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AUTHOR Huston, Aletha C.; Miller, Cynthia.; Richburg-Hayes,

Lashawn.; Duncan, Greg J.; Eldred, Carolyn A.; Weisner,

Thomas S.; Lowe, Edward; McLoyd. Vonnie C.; Crosby, Danielle

A.; Ripke, Marika N.; Redcross, Cindy

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#### **ABSTRACT**

This report summarizes an analysis of New Hope, a demonstration program designed to improve the lives of low-income people willing to work full time by providing several benefits (an earnings supplement to raise their income above poverty, subsidized health insurance, and subsidized child care) and offering help obtaining jobs. New Hope was implemented in inner city Milwaukee, Wisconsin. Half of the 1,300 adults in the sample were assigned to a group that was eligible to receive New Hope's benefits, and half were assigned to a control group that did not receive benefits. This evaluation examined the families and children of 745 sample members. Evaluation data came from state administrative records, New Hope program data, surveys of parents and children at 2 and 5 years after randomization, and surveys of teachers. A subgroup of families was followed ethnographically from the third through fifth year. Results indicated that New Hope increased work and income. Intervention families had more stable employment, lower poverty rates, and higher wages at 5 years than control families. They also had increased instrumental and coping skills and were more aware of community resources. Intervention children had more time in center-based child care and other structured activities. New Hope improved children's positive social behavior and performance in school. Includes 8 tables/figures. (SM)



# NEW HOPE FOR FAMILIES AND CHILDREN

# Five-Year Results of a Program to Reduce Poverty and Reform Welfare

Aletha C. Huston
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Carolyn A. Eldred
Thomas S. Weisner
Edward Lowe
Vonnie C. McLoyd
Danielle A. Crosby
Marika N. Ripke

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#### **Summary Report**

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Marika N. Ripke

**Cindy Redcross** 

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#### Overview

The principle guiding the New Hope Project — a demonstration program that was implemented in two inner-city areas in Milwaukee from 1994 through 1998 — was that anyone who works full time should not be poor. New Hope offered low-income people who were willing to work full time several benefits, each of which was available for three years: an earnings supplement to raise their income above the poverty level; subsidized health insurance; subsidized child care; and, for people who had difficulty finding full-time work, referral to a wage-paying community service job. The program was designed to increase employment and income as well as use of health insurance and licensed child care, and it was hoped that children would be the ultimate beneficiaries of these changes.

A team of researchers at MDRC and the University of Texas at Austin is examining New Hope's effects in a large-scale random assignment study. This interim report from the study focuses on the families and children of the 745 sample members who had at least one child between the ages of 1 and 10 when they entered the study. The new findings draw on administrative records and survey data covering the period up to five years after study entry (Year 5), that is, two years after the program ended. A final report will examine New Hope's effects after eight years.

#### **Key Findings**

- Employment and Income. Parents in the New Hope group worked more and earned more than did parents in the control group. Although the effects diminished after Year 3, when the program ended, they did persist for some parents. The provision of community service jobs was important to increasing employment: 30 percent of program group members worked in a community service job while in New Hope. The program reduced poverty rates through Year 5.
- Parents' Well-Being. Although New Hope had few effects on levels of material and financial hardship, it did increase parents' instrumental and coping skills. Program group members were more aware of "helping" resources in the community, such as where to find assistance with energy costs or housing problems, and more of them knew about the Earned Income Tax Credit (EITC). They also reported better physical health and fewer signs of depression than did control group members.
- Parenting and Children's Activities. Although New Hope had few effects on parenting, it did increase children's time in formal center-based child care and after-school programs. Even in Year 5, after eligibility for New Hope's child care subsidies had ended, children in New Hope families spent more time than their control group counterparts in center-based child care and after-school programs and correspondingly less time in home-based and unsupervised care. New Hope also increased adolescents' participation in structured out-of-school activities, such as youth groups and clubs.
- Children's Outcomes. At the end of both Year 2 and Year 5, children in the New Hope group performed better than control group children on several measures of academic achievement, and their parents reported that the children got higher grades in reading and literacy skills. New Hope also improved children's positive social behavior. All these effects were more pronounced for boys than for girls.

The New Hope findings support the wisdom of recent expansions in work supports for poor families, including increases in the value of the EITC and greater eligibility for Medicaid and child care subsidies. The program's lasting effects on children also have special relevance to the redesign of the nation's income support system. Language proposed in the 2003 reauthorization of the 1996 federal welfare reform legislation would establish improving the well-being of poor children as the law's overarching purpose. The present findings show that fulfilling this purpose need not be at odds with the goal of moving parents to work.



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#### **Preface**

New Hope was an ambitious program based on two simple yet widely held principles: People who are willing to work full time should be able to do so, and they should not be poor when they do. The program was designed to improve the lives of low-income families by providing several benefits for parents who worked full time: an earnings supplement to raise their income above poverty, subsidized health insurance, and subsidized child care. The program also offered access to wage-paying community service jobs for people who could not find full-time work.

New Hope was run as a demonstration project from 1994 to 1998 in two inner-city areas in Milwaukee, Wisconsin, by the New Hope Project, Inc., a local community-based organization. The program had only four eligibility requirements: that applicants live in one of the two targeted service areas, be age 18 or older, be willing and able to work at least 30 hours per week, and have a household income at or below 150 percent of the federally defined poverty level. Participation was voluntary, and adults were eligible regardless of whether they had children and whether they were receiving public assistance.

New Hope was designed to be replicable as government policy, and one goal of the project was to provide credible information to policymakers on the effectiveness and costs of this approach. This report is one of a series examining New Hope's effects on families and children. An earlier report presented effects two years after program entry. This report presents findings after five years, or two years after program services ended, and it focuses on those adults who had children, the majority of whom were single mothers receiving public assistance when they entered the study. Applicants were assigned using a lottery-like process to New Hope or a control group, and the program's effects were estimated by comparing how the two groups fared over time.

The New Hope evaluation goes beyond economic effects to examine the program's effects on family functioning and children's well-being. As such, it is an ambitious evaluation, using diverse research methods and data and involving a collaboration among MDRC staff, New Hope's board and staff, and prominent university-based scholars. This collaboration was begun under the auspices of the MacArthur Foundation Research Network on Successful Pathways Through Middle Childhood.

The five-year story is one of lasting effects on children's environments and their well-being. At both the two-year and the five-year points, parents in New Hope were more likely than control group parents to use center-based child care. It is striking that these effects persisted through Year 5, or two years after New Hope child care subsidies had ended. New Hope also improved children's positive behavior and school performance — effects that occurred while the program operated and after it had ended. After five years, for example, New Hope children



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scored higher than children in the control group on a standardized reading achievement test, and they received higher ratings from their parents on their performance in school. The effects on school performance were larger for boys than for girls, and the effects on positive behavior occurred primarily for boys.

What brought about these positive effects on children? The answer probably varies across families. First, New Hope increased work and income: Parents in the New Hope group worked more and had higher incomes than parents in the control group. Although the effects faded for the sample as a whole, they did persist through Year 5 for some families. New Hope also reduced poverty through the fifth year. Second, New Hope parents reported lower levels of depressive symptoms than control group parents after five years, and they were more aware of community resources, including the Earned Income Tax Credit (EITC). It is likely that some children benefited from their time in center-based child care and after-school programs, that others benefited from the fact that their families had higher incomes because of the earnings supplement, and that still other children benefited from some of the other positive changes in the home environment. Finally, it is possible, and even likely, that the positive effects on children at Year 5 are a result of the earlier gains, observed at Year 2, which may have set children on a permanently higher trajectory.

New Hope operated during a time when both work supports (in the form of the EITC and child care subsidies) and work mandates (in the form of welfare reform) were expanding. Within this changing context, the program still increased work and income and made families and children better off. The findings show the importance of work supports for low-income families and their children and suggest that recent policies that have increased these types of supports have been changes in the right direction.

Gordon Berlin Senior Vice President



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#### **Acknowledgments**

The New Hope Project and this report from the evaluation benefited from an uncommon, engaged collaboration among program staff, the evaluation team — which includes MDRC staff and university researchers from various disciplines — and numerous advisors. At the New Hope Project site in Milwaukee, Executive Director Julie Kerksick provided firsthand information on the project's history and goals, explained program procedures, pushed the evaluation team to clarify its work, and provided ongoing, thoughtful reviews of the report. Tom Back, Associate Director, initiated and maintained the financial supplement system, provided data for the report, offered valuable reviews, and answered innumerable questions throughout the process. Other staff at the New Hope Project supported this research by participating in interviews and focus groups and by facilitating the exchange of information among MDRC, university researchers, and the New Hope Project. In the early stages of the project, significant assistance was provided by Sharon F. Schulz, the former Executive Director, and Don Sykes, Executive Director during the project's pilot phase.

The evaluation's funders have provided indispensable support. They are acknowledged at the front of the report.

We are deeply grateful to the people in the study sample. Whether participating in the New Hope program or as members of the control group, these Milwaukee residents went through the random assignment process, granted us access to confidential information about themselves, and participated in surveys, focus groups, individual interviews, and ongoing ethnographic research. Without them, this research would not have been possible.

The Child and Family Study was initially made possible by the MacArthur Foundation Research Network on Successful Pathways Through Middle Childhood. The network provided the opportunity to form a highly successful collaboration among researchers from different disciplines, and it provided significant funding for the project. A grant from the National Institute of Child Health and Human Development (R01 HD 36038) to the University of Texas at Austin supported the five-year follow-up study and report.

At MDRC, we thank Gordon Berlin, Judy Gueron, Virginia Knox, Tom Brock, and Pamela Morris for comments on earlier drafts of the report. We also thank members of MDRC's Income Studies Committee — Robert Solow, Henry Aaron, Rebecca Blank, Gary Burtless, David Ellwood, Ron Haskins, Mark Greenberg, and Isabel Sawhill — for providing comments on an earlier draft.

Quantitative data collection for this report was supervised by Carolyn Eldred. The twoyear survey was conducted by Westat, under the direction of David Maklan and Alexa Fraser,



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and the five-year survey was conducted by Survey Research Management, under the direction of Linda Kuhn. Research associates, graduate students, and staff at the University of Texas at Austin selected and prepared measures and survey forms for the in-home survey, collected the mailed teacher surveys, and analyzed data. They include David Casey, Sylvia Branca, Mi-Suk Shim, Chantelle Dowsett, Jessica Cummings, Sylvia Epps, Jill Sandidge, and Shannon Moore.

The State of Wisconsin and the County of Milwaukee provided invaluable data. We want to thank staff at the Wisconsin Department of Workforce Development, Wisconsin Department of Health and Family Services, Wisconsin Department of Revenue, and Milwaukee County Department of Human Services and well as other state, county, and city agencies, all of which provided specific information on Wisconsin and Milwaukee public assistance programs and polices. We are especially indebted to individuals in these departments who provided technical information about administrative records and data on Medicaid and Earned Income Tax Credits.

Qualitative data from an ongoing ethnography make up an integral component of the report. The New Hope Ethnographic Study uses a random sample of both New Hope and control group families from the Child and Family Study sample. The ethnography is led by Tom Weisner. Lucinda Bernheimer coordinated the ethnographic fieldwork, and Eli Lieber consulted on the fieldwork data analysis. Victor Espinosa, Christina Gibson, Eboni Howard, Katherine Magnuson, Jennifer Romich, and Devarti Syam conducted the fieldwork. Tom Weisner and Edward Lowe wrote the vignettes and Appendix B, describing the ethnographic sample and the fieldwork methods.

At MDRC, Cindy Redcross managed the quantitative data. Colleen Summo was responsible for combining and processing data from numerous sources into data files for analysis and managing these files for the researchers. Angela Estacion and Phuong Tang also aided in the processing of the data files. At Northwestern University, Lindsay Moore and Beth Clark-Kauffman assisted in the data analysis. Alethia Brown at MDRC coordinated the production of the report. Robert Weber edited the document, and Stephanie Cowell prepared it for publication.

The Authors



#### **Summary Report**

In today's labor market, many people who work do not earn enough to lift their families out of poverty. Many low-wage workers are not offered health insurance through their jobs, and many families with children face prohibitive child care costs. Policymakers have responded by implementing and expanding a series of programs designed to "make work pay." The Earned Income Tax Credit (EITC) — a wage supplement that is paid via the tax system to parents with low earnings — is one example of a policy designed to support low-income working families.

The New Hope Project is another example. Conceived by a nonprofit community-based organization, New Hope was an innovative program designed to improve the lives of low-income people who were willing to work full time, by providing several benefits: an earnings supplement to raise their income above poverty, subsidized health insurance, and subsidized child care. For people who had difficulty finding full-time work, the program offered help in obtaining a job, including referral to a wage-paying community service job when necessary. Thus, the project conditioned its benefits on full-time work, because one of its key goals was to increase employment, but it offered supports to help people meet this requirement. In the demonstration project, each of the benefits was available for three years.<sup>1</sup>

New Hope was run in two inner-city areas in Milwaukee, Wisconsin, and had only four eligibility requirements: that applicants live in one of the two targeted service areas, be age 18 or over, be willing and able to work at least 30 hours per week, and have a household income at or below 150 percent of the federally defined poverty level. Participation was voluntary, and adults were eligible regardless of whether they had children and whether they were receiving welfare. A team of researchers at MDRC and the University of Texas at Austin is evaluating New Hope's effects. In the evaluation, applicants to the program were assigned through a lottery-like process either to New Hope or to a control group, and the program's effects were estimated by comparing how the two groups fared over time. This report focuses on those adults who had children, the majority of whom were single mothers receiving public assistance when they entered the study.

The idea for New Hope originated in the early 1990s in response to structural factors in both the labor market and the welfare system that worked against low-income families. Welfare rules — which reduced benefits nearly one dollar for every dollar increase in earnings — along with low wages in the labor market and the absence of employer-provided medical insurance meant that leaving welfare for work did not always make families better off financially and often led to the loss of health coverage. After paying for child care and other work expenses, low-



<sup>&</sup>lt;sup>1</sup>Parents who needed community service jobs could work in these jobs for up to 12 months.

income families were sometimes worse off, and they were usually still living below the poverty level. New Hope's underlying principles are that people who are willing to work full time should be able to do so and that they should not be poor when they do.

Each of New Hope's components is similar in some respects to features of other programs that now help poor families, such as child care assistance, subsidized health coverage, and the EITC. In fact, the program, which ran from 1994 through 1998, operated during a time in which the policy environment faced by low-income families was changing dramatically, in terms of work mandates, work supports, and work opportunities. The EITC, for example, was increased substantially during the 1990s, making it now one of the largest antipoverty programs in the country. Both Medicaid and child care assistance were expanded, and eligibility was extended to low-income families not receiving welfare. The welfare system was also beginning a major period of reform, which culminated with the 1996 legislation requiring work mandates and time limits. The State of Wisconsin was in the forefront in the effort to reform welfare and had imposed work requirements for recipients even prior to the national legislation. The state has also been in the forefront on the work supports side, providing a generous state EITC and significantly expanding funds for child care assistance and health coverage. Finally, these increases in work mandates and work supports occurred during a period of strong economic growth, when unemployment rates both nationally and in Milwaukee were low.

Within this changing context, New Hope was unique in that it offered one package — administered conveniently in one setting — containing a suite of benefits and services that parents could take up and use according to family needs and preferences. Importantly, it also had higher income thresholds than then-existing health, child care, and earnings subsidy programs.

New Hope was designed to be replicable as government policy, and one goal of the project was to provide credible information to policymakers on the effectiveness and costs of this approach. New Hope's designers expected that its combination of benefits and services would have the direct effects of increasing parents' employment and their use of health insurance and licensed child care. These effects, in turn, might influence the well-being of the program's adults and their families. It was hoped that the ultimate beneficiaries of the program would be the children, whose development might benefit from reduced poverty, changes in the home environment, and increased time in licensed child care. Thus, the evaluation set out to answer several questions: How many eligible families would make use of New Hope's benefits? Would the program increase employment and reduce poverty? Would it affect other aspects of parents' well-being and the lives of their children? Finally, would New Hope affect children's development and well-being?



#### The Evaluation

This report is part of a series on the New Hope Project. Early reports examined the implementation of the program and participants' use of services. The most recently published report examined the effects on parents and children two years after parents applied for the program, when the study children were 3 to 12 years old.<sup>2</sup> The current report presents results five years after application to the program, when the children were 6 to 16 years old. A subsequent report will examine the program's effects after eight years.

New Hope was evaluated using a random assignment research design. After conducting outreach in the communities to identify eligible people, the study enrolled over 1,300 low-income adults. Half the applicants were randomly assigned to a program group that was eligible to receive New Hope's benefits, and the other half were randomly assigned to a control group that was not eligible for the enhanced benefits. Because the random assignment process created two groups that closely resemble each other, comparing outcomes such as employment and income for the two groups over time gives a reliable estimate of New Hope's effects. From the total sample of 1,357 people, 745 people had at least one child between the ages of 1 and 10 at the time of enrollment. These families constitute the Child and Family Study (CFS) sample and are the focus of this report.<sup>3</sup> Almost 90 percent of the adults in this sample were single or separated mothers with children when they entered the study, and 80 percent were receiving public assistance.

The evaluation makes use of several data sources. New Hope program data provide information on parents' use of the program's services. State administrative records provide data on employment and receipt of welfare and food stamp benefits. In-person surveys — administered to parents and children at two years and five years after random assignment — obtained information on families' receipt of New Hope benefits, parents' employment and earnings, family functioning, and parent-child relations. For up to two "focal" children in each family, the surveys also collected information from both parents and children on participation in child care and other activities as well as children's behavior and school performance.<sup>4</sup> Teachers were mailed surveys asking about the children's school performance and social behavior.

In order to understand in depth the dynamics of family life, the experiences of parents and children, and the contexts in which families lived and worked, an ethnographic sample of 44 families was drawn from the CFS sample. These families — half of whom were in the New Hope group and half of whom were in the control group — were followed from the third year,



<sup>&</sup>lt;sup>2</sup>J. M. Bos, A. C. Huston, R. Granger, G. Duncan, T. Brock, and V. McLoyd, *New Hope for People with Low Incomes: Two-Year Results of a Program to Reduce Poverty and Reform Welfare* (New York: MDRC, 1999).

<sup>&</sup>lt;sup>3</sup>A separate report on the total sample is forthcoming.

<sup>&</sup>lt;sup>4</sup>If there were more than two children in the family between the ages of 1 and 10, two were chosen at random to be the focal children.

or the final year of the New Hope program, through the fifth year. The ethnographic data include extensive field notes as well as focused interviews covering a wide range of topics, including, for example, parents' experiences with New Hope, family routines, work experiences, family relationships, child care arrangements, and goals.

#### **Findings**

The findings show that work supports can have a range of positive effects on lowincome families and their children. First, New Hope increased work and income: Parents in the New Hope group worked more and had higher incomes than parents in the control group. Although these effects on work and income faded for the sample as a whole after Year 3, when the program ended, to a remarkable extent New Hope continued to have positive effects on a wide range of other outcomes throughout the five-year follow-up. For example, New Hope participants had more stable employment, lower rates of poverty, and higher wages at the five-year point. New Hope parents also reported lower levels of depressive symptoms than control group parents after five years, and they were more aware of community resources, including the EITC. In addition to affecting parents' economic status, New Hope influenced children's environments by increasing their time in center-based child care and in other structured activities. New Hope parents were more likely than control group parents to use center-based child care — an effect that persisted through the fifth year, or two years after New Hope child care subsidies had ended. Finally, both while the program operated and at five years after study entry, New Hope improved children's positive social behavior and performance in school. New Hope children scored higher than children in the control group on a standardized reading achievement test, and they received higher ratings from their parents on their performance in reading and literacy at school. The effects on teachers' reports of school performance and positive behavior occurred primarily for boys.

Because New Hope's benefits were offered as a package, it is not possible to determine whether one particular component led to the program's positive effects on families and children. In fact, the findings suggest that New Hope had the effects it did because it offered a menu of benefits, allowing families to choose and use services according to their needs. It is likely that some children benefited from their time in center-based child care and after-school programs; others benefited from the fact that their families had higher incomes because of the earnings supplement; and still others needed the extra support of community service jobs to get them started.

#### The Use of New Hope's Benefits

• The majority of families in the program group used New Hope services at some point during the three-year eligibility period, although



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# few families received benefits every month. The annual cost of providing these benefits was \$5,300 per family.

The large majority (87 percent) of people in the program group received at least one New Hope benefit (earnings supplement, health insurance, or child care assistance) during the three-year period. However, in any given month, between 40 percent and 50 percent of the sample were receiving at least one type of benefit — the most common being the earnings supplement. In addition, families who did receive benefits received them for an average of 17 months out of the 36-month eligibility period. The fact that most families did not use benefits consistently is partly the result of New Hope's design; for example, benefits were offered only to full-time workers, and the value of benefits decreased as family income increased. In addition, some families did not need particular benefits, such as low-cost health coverage, if they received Medicaid or employer-provided coverage. The use of benefits was also related to families' circumstances. According to the ethnographic data, families were most likely to use benefits when they could strategically manage work and finances and when benefits complemented their current arrangements. Families who were struggling with health and personal problems were less likely to work full time and less likely to use benefits. The average annual cost of providing these benefits was \$5,300 per program group family, and the average family consisted of one adult and two or three children. The largest component of these costs was New Hope's child care subsidies. Half the families who were still receiving benefits when the program ended reported being able to adjust to the loss of these benefits — in part owing to the efforts of New Hope staff, who worked to inform families of the upcoming end of benefits and to ensure that this adjustment went as smoothly as possible. However, about 20 percent of these families reported major difficulties adjusting to the loss of benefits.

#### New Hope staff services provided positive support for participants.

Two years after random assignment, when families were still eligible for New Hope benefits, parents in the program group reported receiving higher levels of instrumental and emotional support — probably a reflection of New Hope staff services. In ethnographic and focus group interviews, parents praised the staff for respectful and helpful assistance.

 By the fifth year, or two years after the end of eligibility for New Hope benefits, the program group and the control group received similar levels of benefits from public sources.

Two years after they entered the program, when benefits were still available, more adults in the program group than in the control group were covered by health insurance and were receiving child care subsidies — a direct result of the program's benefits. By the five-year point, however, or two years after New Hope ended, there were no differences between the two



groups on these outcomes. Some families in both groups were making use of the expanded eligibility for these types of work supports, particularly with respect to health coverage.

#### **Effects on Employment and Income**

#### New Hope increased employment and earnings.

Parents in the New Hope group worked more and earned more than did those in the control group (Figure 1). For the sample as a whole, the effects occurred largely during the first three years, when the program was still operating. For some groups, however — such as Hispanic parents and parents who faced moderate barriers to employment (for example, large families, preschool-aged children) — the impacts on employment and earnings lasted throughout the five-year period. The impacts on employment and earnings, especially in the early years, would not have been as large if New Hope had not provided community service jobs to those who needed them: 30 percent of parents in the program group worked in a community service job at some point during the first three years.

#### New Hope increased stable employment and average wages.

Parents in the New Hope program worked more consistently than did those in the control group. This increase in stable employment may have contributed to one of the program's more lasting effects: During the fifth year, the program group earned higher wages than the control group. For example, 26.6 percent of people in the program group earned more than \$11 per hour, compared with 20 percent of people in the control group.

#### • New Hope had no effect on welfare receipt.

Welfare receipt fell dramatically during the five-year period for all groups in the evaluation sample, reflecting trends nationwide and in Wisconsin. However, rates of receipt were similar for the New Hope and control groups.

#### • New Hope increased income and reduced poverty.

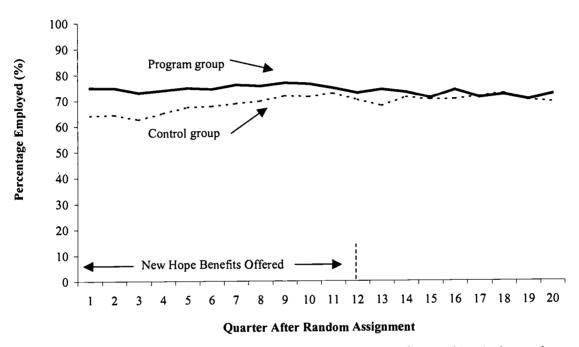
The families in the New Hope group had higher incomes than the families in the control group, although the effects occurred mostly during the first three years. The program did continue to have large effects on income in Years 4 and 5 for some groups in the sample, such as Hispanic parents and parents who had only moderate barriers to employment. In contrast, New Hope's effects on poverty persisted throughout the five-year period for the entire sample, due in part to the fact that the effects on income — although not statistically significant in the later years — were still positive, and in part to the fact that New Hope reduced the number of families who had very low incomes. In Year 5, for example, 52 percent of the program group had incomes below the poverty line, compared with 60 percent of the control group (Figure 2).



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# The New Hope Project Figure 1 Impacts on Employment

New Hope increased employment, but the effects diminished after program services ended



SOURCES: MDRC calculations using data from the New Hope Project MIS client-tracking database and Wisconsin unemployment insurance (UI) records.

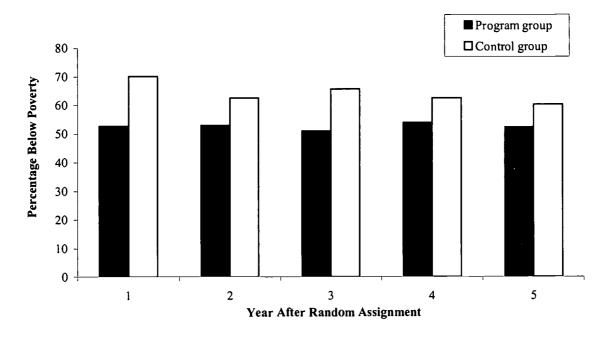
NOTE: Only for Quarters 1 through 8 and 13 are the differences between the program and control group outcomes statistically significant: Quarters 1 through 4, at the 1 percent level; Quarters 5 through 7 and 13, at the 5 percent level; and Quarter 8, at the 10 percent level.



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# The New Hope Project Figure 2 Impacts on Poverty

#### New Hope reduced the number of families below poverty



SOURCES: MDRC calculations using data from the New Hope Project MIS client-tracking database and Wisconsin unemployment insurance (UI) records.

NOTES: The differences between the program and control group outcomes are statistically significant for all years: Years 1 and 3, at the 1 percent level; Years 2 and 4, at the 5 percent level; and Year 5, at the 10 percent level.

The poverty rates shown here are based on an income measure that includes earnings, EITC benefits, New Hope supplements, and public assistance as captured by administrative records. Because these rates do not include other sources of household income, they are not comparable to the official poverty rate.



#### Effects on Families' Well-Being

New Hope had few effects on material well-being.

Although New Hope did reduce the number of families in poverty, at both the two-year and the five-year points, the program and control groups reported similar levels of material hardship, such as food insecurity and financial worries. They also provided similar ratings of the quality of their housing and neighborhoods. (Table 1 presents selected effects on parents' well-being.)

• Yet the program did have some positive effects on other aspects of parents' well-being and on their instrumental and coping skills.

Parents in the New Hope group were more aware of available "helping" resources in the community, such as where to find assistance with energy costs or housing problems. More of them also knew about the EITC, an important source of support for low-income workers. Ethnographic data suggest that a significant number of families intentionally used the EITC as a savings plan for making major purchases, reducing debt, and stabilizing rent and other payments. Parents in New Hope also reported better physical health and fewer symptoms associated with depression than did parents in the control group. At the two-year point, New Hope parents reported reduced stress, increased feelings of social support, and increased time pressure. The ethnographic study found that many parents had children with disabilities or behavioral difficulties; New Hope helped the parents achieve a difficult balance among work, services, and parenting.

#### **Effects on Children's Environments**

New Hope had few effects on parenting and parent-child relations.

Overall, at the two-year and the five-year points, there were few differences between the program and control groups on several measures of parenting, such as parenting stress, parental warmth, and regularity of family routines. The New Hope parents did report fewer problems controlling their children, and parents of adolescents reported more effective management (better control and less need for punishment).

 New Hope substantially increased children's time in formal centerbased child care and in after-school programs.

Even during the fifth year, after eligibility for New Hope's child care subsidies had ended, children in New Hope families spent more time in center-based child care and after-school programs than did children in control group families and correspondingly less time in home-based and unsupervised care, which includes self-care and care by siblings. As expected, these effects occurred only for children age 12 or younger (Figure 3). Ethnographic data indi-



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# The New Hope Project Table 1

# Impacts on Parents' Well-Being

New Hope had few effects on parents' well-being but did increase some of their coping skills

	Range of	Program	Control Impact	Impact		Effect
Outcome	Outcome	Group	Group (	Group (Difference) P-Value	P-Value	Sizea
<b>Material well-being</b> Material hardship	0=no, 1= yes	0.18	0.18	-0.01	.664	-0.04
Residential well-being Satisfaction with housing	1=low, 4=high	2.98	3.02	-0.05	.556	-0.05
Physical well-being Physical health of parent	1=low, 5=high	3.53	3.35	0.18 *	.058	0.16
Coping strategies and instrumental behaviors Sustainability <sup>b</sup>	l=sort of true for you,	3.03	2.98	0.05	.461	0.06
Awareness of helping resources	4=very true 1=low, 2=high	1.98	1.88	** 60:0	.012	0.22
Psychosocial well-being General stress	l=none of the time,	2.49	2.48	0.01	.855	0.02
Depression	4=almost all of the time 0=low, 60=high	14.32	15.86	-1.55 *	.091	-0.14
Sample size		277	276			

SOURCE: MDRC calculations using data from the New Hope five-year survey.

NOTES: Statistical significance levels are indicated as \*\*\* = 1 percent, \*\* = 5 percent, and \* = 10 percent.

Actual sample sizes for individual measures may vary as a result of missing data.

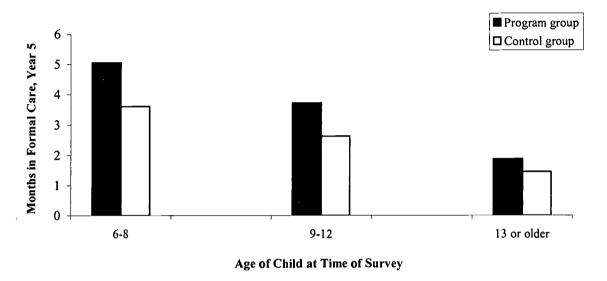
\*The effect size is the difference between program and control group outcomes as a proportion of the standard deviation of the outcomes for both groups combined. This standard deviation is always obtained from the entire research sample.

b"Sustainability" refers to the ability to manage an everyday routine of family life, which includes juggling social and material resources to achieve one's goals and provide stability.



# The New Hope Project Figure 3 Impacts on Child Care

New Hope increased children's time in formal care through Year 5, or two years after the program ended; as expected, impacts occurred only for children age 12 or younger



SOURCE: MDRC calculations using data from the New Hope five-year survey.

NOTE: Only for the younger two age groups are the differences between the program and control group outcomes statistically significant: children ages 6 to 8, at the 5 percent level; and children ages 9 to 12, at the 10 percent level.

cate that the stability of child care arrangements was higher for New Hope families than for control group families for about a year after benefits ended. Center-based care and stable center care may have contributed to parents' stability of employment and to children's academic and social skills.

## • New Hope increased children's participation in some structured activities.

Two years after New Hope began, children in program group families participated in more structured out-of-school activities, such as team sports and youth groups or clubs. When these same children were adolescents, they still spent more time than control group adolescents participating in such structured out-of-school activities (Table 2). Program group children of all



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#### The New Hope Project

#### Table 2

#### Impacts on Children's Activities

#### New Hope increased adolescents' participation in structured activities outside school

	Program	Control	Impact		Effect
Outcome	Group	Group	(Difference)	P-Value	Size <sup>a</sup>
Structured out-of-school activities during the school year <sup>b</sup>					
All children	2.42	2.33	0.10	.218	0.10
By age at survey 6 to 8 9 to 12	2.16 2.60	2.17 2.47	0.00 0.13	.973 .261	0:00 0.13
13 to 16	2.57	2.27	0.30 **	.029	0.32

SOURCE: MDRC calculations using data from the New Hope five-year survey.

NOTES: Statistical significance levels are indicated as \*\*\* = 1 percent, \*\* = 5 percent, and \* = 10 percent.

For all children, parent reports were available for 830 children. Actual sample sizes for individual measures may vary as a result of missing data.

<sup>a</sup>The effect size is the difference between program and control group outcomes as a proportion of the standard deviation of the outcomes for both groups combined. This standard deviation is always obtained from the entire research sample, even for subgroups.

<sup>b</sup>Using a scale that ranged from 1 ("never") to 5 ("about every day"), parents reported on children's participation in such activities as organized sports, religious classes and events, clubs, and lessons.

ages participated in activities offered by religious organizations more than did control group children (not shown in table).

#### Effects on Children

#### New Hope improved children's school performance.

At both the two-year and the five-year points, children in the New Hope group performed better than control group children on several measures of academic achievement, particularly on reading and literacy tests (Table 3). After five years, they scored higher on a standardized test of reading skills, and their parents reported that they got higher grades in reading skills. These effects were slightly more pronounced for boys than for girls. Compared with their control group counterparts, boys in New Hope also received higher ratings of academic performance from their



# The New Hope Project Table 3 Impacts on Children's Academic Achievement

New Hope improved children's school performance

	Program	Control	Impact		Effect
Outcome	Group	Group	(Difference)	P-Value	Si <u>z</u> e <sup>a</sup>
Woodcock-Johnson test of reading achievement <sup>b</sup>					
All children	98.05	96.01	2.05 *	.091	0.12
Boys	97.74	94.85	2.88	.106	0.18
Girls	98.71	96.94	1.78	.263	0.11
Parents' ratings of reading achievement					
All children	3.70	3.48	0.22 ***	.006	0.19
Boys	3.52	3.29	0.23 **	.047	0.20
Girls	3.88	3.69	0.19 *	.099	0.16
Teachers' ratings of academic achievement <sup>d</sup>					
All children	3.21	3.15	0.06	.517	0.06
Boys	3.22	2.92	0.30 **	.035	0.30
Girls	3.19	3.36	-0.17	.171	-0.17

SOURCE: MDRC calculations using data from the New Hope five-year survey.

NOTES: Statistical significance levels are indicated as \*\*\* = 1 percent, \*\* = 5 percent, and \* = 10 percent.

Test results were available for 816 children, parent reports were available for 830 children; and teacher reports were available for 531 children. Actual sample sizes for individual measures may vary as a result of missing data.

<sup>a</sup>The effect size is the difference between program and control group outcomes as a proportion of the standard deviation of the outcomes for both groups combined. This standard deviation is always obtained from the entire research sample, even for subgroups.



<sup>&</sup>lt;sup>b</sup>Woodcock-Johnson scores are age-standardized with a mean of 100 and a standard deviation of 15.

<sup>&</sup>lt;sup>c</sup>Parents' ratings ranged from 1 ("below average") to 5 ("excellent").

<sup>&</sup>lt;sup>d</sup>Teachers' ratings on the academic subscale of the Social Skills Rating System ranged from 1 ("lowest 10 percent of the class") to 5 ("highest 10 percent of the class") and covered children's performance in reading, math, intellectual functioning, motivation, oral communication, classroom behavior, and parental encouragement.

# The New Hope Project Table 4 Impacts on Children's Behavior

New Hope improved children's positive behavior, primarily for boys

	Program	Control	Impact		Effect
Outcome	Group	Group	(Difference)	P-Value	Sizea
Positive Behavior Scale <sup>b</sup>					
All children					
Parent reports	3.89	3.81	0.08 *	.061	0.15
Teacher reports	3.60	3.59	0.01	.915	0.01
Boys					
Parent reports	3.83	3.76	0.07	.207	0.13
Teacher reports	3.58	3.42	0.17 *	.078	0.24
Girls					
Parent reports	3.95	3.87	0.08	.161	0.15
Teacher reports	3.60	3.77	-0.18 **	.037	-0.26

SOURCE: MDRC calculations using data from the New Hope five-year survey.

NOTES: Statistical significance levels are indicated as \*\*\* = 1 percent, \*\* = 5 percent, and \* = 10 percent.

For all children, parent reports were available for 830 children; and teacher reports were available for 531 children. Actual sample sizes for individual measures may vary as a result of missing data.

<sup>a</sup>The effect size is the difference between program and control group outcomes as a proportion of the standard deviation of the outcomes for both groups combined. This standard deviation is always obtained from the entire research sample, even for subgroups.

<sup>b</sup>The Positive Behavior Scale of the Social Skills Rating System includes 25 items divided into three subscales: compliance and self-control, social competence and sensitivity, and autonomy. Both parents and teachers completed these scales (1="never," 5="all of the time").

teachers and were more likely to expect to attend college at both the two-year and the five-year assessments. New Hope adolescents reported more engagement with school, feelings of efficacy, and expectations to finish college than did their control group counterparts.

 New Hope improved children's positive social behavior, especially for boys.

At the five-year point, parents in New Hope rated their children higher on positive social behavior — including compliance, self-control, and sensitivity — than did parents in the control group (Table 4). Boys in New Hope also received higher ratings from their teachers in terms of appropriate classroom behavior and positive social behavior, and they responded to



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hypothetical scenarios of peer provocation with less hostility than did control group boys, suggesting that they were less aggressive. Girls in New Hope, in contrast, received lower ratings from their teachers on classroom and social behavior and higher ratings on problem behaviors than did their control group counterparts. There were no effects on children's reports of delinquent actions or other risky behavior for either boys or girls.

The New Hope findings support the wisdom of recent expansions in work supports for poor families, including increases in the value of the EITC and expansions in eligibility for Medicaid and child care subsidies. New Hope benefits were added to a range of work supports that already existed in Wisconsin, and it was not clear in this context whether they would have any added effect. The results of this study show that they did. In addition, the program's lasting effects on children have special relevance to the redesign of the nation's income support system for low-income families. Language proposed in the 2003 reauthorization of the 1996 Temporary Assistance for Needy Families (TANF) welfare reform legislation would establish improving the well-being of poor children as the overarching purpose of welfare reform. TANF's block grant structure gives states a lot of flexibility in how these funds are used to support poor families. The New Hope findings suggest one possible means of achieving TANF's new purpose and show that the goals of increasing family income and helping poor children need not be inconsistent with the goal of moving parents to work.

#### Pathways of Effects on Children

How and why did New Hope lead to lasting gains for children? Table 5 presents a summary of the program's effects. New Hope was designed to increase parents' employment and families' material resources, and it did. Although the program's impacts on employment and income faded somewhat for the sample as a whole after Year 3, New Hope participants had more stable employment, lower rates of poverty, and higher wages at the five-year point. Stable employment and modestly higher income may have increased family resources available for the children (for example, center-based child care) and may have improved parents' psychosocial well-being. Program group parents reported better physical health and slightly lower levels of depressive symptoms than control group parents, and these measures are both indicators of adult well-being. Perhaps more important, there is some evidence that program group parents were more aware of community resources and of the EITC.

Changes in parents' employment and family income are likely to affect children through their impacts on everyday experiences at home and away from home. Although there is a great deal of evidence from other research showing that income affects parents' well-being, which in turn contributes to positive parenting, in fact this study found only very modest evidence of program impacts on parenting practices.



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#### The New Hope Project

# Table 5 Summary of New Hope's Impacts

Outcome	Program Group Versus Control Group				
Parents' employment and income	Modestly higher income				
	Less poverty				
	More stable employment				
	Higher wages				
Parents' well-being	No difference in material or financial well-being				
	Slightly better physical health				
	Fewer depressive symptoms				
	Better awareness of public and community resources				
	Better able to sustain daily routine				
Parenting	Few overall effects				
	Fewer problems with control in discipline situations				
	Boys: More positive parent relations				
	Adolescents: More effective child management				
Child care	More center-based care				
	More after-school programs				
	Less home-based care				
	Less unsupervised care				
	Fewer changes in arrangements				
Children's out-of-school activities	More participation in religious activities and organizations				
	Adolescents: More participation in structured activities (for example,				
	sports, lessons, community centers)				
Children's academic achievement	Better scores on standardized reading achievement test				
	Better reading performance (as reported by parents)				
	Boys: Better academic skills (as reported by teachers)				
Children's motivation and well-being	No overall impacts				
	Boys: Higher educational expectations				
	Greater school engagement				
	Adolescents:				
	Higher educational expectations				
	Greater school engagement				
	Increased feelings of efficacy to reach goals				
	Greater future community involvement				
Children's social behavior	More positive social behavior (as reported by parents)				
	No difference in risky, delinquent behavior				
	Boys: More positive social behavior (as reported by teachers)				
	More appropriate classroom behavior (as reported by teachers)				
	Less hostility in provocation situations				
	Girls: Less positive social behavior (as reported by teachers)				
	More problem behavior (as reported by teachers)				
Children's health	No impacts				



Parenting involves more than direct interaction with children; parents affect their children by the arrangements they make for children's experiences in school, the community, and other settings. New Hope had strong impacts on children's experiences outside the family over the entire five-year period. Even though New Hope child care subsidies ended after three years, parents continued to use more formal center-based and after-school child care during the school year and more formal care during the summer. By contrast, control group children were more likely to be unsupervised and to be cared for by a minor during the summer. New Hope children also had more stable child care arrangements than control group children. Previous research has concluded that stable, center-based child care and after-school programs contribute to children's academic performance.<sup>5</sup>

It is striking that parents in New Hope continued to use formal child care after their eligibility for child care benefits had ended and that older children in the program continued to participate in more structured activities. One reason may be that program group parents had gained sophistication about the public and private resources available to them, which may be an important and enduring legacy of the high-quality information and assistance they had received from New Hope project representatives. New Hope parents may have been more proactive than control group parents in using a range of programs and services, particularly for older children.

The sustained impacts of New Hope on children's academic performance may have resulted from the lasting effects of the program on children's environments at home and away from home. But the long-term gains may also have resulted from advantages accrued during the three-year benefit period that led to an upward spiral. The better school performance (as rated by teachers) that New Hope children demonstrated at the two-year point could have led to experiences of success, positive attitudes about school, and positive perceptions by teachers that were self-perpetuating. The initial treatment-induced changes in children's behavior may also have affected their home and school experiences, either by eliciting particular reactions from the people around them or by leading the children to seek out different activities, settings, and peers.

The positive effects were more pronounced for boys than for girls. Considering that, on average, boys are more "at risk" than girls, particularly in low-income families, these effects could be very important. Control group boys had lower levels of academic achievement and positive behavior than did control group girls. Ethnographic data suggest that parents were especially concerned about the dangers facing their boys and that they used the extra resources from New Hope to provide material goods and positive experiences for boys. At the same time, there were negative impacts on teachers' ratings of girls — a pattern that increased in magnitude after two years. The reasons are not clear, but these findings raise concern about girls' relations to school.



<sup>&</sup>lt;sup>5</sup>NICHD Early Child Care Research Network (2000), "The Relation of Child Care to Cognitive and Language Development," *Child Development* 71: 960–980.

These results suggest some of the possible pathways by which New Hope may have affected children, but they also illustrate the difficulty of pinpointing any one factor. Although time in child care and structured activities seem to be important factors, the results as a whole suggest that there may have been multiple paths of influence. Some parents had consistently higher incomes because of New Hope; others used stable, center-based child care; and still others experienced improved psychosocial well-being. All these impacts — alone or in combination — could have improved children's well-being. This is consistent with the fact that differences across subgroups in the program's impacts on earnings and income, for example, did not translate into similar differences in the program's impacts on children. In addition, the ethnographic researchers observed varying responses to the New Hope offer as well as different life trajectories across the sample. It appeared that, by offering a choice of benefits, New Hope enhanced the overall ability of some program group families to find greater stability — and thus to sustain their daily routines amid the cascade of problems that so often overwhelm working-poor families.

That there are likely multiple pathways is also suggested from the fact that the New Hope offer included a "cafeteria" of supports, which enrollees could assemble into a customized package to meet their specific needs. The core benefits included a wage supplement, access to community service jobs, and assistance with both child care and health insurance. These concrete supports were "wrapped" in a variety of less tangible supports, such as the relationship with a New Hope project representative, who worked with the enrollee in administering the core benefits, as well as workshops on practical topics and informal get-togethers with other enrollees. Enrollees could avail themselves of these "softer" benefits as they saw fit. The diversity of the backgrounds and characteristics of the New Hope population, coupled with the project's "cafeteria-style" set of supports, meant that parents were able to use the benefits in ways that fit their overall circumstances and preferences.

#### Implications for Policy

 As expected, the employment and income effects of a work support program are largest and affect the broadest range of people during the period in which the program operates.

The original vision of New Hope was a program of continuous work supports, but funding constraints ultimately made it a test of a three-year "dose" of benefits. For the sample as a whole, New Hope's effects on earnings and income were the largest and most compelling during Years 1 through 3. This pattern of results was also found for a wage supplement program in Canada, in which the positive impacts on employment and earnings faded after the supplement



payments ended.<sup>6</sup> Impacts on employment and earnings fade over time in most programs, usually because employment rates for the control group eventually catch up with rates for the program group. Because of the strong economy during this five-year follow-up period for New Hope, people in the control group could find work fairly easily. In this case, the eight-year follow-up will be important in assessing whether the increased work experience for people in the New Hope group (which included a sizable increase in stable work) helps them weather the weaker labor market of recent years.

Would New Hope's impacts have lasted longer if its benefits had been extended by several years or even indefinitely? The program's effects on income probably would have persisted, because families could continue receiving the earnings supplement, but its effects on employment may or may not have continued. On the one hand, the pattern of employment impacts suggests that people who went to work because of the New Hope offer did so fairly quickly. On the other hand, extending the supplement beyond three years might have encouraged some New Hope parents who left work after the three-year mark to find new jobs or to find them more quickly. Also, community service jobs were important in generating the early employment effects. Offering this component after three years might have increased employment among parents who could not find full-time work.

 Nonetheless, providing even a temporary package of work supports to low-income parents can have long-term positive effects for children.

New Hope led to positive effects on children's school performance and behavior at the two-year and five-year points. The impacts on children in Year 5 are especially persuasive because they appeared on measures obtained from multiple sources — parents, teachers, children's reports, and standardized tests.

But are the impacts large, and will they really affect children's longer-term well-being? Although New Hope's effects on school achievement were not large in an absolute sense, they are sufficiently large to be socially important, given the long time period between the program and the measured outcomes. The average child in New Hope scored above 54 percent of the children in the control group on a standardized reading test. The long-term gain in reading and math achievement produced by New Hope was about one-third the size of the gain produced by the Abecedarian program (a much-acclaimed, very intensive and expensive five-year early intervention program implemented in the 1970s). Differences of this magnitude may lead to increased probability of completing high school and post-high school education. The fact that the



<sup>&</sup>lt;sup>6</sup>C. Michalopoulos, D. Tattrie, C. Miller, P. K. Robins, P. Morris, D. Gyarmati, C. Redcross, K. Foley, and R. Ford, *Making Work Pay: Final Report on the Self-Sufficiency Project for Long-Term Welfare Recipients* (Ottawa: Social Research and Demonstration Corporation, 2002).

impacts did not disappear after the two-year mark also suggests that they represent a shift to new trajectories that could continue in future years.

New Hope's effects are consistent with findings from other programs that improved children's outcomes and also increased parents' earnings and incomes by providing wage supplements. In addition, the New Hope findings suggest that a key part of this strategy may be subsidized child care. New Hope created large effects on the use of formal center-based child care and out-of-school programs, which may have contributed to the improvements in academic success and positive social behavior for participants' children. These results suggest that both children and adolescents would benefit if these types of child care and activities were more readily available to low-income families.

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New Hope was offered during a time in which both work supports and work mandates were expanding rapidly for low-income families, particularly in Wisconsin. When placed in this context, the program still encouraged more parents to go to work — increasing their earnings and incomes — and it enhanced the well-being of their children. The effects are all the more impressive, given the strong economy during the period and given the fact that New Hope was an entirely voluntary program. The findings support the wisdom of recent policies that have increased the value of the EITC and begun to extend eligibility for Medicaid and child care subsidies. Unfortunately, this trend may be reversed in the next several years, given the budgetary pressures faced by states in the early part of the decade.

The New Hope findings also suggest that the goal of helping poor families and their children need not be inconsistent with the goal of moving parents to work. In fact, New Hope adds to a growing body of evidence that work-based support programs can increase parents' work, earnings, and income and, in turn, can have beneficial effects on children — effects that translate into better performance in school. The annual cost of the program — at \$5,300 per family (not per child) — is not trivial, but neither are its benefits.



<sup>&</sup>lt;sup>7</sup>P. A. Morris, A. C. Huston, G. J. Duncan, D. A. Crosby, and J. M. Bos, *How Welfare and Work Policies Affect Children: A Synthesis of Research* (New York: MDRC, 2001).

#### Recent Publications on MDRC Projects

Note: For works not published by MDRC, the publisher's name is shown in parentheses. With a few exceptions, this list includes reports published by MDRC since 1999. A complete publications list is available from MDRC and on its Web site (www.mdrc.org), from which copies of MDRC's publications can also be downloaded.

# Reforming Welfare and Making Work Pay

#### **Next Generation Project**

A collaboration among researchers at MDRC and several other leading research institutions focused on studying the effects of welfare, antipoverty, and employment policies on children and families.

- How Welfare and Work Policies Affect Children: A Synthesis of Research. 2001. Pamela Morris, Aletha Huston, Greg Duncan, Danielle Crosby, Johannes Bos.
- How Welfare and Work Policies Affect Employment and Income: A Synthesis of Research. 2001. Dan Bloom, Charles Michalopoulos.
- How Welfare and Work Policies for Parents Affect Adolescents: A Synthesis of Research. 2002. Lisa Gennetian, Greg Duncan, Virginia Knox, Wanda Vargas, Elizabeth Clark-Kauffman, Andrew London.

## ReWORKing Welfare: Technical Assistance for States and Localities

A multifaceted effort to assist states and localities in designing and implementing their welfare reform programs. The project includes a series of "how-to" guides, conferences, briefings, and customized, indepth technical assistance.

- After AFDC: Welfare-to-Work Choices and Challenges for States. 1997. Dan Bloom.
- Work First: How to Implement an Employment-Focused Approach to Welfare Reform. 1997. Amy Brown.
- Business Partnerships: How to Involve Employers in Welfare Reform. 1998. Amy Brown, Maria Buck, Erik Skinner.
- Promoting Participation: How to Increase Involvement in Welfare-to-Work Activities. 1999. Gayle Hamilton, Susan Scrivener.
- Encouraging Work, Reducing Poverty: The Impact of Work Incentive Programs. 2000. Gordon Berlin.
- Steady Work and Better Jobs: How to Help Low-Income Parents Sustain Employment and Advance in the Workforce. 2000. Julie Strawn, Karin Martinson.
- Beyond Work First: How to Help Hard-to-Employ Individuals Get Jobs and Succeed in the Workforce. 2001. Amy Brown.

#### Project on Devolution and Urban Change

A multiyear study in four major urban counties — Cuyahoga County, Ohio (which includes the city of Cleveland), Los Angeles, Miami-Dade, and Philadelphia — that examines how welfare reforms are being implemented and affect poor people, their neighborhoods, and the institutions that serve them.

- Big Cities and Welfare Reform: Early
  Implementation and Ethnographic Findings from
  the Project on Devolution and Urban Change.
  1999. Janet Quint, Kathryn Edin, Maria Buck,
  Barbara Fink, Yolanda Padilla, Olis SimmonsHewitt, Mary Valmont.
- Food Security and Hunger in Poor, Mother-Headed Families in Four U.S. Cities. 2000. Denise Polit, Andrew London, John Martinez.
- Assessing the Impact of Welfare Reform on Urban Communities: The Urban Change Project and Methodological Considerations. 2000. Charles Michalopoulos, Johannes Bos, Robert Lalonde, Nandita Verma.
- Post-TANF Food Stamp and Medicaid Benefits: Factors That Aid or Impede Their Receipt. 2001. Janet Quint, Rebecca Widom.
- Social Service Organizations and Welfare Reform. 2001. Barbara Fink, Rebecca Widom.
- Monitoring Outcomes for Cuyahoga County's Welfare Leavers: How Are They Faring? 2001. Nandita Verma, Claudia Coulton.
- The Health of Poor Urban Women: Findings from the Project on Devolution and Urban Change. 2001. Denise Polit, Andrew London, John Martinez.
- Is Work Enough? The Experiences of Current and Former Welfare Mothers Who Work. 2001. Denise Polit, Rebecca Widom, Kathryn Edin, Stan Bowie, Andrew London, Ellen Scott, Abel Valenzuela.
- Readying Welfare Recipients for Work: Lessons from Four Big Cities as They Implement Welfare Reform. 2002. Thomas Brock, Laura Nelson, Megan Reiter.
- Welfare Reform in Cleveland: Implementation, Effects, and Experiences of Poor Families and Neighborhoods. 2002. Thomas Brock, Claudia Coulton, Andrew London, Denise Polit, Lashawn Richburg-Hayes, Ellen Scott, Nandita Verma.



Comparing Outcomes for Los Angeles County's HUD-Assisted and Unassisted CalWORKs Leavers. 2003. Nandita Verma, Richard Hendra. Monitoring Outcomes for Los Angeles County's Preand Post-CalWORKs Leavers: How Are They Faring? 2003. Nandita Verma, Richard Hendra.

#### Wisconsin Works

This study examines how Wisconsin's welfare-towork program, one of the first to end welfare as an entitlement, is administered in Milwaukee.

Complaint Resolution in the Context of Welfare Reform: How W-2 Settles Disputes. 2001. Suzanne Lynn.

Exceptions to the Rule: The Implementation of 24-Month Time-Limit Extensions in W-2. 2001. Susan Gooden, Fred Doolittle.

Matching Applicants with Services: Initial
Assessments in the Milwaukee County W-2
Program. 2001. Susan Gooden, Fred Doolittle, Ben Glispie.

## **Employment Retention and Advancement Project**

Conceived and funded by the U.S. Department of Health and Human Services (HHS), this demonstration project is aimed at testing various ways to help low-income people find, keep, and advance in jobs.

New Strategies to Promote Stable Employment and Career Progression: An Introduction to the Employment Retention and Advancement Project (HHS). 2002. Dan Bloom, Jacquelyn Anderson, Melissa Wavelet, Karen Gardiner, Michael Fishman.

#### Time Limits

Welfare Time Limits: State Policies, Implementation, and Effects on Families. 2002. Dan Bloom, Mary Farrell, Barbara Fink.

Leavers, Stayers, and Cyclers: An Analysis of the Welfare Caseload. 2002. Cynthia Miller.

#### Florida's Family Transition Program

An evaluation of Florida's initial time-limited welfare program, which includes services, requirements, and financial work incentives intended to reduce long-term welfare receipt and help welfare recipients find and keep jobs.

The Family Transition Program: Implementation and Three-Year Impacts of Florida's Initial Time-Limited Welfare Program. 1999. Dan Bloom, Mary Farrell, James Kemple, Nandita Verma.

The Family Transition Program: Final Report on Florida's Initial Time-Limited Welfare Program. 2000. Dan Bloom, James Kemple, Pamela Morris, Susan Scrivener, Nandita Verma, Richard Hendra.

#### Cross-State Study of Time-Limited Welfare

An examination of the implementation of some of the first state-initiated time-limited welfare programs.

Welfare Time Limits: An Interim Report Card. 1999.

Dan Bloom.

#### Connecticut's Jobs First Program

An evaluation of Connecticut's statewide time-limited welfare program, which includes financial work incentives and requirements to participate in employment-related services aimed at rapid job placement. This study provides some of the earliest information on the effects of time limits in major urban areas.

Connecticut Post-Time Limit Tracking Study: Six-Month Survey Results. 1999. Jo Anna Hunter-Manns, Dan Bloom.

Jobs First: Implementation and Early Impacts of Connecticut's Welfare Reform Initiative. 2000. Dan Bloom, Laura Melton, Charles Michalopoulos, Susan Scrivener, Johanna Walter.

Connecticut's Jobs First Program: An Analysis of Welfare Leavers. 2000. Laura Melton, Dan Bloom. Final Report on Connecticut's Welfare Reform Initiative. 2002. Dan Bloom, Susan Scrivener, Charles Michalopoulos, Pamela Morris, Richard Hendra, Diana Adams-Ciardullo, Johanna Walter.

#### Vermont's Welfare Restructuring Project

An evaluation of Vermont's statewide welfare reform program, which includes a work requirement after a certain period of welfare receipt, and financial work incentives.

Forty-Two-Month Impacts of Vermont's Welfare Restructuring Project. 1999. Richard Hendra, Charles Michalopoulos.

WRP: Key Findings from the Forty-Two-Month Client Survey. 2000. Dan Bloom, Richard Hendra, Charles Michalopoulos.

WRP: Final Report on Vermont's Welfare Restructuring Project. 2002. Susan Scrivener, Richard Hendra, Cindy Redcross, Dan Bloom, Charles Michalopoulos, Johanna Walter.

#### Financial Incentives

Encouraging Work, Reducing Poverty: The Impact of Work Incentive Programs. 2000. Gordon Berlin.

#### **Minnesota Family Investment Program**

An evaluation of Minnesota's pilot welfare reform initiative, which aims to encourage work, alleviate poverty, and reduce welfare dependence.

Reforming Welfare and Rewarding Work: Final Report on the Minnesota Family Investment Program. 2000:



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Volume 1: Effects on Adults. Cynthia Miller, Virginia Knox, Lisa Gennetian, Martey Dodoo, Jo Anna Hunter, Cindy Redcross. Volume 2: Effects on Children. Lisa Gennetian, Cynthia Miller.

Reforming Welfare and Rewarding Work: A Summary of the Final Report on the Minnesota Family Investment Program. 2000. Virginia Knox, Cynthia Miller, Lisa Gennetian.

Final Report on the Implementation and Impacts of the Minnesota Family Investment Program in Ramsey County. 2000. Patricia Auspos, Cynthia Miller, Jo Anna Hunter.

#### **New Hope Project**

A test of a community-based, work-focused antipoverty program and welfare alternative operating in Milwaukee.

New Hope for People with Low Incomes: Two-Year Results of a Program to Reduce Poverty and Reform Welfare. 1999. Johannes Bos, Aletha Huston, Robert Granger, Greg Duncan, Thomas Brock, Vonnie McLoyd.

#### Canada's Self-Sufficiency Project

A test of the effectiveness of a temporary earnings supplement on the employment and welfare receipt of public assistance recipients. Reports on the Self-Sufficiency Project are available from: Social Research and Demonstration Corporation (SRDC), 275 Slater St., Suite 900, Ottawa, Ontario K1P 5H9, Canada, Tel.: 613-237-4311; Fax: 613-237-5045. In the United States, the reports are also available from MDRC.

Does SSP Plus Increase Employment? The Effect of Adding Services to the Self-Sufficiency Project's Financial Incentives (SRDC). 1999. Gail Quets, Philip Robins, Elsie Pan, Charles Michalopoulos, David Card.

When Financial Work Incentives Pay for Themselves: Early Findings from the Self-Sufficiency Project's Applicant Study (SRDC), 1999, Charles Michalopoulos, Philip Robins, David Card.

The Self-Sufficiency Project at 36 Months: Effects of a Financial Work Incentive on Employment and Income (SRDC). 2000. Charles Michalopoulos, David Card, Lisa Gennetian, Kristen Harknett, Philip K. Robins.

The Self-Sufficiency Project at 36 Months: Effects on Children of a Program That Increased Parental Employment and Income (SRDC). 2000. Pamela Morris, Charles Michalopoulos.

When Financial Incentives Pay for Themselves: Interim Findings from the Self-Sufficiency Project's Applicant Study (SRDC). 2001. Charles Michalopoulos, Tracey Hoy.

SSP Plus at 36 Months: Effects of Adding Employment Services to Financial Work Incentives (SRDC). 2001. Ying Lei, Charles Michalopoulos.

Making Work Pay: Final Report on the Self-Sufficiency Project for Long-Term Welfare Recipients (SRDC), 2002. Charles Michalopoulos, Doug Tattrie, Cynthia Miller, Philip Robins, Pamela Morris, David Gyarmati, Cindy Redcross, Kelly Foley, Reuben Ford.

#### Mandatory Welfare Employment Programs

#### National Evaluation of Welfare-to-Work **Strategies**

Conceived and sponsored by the U.S. Department of Health and Human Services (HHS), with support from the U.S. Department of Education (ED), this is the largest-scale evaluation ever conducted of different strategies for moving people from welfare to employment.

Do Mandatory Welfare-to-Work Programs Affect the Well-Being of Children? A Synthesis of Child Research Conducted as Part of the National Evaluation of Welfare-to-Work Strategies (HHS/ED). 2000. Gayle Hamilton.

Evaluating Alternative Welfare-to-Work Approaches: Two-Year Impacts for Eleven Programs (HHS/ED). 2000. Stephen Freedman, Daniel Friedlander, Gayle Hamilton, JoAnn Rock, Marisa Mitchell, Jodi Nudelman, Amanda Schweder, Laura Storto.

Impacts on Young Children and Their Families Two Years After Enrollment: Findings from the Child Outcomes Study (HHS/ED). 2000. Sharon McGroder, Martha Zaslow, Kristin Moore, Suzanne LeMenestrel.

What Works Best for Whom: Impacts of 20 Welfare-to-Work Programs by Subgroup (HHS/ED). 2000. Charles Michalopoulos, Christine Schwartz.

Evaluating Two Approaches to Case Management: Implementation, Participation Patterns, Costs, and Three-Year Impacts of the Columbus Welfare-to-Work Program (HHS/ED). 2001. Susan Scrivener, Johanna Walter.

How Effective Are Different Welfare-to-Work Approaches? Five-Year Adult and Child Impacts for Eleven Programs - Executive Summary (HHS/ED). 2001. Gayle Hamilton, Stephen Freedman, Lisa Gennetian, Charles Michalopoulos, Johanna Walter, Diana Adams-Ciardullo, Anna Gassman-Pines, Sharon McGroder, Martha Zaslow, Surjeet Ahluwalia, Jennifer Brooks.

Moving People from Welfare to Work: Lessons from the National Evaluation of Welfare-to-Work Strategies (HHS/ED). 2002. Gayle Hamilton.



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#### Los Angeles's Jobs-First GAIN Program

An evaluation of Los Angeles's refocused GAIN (welfare-to-work) program, which emphasizes rapid employment. This is the first in-depth study of a full-scale "work first" program in one of the nation's largest urban areas.

The Los Angeles Jobs-First GAIN Evaluation: First-Year Findings on Participation Patterns and Impacts. 1999. Stephen Freedman, Marisa Mitchell, David Navarro.

The Los Angeles Jobs-First GAIN Evaluation: Final Report on a Work First Program in a Major Urban Center. 2000. Stephen Freedman, Jean Knab, Lisa Gennetian, David Navarro.

#### Teen Parents on Welfare

Teenage Parent Programs: A Synthesis of the Long-Term Effects of the New Chance Demonstration, Ohio's Learning, Earning, and Parenting (LEAP) Program, and the Teenage Parent Demonstration (TPD). 1998. Robert Granger, Rachel Cytron.

#### Ohio's LEAP Program

An evaluation of Ohio's Learning, Earning, and Parenting (LEAP) Program, which uses financial incentives to encourage teenage parents on welfare to stay in or return to school.

LEAP: Final Report on Ohio's Welfare Initiative to Improve School Attendance Among Teenage Parents. 1997. Johannes Bos, Veronica Fellerath.

#### **New Chance Demonstration**

A test of a comprehensive program of services that seeks to improve the economic status and general well-being of a group of highly disadvantaged young women and their children.

New Chance: Final Report on a Comprehensive Program for Young Mothers in Poverty and Their Children. 1997. Janet Quint, Johannes Bos, Denise Polit.

Parenting Behavior in a Sample of Young Mothers in Poverty: Results of the New Chance Observational Study. 1998. Martha Zaslow, Carolyn Eldred, editors.

## Center for Employment Training Replication

This study is testing whether the successful results for youth of a training program developed in San Jose can be replicated in 12 other sites around the country.

Evaluation of the Center for Employment Training Replication Sites: Interim Report (Berkeley Policy Associates). 2000. Stephen Walsh, Deana Goldsmith, Yasuyo Abe, Andrea Cann.

#### Focusing on Fathers

#### Parents' Fair Share Demonstration

A demonstration for unemployed noncustodial parents (usually fathers) of children on welfare. PFS aims to improve the men's employment and earnings, reduce child poverty by increasing child support payments, and assist the fathers in playing a broader constructive role in their children's lives.

Fathers' Fair Share: Helping Poor Men Manage Child Support and Fatherhood (Russell Sage Foundation). 1999. Earl Johnson, Ann Levine, Fred Doolittle.

Parenting and Providing: The Impact of Parents' Fair Share on Paternal Involvement. 2000. Virginia Knox, Cindy Redcross.

Working and Earning: The Impact of Parents' Fair Share on Low-Income Fathers' Employment. 2000. John M. Martinez, Cynthia Miller.

The Responsible Fatherhood Curriculum. 2000. Eileen Hayes, with Kay Sherwood.

The Challenge of Helping Low-Income Fathers Support Their Children: Final Lessons from Parents' Fair Share. 2001. Cynthia Miller, Virginia Knox.

# Career Advancement and Wage Progression

#### **Opening Doors to Earning Credentials**

An exploration of strategies for increasing low-wage workers' access to and completion of community college programs.

Opening Doors: Expanding Educational Opportunities for Low-Income Workers. 2001. Susan Golonka, Lisa Matus-Grossman.

Welfare Reform and Community Colleges: A Policy and Research Context. 2002. Thomas Brock, Lisa Matus-Grossman, Gayle Hamilton.

Opening Doors: Students' Perspectives on Juggling Work, Family, and College. 2002. Lisa Matus-Grossman, Susan Gooden.

Opening Doors: Supporting CalWORKs Students at California Community Colleges: An Exploratory Focus Group Study. 2002. Laura Nelson, Rogéair Purnell.



#### **Education Reform**

#### **Career Academies**

The largest and most comprehensive evaluation of a school-to-work initiative, this study examines a promising approach to high school restructuring and the school-to-work transition.

Career Academies: Building Career Awareness and Work-Based Learning Activities Through Employer Partnerships. 1999. James Kemple, Susan Poglinco, Jason Snipes.

Career Academies: Impacts on Students'
Engagement and Performance in High School.
2000. James Kemple, Jason Snipes.

Career Academies: Impacts on Students' Initial Transitions to Post-Secondary Education and Employment. 2001. James Kemple.

#### First Things First

This demonstration and research project looks at First Things First, a whole-school reform that combines a variety of best practices aimed at raising achievement and graduation rates in both urban and rural settings.

Scaling Up First Things First: Site Selection and the Planning Year. 2002. Janet Quint.

#### **Closing Achievement Gaps**

Conducted for the Council of the Great City Schools, this study identifies districtwide approaches to urban school reform that appear to raise overall student performance while reducing achievement gaps among racial groups.

Foundations for Success: Case Studies of How Urban School Systems Improve Student Achievement. 2002. Jason Snipes, Fred Doolittle, Corinne Herlihy.

#### **Project GRAD**

This evaluation examines Project GRAD, an education initiative targeted at urban schools and combining a number of proven or promising reforms.

Building the Foundation for Improved Student Performance: The Pre-Curricular Phase of Project GRAD Newark. 2000. Sandra Ham, Fred Doolittle, Glee Ivory Holton.

#### **Accelerated Schools**

This study examines the implementation and impacts on achievement of the Accelerated Schools model, a whole-school reform targeted at at-risk students.

Evaluating the Accelerated Schools Approach: A Look at Early Implementation and Impacts on Student Achievement in Eight Elementary Schools. 2001. Howard Bloom, Sandra Ham, Laura Melton, Julienne O'Brien.

#### Extended-Service Schools Initiative

Conducted in partnership with Public/Private Ventures (P/PV), this evaluation of after-school programs operated as part of the Extended-Service Schools Initiative examines the programs' implementation, quality, cost, and effects on students

Multiple Choices After School: Findings from the Extended-Service Schools Initiative (P/PV). 2002. Jean Baldwin Grossman, Marilyn Price, Veronica Fellerath, Linda Jucovy, Lauren Kotloff, Rebecca Raley, Karen Walker.

#### School-to-Work Project

A study of innovative programs that help students make the transition from school to work or careers.

Home-Grown Lessons: Innovative Programs Linking School and Work (Jossey-Bass Publishers). 1995. Edward Pauly, Hilary Kopp, Joshua Haimson. Home-Grown Progress: The Evolution of Innovative School-to-Work Programs. 1997. Rachel Pedraza, Edward Pauly, Hilary Kopp.

#### **Project Transition**

A demonstration program that tested a combination of school-based strategies to facilitate students' transition from middle school to high school.

Project Transition: Testing an Intervention to Help High School Freshmen Succeed. 1999. Janet Quint, Cynthia Miller, Jennifer Pastor, Rachel Cytron.

#### Equity 2000

Equity 2000 is a nationwide initiative sponsored by the College Board to improve low-income students' access to college. The MDRC paper examines the implementation of Equity 2000 in Milwaukee Public Schools.

Getting to the Right Algebra: The Equity 2000 Initiative in Milwaukee Public Schools. 1999. Sandra Ham, Erica Walker.

# **Employment and Community Initiatives**

#### Jobs-Plus Initiative

A multisite effort to greatly increase employment among public housing residents.

Mobilizing Public Housing Communities for Work: Origins and Early Accomplishments of the Jobs-Plus Demonstration. 1999. James Riccio.

Building a Convincing Test of a Public Housing Employment Program Using Non-Experimental Methods: Planning for the Jobs-Plus Demonstration. 1999. Howard Bloom.



- Jobs-Plus Site-by-Site: An Early Look at Program Implementation. 2000. Edited by Susan Philipson Bloom with Susan Blank.
- Building New Partnerships for Employment:
  Collaboration Among Agencies and Public
  Housing Residents in the Jobs-Plus Demonstration.
  2001. Linda Kato, James Riccio.
- Making Work Pay for Public Housing Residents: Financial-Incentive Designs at Six Jobs-Plus Demonstration Sites. 2002. Cynthia Miller, James Riccio.
- The Special Challenges of Offering Employment Programs in Culturally Diverse Communities: The Jobs-Plus Experience in Public Housing Developments. 2002. Linda Kato.
- The Employment Experiences of Public Housing Residents: Findings from the Jobs-Plus Baseline Survey. 2002. John Martinez.
- Children in Public Housing Developments: An Examination of the Children at the Beginning of the Jobs-Plus Demonstration. 2002. Pamela Morris, Stephanie Jones.
- Jobs-Plus Site-by-Site: Key Features of Mature Employment Programs in Seven Public Housing Communities. 2003. Linda Kato.
- Staying or Leaving: Lessons from Jobs-Plus About the Mobility of Public Housing Residents and Implications for Place-Based Initiatives. 2003.

  Nandita Verma.

#### Neighborhood Jobs Initiative

An initiative to increase employment in a number of low-income communities.

- The Neighborhood Jobs Initiative: An Early Report on the Vision and Challenges of Bringing an Employment Focus to a Community-Building Initiative. 2001. Frieda Molina, Laura Nelson.
- Structures of Opportunity: Developing the Neighborhood Jobs Initiative in Fort Worth, Texas. 2002. Tony Proscio.
- Final Report on the Neighborhood Jobs Initiative: Lessons and Implications for Future Community Employment Initiatives. 2003. Frieda Molina, Craig Howard.

#### **Connections to Work Project**

A study of local efforts to increase competition in the choice of providers of employment services for welfare recipients and other low-income populations. The project also provides assistance to cutting-edge local initiatives aimed at helping such people access and secure jobs.

Designing and Administering a Wage-Paying
Community Service Employment Program Under
TANF: Some Considerations and Choices. 1999.
Kay Sherwood.

San Francisco Works: Toward an Employer-Led Approach to Welfare Reform and Workforce Development. 2000. Steven Bliss.

#### Canada's Earnings Supplement Project

A test of an innovative financial incentive intended to expedite the reemployment of displaced workers and encourage full-year work by seasonal or part-year workers, thereby also reducing receipt of unemployment insurance.

Testing a Re-Employment Incentive for Displaced Workers: The Earnings Supplement Project. 1999. Howard Bloom, Saul Schwartz, Susanna Lui-Gurr, Suk-Won Lee.

# MDRC Working Papers on Research Methodology

A series of papers that explore alternative methods of examining the implementation and impacts of programs and policies.

- Building a Convincing Test of a Public Housing Employment Program Using Non-Experimental Methods: Planning for the Jobs-Plus Demonstration. 1999. Howard Bloom.
- Estimating Program Impacts on Student Achievement Using "Short" Interrupted Time Series. 1999. Howard Bloom.
- Using Cluster Random Assignment to Measure Program Impacts: Statistical Implications for the Evaluation of Education Programs. 1999. Howard Bloom, Johannes Bos, Suk-Won Lee.
- The Politics of Random Assignment: Implementing Studies and Impacting Policy. 2000. Judith Gueron.
- Assessing the Impact of Welfare Reform on Urban Communities: The Urban Change Project and Methodological Considerations. 2000. Charles Michalopoulos, Joannes Bos, Robert Lalonde, Nandita Verma.
- Measuring the Impacts of Whole School Reforms: Methodological Lessons from an Evaluation of Accelerated Schools. 2001. Howard Bloom.
- A Meta-Analysis of Government Sponsored Training Programs. 2001. David Greenberg, Charles Michalopoulos, Philip Robins.
- Modeling the Performance of Welfare-to-Work Programs: The Effects of Program Management and Services, Economic Environment, and Client Characteristics. 2001. Howard Bloom, Carolyn Hill, James Riccio.
- A Regression-Based Strategy for Defining Subgroups in a Social Experiment. 2001. James Kemple, Jason Snipes.



- Explaining Variation in the Effects of Welfare-to-Work Programs. 2001. David Greenberg, Robert Meyer, Charles Michalopoulos, Michael Wiseman. Extending the Reach of Randomized Social Experiments: New Directions in Evaluations of American Welfare-to-Work and Employment Initiatives. 2001. James Riccio, Howard Bloom. Can Nonexperimental Comparison Group Methods Match the Findings from a Random Assignment Evaluation of Mandatory Welfare-to-Work Programs? 2002. Howard Bloom, Charles Michalopoulos, Carolyn Hill, Ying Lei.
- Using Instrumental Variables Analysis to Learn More from Social Policy Experiments. 2002. Lisa Gennetian, Johannes Bos, Pamela Morris.
- Using Place-Based Random Assignment and Comparative Interrupted Time-Series Analysis to Evaluate the Jobs-Plus Employment Program for Public Housing Residents. 2002. Howard Bloom, James Riccio
- Intensive Qualitative Research Challenges, Best Uses, and Opportunities. 2003. Alissa Gardenhire, Laura Nelson



#### **About MDRC**

MDRC is a nonprofit, nonpartisan social policy research organization. We are dedicated to learning what works to improve the well-being of low-income people. Through our research and the active communication of our findings, we seek to enhance the effectiveness of social policies and programs. MDRC was founded in 1974 and is located in New York City and Oakland, California.

MDRC's current projects focus on welfare and economic security, education, and employment and community initiatives. Complementing our evaluations of a wide range of welfare reforms are new studies of supports for the working poor and emerging analyses of how programs affect children's development and their families' well-being. In the field of education, we are testing reforms aimed at improving the performance of public schools, especially in urban areas. Finally, our community projects are using innovative approaches to increase employment in low-income neighborhoods.

Our projects are a mix of demonstrations — field tests of promising program models — and evaluations of government and community initiatives, and we employ a wide range of methods to determine a program's effects, including large-scale studies, surveys, case studies, and ethnographies of individuals and families. We share the findings and lessons from our work — including best practices for program operators — with a broad audience within the policy and practitioner community, as well as the general public and the media.

Over the past quarter century, MDRC has worked in almost every state, all of the nation's largest cities, and Canada. We conduct our projects in partnership with state and local governments, the federal government, public school systems, community organizations, and numerous private philanthropies.



# MDRC

16 East 34th Street New York, NY 10016 (212) 532-3200

www.mdrc.org

475 14th Street Oakland, CA 94612 (510) 663-6372







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