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EVALUATING WASHINGTON STATE'S COMMUNITY JOBS PROGRAM: TWO-YEAR EMPLOYMENT OUTCOMES OF 2002 ENROLLEES

Overview

The Community Jobs program provides up to six months of subsidized community-based employment and services for Temporary Assistance for Needy Families (TANF) parents who are unable to find steady employment.[1] Participants receive intensive case management while they work 20 hours per week in minimum wage subsidized jobs. The program's goal is to place participants in unsubsidized jobs.

Clients are assessed by a contractor who helps develop occupational goals. The contractor also provides intensive case management. Subsidized employment is offered by nonprofit organizations, educational institutions, government, and private entities. Wage subsidies and benefits are funded through what would have otherwise been the client's TANF grant.

Since 1998, the Washington State Department of Community, Trade and Economic Development (CTED) has contracted with community-based organizations to provide the program. As of August 2005, 16 community-based organizations and four tribes were contractors. In fiscal year 2005, roughly 2,119 clients were enrolled in the program at a cost of approximately $12 million.

After receiving a request from CTED, the Institute's Board of Directors authorized staff to conduct an independent evaluation of the Community Jobs program.

Summary

Community Jobs is a Washington State WorkFirst program that places Temporary Assistance for Needy Families (TANF) clients into subsidized minimum wage jobs for up to six months. Community-based and tribal contractors provide intensive case management and seek to place clients in unsubsidized jobs. This evaluation compares the outcomes of 2,500 clients enrolled in Community Jobs in 2002 with a similar group of TANF clients who did not participate in the program. Several measures of unsubsidized employment were examined four to eight quarters after enrollment:

Any Employment: Overall, 66 percent of enrollees were employed at least once during the follow-up period compared with 58 percent of non-participants. In any given quarter, employment rates for enrollees were 14 to 24 percent higher than non-participants. The program did not influence quarterly earnings over the follow-up period.

Continuous and Substantive Employment: Enrollees, particularly women without recent work experience, were more likely to be continuously employed. Twenty percent worked continuously over the follow-up period in contrast to 15 percent of the comparison group. The program has similar effects on the likelihood of continuous substantive employment of 20 or more hours per week.

Community Jobs is most effective for enrollees without recent work experience and more effective, over the long term, for women than men. While the analyses control for client characteristics, factors such as motivation may have influenced these results, an issue for all evaluations of WorkFirst employment programs. In general, outcomes associated with Community Jobs are comparable to those found in evaluations of other WorkFirst activities.

[1] In 2002, Community Jobs provided employment subsidies for up to nine months.

Existing Research on Community Jobs Outcomes

The ongoing performance of Community Jobs is monitored regularly at CTED by counting client placements in unsubsidized employment during the year of enrollment. Recently, about 50 percent of enrolled clients met this goal, with considerable variation across the state.[2] Because some individuals would have become employed with or without the program, this performance measure does not reflect the influence of Community Jobs on employment rates.

Multiple evaluations undertaken in Washington State suggest that the Community Jobs program improves the employment situation of hard-to-employ TANF clients.[3] These studies, however, have certain data or methodological limitations that weaken their conclusions. An analytically sound analysis by the University of Washington provided early evidence that Community Jobs participants had up to 30 percent higher employment rates and earned $742 more per quarter than they would have without the program.[4] However, due to the small number of individuals available for analysis, subsequent analyses failed to confirm these initial findings.

Other studies that attributed considerable employment and earnings gains to participation in Community Jobs did not adequately control for significant pre-existing differences between the groups used to draw these conclusions. Consequently, existing research reveals little about the net impact of Community Jobs on participant outcomes.

This analysis overcomes these previous methodological limitations by examining the outcomes of over 2,500 Community Jobs enrollees, comparing them with the outcomes of similar individuals not in the program, while statistically adjusting for key individual, program, and geographic variables.

Who We Studied

CTED provided the Institute with a list of all individuals enrolled in Community Jobs in calendar year 2002 by quarter of enrollment (see Exhibit 1).

The year 2002 is the most recent period for which two complete years of employment follow-up data is available. Records of the 2002 Community Jobs enrollees were identified in multiple administrative data systems (see Data and Methods at the end of this report). In addition to the program participants, these data include all other adults associated with the state's TANF program in 2002, the pool from which the comparison group used in this study is drawn.

Exhibit 1
Community Jobs Enrollees: Calendar Year 2002 by Quarter

Quarter	# of Enrollees
January–March	699
April–June	700
July–September	627
October–December	631
Total Enrollees	2,657

Source: Community, Trade and Economic Development.

Characteristics of Community Jobs Enrollees

Compared with all other adult TANF recipients (see Exhibits 2 and 3), Community Jobs enrollees have significantly different demographic and family characteristics; education, work experience and welfare history; and history of WorkFirst activities. Some differences that distinguish Community Jobs clients from all other TANF clients (such as lower education levels and lack of recent work experience) are also characteristics that tend to make people harder to employ.[5] As such, outcomes analyses based on simple comparisons between Community Jobs enrollees and all other TANF clients are likely to produce inaccurate estimates of program effects.

[2] WorkFirst Reexamination Workgroup, August 3, 2005, *Focus Area Briefing Paper (Draft),* Olympia: Office of Financial Management.

[3] For a detailed discussion of previous research, see Jim Mayfield and Wei Yen, 2004, *Outcome Evaluations of Washington State's WorkFirst Program: Key Findings,* Olympia: Washington State Institute for Public Policy.

[4] M.M. Klawitter, 2001, *Effects of WorkFirst Activities on Employment and Earnings*, Seattle: Daniel J. Evans School of Public Affairs, University of Washington, <http://www.workfirst.wa.gov/about/studyActiv.pdf>.

[5] Steve Lerch, Jim Mayfield, and Mason Burley, 2000, *Evaluating WorkFirst: Analyses of Cost-Effectiveness, Barriers to Employment, and Job Search Services,* Olympia: Washington State Institute for Public Policy.

Exhibit 2

Demographic Characteristics and Family Composition of Adults in TANF Households in 2002*

	TANF Clients Not Enrolled in Community Jobs (N=84,913)		TANF Clients Enrolled in Community Jobs (N=2,583)**		Matched Comparison Group Not Enrolled in Community Jobs (N=2,552)	
	Mean	Std Dev	Mean	Std Dev	Mean	Std Dev
Age	**30.5**	8.9	29.8	8.6	29.7	8.8
Ethnic Minority	36%	48%	38%	49%	35%	48%
Female	**76%**	43%	85%	36%	85%	35%
Child Under 12 Months	24%	43%	23%	42%	22%	42%
Other Adult in Household	52%	50%	49%	50%	48%	50%
Never Married	**40%**	49%	45%	50%	46%	50%
Number of Children	**1.88**	1.28	1.94	1.21	1.93	1.24
Unearned Income (Quarterly)	**$117**	$429	$50	$225	$48	$210
Limited English Speaker	9%	28%	5%	22%	5%	21%
Living in King, Pierce, or Snohomish Counties	**42%**	49%	30%	46%	28%	45%
Head of TANF Household	**81%**	39%	89%	32%	89%	32%
General Ed. Development (GED) Certificate	**12%**	32%	14%	35%	13%	33%
Completed High School	**39%**	49%	35%	48%	34%	47%
Some Post-Secondary Education	**18%**	38%	15%	36%	15%	36%
Four or More Years Post-Secondary	**2%**	14%	1%	12%	1%	11%
Quarters Worked in Last 2 Years	**3.4**	2.9	2.6	2.5	2.5	2.5
Employed in Most Recent Quarter	**39%**	49%	23%	42%	23%	42%
TANF Grant (Quarterly)	**$1,038**	$653	$1,434	$544	$1,452	$670
Current TANF Span in Months	**9.3**	17.8	17.3	22.6	17.0	26.0
Lifetime Months on TANF	**17.4**	16.6	27.1	17.1	26.7	18.0

Source: Institute analysis of DSHS administrative data.

*Characteristics are based on the observation quarter. For Community Jobs clients, the observation quarter is the quarter they enrolled in the program. The observation quarters for other TANF adults were randomly selected. C Due to duplicate client ID numbers and missing data on gender, these totals do not reconcile perfectly with those in Exhibits 1, 2, or 3. Characteristics significantly different from the Community Jobs group (p≤.05) are in bold.

Exhibit 3

Previous WorkFirst Activity or Status of Adults in TANF Households in 2002*

	Not Enrolled in Community Jobs (N=84,913)		Enrolled in Community Jobs (N=2,583)		Matched Comparison Group Not Enrolled in Community Jobs (N=2,552)	
	Mean	Std Dev	Mean	Std Dev	Mean	Std Dev
Job Search	**58%**	49%	86%	34%	89%	32%
On-the-Job Training	**6%**	24%	17%	38%	18%	39%
Other Training or Education	**11%**	31%	24%	43%	24%	43%
Services for Non-Native Speakers	6%	24%	7%	25%	6%	24%
Remediation Services	**17%**	37%	37%	48%	38%	48%
Community Jobs Referral	**6%**	23%	33%	47%	28%	45%
Sanction	**22%**	42%	35%	48%	35%	48%
Not Amenable	6%	23%	6%	23%	6%	24%
Barriers to Participation	**46%**	50%	66%	47%	66%	47%

Source: Institute analysis of DSHS eJAS data.

*Describes any activity in the two years preceding the observation quarter. For Community Jobs clients, the observation quarter is the quarter they enrolled in the program. Observation quarters for other TANF adults were randomly selected. Characteristics significantly different from the Community Jobs group (p≤.05) are in bold.

Exhibit 3 describes the previous WorkFirst activities (components) of individuals examined in this study. WorkFirst administrative data describe the beginning and end dates of over 85 different referrals, activities, and exemptions. Any client who started a component within the two years preceding their enrollment date was coded as having participated in that activity. To simplify the analysis, some components were grouped into categories intended to represent their similarities (see Exhibit 4). Some activities were ignored because they appear very infrequently or are not relevant to this analysis.

Exhibit 4
Grouped Components Used to Describe Previous WorkFirst Activity and Status

Groups	WorkFirst Components
Job Search	Job Search, Job Search–Initial, Job Search Workshop, Returner Workshop
Other Training or Education	Pre-Employment Training, Vocational Education, Vocational Unapproved, High Wage High Demand, Entrepreneurial Training
Services for Non-Native Speakers	LEP Pathway Referral, ESL
Remediation Services	GED, Jobs Skills Training, Basic Education, High School
Sanction	Sanctioned, Protective Payee (Sanction)
Not Amenable	Pursuing SSI or Other Benefits, DVR/DDD Plan Involves Other Non-WorkFirst Services, Exempt Adult With Chronic Condition, PRUCOL Activities
Barriers to Participation	Treatment/Temporary Incapacity, Parenting Education/Choosing Child Care, Caring for a Child/Incapacitated Adult, Resolution of Homelessness, Family Violence Intervention, Substance Abuse Treatment Mental Health Services, Structured Community Service, Caring for Special Needs Child, Learning Disabilities Services, 55 and Over Caretaker Relative

Comparison Group

Rather than measuring outcomes by comparing Community Jobs clients with all other TANF clients, a matched comparison group of TANF clients was selected for the analysis. Based on the characteristics closely associated with enrollment in Community Jobs, a group of TANF recipients with similar characteristics, but who were not enrolled in Community Jobs, were selected to serve as a comparison group.[6] Exhibits 2 and 3 show that the average individual in the comparison group is statistically similar to the average Community Jobs participant.

A remaining source of potential bias is the unobserved differences between the groups, such as a client's willingness to participate in Community Jobs. Because TANF requires participation, this source of bias may not be severe; however, the size and direction of the bias remains an unknown. Several approaches to mitigate this potential problem were attempted, but they were unsuccessful or did not significantly impact the results of the analysis.[7]

The outcomes described in this report reflect the statistically-adjusted differences between those enrolled in Community Jobs and those in the comparison group. While Community Jobs participants and the comparison group are statistically similar on average, their outcomes have been adjusted to control for differences that remain at the individual client level. Combined with the large sample size, this approach represents a considerable improvement over previous attempts to evaluate Community Jobs outcomes.

[6] A logistic analysis was used to create a propensity score for participation in Community Jobs. That score was then used to create matched pairs using SAS "greedy" matching techniques.

[7] Instrumental variable and Heckman approaches were attempted.

Does the Community Jobs Program Influence Employment Outcomes?

While placement rates—the short-term success at placing clients into unsubsidized employment—are an important outcome, the focus of this analysis is the impact of Community Jobs on longer term, sustained unsubsidized employment. To examine these outcomes, individual clients in the Community Jobs and comparison groups were tracked across five consecutive quarters, beginning one year after enrollment in the program (see Exhibit 5).

Exhibit 5
Time Spans of Analysis by Quarter Enrolled in Community Jobs

	Enrollment Quarter 2002				Follow-up Quarters 2003				2004			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Quarter 1	✓											
Quarter 2		✓										
Quarter 3			✓									
Quarter 4				✓								

This lagged analysis allows ample time for enrollees to complete the maximum time allowed in the program (nine months in 2002) and to be placed into an unsubsidized job. Over the five-quarter follow-up period, a number of employment outcome measures were examined:

- **Any Employment:** Client employed in at least one quarter over the entire follow-period. This is the most general definition of employment.

- **Quarterly Employment:** Client employed at any time during a specific quarter over the follow-up period. This measure provides a picture of program impacts over time.

- **Continuous Employment:** Client employed during all five follow-up quarters. This measure helps answer the question, "Do program participants remain employed?"

- **Continuous Substantive Employment:** Client employed during all five follow-up quarters at 20 or more hours per week. This measure helps answer the question, "Do program participants remain employed and work more hours?"

- **Earnings Progression:** For clients who are working, the increase in total quarterly earnings. This measure describes the changes in total earnings that may be attributable to the program.

Multivariate models were developed to estimate the impact of Community Jobs enrollment on these outcomes. The models statistically control for the influence of client characteristics summarized in Exhibit 2, such as gender, age, employment history, education, and family composition. The models also control for previous WorkFirst activities and participation status (see Exhibit 3), seasonality, broad geographical measures, and county-level employment trends. With the exception of earnings, the models indicate that all clients or subgroups of clients in the Community Jobs program are significantly different from the comparison group in all outcomes measured.

In addition to all clients in the Community Jobs and comparison groups, the study focused on several subgroups based on gender and recent work experience.

The subgroups were created for several reasons. One is that the labor market behavior of men and women is sufficiently different that they should be, and are commonly, analyzed separately. Subsequent analyses bear this out.

Secondly, preliminary analysis indicated that the outcomes associated with Community Jobs differed considerably with respect to the recent work experience of enrollees and the comparison group.

Analyses were conducted on all clients in the Community Jobs and comparison groups (N=5,204).[8] Additional analyses were conducted for the following subgroups:

- Males (N=757): with recent work experience (N=179) and without recent work experience (N=578); and
- Females (N=4,447): with recent work experience (N=1,007) and without recent work experience (N=3,440).

"Recent work experience" means that the client was employed in the quarter immediately preceding enrollment (though all were unemployed when they enrolled). Women without recent work experience are the largest subgroup examined (see Exhibit 6). The number of individuals represented in each analysis undertaken for this study is described in Exhibit 7.

Exhibit 6
Relative Size of Analytical Subgroups: Males and Females With and Without Recent Work Experience Prior to Enrollment

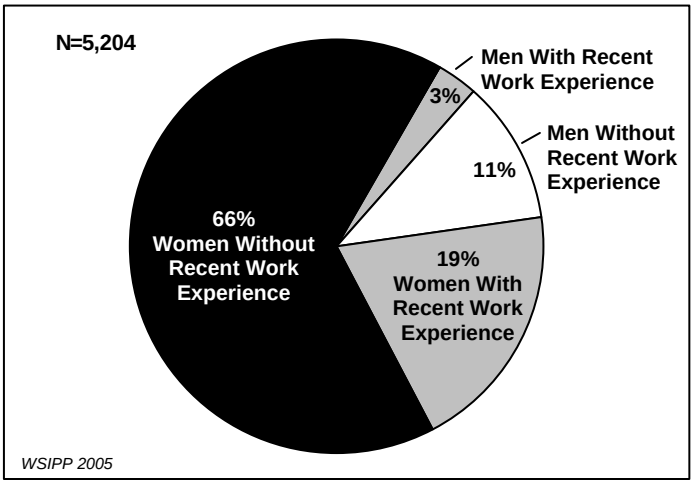

Exhibit 7
Number of Observations Used in the Analyses Summarized in Exhibits 8 through 12

Clients by Gender and Recent Work Experience		Observations Used for Exhibits 8–10	Observations Used for Exhibits 11–12
All Clients		4,922	1,919
Females	All	4,182	1,638
Recently Employed	Yes	975	509
	No	3,207	1,129
Males	All	740	281
Recently Employed	Yes	176	100
	No	564	181

Due to missing values, the totals in this table may not reconcile with those in other tables presented in this report.

Outcome 1: Any Employment

The Any Employment outcome describes the likelihood that an individual was employed during at least one quarter over the follow-up period (see Exhibit 8). It is the most general measure of employment success in that individuals are considered employed even if they only work for part of one quarter.

Exhibit 8
Any Employment: Worked Anytime During the Entire Follow-up Period

Clients by Gender and Recent Work Experience		Percent Employed and Increase Attributable to Community Jobs*		
		Group		CJ
		CJ	Non CJ	Impact
All Clients		66%	58%	**+14%**
Females	All	66%	58%	**+14%**
Recently Employed	Yes	76%	74%	NS
	No	62%	52%	**+19%**
Males	All	68%	57%	**+19%**
Recently Employed	Yes	89%	85%	NS
	No	62%	49%	**+27%**

Source: Institute multivariate logistic analysis.
*Means-adjusted rates. Differences are significant at p≤.05 or better. NS = Not statistically significant.

[8] These numbers include Community Jobs and comparison group clients. Due to duplicate client ID numbers and missing data on gender, these totals do not reconcile perfectly with those in Exhibits 1, 2, or 3.

Overall, 66 percent of clients enrolled in Community Jobs were employed during at least one quarter in the follow-up period. Over the same period, 58 percent of clients in the comparison group were employed at least one quarter.

- Community Jobs participants were 14 percent more likely[9] to be employed during at least one quarter over the follow-up period than individuals in the comparison group.

- The program had a slightly larger impact on male employment rates compared with females, increasing their likelihood of employment by 19 and 14 percent, respectively.

- For those without very recent employment experience, the program increased the likelihood of employment for both men and women by 27 percent and 19 percent, respectively.

- The program had no measurable impact on male or female clients who were recently employed prior to enrollment.

Outcome 2: Quarterly Employment

The analysis of quarterly employment examines the likelihood of employment in a specific quarter during the follow-up period. As Exhibit 9 shows, for the Community Jobs group, about 42 percent of all clients were employed in any given quarter of the follow-up period. They were significantly more likely to be employed in any quarter than all clients in the matched comparison group, whose employment were about 35 percent over the same period.

- Overall, Community Jobs increased the likelihood of employment in a given quarter by 24 percent in the first follow-up quarter to 17 percent in the last quarter, declining slightly over time (see Exhibit 10).[10]

- In every follow-up quarter, Community Jobs increased the likelihood of employment for women without recent work experience by 22 to 30 percent.

- For men without recent work experience, Community Jobs increased the likelihood of employment by 33 to 48 percent over the first three follow-up quarters. By the forth quarter, however, the differences in employment rates are no longer significantly different.[11]

- The program did not measurably improve the quarterly employment rates of women or men with very recent work experience.

[9] The 8-percentage point difference in employment rates translates to a 14 percent change in employment rates, (66-58)/58) = 14%, rounded.

[10] This "decay" in employment impacts was also seen in a 1999 analysis of WorkFirst Job Services. Steve Lerch, Jim Mayfield, and Mason Burley, 1999, *WorkFirst Job Search Services: Preliminary Analysis,* Olympia: Washington State Institute for Public Policy.

[11] The small number of men in the analysis (especially those with recent work experience) may contribute to the lack of statistically significant findings in this analysis.

Exhibit 9

Quarterly Employment: Worked During the Follow-up Quarter Shown

Clients by Gender and Recent Work Experience		Percent Employed by Quarter After Enrollment for Community Jobs Enrollees (CJ) and the Comparison Group (Non CJ)*									
		4 Quarters		5 Quarters		6 Quarters		7 Quarters		8 Quarters	
		CJ	Non CJ	CJ	Non CJ	CJ	Non CJ	CJ	Non CJ	CJ	Non CJ
All Clients		**42%**	**34%**	**43%**	**35%**	**42%**	**36%**	**41%**	**36%**	**42%**	**36%**
Females		**42%**	**35%**	**43%**	**35%**	**43%**	**36%**	**41%**	**36%**	**42%**	**36%**
Recently Employed	Yes	55%	50%	52%	49%	51%	50%	50%	50%	49%	51%
	No	**39%**	**30%**	**40%**	**31%**	**40%**	**32%**	**39%**	**32%**	**40%**	**32%**
Males		**42%**	**29%**	**43%**	**34%**	40%	35%	39%	37%	40%	36%
Recently Employed	Yes	62%	54%	63%	54%	55%	59%	47%	54%	50%	54%
	No	**34%**	**23%**	**38%**	**28%**	**36%**	**27%**	36%	30%	36%	31%

Source: Institute multivariate logistic analysis.
*Means-adjusted rates. If bold, differences in values are significant at p≤.05 or better.

Exhibit 10

Impact of Community Jobs on Employment Rates During Each Follow-up Quarter

Clients by Gender and Recent Work Experience		Percentage Change in Employment Attributable to Community Jobs by Quarter After Enrollment*				
		4	5	6	7	8
All Clients		**+24%**	**+23%**	**+17%**	**+14%**	**+17%**
Females	All	**+20%**	**+23%**	**+19%**	**+14%**	**+17%**
Recently Employed	Yes	NS	NS	NS	NS	NS
	No	**+30%**	**+29%**	**+25%**	**+22%**	**+25%**
Males	All	**+45%**	**+26%**	NS	NS	NS
Recently Employed	Yes	NS	NS	NS	NS	NS
	No	**+48%**	**+36%**	**+33%**	NS	NS

Source: Institute multivariate logistic analysis.
*Means-adjusted rates. Values shown are significant at p≤.05 or better.
NS = Not statistically significant.

Outcome 3: Continuous Employment

Continuous Employment is a more restricted measure of employment. To be considered continuously employed, an individual must have a record of employment in each of the five quarters in the follow-up period. This measure, however, does not distinguish between full- and part-time employment.

Twenty percent of Community Jobs clients were continuously employed over all five follow-up quarters compared with 17 percent of those in the comparison group.

- Overall, Community Jobs enrollees were 18 percent more likely to be continuously employed than individuals in the comparison group (see Exhibit 11).

- Subgroup analyses reveal that improvements in continuous employment accrue only to female clients without recent work experience, who are 33 percent more likely to be continuously employed than the women in the comparison group.

Exhibit 11
Continuous Employment: Worked During All Follow-up Quarters

Clients by Gender and Recent Work Experience		Percent Employed and Increase Attributable to Community Jobs*		
		Group		CJ Impact
		CJ	Non CJ	
All Clients		20%	17%	**+18%**
Females	All	21%	17%	**+24%**
Recently Employed	Yes	23%	25%	NS
	No	20%	15%	**+33%**
Males	All	16%	14%	NS
Recently Employed	Yes	19%	18%	NS
	No	13%	10%	NS

Source: Institute multivariate logistic analysis.
*Means-adjusted rates. Differences are significant at p≤.05 or better. NS = Not statistically significant.

Exhibit 12
Continuous Substantive Employment: 20+ Hours/Week During All Follow-up Quarters

Clients by Gender and Recent Work Experience		Percent Employed and Increase Attributable to Community Jobs*		
		Group		CJ Impact
		CJ	Non CJ	
All Clients		18	16	**+13%**
Females	All	18	15	NS
Recently Employed	Yes	13	14	NS
	No	20	15	**+33%**
Males	All	19	20	NS
Recently Employed	Yes	17	17	NS
	No	20	23	NS

Source: Institute multivariate logistic analysis.
*Means-adjusted rates. Differences are significant at p≤.05 or better. NS = Not statistically significant. This analysis includes only those who were working in the first follow-up quarter.

Outcome 4: Substantive Employment

This analysis sought to determine if participation in Community Jobs is also associated with continuous employment at 20 or more hours per week.

To answer this question, individuals working in the first follow-up quarter (42 percent of enrollees and 34 percent of the comparison group, see Exhibit 9) were tracked over the follow-up period to determine how many did or did not work continuously for at least 20 hours a week.[12] The analysis reveals:

- Participation in Community Jobs was associated with a 33 percent increase in the likelihood of continuous substantive employment for women without recent work experience (see Exhibit 12).

Outcome 5: Earnings

While employment rates of Community Jobs clients are significantly higher, participants did not earn significantly more than their counterparts in the matched comparison group. Community Jobs clients who worked earned $2,532 per quarter on average over the follow-up period, and their earnings increased by $299 over the same period (see Exhibit 13).

Multivariate analyses controlling for client demographics, education, work experience, and program and labor force participation did not reveal statistically significant differences in quarterly earnings or earnings progression over the five-quarter follow-up period. It should be noted, however, that the program is not intended to create high-wage jobs.

[12] Because ESD hours are quarterly totals, a client who works 40 hours every other week would be considered continuously and substantively employed under this definition.

Exhibit 13
Average Quarterly Earnings of Employed Community Jobs Enrollees Over the Follow-up Period (2003 Dollars)

Quarters After Enrollment	Group		
	CJ	Non CJ	CJ Impact
4	$2,285	$2,386	NS
5	$2,474	$2,349	NS
6	$2,575	$2,438	NS
7	$2,647	$2,626	NS
8	$2,684	$2,641	NS
Weighted Average	$2,532	$2,488	NS
Change (from quarters 4 to 8)	$299	$254	NS

Source: Institute analysis of Employment Security Department data.

Community Jobs Compared With Other WorkFirst Programs

With respect to employment rates, outcomes associated with Community Jobs are comparable to those provided by other WorkFirst programs. While other WorkFirst programs may have larger impacts on earnings than were found in this analysis, Community Jobs targets clients who are more difficult to employ. To put the findings of this study in context, we compare them to the results of rigorous research on other WorkFirst programs, specifically Job Search, Customized Job Skills Training, and Post-Employment Services.

Job Search is the initial activity of most WorkFirst participants. Roughly 90 percent of Community Jobs enrollees examined in this study had a record of Job Search participation either before or during their enrollment quarter. Several independent studies[13] estimate that, on average, participation in WorkFirst Job Search increases the likelihood of employment by 10 to 28 percent in the short term. Even with its longer-term follow-up, this analysis shows Community Jobs increases the likelihood of employment in a given quarter by 14 to 24 percent (Exhibit 10). Significant short-term earnings gains of $292 to $512 per quarter have been associated with participation in Job Search; however, longer-term outcomes have not been rigorously examined.

Customized Job Skills Training (CJST), formerly known as Pre-Employment Training, provides specialized training for WorkFirst participants who are ready to work. Evidence from several analyses indicate that CJST increases the likelihood of employment by 13 to 34 percent and earnings by up to $876 per quarter.[14] Findings about this program, however, have not been consistent over time, nor have they been examined over the longer-term to determine if the effects remain.

Post-Employment Services, such as child care, transportation, job-related training, and referral, are provided to help working WorkFirst participants remain employed and find better-paying jobs. A one-year follow-up study found such services were associated with significant positive impacts on participant employment (10 percent) and earnings ($260/quarter) and a small impact on hours worked.[15]

Because Job Search, CJST, and Post-Employment Services do not specifically target clients with barriers to employment as does Community Jobs, cross-program comparisons should be made with this in mind. As demonstrated in this and other studies, program effects can differ significantly from one subgroup of WorkFirst clients to another.[16]

[13] M.M. Klawitter, 2001, *Employment*. Seattle: Daniel J. Evans School of Public Affairs, University of Washington. M.M. Klawitter, September 2001, *Effects of WorkFirst Activities on Employment and Earnings,* Seattle: Daniel J. Evans School of Public Affairs, University of Washington. M.M. Klawitter and J. Christensen, May 2004, *WorkFirst Activities for October 2001 TANF Recipients,* Seattle: Daniel J. Evans School of Public Affairs, University of Washington. S. Lerch, J. Mayfield, and M. Burley, June 2000, *Evaluating WorkFirst: Analyses of Cost Effectiveness, Barriers to Employment, and Job Search Services,* Olympia: Washington State Institute for Public Policy. C. Hsiao, Y. Shen, B. Wang, and G. Weeks, March 2004, *Evaluating the Effectiveness of Washington State Repeated Job Search Services on the Employment Rate of Prime-Age Female Welfare Recipients,* paper presented at the 2004 Far Eastern Meeting of the Econometric Society.

[14] Klawitter, 2001, *Employment;* Klawitter, September 2001, *Effects of WorkFirst Activities on Employment and Earnings;* Klawitter and Christensen, May 2004, *WorkFirst Activities for October 2001 TANF Recipients*.

[15] S. Lerch and J. Mayfield, June 2001, *An Assessment of WorkFirst Post-Employment Services,* Olympia: Washington State Institute for Public Policy.

[16] A more detailed summary of studies can be found in Jim Mayfield and Wei Yen, 2004, *Outcome Evaluations of Washington State's WorkFirst Program: Key Findings,* Olympia: Washington State Institute for Public Policy.

Conclusion

The Washington State Community Jobs program places hard-to-employ WorkFirst clients into subsidized minimum wage jobs for up to six months. Contractors provide clients with intensive case management and other services with the ultimate goal of placing clients in unsubsidized employment. A quasi-experimental analysis of over 2,500 Community Jobs enrollees from 2002 shows that the program significantly increases the likelihood of employment in a given quarter by 14 to 24 percent up to two years after enrolling in the program. These effects are comparable to those seen in other WorkFirst programs.

Community Jobs appears to be less effective for enrollees with very recent work experience; no significant employment effects were measured among participants who had been employed in the quarter immediately preceding enrollment. The program also appears to be more effective for female clients than male clients, although it is possible that these differences could be attributed to the smaller number of men in the analysis or the omission of other important variables. While every attempt was made to control for key differences in client characteristics and experiences, the possibility remains that unobserved factors, such as client motivation, may influence these results—an issue that affects nearly all non-randomized evaluations of employment programs.

The outcomes described here reflect the influence of the program during a time when enrollees were allowed up to nine months of subsidized employment. Currently, the program is limited to six months. It is unclear how this policy change has influenced the effectiveness of the program.

Data and Methods

Study Population and Outcomes Data. CTED provided identifiers for 2,657 clients who were enrolled in Community Jobs during calendar year 2002. Using the DSHS Caseload Analysis and Research Database (CARD), data from the DSHS Automated Client Eligibility System (ACES) was used to identify all individuals (including the Community Jobs enrollees identified by CTED) between the ages of 18 and 65 who lived in TANF households during the same period. This population includes TANF heads of households and other adult non-heads of households who were also in the assistance unit.

ACES also provided data on client demographics, family composition, and welfare history. These records were matched with other administrative data: (1) the WorkFirst case management information system, eJAS, provided information on participation in other WorkFirst activities and additional demographic data, and (2) the Employment Security Department (ESD) Unemployment Insurance (UI) wage file provided information on quarterly earnings and quarterly hours worked.[17]

For this study "common identifiers," such as ACES client ID and Social Security Number (SSN), were used to locate records for the same person across data systems. The merge between different DSHS and CTED data sources used the ACES client ID, and the merge between DSHS and ESD used the SSN field. Information was compiled on 84,913 adults (heads of households and non-heads of households) who were in TANF households for at least one month in 2002 and 2,552 Community Jobs enrollees. Seventy-one of the Community Jobs identifiers provided by CTED were duplicates; another 34 Community Jobs client identifiers did not match 2002 TANF records.

The most recent UI data covered employment activity through the last quarter of 2004. Therefore, by selecting clients who enrolled in Community Jobs in 2002, it was possible to analyze outcomes over a two-year follow-up period. The earnings data were "cleaned" by dropping observations with extremely high values or adjusting them downward using information from previous and subsequent quarters.

Comparison Group and Statistical Controls. To conduct this analysis, it was necessary to

[17] In this study, clients are considered employed if their Social Security number (SSN) corresponds to a record of earnings in ESD's UI wage and hours file. The UI file also reports the number of hours worked, from which hourly wages can be derived. Because hours worked are not reported consistently, data on hours worked and hourly wages are less reliable than earnings.

construct a comparison group of clients who did not participate in Community Jobs but who were otherwise very similar to Community Jobs enrollees. The more similar the groups, the more likely that any observed differences in outcomes are attributable to the Community Jobs program. To identify the comparison group, a logistic regression model was developed to predict the likelihood (propensity score) of enrolling in Community Jobs based on client demographics, welfare and work history, county, and other characteristics. Based on these same characteristics, propensity scores were then developed for the 84,913 individuals identified in the administrative data. Using a SAS "greedy" match algorithm, each Community Jobs enrollee was then matched one-to-one with the person who had the most similar propensity score. These matched individuals compose the 2,552 person comparison group used in this evaluation. A comparison of their demographic and other characteristics confirms a considerable similarity in client attributes was achieved using this matching process (Exhibits 2 and 3).

Multivariate statistical models were then developed to estimate employment rates and earnings of Community Jobs enrollees while accounting for client characteristics, local economic conditions, and program participation. The analysis controlled for a variety of factors so that the employment impacts estimated for Community Jobs do not simply reflect the effects attributable to client characteristics or the local economy. The analysis accounted for such things as client demographic characteristics (e.g., age and education level), household composition (e.g., family size and age of youngest child), local economic conditions (e.g., county unemployment rate), client welfare and employment history, and previous WorkFirst activity. Despite accounting for these factors, it is possible that unobserved factors, such as client motivation, may influence outcomes. Additional statistical adjustments to correct for this potential selection bias was attempted (including instrumental variable and Heckman approaches), but these adjustments did not significantly change the results.

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