for AFDC-Us might differ from impacts for AFDC-FGs.

Certain differences between AFDC-FG and AFDC-U registrants may lead to differences in impacts on earnings. Case heads in AFDC-U cases are almost always male and, on average, have greater work experience than AFDC-FG case heads (see Table 1.2). In addition, because there is a second parent present, the need to care for children does not generally interfere with AFDC-U employment, as it can for AFDC-FGs. Yet despite the fewer barriers to employment faced by AFDC-Us – or quite possibly because of it – only one of the two experimental evaluations of broad-coverage welfare-to-work programs that have looked at AFDC-U samples found earnings impacts for them lasting beyond the first year.

Other differences between AFDC-FGs and AFDC-Us may tend to produce differences in welfare impacts. AFDC-U cases generally receive larger monthly AFDC payments than AFDC-FG cases because two parents rather than one are figured into the grant amount. AFDC-Us are, however, subject to tighter AFDC eligibility requirements and more stringent penalties for noncooperation with GAIN. According to regulations in effect during the research period, eligibility for AFDC-U terminated when the case head worked more than 100 hours in a month,

[2]The Baltimore Options program worked with AFDC-Us, but the AFDC-U sample there was only large enough to give estimates of employment and welfare receipt rates. It was not large enough to provide reliable estimates of the *differences* in rates between experimentals and controls, which constitute estimates of program impacts.

regardless of the amount of earnings.[3] In GAIN, prior to JOBS, a sanction closed the AFDC-U case and terminated payments completely rather than merely reducing the monthly grant temporarily as it did for AFDC-FG registrants. Under JOBS, sanction penalties for AFDC-U registrants are the same as for AFDC-FG registrants. Reductions in AFDC payments were found for AFDC-Us in both prior experiments, which operated under the tighter, pre-JOBS rules.

The evaluation of job search and work experience in San Diego in the mid-1980s produced first-year earnings gains of about $200 per experimental. First-year welfare savings were $450. The experimental-control differential for both earnings gains and, to a lesser extent, welfare savings showed substantial decrease by the middle of year two, however. It should be noted that, as expected, the ratio of welfare savings to earnings gains in this study was higher for AFDC-Us than for AFDC-FGs.[4]

More recently, the San Diego SWIM demonstration yielded first-year earnings gains and welfare savings of $500 and $400, respectively. These effects appear to have persisted through year two at least. As indicated in Chapter 4, the San Diego SWIM program model was somewhat similar to the GAIN job-search-first track. Again, the ratio of welfare savings to earnings gains was higher for AFDC-Us than for AFDC-FGs, although this did not become apparent before year two of the follow-up period.

For AFDC-Us, there are no prior experimental studies of broad-coverage programs incorporating education and training as possible initial assigned activities. Thus, past experimental experience does not provide much guidance on what to expect from the education track in GAIN.

II. First-Year Impacts for the Full County Samples

Figure 5.1 presents average quarterly earnings and average quarterly AFDC payments for experimental and control samples in the six counties.[5] Control group averages are shown by a solid line; experimental group averages are shown by a dotted line. These quarterly estimates and other impact estimates for the AFDC-U GAIN county samples are shown in detail in Appendix Tables D1-D.6.

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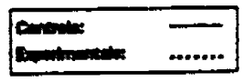
[3]In Riverside, the 100-hour rule was suspended beginning January 1, 1991.

[4]This San Diego experiment had a second experimental group, which received only job search. For this group, first-year earnings gains and welfare savings were both $350.

[5]As in Chapter 4, the full sample in some counties has more than five quarters of follow-up.

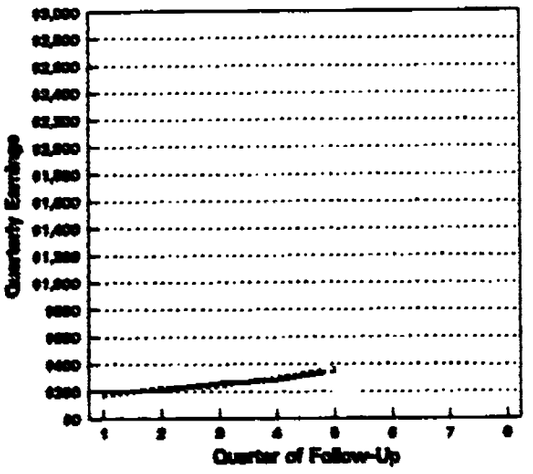
FIGURE 5.1

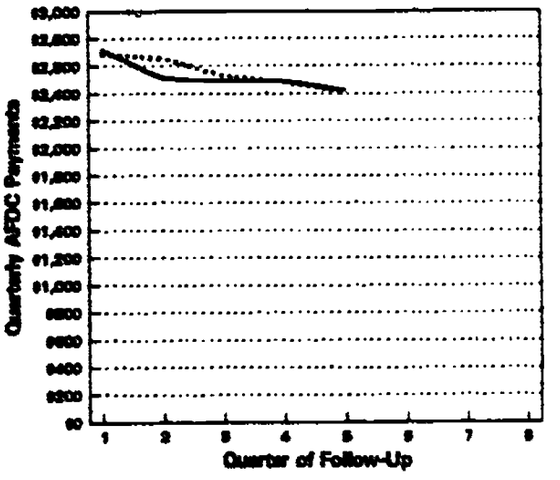
QUARTERLY EARNINGS AND AFDC PAYMENTS FOR THE FULL SAMPLE OF AFDC-U REGISTRANTS



Alameda

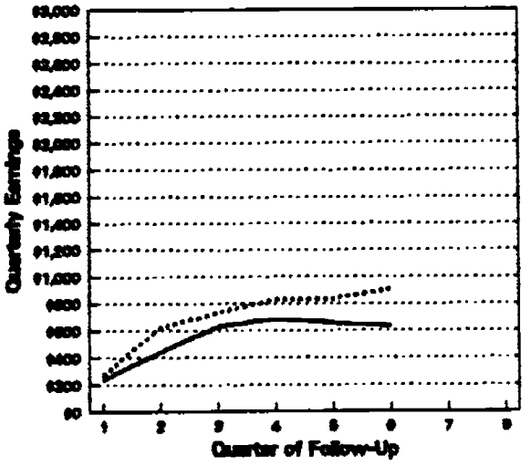
(Number of experimentals: 96. Number of controls: 86.)

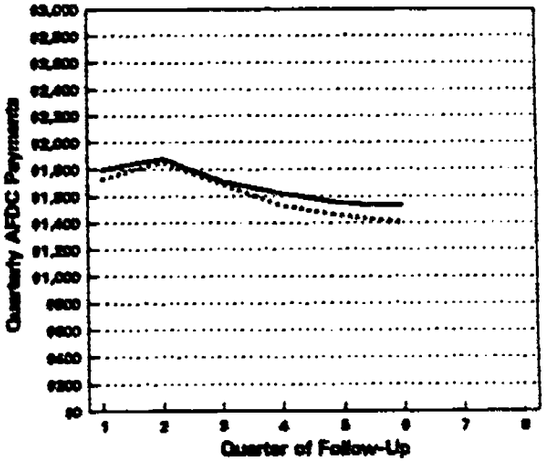




Butte

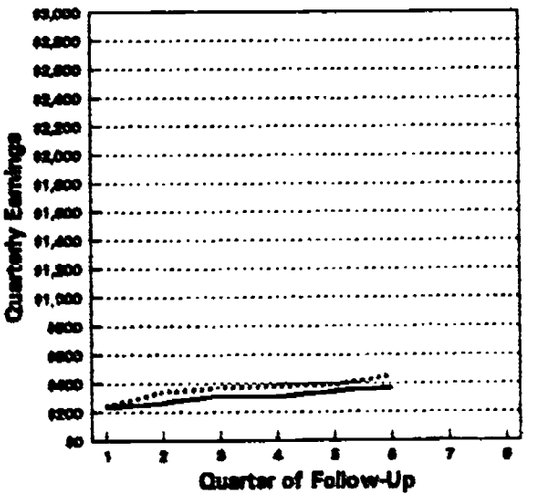
(Number of experimentals: 780. Number of controls: 228.)

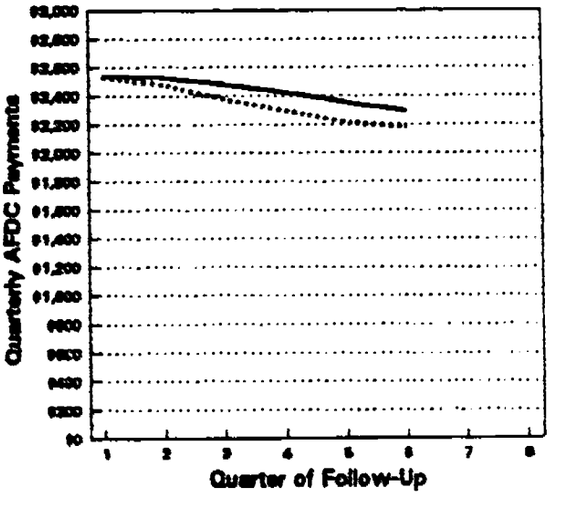




Los Angeles

(Number of experimentals: 736. Number of controls: 723.)



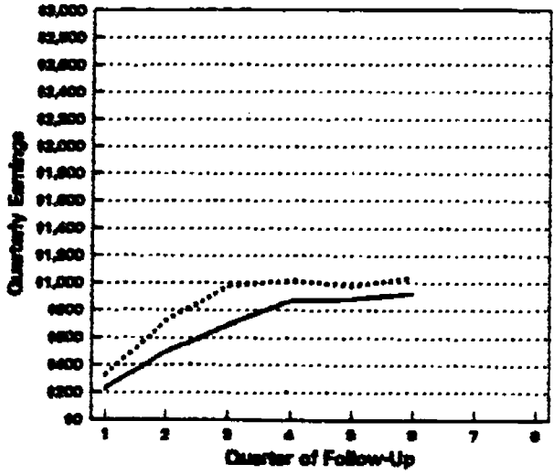


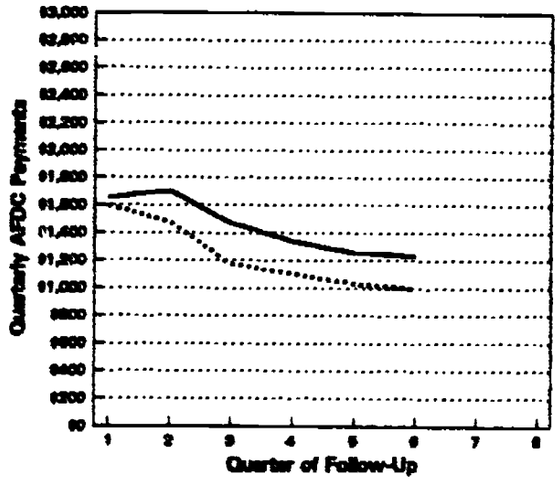
(continued)

FIGURE 5.1 (continued)

Riverside

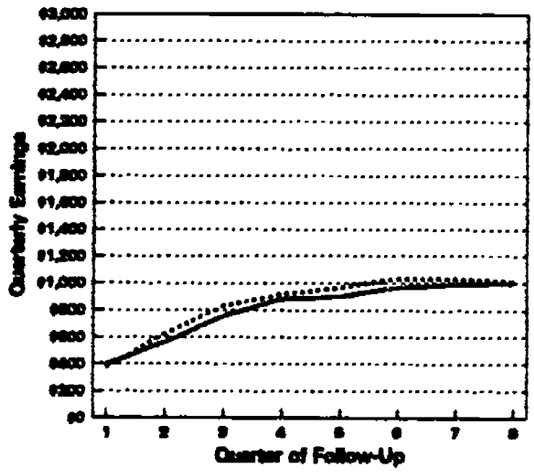
(Number of experimentals: 1,880. Number of controls: 723.)

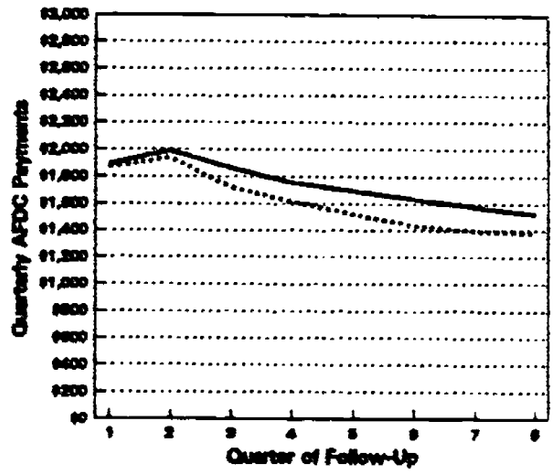




San Diego

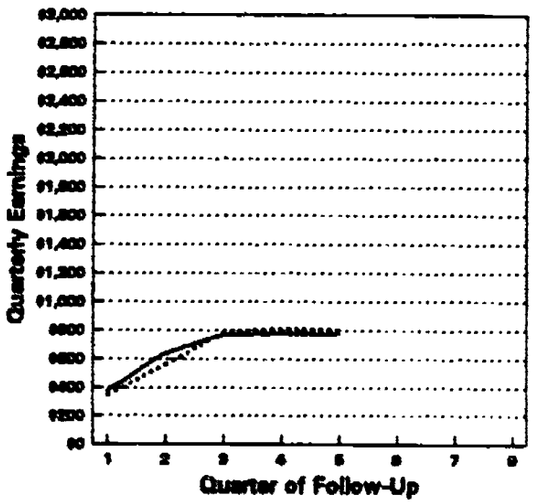
(Number of experimentals: 2,427. Number of controls: 845.)

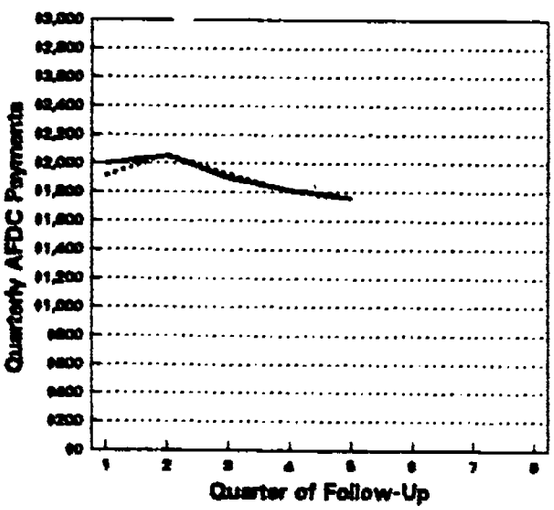




Tulare

(Number of experimentals: 1,318. Number of controls: 582.)





SOURCE and NOTES: See Table 5.1.

A. The Behavior of Controls

The AFDC-U program is often thought of as a program mainly of short-term assistance. Eligibility for AFDC-U requires that the primary earner in a family must have had some recent labor force attachment. In comparison to AFDC-FG controls, AFDC-U controls usually did find jobs more readily during the follow-up period, but the differences are not as large as might be expected. Control group employment rates for AFDC-U samples at the end of year one (i.e., in quarter five) were as follows:

Alameda	15.2 percent employed
Butte	25.8 " "
Los Angeles	23.3 " "
Riverside	31.0 " "
San Diego	34.6 " "
Tulare	34.3 " "

There is greater cross-county variation in these employment rates than there is for AFDC-FGs. For Alameda, Butte, and Los Angeles, these rates are lower than those found in prior research; for Riverside, San Diego, and Tulare, the rates appear to be about the same as those found in prior research.[6] As with AFDC-FG controls, the lower rates in Alameda and Los Angeles reflect the policy of those two counties to work with long-term recipients; they probably owe little to labor market conditions in those counties.

Rates of welfare receipt among AFDC-U controls show the typical pattern of departure from AFDC, but a substantial number remained on public assistance at the end of the first follow-up year. By quarter five, AFDC receipt rates were as follows:

Alameda	93.3 percent received AFDC
Butte	67.0 " " "
Los Angeles	92.2 " " "
Riverside	57.1 " " "
San Diego	74.6 " " "
Tulare	74.5 " " "

[6]The most relevant comparisons are with AFDC-Us in the San Diego SWIM demonstration sample, where the employed rate for controls at quarter five was 33.7 percent. A much smaller sample of AFDC-Us in the Baltimore Options program evaluation -- a sample not large enough to provide impact estimates -- was tracked through quarter five, at which point their employment rate was 52.8 percent. Prior to SWIM, the evaluation of job search and work experience in San Diego (EPP/EWEP) produced a control group employment rate of 52.1 percent in quarter five, but that program worked only with applicants, invalidating any comparison with the full AFDC-U samples in GAIN.

As with employment, there is considerable variation across counties. Surprisingly, with only one exception (Riverside), the rate in each county is either similar to or exceeds the corresponding rate for that county's AFDC-FG sample. These rates suggest that the AFDC-U samples in GAIN had a greater propensity to remain on welfare than AFDC-U samples in prior welfare-to-work evaluations.[7] Again, rates for Alameda and Los Angeles are greater than elsewhere owing to their decision to work exclusively with long-term recipients.

B. Impacts on Earnings and AFDC Payments

The impacts of GAIN are the difference between experimentals and controls, as presented in Figure 5.1. Numerical estimates of program impact are shown in Table 5.1 (and others in Appendix Tables D.1-D.6.) This table shows summary estimates for the first follow-up year (i.e., quarters two through five) and estimates for the end of the first follow-up year (quarter five). Estimates at the end of the year are particularly important for the AFDC-U samples, since some prior experimental research on them has shown substantial erosion of any experimental-control difference in earnings by that time.[8]

As with AFDC-FGs, the largest impacts were found in Riverside. In that county, 57.0 percent of experimentals worked at some time during the first follow-up year. The corresponding rate for controls was 48.6 percent, for a difference, or impact, of 8.5 percentage points (with the slight discrepancy between impact estimate and experimental-control difference coming from rounding). The differential in employment rates between experimentals and controls was still strong at the end of the first year. In quarter five, 35.5 percent of experimentals were employed compared with 31.0 percent of controls, a gain of 4.5 percentage points. Total earnings for year one were higher by $765. The quarter-by-quarter estimates indicate, however, that impacts on both employment and earnings had declined by year-end from a peak at quarter two or three (see Appendix Table D.4).

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[7]Again, the comparison with AFDC-Us in San Diego SWIM is most relevant. The AFDC receipt for AFDC-Us there was 62.8 percent in quarter five. In Baltimore Options, that rate was 39.5 percent, and for applicants only in the San Diego EPP/EWEP study, 36.5 percent.

[8]In the San Diego EPP/EWEP study, the quarterly impact on earnings for AFDC-Us declined during the first follow-up year from a peak in quarter two in the range of $125 to $150 quarterly earnings per experimental to around $10 in quarter six. In San Diego SWIM, on the other hand, first-year earnings impacts held up at least through year two, at which point the available follow-up ended. The AFDC-U sample for Baltimore Options was too small for reliable computation of impacts.

TABLE 5.1

FIRST-YEAR IMPACTS ON EMPLOYMENT, EARNINGS, AND AFDC RECEIPT FOR AFDC-U REGISTRANTS

County and Outcome	Experimentals	Controls	Difference
Alameda			
Ever employed (%)			
Quarters 2-5	30.0	18.8	11.2 **
Quarter 5	21.8	15.2	6.6
Average total earnings ($)			
Quarters 2-5	1,126	1,089	38
Quarter 5	365	345	20
Average number of months receiving AFDC payments			
Quarters 2-5	11.41	11.11	0.30
Ever received any AFDC payments (%)			
Quarter 5	94.6	93.3	1.3
Average total AFDC payments received ($)			
Quarters 2-5	10,066	9,905	161
Quarter 5	2,403	2,419	-16
Sample size (total = 182)	96	86	
Butte			
Ever employed (%)			
Quarters 2-5	51.3	44.1	7.2 **
Quarter 5	33.4	25.8	7.6 **
Average total earnings ($)			
Quarters 2-5	3,007	2,394	613 *
Quarter 5	833	652	180
Average number of months receiving AFDC payments			
Quarters 2-5	8.34	8.44	-0.09
Ever received any AFDC payments (%)			
Quarter 5	63.7	67.0	-3.3
Average total AFDC payments received ($)			
Quarters 2-5	6,523	6,746	-223
Quarter 5	1,453	1,545	-92
Sample size (total = 1,006)	780	226	
Los Angeles			
Ever employed (%)			
Quarters 2-5	40.9	29.5	11.5 ***
Quarter 5	31.5	23.3	8.2 ***
Average total earnings ($)			
Quarters 2-5	1,469	1,216	253 **
Quarter 5	386	342	43
Average number of months receiving AFDC payments			
Quarters 2-5	11.19	11.26	-0.06
Ever received any AFDC payments (%)			
Quarter 5	91.2	92.2	-1.1
Average total AFDC payments received ($)			
Quarters 2-5	9,362	9,778	-416 ***
Quarter 5	2,215	2,353	-138 ***
Sample size (total = 1,458)	735	723	

(continued)

TABLE 5.1 (continued)

County and Outcome	Experimentals	Controls	Difference
Riverside			
Ever employed (%)			
Quarters 2-5	57.0	48.6	8.5 ***
Quarter 5	35.5	31.0	4.5 **
Average total earnings ($)			
Quarters 2-5	3,690	2,925	765 ***
Quarter 5	974	879	95
Average number of months receiving AFDC payments			
Quarters 2-5	6.48	7.39	-0.90 ***
Ever received any AFDC payments (%)			
Quarter 5	51.2	57.1	-5.9 ***
Average total AFDC payments received ($)			
Quarters 2-5	4,785	5,760	-975 ***
Quarter 5	1,032	1,255	-222 ***
Sample size (total = 2,323)	1,590	73	
San Diego			
Ever employed (%)			
Quarters 2-5	53.9	50.1	3.8 **
Quarter 5	37.4	34.6	2.8
Average total earnings ($)			
Quarters 2-5	3,329	3,088	241
Quarter 5	963	898	65
Average number of months receiving AFDC payments			
Quarters 2-5	8.97	9.40	-0.44 ***
Ever received any AFDC payments (%)			
Quarter 5	69.4	74.6	-5.2 ***
Average total AFDC payments received ($)			
Quarters 2-5	6,790	7,301	-510 ***
Quarter 5	1,520	1,694	-174 ***
Sample size (total = 3,272)	2,427	845	
Tulare			
Ever employed (%)			
Quarters 2-5	52.4	51.3	1.1
Quarter 5	34.2	34.3	-0.1
Average total earnings ($)			
Quarters 2-5	2,958	2,955	3
Quarter 5	801	771	30
Average number of months receiving AFDC payments			
Quarters 2-5	9.33	9.14	0.20
Ever received any AFDC payments (%)			
Quarter 5	74.6	74.5	0.2
Average total AFDC payments received ($)			
Quarters 2-5	7,545	7,523	23
Quarter 5	1,754	1,757	-3
Sample size (total = 1,901)	1,319	582	

(continued)

TABLE 5.1 (continued)

SOURCE: MDRC calculations from California Unemployment Insurance earnings records and from county AFDC records.

NOTES: The sample for this table consists of individuals who were randomly assigned as follows:

Alameda	July 1989 - May 1990
Butte	March 1988 - March 1990
Los Angeles	July 1989 - March 1990
Riverside	August 1988 - March 1990
San Diego	August 1988 - September 1989
Tulare	January 1989 - June 1990

The impact sample is slightly smaller than the full research sample.

Dollar averages include zero values for sample members not employed and for sample members not receiving welfare. Estimates are regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members. Rounding may cause slight discrepancies in calculating sums and differences.

For all measures, the quarter of random assignment (quarter 1) refers to the calendar quarter in which random assignment occurred. Because the quarter of random assignment may contain some earnings and AFDC payments from the period prior to random assignment, it is excluded from the summary measures of follow-up.

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

The earnings impact of $95 in the final quarter was no longer statistically significant and accounted for considerably less than one-fourth of the full first-year impact.

AFDC impacts in Riverside were large – larger than the first-year savings for AFDC-FGs in Riverside – and the largest first-year savings for either assistance category in any county. The average number of months on AFDC during year one fell from 7.39 for controls to 6.48 for experimentals. AFDC payments during the same period dropped from $5,760 to $4,785, amounting to a saving of $975 per experimental, or 16.9 percent of the average payments to controls. The experimental-control differentials were still in evidence at the end of the year (quarter five) and remained statistically significant. At that point, receipt of AFDC was down 5.9 percentage points and quarterly savings were $222 per experimental, or 17.7 percent relative to the mean for controls. Savings were larger than the corresponding earnings gains, particularly by the end of the first year. The pattern of welfare savings exceeding earnings gains and persisting longer, as mentioned earlier, has been found in the previous experimental studies that examined impacts for AFDC-Us.[9]

Relatively large first-year earnings gains were also found in Butte. First-year earnings there were up $613 per experimental group sample member. The pattern revealed by the quarterly estimates suggests that earnings impacts had not yet reached a peak in year one. Welfare savings in Butte were $223 for the first year, however – smaller than earnings gains and not statistically significant.

Impacts on first-year earnings were similar in Los Angeles and San Diego, at about $250, although in the latter county they were not statistically significant. In Los Angeles, the large increase in employment, still evident at the end of the first follow-up year, combined with the small

[9]As discussed earlier, the Riverside experimental group actually consisted of two experimental groups with ratios of about 97 and 53 GAIN registrants per caseworker. For AFDC-Us, the first experimental group (with the higher ratio) produced first-year earnings gains of $830 per experimental group sample member and welfare savings of $932, both of which were statistically significant. The second experimental group (with the lower ratio) produced first-year earnings gains of $551, which were not statistically significant, and welfare savings of $1,117, which were statistically significant. As for AFDC-FGs, differences across experimental groups were not large and were not statistically significant. The apparent advantage in earnings for the first group may not persist: by quarter six – the last available quarter for the full sample in Riverside – earnings gains for the high-ratio group (group one) were overtaken and surpassed by those for the low-ratio group (group two). These results notwithstanding, as before for AFDC-FGs, on the basis of one year of follow-up, it appears that the lower registrant/caseworker ratio did not increase earnings impacts in Riverside, although there may have been a slight increase in welfare savings resulting from closer registrant/caseworker contact.

impact on earnings remaining in quarter five, indicates that GAIN obtained more jobs for people but that these jobs often paid less than the jobs held by controls. For neither Los Angeles nor San Diego does the shape of the curves in Figure 5.1 indicate any movement towards increased earnings impacts over time.

First-year AFDC reductions for AFDC-Us in Los Angeles and San Diego were among the largest: $416 for Los Angeles and $510 for San Diego. They were larger than any others found for either AFDC-FGs or AFDC-Us, with the exception of those for Riverside. Experimental-control differences in AFDC payments were still statistically significant at the end of the first year in both of these counties. They appeared likely to continue well into year two, although some decay may be beginning. As in Riverside, these welfare savings were larger than the corresponding earnings gains, and the difference was most pronounced at the end of the first year.

The Tulare program produced results for AFDC-Us that were similar to those for AFDC-FGs there: neither earnings gains nor AFDC savings were observed in the short run. Employment and earnings were similar for experimentals and controls on all measures, and the same was true for AFDC receipt and AFDC payments. The graphs for Tulare in Figure 5.1 reveal no apparent movement toward impacts after the first year.

AFDC-U samples in Alameda were too small to yield reliable estimates of differences between experimentals and controls. Nonetheless, the results there, despite their imprecision, are similar to the finding in Los Angeles that impacts on employment can exceed impacts on earnings for AFDC-Us. In Butte, Riverside, and San Diego, too, employment impacts were large relative to earnings gains. This suggests that the new jobs found by experimentals did not, as a general rule, pay better than the jobs typically held by controls. This same result was obtained in almost all previous broad-coverage welfare-to-work experiments.[10]

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[10]One approach to comparing the magnitudes of employment and earnings impacts is to divide each impact estimate by the corresponding control group mean to estimate the relative gain or "impact relative to the control mean." If jobs of experimentals and controls pay about the same per quarter of employment, then it follows that the relative gain in the number of quarters employed and average total earnings must be quite similar. Although not shown in Table 5.1, impacts on number of quarters of employment during the first year were calculated for all counties, along with gains relative to the control group means. In Alameda and Los Angeles, these measures showed that the relative gain in employment was much larger than the relative gain in earnings. In San Diego, the two relative gains were similar. In Butte and Riverside, the relative gain in employment was about three-quarters the relative gain in earnings.

Analysis of AFDC impacts reveals differences across counties. In Riverside and San Diego, two-thirds or more of the first-year welfare savings came from fewer months on AFDC, which is similar to the findings for most AFDC-FG samples. The remaining one-third is associated with reduced average grant amounts per month of receipt for experimentals, possibly the effect of sanctions or an increase in employment while on AFDC.[11] For Butte and Los Angeles, however, impacts on the number of months receiving AFDC during year one were quite small compared with the dollar amounts of first-year AFDC savings. The explanation for this result is not clear. It is also uncertain whether this pattern will hold up in these two counties over time. There is an indication that, at least in Butte, the reduction in receipt has approached the magnitude of the reduction in payments by the end of the first year (quarter five).[12]

Impact estimates for the individual counties have been accorded central position in this report. As for AFDC-FGs, however, measures summarizing results for AFDC-Us across all counties are also of some interest. Averaging across five counties (omitting Alameda because the sample there is small), and giving each county equal weight, yields first-year earnings gains for AFDC-Us of $375 per experimental group sample member and first-year welfare savings of $420, both statistically significant.[13]

III. County Comparisons Using AFDC-FG and AFDC-U Results

The relative performance of counties was similar for the AFDC-FG and AFDC-U assistance categories. Counties with impacts for AFDC-FGs that were large or small relative to impacts for

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[11]The average monthly payment amount for controls is obtained by dividing the average total dollar amount by the average number of months during which AFDC payments were received. Multiplying this figure by the reduction in months indicates what the total reduction in AFDC payments would have been had average monthly payment amounts been the same for experimentals and controls who remained on welfare. In Riverside, this makes up nearly three-quarters of the estimated reduction in AFDC payments for year one. In San Diego, the figure is about two-thirds. In Butte, it is about one-third, and in Los Angeles, it is less than one-seventh. The remainder of the impact on first-year AFDC payments may have come from partial grant reductions imposed by sanctions or from part-time employment. It could also have resulted if the overall reduction in months of receipt fell primarily on cases with above-average monthly grant amounts.

[12]In quarter five, the reduction in "percent receiving" accounts for more than 80 percent of the total reduction in average AFDC payments in Butte. In Los Angeles, however, the reduction in receipt at quarter five is still small relative to the total AFDC dollar impact in that quarter.

[13]Including Alameda in the averages gives summary estimates of $319 per experimental for earnings gains and $324 for welfare savings, both statistically significant.

AFDC-FGs in other counties tended to obtain impacts for AFDC-Us that were also large or small compared with impacts on AFDC-Us elsewhere (again omitting Alameda from the comparison because of its small AFDC-U sample size). This was true for both earnings gains and welfare savings. Omitting Alameda and weighting the remaining counties equally, the simple correlation between earnings gains for AFDC-FGs and AFDC-Us across counties is +0.85 (of a maximum of +1.00); for welfare savings, the correlation coefficient was +0.91. This strong relationship stems in the main from the strong showing in Riverside for both assistance categories and the weak showing for both in Tulare.[14]

There is also a strong relationship between earnings gains and welfare savings across counties. Relatively large earnings gains were associated with relatively large AFDC payment reductions. The simple correlation coefficient between earnings gains and welfare savings for AFDC-FGs (six counties) is +0.87; for AFDC-Us (five counties), it is +0.71. Again, these relationships depend in large part on the results for Riverside and Tulare.[15]

Statistical tests can be applied to differences in impacts across counties. These can sometimes provide additional assurance that observed differences are real and not the product of chance variation. Unfortunately, such tests do not have a high degree of discriminating power. That is, large differences in impacts across counties may not be statistically significant. When applied to the six GAIN counties, with AFDC-FG and AFDC-U results pooled for each county, these tests found that earnings gains and welfare savings for Riverside were statistically significantly different from those for all other counties except Butte. No other differences between pairs of counties were found to be statistically significant by this test.[16]

IV. Impacts After the First Follow-Up Year

Figure 5.2 presents experimental-control differences in earnings and AFDC payments separately for early cohorts and full county samples, along with the dates that define the cohorts

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[14]Correlations with Alameda included are similar: +0.79 for earnings gains and +0.86 for welfare savings.

[15]Including Alameda in the AFDC-U correlation makes it +0.77, quite close to the five-county number.

[16]The test applied was a variant of the Newman-Keuls test, allowing estimated standard errors of impacts to differ across counties. Statistical significance was set at the 5 percent level. Pooled impacts for each county were calculated as weighted averages of AFDC-FG and AFDC-U impacts for the county, with weights taken as the proportion of each assistance category in the total county sample.

FIGURE 5.2

IMPACTS ON EARNINGS AND AFDC PAYMENTS FOR THE FULL SAMPLE AND EARLY COHORT OF AFDC-U REGISTRANTS

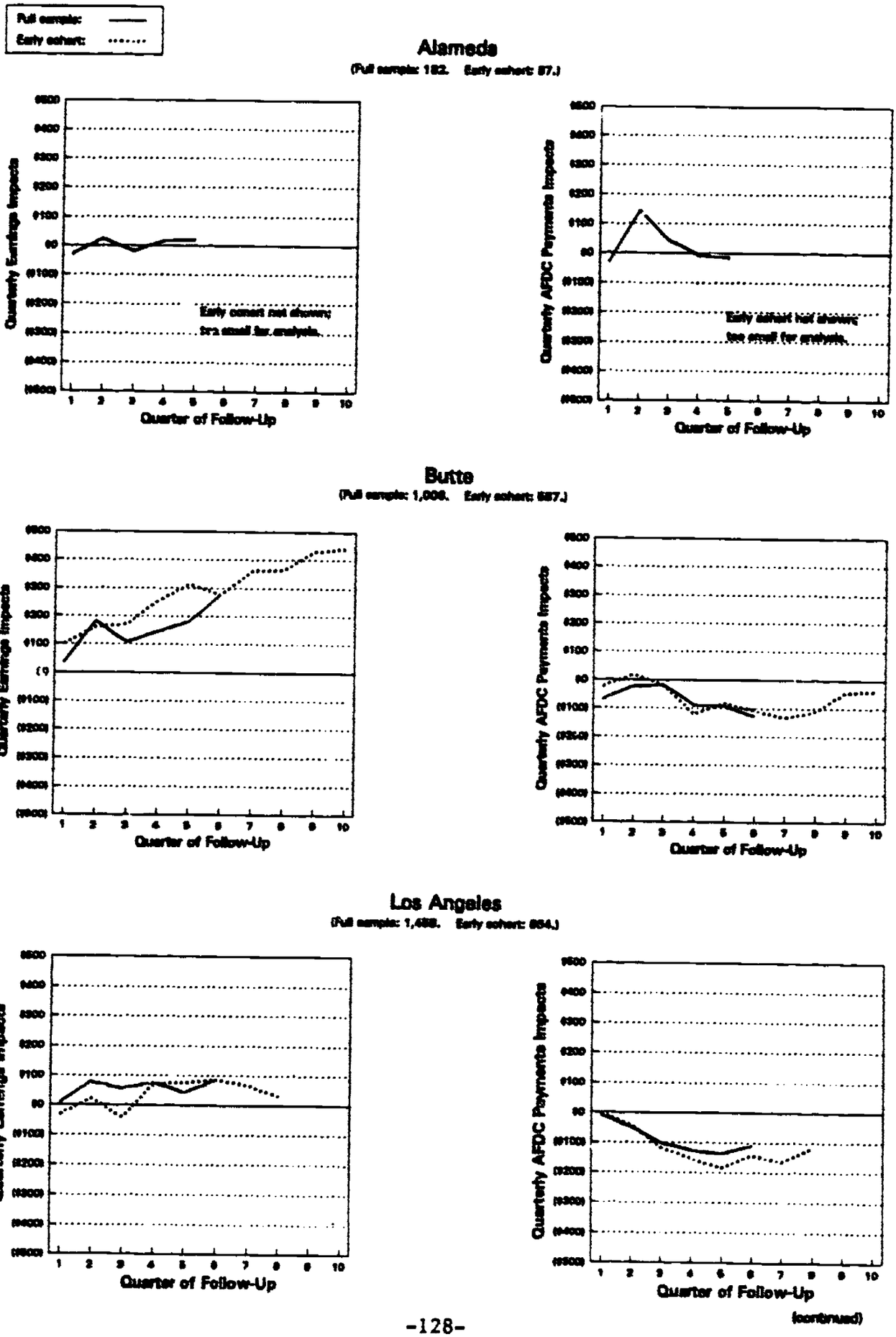

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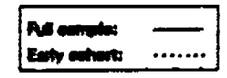
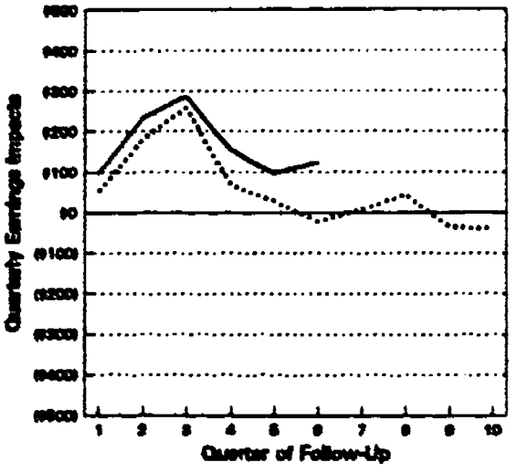
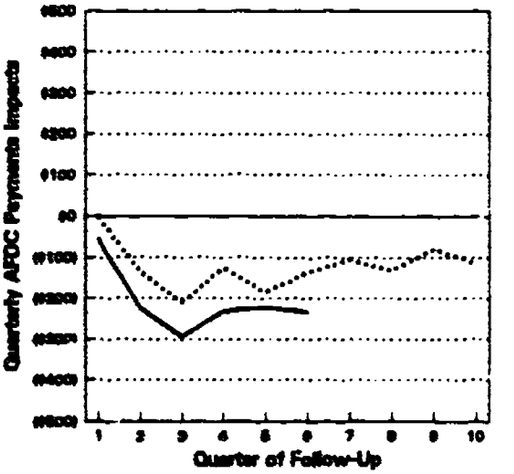
FIGURE 5.2 (continued)



Riverside

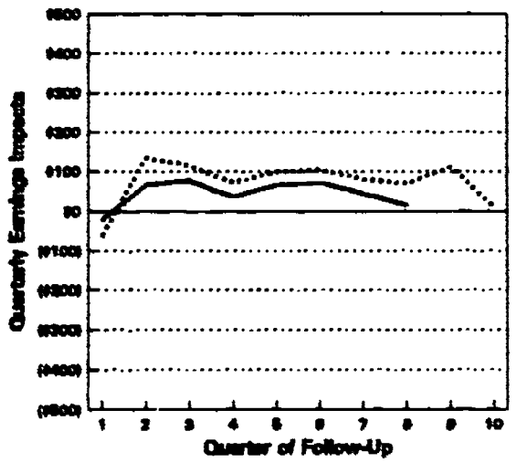
(Full sample: 2,328. Early cohort: 1,078.)

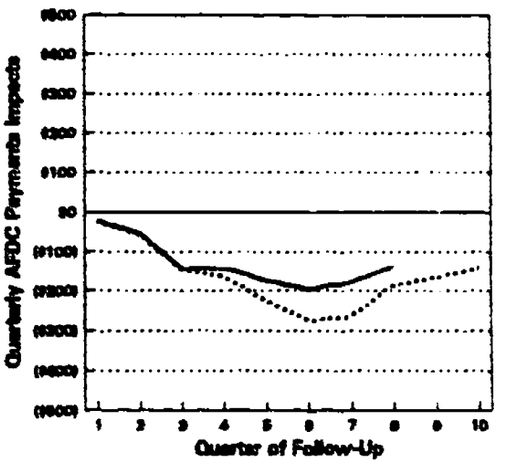




San Diego

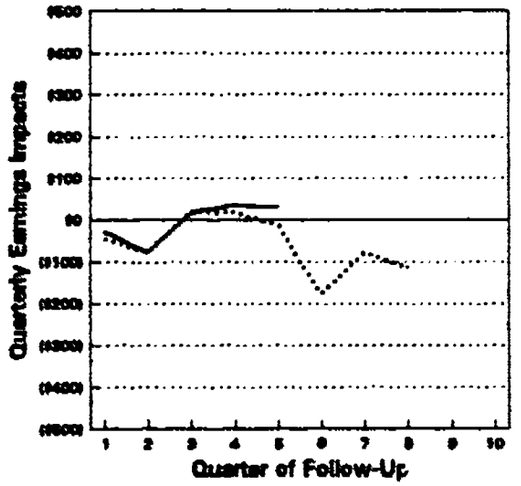
(Full sample: 3,272. Early cohort: 2,055.)





Tulare

(Full sample: 1,801. Early cohort: 1,253.)



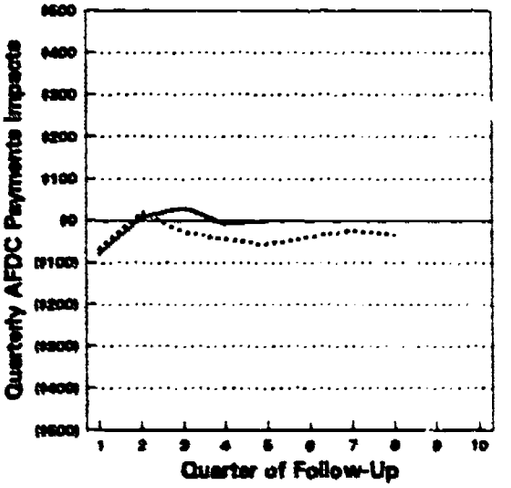


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FIGURE 5.2 (continued)

SOURCE and NOTES: See Table 5.1. The early cohorts in this figure consist of individuals who were randomly assigned as follows:

Alameda	July 1988-December 1988
Butte	March 1988-March 1989
Los Angeles	July 1988-September 1988
Riverside	August 1988-March 1989
San Diego	August 1988-March 1989
Tulare	January 1988-September 1988

and their sample sizes. The early cohort for Alameda is not shown because its sample size was too small for meaningful analysis. The early cohort in Butte was also relatively small, and the impact estimates there should be considered of below-average reliability.

Impacts after year one are difficult to project for AFDC-Us, especially for earnings. On balance, impact estimates for the full AFDC-U samples and the early cohorts suggest that earnings impacts may reach a peak as early as year one and decline somewhat after that point, although it is possible that part of the early gains may last for several years. Welfare reductions, when they occur, appear to last longer and may exceed earnings gains more in the long run than in the short run. The one possible exception to this pattern is Butte, which shows a continually growing experimental-control differential in earnings.

In examining the individual county cohort graphs, Riverside is naturally of some interest, given the large first-year impacts there. Riverside results for both the full sample and the early cohort suggest some decay beginning as early as year one, although much of the experimental-control differentials in earnings and welfare may persist for at least several years. Earnings impacts had fallen to approximately zero by year two for the early cohort, as shown by the dotted line in the graph. For the full sample as well, represented by the solid line, earnings gains were much below their peak by year two. But the early cohort completed its decline to zero by quarter six and could exert no further downward pressure on the overall result; it is possible that the late cohort may carry full sample earnings gains at a level of about $100 per quarter ($400 annualized) through much if not all of year two. Or the late cohort may also fall to zero by the end of the second or third year. Insufficient information is available at this time to predict the course of earnings gains for Riverside's AFDC-Us with any confidence after quarter six. For AFDC payments, the experimental-control differential for the early cohort, although larger in year one, still continued through year two and into year three. This lends some credibility to a prediction of persisting welfare savings and suggests that the excess of welfare reductions over earnings gains may be larger in the long term than in the short term.

In Los Angeles and San Diego, earnings impacts may also have reached their maximum in year one. In Los Angeles, the full AFDC-U sample produced flat quarterly earnings gains through quarter six, but the early cohort declined toward zero after that point. In San Diego, the earnings impact for the full AFDC-U sample dropped almost to zero by quarter eight, and the early cohort

reached zero by quarter 10. In contrast, Los Angeles and San Diego both showed greater welfare savings in year two than in year one, with a possible peak in the experimental-control welfare differential around the beginning of year two, followed by some decay. In Los Angeles, savings for the early cohort appear to have peaked at quarter five, but they did not fall sharply by the last quarter (quarter eight), suggesting that any decline for the remainder of the sample may not be sharp either. In San Diego, the early cohort peaked at quarter six but did not show a steep decline even through quarter 10. These patterns suggest that reductions in AFDC payments in these two counties lasted longer than increases in earnings.

Butte is the only county where the full AFDC-U sample showed earnings gains that increased quarter by quarter, and the early cohort results in that county indicate that this pattern may continue. For the early cohort, earnings gains were larger in year two than in year one, and the quarterly earnings impact showed no peak, even as late as quarter 10. Earnings gains for AFDC-Us in Butte may therefore overtake and surpass earnings gains in Riverside in year two. On the other hand, the experimental-control differential in AFDC payments becomes fairly flat for the early cohort: savings may be larger in year two than in year one but may not persist beyond year two.

The early cohort in Tulare gives no evidence that impacts on earnings or AFDC payments are likely to appear over time in that county.

V. First-Year Impacts for Subgroups

The subgroup analysis for AFDC-U registrants parallels that for AFDC-FG registrants. Subgroups are defined the same way and the analysis methods are the same. In each county, subgroup samples were smaller than the full samples, with the associated decrease in precision and statistical significance. Subgroup samples for AFDC-Us in Alameda were too small for meaningful analysis.

A. Assessed Need for Basic Education

Table 5.2 presents the impacts of GAIN for AFDC-Us by county, separately for portions of the samples determined by GAIN not to need basic education and for those determined to need basic education. The not-in-need and in-need subgroups in Alameda were too small for meaningful

TABLE 5.2

FIRST-YEAR IMPACTS ON EARNINGS AND AFDC PAYMENTS
FOR AFDC-U BASIC EDUCATION AND WELFARE STATUS SUBGROUPS

County and Subgroup	Percentage of Sample	Average Total Earnings, Quarters 2–5 ($)			Average Total AFDC Payments Quarters 2–5 ($)			Sample Size	
		Experimentals	Controls	Difference	Experimentals	Controls	Difference	Experimentals	Controls
Alameda									
Determined to need basic education									
No	18.7	--	1,194	--	--	9,799	--	18	16
Yes	81.3	--	1,144	--	--	9,938	--	78	70
Welfare status									
Applicant (a)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Short-term recipient (a)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Long-term recipient	100.0	1,126	1,089	38	10,066	9,905	161	96	86
Butte									
Determined to need basic education									
No	42.3	3,933	2,692	1,240 *	5,944	6,466	-521	332	94
Yes	57.7	2,358	2,063	294	6,944	6,970	-26	448	132
Welfare status									
Applicant	75.8	3,285	2,850	434	6,130	6,095	35	590	173
Short-term recipient	11.9	2,171	1,284	887	6,360	8,149	-1,789 *	98	22
Long-term recipient	12.2	2,009	962	1,047	9,090	9,739	-648	92	31
Los Angeles									
Determined to need basic education									
No	7.8	1,743	1,598	146	8,457	9,675	-1,217 ***	48	65
Yes	92.2	1,425	1,204	220 *	9,434	9,779	-346 ***	687	658
Welfare status									
Applicant (a)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Short-term recipient (a)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Long-term recipient	100.0	1,469	1,216	253 **	9,362	9,778	-416 ***	735	723

(continued)

TABLE 5.2 (continued)

County and Subgroup	Percentage of Sample	Average Total Earnings, Quarters 2-5 ($)			Average Total AFDC Payments, Quarters 2-5 ($)			Sample Size	
		Experimentals	Controls	Difference	Experimentals	Controls	Difference	Experimentals	Controls
Riverside									
Determined to need basic education									
No	33.3	4,721	3,131	1,590 ***	4,523	5,688	-1,165 ***	531	243
Yes	66.7	3,167	2,836	330	4,907	5,815	-908 ***	1,059	490
Welfare status									
Applicant	42.3	4,562	3,648	914 **	4,329	5,532	-1,203 ***	675	308
Short-term recipient	37.3	3,449	3,058	391	4,599	5,553	-954 ***	607	260
Long-term recipient	20.4	2,274	1,324	950 **	6,044	6,707	-663 *	308	165
San Diego									
Determined to need basic education									
No	37.1	4,562	3,531	1,031 **	5,852	6,610	-758 ***	888	326
Yes	62.9	2,619	2,805	-187	7,345	7,698	-353 **	1,539	519
Welfare status									
Applicant	32.9	4,194	4,147	47	5,524	6,177	-652 **	840	237
Short-term recipient	37.6	3,520	3,171	349	6,597	7,112	-515 **	874	357
Long-term recipient	29.5	2,091	1,929	163	8,461	8,799	-338	713	251
Tulare									
Determined to need basic education									
No	26.0	4,242	4,035	207	6,295	6,410	-115	347	148
Yes	74.0	2,504	2,578	-75	7,981	7,925	56	972	434
Welfare status									
Applicant	22.1	4,259	4,435	-176	5,564	6,469	-906 **	308	113
Short-term recipient	42.2	3,532	3,350	182	7,049	6,372	677 ***	539	263
Long-term recipient	35.7	1,451	1,644	-192	9,405	9,571	-167	472	206

SOURCE: See Table 5.1.

NOTES: Except for the following, see Table 5.1.
Dashes indicate that the sample was too small for analysis; therefore, the calculation has been omitted.
(a) No data on AFDC applicants and short-term recipients are included for Alameda and Los Angeles counties because they targeted only long-term AFDC recipients for GAIN.

analysis of impacts. Impact estimates for Alameda are omitted from the table, but the control group means are shown for comparison to other counties. The not-in-need subgroup in Los Angeles was quite small, too, and its impact estimates should also be considered unreliable. Of below-average reliability are the impact estimates for both subgroups in Butte and the not-in-need subgroup in Tulare.

As in the AFDC-FG sample, mean earnings and AFDC payments for controls were different across educational need subgroups, but the differences were usually moderate rather than large. Differences in average first-year earnings were less than $1,000 except in Tulare. Differences in AFDC payments were of similar magnitude, with Tulare's again being larger than the other counties. As was the case for AFDC-FG registrants, the mix of AFDC-U subgroups differed across counties. Los Angeles again had the highest proportion determined to need basic education (92.2 percent); Butte again had the lowest (57.7 percent). In every county, the percentage in need was larger in the AFDC-U sample than in the AFDC-FG sample.

The first-year impact estimates in Table 5.2 show that both earnings gains and welfare savings were generally larger for the group assessed as not in need of basic education, a pattern that, at least for earnings gains, was similar to the one found for AFDC-FG registrants. In four of the five counties shown in the table – the exception is Los Angeles – the dollar estimate of first-year earnings gains is greater for those deemed not in need of basic education. Statistically significant earnings gains for those not in need were found in three counties; they were found in only one county for those in need of basic education. In all five counties shown in the table, the dollar estimate of first-year welfare savings is greater for those deemed not in need of basic education. In three counties, statistically significant welfare savings were found both for those not in need and those in need, but the dollar savings were larger for the not-in-need subgroup.[17]

In Riverside, first-year earnings gains for the not-in-need subgroup were $1,590 per experimental group sample member, the largest dollar gain for any subgroup of AFDC-Us or AFDC-FGs. This amount is more than $1,000 larger than the earnings gain for the in-need subgroup.

[17]Differences in earnings gains across educational need subgroups were statistically significant in Riverside and San Diego. Differences in welfare savings were statistically significant in Los Angeles. Although not shown in the table, Alameda also had statistically significantly larger welfare savings for the not-in-need subgroup. Alameda's earnings gains were larger for the not-in-need subgroup too, although the difference was not statistically significant.

This relationship between subgroups for AFDC-U registrants in Riverside matches that for AFDC-FG registrants there, although the dollar difference was not as large for the AFDC-FGs. Welfare reductions for the not-in-need subgroup were also large: $1,165 per experimental in year one. This saving exceeded (by about $250) the welfare impact for the AFDC-U in-need subgroup. Interestingly, for the subgroup in need of basic education, the large first-year welfare savings, $908 per experimental, exceeded the earnings gain of $330.

In Butte, too, most of the earnings impact appears to have accrued to the subgroup judged not to need basic education. First-year earnings impacts for them were large, $1,240 per experimental. A first-year reduction of $521 in AFDC payments was measured, but it was not statistically significant, possibly owing to the reduced sample sizes available for subgroup analysis. The in-need subgroup in Butte obtained much smaller earnings gains and no welfare savings.

The not-in-need subgroup also obtained a large earnings impact in San Diego, and it accrued a large welfare reduction there as well. First-year earnings gains were more than $1,000 per experimental for the not-in-need subgroup, and welfare savings were more than $750. As in Riverside, welfare reductions exceeded the earnings gain for the in-need subgroup in San Diego. In fact, the earnings impact for the in-need subgroup was about zero, or slightly negative, compared with a welfare impact of about $350 per experimental.

Los Angeles was the only county in which the earnings impact for the subgroup judged not in need of basic education was not larger than for the subgroup judged in need of basic education. This result may at first appear somewhat surprising, since the welfare impacts did follow the established pattern. In fact, first-year savings for the not-in-need subgroup were large, $1,217 per experimental, and it is not clear why the corresponding earnings gain should be only about $150. It should be remembered, however, that these estimates were based on a very small subgroup sample, and the results may well stem mainly from chance variation rather than from any substantive effect. For the main Los Angeles subgroup – those deemed to need basic education – impacts were similar to what they were for the full Los Angeles sample: earnings gains were $220 per experimental and welfare savings were $346.

In Tulare, the subgroup deemed not to need basic education had the larger earnings impact and welfare impact, but these effects were, nevertheless, small and not statistically significant. Differences between educational need subgroups do not account for the absence of overall program impact in that county.

B. Past Welfare Receipt

Table 5.2 presents results for welfare history subgroups for each county. Welfare history subgroups were defined in the same way for AFDC-Us as for AFDC-FGs. Subgroup samples were quite small for the middle and bottom subgroups in Butte, and their impact estimates are unreliable – i.e., their impact estimates should be allowed a wide margin for error. Estimates for the bottom subgroup in Riverside and the top subgroup in Tulare should be considered of below-average reliability owing to their reduced sample sizes.

In Alameda and Los Angeles, long-term recipients accounted for 100 percent of the sample, in line with the targeting rules there. As shown in the table, however, the proportion of recipients – and especially long-term recipients – in the AFDC-U samples for the other counties was smaller than for AFDC-FGs. On the other hand, applicants were in a majority only in Butte. This contrasts with the earlier San Diego SWIM demonstration, in which applicants made up 60 percent of the AFDC-U research sample. The much lower proportion of applicants in the GAIN samples in Riverside, San Diego, and Tulare results from the fact that random assignment took place later in the AFDC application/approval sequence than it did in the earlier demonstration. Thus, in the GAIN study, many applicants who were not actually approved for aid and many who left AFDC quickly were out of the system before they could be randomly assigned.

As before, we first examine the outcomes for controls, looking for differences across subgroups within counties and differences across counties for each subgroup. The patterns of earnings and AFDC payments for controls in the welfare history subgroups in each county were similar to the patterns noted for AFDC-FG welfare history subgroups, but the differences across subgroups tended to be somewhat larger than those for the same subgroups in the AFDC-FG sample. Differences in average first-year earnings between the top and bottom groups in Riverside, San Diego, and Tulare exceeded $2,000. Differences in AFDC payments exceeded $2,000 in Butte, San Diego, and Tulare.

As was the case for AFDC-FGs, control group mean earnings and AFDC payments for the long-term recipients in Alameda and Los Angeles were similar to each other but shared some differences from those of long-term recipients in other counties. Average earnings during the first follow-up year in Alameda and Los Angeles were less than those for long-term recipients in all other counties except Butte. Average AFDC payments for long-term recipients in Alameda and Los Angeles were much greater than in Riverside and San Diego, and slightly greater than in Butte

and Tulare. As with AFDC-FGs, these differences stemmed from the policy in Alameda and Los Angeles of focusing on recipients who had been on AFDC more than the two years used to define "long-term recipient" for this analysis.

The impact estimates in Table 5.2 indicate that long-term AFDC-U recipients in the GAIN target population can experience impacts from GAIN, at least in certain cases. For instance, in Riverside, earnings gains were as large for the bottom subgroup as for the top and were statistically significant despite the rather small long-term sample. In addition, reductions in AFDC payments were large and statistically significant for the long-term subgroup, although not as large as for the other Riverside subgroups. Earnings gains were not confined to a particular subgroup in Butte either, although none of the subgroup estimates was statistically significant with the small samples available, especially for the two recipient subgroups. Welfare reductions were not found for applicants in Butte, but were found for both recipient subgroups there, although they were statistically significant only for the middle subgroup. The case of San Diego was not as favorable for long-term AFDC-U recipients: earnings gains for them were small. Welfare reductions for long-term AFDC-U recipients in San Diego were not small, but they were the lowest among the three subgroups in that county and were not statistically significant. In Tulare, the estimates for subgroups are not consistent with any expected pattern and do not explain the absence of overall impacts in that county.

Results for the long-term subgroups may eventually be useful in assessing the GAIN policy of granting priority for services to long-term recipients. Those results may also indicate whether a considerable portion of the county differences in impacts stems from differences in subgroup mix. The first-year results do not, however, provide conclusive answers to these questions. On the one hand, results were positive for long-term recipients in Butte and Riverside. On the other hand, earnings gains for long-term recipients in Los Angeles and San Diego were modest. Welfare reductions did exceed earnings gains for long-term recipients in these two counties, but were not as large as welfare reductions observed for applicant and short-term recipient subgroups in San Diego. This suggests the same hypothesis as for long-term AFDC-FG recipients: it may be that long-term recipient subgroups in highly urbanized areas such as Los Angeles and San Diego constitute a more challenging target than long-term subgroups in areas like Butte and Riverside.

CHAPTER 6

EXPLAINING COUNTY DIFFERENCES IN FIRST-YEAR IMPACTS: A PRELIMINARY ASSESSMENT

Earlier chapters of this report have shown that GAIN can be operated in many different ways, and often must be run under quite diverse local conditions. It is therefore important for policymakers and program administrators, who must decide how best to spend the program's limited resources, to know what implications these choices and conditions hold for GAIN's impacts. This chapter begins to explore this issue. It does so by examining whether the implementation factors discussed in Chapters 2 and 3 were instrumental in producing the variation in county first-year impacts presented in Chapters 4 and 5.

Before embarking on the comparison of counties, it is important to consider several limitations of this type of analysis. (See also Chapter 1.) First, because this study includes only six counties, and because random assignment was conducted within counties and not across programs, isolating the effects of any particular factor is difficult and cannot be done with the same level of rigor that is possible in estimating county-specific impacts. Second, the data available for this report may not capture many aspects of the local environment, participation, or implementation that also influence impacts. And third, the conclusions from this analysis may change once additional data become available, including longer-term follow-up, survey information on the control group's use of non-GAIN services, and information on a broader set of outcome measures in addition to employment, earnings, and welfare outcomes. For all of these reasons, the analysis that follows should be viewed as preliminary.

One tentative conclusion is that while GAIN can produce first-year impacts even when operated under a variety of local conditions, when targeted toward different types of welfare recipients, and when implemented using quite different approaches, some implementation approaches appear to be associated with larger impacts. Riverside's approach, which, among other things, involved a comparatively strong emphasis on rapid employment and on the use of GAIN's formal mechanisms (ending in sanctioning) to enforce the legislation's participation mandate, may have helped to produce its unusually large and consistent impacts in the short run. However, with many registrants in all of the counties participating in education and training activities in the first year – activities whose effects usually take longer to materialize – it is possible that the strategies

chosen by other counties may prove to be as effective as Riverside's – or even more effective – in the long run.

I. A Summary of County First-Year Impacts

Table 6.1 summarizes the key impact findings (and selected participation outcomes) for the full AFDC-FG and AFDC-U research samples. Riverside stands out among the six counties because it had comparatively large and statistically significant effects on earnings and welfare payments for the two samples. As Chapter 4 noted, these effects were larger than those previously observed in evaluations of large-scale welfare-employment programs. Riverside also had consistent impacts across all key subgroups. Tulare is at the other extreme, showing no statistically significant earnings gains or welfare savings.

Among the other counties, the patterns are more complex and the impacts fall into a middle range of magnitude. Los Angeles had consistent welfare savings for both AFDC-FGs and AFDC-Us, but first-year earnings increases only for AFDC-Us. For AFDC-FGs, Alameda recorded earnings gains that became statistically significant by the end of the follow-up period, but welfare savings did not attain statistical significance.[1] Butte recorded earnings gains for both AFDC-FGs and AFDC-Us (which were statistically significant for the latter group), but statistically significant welfare reductions only for AFDC-FGs. San Diego had modest earnings gains and welfare savings for both the AFDC-FGs and AFDC-Us (although the earnings gain for AFDC-Us was not statistically significant).

II. The Effects of Serving Different Types of Welfare Recipients

Earlier chapters have shown that the six counties served different types of welfare recipients. For example, Los Angeles and Alameda served only long-term recipients, while the other counties served applicants and short-term recipients as well as long-term recipients. The counties also varied widely in the proportion of their registrants who were determined to need basic education, ranging, for example, from 49 percent of the AFDC-FGs in Butte to more than 80 percent in Los Angeles.

[1]Alameda's effects on AFDC-Us must be interpreted more cautiously because of the extremely small sample size for that group. Therefore, these results are not discussed in this chapter. For details, see Chapter 5.

TABLE 6.1

SUMMARY OF SELECTED PARTICIPATION AND FIRST-YEAR IMPACT MEASURES

Measure and Sample	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare
Participation measures for experimentals within 11 months after orientation						
Ever participated in any GAIN activity, excluding appraisal and assessment (%)						
AFDC-FG	63.1	42.5	51.3	60.1	55.1	60.9 ***
AFDC-U	56.3	38.4	36.0	66.0	46.3	59.7 ***
Was a GAIN registrant at end of 11 months (a) (%)						
AFDC-FG	n/a	52.5	n/a	30.6	49.8	64.0 (b)
AFDC-U	n/a	43.4	n/a	27.2	55.7	58.1 (b)
Ever participated in job search (%)						
AFDC-FG	26.4	18.0	11.9	34.3	29.6	20.4 ***
AFDC-U	14.6	16.2	5.0	42.2	22.1	16.1 ***
Ever participated in any education or training activity (%)						
AFDC-FG	53.0	27.5	43.8	36.3	37.2	49.3 ***
AFDC-U	51.0	25.3	32.7	32.0	33.6	52.4 ***
In any education or training activity at end of 11 months among those starting the activity (a,c) (%)						
AFDC-FG	n/a	56.4	n/a	20.0	23.9	38.7 (b)
AFDC-U	n/a	44.0	n/a	21.3	22.0	49.2 (b)
Impact measures (experimental–control differences)						
Impact on average total earnings, quarters 2-5 ($)						
AFDC-FG	218	261	-8	969 ***	345 **	-161
AFDC-U	38	613 *	253 **	765 ***	241	3
Impact on average total earnings, quarter 5 ($)						
AFDC-FG	119 **	76	-3	277 ***	77 *	-94 *
AFDC-U	20	180	43	95	65	30
Impact on average total AFDC payments, quarters 2-5 ($)						
AFDC-FG	-149	-353 *	-325 ***	-686 ***	-302 ***	132
AFDC-U	161	-223	-416 ***	-975 ***	-510 ***	23
Impact on average total AFDC payments, quarter 5 ($)						
AFDC-FG	-58	-118 *	-89 ***	-206 ***	-86 ***	53
AFDC-U	-16	-92	-138 ***	-222 ***	-174 ***	-3

(continued)

TABLE 6.1 (continued)

SOURCES: Tables 2.1, 2.2, 2.3, 2.4, 4.1, and 5.1.

NOTES: For participation measures, a chi-square test was applied to differences among counties. For impact measures, a two-tailed t-test was applied to differences between experimental and control groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

(a) Data were not available for Alameda and Los Angeles counties.
(b) A test of statistical significance was not performed.
(c) The data for this measure include only those experimentals who participated in any education or training activity for at least one day.

Did this factor – the variation in the kinds of individuals enrolled – cause the counties to have different overall impacts in the first year? The subgroup findings in Chapters 4 and 5 show that *within* counties GAIN's effects on earnings did vary for different types of registrants. These results are summarized in Tables 6.2 and 6.3. For example, Riverside's effects on earnings are larger for the group determined not to need basic education than for the "in need" group. This is also true in San Diego and among the Alameda AFDC-FGs, where the earnings impacts are concentrated almost exclusively in the former group. This pattern is to be expected, since this group usually began its participation in GAIN with job search, an activity that, if effective, should yield some impacts in the short term. Thus, the proportion of the full sample that is composed of registrants "not in need of basic education" can influence the magnitude of the county's full-sample impacts on earnings. (The two education subgroups in Alameda, Butte, Riverside, and San Diego differed much less with regard to welfare savings.)

Nonetheless, these subgroup differences do not fully account for the *county* differences in impacts. Using Table 6.2, for example, it is possible to compare county impacts separately for each basic education subgroup. In general, although the magnitudes of the impacts change, the overall pattern of county results holds: as for the full sample, Riverside has the most consistent earnings gains and welfare savings; Tulare has none that are statistically significant; and the other counties' results are mixed.

It is also useful to consider county impacts for the three welfare history subgroups analyzed in this report: applicants, short-term recipients, and long-term recipients. As discussed in Chapter 4, these groups differ in the likelihood that they will remain on welfare for a long time in the absence of special services. For example, long-term recipients normally tend to stay on welfare for several years longer than individuals just starting to receive AFDC. Long-term recipients also tend to have lower skills levels and other barriers to employment. These have proven difficult to overcome in past welfare-to-work initiatives. It is therefore reasonable to expect that a county's full-sample impacts will partly reflect the proportion of long-term recipients it enrolled.

Table 6.3 presents counties' first-year impacts for each of the welfare history subgroups separately. Across the four counties (Butte, Riverside, San Diego, and Tulare) that served all three subgroups, some positive impacts are evident for each subgroup. However, the magnitude of these effects does vary across the groups. Again, this means that a county's full-sample impacts will reflect the proportion of applicants, short-term recipients, and long-term recipients in its

TABLE 6.2

SUMMARY OF SELECTED PARTICIPATION AND FIRST-YEAR IMPACT MEASURES FOR GAIN REGISTRANTS DETERMINED EITHER NOT TO NEED OR TO NEED BASIC EDUCATION

Subgroup, Measure, and Sample	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare
Registrants determined not to need basic education						
Proportion of impact sample (a) (%)						
AFDC-FG	34.6	51.2	19.4	39.8	43.9	34.9 (b)
AFDC-U	18.7	42.3	7.8	33.3	37.1	26.0 (b)
Ever participated in any GAIN activity (%)						
AFDC-FG	61.7	48.9	40.3	65.4	60.0	62.0 ***
AFDC-U	--	24.2	42.9	66.7	53.8	63.6 ***
Ever participated in job search (%)						
AFDC-FG	49.8	32.6	24.7	45.7	38.2	43.0 ***
AFDC-U	--	24.2	26.5	56.3	41.0	31.8 **
Ever participated in any education or training activity (%)						
AFDC-FG	37.8	20.7	21.3	24.7	30.0	32.9 ***
AFDC-U	--	6.1	20.4	14.6	20.5	40.9 ***
Impact on average total earnings, quarters 2-5 ($)						
AFDC-FG	688 *	139	183	1,320 ***	625 **	-611 *
AFDC-U	--	1,240 *	146	1,590 ***	1,031 **	207
Impact on average total AFDC payments, quarters 2-5 ($)						
AFDC-FG	-7	400	-667 ***	-683 ***	-317 **	331
AFDC-U	--	-521	-1,217 ***	-1,165 ***	-758 ***	-115

(continued)

TABLE 6.2 (continued)

Subgroup, Measure, and Sample	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare
Registrants determined to need basic education						
Proportion of impact sample (a) (%)						
AFDC-FG	65.4	48.8	80.6	60.2	56.1	65.1 (b)
AFDC-U	81.3	57.7	92.2	66.7	62.9	74.0 (b)
Ever participated in any GAIN activity (%)						
AFDC-FG	63.9	37.0	53.9	57.5	51.1	60.3 ***
AFDC-U	52.6	45.5	35.5	65.7	43.6	58.8 ***
Ever participated in job search (%)						
AFDC-FG	14.0	5.6	8.8	28.7	22.6	8.2 ***
AFDC-U	5.1	12.1	3.5	35.4	15.5	12.7 ***
Ever participated in any education or training activity (%)						
AFDC-FG	61.1	33.3	49.2	41.9	43.1	58.2 ***
AFDC-U	51.3	34.8	33.6	40.4	38.2	54.9 ***
Impact on average total earnings, quarters 2-5 ($)						
AFDC-FG	-17	503 *	-38	743 ***	72	103
AFDC-U	--	294	220 *	330	-187	-75
Impact on average total AFDC payments, quarters 2-5 ($)						
AFDC-FG	-197	-1,204 ***	-254 ***	-662 ***	-281 **	39
AFDC-U	--	-26	-346 ***	-909 ***	-353 **	56

SOURCES: Tables 4.2, 5.2, A.3, A.4, A.9, and A.10.

NOTES: Dashes indicate that the sample was too small for analysis; therefore, the calculation has been omitted.
Impacts are experimental-control differences.
For participation measures, a chi-square test was applied to differences among counties. For impact measures, a two-tailed t-test was applied to differences between experimental and control groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.
(a) The data for this measure include all experimentals and controls in the impact sample. The impact sample is slightly smaller than the full research sample.
(b) A test of statistical significance was not performed.

TABLE 6.3

SUMMARY OF SELECTED FIRST-YEAR IMPACTS
FOR AFDC APPLICANTS, SHORT-TERM RECIPIENTS, AND LONG-TERM RECIPIENTS

Subgroup, Measure, and Sample	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare
Applicants (a)						
Proportion of impact sample (b) (%)						
AFDC-FG	n/a	60.1	n/a	30.6	28.0	13.8 (c)
AFDC-U	n/a	75.8	n/a	42.3	32.9	22.1 (c)
Impact on average total earnings, quarters 2-5 ($)						
AFDC-FG	n/a	125	n/a	794 ***	363	83
AFDC-U	n/a	434	n/a	914 **	47	-176
Impact on average total AFDC payments, quarters 2-5 ($)						
AFDC-FG	n/a	-286	n/a	-479 ***	-308 *	-26
AFDC-U	n/a	35	n/a	-1,203 ***	-652 **	-906 **
Short-term recipients (a)						
Proportion of impact sample (b) (%)						
AFDC-FG	n/a	11.6	n/a	29.7	30.8	28.2 (c)
AFDC-U	n/a	11.9	n/a	37.3	37.6	42.2 (c)
Impact on average total earnings, quarters 2-5 ($)						
AFDC-FG	n/a	638	n/a	906 ***	552 **	-525
AFDC-U	n/a	887	n/a	391	349	182
Impact on average total AFDC payments, quarters 2-5 ($)						
AFDC-FG	n/a	-515	n/a	-840 ***	-274 *	336
AFDC-U	n/a	-1,789 *	n/a	-954 ***	-515 **	677 ***

(continued)

TABLE 6.3 (continued)

Subgroup, Measure, and Sample	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare
Long-term recipients						
Proportion of impact sample (b) (%)						
AFDC-FG	100.0	28.3	100.0	39.6	41.2	58.0 (c)
AFDC-U	100.0	12.2	100.0	20.4	29.5	35.7 (c)
Impact on average total earnings, quarters 2-5 ($)						
AFDC-FG	218	477 *	-8	1,113 ***	203	-133
AFDC-U	38	1,047	253 **	950 **	163	-192
Impact on average total AFDC payments, quarters 2-5 ($)						
AFDC-FG	-149	-388	-325 ***	-722 ***	-358 ***	85
AFDC-U	161	-648	-416 ***	-663 *	-338	-167

SOURCES: Tables 4.2 and 5.2.

NOTES: Impacts are experimental-control differences.

For all measures, a two-tailed t-test was applied to differences between experimental and control groups. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

(a) No data on AFDC applicants and short-term recipients are included for Alameda and Los Angeles counties because they targeted only long-term AFDC recipients for GAIN.

(b) The data for this measure include all experimentals and controls in the impact sample. The impact sample is slightly smaller than the full research sample.

(c) A test of statistical significance was not performed.

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sample. At the same time, this finding does not explain all of the variation in the full-sample results across the counties. For example, when county comparisons are made *within* each of the subgroup categories, Riverside again emerges as having the largest and most consistent pattern of earnings increases and welfare savings, while Tulare has almost none, and the patterns in the other counties are mixed.

These findings suggest two general conclusions. The first concerns the question of targeting: whether GAIN should give priority for services to individuals according to their prior welfare history. This is a question that all welfare-to-work programs must face. The GAIN legislation includes a targeting provision that gives priority to long-term welfare recipients. The final results of the evaluation may or may not support the decision to target the program in this way. However, the finding in at least some counties that GAIN produced earnings increases and welfare savings for applicants and short-term recipients as well as for long-term recipients provides a reason for caution about choosing to work *exclusively* with the long-term recipient group. (This important issue will be revisited in the evaluation's final impact and benefit-cost analysis.)

A second conclusion is that while GAIN's effects do vary for the basic education and welfare history subgroups, the representation of these groups in a county's registrant population is not the only factor that determines a county's overall impacts in the first year. Other factors, such as the local environment, the ways in which GAIN is implemented, or both, may also be relevant. They are examined next.

III. The Influence of the Local Environment

The expected influence of the local environment, particularly the labor market, on a welfare-to-work program's impacts is not clear.[2] A program operating in a strong labor market may have an easier time placing welfare recipients into jobs, but it is also possible that recipients may do just as well on their own if jobs are plentiful, with the program producing little net effect. Alternatively, a weak labor market may hinder the efforts of welfare recipients to find work whether or not they are in a welfare-to-work program. Or a weak labor market may make the

[2]The influence of the labor market on impacts may be extremely complex because the labor market influences not only the opportunities to find work, but also the types of individuals -- in terms of their motivation to work, job skills, education levels, and employment barriers -- who come onto welfare and into the program in the first place.

assistance provided by the program more valuable, giving program registrants an advantage over other job-seekers.

The top panel of Table 6.4 presents unemployment rates for the six counties during much of the follow-up period for this study. (See also Figure 1.3.) It shows that Tulare had the highest unemployment rates, averaging between 11 percent and 15 percent during the period of random assignment and follow-up. Unemployment also varied widely across the other counties, ranging between 4 percent and 10 percent during that period. Comparing these rates with the county impacts presented in the previous tables reveals no consistent relationship. In other words, a county's unemployment rate does not seem to determine whether its impacts are larger or smaller.

At the same time, it should be noted that the county with by far the highest unemployment rate – Tulare – is the only one that produced neither first-year earnings increases nor welfare savings. It may be that unemployment rates matter most when they reach extreme levels, as in Tulare.

However, Tulare's results may not be simply the product of unusually high unemployment. Tulare is also a rural county, in which a high proportion of the local population (29 percent) is employed in agriculture. Tulare's results, in fact, are consistent with the lack of impacts in a small number of other MDRC studies of welfare-to-work programs in rural environments. It may be that welfare-to-work programs in general are less likely to be effective in this kind of labor market. (While Butte is also rural, it has a much smaller proportion of people working in agriculture – 5 percent – and a lower unemployment rate.)[3]

Yet, as is the case for other counties, it is too soon to draw firm conclusions about Tulare's GAIN program with only one year of follow-up data. This is particularly true given that about one-half of Tulare's experimentals entered education and training activities during the follow-up period, and that many of those who did (39 percent of AFDC-FGs and 49 percent of AFDC-Us) were still participating in them when data collection ended. If these activities eventually raise experimentals' earning capacity, Tulare's program may show positive effects sometime in the future.

Another measure, the experiences of the control group in each county, makes it possible to examine how counties' impacts are affected by the *combined* influence of the local labor market and the types of people enrolled in a county's GAIN program. Because the controls were

[3]It is also possible that other aspects of the labor market that were not measured in this study may have a stronger overall relationship with county impacts.

TABLE 6.4

SUMMARY OF SELECTED CHARACTERISTICS OF THE LOCAL ENVIRONMENT
AND OF PROGRAM ORGANIZATIONAL CAPACITY
AND CASE MANAGEMENT PRACTICES

Variable	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare
Local environment						
Unemployment rate (%)						
July 1989–June 1990	4.0	7.3	5.2	6.7	3.9	10.6
July 1990–June 1991	4.9	8.8	6.8	9.7	5.7	15.3
Population living in rural areas, 1980 (%)	1.1	29.3	1.1	17.5	6.8	37.7
Employed in agriculture, 1989 (%)	0.3	5.2	0.3	5.2	1.2	28.9
Organizational capacity						
Staff who rated availability of a particular GAIN service as high (%)						
Job search	89.8	96.5	80.8	92.1	94.4	82.1
Basic education	94.5	77.2	82.5	82.3	63.6	90.5
Vocational education and training	79.7	82.5	28.7	54.4	83.7	76.8
Staff who rated a particular GAIN service as worthwhile for assigned registrants (%)						
Job search	60.3	80.7	27.9	65.1	76.5	78.6
Basic education	61.5	35.7	56.7	47.9	73.7	79.0
Vocational education and training	51.7	71.4	48.6	23.0	52.6	68.3
Registrant-to-staff ratio reported by case managers (a)	74.7	63.2	127.9	53.0/96.7 (b)	103.0	100.3
Selected staff background characteristics						
Average age (years)	45.2	39.5	34.0	39.9	41.8	38.8
Bachelor's degree or higher (%)	79.7	70.2	96.0	43.1	86.3	29.7
Previously worked in a WIN, JTPA, or other job training program (%)	20.3	38.6	38.4	50.4	62.7	20.2
Previously worked as an income maintenance worker (%)	89.7	57.1	17.5	47.0	67.8	60.7

(continued)

TABLE 6.4 (continued)

Variable	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare
Level of timeliness of monitoring information	Lower	Lower	Medium	Higher	Higher	Higher
Case management practices						
Emphasis on quick employment	Lower	Lower	Medium	Much Higher	Medium	Medium
Emphasis on formal enforcement (sanctioning)	Much Lower	Medium	Medium	Much Higher	Medium	Lower
Emphasis on personalized attention	Higher	Higher	Lower	Lower	Medium	Higher

SOURCES: Tables 1.1, 3.1, and Figures 3.3 and 3.4.

NOTES: (a) These caseload sizes are the combined averages reported by staff on the two waves of the staff survey and include the number of active and deferred registrants assigned to staff who performed ongoing case management duties.

(b) There are two ratios in Riverside because of the special test being conducted there to determine the effects of more intensive case management and monitoring. The first ratio is for the "low-caseload" group and the second is for the "higher-caseload" group.

completely unaffected by GAIN, their average earnings represent what the experimentals would have earned in the absence of GAIN. These earnings, in turn, are determined by local conditions – the opportunities to find work in the county – as well as by individuals' characteristics, such as their motivation to look for work (either in their own county or in another locality),[4] their skills, their barriers to employment, and so on.

It is reasonable to expect that counties whose control group had relatively high earnings would have lower impacts because (as the controls' experiences imply) the experimentals in those counties would have had high earnings even in the absence of GAIN. In other words, there would be less "room for improvement" than in counties where the control group's earnings were lower. However, lower earnings among the controls may indicate that jobs were harder to find in a given county, that the research sample was less "employable" or motivated to work to begin with, or some combination of these factors, making it harder to produce positive impacts. In either case, differences in control group earnings might be a reason why counties' impacts varied.

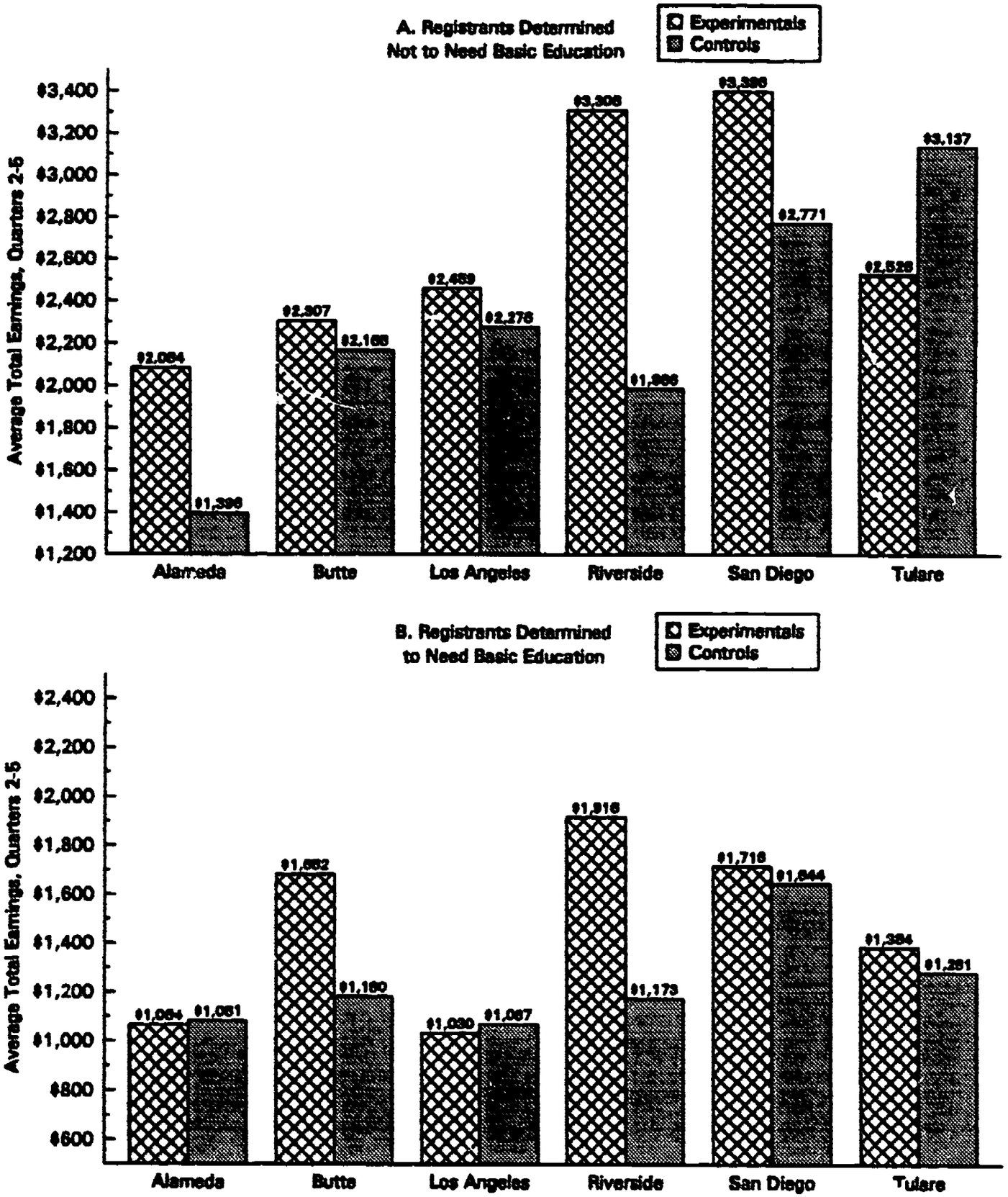
The evidence suggests, however, that the variation in first-year earnings impacts was probably *not* simply due to the level of the controls' earnings. This can be illustrated using Figure 6.1. The bottom panel of the figure presents average earnings in follow-up quarters 2 through 5 in each county for AFDC-FG registrants who were determined to need basic education. The experimental group's earnings are represented by the cross-hatched bars and the control group's are represented by the shaded bars. A county's impact is indicated by the *difference* between the heights of the bars for the two groups. As the figure illustrates, the control group's earnings in Riverside were about the same as in Alameda, Butte, and Los Angeles. But the experimentals' earnings, and hence the counties' impacts, differed substantially. Other comparisons (in both panels) show that counties with larger or smaller impacts did not have control groups with consistently higher or lower average earnings. These findings thus lend further support to the proposition that counties' first-year impacts were not solely a function of the types of individuals they served or local economic conditions – at least as far as these could be measured for this study.

Another relevant aspect of the local environment is the degree to which it provides welfare recipients with opportunities to obtain job search, education, and training services even in the absence of GAIN. This would be reflected in the use of services by the control group in the six

[4]Interestingly, Tulare's control group had higher earnings than the control group in several other counties (see Table 4.1). This may reflect seasonal employment patterns or work elsewhere in the state.

FIGURE 6.1

COMPARISON OF FIRST-YEAR EARNINGS
AMONG AFDC-FG EXPERIMENTALS AND CONTROLS
DETERMINED EITHER NOT TO NEED OR TO NEED BASIC EDUCATION



SOURCE: Table 4.2.

counties. Since "impacts" refer to the differences in outcomes over and above what would have occurred in the absence of GAIN, any services that controls receive that can affect their own earnings will influence the magnitude of GAIN's impacts in a county. For this reason, it is important to measure control group service patterns to understand why some counties may be producing higher impacts than others.

As mentioned in Chapter 1, data on control services are being obtained through the GAIN registrant survey and will be available for the evaluation's final report. However, some very preliminary information from that survey is available at this time from Riverside and San Diego. It suggests that, at least in these two counties, GAIN substantially increased participation in employment-related activities (especially job search and basic education) compared to the levels that would have occurred in the absence of the program. The data also suggest – tentatively – that Riverside's larger and more consistent pattern of impacts is probably not being driven by any differences in control service levels between the two counties, since these differences appear to be small.

In sum, a comparison of the six counties indicates that GAIN had effects during the first year on earnings or welfare savings, or both, under a variety of local conditions and for different types of welfare recipients. Further, the larger and more consistent patterns of impacts in Riverside appears not to be fully explained by the conditions of its local labor market or the particular composition of its research sample.

IV. The Relationship of County Participation Patterns to Impacts

If county differences in the types of people they served and the characteristics of their local environment – at least as far as these dimensions could be measured for this report – do not closely correspond to county impacts, it is important to ask whether the differences in the GAIN treatment across the counties may have affected impacts. As discussed in Chapter 2, registrants' patterns of participation in GAIN activities are one key aspect of this treatment.

Table 6.1 (top panel) shows the proportion of experimentals "ever participating" in a GAIN activity. A comparison of the counties on this measure and on their earnings and welfare impacts (bottom panel) shows no consistent relationship. For example, Alameda, Riverside, and Tulare had among the highest participation rates for AFDC-FGs and AFDC-Us, but quite different patterns of impacts. A county's overall participation rate appears not to be a good predictor of

its short-term impacts. A similar conclusion emerges when the comparison is made within the two education subgroups. (See Table 6.2.) It is possible, however, that there is a certain threshold level of participation that is a prerequisite for impacts, and that the participation rates in the six counties all exceeded it.

The relationship between impacts and participation in specific GAIN activities – particularly job search, which is expected to produce some effects in the short run – is also not straightforward. For example, among the AFDC-Us not needing basic education, only 24 percent of Butte's experimentals participated in job search compared with 41 percent in San Diego. Yet both counties had statistically significant earnings impacts. As another example, Riverside and San Diego had the highest rates of participation in job search among AFDC-FGs who were "in need of education" (29 percent and 23 percent, respectively), but only Riverside had substantial and statistically significant earnings impacts for this group. Butte also had significant earnings impacts for this group despite a much lower rate of participation in job search (6 percent). In general, counties with higher participation rates in job search did not uniformly have larger earnings gains or welfare savings in the first year.

It is also important to note that other measures of participation that were not investigated for this report may have a stronger association with impacts than the "ever participated" or "types of activity" measures used here. These might include the regularity with which registrants attended their assigned activities, the probability of completing those activities, and the overall length of participation in them (which, because of truncation problems, could not be fully estimated within the 11-month follow-up period for participation data). It may be that what matters most for impacts is the *ongoing* character of participation.[5]

It is also possible that GAIN's impacts come about because the program affects the behavior of nonparticipants as well as participants. For example, GAIN's participation obligation may have encouraged some individuals to seek a part-time or full-time job, or simply to leave welfare, in order to avoid going to school or another GAIN activity.

V. The Influence of Implementation Strategies

In addition to registrants' participation patterns, the GAIN treatment is defined by how the

[5]Data on registrants' attendance in basic education and their rates of completion of that activity will be presented in a future MDRC report.

counties implemented the program. This section examines whether some of the implementation strategies that were studied for this report (see Chapter 3) produced better first-year impact results than others.

A. A Summary of County Variation in Implementation Strategies

Chapter 3 compared the counties on selected aspects of organizational capacity and case management. These included staff perceptions of the availability and quality of GAIN's job search, education, and training services (which, with a few exceptions, were rated positively by staff); the background characteristics of the staff hired to serve as case managers (which varied considerably across the counties); and three aspects of case management practices and related organizational arrangements. County rankings on these dimensions are summarized in Table 6.4.

The chapter gave particular attention to the case management factors because these reflect alternative views among the counties of the "best" ways of moving welfare recipients into jobs and off welfare. The first of these three practices concerned how to prepare registrants for employment. While all six counties provided job search assistance, basic education, and other education and training activities, they differed in how much they emphasized getting a job, even a low-paying job, quickly and in how strongly they promoted education and training.

A second difference concerned the emphasis on giving registrants personalized attention. Counties varied in how much case managers tried to learn *in depth* about registrants' family and personal circumstances and their motivation to work, engage registrants in personal counseling and problem-solving when they are reluctant to participate in GAIN activities, and accommodate their personal situations, interests, and capabilities when making service assignments.[6]

A third difference concerned counties' reliance on the formal enforcement process – in particular, financial sanctions – as a method for securing registrants' compliance with GAIN's participation obligation. In some counties, staff avoided imposing sanctions except as a last resort, resulting in very low rates of sanctioning during the follow-up period. In other counties, staff relied more heavily on the formal enforcement mechanisms to achieve compliance and had higher sanctioning rates.

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[6]It was also shown that the counties with the highest ranking on the personalized attention scale tended to have higher staff morale and job satisfaction; to view welfare recipients more positively, as people who want to work and to leave welfare; and to believe that GAIN helps registrants move toward these goals.

B. The Case of Riverside

Comparing the county rankings on the organizational and case management dimensions in Table 6.4 with county impacts on earnings and welfare receipt (which are summarized for the full sample in Table 6.1 and for subgroups in Tables 6.2 and 6.3) is one way to assess, tentatively, the relationship of these implementation strategies to GAIN's effectiveness in the short term.

As has already been discussed, Riverside's impacts were the largest and most consistent. They were not concentrated among only a few groups of registrants, but were observed in every subgroup category examined in this study, among both AFDC-FGs and AFDC-Us. No other county had so consistent a pattern. This finding suggests that Riverside's overall approach may encompass the most effective strategies for producing impacts for a broad segment of the GAIN caseload in the short term. If so, which aspects of this approach might have been most important? Although this study cannot isolate the effects of any single program feature, and cannot "prove" any causal relationships, a number of interpretations are worth considering.

It seems unlikely that Riverside's results can be attributed simply to the availability or quality of its services – if staff perceptions of these services are any guide. Riverside does not stand out from the other counties as having the most favorable ranking on these dimensions. Riverside also does not stand out in terms of the education levels of its staff, although, along with San Diego (another county with a strong pattern of impacts), a higher proportion of Riverside's staff had previously worked in an education or training program (such as WIN or a JTPA program), which may have helped prepare them to operate GAIN.

What most distinguished Riverside from the other counties – and, therefore, what might have contributed to Riverside's more favorable first-year results – was its staff's much higher emphasis on the goal of quick employment (aided by the county's efforts at direct job development) and on formal enforcement (ending ultimately in financial sanctions), and its comparatively low emphasis on personalized attention. This combination of practices was not found in any other county. (It is important to note that while Riverside ranked high in emphasizing rapid employment, like other counties it also had a substantial rate of participation in education and training activities, as shown in Tables 6.1 through 6.3.)

If Riverside's approach was distinctive and may help to explain its first-year effects (an interpretation that cannot yet be proven but that is at least consistent with the available data), it is useful to consider whether these practices may be having their influence by shaping registrants'

participation rates. As already shown, Alameda and Tulare had just as high or higher rates of participation in GAIN activities, but smaller and less consistent impacts than Riverside. Similarly, Riverside's experimentals "in need of basic education" had a rate of participating in job search -- an activity that can produce short-term effects -- that was only a little higher than in San Diego, but San Diego produced no statistically significant earnings gains for this group.

These results suggest the hypothesis that Riverside's participation rates per se might not be the source of its large impacts. It may be that the county's strong emphasis on quick employment and formal enforcement contributed to those impacts independently of any influence that emphasis may have had on participation, e.g., by communicating a particular "message" to registrants that influenced their behavior while taking part in their assigned activities. Perhaps this message affected how much effort registrants made to look for a job, and how willing they were to accept a job with low pay. The Riverside results also suggest that the higher levels of personalized attention found in the other counties may not be essential for producing large impacts in the short run, since Riverside was one of the counties ranking lowest on this scale.

C. First-Year Earnings Impacts in Other Counties

While Riverside had the largest and most consistent effects on earnings in the first-year, some impacts were also evident in the other counties. These occurred despite the fact that these counties differed from Riverside -- and from each other -- in how they implemented GAIN. In particular, a number of counties had statistically significant earnings increases even though they made very different choices regarding how much to emphasize quick job entry, formal enforcement, and personalized attention, and the types of staff they hired to operate gain.

Table 6.2, which permits county impacts to be compared while taking into consideration the different proportions of their samples "in need of basic education," illustrates this finding. It shows that Alameda, Butte, and San Diego all had statistically significant earnings increases (for either the AFDC-FGs, AFDC-Us, or both) among registrants determined "not to need basic education." It also shows that Butte, like Riverside, produced statistically significant earnings increases for registrants who were considered "in need of basic education." Yet both Alameda and Butte, in contrast to Riverside, achieved their results while placing a relatively low emphasis on quick job entry, a high emphasis on personalized attention, and a lower to medium emphasis on formal enforcement. San Diego produced its positive results while having still another combination,

ranking "medium" on all three dimensions. These findings suggest the general conclusion that a variety of approaches to implementing GAIN can produce first-year impacts on earnings. While Riverside produced the most favorable results in the short run, other strategies also produced earnings effects quickly.

D. The Influence of Formal Enforcement on Welfare Savings

A comparison of the six counties with regard to impacts on welfare payments suggests that the magnitude and consistency of welfare savings may be roughly correlated with the counties' emphasis on formal enforcement. (The quick job entry and personalized attention rankings do not appear to be as strongly related to short-term welfare savings.) Tables 6.1 through 6.3 show that Riverside, which had the highest sanctioning rates, had the most consistent pattern of welfare savings among all the counties. When the counties other than Riverside are compared, those that had medium rankings in terms of enforcement (Butte, Los Angeles, and San Diego) generally had larger and more consistent welfare savings than those with lower rankings (Alameda and Tulare). This pattern tends to hold for both the AFDC-FGs and AFDC-Us and the key subgroups.

It is also noteworthy that in some cases counties produced significant welfare savings without appreciable earnings gains. This is particularly evident in Los Angeles and San Diego among AFDC-FGs determined to need basic education. (See Table 6.2.) Thus, it may be that the level of enforcement may be having an effect on welfare savings that is to some extent independent of any effect it may have had on employment and earnings.

In part, the relationship between formal enforcement and welfare savings may be due to the simple fact that sanctions directly reduce the welfare grant. But how much of these savings came directly from people who were sanctioned is not clear. It may be that at least some of the savings came from recipients whose decisions about leaving welfare were influenced by the requirement to participate in an activity, backed up by the threat of sanctions, but who were not actually sanctioned. For example, a strong emphasis on enforcement may send a "tougher" message to registrants about GAIN's participation obligation, which may influence individuals who are never sanctioned. It might even encourage some registrants to leave welfare – and hence GAIN – without ever taking part in a program activity, and possibly without ever being sanctioned. It may be that formal enforcement works through a variety of channels to influence welfare savings, although the exact processes have not been investigated for this report.

VI. Is Riverside's Approach the Best Approach?

While Riverside achieved the largest and most consistent first-year impacts on earnings and welfare savings, it is too soon to tell whether or not this pattern will be sustained in the long run. As Chapter 5 showed, Riverside's earnings impacts for AFDC-Us appear to have diminished after the third quarter of follow-up and may eventually fall to the levels of other counties, while in at least one other county (Butte), the effect for AFDC-Us seemed to be increasing over time.

Longer-term follow-up data will be essential for assessing the relative effectiveness of county programs because, as discussed throughout this report, all of the counties – including Riverside – made a substantial investment in education and training programs, which take longer for a registrant to complete than job search activities. (See Chapter 2.) Indeed, in all six counties, participation rates in these activities were as high or higher than participation in job search. Furthermore, in three of the four counties where the duration of participation could be measured, half or more of the experimentals were registered for GAIN at the end of the 11-month follow-up period for the participation analysis. Many of these individuals were participating in GAIN education or training activities, or were waiting to do so. (Some had finished one activity and had been referred to another.) The "payoff" of this investment may not be evident until well beyond the period studied for this report.

It is therefore possible that counties using different implementation approaches will have longer-term impacts as large or larger than Riverside's. Or they may do as well or better for specific subgroups, such as long-term recipients or individuals determined to need basic education. These important questions remain open at this time. Policymakers and administrators should therefore be cautious in drawing conclusions from this study about what kinds of approaches to implementing GAIN work best.

MDRC's continuing evaluation will measure GAIN's impacts in the six counties over a longer follow-up period and will reexamine the relationship of county implementation conditions and strategies to county impacts. In addition, future reports will draw upon registrant survey and other data to examine the program's effects on a wider array of outcomes, estimate its benefits and costs, and explore the role played by a number of factors that could not be examined in this report in shaping GAIN's effectiveness in moving welfare recipients into jobs and off welfare.

APPENDIX A

SUPPLEMENTAL TABLES TO CHAPTER 2

TABLE A.1

STATUS OF GAIN EXPERIMENTALS WHO DID NOT PARTICIPATE WITHIN 11 MONTHS AFTER ORIENTATION

Sample and Status	Alameda	Butte	Los Angeles		Riverside	San Diego	Tulare	
AFDC-FG experimentals								
Ever deferred or deregistered (%)	79.7	89.6	90.3	(a)	100.0	100.0	95.5	***
Ever deferred (%)	60.8	31.3	60.6		57.6	80.2	72.7	***
Part-time employment reason for first deferral among those ever deferred (%)	22.2	36.1	23.3		42.8	37.1	35.9	(b)
Ever deregistered (%)	45.9	71.3	64.3	(a)	94.9	76.6	58.0	***
With request for sanction	0.0	4.3	5.9	(a)	11.1	7.2	1.1	(c)
Sample size	222	115	1,468		99	111	88	
AFDC-U experimentals								
Ever deferred or deregistered (%)	88.1	96.7	96.3	(a)	98.0	98.8	100.0	(c)
Ever deferred (%)	66.7	14.8	84.7		58.0	78.8	76.0	***
Part-time employment reason for first deferral among those ever deferred (%)	50.0	11.1	60.2		34.5	61.9	23.7	(b)
Ever deregistered (%)	42.9	91.8	42.7	(a)	88.0	60.0	74.0	***
With request for sanction	0.0	3.3	2.1	(a)	14.0	1.3	0.0	(c)
Sample size	42	61	471		50	80	50	

SOURCE: MDRC's participant flow sample.

NOTES: A chi-square test was applied to differences among counties. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

(a) The deregistration rates for Los Angeles were adjusted upward by dividing by .7; a comparison of deregistration records in registrant casefiles and the GEARS system for a randomly selected subsample of 87 registrants revealed that only 7 of 10 deregistrations recorded in the casefiles were also recorded in GEARS.

(b) A test of statistical significance was not performed.

(c) A test of statistical significance was not applicable.

TABLE A.2

AFDC-FG EXPERIMENTAL SAMPLE SIZES FOR EACH MEASURE
IN THE BOTTOM PANEL OF TABLE 2.2

Sample and Measure in Table 2.2	Sample Size			
	Butte	Riverside	San Diego	Tulare
Experimentals who started selected GAIN activities (a)				
Average number of months during follow-up participating in (b)				
Job search	36	85	73	46
Basic education (c)	30	54	47	82
Self-initiated activities	20	33	38	17
Post-assessment activities	8	6	20	21
In activity at end of 11 months among those starting the activity (%)				
Job search	36	85	73	46
Basic education (c)	30	54	47	82
Self-initiated activities	20	33	38	17
Post-assessment activities	8	6	20	21
Any education or training activity	55	90	92	111
Length of time participating in basic education during follow-up (b,c) (%)				
1 month or less	30	54	47	82
2-6 months	30	54	47	82
More than 6 months	30	54	47	82
Total	30	54	47	82
Average number of months participating in any education or training activity during follow-up (b)	55	90	92	111

SOURCE: MDRC's participant flow sample.

NOTES: Data were not available for Alameda and Los Angeles counties.
(a) The data include only those experimentals who participated in the specified activity for at least one day.
(b) "Follow-up" refers to the 11 months after orientation.
(c) GED preparation, ABE, and ESL.

TABLE A.3

GAIN PARTICIPATION PATTERNS WITHIN 11 MONTHS AFTER ORIENTATION
AMONG AFDC-FG EXPERIMENTALS DETERMINED NOT TO NEED BASIC EDUCATION

Sample and Measure	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare
All experimentals						
Ever participated in (%)						
Any GAIN activity	61.7	48.9	40.3	65.4	60.0	62.0 ***
Job search	49.8	32.6	24.7	45.7	38.2	43.0 ***
Basic education (a)	6.7	1.1	3.8	0.0	0.0	2.5 (b)
Self-initiated activity	5.3 (c)	15.2	13.6	23.5	22.7	17.7 ***
Post-assessment activity	32.5 (c)	7.6	4.3	1.2	14.5	15.2 ***
Any education or training activity	37.8	20.7	21.3	24.7	30.0	32.9 ***
Average number of months registered for GAIN during follow-up (d,e)	n/a	9.0	n/a	5.9	8.2	8.9 (f)
Ever deferred (%)	44.0	35.9	48.0	46.9	60.0	41.8 **
Part-time employment reason for first deferral among those ever deferred (%)	27.2	48.5	20.0	28.9	36.4	42.4 (f)
Ever deregistered (%)	23.9	44.6	49.0 (g)	77.8	55.5	39.2 ***
With request for sanction	0.0	2.2	7.3 (g)	13.6	3.6	1.3 (b)
Sample size	209	92	583	81	110	79
Experimentals who started any GAIN activity (h)						
Participated in (%)						
Job search	80.6	66.7	61.3	69.8	63.6	69.4 ***
Basic education (a)	10.9	2.2	9.4	0.0	0.0	4.1 (b)
Self-initiated activity	8.5 (c)	31.1	33.6	35.8	37.9	28.6 ***
Post-assessment activity	52.7 (c)	15.6	10.6	1.9	24.2	24.5 ***
Any education or training activity	61.2	42.2	52.8	37.7	50.0	53.1 *
Average number of months participating in any education or training activity during follow-up (d,e)	n/a	4.3	n/a	6.6	5.6	5.2 (f)
Sample size	129	45	235	53	66	49

(continued)

TABLE A.3 (continued)

SOURCE: MDRC's participant flow sample.

NOTES: A chi-square test was applied to differences among counties. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

(a) GED preparation, ABE, and ESL.

(b) A test of statistical significance was not applicable.

(c) Alameda registrants already in vocational education at orientation were coded as participating in vocational education instead of in self-initiated vocational education. This policy causes the post-assessment activity percentage, which includes vocational education, to be higher and the self-initiated activity percentage to be lower than if the coding had been consistent with that in the other counties.

(d) "Follow-up" refers to the 11 months after orientation.

(e) Data were not available for Alameda and Los Angeles counties.

(f) A test of statistical significance was not performed.

(g) The deregistration rates for Los Angeles were adjusted upward by dividing by .7; a comparison of deregistration records in registrant casefiles and the GEARS system for a randomly selected subsample of 87 registrants revealed that only 7 of 10 deregistrations recorded in the casefiles were also recorded in GEARS.

(h) This sample includes only those experimentals who ever participated in any GAIN activity, excluding appraisal and assessment.

TABLE A.4

GAIN PARTICIPATION PATTERNS WITHIN 11 MONTHS AFTER ORIENTATION
AMONG AFDC-FG EXPERIMENTALS DETERMINED TO NEED BASIC EDUCATION

Sample and Measure	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare
All experimentals						
Ever participated in (%)						
Any GAIN activity	63.9	37.0	53.9	57.5	51.1	60.3 ***
Job search	14.0	5.6	8.8	28.7	22.6	8.2 ***
Basic education (a)	55.5	26.9	44.8	32.3	34.3	54.8 ***
Self-initiated activity	2.0 (b)	5.6	4.5	8.4	9.5	2.1 ***
Post-assessment activity	9.2 (b)	0.9	0.4	3.0	2.9	6.2 ***
Any education or training activity	61.1	33.3	49.2	41.9	43.1	58.2 ***
Average number of months registered for GAIN during follow-up (c,d)	n/a	8.2	n/a	5.9	7.8	8.5 (e)
Ever deferred (%)	47.3	27.8	49.1	48.5	67.9	59.6 ***
Part-time employment reason for first deferral among those ever deferred (%)	14.0	23.3	16.8	27.2	26.9	28.7 (e)
Ever deregistered (%)	30.0	56.5	45.6 (f)	60.2	57.7	41.1 ***
With request for sanction	0.0	5.6	5.0 (f)	9.6	4.4	2.1 ***
Sample size	393	108	2,430	167	137	146
Experimentals who started any GAIN activity (g)						
Participated in (%)						
Job search	21.9	15.0	16.3	50.0	44.3	13.6 ***
Basic education (a)	86.9	72.5	83.1	56.3	67.1	90.9 ***
Self-initiated activity	3.2 (b)	15.0	8.3	14.6	18.6	3.4 ***
Post-assessment activity	14.3 (b)	2.5	0.7	5.2	5.7	10.2 (h)
Any education or training activity	95.6	90.0	91.2	72.9	84.3	96.6 ***
Average number of months participating in any education or training activity during follow-up (c,d)	n/a	2.8	n/a	4.2	3.0	4.9 (e)
Sample size	251	40	1,310	96	70	88

(continued)

TABLE A.4 (continued)

SOURCE: MDRC's participant flow sample.

NOTES: A chi-square test was applied to differences among counties. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

(a) GED preparation, ABE, and ESL.

(b) Alameda registrants already in vocational education at orientation were coded as participating in vocational education instead of in self-initiated vocational education. This policy causes the post-assessment activity percentage, which includes vocational education, to be higher and the self-initiated activity percentage to be lower than if the coding had been consistent with that in the other counties.

(c) "Follow-up" refers to the 11 months after orientation.

(d) Data were not available for Alameda and Los Angeles counties.

(e) A test of statistical significance was not performed.

(f) The deregistration rates for Los Angeles were adjusted upward by dividing by .7; a comparison of deregistration records in registrant casefiles and the GEARS system for a randomly selected subsample of 87 registrants revealed that only 7 of 10 deregistrations recorded in the casefiles were also recorded in GEARS.

(g) This sample includes only those experimentals who ever participated in any GAIN activity, excluding appraisal and assessment.

(h) A test of statistical significance was not applicable.

TABLE A.5

GAIN PARTICIPATION PATTERNS AMONG AFDC-FG APPLICANTS WITHIN 11 MONTHS AFTER ORIENTATION

Sample and Measure	Butte	Riverside	San Diego	Tulare	
All experimentals					
Ever participated in (%)					
Any GAIN activity	37.4	59.4	60.0	36.4	***
Job search	17.4	30.4	43.8	12.1	***
Basic education (a)	11.3	20.3	13.8	24.2	
Self-initiated activity	9.6	13.0	12.5	0.0	
Post-assessment activity	1.7	1.4	7.5	6.1	(b)
Any education or training activity	21.7	34.8	30.0	27.3	
Average number of months registered for GAIN during follow-up (c)	8.1	6.0	7.6	7.6	(d)
Ever deferred (%)	27.8	44.9	57.5	57.6	***
Part-time employment reason for first deferral among those ever deferred (%)	46.9	16.1	37.0	26.3	(d)
Ever deregistered (%)	60.9	85.5	63.8	54.5	***
With request for sanction	4.3	15.9	3.8	6.1	**
Sample size	115	69	80	33	
Experimentals who started any GAIN activity (e)					
Participated in (%)					
Job search	46.5	51.2	72.9	--	**
Basic education (a)	30.2	34.1	22.9	--	**
Self-initiated activity	25.6	22.0	20.8	--	
Post-assessment activity	4.7	2.4	12.5	--	(b)
Any education or training activity	58.1	58.5	50.0	--	
Average number of months participating in any education or training activity during follow-up (c)	3.3	4.2	4.0	--	(d)
Sample size	43	41	48	12	

SOURCE: MDRC's participant flow sample.

NOTES: No data on AFDC-FG applicants are included for Alameda and Los Angeles counties because they targeted only long-term AFDC recipients for GAIN.

Dashes indicate that the sample size is under 20; therefore, the calculation has been omitted.

A chi-square test was applied to differences among counties. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

(a) GED preparation, ABE, and ESL.

(b) A test of statistical significance was not applicable.

(c) "Follow-up" refers to the 11 months after orientation.

(d) A test of statistical significance was not performed.

(e) This sample includes only those experimentals who ever participated in any GAIN activity, excluding appraisal and assessment.

TABLE A.6

GAIN PARTICIPATION PATTERNS AMONG AFDC-FG SHORT-TERM RECIPIENTS WITHIN 11 MONTHS AFTER ORIENTATION

Sample and Measure	Butte	Riverside	San Diego	Tulare
All experimentals				
Ever participated in (%)				
Any GAIN activity	40.9	53.8	53.8	56.9
Job search	22.7	28.8	27.7	25.5
Basic education (a)	13.6	21.3	20.0	27.5
Self-initiated activity	9.1	11.3	13.8	5.9
Post-assessment activity	18.2	3.8	12.3	9.8
Any education or training activity	36.4	33.8	35.4	39.2
Average number of months registered for GAIN during follow-up (b)	8.1	5.7	7.8	7.9 (c)
Ever deferred (%)	27.3	50.0	66.2	52.9 **
Part-time employment reason for first deferral among those ever deferred (%)	0.0	27.5	20.9	40.7 (c)
Ever deregistered (%)	54.5	80.0	58.5	54.9 ***
With request for sanction	0.0	8.8	0.0	3.9 (d)
Sample size	22	80	65	51
Experimentals who started any GAIN activity (e)				
Participated in (%)				
Job search	--	53.5	51.4	44.8
Basic education (a)	--	39.5	37.1	48.3
Self-initiated activity	--	20.9	25.7	10.3
Post-assessment activity	--	7.0	22.9	17.2 **
Any education or training activity	--	62.8	65.7	69.0
Average number of months participating in any education or training activity during follow-up (b)	--	5.1	3.8	4.9 (c)
Sample size	9	43	35	29

SOURCE: MDRC's participant flow sample.

NOTES: No data on AFDC-FG short-term recipients are included for Alameda and Los Angeles counties because they targeted only long-term AFDC recipients for GAIN.

Dashes indicate that the sample size is under 20; therefore, the calculation has been omitted.

A chi-square test was applied to differences among counties. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

(a) GED preparation, ABE, and ESL.

(b) "Follow-up" refers to the 11 months after orientation.

(c) A test of statistical significance was not performed.

(d) A test of statistical significance was not applicable.

(e) This sample includes only those experimentals who ever participated in any GAIN activity, excluding appraisal and assessment.

TABLE A.7

GAIN PARTICIPATION PATTERNS AMONG AFDC-FG LONG-TERM RECIPIENTS WITHIN 11 MONTHS AFTER ORIENTATION

Sample and Measure	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare
All experimentals						
Ever participated in (%)						
Any GAIN activity	63.1	52.4	51.3	65.7	52.0	68.1 ***
Job search	26.4	17.5	11.9	41.4	19.6	20.6 ***
Basic education (a)	38.5	22.2	36.8	23.2	22.5	42.6 ***
Self-initiated activity	3.2 (b)	11.1	6.2	15.2	18.6	9.9 ***
Post-assessment activity	17.3 (b)	3.2	1.1	2.0	5.9	9.9 ***
Any education or training activity	53.0	34.9	43.8	39.4	44.1	58.2 ***
Average number of months registered for GAIN during follow-up (c,d)	n/a	9.6	n/a	6.1	8.4	9.2 (e)
Ever deferred (%)	46.2	39.7	48.9	48.5	68.6	52.5 ***
Part-time employment reason for first deferral among those ever deferred (%)	18.3	32.0	17.4	35.4	32.9	31.1 (e)
Ever deregistered (%)	27.9	31.7	46.3 (f)	74.7	50.0	31.9 ***
With request for sanction	0.0	4.8	5.4 (f)	9.1	6.9	0.0 (g)
Sample size	602	63	3,013	99	102	141
Experimentals who started any GAIN activity (h)						
Participated in (%)						
Job search	41.8	33.3	23.2	63.1	37.7	30.2 ***
Basic education (a)	61.1	42.4	71.8	35.4	43.4	62.5 ***
Self-initiated activity	5.0 (b)	21.2	12.2	23.1	35.8	14.6 ***
Post-assessment activity	27.4 (b)	6.1	2.2	3.1	11.3	14.6 ***
Any education or training activity	83.9	66.7	85.4	60.0	84.9	85.4 ***
Average number of months participating in any education or training activity during follow-up (c,d)	n/a	3.5	n/a	4.7	4.0	5.0 (e)
Sample size	380	33	1,545	65	53	96

(continued)

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TABLE A.7 (continued)

SOURCE: MDRC's participant flow sample.

NOTES: A chi-square test was applied to differences among counties. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

(a) GED preparation, ABE, and ESL.

(b) Alameda registrants already in vocational education at orientation were coded as participating in vocational education instead of in self-initiated vocational education. This policy causes the post-assessment activity percentage, which includes vocational education, to be higher and the self-initiated activity percentage to be lower than if the coding had been consistent with that in the other counties.

(c) "Follow-up" refers to the 11 months after orientation.

(d) Data were not available for Alameda and Los Angeles counties.

(e) A test of statistical significance was not performed.

(f) The deregistration rates for Los Angeles were adjusted upward by dividing by .7; a comparison of deregistration records in registrant casefiles and the GEARS system for a randomly selected subsample of 87 registrants revealed that only 7 of 10 deregistrations recorded in the casefiles were also recorded in GEARS.

(g) A test of statistical significance was not applicable.

(h) This sample includes only those experimentals who ever participated in any GAIN activity, excluding appraisal and assessment.

TABLE A.8

AFDC-U EXPERIMENTAL SAMPLE SIZES FOR EACH MEASURE
IN THE BOTTOM PANEL OF TABLE 2.4

Sample and Measure in Table 2.4	Sample Size			
	Butte	Riverside	San Diego	Tulare
Experimentals who started selected GAIN activities (a)				
Average number of months during follow-up participating in (b)				
Job search	16	62	33	20
Basic education (c)	20	37	36	52
Self-initiated activities	3	10	7	9
Post-assessment activities	2	3	10	8
In activity at end of 11 months among those starting the activity (%)				
Job search	16	62	33	20
Basic education (c)	20	37	36	52
Self-initiated activities	3	10	7	9
Post-assessment activities	2	3	10	8
Any education or training activity	25	46	49	65
Length of time participating in basic education during follow-up (b,c) (%)				
1 month or less	20	37	36	52
2-6 months	20	37	36	52
More than 6 months	20	37	36	52
Total	20	37	36	52
Average number of months participating in any education or training activity during follow-up (b)	25	46	49	65

SOURCE: MDRC's participant flow sample.

NOTES: Data were not available for Alameda and Los Angeles counties.
(a) The data include only those experimentals who participated in the specified activity for at least one day.
(b) "Follow-up" refers to the 11 months after orientation.
(c) GED preparation, ABE, and ESL.

TABLE A.9

GAIN PARTICIPATION PATTERNS WITHIN 11 MONTHS AFTER ORIENTATION
AMONG AFDC-U EXPERIMENTALS DETERMINED NOT TO NEED BASIC EDUCATION

Sample and Measure	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare
All experimentals						
Ever participated in (%)						
Any GAIN activity	--	24.2	42.9	66.7	53.8	63.6 ***
Job search	--	24.2	26.5	56.3	41.0	31.8 **
Basic education (a)	--	0.0	8.2	0.0	2.6	4.5 (b)
Self-initiated activity	--	0.0	14.3	12.5	7.7	18.2 (b)
Post-assessment activity	--	6.1	0.0	6.3	12.8	22.7 (b)
Any education or training activity	--	6.1	20.4	14.6	20.5	40.9 ***
Average number of months registered for GAIN during follow-up (c,d)	n/a	7.4	n/a	4.9	7.7	7.9 (e)
Ever deferred (%)	--	6.1	53.1	43.8	61.5	36.4 ***
Part-time employment reason for first deferral among those ever deferred (%)	--	50.0	65.4	33.3	25.0	25.0 (e)
Ever deregistered (%)	--	69.7	32.0 (f)	85.4	69.2	54.5 ***
With request for sanction	--	3.0	2.9 (f)	12.5	2.6	0.0 (b)
Sample size	18	33	49	48	39	22
Experimentals who started any GAIN activity (g)						
Participated in (%)						
Job search	--	--	61.9	84.4	76.2	-- *
Basic education (a)	--	--	19.0	0.0	4.8	-- (b)
Self-initiated activity	--	--	33.3	18.8	14.3	-- (e)
Post-assessment activity	--	--	0.0	9.4	23.8	-- (b)
Any education or training activity	--	--	47.6	21.9	38.1	-- **
Average number of months participating in any education or training activity during follow-up (c,d)	n/a	--	n/a	5.4	4.2	-- (e)
Sample size	13	8	21	32	21	14

(continued)

TABLE A.9 (continued)

SOURCE: MDRC's participant flow sample.

NOTES: Dashes indicate that the sample size is under 20; therefore, the calculation has been omitted.
A chi-square test was applied to differences among counties. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.
(a) GED preparation, ABE, and ESL.
(b) A test of statistical significance was not applicable.
(c) "Follow-up" refers to the 11 months after orientation.
(d) Data were not available for Alameda and Los Angeles counties.
(e) A test of statistical significance was not performed.
(f) The deregistration rates for Los Angeles were adjusted upward by dividing by .7; a comparison of deregistration records in registrant casefiles and the GEARS system for a randomly selected subsample of 87 registrants revealed that only 7 of 10 deregistrations recorded in the casefiles were also recorded in GEARS.
(g) This sample includes only those experimentals who ever participated in any GAIN activity, excluding appraisal and assessment.

TABLE A.10

GAIN PARTICIPATION PATTERNS WITHIN 11 MONTHS AFTER ORIENTATION
AMONG AFDC-U EXPERIMENTALS DETERMINED TO NEED BASIC EDUCATION

Sample and Measure	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare
All experimentals						
Ever participated in (%)						
Any GAIN activity	52.6	45.5	35.5	65.7	43.6	58.8 ***
Job search	5.1	12.1	3.5	35.4	15.5	12.7 ***
Basic education (a)	51.3	30.3	31.0	38.4	31.8	50.0 ***
Self-initiated activity	0.0 (b)	4.5	2.6	4.0	4.5	4.9 (c)
Post-assessment activity	1.3 (b)	0.0	0.1	0.0	4.5	2.9 (c)
Any education or training activity	51.3	34.8	33.6	40.4	38.2	54.9 ***
Average number of months registered for GAIN during follow-up (d,e)	n/a	7.6	n/a	6.0	8.2	8.6 (f)
Ever deferred (%)	57.7	15.2	70.7	41.4	64.5	52.0 ***
Part-time employment reason for first deferral among those ever deferred (%)	42.2	10.0	52.9	31.7	54.9	22.6 (f)
Ever deregistered (%)	60.8	60.6	34.3 (g)	76.8	49.1	48.0 ***
With request for sanction	1.3	4.5	2.1 (g)	16.2	0.0	2.0 (c)
Sample size	78	66	687	99	110	102
Experimentals who started any GAIN activity (h)						
Participated in (%)						
Job search	9.8	26.7	9.8	53.8	35.4	21.7 ***
Basic education (a)	97.6	66.7	87.3	58.5	72.9	85.0 ***
Self-initiated activity	0.0 (b)	10.0	7.4	6.2	10.4	8.3 (c)
Post-assessment activity	2.4 (b)	0.0	0.4	0.0	10.4	5.0 (c)
Any education or training activity	97.6	76.7	94.7	61.5	87.5	93.3 ***
Average number of months participating in any education or training activity during follow-up (d,e)	n/a	3.4	n/a	4.9	3.3	5.4 (f)
Sample size	41	30	244	65	48	60

(continued)

TABLE A.10 (continued)

SOURCE: MDRC's participant flow sample.

NOTES: A chi-square test was applied to differences among counties. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

(a) GED preparation, ABE, and ESL.

(b) Alameda registrants already in vocational education at orientation were coded as participating in vocational education instead of in self-initiated vocational education. This policy causes the post-assessment activity percentage, which includes vocational education, to be higher and the self-initiated activity percentage to be lower than if the coding had been consistent with that in the other counties.

(c) A test of statistical significance was not applicable.

(d) "Follow-up" refers to the 11 months after orientation.

(e) Data were not available for Alameda and Los Angeles counties.

(f) A test of statistical significance was not performed.

(g) The deregistration rates for Los Angeles were adjusted upward by dividing by .7; a comparison of deregistration records in registrant casefiles and the GEARS system for a randomly selected subsample of 87 registrants revealed that only 7 of 10 deregistrations recorded in the casefiles were also recorded in GEARS.

(h) This sample includes only those experimentals who ever participated in any GAIN activity, excluding appraisal and assessment.

TABLE A.11

GAIN PARTICIPATION PATTERNS AMONG AFDC-U APPLICANTS WITHIN 11 MONTHS AFTER ORIENTATION

Sample and Measure	Butte	Riverside	San Diego	Tulare	
All experimentals					
Ever participated in (%)					
Any GAIN activity	39.2	59.0	50.9	46.2	
Job search	17.6	41.0	24.6	19.2	**
Basic education (a)	20.3	18.0	26.3	30.8	
Self-initiated activity	2.7	4.9	5.3	7.7	(b)
Post-assessment activity	1.4	1.6	8.8	7.7	(b)
Any education or training activity	24.3	23.0	36.8	42.3	
Average number of months registered for GAIN during follow-up (c)	7.6	5.1	7.9	7.9	(d)
Ever deferred (%)	10.8	36.1	56.1	50.0	***
Part-time employment reason for first deferral among those ever deferred (%)	25.0	31.8	37.5	15.4	(d)
Ever deregistered (%)	62.2	86.9	66.7	46.2	***
With request for sanction	4.1	14.8	1.8	0.0	(b)
Sample size	74	61	57	26	
Experimentals who started any GAIN activity (e)					
Participated in (%)					
Job search	44.8	69.4	48.3	--	
Basic education (a)	51.7	30.6	51.7	--	*
Self-initiated activity	6.9	8.3	10.3	--	(b)
Post-assessment activity	3.4	2.8	17.2	--	(b)
Any education or training activity	62.1	38.9	72.4	--	***
Average number of months participating in any education or training activity during follow-up (c)	3.6	5.0	2.6	--	(d)
Sample size	29	36	29	12	

SOURCE: MDRC's participant flow sample.

NOTES: No data on AFDC-U applicants are included for Alameda and Los Angeles counties because they targeted only long-term AFDC recipients for GAIN.

Dashes indicate that the sample size is under 20; therefore, the calculation has been omitted.

A chi-square test was applied to differences among counties. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

(a) GED preparation, ABE, and ESL.

(b) A test of statistical significance was not applicable.

(c) "Follow-up" refers to the 11 months after orientation.

(d) A test of statistical significance was not performed.

(e) This sample includes only those experimentals who ever participated in any GAIN activity, excluding appraisal and assessment.

TABLE A.12

GAIN PARTICIPATION PATTERNS AMONG AFDC-U SHORT-TERM RECIPIENTS WITHIN 11 MONTHS AFTER ORIENTATION

Sample and Measure	Butte	Riverside	San Diego	Tulare	
All experimentals					
Ever participated in (%)					
Any GAIN activity	--	68.9	46.8	72.1	**
Job search	--	42.6	25.5	25.6	*
Basic education (a)	--	29.5	21.3	46.5	*
Self-initiated activity	--	8.2	4.3	4.7	(b)
Post-assessment activity	--	1.6	4.3	9.3	(b)
Any education or training activity	--	36.1	29.8	58.1	**
Average number of months registered for GAIN during follow-up (c)	--	5.6	7.2	8.6	(d)
Ever deferred (%)	--	45.9	63.8	48.8	**
Part-time employment reason for first deferral among those ever deferred (%)	--	35.7	46.7	14.3	
Ever deregistered (%)	--	80.3	61.7	51.2	**
With request for sanction	--	18.0	0.0	4.7	(b)
Sample size	11	61	47	43	
Experimentals who started any GAIN activity (e)					
Participated in (%)					
Job search	--	61.9	54.5	35.5	*
Basic education (a)	--	42.9	45.5	64.5	
Self-initiated activity	--	11.9	9.1	6.5	(b)
Post-assessment activity	--	2.4	9.1	12.9	(b)
Any education or training activity	--	52.4	63.6	80.6	**
Average number of months participating in any education or training activity during follow-up (c)	--	4.8	2.3	4.7	(d)
Sample size	5	42	22	31	

SOURCE: MDRC's participant flow sample.

NOTES: No data on AFDC-U short-term recipients are included for Alameda and Los Angeles counties because they targeted only long-term AFDC recipients for GAIN.

Dashes indicate that the sample size is under 20; therefore, the calculation has been omitted.

A chi-square test was applied to differences among counties. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

(a) GED preparation, ABE, and ESL.

(b) A test of statistical significance was not applicable.

(c) "Follow-up" refers to the 11 months after orientation.

(d) A test of statistical significance was not performed.

(e) This sample includes only those experimentals who ever participated in any GAIN activity, excluding appraisal and assessment.

TABLE A.13

GAIN PARTICIPATION PATTERNS AMONG AFDC-U LONG-TERM RECIPIENTS WITHIN 11 MONTHS AFTER ORIENTATION

Sample and Measure	Alameda	Butte	Los Angeles	Riverside	San Diego	Tulare
All experimentals						
Ever participated in (%)						
Any GAIN activity	56.3	--	36.0	76.0	40.0	56.4 ***
Job search	14.6	--	5.0	44.0	15.6	7.3 (a)
Basic education (b)	41.7	--	29.5	36.0	24.4	43.6 **
Self-initiated activity	2.1 (c)	--	3.4	8.0	6.7	9.1 (a)
Post-assessment activity	9.4 (c)	--	0.1	4.0	6.7	3.6 (a)
Any education or training activity	51.0	--	32.7	44.0	33.3	52.7 ***
Average number of months registered for GAIN during follow-up (d,e)	n/a	--	n/a	6.9	9.3	8.6 (f)
Ever deferred (%)	55.2	--	69.6	48.0	73.3	49.1 ***
Part-time employment reason for first deferral among those ever deferred (%)	43.4	--	53.5	25.0	57.6	33.3 (f)
Ever deregistered (%)	29.2	--	34.1 (g)	60.0	31.1	49.1 ***
With request for sanction	1.0	--	2.1 (g)	8.0	0.0	0.0 (a)
Sample size	96	14	736	25	45	55
Experimentals who started any GAIN activity (h)						
Participated in (%)						
Job search	25.9	--	14.0	--	--	12.9 (a)
Basic education (b)	74.1	--	81.9	--	--	77.4 (a)
Self-initiated activity	3.7 (c)	--	9.4	--	--	16.1 (a)
Post-assessment activity	16.7 (c)	--	0.4	--	--	6.5 (a)
Any education or training activity	90.7	--	90.9	--	--	93.5 (a)
Average number of months participating in any education or training activity during follow-up (d,e)	n/a	--	n/a	--	--	6.1 (f)
Sample size	54	4	265	19	18	31

(continued)

TABLE A.13 (continued)

SOURCE: MDRC's participant flow sample.

NOTES: Dashes indicate that the sample size is under 20; therefore, the calculation has been omitted.
A chi-square test was applied to differences among counties. Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.
(a) A test of statistical significance was not applicable.
(b) GED preparation, ABE, and ESL.
(c) Alameda registrants already in vocational education at orientation were coded as participating in vocational education instead of in self-initiated vocational education. This policy causes the post-assessment activity percentage, which includes vocational education, to be higher and the self-initiated activity percentage to be lower than if the coding had been consistent with that in the other counties.
(d) "Follow-up" refers to the 11 months after orientation.
(e) Data were not available for Alameda and Los Angeles counties.
(f) A test of statistical significance was not performed.
(g) The deregistration rates for Los Angeles were adjusted upward by dividing by .7; a comparison of deregistration records in registrant casefiles and the GEARS system for a randomly selected subsample of 87 registrants revealed that only 7 of 10 deregistrations recorded in the casefiles were also recorded in GEARS.
(h) This sample includes only those experimentals who ever participated in any GAIN activity, excluding appraisal and assessment.

APPENDIX B

SUPPLEMENTAL TABLES AND FIGURE TO CHAPTER 3

TABLE B.1

ITEMS USED TO CREATE SCALES FOR THE STAFF SURVEY
AND CRONBACH'S ALPHA FOR THE SCALES

Timeliness of monitoring information (a)

Cronbach's Alpha (b) = .71

H1 How closely would you say the staff of your agency is monitoring GAIN clients? ("Not Very Closely" to "Very Closely")

H6A Suppose that a client has been assigned to [remedial education] but has not attended it at all. How long, on average, would it take for the staff person monitoring this client to learn about this situation from the service provider? (c)

H6B Suppose that a client has been assigned to [vocational education or training] but has not attended it at all. How long, on average, would it take for the staff person monitoring this client to learn about this situation from the service provider? (c)

H7A Suppose a client has been regularly attending [remedial education] for a month but is not well motivated and has not been participating effectively. By the end of the month, how likely is it that a staff member at your agency would have contacted the client to talk about the situation? ("Very Unlikely to Make Contact Within Month" to "Very Likely to Make Contact Within Month")

H7B Suppose a client has been regularly attending [vocational education or training] for a month but is not well motivated and has not been participating effectively. By the end of the month, how likely is it that a staff member at your agency would have contacted the client to talk about the situation? ("Very Unlikely to Make Contact Within Month" to "Very Likely to Make Contact Within Month")

H8A Suppose a client has a part-time job which deferred her from other GAIN obligations. How closely would you say your agency is monitoring whether clients quit or lose part-time jobs? ("Not Very Closely" to "Very Closely")

H8B Once your agency learned that a client lost or quit a part-time job, how long on average would it take before the client was assigned to another GAIN component? (number of weeks from "1 or less" to "8 or more")

H9 Suppose a client was attending a remedial education program but stopped attending. How closely would you say your agency is monitoring situations like this one? ("Not Very Closely" to "Very Closely")

Worker morale and job satisfaction (a)

Cronbach's Alpha (b) = .80

A1 All things considered, how satisfied are you with your current job? (d)

A2 How would you describe worker morale among the staff who work on the GAIN program? (e)

(continued)

TABLE B.1 (continued)

A5 If I were offered a job with equal pay and security, I would leave welfare work. ("Strongly Disagree" to "Strongly Agree")

A8 Do you find the paperwork that you need to do on your job not very burdensome or very burdensome? ("Not Very Burdensome" or "Very Burdensome")

A9 In general, how much of the paperwork do you feel is necessary and worthwhile? ("Very Little" to "A Great Deal")

A10 If I do my job well, this will be noticed by my supervisor. ("Very Likely" to "Very Unlikely")

A11 If I do my job well, this will improve my standing among the people I work with. ("Very Likely" to "Very Unlikely")

A12 In the part of the agency in which I work, merit is recognized. ("Strongly Disagree" to "Strongly Agree")

B13 In trying to help clients, how often do you feel frustrated by the rules of GAIN? ("Rarely" to "Very Often")

Perceptions of welfare recipients as wanting to work (a)

Cronbach's Alpha (b) = .80

C1 When they are first entering the GAIN program, how many recipients feel that having a regular job is an important goal in their lives? ("Very Few" to "Most")

C2 When people have been on welfare for a long time, how many would you say are satisfied and have little desire to improve themselves? ("Very Few" to "Most")

C3 If given appropriate help, how many welfare recipients would work hard to become self-supporting? ("Very Few" to "Most")

C6 Many people who apply for welfare would rather be on welfare than work to support their families. ("Strongly Disagree" to "Strongly Agree")

C7 How many welfare recipients feel badly about themselves because they are on welfare? ("Very Few" to "Most")

C11 How many welfare recipients come from groups in our society where it is no shame to be on welfare? ("Very Few" to "Most")

C13 If we give welfare recipients more choices about the services they will receive from welfare, how many will not use these choices wisely? ("Very Few" to "Most")

C14 When they get jobs, welfare recipients are as hard-working as other employees. ("Strongly Disagree" to "Strongly Agree")

(continued)

TABLE B.1 (continued)

F2 Do you feel that few or many clients are overstating their barriers to participating in the GAIN program? ("Very Few" to "Most")

Q3 What problems do you feel the GAIN program is encountering in your agency? The law makes unrealistic assumptions about the motivation of clients. ("Not a Problem" to "Important Problem")

Staff perceptions of GAIN's potential to help registrants (a)

Cronbach's Alpha (b) = .74

A4 I feel that the people who are running this agency give a really high priority to GAIN and are really trying to support this program. ("Strongly Disagree" to "Strongly Agree")

A16 The staff meetings held by supervisors and managers that I attend have more to do with administrative issues than with helping clients. ("Strongly Disagree" to "Strongly Agree")

A19 If the people in my job do good work, we can really improve the lives of welfare recipients. ("Strongly Disagree" to "Strongly Agree")

B3 If someone really wants to get off welfare, they can get a lot of help from my agency. ("Strongly Disagree" to "Strongly Agree")

B10 How easy is it in your agency for GAIN clients to stay on welfare and make no effort to get off? ("Very Easy" to "Very Difficult")

B16a In your opinion, if clients get the typical GAIN services provided by your agency, how helpful will these services be to them in getting off welfare? ("Little Help in Getting Off Welfare" to "Considerable Help in Getting Off Welfare")

B16b In your opinion, if clients get the typical GAIN services provided by your agency, how helpful will these services be to them in feeling better about themselves? ("Little Help in Feeling Better About Themselves" to "Considerable Help in Feeling Better About Themselves")

Emphasis on quick employment (a)

Cronbach's Alpha (b) = .77

B1 Based on the practices in your agency today, what would you say is the more important goal of your agency: to help clients get jobs as quickly as possible or to raise the education or skill levels of clients so that they can get jobs in the future? ("To Get Clients Jobs Quickly" to "To Raise Skill Levels")

I1 After a short time in GAIN, an average welfare mother is offered a low-skill, low-paying job that would make her slightly better off financially. Assume she has two choices: either to take the job and leave welfare or to stay on welfare and wait for a better opportunity. If you were asked, what would your personal advice to this client be? ("Take the Job and Leave Welfare" to "Stay on Welfare and Wait for a Better Opportunity")

(continued)

I2 What advice do you feel most of the GAIN staff would give a client of this type? ("Take the Job and Leave Welfare" or "No Recommendation Either Way" or "Stay on Welfare and Wait for a Better Opportunity")

I3 What advice would your supervisor want you to give a client of this type? ("Take the Job and Leave Welfare" or "No Recommendation Either Way" or "Stay on Welfare and Wait for a Better Opportunity")

Personalized attention (a)

Cronbach's Alpha (b) = .76

E2 (Referring to interviews that assign recipients to initial activities) Do you feel that in your program not enough time or enough time is being spent with clients during these interviews? ("Not Enough Time" or "Enough Time")

E3a In this type of interview, how much effort does the staff make to learn about the client's family problems in depth? ("Very Little" to "A Great Deal")

E3b In this type of interview, how much effort does the staff make to learn about the client's goals and motivation to work in depth? ("Very Little" to "A Great Deal")

E4 During an interview of this type, what does your agency want you to emphasize to clients: what they are required to do or what opportunities are available to them in GAIN? ("Emphasize Requirements" to "Emphasize Opportunities")

H14 (From the questionnaire section on monitoring) How do you feel the staff of your agency who monitor clients are viewed by these clients? More as a rule enforcer? More as a helper or counselor? ("More as a Rule Enforcer" to "More as a Helper or Counselor")

J3 (Referring to the development of an employment plan that includes training services) Do you feel that in your agency not enough time or enough time is being spent with clients in these meetings? ("Not Enough Time" or "Enough Time")

J10 Among clients who do prefer particular services, how frequently is your agency able to develop an employment plan that matches the client's preferences? ("Rarely" to "Very Often")

J13 In your opinion, how well is GAIN tailoring the education, training, and work experience services that clients receive to their particular needs, circumstances, and goals? ("Very Poorly" to "Very Well")

Q7 What problems do you feel that GAIN is encountering in your agency? The law assumes that we can individualize services for clients in a way that is not possible in our agency. ("Not a Problem" to "Important Problem")

(continued)

TABLE B.1 (continued)

SOURCE: MDRC Staff Activities and Attitudes Survey.

NOTES: The letters and numbers before each item refer to their location in the questionnaire, which is available from MDRC. On the survey given to supervisors, the wording on some items was changed to make it appropriate for their role.

(a) All responses were on a 7-point scale ranging from low (1) to high (7) unless otherwise noted. The response categories are shown in parentheses following each item unless otherwise noted.

(b) The calculation of Cronbach's Alpha, a statistical measure of a scale's reliability, is based upon (1) data from both GAIN staff and supervisors and (2) data from the surveys conducted one year and two years after GAIN implementation in each county.

(c) Respondents could choose a number of weeks from "1 or less" to "5 or more"; an additional response was "Not Likely to Find Out," which was coded as 7.

(d) This item used a 5-point scale, with the points labeled: Very Satisfied, Somewhat Satisfied, Neutral, Somewhat Dissatisfied, and Very Dissatisfied.

(e) This item used a 5-point scale, with the points labeled: Very High, High, Medium, Low, and Very Low.

TABLE B.2

SAMPLE SIZES FOR MDRC STAFF ACTIVITIES AND ATTITUDES SURVEY, BY COUNTY, SURVEY WAVE, AND STAFF POSITION

County	First Survey Wave (1 Year After Implementation)		Second Survey Wave (2 Years After Implementation)	
	Staff	Supervisors	Staff	Supervisors
Alameda	27	4	27	4
Butte	24	4	25	4
Los Angeles	97	14	155	26
Riverside	58	8	61	10
San Diego	151	24	134	19
Tulare	25	4	48	7

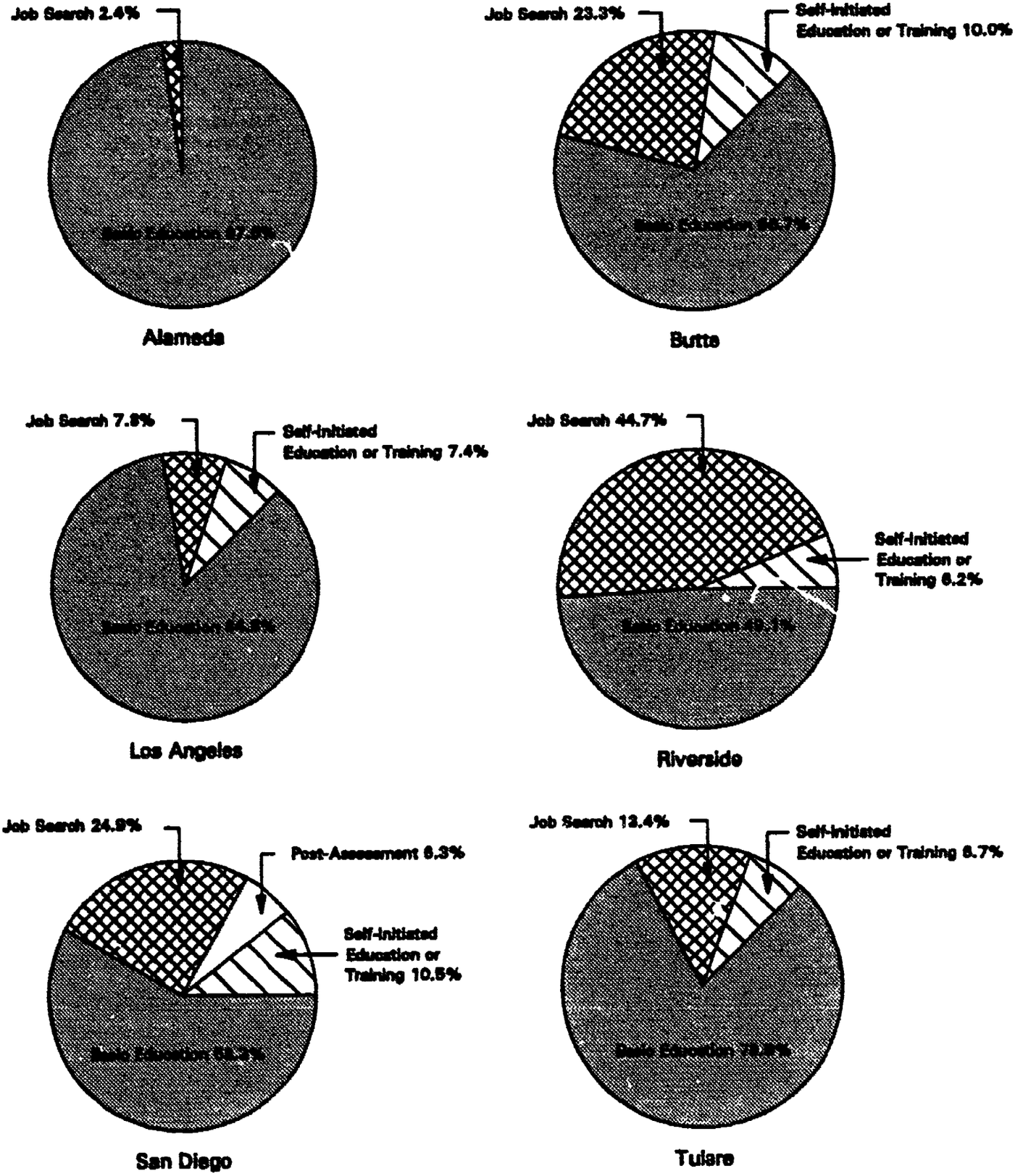
SOURCE: MDRC Staff Activities and Attitudes Survey.

NOTES: Each wave of the survey attempted to include all GAIN staff and first-line supervisors in the six research counties. Survey completion rates among the counties varied, from 95.7 to 100 percent for the first wave and from 91 to 100 percent for the second wave. Combining both waves and all counties, the overall completion rate was 97.2 percent.

Except where noted in the text, tables, and figures, all data reported from the survey combine the two waves and include responses from both staff and supervisors. This yields a total sample size of 960.

FIGURE B.1

FIRST ACTIVITY FOR AFDC-U EXPERIMENTALS
DETERMINED TO NEED BASIC EDUCATION
WHO STARTED ANY GAIN ACTIVITY



SOURCE: MDRC's participant flow sample.

APPENDIX C

SUPPLEMENTAL TABLES TO CHAPTER 4

TABLE C.1

ALAMEDA AFDC-FGs: IMPACTS ON EMPLOYMENT, EARNINGS, AFDC RECEIPT, AND AFDC PAYMENTS

Outcome and Follow-Up Period	Experimentals	Controls	Difference	
Ever employed, quarters 2-5 (%)	29.9	27.2	2.7	
Average number of quarters with employment, quarters 2-5	0.75	0.67	0.07	
Ever employed (%)				
Quarter of random assignment	13.7	16.2	-2.5	
Quarter 2	16.6	16.3	0.2	
Quarter 3	18.4	17.4	1.0	
Quarter 4	19.8	17.0	2.8	
Quarter 5	19.9	16.7	3.2	
Quarter 6	n/a	n/a	n/a	
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Average total earnings, quarters 2-5 ($)	1,413	1,194	218	
Average total earnings ($)				
Quarter of random assignment	171	210	-39	*
Quarter 2	251	267	-16	
Quarter 3	335	295	40	
Quarter 4	411	336	75	
Quarter 5	415	296	119	**
Quarter 6	n/a	n/a	n/a	
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Ever received any AFDC payments, quarters 2-5 (%)	97.0	98.5	-1.5	**
Average number of months receiving AFDC payments, quarters 2-5	10.79	10.99	-0.20	
Ever received any AFDC payments (%)				
Quarter of random assignment	99.4	99.5	-0.1	
Quarter 2	97.0	98.0	-1.0	
Quarter 3	94.1	94.8	-0.7	
Quarter 4	89.8	91.3	-1.6	
Quarter 5	86.0	89.2	-3.2	*
Quarter 6	n/a	n/a	n/a	
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Average total AFDC payments received, quarters 2-5 ($)	6,917	7,066	-149	
Average AFDC payments received ($)				
Quarter of random assignment	1,918	1,925	-7	
Quarter 2	1,861	1,865	-4	
Quarter 3	1,758	1,784	-26	
Quarter 4	1,677	1,737	-60	*
Quarter 5	1,622	1,680	-58	
Quarter 6	n/a	n/a	n/a	
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Sample size (total = 1,205)	602	603		

SOURCE and NOTES: See Table 4.1. Five quarters of follow-up data are available for Alameda and Tulare; six quarters for Butte, Los Angeles, and Riverside; and eight quarters for San Diego.

TABLE C.2

BUTTE AFDC-FGs: IMPACTS ON EMPLOYMENT, EARNINGS, AFDC RECEIPT, AND AFDC PAYMENTS

Outcome and Follow-Up Period	Experimentals	Controls	Difference
Ever employed, quarters 2-5 (%)	42.3	45.6	-3.3
Average number of quarters with employment, quarters 2-5	1.03	0.99	0.04
Ever employed (%)			
Quarter of random assignment	22.5	20.4	2.1
Quarter 2	22.5	23.4	-0.9
Quarter 3	25.0	25.4	-0.4
Quarter 4	26.8	23.4	3.4
Quarter 5	29.0	26.8	2.2
Quarter 6	29.7	27.1	2.6
Quarter 7	n/a	n/a	n/a
Quarter 8	n/a	n/a	n/a
Average total earnings, quarters 2-5 ($)	1,992	1,730	261
Average total earnings ($)			
Quarter of random assignment	273	253	20
Quarter 2	386	354	32
Quarter 3	467	412	55
Quarter 4	554	455	99
Quarter 5	585	509	76
Quarter 6	652	557	95
Quarter 7	n/a	n/a	n/a
Quarter 8	n/a	n/a	n/a
Ever received any AFDC payments, quarters 2-5 (%)	89.3	90.2	-0.8
Average number of months receiving AFDC payments, quarters 2-5	8.60	8.65	-0.05
Ever received any AFDC payments (%)			
Quarter of random assignment	89.8	90.1	-0.3
Quarter 2	88.6	89.4	-0.7
Quarter 3	79.8	76.4	3.4
Quarter 4	70.7	70.6	0.1
Quarter 5	65.0	68.4	-3.4
Quarter 6	60.8	63.8	-3.0
Quarter 7	n/a	n/a	n/a
Quarter 8	n/a	n/a	n/a
Average total AFDC payments received, quarters 2-5 ($)	5,132	5,486	-353 *
Average AFDC payments received ($)			
Quarter of random assignment	1,440	1,493	-53
Quarter 2	1,496	1,565	-69
Quarter 3	1,331	1,385	-54
Quarter 4	1,200	1,312	-111 *
Quarter 5	1,105	1,224	-118 *
Quarter 6	1,046	1,176	-130 *
Quarter 7	n/a	n/a	n/a
Quarter 8	n/a	n/a	n/a
Sample size (total = 1,229)	986	243	

SOURCE and NOTES: See Table 4.1. Five quarters of follow-up data are available for Alameda and Tulare; six quarters for Butte, Los Angeles, and Riverside; and eight quarters for San Diego.

TABLE C.3

LOS ANGELES AFDC-FGs: IMPACTS ON EMPLOYMENT, EARNINGS, AFDC RECEIPT, AND AFDC PAYMENTS

Outcome and Follow-Up Period	Experimentals	Controls	Difference	
Ever employed, quarters 2-5 (%)	26.9	24.9	2.0	
Average number of quarters with employment, quarters 2-5	0.69	0.64	0.05	
Ever employed (%)				
Quarter of random assignment	14.[illegible]	13.0	1.5	*
Quarter 2	16.5	15.0	1.5	
Quarter 3	16.7	15.7	1.0	
Quarter 4	17.8	16.5	1.4	
Quarter 5	18.1	17.1	1.0	
Quarter 6	18.8	17.3	1.4	
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Average total earnings, quarters 2-5 ($)	1,303	1,311	-8	
Average total earnings ($)				
Quarter of random assignment	195	184	11	
Quarter 2	265	254	11	
Quarter 3	306	314	-7	
Quarter 4	360	368	-8	
Quarter 5	371	374	-3	
Quarter 6	397	392	4	
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Ever received any AFDC payments, quarters 2-5 (%)	97.0	97.3	-0.3	
Average number of months receiving AFDC payments, quarters 2-5	10.58	10.88	-0.31	***
Ever received any AFDC payments (%)				
Quarter of random assignment	96.2	96.3	-0.1	
Quarter 2	95.7	95.5	0.2	
Quarter 3	91.8	94.5	-2.8	***
Quarter 4	88.9	91.6	-2.7	***
Quarter 5	84.8	87.9	-3.1	***
Quarter 6	81.8	85.6	-3.8	***
Quarter 7	n/a	n/a	n/a	***
Quarter 8	n/a	n/a	n/a	
Average total AFDC payments received, quarters 2-5 ($)	6,830	7,156	-325	***
Average AFDC payments received ($)				
Quarter of random assignment	1,902	1,907	-6	
Quarter 2	1,846	1,886	-41	***
Quarter 3	1,737	1,841	-104	***
Quarter 4	1,658	1,750	-92	***
Quarter 5	1,590	1,679	-89	***
Quarter 6	1,527	1,635	-108	***
Quarter 7	n/a	n/a	n/a	***
Quarter 8	n/a	n/a	n/a	
Sample size (total = 4,396)	2,995	1,401		

SOURCE and NOTES: See Table 4.1. Five quarters of follow-up data are available for Alameda and Tulare; six quarters for Butte, Los Angeles, and Riverside; and eight quarters for San Diego.

TABLE C.4

RIVERSIDE AFDC-FGs: IMPACTS ON EMPLOYMENT, EARNINGS, AFDC RECEIPT, AND AFDC PAYMENTS

Outcome and Follow-Up Period	Experimentals	Controls	Difference	
Ever employed, quarters 2-5 (%)	52.0	33.7	18.3	***
Average number of quarters with employment, quarters 2-5	1.34	0.83	0.51	***
Ever employed (%)				
Quarter of random assignment	21.6	16.6	5.0	***
Quarter 2	31.2	18.9	12.3	***
Quarter 3	33.4	20.1	13.3	***
Quarter 4	34.3	21.8	12.5	***
Quarter 5	35.2	22.0	13.2	***
Quarter 6	35.2	22.5	12.6	***
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Average total earnings, quarters 2-5 ($)	2,468	1,499	969	***
Average total earnings ($)				
Quarter of random assignment	230	167	63	***
Quarter 2	458	249	209	***
Quarter 3	603	363	240	***
Quarter 4	672	429	243	***
Quarter 5	735	458	277	***
Quarter 6	805	496	309	***
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Ever received any AFDC payments, quarters 2-5 (%)	90.8	90.9	0.0	
Average number of months receiving AFDC payments, quarters 2-5	8.06	8.71	-0.65	***
Ever received any AFDC payments (%)				
Quarter of random assignment	93.9	94.5	-0.6	
Quarter 2	89.4	89.2	0.2	
Quarter 3	75.8	79.6	-3.8	***
Quarter 4	66.2	72.6	-6.4	***
Quarter 5	58.8	66.0	-7.2	***
Quarter 6	54.6	60.9	-6.3	***
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Average total AFDC payments received, quarters 2-5 ($)	4,913	5,599	-686	***
Average AFDC payments received ($)				
Quarter of random assignment	1,584	1,587	-4	
Quarter 2	1,541	1,622	-81	***
Quarter 3	1,263	1,441	-178	***
Quarter 4	1,108	1,329	-221	***
Quarter 5	1,001	1,207	-206	***
Quarter 6	933	1,135	-201	***
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Sample size (total = 5,508)	4,457	1,051		

SOURCE and NOTES: See Table 4.1. Five quarters of follow-up data are available for Alameda and Tulare; six quarters for Butte, Los Angeles, and Riverside; and eight quarters for San Diego.

TABLE C.5

SAN DIEGO AFDC-FGs: IMPACTS ON EMPLOYMENT, EARNINGS, AFDC RECEIPT, AND AFDC PAYMENTS

Outcome and Follow-Up Period	Experimentals	Controls	Difference	
Ever employed, quarters 2-5 (%)	45.9	40.0	5.9	***
Average number of quarters with employment, quarters 2-5	1.21	1.04	0.18	***
Ever employed (%)				
Quarter of random assignment	24.1	23.2	0.8	
Quarter 2	26.3	23.3	2.9	**
Quarter 3	30.0	25.8	4.1	***
Quarter 4	32.2	27.0	5.1	***
Quarter 5	33.0	27.6	5.4	***
Quarter 6	33.2	28.4	4.8	***
Quarter 7	33.0	28.1	5.0	***
Quarter 8	32.7	27.8	4.8	***
Average total earnings, quarters 2-5 ($)	2,457	2,113	345	**
Average total earnings ($)				
Quarter of random assignment	272	231	41	**
Quarter 2	430	349	81	***
Quarter 3	581	494	87	**
Quarter 4	692	593	100	**
Quarter 5	754	677	77	*
Quarter 6	834	688	145	***
Quarter 7	866	680	186	***
Quarter 8	880	686	194	***
Ever received any AFDC payments, quarters 2-5 (%)	94.8	95.3	-0.5	
Average number of months receiving AFDC payments, quarters 2-5	9.11	9.48	-0.37	***
Ever received any AFDC payments (%)				
Quarter of random assignment	98.4	98.4	0.0	
Quarter 2	94.1	94.7	-0.6	
Quarter 3	83.3	85.6	-2.2	*
Quarter 4	74.8	77.9	-3.0	**
Quarter 5	69.1	72.1	-3.1	**
Quarter 6	63.9	67.5	-3.6	**
Quarter 7	60.3	65.7	-5.3	***
Quarter 8	58.3	63.7	-5.4	***
Average total AFDC payments received, quarters 2-5 ($)	5,529	5,832	-302	***
Average AFDC payments received ($)				
Quarter of random assignment	1,584	1,600	-16	
Quarter 2	1,606	1,652	-46	**
Quarter 3	1,416	1,490	-74	***
Quarter 4	1,300	1,396	-97	***
Quarter 5	1,207	1,293	-86	***
Quarter 6	1,126	[illegible]	-100	***
Quarter 7	1,062	1,186	-124	***
Quarter 8	1,025	1,154	-129	***
Sample size (total = 8,219)	7,049	1,170		

SOURCE and NOTES: See Table 4.1. Five quarters of follow-up data are available for Alameda and Tulare; six quarters for Butte, Los Angeles, and Riverside; and eight quarters for San Diego.

TABLE C.6

TULARE AFDC-FGs: IMPACTS ON EMPLOYMENT, EARNINGS, AFDC RECEIPT, AND AFDC PAYMENTS

Outcome and Follow-Up Period	Experimentals	Controls	Difference
Ever employed, quarters 2-5 (%)	39.6	40.9	-1.3
Average number of quarters with employment, quarters 2-5	1.00	1.04	-0.04
Ever employed (%)			
Quarter of random assignment	19.8	21.7	-2.0
Quarter 2	22.6	23.6	-1.0
Quarter 3	24.7	25.8	-1.1
Quarter 4	25.7	27.5	-1.8
Quarter 5	26.6	27.1	-0.4
Quarter 6	n/a	n/a	n/a
Quarter 7	n/a	n/a	n/a
Quarter 8	n/a	n/a	n/a
Average total earnings, quarters 2-5 ($)	1,779	1,940	-161
Average total earnings ($)			
Quarter of random assignment	220	240	-20
Quarter 2	326	329	-3
Quarter 3	431	430	0
Quarter 4	509	573	-64
Quarter 5	512	607	-94 *
Quarter 6	n/a	n/a	n/a
Quarter 7	n/a	n/a	n/a
Quarter 8	n/a	n/a	n/a
Ever received any AFDC payments, quarters 2-5 (%)	95.5	94.5	1.1
Average number of months receiving AFDC payments, quarters 2-5	9.72	9.59	0.13
Ever received any AFDC payments (%)			
Quarter of random assignment	96.4	95.3	1.2
Quarter 2	94.3	93.6	0.6
Quarter 3	87.0	86.7	0.3
Quarter 4	81.0	81.0	0.0
Quarter 5	76.7	75.0	1.7
Quarter 6	n/a	n/a	n/a
Quarter 7	n/a	n/a	n/a
Quarter 8	n/a	n/a	n/a
Average total AFDC payments received, quarters 2-5 ($)	6,363	6,231	132
Average AFDC payments received ($)			
Quarter of random assignment	1,669	1,674	-5
Quarter 2	1,757	1,726	31
Quarter 3	1,639	1,606	32
Quarter 4	1,521	1,505	15
Quarter 5	1,446	1,392	53
Quarter 6	n/a	n/a	n/a
Quarter 7	n/a	n/a	n/a
Quarter 8	n/a	n/a	n/a
Sample size (total = 2,234)	1,588	646	

SOURCE and NOTES: See Table 4.1. Five quarters of follow-up data are available for Alameda and Tulare; six quarters for Butte, Los Angeles, and Riverside; and eight quarters for San Diego.

APPENDIX D

SUPPLEMENTAL TABLES TO CHAPTER 5

TABLE D.1

ALAMEDA AFDC-Us: IMPACTS ON EMPLOYMENT, EARNINGS, AFDC RECEIPT, AND AFDC PAYMENTS

Outcome and Follow-Up Period	Experimentals	Controls	Difference
Ever employed, quarters 2-5 (%)	30.0	18.8	11.2 **
Average number of quarters with employment, quarters 2-5	0.84	0.62	0.22
Ever employed (%)			
Quarter of random assignment	16.6	14.1	2.5
Quarter 2	17.9	14.9	3.0
Quarter 3	20.2	15.8	4.4
Quarter 4	24.0	16.2	7.8 *
Quarter 5	21.8	15.2	6.6
Quarter 6	n/a	n/a	n/a
Quarter 7	n/a	n/a	n/a
Quarter 8	n/a	n/a	n/a
Average total earnings, quarters 2-5 ($)	1,126	1,089	38
Average total earnings ($)			
Quarter of random assignment	170	200	-31
Quarter 2	227	205	22
Quarter 3	239	260	-21
Quarter 4	295	279	16
Quarter 5	365	345	20
Quarter 6	n/a	n/a	n/a
Quarter 7	n/a	n/a	n/a
Quarter 8	n/a	n/a	n/a
Ever received any AFDC payments, quarters 2-5 (%)	99.8	96.8	3.0 *
Average number of months receiving AFDC payments, quarters 2-5	11.41	11.11	0.30
Ever received any AFDC payments (%)			
Quarter of random assignment	99.5	99.5	0.0
Quarter 2	99.8	96.8	3.0 *
Quarter 3	94.8	91.8	3.0
Quarter 4	95.0	92.8	2.2
Quarter 5	94.6	93.3	1.3
Quarter 6	n/a	n/a	n/a
Quarter 7	n/a	n/a	n/a
Quarter 8	n/a	n/a	n/a
Average total AFDC payments received, quarters 2-5 ($)	10,066	9,905	161
Average AFDC payments received ($)			
Quarter of random assignment	2,686	2,718	-32
Quarter 2	2,655	2,511	145 *
Quarter 3	2,528	2,487	40
Quarter 4	2,480	2,488	-8
Quarter 5	2,403	2,419	-16
Quarter 6	n/a	n/a	n/a
Quarter 7	n/a	n/a	n/a
Quarter 8	n/a	n/a	n/a
Sample size (total = 182)	96	86	

SOURCE and NOTES: See Table 5.1. Five quarters of follow-up data are available for Alameda and Tulare; six quarters for Butte, Los Angeles, and Riverside; and eight quarters for San Diego.

TABLE D.2

BUTTE AFDC-Us: IMPACTS ON EMPLOYMENT, EARNINGS, AFDC RECEIPT, AND AFDC PAYMENTS

Outcome and Follow-Up Period	Experimentals	Controls	Difference	
Ever employed, quarters 2-5 (%)	51.3	44.1	7.2	**
Average number of quarters with employment, quarters 2-5	1.30	1.08	0.22	**
Ever employed (%)				
Quarter of random assignment	25.0	18.7	6.3	**
Quarter 2	30.2	25.8	4.4	
Quarter 3	33.2	27.9	5.3	
Quarter 4	32.9	28.2	4.6	
Quarter 5	33.4	25.8	7.6	**
Quarter 6	34.2	25.2	9.0	***
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Average total earnings, quarters 2-5 ($)	3,007	2,394	613	*
Average total earnings ($)				
Quarter of random assignment	269	234	35	
Quarter 2	618	436	182	*
Quarter 3	730	625	105	
Quarter 4	826	681	146	
Quarter 5	833	652	180	
Quarter 6	903	627	276	**
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Ever received any AFDC payments, quarters 2-5 (%)	88.5	86.2	2.3	
Average number of months receiving AFDC payments, quarters 2-5	8.34	8.44	-0.09	
Ever received any AFDC payments (%)				
Quarter of random assignment	88.7	88.6	0.0	
Quarter 2	87.6	85.3	2.3	
Quarter 3	77.0	75.8	1.2	
Quarter 4	68.8	70.5	-1.7	
Quarter 5	63.7	67.0	-3.3	
Quarter 6	60.8	64.4	-3.6	
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Average total AFDC payments received, quarters 2-5 ($)	6,523	6,746	-223	
Average AFDC payments received ($)				
Quarter of random assignment	1,726	1,795	-69	
Quarter 2	1,853	1,878	-25	
Quarter 3	1,688	1,706	-18	
Quarter 4	1,528	1,616	-89	
Quarter 5	1,453	1,545	-92	
Quarter 6	1,400	1,527	-128	
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Sample size (total = 1,006)	780	226		

SOURCE and NOTES: See Table 5.1. Five quarters of follow-up data are available for Alameda and Tulare; six quarters for Butte, Los Angeles, and Riverside; and eight quarters for San Diego.

TABLE D.3

LOS ANGELES AFDC-Us: IMPACTS ON EMPLOYMENT, EARNINGS, AFDC RECEIPT, AND AFDC PAYMENTS

Outcome and Follow-Up Period	Experimentals	Controls	Difference	
Ever employed, quarters 2-5 (%)	40.9	29.5	11.5	***
Average number of quarters with employment, quarters 2-5	1.23	0.91	0.33	***
Ever employed (%)				
Quarter of random assignment	25.0	23.5	1.5	
Quarter 2	29.7	22.0	7.7	***
Quarter 3	30.5	22.8	7.7	***
Quarter 4	31.5	22.5	9.0	***
Quarter 5	31.5	23.3	8.2	***
Quarter 6	31.7	22.4	9.3	***
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Average total earnings, quarters 2-5 ($)	1,469	1,216	253	**
Average total earnings ($)				
Quarter of random assignment	242	235	7	
Quarter 2	338	260	78	**
Quarter 3	367	312	56	
Quarter 4	378	302	76	**
Quarter 5	386	342	43	
Quarter 6	452	367	85	*
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Ever received any AFDC payments, quarters 2-5 (%)	97.1	97.8	-0.7	
Average number of months receiving AFDC payments, quarters 2-5	11.19	11.26	-0.06	
Ever received any AFDC payments (%)				
Quarter of random assignment	97.5	97.5	0.0	
Quarter 2	96.8	97.4	-0.6	
Quarter 3	95.2	95.5	-0.3	
Quarter 4	93.7	93.6	0.1	
Quarter 5	91.2	92.2	-1.1	
Quarter 6	90.1	89.9	0.2	
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Average total AFDC payments received, quarters 2-5 ($)	9,362	9,778	-416	***
Average AFDC payments received ($)				
Quarter of random assignment	2,528	2,537	-9	
Quarter 2	2,474	2,524	-50	***
Quarter 3	2,376	2,478	-102	***
Quarter 4	2,297	2,424	-127	***
Quarter 5	2,215	2,353	-138	***
Quarter 6	2,180	2,291	-111	***
Quarter 7	n/a	n/a	n/a	***
Quarter 8	n/a	n/a	n/a	
Sample size (total = 1,458)	735	723		

SOURCE and NOTES: See Table 5.1. Five quarters of follow-up data are available for Alameda and Tulare; six quarters for Butte, Los Angeles, and Riverside; and eight quarters for San Diego.

TABLE D.4

RIVERSIDE AFDC-Us: IMPACTS ON EMPLOYMENT, EARNINGS, AFDC RECEIPT, AND AFDC PAYMENTS

Outcome and Follow-Up Period	Experimentals	Controls	Difference	
Ever employed, quarters 2-5 (%)	57.0	48.6	8.5	***
Average number of quarters with employment, quarters 2-5	1.51	1.24	0.27	***
Ever employed (%)				
Quarter of random assignment	28.7	23.1	5.7	***
Quarter 2	37.4	27.4	10.0	***
Quarter 3	38.7	31.7	7.0	***
Quarter 4	39.3	33.4	5.9	***
Quarter 5	35.5	31.0	4.5	**
Quarter 6	37.5	30.7	6.7	***
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Average total earnings, quarters 2-5 ($)	3,690	2,925	765	***
Average total earnings ($)				
Quarter of random assignment	322	225	97	***
Quarter 2	724	493	231	***
Quarter 3	974	688	286	***
Quarter 4	1,018	865	153	*
Quarter 5	974	879	95	
Quarter 6	1,041	919	122	
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Ever received any AFDC payments, quarters 2-5 (%)	84.1	86.8	-2.8	*
Average number of months receiving AFDC payments, quarters 2-5	6.48	7.39	-0.90	***
Ever received any AFDC payments (%)				
Quarter of random assignment	88.2	88.3	-0.1	
Quarter 2	78.7	84.3	-5.6	***
Quarter 3	59.4	68.7	-9.3	***
Quarter 4	55.8	60.6	-4.8	**
Quarter 5	51.2	57.1	-5.9	***
Quarter 6	48.4	54.3	-5.9	***
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Average total AFDC payments received, quarters 2-5 ($)	4,785	5,760	-975	***
Average AFDC payments received ($)				
Quarter of random assignment	1,596	1,651	-55	*
Quarter 2	1,476	1,702	-226	***
Quarter 3	1,173	1,467	-294	***
Quarter 4	1,103	1,336	-233	***
Quarter 5	1,032	1,255	-222	***
Quarter 6	995	1,230	-236	***
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Sample size (total = 2,323)	1,590	733		

SOURCE and NOTES: See Table 5.1. Five quarters of follow-up data are available for Alameda and Tulare; six quarters for Butte, Los Angeles, and Riverside; and eight quarters for San Diego.

TABLE D.5

SAN DIEGO AFDC-Us: IMPACTS ON EMPLOYMENT, EARNINGS, AFDC RECEIPT, AND AFDC PAYMENTS

Outcome and Follow-Up Period	Experimentals	Controls	Difference	
Ever employed, quarters 2-5 (%)	53.9	50.1	3.8	**
Average number of quarters with employment, quarters 2-5	1.48	1.38	0.10	
Ever employed (%)				
Quarter of random assignment	32.9	33.4	-0.5	
Quarter 2	35.2	33.5	1.7	
Quarter 3	37.8	35.7	2.1	
Quarter 4	38.1	34.6	3.5	*
Quarter 5	37.4	34.6	2.8	
Quarter 6	37.9	34.1	3.7	*
Quarter 7	37.3	33.8	3.6	*
Quarter 8	36.4	32.5	3.9	**
Average total earnings, quarters 2-5 ($)	3,329	3,088	241	
Average total earnings ($)				
Quarter of random assignment	377	399	-22	
Quarter 2	624	560	64	
Quarter 3	829	752	77	
Quarter 4	914	879	35	
Quarter 5	963	898	65	
Quarter 6	1,034	964	71	
Quarter 7	1,029	985	44	
Quarter 8	1,011	997	14	
Ever received any AFDC payments, quarters 2-5 (%)	94.9	94.0	1.0	
Average number of months receiving AFDC payments, quarters 2-5	8.97	9.40	-0.44	***
Ever received any AFDC payments (%)				
Quarter of random assignment	98.0	98.3	-0.3	
Quarter 2	93.7	92.9	0.8	
Quarter 3	81.1	83.6	-2.5	
Quarter 4	73.6	79.0	-5.4	***
Quarter 5	69.4	74.6	-5.2	***
Quarter 6	65.2	71.0	-5.7	***
Quarter 7	63.7	68.4	-4.7	**
Quarter 8	63.3	65.9	-2.6	
Average total AFDC payments received, quarters 2-5 ($)	6,790	7,301	-510	***
Average AFDC payments received ($)				
Quarter of random assignment	1,871	1,892	-21	
Quarter 2	1,936	1,990	-54	*
Quarter 3	1,720	1,862	-142	***
Quarter 4	1,614	1,755	-141	***
Quarter 5	1,520	1,694	-174	***
Quarter 6	1,435	1,632	-196	***
Quarter 7	1,394	1,574	-179	***
Quarter 8	1,380	1,518	-138	***
Sample size (total = 3,272)	2,427	845		

SOURCE and NOTES: See Table 5.1. Five quarters of follow-up data are available for Alameda and Tulare; six quarters for Butte, Los Angeles, and Riverside; and eight quarters for San Diego.

TABLE D.6

TULARE AFDC-Us: IMPACTS ON EMPLOYMENT, EARNINGS, AFDC RECEIPT, AND AFDC PAYMENTS

Outcome and Follow-Up Period	Experimentals	Controls	Difference	
Ever employed, quarters 2-5 (%)	52.4	51.3	1.1	
Average number of quarters with employment, quarters 2-5	1.37	1.38	-0.01	
Ever employed (%)				
Quarter of random assignment	30.3	31.8	-1.5	
Quarter 2	32.1	31.5	0.6	
Quarter 3	36.3	35.2	1.1	
Quarter 4	34.4	36.9	-2.5	
Quarter 5	34.2	34.3	-0.1	
Quarter 6	n/a	n/a	n/a	
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Average total earnings, quarters 2-5 ($)	2,958	2,955	3	
Average total earnings ($)				
Quarter of random assignment	345	373	-28	
Quarter 2	560	639	-79	
Quarter 3	784	767	16	
Quarter 4	814	778	36	
Quarter 5	801	771	30	
Quarter 6	n/a	n/a	n/a	
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Ever received any AFDC payments, quarters 2-5 (%)	94.3	92.6	1.7	
Average number of months receiving AFDC payments, quarters 2-5	9.33	9.14	0.20	
Ever received any AFDC payments (%)				
Quarter of random assignment	94.8	95.7	-0.9	
Quarter 2	92.8	90.9	1.8	
Quarter 3	84.4	80.2	4.2	**
Quarter 4	77.8	76.0	1.8	
Quarter 5	74.6	74.5	0.2	
Quarter 6	n/a	n/a	n/a	
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Average total AFDC payments received, quarters 2-5 ($)	7,545	7,523	23	
Average AFDC payments received ($)				
Quarter of random assignment	1,916	1,997	-81	***
Quarter 2	2,059	2,054	5	
Quarter 3	1,927	1,898	29	
Quarter 4	1,805	1,813	-8	
Quarter 5	1,754	1,757	-3	
Quarter 6	n/a	n/a	n/a	
Quarter 7	n/a	n/a	n/a	
Quarter 8	n/a	n/a	n/a	
Sample size (total = 1,901)	1,319	582		

SOURCE and NOTES: See Table 5.1. Five quarters of follow-up data are available for Alameda and Tulare; six quarters for Butte, Los Angeles, and Riverside; and eight quarters for San Diego.

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