The Employment Retention and Advancement Project

Results from the South Carolina ERA Site

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Overview

Although much is known about how to help welfare recipients find jobs, little is known about how to help them and other low-wage workers keep jobs or advance in the labor market. This report presents information on the effectiveness of a program in South Carolina that aimed to help former welfare recipients obtain jobs, work more steadily, and move up in the labor market. The program was run as part of the Employment Retention and Advancement (ERA) project, which is testing 15 programs across the country. The ERA project was conceived by the U.S. Department of Health and Human Services (HHS); it is being conducted by MDRC under contract to HHS, with additional funding from the U.S. Department of Labor (DOL).

South Carolina's ERA program, Moving Up, which operated between September 2001 and April 2005 in six rural counties, attempted to contact and assist individuals who had left welfare for any reason between October 1997 and December 2000. Typically, nonworking participants received help finding a job, and working participants received help staying in their job or moving up. The core of Moving Up was one-on-one case management, with staff aiming to provide or connect participants with a range of services, including job search assistance, short-term vocational training, and support services. The program also provided modest financial incentives to encourage and reward program engagement and employment achievements.

Moving Up is being evaluated using a random assignment research design, whereby eligible individuals were assigned, through a lottery-like process, either to a program group, whose members were recruited for the ERA program, or to a control group, whose members were not recruited or eligible for ERA services but who could use other services in the community. The program's effects were estimated by comparing how the two groups fared over time.

Key Findings

- **Engaging individuals in Moving Up was challenging.** After extensive outreach efforts, staff located about three-fourths of the program group — most of whom had been off welfare for several years when they entered the study. Even then, staff had to market the program to individuals who were not required to take part in it, many of whom did not want or need services. Just under half of the program group were engaged in ERA services during the year after they entered the study, many of them not very intensively. Compared with results for the control group, Moving Up increased participation in some employment-related services, such as vocational training, but only modestly.

- **Overall, Moving Up had little effect on employment rates, earnings, employment retention, or advancement.** During the year after entering the study, members of the program and control groups had similar employment outcomes. Results for early enrollees in the study, whose follow-up data cover two years, suggest that program effects will not emerge during the second year after study entry or later. Overall, Moving Up also did not affect welfare or food stamp receipt or income. The program, however, had positive effects on employment for three subgroups of sample members: those who had become unemployed shortly before entering the study, those who had left welfare less than two and a half years before entering the study, and those who had left welfare because of a sanction or the state's time limit on benefit receipt. The effects for the recently unemployed subgroup are the largest but are less certain than the other results because the sample size for the group is small — only about 9 percent of the sample analyzed for this report, or 249 individuals. Finally, one county's program produced positive effects on employment, but the other five did not.

These results are not the final word on South Carolina's ERA program, as MDRC will continue to track employment outcomes for the study's participants. The findings do, however, illustrate the persistent challenge of encouraging participation in postemployment services and making a difference in labor market outcomes for welfare leavers. Many of the individuals in the study remain poor and in need of supports.

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About the Employment Retention and Advancement Project

The federal welfare overhaul of 1996 ushered in myriad policy changes aimed at getting low-income parents off public assistance and into employment. These changes — especially cash welfare's transformation from an entitlement into a time-limited benefit contingent on work participation — have intensified the need to help low-income families become economically self-sufficient and remain so in the long term. Although a fair amount is known about how to help welfare recipients prepare for and find jobs in the first place, the Employment Retention and Advancement (ERA) project is the most comprehensive effort thus far to discover which approaches help welfare recipients and other low-income people stay steadily employed and advance in their jobs.

Launched in 1999 and slated to end in 2008, the ERA project encompasses more than a dozen demonstration programs and uses a rigorous research design to analyze the programs' implementation and impacts on research sample members, who were randomly assigned to the study groups. With technical assistance from MDRC and The Lewin Group, the study was conceived and funded by the U.S. Department of Health and Human Services, Administration for Children and Families; supplemental support comes from the U.S. Department of Labor. Because the programs' aims and target populations vary, so do their services:

- **Advancement programs** focus on helping low-income workers move into better jobs by offering such services as career counseling and education and training.
- **Placement and retention programs** aim to help participants find and hold jobs and are aimed mostly at "hard-to-employ" people, such as welfare recipients who have disabilities or substance abuse problems.
- **Mixed-goals programs** focus on job placement, retention, and advancement, in that order, and are targeted primarily to welfare recipients who are searching for jobs.

The ERA project's evaluation component investigates the following aspects of each program:

- **Implementation.** What services does the program provide? How are those services delivered? Who receives them? How are problems addressed?
- **Impacts.** To what extent does the program improve employment rates, job retention, advancement, and other key outcomes? How does it affect enrol-

lees' children? Looking across programs, which approaches are most effective, and for whom?

A total of 15 ERA programs are being implemented in eight states:

- California: Los Angeles County and Riverside County
- Illinois: Cook County (Chicago) and St. Clair County (East St. Louis)
- Minnesota: Hennepin County (Minneapolis)
- New York: New York City
- Ohio: Cleveland
- Oregon: Eugene, Medford, Portland, and Salem
- South Carolina: Pee Dee Region (six counties in the northeast corner of the state)
- Texas: Corpus Christi, Fort Worth, and Houston

The evaluation draws on administrative and fiscal records, surveys of participants, and field visits to the sites.

Acknowledgments

The evaluation of the ERA program in South Carolina, Moving Up, would not be possible without the cooperation, commitment, and hard work of a wide range of administrators and staff. The following individuals deserve special thanks.

Linda Martin, Marilyn Edelhoch, and Marvin Lare, from the Department of Social Services (DSS) office in Columbia, and Bert Strickland, from the Marion County DSS office, have been vital to the evaluation. They worked closely with MDRC and The Lewin Group to design Moving Up and to set up the evaluation and have provided unwavering support throughout the study.

Randy McCall managed Moving Up and supervised the staff, always guided by the goal of improving the program participants' lives. He also acted as liaison with MDRC, arranged many site visits, and facilitated a range of other research activities. The program staff in the six county DSS offices that were part of the evaluation not only worked with the Moving Up participants but also willingly discussed their experiences with MDRC researchers on many site visits and participated in an in-depth study of how they spent their time at work.

Qiduan Liu from DSS worked closely with MDRC to develop an innovative computer program to select the research sample and dependably ran the program each month. David Patterson and Diane Tester from the South Carolina Budget and Control Board Office of Research and Statistics provided administrative records data to MDRC for the study.

Finally, we extend our deep appreciation to the thousands of South Carolina parents who participated in the study and gave generously of their time to respond to a survey.

The Authors

Executive Summary

This report presents evidence on the implementation and effectiveness of a program in South Carolina that aimed to help former recipients of Temporary Assistance for Needy Families (TANF) obtain jobs, work steadily, and advance in the labor market. The program operated as part of the Employment Retention and Advancement (ERA) project, which is testing 15 programs across the country. The ERA project was conceived and funded by the Administration for Children and Families (ACF) in the U.S. Department of Health and Human Services (HHS) and is also supported by the U.S. Department of Labor (DOL). The project is being conducted by MDRC, a nonprofit, nonpartisan research organization, under contract to HHS.

Most of the results presented in this report are based on the year after individuals entered the study; a few are based on two years of follow-up. The results include the program's effect on employment rates and stability, earnings, and advancement in the labor market. These interim results are important but are not the final word on the program, as MDRC will continue to track employment outcomes for the study's participants.

The ERA Project

Although much is known about effective strategies to help welfare recipients and other disadvantaged groups find jobs, little is known about how to help them and other low-wage workers keep jobs or advance in the labor market. Previously studied postemployment programs were not found to improve participants' outcomes. The ERA project was designed to build on past efforts and identify and test innovative programs designed to promote employment stability and wage progression among welfare recipients or other low-income groups. From 2000 to 2003, a total of 15 ERA experiments were implemented in eight states, including South Carolina.

The design of the evaluation is similar in most of the project's sites. Individuals who meet the ERA eligibility criteria, which vary by site, are assigned, at random, to a program group, called the ERA group, or to a control group. Members of the ERA group are recruited for (and, in some sites, are required to participate in) the ERA program, while those in the control group are not eligible for ERA services but can access other services and supports available in the community. MDRC is tracking both research groups over time. The random assignment process ensured that the two groups were comparable when they entered the study; thus, any

differences between them that emerge over time — for example, in employment rates or average earnings — are attributable to the ERA program.[1]

South Carolina's ERA Program

South Carolina's ERA program, called "Moving Up," operated between September 2001 and April 2005 and was developed by the state's Department of Social Services (DSS) in response to trends in the state's welfare caseload and low-income working population. As in most states, in South Carolina, the welfare caseload decreased dramatically in the 1990s. This was, in part, a result of the state's short time limit on welfare — most families cannot receive TANF for more than 2 years in a 10-year period — and a tough sanctioning policy in which a family's grant can be closed if the parent does not comply with program requirements. In the late 1990s, South Carolina conducted research showing that, like welfare leavers across the country, some leavers in the state were not working; many were working but not steadily; and others were stuck in low-wage jobs. In an effort to help former recipients succeed in the labor market, state officials decided to reach out to them and offer support and services. They chose to target all welfare leavers, so the program was designed to provide services to those who were not working as well as to those who were working but could use help sustaining work or moving up.

DSS chose to operate the ERA program in the Pee Dee Region, in the northeast part of South Carolina. This largely rural region encompasses six counties: Chesterfield, Darlington, Dillon, Florence, Marion, and Marlboro. The state chose this area because it is the most economically disadvantaged region in the state and because the DSS county directors there had experience collaborating on prior efforts.

The Moving Up program targeted people who had left the TANF rolls in the Pee Dee Region, for any reason, between October 1997 and December 2000 and who did not return to the rolls. Each month from September 2001 to January 2003, using the state's TANF database, 100 individuals were randomly selected from this eligible group to be in the site's ERA group, and another 100 were randomly selected to serve as the study's control group. Each of the ERA group members was assigned to one of 10 case managers in the counties, who then attempted to locate the individuals and engage them in the program. The control group members were not recruited or eligible for the ERA program, but they could participate in other programs available in the community. The sample analyzed for this report (the "report sample") includes the 2,864

[1]For more information on the ERA project, see Bloom, Anderson, Wavelet, Gardiner, and Fishman, *New Strategies to Promote Stable Employment and Career Progression: An Introduction to the Employment Retention and Advancement Project* (U.S. Department of Health and Human Services, 2002). For early results from four sites, including South Carolina, see Bloom, Hendra, Martinson, and Scrivener, *The Employment Retention and Advancement Project: Early Results from Four Sites* (U.S. Department of Health and Human Services, 2005).

individuals who were randomly assigned from September 2001 to December 2002. This represents 94 percent of the site's full research sample.[2]

The sample includes a diverse pool of TANF leavers. The length of time between the point that sample members left welfare and the point that they entered the study ranges from nine months to just over five years; almost three-fourths (72 percent) of the report sample had been off welfare for two and a half years or longer. They left for various reasons: 15 percent did so because they had reached the 24-month time limit; 19 percent had been sanctioned; and 40 percent had begun to earn too much to qualify for benefits. The rest of the sample left for other reasons, including failing to provide necessary information for benefit redetermination. About half of the research sample members were working when they entered the study, and half were not. The vast majority are women, and nearly four out of five are African-American.

Moving Up services varied depending on the participants' needs, but the core of the program was one-on-one case management. Staff, called "career consultants," worked with participants to understand their employment goals and develop an employment plan. Typically, participants who were not working received assistance preparing for and searching for a job, and those who were working received help staying in their job or moving up. Career consultants provided or connected participants with a range of services, including one-on-one job search assistance, job search classes, short-term vocational training, and support services, such as transportation assistance. The program provided modest financial incentives to encourage and reward program engagement and employment achievements.

Program funding varied over time. When the study began, Moving Up was fully funded. Over time, South Carolina's budget situation worsened, leading to funding cuts in many programs, including Moving Up. Career consultants remained on the job, but — for a period from late 2002 through summer 2003 — most counties froze or limited spending on Moving Up's financial incentives, education and training tuition payment, transportation assistance, and some other services.

Key Findings on Program Implementation

This section summarizes the report's findings on how Moving Up was implemented and on sample members' participation in the program and other employment-related services. The findings are based on field research, a "time study" of career consultants, automated pro-

[2]Sample members who entered the study in January 2003 are not included in this report because less than one year of earnings data were available for them when the analyses for this report were conducted. Some individuals who had returned to the TANF rolls after December 2000 were erroneously selected for the sample; those individuals were dropped from both research groups and are not included in the analysis.

gram tracking data, and a survey administered to a subset of sample members about 12 months after they entered the study. Key implementation findings follow.

- **Locating and marketing Moving Up to potential participants was challenging. During the year after they entered the study, just under half of the ERA group were engaged in program services, many of them not very intensively.**

The study's target group included many individuals whose contact information in the state's database was outdated, and thus it was time-consuming, if not impossible, to locate them. According to program records, after extensive outreach efforts, the program contacted, in person or by phone, about three-fourths of the ERA group within the year after they entered the study.

Even then, staff still faced the challenge of marketing the program to individuals who were not required to take part in it and may not have wanted the program's assistance. Within a year of entering the study, just under half of the ERA group had been engaged in Moving Up. Some of these individuals had a lot of contact with the program and its services during that year (for example, they may have received a lot of help from a career consultant and participated in a job search class or vocational training), and some had more cursory contact (they may have had just a few contacts with a career consultant). During the year after entering the study, just under a third of the ERA group were engaged relatively intensively in Moving Up (they had at least four contacts with staff, at least two of which were in person, and they received at least one incentive payment).

Because participation in Moving Up was voluntary, the only chance that the program had to affect individuals' outcomes was by engaging them. A mandatory program, in contrast, can affect even nonparticipants, if they change their behavior in response to the mandate. The fact that just under half of the program group ever participated in the program and just under a third did so relatively intensively diminished the program's ability to affect employment outcomes for the full research sample, since both participants and nonparticipants are included in the analysis.

- **Providing postemployment services was challenging.**

Delivery of retention and advancement services was strong in some of the Pee Dee counties but less so in others. DSS and most staff members had a lot of experience helping people prepare for and find jobs, but they had less experience serving employed clients. The site devoted considerable resources to staff development and training in these areas, but service delivery remained challenging.

Based on a time study that recorded career consultants' activities over a two-week period, the most common activity in South Carolina during contact with working participants was "general check-in," accounting for over a third of the contact. This proportion is higher than in most of the

other ERA sites, which suggests that, compared with most other programs in the study, Moving Up dealt less with specific issues regarding job placement, retention, and advancement.

- **Moving Up increased receipt of employment-related services, but only modestly.**

Based on data from the study's survey, 44 percent of ERA group members had contact with a case manager or employment program during the year after entering the program, compared with 29 percent of the control group members. (It is not known specifically who control group members had contact with, but they were able to receive services from programs other than Moving Up and from other agencies in the community.) ERA group members were also somewhat more likely to have received retention and advancement services, to have participated in vocational training, and to have participated in education or training while employed. For example, 18 percent of the ERA group received help with retention and advancement — an increase of 10 percentage points above the control group's mean of 8 percent.

- **Program implementation and participation varied by county.**

Although the program's design was uniform across the six Pee Dee counties and the program coordinator encouraged consistent implementation, the program's services and intensity varied somewhat. Only one of the counties substantially increased participation in all three strands of Moving Up's services: employment retention, advancement, and placement (although the effect on placement just missed statistical significance). Based on this evidence and on information from field research and the time study, it appears that this county, compared with the other five, operated a program that most closely approximates Moving Up's design.

Key Findings on Program Impacts

This section summarizes the effects that South Carolina's ERA program had on sample members. The findings are based on administrative records data (earnings reported to both South Carolina's and North Carolina's unemployment insurance systems, along with TANF and food stamp payments from South Carolina) and data from the study's survey. The report's key impact findings follow.

- **Moving Up had little effect on employment rates, earnings, employment retention, or advancement for the full research sample.**

The control group's experiences represent what would have happened in the absence of the ERA program. As Table ES.1 shows, during the year following entry into the study, about two-thirds (68 percent) of the control group members were employed, and 40 percent worked

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Table ES.1

Summary of the ERA Program's Impacts

South Carolina

Outcome	ERA Group	Control Group	Difference (Impact)	P-Value
Ever employed[a] (%)	68.5	67.8	0.6	0.64
Average quarterly employment (%)	55.1	54.2	0.9	0.43
Employed 4 consecutive quarters (%)	40.2	40.2	0.1	0.96
Earnings ($)	6,532	6,743	-211	0.29
Earned over $10,000 (%)	28.1	28.8	-0.7	0.58
Ever received TANF (%)	7.6	7.2	0.3	0.74
Amount of TANF received ($)	62	62	0	0.98
Ever received food stamps (%)	62.6	61.9	0.7	0.58
Amount of food stamps received ($)	1,856	1,904	-49	0.33
Total measured income[b] ($)	8,450	8,710	-260	0.18
Sample size (total = 2,864)	1,421	1,443		

SOURCES: MDRC calculations from UI, TANF, and food stamps administrative records from the State of South Carolina and UI data from the State of North Carolina.

NOTES: [a]This table includes only employment and earnings in jobs covered by the North Carolina and South Carolina unemployment insurance (UI) programs. It does not include employment outside North Carolina and South Carolina or in jobs not covered by UI (for example, "off the books" jobs, some agricultural jobs, and federal government jobs.)

[b]This measure represents the sum of UI earnings, TANF, and food stamps.

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

Rounding may cause slight discrepancies in calculating sums and differences.

A two-tailed t-test was applied to differences between outcomes for the program and control groups.

Statistical significance levels are indicated as: * = 10 percent; ** = 5 percent; and *** = 1 percent.

Dollar averages include zero values for sample members who were not employed or were not receiving TANF or food stamps.

in all four quarters. They earned an average of about $6,700. This average includes all control group members — both those who worked during the follow-up period and those who did not. Employed control group members earned an average of about $9,900 during the year (not shown in the table). Just over one-fourth (29 percent) of the control group earned more than $10,000.

Not surprisingly, given that South Carolina targeted TANF leavers — many who had been off the welfare rolls for some years — few in the control group received TANF benefits during the year after they entered the study. Roughly two-thirds, however, received food stamps. During the year, control group members received an average of about $8,700 from earnings, TANF, and food stamps.

Administrative records provide only a partial view of sample members' available resources. To provide a more complete view, the study's survey asked about all sources of income, including, for example, odd jobs, child support, Supplemental Security Income (SSI) benefits, and other household members' earnings and other income. The control group reported that their household income in the month before they were interviewed was about $1,300, on average. This translates into an annual household income of $15,600. The average household for sample members in both research groups included four people, and the federal poverty rate for a family of four in 2003 was $18,400. (The survey outcomes are not shown in the table.)[3]

As Table ES.1 shows, during the year after sample members entered the study, Moving Up did not increase employment rates or earnings. For example, during that year, 69 percent of the ERA group were employed, compared with 68 percent of the control group. Furthermore, the program did not affect employment retention or stability or advancement in the labor market: About the same proportion of sample members in each research group worked in all four quarters of the follow-up year and earned over $10,000 during the year. The program also did not affect the characteristics or quality of sample members' jobs (not shown in the table). Not surprisingly, the program did not affect TANF or food stamp receipt. It also did not increase income, whether measured using administrative records or the survey.

Employment and earnings were also examined for an early cohort of sample members — randomly assigned from September to December 2001 — for whom an additional year of follow-up administrative records data were available. Among this cohort, the program increased employment rates in the last two quarters of the first year of follow-up. This may indicate that Moving Up was more effective earlier, when caseload sizes were smaller and the program was fully funded. The impacts, however, were short lived. Among the early cohort, the program did not affect employment or earnings in the second year of follow-up, and the trends in outcomes do not suggest that impacts will begin to emerge after the two-year period.

Finally, a separate analysis identified the effects of Moving Up among those who were most likely to participate in the program. In order to conduct this analysis using experimental methods, a regression-based subgroup was created, defined using the baseline characteristics

[3]The survey did not ask about annual income, and it is unknown how typical that month's income was for sample members. The annual estimate is provided as a rough comparison with the annual figure based on the administrative records data.

that were most associated with eventual participation. This analysis found that Moving Up did not generate significant increases in employment and earnings even among those who were most likely to participate in the program.

- **South Carolina's ERA program had positive effects for three subgroups of sample members: those who had become unemployed shortly before entering the study, recent TANF leavers, and those who had left TANF because of a sanction or the time limit.**

Findings for the full report sample may mask important results for different subgroups of individuals. In analyses for this report, various subgroups were defined using sample members' characteristics when they entered the study. Subgroups defined by education level, length of time receiving TANF, race/ethnicity, and whether the sample member received food stamps just before entering the study were examined, and no systematic differences were found. Three subgroup splits, however, yielded some interesting results.

Moving Up produced gains for sample members who had become unemployed just before entering the study. While these results are promising, they are less certain than the other subgroup results because the sample size is small: This subgroup comprises only 9 percent of the full sample, or 249 individuals. It includes sample members who did not work in the quarter before random assignment but who did work in at least two of the three quarters before that. In other words, they had employment experience but had recently become unemployed. Among this recently unemployed subgroup, Moving Up increased employment rates, retention, and advancement. For example, the program increased the proportion of sample members who were employed by 13 percentage points, increased average annual earnings by about $1,800, and increased the proportion of sample members who earned over $10,000 by 11 percentage points.

Program tracking data suggest that ERA group members in the recently unemployed subgroup were somewhat more likely to be engaged in Moving Up than other ERA group members. The survey data, however, do not suggest that the program increased participation, compared with control group levels, for this subgroup more than for others. The recently unemployed subgroup may have been better positioned than other sample members to benefit from Moving Up's services. As noted earlier, program staff had more experience providing job placement services than retention and advancement services. Sample members who were employed when they entered the study did not need placement help. Sample members who were unemployed but did not have recent work experience were harder to place in jobs and, thus, were less able to benefit from job placement services. The survey data also suggest that members of this longer-term unemployed (or mostly unemployed) subgroup were more likely to be in poor health and to live in a household with an employed adult.

The program also increased employment for sample members who had left TANF less than two and a half years before entering the study and those who had left because they were sanctioned or reached the time limit, but the effects for both groups were more limited than for the recently unemployed. The two subgroups make up, respectively, 28 percent and 35 percent of the full report sample. Higher proportions of ERA group members in these two subgroups were engaged in Moving Up, compared with other groups of sample members. The survey data, however, do not suggest that the program increased participation, compared with control group levels, for these subgroups more than for others.

- **Moving Up's effects varied across the counties in the study.**

One county's ERA program — the one that stood out in the implementation and participation results — produced positive effects for sample members. The program increased the employment rate by 9 percentage points. None of the programs in the other five counties produced positive effects on employment.

Conclusions

Moving Up is one of 15 programs being studied as part of the ERA project, and reports over the next two years will present results for the other programs. MDRC will continue to track sample members in South Carolina, using administrative records, and will make public longer-term results when they are available. (Although an early look at the findings two years after study entry are not promising, effects may emerge.) As the study continues to generate information, more definitive conclusions will be possible. However, some preliminary conclusions can be drawn based on the results in this report.

- **Implementing a retention and advancement program is challenging.**

Encouraging participation in postemployment services is difficult. Low-income, single, working parents are already juggling work, family, and other responsibilities, and it should not be surprising that many are reluctant to participate in job retention and advancement activities. South Carolina's challenge was compounded by the fact that the target group was very broad and many potential participants were hard to locate. Also, offering postemployment services is new to most agencies and staff involved in the ERA project, including those in South Carolina. Despite considerable staff development and training, service delivery remained challenging.

- **It may have been especially difficult to implement South Carolina's ERA model, which relied on individual case managers' abilities to assess participants' needs, skills, and goals and then to provide services that would make a difference.**

Only one of the six Pee Dee counties succeeded in fully operating the Moving Up program as it was designed and in a way that improved individuals' outcomes. The program relied heavily on one-on-one case management and only modestly increased participation in more concrete activities, such as vocational training. This approach may work better in a centralized, closely supervised setting than it did in this study.

- **For more positive results, a program like South Carolina's could be targeted to those who want to participate and who are likely to benefit from the services.**

Moving Up targeted a very diverse group, many of whom were not interested in receiving services and some of whom participated in services but were not helped. A program might achieve better results by advertising services to TANF leavers and serving those who come forward, rather than tracking down a wider, less enthusiastic group.

- **Many of the TANF leavers in the study remain poor and in need of supports.**

It is important to point out that the issue that prompted South Carolina to implement the Moving Up program remains salient. The group of TANF leavers in this study includes many who worked during the follow-up year but some who did not, and earnings, on average, remain relatively low. The outcome levels for both the control group and the ERA group highlight the importance of additional supports for low-income working families, as well as effective services to help them move up in the labor market.

Chapter 1

Introduction

To set the stage for the rest of the report, this chapter first provides an overview of the national Employment Retention and Advancement (ERA) project, of which South Carolina's ERA program is a part. It then describes South Carolina's ERA program, including the environment in which it was implemented and the program's target population. The chapter concludes by describing the ERA evaluation in South Carolina and highlighting the contents of the remaining chapters.

Overview of the National ERA Project

For over a decade, policymakers and program operators have struggled to learn what kinds of services, supports, and incentives are best able to help low-income working parents retain steady employment and move up to better jobs. This issue has assumed even greater urgency in the wake of the 1990s welfare reforms, which made long-term welfare receipt much less feasible for families. Despite many efforts, scant evidence exists about effective strategies to promote employment retention and advancement. Previously evaluated programs that were aimed at improving retention or advancement — notably, the Post-Employment Services Demonstration (PESD), a four-site project that tested programs providing follow-up case management to welfare recipients who found jobs — generally failed to improve employment outcomes.

The Employment Retention and Advancement project was designed to improve on past efforts in this area by identifying and testing innovative models designed to promote employment stability and wage progression among welfare recipients and other low-income groups. The project began in 1998, when the U.S. Department of Health and Human Services (HHS) issued planning grants to 13 states to develop new programs. The following year, HHS selected MDRC to conduct an evaluation of the ERA programs.[1] From 2000 to 2003, MDRC and its subcontractor, The Lewin Group, worked closely with the states that had received planning grants, and with several other states, to mount tests of ERA programs. MDRC, Lewin, and Cygnet Associates also provided extensive technical assistance to some of the states and program operators, since most were starting the project from scratch, with no proven models on which to build.

Ultimately, a total of 15 ERA experiments were implemented in eight states, including South Carolina. Almost all the programs target current or former recipients of Temporary Assistance for Needy Families (TANF) — the cash welfare program that mainly serves single mothers and their children — but the program models are very diverse. One group of programs targets

[1]The U.S. Department of Labor has also provided funding to support the ERA project.

low-wage workers and focuses on advancement. Another group targets individuals who are considered "hard to employ" and primarily aims to place them in stable jobs. Finally, a third group of programs has mixed goals and targets a diverse set of populations, including former TANF recipients, TANF applicants, and low-wage workers in particular firms. Some of these programs initiate services before individuals go to work, while others begin services after employment. Appendix Table A.1 describes each of the ERA programs and identifies its goals and target populations.

The evaluation design is similar in most of the sites. Individuals who meet ERA eligibility criteria (which vary from site to site) are assigned, at random, to the program group — also called the "ERA group" — or to the control group. Members of the ERA group are recruited for the ERA program (and, in some sites, are required to participate in it), whereas members of the control group are not eligible for ERA services. The extent and nature of the services and supports available to the control group vary from site to site. The random assignment process ensures that any differences in outcomes that emerge between the two research groups during the follow-up period can be confidently attributed to the ERA program, rather than to differences in the characteristics of the people in the groups.

The South Carolina ERA Program: Moving Up

Origins and Goals of the South Carolina ERA Program

South Carolina's ERA program, called "Moving Up," operated in six largely rural counties in the Pee Dee Region, in the northeastern part of the state. This mixed-goal program operated from September 2001 through April 2005, and it provided both pre- and postemployment services to former TANF recipients; the program included work placement, employment stabilization, and advancement services.[2]

Moving Up was developed in response to trends in the state's TANF caseload and working-poor population. As in most states, South Carolina's TANF caseload decreased dramatically in the 1990s. Between 1993 and 1998, for example, the number of TANF recipients dropped by more than half. The decrease resulted in part from the state's aggressive welfare reform program, Family Independence. Instituted in 1995, this program imposes a short time limit on benefit receipt and includes tough penalties for noncompliance with program rules. Specifically, most of South Carolina's TANF recipients are limited to no more than 24 months of assistance in a 10-year period and to no more than 60 months in their lifetime.[3] Recipients who do not meet the Family Independence work and training requirements can have their bene-

[2]The state operated a pilot program for about 250 participants from June through August 2001.
[3]South Carolina Department of Social Services, Office of Family Assistance, 2000-2001.

fits discontinued, which is called a "full-family sanction."[4] Early in the ERA evaluation's study period, South Carolina had one of the highest sanctioning rates in the country.[5] Later, sanctioning rates dropped substantially, as the state began to use sanctions as a last resort. The cash grant amount of $201 for a family of three — one of the lowest grants in the country — is often not a strong enough incentive to motivate individuals who need help to comply with program requirements and "cure" their sanctions.[6]

In the late 1990s, South Carolina conducted research to understand the economic and labor market status of individuals who had left TANF. State policymakers were particularly concerned about those who had left because of time limits or sanctioning. The South Carolina Department of Social Services (DSS) expected that many current and former TANF clients who did become employed would lose their first jobs, as well as subsequent jobs, as they dealt with barriers to work and started to develop "labor force attachment."[7] DSS expected that, whether working or not, most of these long-term TANF leavers were not doing well economically.

As anticipated, it was found that — like TANF leavers across the nation — some leavers in South Carolina were not working; many were working but not steadily; and others were stuck in low-wage jobs. Three years after leaving TANF between October 1998 and March 1999, only 55 percent were employed. Of those who were employed and still not receiving cash assistance after three years, approximately 60 percent earned $1,250 or less a month — just under the 2002 federal poverty level of $15,020 per year (or approximately $1,252 per month) for a family of three.[8] Earnings varied, however, depending on the reason for leaving TANF. A substantial proportion — about one-third — of those who had left because of sanctions or time limits had monthly earnings of only $750 or less. Of those who were unemployed and still not receiving cash assistance after three years, only about half (55 percent) had said that they had worked at some point during the past 12 months.[9]

Based on these findings, DSS decided to reach out to former TANF recipients and develop an ERA program to help them succeed in the labor market. The Lewin Group and MDRC provided technical assistance to the state as it developed its program plans. Because of DSS's interest in targeting all TANF leavers, the program had multiple goals: to provide services to people who were *not* working, in order to help them obtain jobs, and to provide services to people who *were* working, in order to help them sustain work and move up in the labor market.

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[4]South Carolina Department of Social Services, Office of Family Assistance, 2000-2001.

[5]Goldberg and Schott, 2000.

[6]Edelhoch, Liu, and Martin, 2000. The state's TANF grant for a family of three increased to $241 in October 2004, after the period covered in this report.

[7]Edelhoch, Liu, and Martin, 2000.

[8]Office of the Federal Register, National Archives and Records Administration, 2002.

[9]Richardson, Shoenfeld, LaFever, and Jackson, 2002.

The South Carolina ERA Model

South Carolina's ERA program, Moving Up, was a mixed-goals program, providing both pre- and postemployment services. The program targeted former TANF recipients who had stopped receiving cash assistance between October 1997 and December 2000 for any reason and who had never returned to TANF.[10] Although other programs in the national ERA evaluation have also targeted TANF leavers (see Appendix Table A.1), Moving Up was the only program that focused on long-term leavers. From the pool of eligible TANF leavers in South Carolina, individuals were assigned at random to either the ERA group or the control group. (The random assignment process is described further below.) Those who were assigned to the ERA group were contacted about participating in Moving Up, and they did so on a voluntary basis.

The key feature of Moving Up was individualized, one-on-one case management services provided by a career consultant. Learning from postemployment case management evaluations like PESD, Moving Up did not provide a uniform level of services to all participants but, instead, attempted to target services based on an individual's specific needs. In addition, the program's mixed-goal approach of providing both pre- and postemployment services enabled career consultants to work with all participants and to form relationships immediately, rather than waiting to engage individuals after they found jobs, as PESD case managers did.[11] Career consultants provided services themselves and also referred participants to other providers.

Depending on participants' needs, program activities could include counseling on career goals and workforce readiness, job search assistance, short-term education or training, child care and transportation assistance, or mental health and other support services. Because participation in these activities was voluntary, Moving Up offered modest incentives to keep participants engaged in the program; cash rewards or gift certificates were given for such benchmarks as finding a job, holding a job, getting a promotion, or completing an education or training activity. (Chapter 2 provides more detail about the program.)

Characteristics of the South Carolina ERA Site and Its External Environment

Moving Up operated in the six predominantly rural counties that make up South Carolina's Pee Dee Region: Chesterfield, Darlington, Dillon, Florence, Marion, and Marlboro. The state chose this region for the ERA program because it is the most economically disadvantaged area in the state and because the DSS county directors there had experience collaborating on prior efforts.

[10] At intake, ERA group members' income levels were assessed, and very few had income above 250 percent of the federal poverty threshold that was originally set as a criterion for selecting sample members.

[11] Rangarajan and Novak, 1999.

As illustrated in Table 1.1, the populations in the six counties are relatively small. With about 128,000 inhabitants in 2003, Florence County had a significantly larger population than the others. Unlike its more rural counterparts, Florence County is not as isolated geographically, and it has a small metropolitan center that has benefited from job increases in the health service industry. Even there, however, nearly half the population live in rural areas. Much like the other counties, Florence County is large, and its population is spread out. As a result, it and the neighboring counties are subject to many of the problems that prevent the development of a stronger local economy, such as geographical isolation and the lack of or inadequate public transportation.

The Employment Retention and Advancement Project

Table 1.1

Labor Force Characteristics of the Pee Dee Region, by County

South Carolina

	Population Size		Labor Force Size		Unemployment Rate (%)		Per Capita Income ($)
County/State	2001	2003	2001	2003	2001	2003	2001
Chesterfield County	43,136	43,251	20,432	22,469	7.8	10.4	19,972
Darlington County	67,656	67,956	30,086	33,847	6.5	8.4	21,880
Dillon County	30,907	31,027	13,380	14,555	10.8	11.0	18,033
Florence County	126,310	128,335	62,592	72,647	5.2	7.2	25,742
Marion County	35,220	35,113	14,619	15,901	15.4	15.9	18,287
Marlboro County	28,707	28,411	11,458	13,517	12.1	16.9	17,418
South Carolina	4,062,125	4,147,152	2,015,600	2,002,520	4.8	6.8	24,840

SOURCE: South Carolina Employment Security Commission, 2004.

NOTE: Unemployment rates are unadjusted.

When Moving Up began in 2001, the United States was in an economic recession. During this time, two of South Carolina's largest industries — manufacturing and trade (in particular, retail trade) — experienced a trend of job losses.[12] The Pee Dee Region had relied heavily on the manufacturing industry for jobs, with 20 percent to 40 percent of the population working

[12]South Carolina Employment Security Commission, 2001.

for manufacturers.[13] The loss of these jobs had a severe effect on the region's economy, and, throughout the follow-up period for this report, job recovery remained slower than the recovery of the national economy.[14] As a result, the Pee Dee Region was not able to fully meet the needs of its growing labor force, and unemployment rates increased in all six counties, some of which have consistently ranked in the top 10 of South Carolina's 46 counties for having the highest unemployment rates (often led by Marion County) and the lowest per capita income. County-specific characteristics are presented in Table 1.1.

During this same period, jobs that were lost in manufacturing and trade have slowly been offset by employment gains across the state in the industries of government, education and health, and leisure and hospitality (which is often seasonal). Although the Pee Dee Region has seen job development in these growth sectors, many of the largest employers (in order of total employment) in food stores/services, paper and allied products, textile mill products, and transportation equipment continue to lose jobs and are not projected to be growth industries.[15]

According to U.S. Bureau of the Census data for 2000 (presented in Table 1.2), the Pee Dee counties have relatively high rates of poverty. In 1999, the county rates ranged from 16 percent to 24 percent, compared with a state rate of 14 percent and a national rate of 12 percent.

The South Carolina ERA Target Population

Table 1.3 shows selected characteristics of ERA program and control group members at the point that they entered the study. As noted previously, the sample members left TANF between October 1997 and December 2000 and did not return to the rolls prior to entering the study. As the table shows, the majority (72 percent) had been off TANF at least two and a half years at the point of random assignment, which, for the sample in this report, occurred between September 2001 and December 2002. As discussed below, each month, 100 ERA group members and 100 control group members were selected. Thus, sample members had left TANF between nine months and just over five years before entering the study. Figure 1.1 illustrates this timing. For example, Client B left TANF in December 2000, the last month of the target period, and was randomly assigned in September 2001, the first month of random assignment; this individual had been off TANF for nine months before entering the study. At the other extreme, Client A left TANF in October 1997, the first month of the study's target period, and did not enter the study until December 2002, the last month of random assignment; this individual had been off TANF for five years and three months before entering the study.

[13]South Carolina Budget and Control Board, Office of Research and Statistics, 2002-2005.
[14]DuPlessis, 2004.
[15]South Carolina Employment Security Commission, 2004.

The Employment Retention and Advancement Project

Table 1.2

Comparison of Percentage of Population Living Below Federal Poverty Level in 1999

South Carolina

	Individuals Living Below Poverty Level (%)	Children Under 18 Living Below Poverty Level (%)
United States	12.4	16.6
South Carolina	14.1	18.8
Chesterfield County	20.3	25.0
Darlington County	20.3	27.0
Dillon County	24.2	33.4
Florence County	16.4	22.7
Marion County	23.2	33.6
Marlboro County	21.7	29.4

SOURCE: U.S. Department of Commerce, Bureau of the Census, 2000 census data.

As Table 1.3 shows, sample members left TANF for a variety of reasons. The most common reason — accounting for 40 percent of the sample — was that the recipient began to earn more than the TANF eligibility threshold. Another 19 percent of the sample left the TANF rolls because they did not comply with work or training requirements and were sanctioned, and 15 percent reached the cash assistance time limit. Almost all the sample members in South Carolina are women (not shown in the table) and are black (79 percent), and just under half (45 percent) do not have a high school diploma or a General Educational Development (GED) certificate.[16]

[16]The proportion of sample members who had a high school diploma or GED certificate was estimated using educational attainment data in administrative records. Individuals with 12 or more years of education were assumed to have a high school credential.

The Employment Retention and Advancement Project

Table 1.3

Selected Characteristics of Sample Members

South Carolina

Characteristic	Full Sample
Average age (years)	31.8
Race/ethnicity (%)	
Hispanic	0.4
Black, non-Hispanic	78.5
White, non-Hispanic	20.4
Other	0.7
Number of children[a] (%)	
0	1.1
1	27.4
2	32.9
3 or more	38.7
Age of youngest child[a] (%)	
2 or under	18.3
3 to 5	33.0
6 or over	48.7
No high school diploma or GED[a, b] (%)	44.5
Employed[c] (%)	
In year before random assignment	67.0
In quarter before random assignment	52.4
Received TANF for 2 years or more[d] (%)	27.7
Time off welfare prior to random assignment (%)	
Less than 2 1/2 years	28.2
2 1/2 years or more	71.8
Reason for TANF case closure (%)	
Had earnings above eligibility threshold	40.4
Sanctioned	19.4
Reached time limit	15.3
Moved out of South Carolina	3.4
Did not complete application	6.8
Other[e]	14.7
Sample size	2,864

(continued)

Table 1.3 (continued)

SOURCES: MDRC calculations from UI, TANF, and food stamps administrative records from the State of South Carolina and UI data from the State of North Carolina.

NOTES: [a]This measure is based on the most recent information available in the administrative records at the time of random assignment, but it may not be up to date for some sample members.

[b]Information on educational attainment was not available. Sample members who had 12 or more years of education, according to the administrative records, were considered to have a high school diploma.

[c]This table includes only employment and earnings in jobs covered by the North Carolina and South Carolina unemployment insurance (UI) programs. It does not include employment outside North and South Carolina or in jobs not covered by UI (for example, "off the books" jobs, some agricultural jobs, and federal goverment jobs).

[d]This measure is based on TANF receipt in the nine years before random assignment.

[e]This measure includes respondents who cannot be located or are missing and cases that were opened in error.

It is important to note that, by targeting people who left TANF and did not return for a considerable period, the Moving Up program may have chosen a group of leavers who, for the most part, were making do without services from the TANF program. As stated above, almost three-fourths of the research sample had been off TANF for at least two and a half years when they entered the study. There was no way to know upfront how many of these individuals would need or want the kinds of services that Moving Up offered.

About the Evaluation

The Research Design

Research Questions

The ERA evaluation focuses on the implementation of the sites' programs and their effects, or impacts. Key questions addressed in this report include the following:

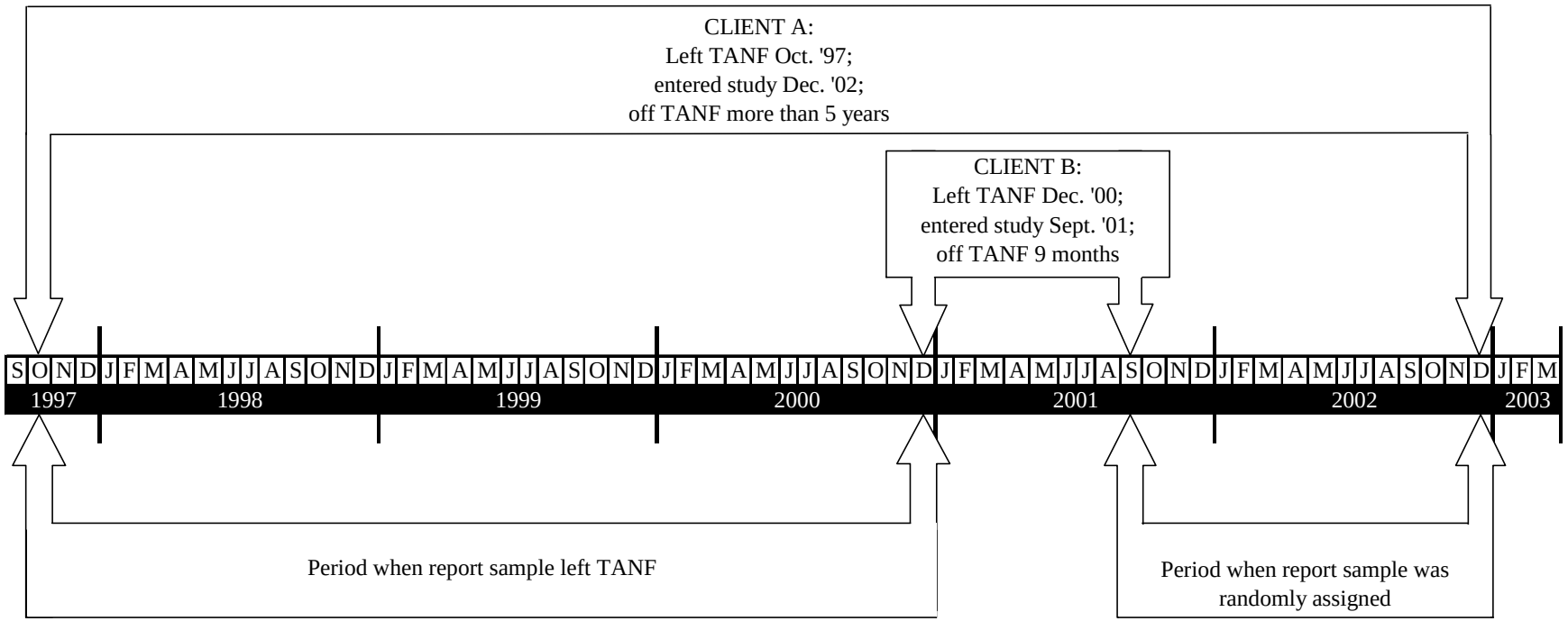
- **Implementation.** How did the six counties in the Pee Dee Region execute the ERA program, Moving Up? What services and messages did the program provide and emphasize? How did career consultants spend their time?

The Employment Retention and Advancement Project

Figure 1.1

Examples of Duration Off TANF, Report Sample Members

South Carolina



- **Participation.** As a voluntary program, did Moving Up succeed in engaging a substantial proportion of individuals in services? What types of services did people receive? To what extent did the program increase service levels above the levels that would "normally" be received, as represented by the control group's behavior?

- **Impacts.** Within the follow-up period, did Moving Up increase employment and earnings, provide employment stability and wage growth, and improve job characteristics for the ERA group, relative to the control group?

The Random Assignment Process

As noted above, to produce reliable estimates of the effects of Moving Up, the evaluation used a random assignment research design. Eligible individuals were randomly assigned either to the ERA group, whose members were eligible for Moving Up services, or to the control group, whose members were not eligible for Moving Up services.

The random assignment process began in September 2001 and ended in January 2003, when the pool of sample members who met the target criteria was exhausted. (The sample that is analyzed in this report excludes those who were randomly assigned in January 2003, because they did not have a full year of follow-up data when the analyses were conducted.) South Carolina DSS used a local computer program to randomly select and assign eligible sample members from the pool of individuals who had left TANF between October 1997 and December 2000 and had not returned to the rolls. Each month, DSS first dropped from the pool anyone who had begun to receive TANF benefits in the prior month, and then it randomly selected 100 cases for the ERA group and another 100 cases for the control group. MDRC worked with DSS to ensure that, each month, 10 new ERA group members were assigned for each career consultant and that 10 corresponding control group members were assigned.[17] (Chapter 2 provides more detail on sample intake.)

The Counterfactual: What Is ERA Being Compared With?

Individuals who were randomly assigned to the control group — who represent the *counterfactual* for the study — were not contacted or informed about Moving Up and were treated as though the program did not exist. While other sites in the national ERA evaluation

[17] January 2003 was the last month that all six participating counties received 10 ERA group members and 10 control group members. The counties that had not fully depleted their pool of target sample members continued to bring new participants into Moving Up through August 2003, but these individuals are not part of the research sample. Some individuals who had returned to the TANF rolls after December 2000 were erroneously selected for the sample; those individuals were dropped from both research groups and are not included in the analysis.

required control group members to participate in already-existing programs, there were no existing programs for TANF leavers in South Carolina, so the control group was not subject to any particular program as part of the evaluation.[18]

Like Moving Up participants, members of the control group were eligible for services in accordance with the rules of programs offering TANF, food stamps, Medicaid, child care, and transitional child care and Medicaid benefits. Either on their own initiative or through referrals other than by Moving Up staff, the control group members could seek out these services as well as nonprogram services that were offered in the community through Workforce Investment Act (WIA) One-Stop Centers, technical colleges, adult schools and other education providers, and employment and training organizations.

Data Sources

The data sources for the analyses presented in the report are described below.

Baseline Data

At the point of random assignment, South Carolina DSS used administrative records to collect demographic, educational, and TANF assistance data on sample members. This information was used to describe the study population (in Table 1.3) and to identify subgroups whose results are analyzed separately.[19]

Administrative Records

Effects on employment and earnings were computed using automated unemployment insurance (UI) wage records data, and effects on public assistance were computed using automated TANF and food stamp administrative records. One year of follow-up data were available for all sample members when the analyses for this report were conducted.

Program Participation and Implementation Data

The Employment Retention and Advancement Client Tracking System (ERACTS) — developed by South Carolina DSS — provided information on program operations and participation, such as the quantity and location of contacts between program staff and participants.

[18]While developing the ERA program, South Carolina DSS was also considering implementing a post-TANF program for all prior recipients. This program was not implemented, however, because of limited state funds, the possible "contamination" of the control group in the study, and the desire to learn first whether the more intensive ERA program offered a positive return on investment.

[19]Baseline data are more limited for South Carolina than for other ERA sites because they were collected from administrative records rather than from a baseline survey or a form designed for the study.

DSS also provided to MDRC information on incentive payments to Moving Up participants. MDRC conducted a "time study" of Moving Up staff, which tracked their activities. Finally, information on program operations was available from interviews with Moving Up staff and from reviews of participants' case files.

The ERA 12-Month Survey

Information about sample members' participation in program services and about their employment, income, and other outcomes was gathered by the ERA 12-Month Survey, which was administered to a subset of ERA and control group members approximately 12 months after random assignment.

Sample Sizes

A total of 3,035 people were randomly assigned between September 2001 and January 2003 and are known as the *research sample* for South Carolina. As shown in Table 1.4, this report focuses on people in a subset of the research sample who were randomly assigned through December 2002 and for whom one-year of follow-up data were available; this *report sample* comprises 2,864 individuals — 94 percent of the full research sample. Some analyses in the report rely on an *early cohort* of 752 sample members who were randomly assigned between September and December 2001, for whom two years of follow-up data were available. The *survey sample* — those who completed the ERA 12-Month Survey — is a subset of the sample members who were randomly assigned between February and June 2002. These samples are described further in Chapter 4.

The Employment Retention and Advancement Project

Table 1.4

Overview of Evaluation Sample Sizes, by Research Group

South Carolina

Research Group	Random Assignment Dates	ERA Group	Control Group	Total	Percentage of Full Evaluation Sample
Report sample	September 2001 to December 2002	1,421	1,443	2,864	94.4
Early cohort	September to December 2001	377	375	752	24.8
Survey sample	February to June 2002	299	295	594	19.5

Roadmap of the Report

As mentioned previously, this report focuses on the ERA program's implementation and impact findings in South Carolina. Chapter 2 further describes the Moving Up program and its implementation. Chapter 3 provides information regarding impacts on service receipt. Chapter 4 covers impacts on employment, earnings, job characteristics, and other outcomes.

Chapter 2

The Implementation of the South Carolina ERA Program

In order to interpret the impacts of South Carolina's Employment Retention and Advancement (ERA) program, Moving Up, it is first important to understand how the program operated and how it was different from what the study's control group experienced. Drawing from field research, automated program tracking data, and a time study of program staff, this chapter focuses on how Moving Up was implemented. (Chapter 3 discusses participation in employment-related services and activities among both the ERA group and the control group.)

After a brief summary, this chapter describes how Moving Up was put in place and what its structure, staffing, and management were like. It then discusses the program's services, how program staff spent their time, and some differences in implementation across the six participating counties in the Pee Dee Region.

Key Findings

Outreach and marketing to potential participants were challenging for the Moving Up program. The study's target group included many individuals who had left TANF years before and whose contact information in the state's database was outdated, making it time-consuming, if not impossible, to locate them. Then, after staff had located potential participants, they still faced the challenge of marketing the program to individuals who were not required to take part in it and who may not have wanted its assistance.

Moving Up case managers (called "career consultants") contacted, in person or by phone, about three-fourths of the ERA group within a year of their entry into the study. Staff reported that, among that group, some individuals did not want to participate; they said that they were doing fine or that they were not interested in taking part in a program.[1] Just under half of the ERA group participated in Moving Up within that year — some intensively, some cursorily.

Individualized, one-on-one case management was the core of Moving Up. Career consultants worked with participants to help them prepare for and find a job, to stay in their current job, or to move up. They referred some participants to structured activities, such as job search classes and short-term vocational training, and the program provided modest financial incentives to encourage and reward participation and employment. Because of state budget problems

[1]This information is from conversations with the program staff, not quantitative data, so the percentage of ERA group members who were in this category is not known.

between late 2002 and mid-2003, most counties limited or froze spending on some program services, and the intensity of the program diminished.

Based on MDRC's field research, job placement was the strongest component of the program. Delivery of retention and advancement services was strong in some counties but less so in others. South Carolina's Department of Social Services (DSS) and most program staff members had a lot of experience helping people prepare for and find jobs, but they had less experience working with employed clients. This was true for most sites in the ERA project, but the challenge was compounded in South Carolina by the fact that the program targeted a diverse group — some working and some not — and offered all three categories of services: placement, retention, and advancement.

Although the program's design was uniform across the six counties and although the program coordinator encouraged consistent implementation of Moving Up, its services and intensity varied somewhat across the counties. These differences are explored in the following chapters.

The Framework of Moving Up: Structure, Staffing, and Management

Organizational Structure and Program Funding

As discussed in Chapter 1, South Carolina's ERA program was designed by the state's Department of Social Services (DSS) to address the needs of families who had left Temporary Assistance for Needy Families (TANF). Moving Up operated in the six county DSS offices in the Pee Dee Region, which also housed other programs, including TANF and the Food Stamp Program. The state DSS office allocated TANF funds for ERA and passed them on to the participating counties, each of which had a DSS director who was responsible for the local operation of the ERA program.

When the program was designed, DSS intended to establish a formal linkage between the Moving Up program and the local One-Stop Centers in each county. (The Workforce Investment Act, enacted in 1998, required the establishment of these centers, which provide universal access to a wide range of employment services.) In the largest county in the South Carolina study, Florence, half the Moving Up staff were located in the local One-Stop, where they met with program participants. In all the counties, Moving Up staff sometimes referred participants to the One-Stop for services, but a more formal linkage was never operationalized.[2] Mov-

[2]As discussed in an earlier report (Anderson and Martinson, 2003), in most sites in the ERA evaluation, the linkage between the ERA program and the workforce investment system, which includes One-Stop Centers, was based on the linkage that was forged for the TANF system. In the Pee Dee Region, as in some other ERA sites, (continued)

ing Up also had relationships with the local technical schools and other providers, but these arrangements were not formal or contractual.

Program funding varied over time. When the South Carolina study began, in autumn 2001, Moving Up was fully funded. Over time, the state's budget situation worsened, which led to funding reductions in many programs, including Moving Up. These reductions temporarily affected the Pee Dee counties' ability to deliver program services, and, as a result, the program's intensity decreased. Specifically, beginning in late 2002, the counties in the study began to run out of funds for Moving Up. Because of the fiscal crisis, the state did not allocate new monies for the program until summer 2003. Career consultants remained on the job, but most counties froze or limited spending on financial incentives, education and training tuition payments or reimbursement, transportation assistance, and other services.

Staffing and Training

Moving Up services were provided primarily by case managers (career consultants), who were employed by DSS. The largest county in the study had four career consultants; the next-largest county had two; and the other four counties each had one career consultant. (Two of the ten career consultants left their job in 2003 and were replaced within a few months.) These staff members provided individualized case management to participants and connected them with other services as needed. In most counties, the career consultants worked with agencywide workforce consultants, who built relationships with local employers, developed jobs, and shared job listings with the career consultants.

Most of the career consultants had previously worked for DSS in some capacity — many in the state's TANF program — and all had some prior experience in social services. Before Moving Up began operating, the staff received training to learn about its goals, components, and procedures. They also attended a two-day session designed to improve their knowledge of and skills in recruitment and marketing, and they attended training about how to motivate clients while they are negotiating life changes. After the program had been operating for about a year, staff received additional training designed to improve their knowledge of and skills in delivering advancement services and engaging employers.

Management

Moving Up was managed by a full-time program coordinator, who worked in one of the county DSS offices. Working under and with the guidance of a few DSS administrators in

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the linkage between the welfare and workforce systems was limited by a variety of factors, including the two systems' different goals and target populations and the absence of a coordinated decision-making process.

the state office and one of the local county DSS directors, he monitored ERA operations in all six counties and reviewed staff performance. He also held monthly staff meetings to review program operations, discuss new procedures, and share ideas about working with clients. Each county's DSS director was responsible for the local operation of the program, and typically the workforce consultant in each office directly supervised the career consultant(s) in that office.

To facilitate case management and monitoring, South Carolina developed an automated client tracking system, called ERACTS (Employment Retention and Advancement Client Tracking System), specifically for Moving Up. Staff recorded information on each participant, including their status in the program, the activities they were involved in, and their employment status. The program coordinator regularly used data from ERACTS to monitor the performance of staff and to provide feedback to them. He focused on several items, including the number of contacts between staff and clients, the number of individuals participating in the program, the number of participants who were placed in jobs, and the number who received a raise or increased their work hours. The program manager encouraged staff to contact at least 75 percent of their cases at least once and to keep at least 35 percent participating in the program at any given time. Generally, staff met these goals. No specific goals were set based on employment outcomes.

Program management developed different statuses to categorize clients and help staff prioritize within their caseloads. "Active" clients were participating in the program and were to be contacted (either in person or by phone) at least once a month. "Passive" clients were not currently participating but were potentially interested in doing so in the future. Staff had to contact passive clients monthly also, but this contact could be by letter. After three months, someone who remained uninterested in the program was placed into "refused service" status and was not contacted regularly. Box 2.1 presents the South Carolina ERA treatment statuses and the corresponding degree of required contact. Based on MDRC's observations, career consultants internalized these statuses and followed the recommended contact guidelines.

The level of day-to-day supervision within the county DSS offices varied; some supervisors were strongly involved in the program and with the staff, while others were not as engaged. Furthermore, although the program coordinator encouraged consistent practices, the implementation of Moving Up varied by county, as discussed below.

The South Carolina ERA Program's Messages and Services

Overview of Intended Program Flow

South Carolina's ERA program targeted a wide range of individuals who had left TANF between nine months and just over five years before. About half were working when

Box 2.1

South Carolina ERA Treatment Statuses

The South Carolina ERA program used different statuses to categorize individuals who were assigned to Moving Up. Following are the statuses and the degree of contact that was required for each.

Pending. The career consultant had begun outreach, but the individual had not yet made a decision regarding participation in the program. Career consultants were required to move individuals from "pending" to another status within 30 days.

Active. The individual agreed to participate in Moving Up, and a Career Enhancement Plan was developed within 10 days. The individual participated in activities outlined in the plan. Career consultants were required to contact active participants at least once a month to follow up on activities and check on progress. If an individual was not participating in activities after two consecutive months, career consultants revised the status to "passive."

Passive. The individual agreed to participate in Moving Up. A Career Enhancement Plan was developed within 10 days, but, for two consecutive months, the individual was not actively participating in activities outlined in the plan. Or the individual did not refuse services but was not interested in participating in Moving Up at that time. Often, a plan had not been developed for this passive client. Career consultants were required to attempt to contact passive clients once a month to explain the program and remind them of available services. If a client was still uninterested after three consecutive months, career consultants revised the status to "refused service."

Refused service. The individual declined to participate in Moving Up, or a passive client did not actively participate after three consecutive months. Unless the individual in this status adamantly refused services, career consultants maintained contact twice a year through mailings of program newsletters and promotional materials.

Can't locate. The individual's current residence or address could not be determined.

Moved out of service area. The individual lived outside the Pee Dee Region.

Other. The individual was deceased or incarcerated or did not fit into any of the statuses above.

they entered the study, and half were not. The program aimed to help all these individuals with employment: Moving Up was designed to help nonworking clients find a job and to help working clients retain their jobs and/or advance in the labor market.

Figure 2.1 illustrates the typical paths of individuals through Moving Up. After presenting an overview of the paths, the rest of this chapter discusses in detail the services that were provided. (Chapter 3 presents quantitative information on the use of employment-related services by the ERA group and the control group.)

As described in Chapter 1, for the study in South Carolina, each month — using the state's TANF database — 100 TANF leavers were randomly selected to be in the ERA group and were assigned to one of the career consultants, who attempted to contact each individual and encourage her to participate in Moving Up. (Another 100 individuals were randomly selected each month to serve as the study's control group.) If an individual agreed to participate, the career consultant would assess her employment situation, goals, and potential barriers and would work with her to develop a Career Enhancement Plan.

Moving Up did not require any specific activities or services; instead, the content of the Career Enhancement Plan was developed through conversations between the individual and the career consultant, and the plan varied according to the individual's situation and needs. Typically, however, the goal for someone who was not working was to find a job, and so the plan included one or more job preparation or placement activities. The goal for a participant who was working was typically either job retention or advancement in the labor market, and so the plan included one or more postemployment activities. Although the program did not have rigid guidelines, typically someone who had recently begun a job or who had a history of unstable employment would focus on job retention. Someone who had been working steadily would typically focus on moving up in that job or on finding a better job somewhere else.

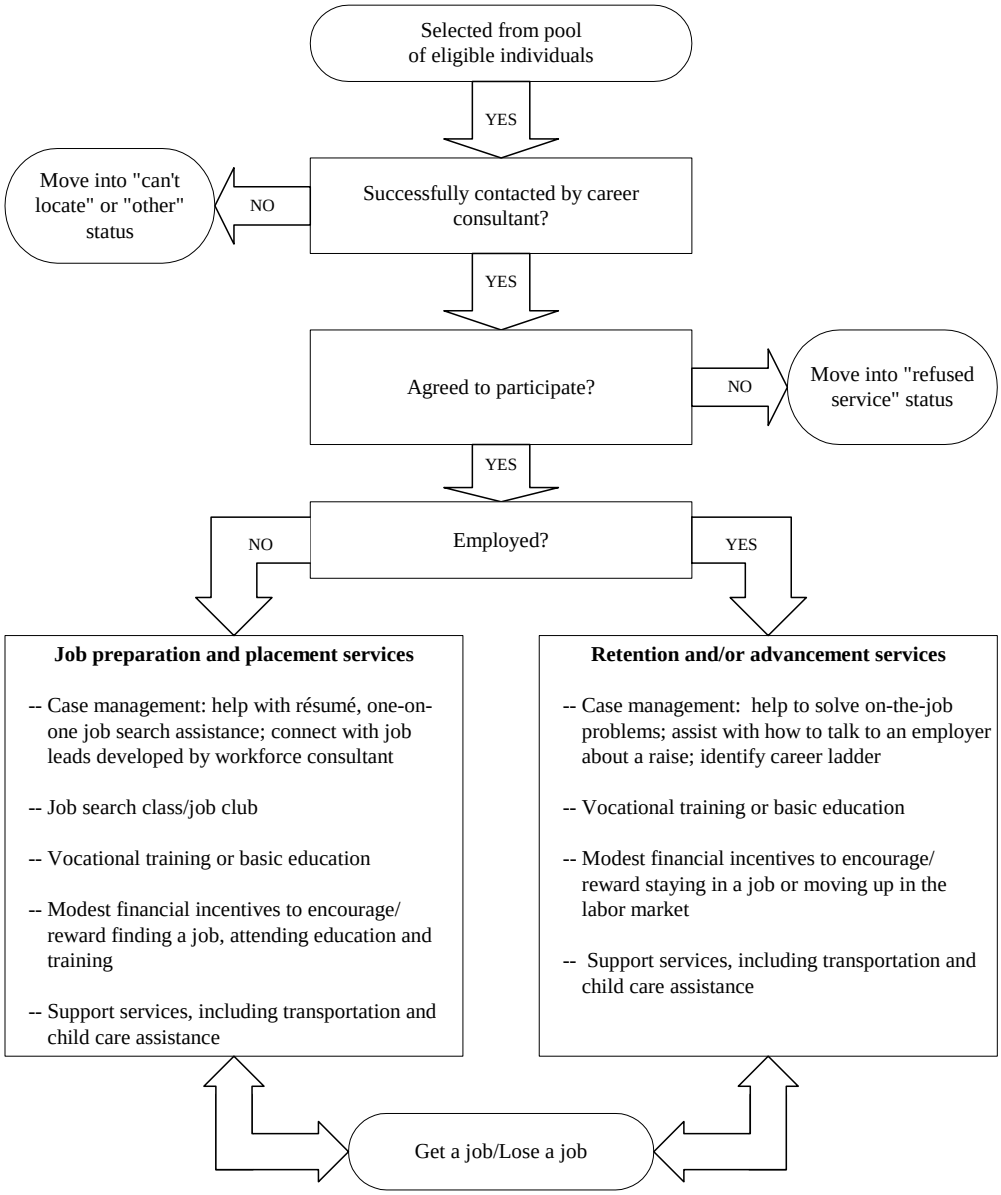
The core of Moving Up was individualized case management. For participants who were seeking a job, this usually consisted of help preparing a résumé, one-on-one assistance with the job search process, and assessment of potential barriers to employment. For individuals who were focused on job retention, career consultants might help solve workplace problems and identify and resolve other issues that might threaten job stability, such as transportation or child care issues. For participants who were trying to advance, career consultants might strategize with the client about how to approach her supervisor for a raise or how to learn about promotion opportunities.

Nonworking participants were sometimes referred to job search classes at the DSS office. (These classes were not exclusively for Moving Up participants.) Both nonworking and

The Employment Retention and Advancement Project

Figure 2.1

Typical Paths of Individuals Through the South Carolina ERA Program



working individuals were sometimes referred to short-term education or training. All participants were eligible for a variety of support services, including transportation assistance and child care assistance.

Throughout the different phases of the program, modest financial incentives were used to encourage and reward desired behaviors. For example, individuals received $10 for attending an initial meeting with a career consultant, $50 for completing a job search class, $50 for keeping a new job for one month, and $50 for moving from a part-time to a full-time job. Box 2.2 lists the program incentives, which are discussed further below.

Based on payment data from the program, 47 percent of the ERA group received at least one incentive payment within a year after entering the study, and 16 percent received at least one payment of $50 or more.[3] Among individuals who received at least one payment, the average amount received during the year was $62. Incentives were used in all six counties but were more strongly emphasized in some. (As noted above, the state's budget problems prevented most counties from paying any incentives between late 2002 and mid-2003.)

Based on MDRC's field research, job placement was the strongest component of the Moving Up program. Delivery of retention and advancement services was strong in some counties but less so in others. Most staff members had experience helping people prepare for and find jobs, as did DSS as an agency. As was true for all the sites in the ERA project, however, the staff members and the agency in South Carolina had less experience working with employed clients. As discussed in a previous report from the ERA evaluation, all sites in the study were challenged to develop strong postemployment interventions, to train staff to deliver them, and to engage working clients in program services.[4] In South Carolina, these challenges were compounded by the fact that Moving Up targeted a diverse group — some working and some not — and offered all three categories of services: placement, retention, and advancement.

Intake, Assessment, and Client Engagement

This section and the next two sections present more detail on the services and processes summarized above. During the intake period for the South Carolina study, each month, 100 individuals who had left TANF between October 1997 and December 2000 and who had not returned to the rolls were randomly selected using the state's TANF database. Ten of these individuals were assigned to each career consultant. (Another 100 individuals were selected each month to serve as the study's control group; they were not invited to participate in Moving Up

[3]The payment data indicate that 50 percent of the ERA group received at least one incentive payment through September 2004 — slightly higher than the one-year percentage.

[4]Bloom et al., 2002.

Box 2.2

South Carolina ERA Financial Incentives

Modest financial incentives or awards were given to Moving Up participants who met particular program benchmarks and accomplished goals outlined in their Career Enhancement Plan. Incentives or awards were in the form of coupons or cash and were not retroactive (that is, they were not provided for the client's achievements before the plan was developed). Because of funding issues, most counties in the study did not pay incentives from late 2002 through summer 2003.

Initial meeting and development of plan with career consultant

$10 First face-to-face meeting

$10 Completion Career Enhancement Plan

Assessments and prescribed treatments

$10 Completion of special assessments (for example, vocational rehabilitation, mental health)

$10 Initial visit for treatment

$50 Completion of treatment

Job readiness training/activity

$10 Completion of 1 week of activity (for example, job club, visits to One-Stop Center)

$50 Completion of training/activity

Education/training

$10 Completion of 1 week of activity (for example, adult education, vocational training)

$50 Completion of short-term training; incentive paid only after participant received certificate; for individual courses, no more than three $50 incentives per year

$150 Completion of long-term training (for example, 1-, 2-, or 4-year degree or certificate; General Educational Development [GED] certificate); incentive paid only after participant received certificate or degree

Obtained/maintained employment (minimum of 15 hours per week)

$50 Kept new job for 1 month

$50 Kept new job for 3 months

$50 Maintained employment for 6 months

$100 Maintained employment for 9 months

$150 Maintained employment for 12 months (with no more than 2 voluntary job changes)

Advancement in employment

If a participant advanced in the current job or moved to a new job, only 1 incentive awarded at any time.

$50 Moved from part- to full-time work (30 hours or more per week) and maintained it for 30 days

$50 Obtained a job with higher wages (an increase of at least 8 percent) and maintained it for 30 days

$50 Obtained a job with benefits and maintained it for 30 days

and did not receive its services.)[5] Information about the individuals — including their last known address and phone number, demographic information, and TANF history — was downloaded into ERACTS. Career consultants attempted to locate the individuals and encourage them to take part in the program. They sent an invitation letter that included a brochure about the program, and they typically followed up with phone calls and additional letters. (Appendix C presents the invitation letter, the brochure, and the planning form for Moving Up.)

It was challenging to locate the selected individuals, and staff did extensive outreach to get potential participants into the program. As noted earlier, the target group for Moving Up included people who had left TANF as early as October 1997 — years before the ERA study began. Although some people had continued to have contact with the DSS office through the Food Stamp Program or Medicaid, much of the contact information in South Carolina's database was outdated. Staff often sought current contact information from multiple sources, including various other state departments (such as the Department of Motor Vehicles) and family members. Some staff even drove to sample members' last known address and spoke with the current residents and former neighbors to get information about individuals' whereabouts.

After contacting potential participants, staff still faced the challenge of marketing the program to individuals who were not required to take part in it and who may not have wanted assistance. They marketed Moving Up by emphasizing its individualized nature — services were tailored to participants' needs, to help each succeed in the labor market — and often by encouraging people to think about their broader goals and hopes for themselves and their families. To promote participation, the program provided a $10 incentive to each person who had an initial meeting with a career consultant. Management emphasized the importance of effective outreach and marketing, and all the career consultants received training in marketing the program and engaging clients.

It is important to focus on the fact that Moving Up was not a mandatory program. As mentioned, this created a challenge for career consultants in engaging participants. Notably, it also limited the effect that the program could have on the entire eligible population. When a program is mandatory, it can affect even people who do not participate in it. For example, someone receiving TANF benefits may choose to find a job on her own, rather than participate in a mandatory welfare-to-work employment program. In contrast, there is no reason to think that nonparticipants in the South Carolina ERA study would be affected, either positively or negatively, by the program. The only chance that Moving Up had to change peoples' outcomes was by engaging them in the program.

[5]As mentioned in Chapter 1, some individuals who had returned to the TANF rolls after December 2000 were erroneously selected for the sample; those individuals were dropped from both research groups and are not included in the analysis.

At the initial meeting — which often occurred in the potential participant's home — staff assessed the individual's employment, educational, and family situation; discussed employment goals and barriers; and worked with the person to develop a Career Enhancement Plan. Moving Up did not use a standard set of assessment tools; nor did it employ skills testing. Instead, career consultants assessed people's goals, experiences, skills, and barriers more informally, through conversation. The content of the plan varied according to the individual's situation and needs. (Appendix C presents the plan's template.) Individuals received another $10 after completing the plan.

According to program tracking data from ERACTS, 74 percent of the ERA group either met in person with or spoke on the phone with a Moving Up staff member at least once during the year after they entered the study. In other words, staff succeeded in locating and interacting with about three-quarters of the target group for the program. The same tracking data show that just under half the ERA group (45 percent) were ever in the active status during this one-year period, indicating that they were engaged in the program in some way.[6] Therefore, about a fourth of the ERA group were never successfully contacted by program staff, and another fourth were contacted but never participated in the program. Staff reported that some of the people they spoke with said that they were doing fine and did not need or want help.[7]

It is important to note that the level of activity for clients in the active status varied dramatically. For example, some active participants were working and received a monthly check-in phone call from their career consultant, whereas other active participants were engaged in full-time education or training. To illustrate this point, consider the number of in-person or phone contacts between active participants and staff. According to ERACTS data, among participants who were ever categorized as active during the year after they entered the study, the number of contacts that year ranges from 1 to 52 per person. The average number of contacts for this group is 11 (4 in person and 7 by phone). About one-third of these active participants had 1 to 6 contacts; another third had 7 to 12; and another third had 13 contacts or more. This variation in the intensity of participation should be kept in mind when evaluating the program's effects on outcomes, such as employment and earnings, presented in Chapter 4.

Another way to gauge intensity of participation is to consider a composite measure that includes the number of contacts and incentive payments. During the year after entering the study, 29 percent of the ERA group were ever in the active status; had at least four contacts with staff, at

[6]ERACTS data show that 49 percent of the ERA group — slightly higher than the one-year percentage — were ever in the active status between the time they entered the study and April 2004.

[7]This information is from conversations with the program staff, not quantitative data, so the percentage of ERA group members in this category is not known.

least two of which were in person; and received at least one incentive payment. This indicates that just under one-third of the ERA group were engaged relatively intensively in Moving Up.

Job Preparation and Placement Services

Placement in a job was usually the goal for program participants who were not working. The specific services that were provided to help clients reach this goal varied, but they included one-on-one job search assistance and help preparing a résumé from a career consultant as well as job club classes at the DSS office. Although staff tended to explore individuals' interests and, when possible, tried to help them find a job that fit their interests, they usually encouraged them to take a job relatively quickly. Some participants were referred to the local One-Stop Center to look for jobs or use assessment tools, such as software that helps identify career interests or skills.

As noted above, workforce consultants in each of the six Pee Dee counties identified job openings at local employers. Although they did this primarily for TANF clients, they often shared job openings with the Moving Up career consultants, who then passed them on to program participants. Typically, workforce consultants did not develop jobs for specific clients. Most career consultants did not develop jobs themselves (but a few did). Similarly, workforce consultants had close connections with local employers, but most career consultants did not.

If a participant did not have a high school diploma or a General Educational Development (GED) certificate, staff sometimes recommended that she attend classes to help prepare for the GED exam. Although most staff believed that a GED is useful in the labor market, typically they did not strongly emphasize this as a program activity. Some participants were referred to short-term vocational training to build their skills before (or while) seeking a job.

As noted earlier, Moving Up paid modest incentives to participants for various job preparation and placement activities. For example, the program paid $50 if a participant completed a job search class or held a new job for one month (see Box 2.2).

The program also provided support services to participants. Public transportation in the Pee Dee Region is limited, so transportation assistance was an important component of the program. Many participants received reimbursement for miles driven in their own cars. If no other option was available, some career consultants even drove participants to and from job interviews or classes.

The designers of Moving Up intended that the program would have funds available for child care. Because of state budget problems, however, the funds were never allocated. Instead, state administrators modified the rules for allocating TANF transitional child care, which is provided to parents who leave the welfare rolls. Rather than providing assistance for two calendar years following exit from TANF, South Carolina now provides care for 24 months —

whether consecutive or not — after exit. (This rule change applies to all eligible parents, not just those who were in Moving Up.) The state also operates the ABC Child Care Program, which provides assistance for parents whose income is below a certain level.

Despite initial concerns about Moving Up's lack of child care funds, staff reported that few participants raised child care issues. Most parents who entered the program already had care arrangements with family or friends, and those arrangements continued. In some cases, staff connected parents with transitional dollars for child care. (A few parents had exhausted their transitional care, but this was rare.)

Staff referred some Moving Up participants to mental health counseling, substance abuse treatment, or services for victims of domestic violence. They also helped some participants get TANF, food stamps, Medicaid, and other work supports. In 2003, the counties in the study began holding monthly "support group" meetings for participants. These were typically held during the evening and were facilitated by a career consultant. The main purpose of the meeting was to allow participants to share their employment-related experiences and their knowledge and coping mechanisms. Sometimes the career consultant also provided information, such as a list of local job openings or a strategy for moving up in a job. According to program management, 10 to 12 participants typically attended a support group meeting.

Employment Retention and Advancement Services

For participants who were working, the goal of Moving Up was either job retention or advancement in the labor market. Generally, the program encouraged clients to remain in a job for a while before trying to move up. To foster job retention, career consultants talked with clients about workplace problems and held periodic check-ins to allow participants to share any work-related concerns that they had. Although, as noted above, most career consultants did not have much contact with employers, a minority checked in with employers about participants' job performance (but only if a participant agreed).

The goal for participants who had worked steadily for several months was typically to advance in the labor market. Reflecting the participant's interest, "advancement" could mean getting a raise or additional hours per week at the current workplace or moving to a new job with higher pay, more hours, better benefits, a more convenient schedule or location, or getting a job in a field of interest to the client. Career consultants helped participants strategize about such issues as how to move up in the current workplace and when and how to discuss a raise or promotion. Some working clients were placed in short-term vocational training to prepare them for a higher-paying job or one with a more convenient schedule. In response to local job openings, training to become a Certified Nursing Assistant (CNA) was common.

Staff were often available — either in the office or by phone — beyond the standard 9-to-5 workday, in order to help participants who worked full time or who were occupied with family or other responsibilities during the day. At least one career consultant gave his cell phone number to participants and told them to call him whenever they needed help.

Moving Up provided modest financial incentives to encourage job retention (see Box 2.2). For example, the program paid participants $50 if they remained in a new job for a month, another $50 after three months, and another $50 after six months. (Participants who were employed when they entered the program and who had been working for fewer than 12 months could receive these payments when they reached the benchmarks.)[8] Likewise, the program provided financial incentives for advancing in the labor market. It paid $50 to participants who increased their wage by 8 percent or more, moved from a part-time job to a full-time one, or moved to a job with benefits.

As noted above, it generally was more challenging to deliver retention and advancement services than job placement services. To illustrate this, consider the required monthly contact that career consultants had with active participants. It is possible to speak with someone who is working and to ask general questions like "How are things going at work?" and "Has anything happened on the job that you'd like to talk about?" In contrast, it is also possible to ask more directed, specific questions that are designed to uncover issues that may affect, either positively or negatively, job retention or advancement. A question such as "Have you eaten lunch with any of your coworkers?" attempts to uncover issues about the client's social network on the job. Questions like "What have you learned about other positions at your job?" and "What things do your coworkers do that you might be interested in doing?" can prompt a conversation about possibilities for advancement. Based on MDRC's observations, this type of specific probing occurred sometimes but not consistently across the counties. Also, staff reported that it was often more challenging to convince working individuals to participate in postemployment services, particularly advancement services; many clients already felt too busy juggling work, family, and other responsibilities or were comfortable in their current job and did not want to move up or switch jobs.

How ERA Staff Spent Their Time

MDRC administered a "time study" in all the ERA sites to better understand the practices of the program case managers. The study captured detailed information on the nature of interactions between ERA staff and clients and on the topics covered in their interactions. It also

[8]For example, consider a new participant who had been employed for eight months when she entered the program. If she remained employed, after one month, she would have received the $100 incentive for nine months of employment, and then, after another three months, she would have received $150 for twelve months of employment.

collected information on how ERA case managers typically spent their time each day. In South Carolina, the time study was administered over a two-week period in July 2003.[9] During this period, all 10 career consultants recorded their activities each day, using a form designed by MDRC. This section presents the key findings from the time study.

As noted earlier, each career consultant's caseload in Moving Up grew by 10 potential participants each month. When the time study was administered, staff had an average of 73 participants in the active status. Roughly half of the 73 were working, and half were not, and, as noted earlier, the active status covered a range of participation intensity. This caseload number does not include the 28 individuals, on average, who were in the passive status or the 7 individuals, on average, who were in the pending status. (See Box 2.1 for the definitions of the statuses.) Caseload sizes varied somewhat across career consultants, but staff most commonly had between 61 and 80 active participants. Although staff sometimes reported to MDRC and the program managers that their caseloads seemed too large, the caseload sizes were within the range of those in the other ERA programs.

Figure 2.2 shows that when the time study was administered, the Moving Up career consultants spent about one-third (31 percent) of their time working with clients; this was typical across the ERA sites. The career consultants spent a bit more time with nonworking clients than with working ones (17 percent of their time, compared with 14 percent). They spent 29 percent of their time on administrative duties, such as paperwork related to financial incentives and entering participants' activities into ERACTS. Again, these numbers were similar across the ERA sites. But South Carolina's staff spent 13 percent of their time traveling to or from program activities or meetings with clients or employers — a higher proportion than in the other ERA sites.[10] As noted above, Moving Up career consultants sometimes drove to individuals' neighborhoods (or former neighborhoods) to locate them or to conduct home visits, and they sometimes drove participants to job interviews or other program activities; these efforts were time-consuming, especially in a rural setting. Career consultants divided the rest of their time between job development, outreach to clients, staff meetings, and miscellaneous activities.

As shown in Table 2.1, South Carolina's career consultants had an average of about 7 contacts per day with participants, split evenly among working and nonworking clients. (In the other sites in the ERA study, the average number of contacts per day ranged from 5 to 8.) The average contact in Moving Up lasted about 19 minutes, and the average contact with nonworking clients was somewhat longer than for working clients (21 minutes, compared with 16 minutes).

[9]During this month, one of the career consultants did not receive a new group of individuals to recruit for the program — the eligible pool in that county had run out. Furthermore, at that point, most of the six counties were still limiting their spending on incentives and other services. Thus, the time period studied is not entirely representative of the program at full operation.

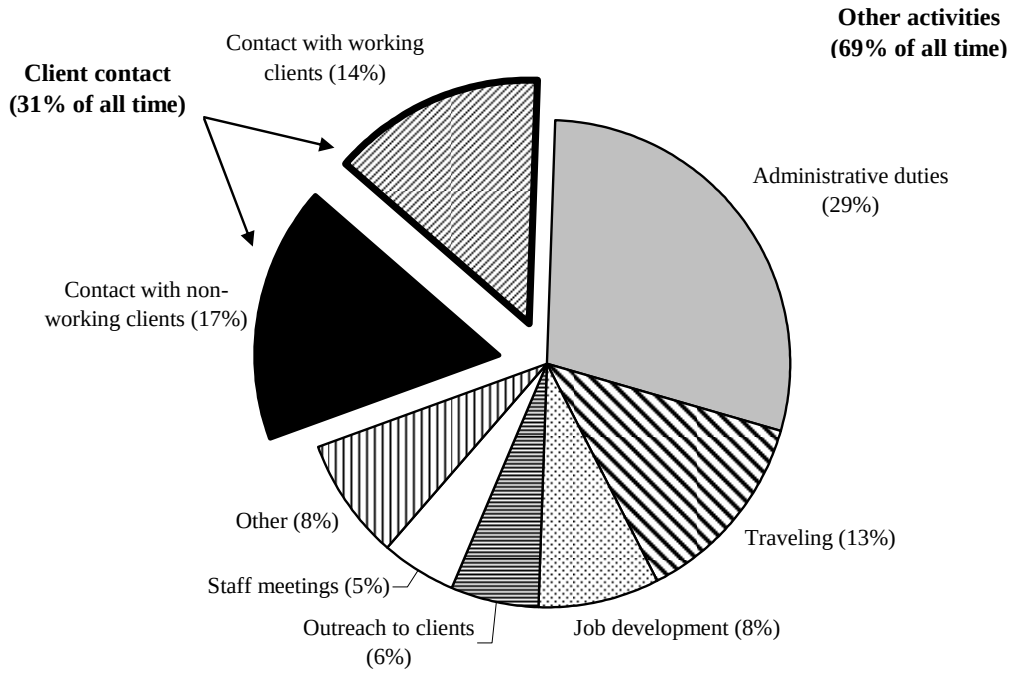
[10]In the other sites, the average proportion of time spent traveling was 3 percent.

The Employment Retention and Advancement Project

Figure 2.2

Summary of How ERA Case Managers Typically Spend Their Time

South Carolina



SOURCE: MDRC calculations from the ERA time study.

As presented in Table 2.2, during the period studied, just over one-third (38 percent) of all client contacts in Moving Up occurred in person. Unlike in the other ERA sites, in which most in-person contact occurred in the program offices, the majority of these contacts in South Carolina took place in participants' homes. Of the contacts in South Carolina that did not occur in person, most were made by phone. Just over one-third (38 percent) of all contacts were initiated by the client, rather than a staff person.

Table 2.3 shows the various topics and activities that were covered during career consultants' contacts with participants. The most common activity in South Carolina was a general check-in, which accounted for a third (34 percent) of all contacts. This proportion is higher than

The Employment Retention and Advancement Project

Table 2.1

Extent of Contact Between ERA Case Managers and Clients

South Carolina

	All Case Managers
Percentage of work time spent in contact with	
Any client	30.6
Working clients	13.6
Nonworking clients	17.0
Average number of client contacts per day per case manager	
Any client	6.5
Working clients	3.3
Nonworking clients	3.2
Average number of minutes per contact with	
Any client	18.5
Working clients	16.0
Nonworking clients	20.8
Number of case managers time-studied	10

SOURCE: MDRC calculations from the ERA time study.

in most of the other ERA sites.[11] As discussed earlier, Moving Up staff commonly checked in with clients who were in the active status, often over the phone, to see whether program activities or employment were progressing satisfactorily and whether any problems had arisen. The relatively high proportion of time spent in South Carolina on general check-ins suggests that Moving Up — compared with most other programs in the study — dealt less with specific issues regarding job placement, retention, and advancement.

The activities and topics that were emphasized during the contacts varied with the participants' employment status. For working clients, general check-in was more common than for nonworking clients (38 percent of contacts, compared with 29 percent). For working clients, the next most common activities/topics were discussing issues related to financial incentives (27 percent), exploring specific employment and training options (22 percent), and discussing career goals and advancement (17 percent). For nonworking clients, the most common activities were exploring specific employment and training options, assisting with reemployment, and general check-in (all near 30 percent of contacts).

[11]In the other sites, staff spent between 6 percent and 45 percent of their client-contact time on general check-ins; the average across all the sites was 25 percent.

The Employment Retention and Advancement Project

Table 2.2

Description of Contact Between ERA Case Managers and Clients

South Carolina

	All Case Managers
Percentage of all client contacts that were:	
In person	37.6
Office visit	6.8
Home visit	23.0
Employer visit	0.1
Visit elsewhere	7.7
Not in person	62.4
Phone contact	47.7
Written contact	12.1
Other type of contact	2.6
Percentage of all client contacts that were initiated by:	
Staff person	61.3
Client	38.3
Another person	0.4
Number of case managers time-studied	10

SOURCE: MDRC calculations from the ERA time study.

As mentioned above, Moving Up's designers thought that it was important for staff to be available for participants during nonstandard hours, particularly to accommodate working individuals. Reflecting this, during the two weeks that were studied, the time study found that 7 of the 10 career consultants worked some nonstandard hours, most commonly on the weekend (not shown in a table).

Variations in Implementation Across the Counties

Although the design of Moving Up was uniform across the six participating counties and the program coordinator encouraged consistent implementation, the program nonetheless varied somewhat from county to county. This section and those in Chapters 3 and 4 that highlight county differences do not identify the counties by name but, instead, refer to them as "County 1" through "County 6." As discussed above, the number of Moving Up staff in each county was small — four counties had only one career consultant. In this report, the purpose of

The Employment Retention and Advancement Project

Table 2.3

Topics Covered During Contact Between ERA Case Managers and Clients

South Carolina

	Case Managers Working with		
	Working Clients	Nonworking Clients	All Clients
Percentage of all client contacts that included the following topics:[a]			
Initial client engagement	13.2	18.0	16.4
Supportive service eligibility and issues	9.3	7.5	8.8
General check-in	37.6	29.1	33.6
Screening/assessment	2.1	2.9	2.5
Address on-the-job issues/problems	9.5	2.9	6.1
Address personal or family issues	13.5	19.4	16.9
Explore specific employment and training options	22.0	30.3	26.4
Discuss career goals and advancement	17.0	13.4	15.0
Assist with reemployment	9.8	29.9	21.3
Discuss issues related to financial incentives or stipends	27.1	6.7	17.7
Schedule/refer for work experience position[b]	NA	NA	NA
Enrollment in government assistance and ongoing eligibility issues	1.3	2.7	2.2
Assistance with the EITC	0.0	0.0	0.0
Participation/sanction issues	14.0	9.5	11.2
Schedule/refer for screening/assessment	0.4	5.1	2.6
Schedule/refer for job search or other employment services	1.2	5.7	3.6
Schedule/refer for education or training	3.5	3.8	3.8
Schedule/refer for services to address special or personal issues	5.1	6.6	5.6
Provide job leads or referrals[b]	NA	NA	NA
Number of case managers time-studied			10

SOURCE: MDRC calculations from the ERA time study.

NOTES: NA = not applicable.

[a] Percentages total over 100 percent, since more than one topic could be recorded for each client contact.

[b] This measure was not included in the time-study instrument used in South Carolina.

discussing county differences is to help explain how Moving Up was implemented and to connect key differences in implementation to differences in impacts, not to highlight the practices and performance of specific counties or individual staff members.

It is not surprising that implementation varied across the six counties. As discussed earlier, the county DSS offices had some discretion in operating Moving Up. Over the course of the study, it became clear that the county directors had varying degrees of commitment to the program, and staff quality and morale varied substantially. During site visits, as mentioned above, MDRC noted that the strength of the counties' retention and advancement services varied.

The time-study results for the six counties provide useful information about how the programs differed. Recall that, across the counties, the average career consultant spent 31 percent of her or his time in contact with clients (Table 2.1). Examining this percentage by county shows a range of 19 percent to 53 percent. The average number of contacts per day was 7 (6.5), but the range across the counties is 5 to 9 contacts. The average percentage of contacts initiated by the participant (rather than by the career consultant) was 38 percent (Table 2.2), but the range across counties is 8 percent to 73 percent.

In some counties, Moving Up operated much as it was designed, focusing on both pre- and postemployment services. In other counties, however, postemployment services were less emphasized by management and staff. To illustrate this, consider the activities and topics that were emphasized during contacts with clients in each county. For example, the percentage of contacts with working participants in each county that involved discussion of career goals and advancement ranged from 7 percent to 48 percent, and the percentage that involved addressing on-the-job issues ranged from 1 percent to 56 percent. The counties that spent substantial time on these specific retention and advancement topics spent less time on general check-ins. One county, in particular — County 6 — stands out with a notably high proportion of time spent on the specific employment-related topics discussed above and a low proportion of time on general check-ins.

These differences suggest that the effects of the ERA program might also differ by county. Chapter 3 further explores implementation differences across the counties, by considering rates of engagement in Moving Up services and activities, and Chapter 4 presents the program's effects for each county.

Chapter 3

The Effects of the South Carolina ERA Program on Service Receipt

Chapter 2 describes South Carolina's Employment Retention and Advancement (ERA) program, Moving Up, and provides some information on the level of contact that the ERA group had with the program, using data from its automated tracking system, ERACTS (Employment Retention and Advancement Client Tracking System). This chapter provides additional information about participation in the program and other similar services, focusing primarily on differences between the experiences of individuals in the ERA group (the program group members) and those in the control group. Examining these differences is central to understanding the impacts of Moving Up on employment and other outcomes presented in Chapter 4. As noted in Chapters 1 and 2, the control group members were not able to receive ERA services from Moving Up, but they were able to receive other services from programs and agencies in the area, including Temporary Assistance for Needy Families (TANF), the Food Stamp Program, and One-Stop Centers. They were also able to engage in education, training, or other employment-related activities that were available in the six counties of the Pee Dee Region.

This chapter relies primarily on data from the ERA 12-Month Survey, which was administered to a subset of ERA and control group members in South Carolina about 12 months after they entered the study. A total of 594 sample members (the "respondent sample") are included in the survey analysis. Respondents were asked a series of questions about their contact with case managers and with similar staff and about their participation in employment-related activities. After presenting findings for the entire respondent (or survey) sample, the chapter briefly discusses some differences across the study's six counties and presents findings for some key subgroups of sample members.

Key Findings

Compared with control group members, ERA group members were more likely to have had contact with a case manager or employment program during the year after they entered the study, but the difference is relatively small. ERA group members were also somewhat more likely to have received services to foster job retention and advancement in the labor market. The two research groups had similar levels of engagement in most employment-related activities, but members of the ERA group were somewhat more likely to participate in vocational training and in education or training while employed, and they were more likely to receive assistance with transportation. These modest differences are not surprising, given the implementation findings presented in Chapter 2.

Results from the survey suggest that sample members' contact with case managers and their engagement in employment-related activities varied across the six counties in the Pee Dee Region. These results should be interpreted cautiously, however, since the survey sample size in most of the counties is very small. As in Chapter 2, however, one county stands out when compared with the other five: The survey data suggest that County 6 produced relatively large increases in the use of retention, advancement, and job preparation services — although the impact on job preparation just misses statistical significance. The survey results and the implementation results presented in Chapter 2 suggest that County 6 implemented a program that most closely mirrored the mixed-goal program that Moving Up's designers intended.

The survey shows that the program affected service receipt, compared with control group levels, to a similar degree for the subgroups of sample members examined in this chapter. ERACTS data, however, show that the subgroups had differing levels of engagement in Moving Up.

The Intensity and Nature of Contacts Between Clients and Staff

As discussed in Chapter 2, the core of South Carolina's ERA program was individualized case management. Case managers in Moving Up were called "career consultants," and they provided one-on-one assistance and referred participants to additional services as needed. A key issue, then, in assessing the strength of the program "treatment" in South Carolina is the intensity and nature of the contacts between Moving Up staff and clients. The ERA 12-Month Survey asked a series of questions intended to capture information about contacts between respondents and career consultants and other staff from employment and social service agencies. Given the nebulous nature of "case management," it was a challenge to design such questions; Box 3.1 describes this effort.

To estimate contacts between sample members and staff of Moving Up and other organizations and agencies that help people find or keep jobs, the analysis combined two survey questions into one measure. One question asked whether sample members had had contact with "programs or organizations that help people find and keep jobs." The other question was introduced with a sentence that referred to "agency staff [who] help people find and keep jobs," but it asked whether respondents had had "contact with a case manager or a staff person from an employment, welfare, or other agency." This chapter refers to this measure as contacts with a "case manager or employment program."

Table 3.1 presents the program's impacts on contacts with staff during the year following random assignment. The first column of the table presents outcomes for the ERA group; the second presents outcomes for the control group; and the third presents the difference, or impact, between the two groups. Because random assignment ensures that there were no systematic differences between the ERA group and the control group when sample members entered the

Box 3.1

Measuring Participation in ERA

In order to interpret the results of a random assignment evaluation, it is critical to understand the "dose" of services that each research group receives. In many studies, this is relatively straightforward, because the "treatment" is easy to measure (for example, the number of hours of training or the dollar value of incentive payments). In contrast, in many of the ERA programs, including South Carolina's, services are delivered mostly in one-on-one interactions, during which staff advise, coach, or counsel participants. This type of service is inherently difficult to measure. In addition, to accurately measure a program's *impact* on service receipt, it is important to collect data in the same way for both the ERA group and the control group. In practice, this means that survey questions cannot refer to the ERA program in particular but, instead, must ask in general about the kinds of services that ERA provided.

MDRC sought to measure service receipt in three main ways, using the ERA 12-Month Survey. Each approach has both strengths and limitations, and each contributes to the overall analysis:

- First, the survey asked whether respondents participated in "traditional" employment-related services, such as job search workshops and training classes, and how many weeks they participated (see Table 3.3). These services are relatively easy to measure, but they are not the heart of most ERA programs, including South Carolina's.
- Second, the survey asked how frequently respondents had had contact with staff members from employment or social service agencies and where those contacts took place (see Table 3.1). These questions are more central to the ERA programs, but it is difficult to determine which types of staff the respondents were referring to. For example, contact with a worker who determines food stamp eligibility is likely to be quite different from contact with an ERA case manager. Moreover, it may be difficult for respondents to recall the number of such contacts over a one-year period.
- Third, the survey asked whether respondents received assistance in a variety of specific areas, some of which — such as "finding a better job while working" — are central to ERA (see Table 3.2). These questions are fairly straightforward, but they do not provide any information about the *amount* of service that was received in each area.

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Table 3.1

Year 1 Impacts on Contacts with Program Staff

South Carolina

Outcome	ERA Group	Control Group	Difference (Impact)		P-Value
Any contacts with case manager/employment program since random assignment[a] (%)	44.1	28.9	15.2	***	0.00
Average number of contacts with staff/case manager	4.7	2.9	1.9	**	0.05
In person	2.1	1.1	1.1	**	0.01
By telephone	2.6	1.8	0.8		0.20
Talked with staff/case manager in past 4 weeks (%)	16.3	10.9	5.4	*	0.06
Ever met with staff/case manager (%)	33.5	22.7	10.8	***	0.00
At home	17.3	3.2	14.1	***	0.00
At workplace	4.2	0.8	3.4	**	0.01
At staff/case manager's office	25.0	22.1	3.0		0.41
At school/training program	4.6	3.2	1.4		0.40
At other places	3.9	2.1	1.8		0.21
Staff/case manager talked with respondent's employer (%)					
Never	93.1	95.1	-2.0		0.31
Once or twice	3.3	3.1	0.1		0.92
More than twice	2.6	0.8	1.8	*	0.09
Don't know	1.0	1.0	0.0		0.96
Among those employed since random assignment:[b]					
Staff/case manager talked with respondent's employer (%)					
Never	*91.3*	*93.3*	*-2.0*		*NA*
Once or twice	*4.1*	*4.4*	*-0.3*		*NA*
More than twice	*3.3*	*1.1*	*2.3*		*NA*
Don't know	*1.4*	*1.3*	*0.0*		*NA*
Sample size (total = 594)	299	295			

SOURCE: MDRC calculations from responses to the ERA 12-Month Survey.

NOTES: See Appendix D.

[a]This measure includes respondents who said "yes" to D1 or D3. However, the remaining questions regarding number and location of contacts were asked only of respondents who said "yes" to D3. Therefore, there are some respondents who reported contact but were not asked about the number and location of contacts. (Question D1: "Have you had any experiences with programs or organizations that help people find or keep jobs since your random assignment date?" Question D3: "Since your random assignment date, have you had any contact, in-person or by phone, with a case manager or a staff person from an employment, welfare or other agency?")

[b]Employment is calculated using the ERA 12-Month Survey and includes those who reported employment since random assignment. It includes formal employment and "odd jobs."

study, any differences in the groups' outcomes that emerge over time can be attributed to the program intervention. Tests of statistical significance were performed on all impacts presented in this report, to determine whether the impact can confidently be attributed to the program. An impact is considered statistically significant at the 10 percent level if there is less than a 10 percent chance that the estimated difference could have stemmed from a program that had no real effect. Statistical significance is also presented at the 5 percent and the 1 percent levels. Box 3.2 gives more information about how to read the tables in this report.

As Table 3.1 shows, 44 percent of the ERA group reported that they had had contact with a case manager or employment program since they entered the study, compared with 29 percent of the control group. This difference, or impact, of 15 percentage points is statistically significant, as indicated by the asterisks. This difference is relatively small. Recall that the control group was not able to receive services from Moving Up but was able to receive services from other programs and agencies in the area. The survey did not ask respondents who, specifically, they had contact with. The respondents in the ERA group who reported having contact with a case manager or employment program include people who had contact with Moving Up but likely also include people who had contact with other agencies in the community.[1] As discussed in Chapter 2, program staff were challenged to locate and then engage individuals in Moving Up, and the relatively small impact on contact reflects those challenges. This small difference limits the effect that the program could have had on such outcomes as employment rates and earnings.

It is also worth noting that the survey likely undercounts this type of contact for both research groups. The survey was administered a year after random assignment, and if sample members had contact with Moving Up or another program early in that year or if the contact was not very intensive, they might not have remembered it when asked. It is not unreasonable to assume, however, that since the survey captured contact that sample members remembered, it captured most of the contact that mattered to participants and was likely to affect their outcomes.

Table 3.1 presents some details about sample members' contact with program staff. The ERA group reported having more contacts with program staff or case managers: 4.7 contacts over the one-year period, on average, compared with 2.9 contacts, yielding a difference of 1.9. ERA group members were also more likely to have spoken with a case manager during the four weeks before the survey (16 percent, compared with 11 percent). Again, these differences are small.

[1]Recall that the ERACTS data indicate that 45 percent of the ERA group were ever classified as active in Moving Up during the year after they entered the study. It seems likely that some ERA group members would have had contact with staff from other programs or agencies during the follow-up year. It may be surprising, then, that the percentage who reported on the survey that they had contact with *any* staff or program was not substantially higher than 44 percent. Perhaps the ERA group members who took part in Moving Up were the same individuals who took part in other programs. Also, as discussed below, people who had limited contact with Moving Up might have forgotten about it when responding to the survey.

Box 3.2

How to Read the Tables in This Report

Most tables in this report use a similar format, illustrated below. The top panel shows a series of participation outcomes for the ERA group and the control group. For example, the table shows that about 27 (26.7) percent of the ERA group members and about 21 (20.7) percent of the control group members participated in an education or training activity.

Because individuals were assigned randomly either to the ERA program or to the control group, the effects of the program can be estimated by the difference in outcomes between the two groups. The "Difference" column in the table shows the differences between the two research groups' participation rates — that is, the program's *impacts* on participation. For example, the impact on participation in an education or training activity can be calculated by subtracting 20.7 from 26.7, yielding 6.0.

Differences marked with asterisks are "statistically significant," meaning that it is quite unlikely that the differences arose by chance. The number of asterisks indicates whether the impact is statistically significant at the 1 percent, 5 percent, or 10 percent level (the lower the level, the less likely that the impact is due to chance). For example, as shown below, the ERA program had a statically significant impact of 6.0 percentage points at the 10 percent level on participation in education or training. (One asterisk corresponds to the 10 percent level; two asterisks, the 5 percent level; and three asterisks, the 1 percent level.) The p-value shows the exact levels of significance.

The bottom panel shows the participation outcomes among those who participated in each activity in the two research groups. Measures shown in italics are considered "nonexperimental" because they include only a subset of the full report sample. Because participants in the ERA group may have different characteristics than participants in the control group, differences in these outcomes may not be attributable to the ERA program. Statistical significance tests are not conducted for these measures.

Impacts on Participation in Job Search, Education, and Training Activities

Outcome	ERA Group	Control Group	Difference (Impact)		P-Value
Participated in an education/training activity (%)	26.7	20.7	6.0	*	0.09
ABE/GED	11.0	10.5	0.5		0.84
ESL	0.8	0.2	0.6		0.32
College courses	11.0	8.9	2.1		0.41
Vocational training	8.8	4.3	4.5	**	0.03
Among those who participated in each type of activity:					
Average number of weeks participating in					
Job search activities	*8.3*	*8.7*	*-0.4*		*NA*
Education/training activities	*14.5*	*12.8*	*1.7*		*NA*
Unpaid work/subsidized employment	*12.1*	*14.8*	*-2.6*		*NA*

Both research groups reported that contact with staff or case managers often occurred in the staff member's office. The ERA group, however, also reported that contact with a case manager in their home was fairly common. Very few individuals in either research group reported that a case manager spoke with their employer.

Impacts on Service Receipt

Table 3.2 presents information on the areas in which individuals in the ERA group and those in the control group received help during the year after random assignment. As shown in the middle of the table, 18 percent of the ERA group reported receiving help keeping a job or advancing to a better job ("received help with retention/advancement"), compared with 8 percent of the control group. This increase of 10 percentage points is statistically significant. As shown at the bottom of the table, ERA group members were more likely to have received help finding a better job while they were working, to have completed a career assessment activity, and to have participated in other miscellaneous activities, such as life skills classes. The middle of the table also shows that 21 percent of the ERA group reported receiving help preparing for a job, compared with 16 percent of the control group, but this difference just misses statistical significance at the 10 percent level ($p = 0.11$).

Table 3.3 shows the percentage of each group that participated in various employment-related activities during the year after entering the study. Just over half the control group members (53 percent) participated in at least one activity: 16 percent participated in a group job search activity; 39 percent conducted an individual job search; and 21 percent engaged in an education or training activity. Another calculation (not shown) indicates that if individual job search is excluded from the tally, the control group's overall participation rate drops to 32 percent. Although the survey question asked about "an individual or independent job search activity, in which you look for a job on your own and sometimes report back to an agency staff member," some respondents may have interpreted the question more broadly and answered "yes" if they had looked for work on their own. Thus, this lower participation rate probably better estimates the control group's involvement in more formal job search activities.

As Table 3.3 indicates, South Carolina's ERA program increased participation for only a few activities and did not increase the overall participation rate (neither including nor excluding individual job search). Compared with control group members, ERA group members were somewhat more likely to have participated in vocational training and to have participated in an employment or education activity while employed.

As discussed in Chapter 2, Moving Up participants were eligible to receive support services, including help with transportation and child care. As Table 3.2 shows, more individuals

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Table 3.2

Impacts on Areas in Which Respondent Received Help

South Carolina

Outcome (%)	ERA Group	Control Group	Difference (Impact)	P-Value
Received help with support services	22.0	12.6	9.4 ***	0.00
Finding or paying for child care	13.9	9.7	4.2	0.11
Finding or paying for transportation	14.2	6.0	8.2 ***	0.00
Received help with basic needs	29.8	29.9	-0.1	0.98
Housing problems	11.5	6.0	5.4 **	0.02
Access to medical treatment	22.0	26.2	-4.3	0.23
Financial emergency	8.0	6.5	1.5	0.49
Received help with public benefits	55.8	57.4	-1.6	0.69
Getting Medicaid	44.8	51.2	-6.4	0.12
Getting food stamps	45.2	44.7	0.6	0.89
Received help with job preparation	21.1	15.9	5.1	0.11
Enrolling in job readiness or training	11.6	9.6	2.0	0.45
Looking for a job	16.4	12.2	4.3	0.13
Finding clothes, tools, or supplies for work	7.1	6.1	1.0	0.62
Received help with retention/advancement	17.7	8.2	9.6 ***	0.00
Finding a better job while working	12.0	3.7	8.3 ***	0.00
Other activities while working[a]	6.8	3.3	3.6 **	0.05
Career assessment	7.8	4.3	3.5 *	0.08
Dealing with problems on the job	4.6	2.4	2.2	0.16
Addressing a personal problem that makes it hard to keep a job	4.5	2.6	1.9	0.22
Among those employed since random assignment:[b]				
Received help with retention/advancement	*22.5*	*11.4*	*11.1*	*NA*
Finding a better job while working	*15.2*	*5.4*	*9.8*	*NA*
Other activities while working[a]	*8.8*	*4.5*	*4.3*	*NA*
Career assessment	*10.0*	*5.9*	*4.1*	*NA*
Dealing with problems on the job	*5.8*	*3.4*	*2.4*	*NA*
Addressing a personal problem that makes it hard to keep a job	*5.6*	*3.6*	*2.0*	*NA*
Sample size (total = 594)	299	295		

SOURCE: MDRC calculations from responses to the ERA 12-Month Survey.

NOTES: See Appendix D.

[a] This measure includes other activities such as life skills and child development classes.

[b] Employment is calculated using the ERA 12-Month Survey and includes those who reported employment since random assignment. It includes formal employment and "odd jobs."

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Table 3.3

Impacts on Participation in Job Search, Education, Training, and Other Activities

South Carolina

Outcome	ERA Group	Control Group	Difference (Impact)	P-Value
Ever participated in any activity[a] (%)	53.7	53.3	0.4	0.92
Participated in any employment-related activity[b] (%)	42.9	45.0	-2.1	0.60
Participated in a job search activity	41.0	44.6	-3.7	0.36
Group job search/job club	17.6	16.1	1.5	0.64
Individual job search	36.1	39.3	-3.3	0.41
Participated in an education/training activity[c] (%)	26.7	20.7	6.0 *	0.09
ABE/GED	11.0	10.5	0.5	0.84
ESL	0.8	0.2	0.6	0.32
College courses	11.0	8.9	2.1	0.41
Vocational training	8.8	4.3	4.5 **	0.03
Participated in unpaid work/subsidized employment (%)	5.4	2.3	3.1 *	0.05
Ever participated in an employment or education activity while working (%)	24.4	16.0	8.4 **	0.01
Average number of weeks participating in:				
Job search activities	3.4	3.9	-0.5	0.52
Education/training activities	3.9	2.7	1.2	0.12
Unpaid work/subsidized employment	0.7	0.3	0.3	0.20
Among those who participated in each type of activity:				
Average number of weeks participating in				
Job search activities	*8.3*	*8.7*	*-0.4*	*NA*
Education/training activities	*14.5*	*12.8*	*1.7*	*NA*
Unpaid work/subsidized employment	*12.1*	*14.8*	*-2.6*	*NA*
Sample size (total = 594)	299	295		

SOURCE: MDRC calculations from responses to the ERA 12-Month Survey.

NOTES: See Appendix D.

[a]"Any activity" includes employment-related activities, education/training activities, life skills, and other types of activities.

[b]Employment-related activities include job search activities, unpaid jobs, and on-the-job training.

[c]Education/training activities include adult basic education (ABE), General Educational Development (GED), and English as a Second Language (ESL) classes.

in the ERA group than in the control group reported receiving help with transportation (14 percent, compared with 6 percent). The program also increased the proportion who reported receiving assistance with housing problems. The increase of 4 percentage points in receipt of child care assistance just misses statistical significance at the 10 percent level ($p = 0.11$). As the table also shows, ERA group members were no more likely than control group members to receive help with public benefits. Table 3.4 shows that the Moving Up program did not increase receipt of services to address mental health issues, domestic violence, or substance abuse.

Contacts and Services Analyzed by County

Chapter 2 presents some evidence that the six counties in the South Carolina ERA study implemented Moving Up differently. To further explore these differences, this section briefly summarizes the participation findings for the counties. Figure 3.1 presents each county's impacts on three key participation measures from the survey: contact with a case manager or employment program, receiving help with job preparation, and receiving help with retention or advancement. For most of the counties, the sample sizes for the survey are small, ranging from 56 to 244.[2] The results, therefore, should be considered only suggestive. Also, some differences that may have reached statistical significance if they were based on larger sample sizes may not reach significance.

As Figure 3.1 illustrates, four of the six counties significantly increased contacts with a case manager or employment program, and the increases range from 11 to 47 percentage points. Further statistical tests were conducted to determine whether the *differences in impacts* for this measure among the counties are statistically significant; they are not.

County 6 substantially increased receipt of retention or advancement services. The effect on job preparation just misses statistical significance at the 10 percent level. The differences between the counties' impacts on receiving help with retention or advancement are not statistically significant. The survey results and the implementation results presented in Chapter 2 suggest that County 6 implemented a program that most closely mirrored the mixed-goal program that Moving Up's designers intended.

Contacts and Services for Selected Subgroups

Chapter 4 presents some key employment impacts for selected subgroups of sample members, and this section briefly discusses the findings about their participation. (Chapter 4

[2]The sample sizes for the six counties are 56, 57, 58, 59, 120, and 244.

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Table 3.4

Impacts on Receipt of Mental Health, Domestic Violence, and Substance Abuse Services

South Carolina

Outcome (%)	ERA Group	Control Group	Difference (Impact)	P-Value
Received mental health services	15.1	15.9	-0.8	0.79
Respondent	5.5	4.2	1.3	0.47
Family member	7.3	9.5	-2.2	0.35
Both respondent and family members	2.2	2.1	0.1	0.93
Received domestic violence services	2.2	4.5	-2.3	0.13
Respondent	0.4	1.6	-1.2	0.15
Family member	0.4	1.6	-1.2	0.17
Both respondent and family members	1.4	1.3	0.1	0.95
Received substance abuse services	3.0	4.1	-1.1	0.49
Respondent	2.0	2.0	-0.1	0.97
Family member	1.0	1.7	-0.7	0.47
Both respondent and family members	0.0	0.3	-0.3	0.35
Sample size (total =594)	299	295		

SOURCE: MDRC calculations from responses to the ERA 12-Month Survey.

NOTES: See Appendix D.

explains why these subgroups are examined.) Figure 3.2 presents the impacts for these subgroups on the three survey participation measures discussed above for the six counties. This section also presents some ERACTS information about engagement in Moving Up among the ERA group members in each of the subgroups.[3]

One set of subgroups was defined on the basis of employment status during the year before entering the study. The *recently unemployed* sample members did not work in the quarter before random assignment, but they did work in at least two of the three quarters before that; in other words, they had employment experience but had recently become unemployed. The *mostly unemployed* group did not work in the quarter before random assignment and worked in one or none of the three quarters before that. And the *recently employed* sample members worked in the quarter before they entered the study.

[3]Findings from ERACTS are not presented by county because the data are too dependent on the diligence of individual staff members in entering data into the system.

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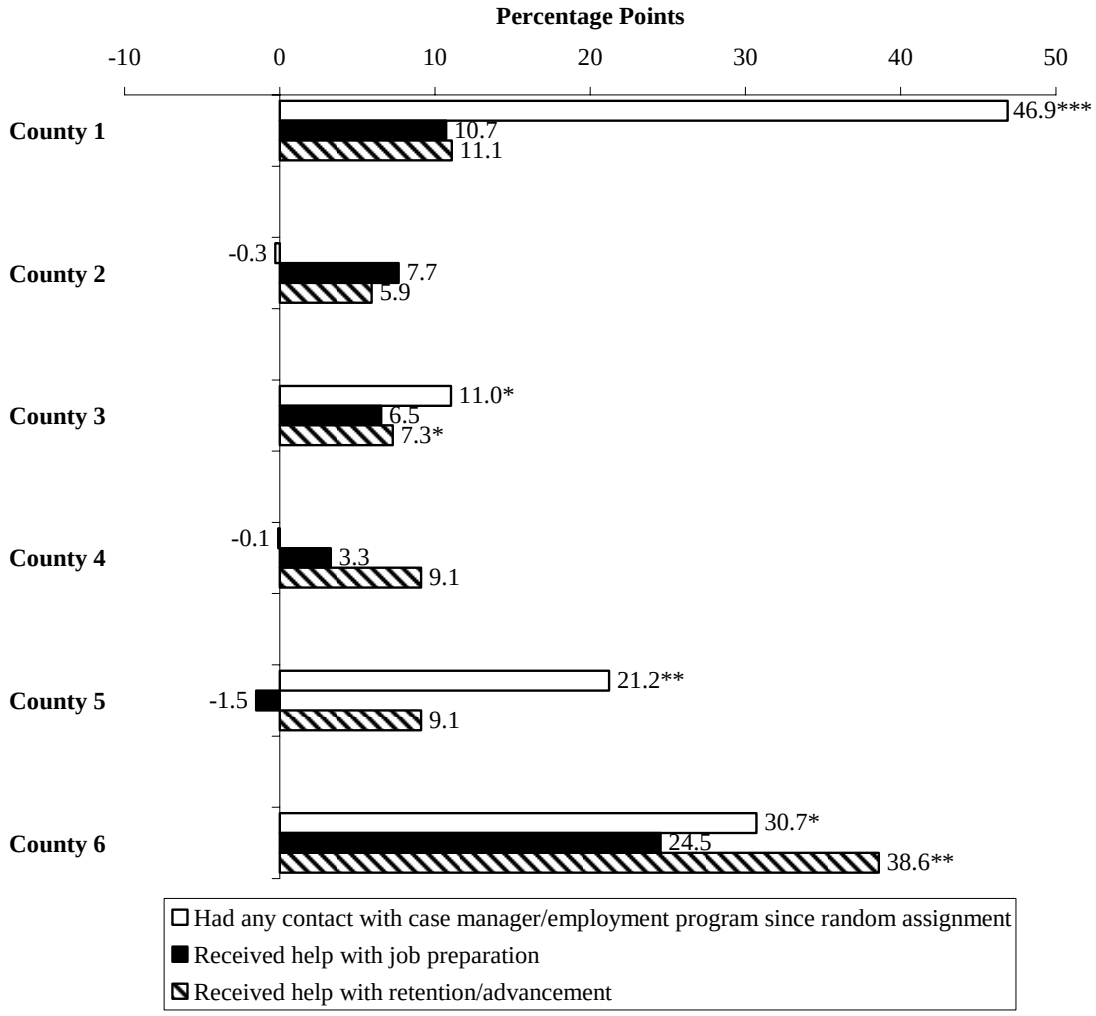
Figure 3.1

Impacts on Program Participation, by County

South Carolina



SOURCE: MDRC calculations from responses to the ERA 12-Month Survey.

NOTES: See Appendix D.

Sample sizes range from 56 to 244.

The differences in impacts on receiving help with retention or advancement across the counties are statistically significant. The differences in impacts on the other two measures across the counties are not statistically significant.

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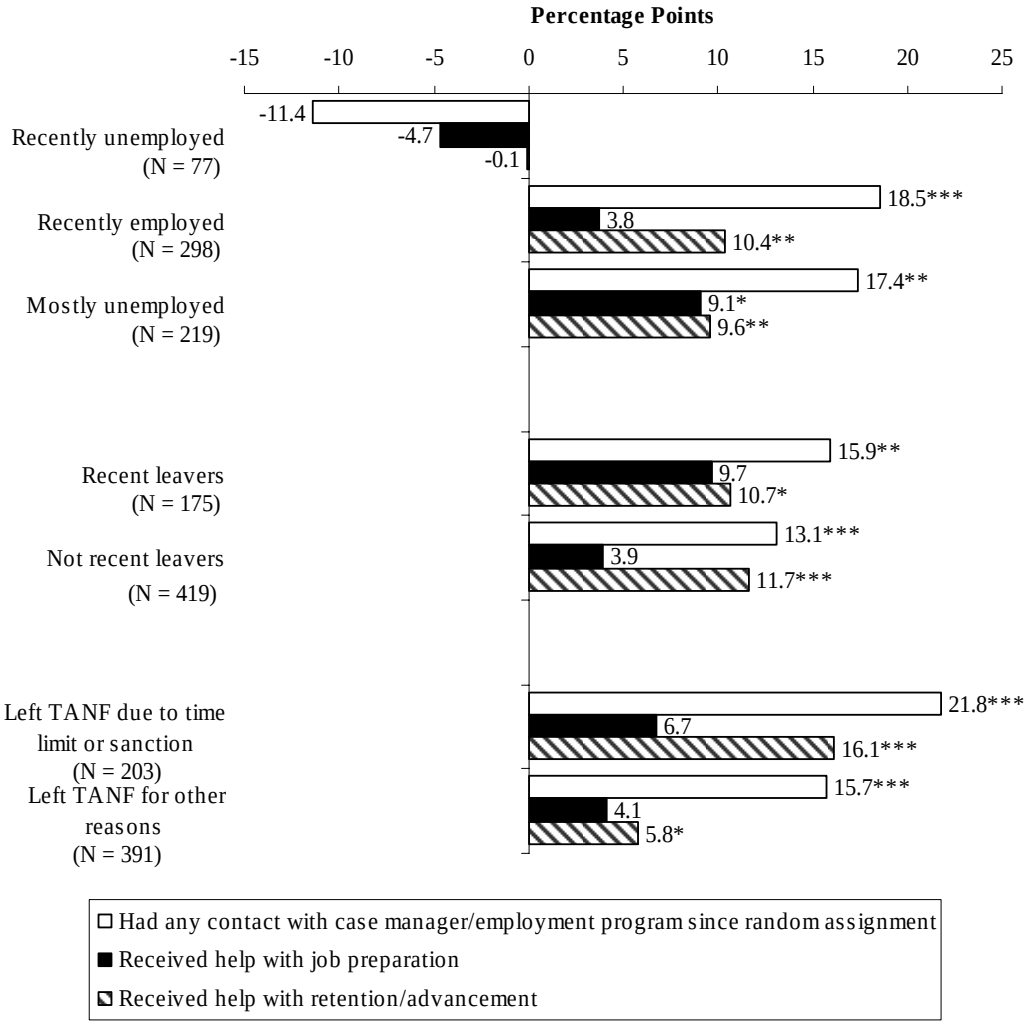
Figure 3.2

Impacts on Program Participation for Key Subgroups

South Carolina



SOURCE: MDRC calculations from responses to the ERA 12-Month Survey.

NOTES: See Appendix D.

None of the differences in impacts across the subgroups are statistically significant.

The first three sets of bars in Figure 3.2 show participation impacts for these three employment-based subgroups. The sample size for the recently unemployed subgroup is small — only 77 — so the results should be interpreted with caution. According to the survey, the program did not increase the proportion of this subgroup who had contact with a case manager or employment program, received help with job preparation, or received help with retention or advancement (the decreases are not statistically significant). The program did increase participation for the recently employed and the mostly unemployed subgroups. The differences between the subgroups' impacts on each measure, however, are not statistically significant. The control group members who were recently unemployed reported higher rates of contact and service participation than control group members in the other two subgroups, which provided a higher threshold for the program to exceed.

Figure 3.3 shows two measures of engagement in Moving Up for the ERA group members in each of the employment-based subgroups, drawn from the program's ERACTS database. The white bars show the proportion of the subgroup's ERA group members who were ever classified as active during the year after random assignment. The black bars show the proportion who participated more intensively during that year: those who were ever defined as active; had four or more contacts with program staff, at least two of which were in person; and received at least one incentive payment. As the first set of bars in the figure shows, the proportion of ERA group members who were engaged in the program was highest in the recently unemployed group and lowest in the mostly unemployed group. (These differences are statistically significant.) This is not surprising, since many of the recently unemployed probably were looking for work when they entered the study, and they welcomed the program's assistance.

The second set of subgroups that is examined in Chapter 4 is defined by the length of time between the sample member's exit from TANF and entry into the study. *Recent leavers* are defined as those who left TANF less than two and a half years before they were randomly assigned, and the other group (the "not recent leavers") left two and a half years or longer before entering the study. As Figure 3.2 shows, the program increased the proportion in both subgroups who had contact with a case manager or employment program and who received retention or advancement services. Figure 3.3 shows that a somewhat higher proportion of the recent leavers were engaged in Moving Up, compared with those who were not recent leavers. (The differences between the two subgroups are statistically significant.) This may reflect that individuals who had been off welfare longer — without returning to the rolls — had been making do on their own and did not need or want the program's help.

The third set of subgroups is defined by the reason that the sample member left TANF. One group left because they *reached the state's TANF time limit or were sanctioned,* and the other group left for *other reasons* (earning too much money, moving out of the state, and so on).

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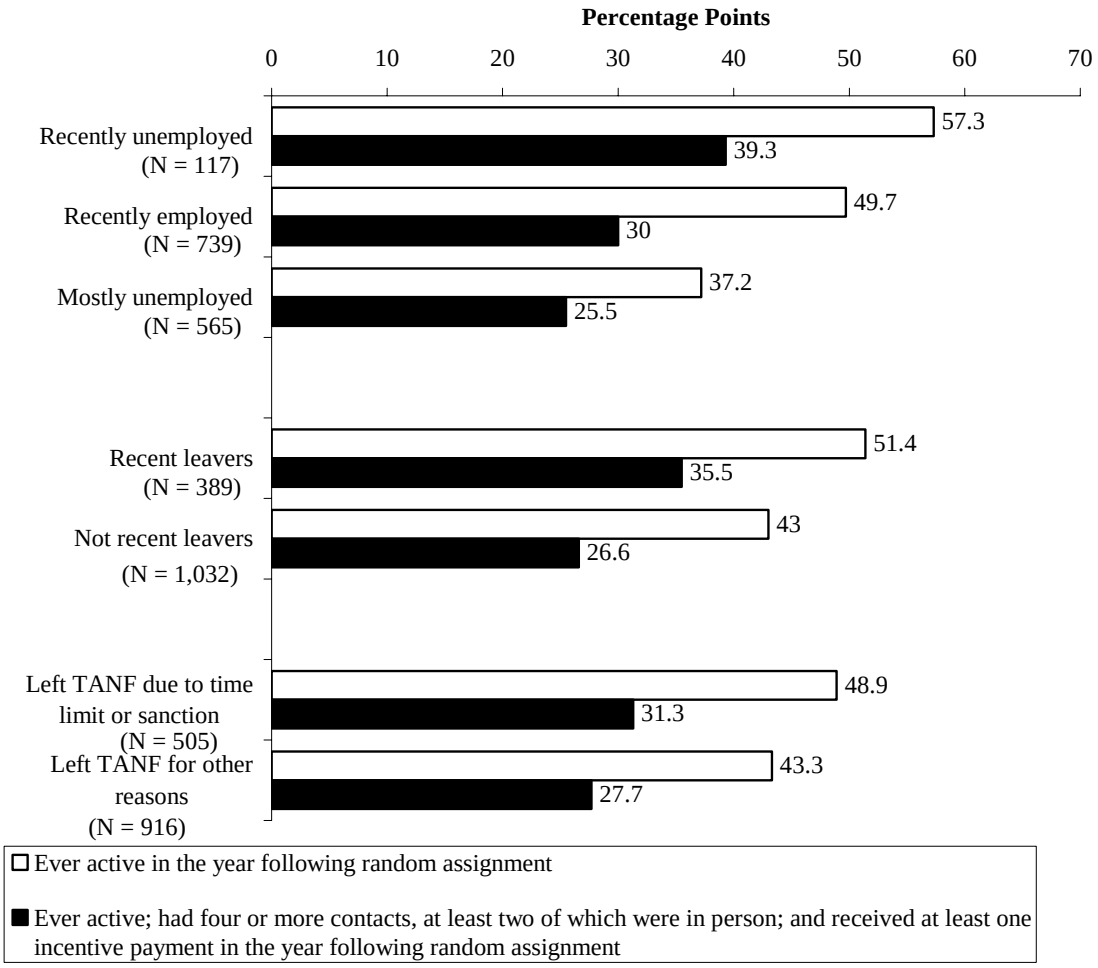
Figure 3.3

Engagement in ERA Program for Key Subgroups

South Carolina



SOURCE: MDRC calculations from automated Employment Retention and Advancement Client Tracking System (ERACTS).

NOTES: The differences in rates of engagement across the employment-defined subgroups and the subgroups defined by time off TANF are statistically significant. The differences in the proportion ever active between the subgroups defined by reason for exit from TANF are statistically significant. The differences across the subgroups in the proportion more intensively engaged are not statistically significant.

Figure 3.2 shows that the program increased the proportion of sample members in both subgroups who had contact with a case manager or employment program and received help with retention or advancement. (The differences between the two subgroups' impacts are not statistically significant.) Figure 3.3 shows that a slightly higher proportion of the sample members who left TANF because of the time limit or a sanction were active in Moving Up. (This difference is statistically significant. The difference in the two subgroups' rates of more intensive engagement — indicated by the black bars — is not statistically significant.)

Chapter 4

The Effects of the South Carolina ERA Program on Employment, Public Assistance, and Income

South Carolina's Employment Retention and Advancement (ERA) program was called Moving Up, and Chapter 3 presents its effects on service receipt; the program modestly increased participation in short-term vocational training and in job retention and career advancement services. This chapter presents the program's effects on finding jobs, employment retention, and advancement in the labor market. It also examines additional outcomes of Moving Up, such as participants' household composition and health insurance coverage.

The analyses presented in this chapter use administrative records data to compare the employment, earnings, public assistance receipt, and income of the ERA group members who were eligible for and recruited for Moving Up's services and of the control group members, who did not receive the program's services. Using data from the ERA 12-Month Survey, this chapter also examines whether Moving Up increased the percentage of sample members who found jobs that had better hours, wages, or benefits. Most findings in the chapter cover the first year after sample members entered the study. Results are presented for the full report sample, for an early cohort of sample members, for some key subgroups, and for each of the six counties in the Pee Dee Region that participated in the study.

Key Findings

- **South Carolina's ERA program had little effect on employment, job characteristics, wage growth, and employment retention during Year 1 for the full report sample.**

Results from the first year of follow-up indicate that Moving Up did not have an effect on employment or earnings for the full report sample. Furthermore, the program did not have an effect on job characteristics or employment retention. The program did have a positive effect on wage growth. This increase, however, affected only a small proportion of the sample and thus did not increase average earnings. Employment and earnings impacts were also examined for an early cohort, for which two years of follow-up data were available. For this cohort, the program did not have any effects in Year 2, and the trends do not suggest that impacts will emerge after the two-year period.

- **South Carolina's ERA program had positive effects on employment and retention for three subgroups of sample members.**

Moving Up produced a large increase in employment and employment stability among individuals who had recently become unemployed prior to random assignment, increasing their average quarterly employment rate by 15 percentage points. The program also increased average annual earnings by about $1,800 and increased the proportion of ERA group members who earned more than $10,000 — by 11 percentage points above the control group's average of 11 percent. The program produced a moderate increase in employment among sample members who had recently left the Temporary Assistance for Needy Families (TANF) program and among those who had left TANF as a result of time limits or sanctions.

- **The program's effects varied across the six counties that were involved in the evaluation.**

Moving Up significantly increased employment in one county in the Pee Dee Region, but it did not produce positive effects on employment, earnings, or income in the other five counties.

The Expected Effects of South Carolina's ERA Program

A mixed-goal program like Moving Up — which provides both preemployment and postemployment services — is expected to increase employment, employment stability, and earnings. By design, the program should increase employment by helping to find jobs for individuals who would not have found them on their own and by helping those who lose their jobs to find new ones.

By design, the program should also help ERA group members advance in the labor market by helping them to find better jobs or to advance in their current positions. Over time, as ERA group members become employed, move to better jobs, and increase their wages in their current jobs, their earnings are expected to increase to levels higher than those of the control group. Advancement outcomes, such as moving to a better job or obtaining a raise in a current job, can take months to achieve. Therefore, impacts on advancement should increase gradually but may not fully appear during the one-year follow-up period for this report.

A number of factors could have reduced the program's impacts in South Carolina. As discussed in Chapters 2 and 3, Moving Up was a voluntary program that faced the difficult task of engaging former TANF recipients, including many who had been off TANF for several years. Although the program's staff located and interacted with a large proportion of the ERA group, many of these sample members chose not to participate in Moving Up, which may have diminished program impacts. Second, as noted in Chapter 3, some control group members received services that were similar in nature to the services received by the ERA group. Although the control group's service receipt rates were not very high, Moving Up's impacts on participation and service receipt were smaller than expected. Finally, program implementation and par-

ticipation impacts varied across the six counties, which may have affected the program's effects on employment and other outcomes.

The economy can also play an important role in the size of a program's impacts. If the opportunities for advancement in the labor market are limited, it may be harder for the program to make an impact on the lives of the people it serves. As discussed in Chapter 1, during the follow-up period for this study, South Carolina experienced a decline in the number of manufacturing jobs and a large number of layoffs in that sector. As a result, many of the jobs that were available for the population targeted for Moving Up were service jobs, which often pay lower wages and provide fewer benefits. Another factor that may have affected the impacts of Moving Up is the high employment rates for the control group members: Almost 70 percent of them were employed at some point during the one-year follow-up period. The loss of manufacturing jobs may have created a hurdle for the program to overcome in affecting advancement, while the high employment rates for the control group created an even higher hurdle in the effort to increase the rates for the ERA group.

Data Sources and Samples

Unemployment insurance (UI) wage data and public assistance payment records are the primary data sources for tracking employment, earnings, TANF, and food stamp receipt and for estimating impacts on these outcomes. Administrative records data are available for a total of 2,864 sample members (1,421 in the ERA group and 1,443 in the control group), randomly assigned from September 2001 through December 2002.[1] Monthly public assistance records are available for two years prior to random assignment and for one year after random assignment. Quarterly employment records are available from South Carolina for three years prior to random assignment and for one year after random assignment. Because the evaluation counties in South Carolina's Pee Dee Region are so close to North Carolina, UI wage data from the State of North Carolina were also obtained.[2]

The UI wage data are a good source for producing employment and earning impacts. For example, they do not suffer from individual sample members' recall bias. However, they do not

[1]Because there is a lag in employers' reporting to their state UI programs, earnings data obtained by MDRC from South Carolina in mid-2004 for this analysis covered the period through the fourth quarter of 2003. In order to analyze one-year results, the sample had to be limited to those who were randomly assigned through December 2002.

[2]Among the full report sample, 20 percent are missing North Carolina's wage data for the first quarter of follow-up, and 7 percent are missing two quarters of follow-up data. These missing data are unlikely to affect the findings, since only about 5 percent of sample members worked in North Carolina at any point and the missing data are largely for the first quarter of follow-up.

capture wages that were not reported to the UI system;[3] nor do they measure job characteristics. For these reasons, data from the ERA 12-Month Survey are also used. The survey captures employment and earnings from *all* jobs, including jobs that are not covered under the UI system. The survey also provides information on job characteristics and a variety of measures of well-being, including information about household composition, health insurance coverage, and household income. The survey was administered approximately 12 months following random assignment, and it achieved a response rate of 80 percent. A total of 594 individuals are included in the survey analysis. (Appendix F presents details about the survey response analysis.) Note that the survey also has limitations. Individuals may have recalled incorrectly or misreported some of the outcomes. For example, they may have forgotten employment information — such as the date that a job began — especially about jobs that they held early in the follow-up period.

Impacts for the Full Report Sample

Employment, Earnings, Public Assistance Receipt, and Income

The first column in Table 4.1 shows the average value for each outcome for the ERA group in South Carolina, and the second column shows the average value for the control group for the first year of the study's follow-up period (that is, Quarters 2 through 5).[4] The third column in the table shows the effects, or "impacts," of the ERA program. These are calculated as the differences in average outcomes between the ERA group and the control group.[5] The fourth column shows the statistical significance value, or p-value.[6] (Box 3.2 in Chapter 3 presents information about how to read the tables in this report.) Since random assignment ensures that there are no systematic differences between the ERA and control groups — other than exposure to the program being studied — any differences in outcomes after random assignment can be attributed to the program intervention.

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[3]This only includes employment and earnings in jobs covered by the North Carolina and South Carolina UI programs. It does not include employment outside North Carolina and South Carolina or in jobs not covered by UI (for example, "off the books" jobs, some agricultural jobs, and federal government jobs).

[4]"Quarter 1" refers to the quarter of random assignment.

[5]The impacts are estimated in a regression framework, which also controls for a range of background characteristics, including gender, race, education, number of children, location, time off TANF, prior food stamp receipt, and prior employment. These regression-adjusted impact estimates control for the very small residual measured differences in sample members' pre-random assignment characteristics that were not eliminated by random assignment. This helps to improve the precision of the impact estimates.

[6]Statistical significance is used to assess whether a difference can confidently be attributed to the program. In this report's results, an effect is said to be statistically significant at the 10 percent level if there is less than a 10 percent chance that the estimated effect could have stemmed from a program that had no real effect. Statistical significance is also presented at the 5 percent and the 1 percent levels.

The Employment Retention and Advancement Project

Table 4.1

Year 1 Impacts on UI-Covered Employment, Public Assistance, and Measured Income

South Carolina

Outcome	ERA Group	Control Group	Difference (Impact)	P-Value
Ever employed[a] (%)	68.5	67.8	0.6	0.64
Average quarterly employment (%)	55.1	54.2	0.9	0.43
Employed 4 consecutive quarters (%)	40.2	40.2	0.1	0.96
Earnings ($)	6,532	6,743	-211	0.29
Earned over $10,000 (%)	28.1	28.8	-0.7	0.58
For those employed in Year 1:				
Average quarterly employment (%)	*80.5*	*79.9*	*0.6*	*NA*
Average earnings per quarter employed ($)	*2,964*	*3,111*	*-147*	*NA*
Ever received TANF (%)	7.6	7.2	0.3	0.74
Amount of TANF received ($)	62	62	0	0.98
Ever received food stamps (%)	62.6	61.9	0.7	0.58
Amount of food stamps received ($)	1,856	1,904	-49	0.33
Total measured income[b] ($)	8,476	8,709	-233	0.23
Sample size (total = 2,864)	1,421	1,443		

SOURCES: MDRC calculations from UI, TANF, and food stamps administrative records from the State of South Carolina and UI data from the State of North Carolina.

NOTES: See Appendix B.

[a]This table includes only employment and earnings in jobs covered by the North Carolina and South Carolina unemployment insurance (UI) programs. It does not include employment outside North and South Carolina or in jobs not covered by UI (for example, "off the books" jobs, some agricultural jobs, and federal goverment jobs).

[b]This measure represents the sum of UI earnings, TANF, food stamps, and Moving Up incentives for the ERA group.

The control group outcomes represent what would have happened in the absence of the ERA program. In general, a large percentage of the control group worked in a UI-covered job during Year 1, but job instability was fairly common. (Employment that is captured by UI wage data is sometimes referred to in this report as "UI-covered.") As shown in Table 4.1, 68 percent of control group members were employed in a UI-covered job during the year after random assignment. However, they worked for only about two quarters, or about half the follow-up period. Only 40 percent worked for all four quarters. Earnings among this group were also fairly

low. The control group earned an average of $6,743 during Year 1, including zeros for those who did not work. Only about one-quarter of control group members earned over $10,000 in Year 1. The average earnings among those who worked were $3,111 per quarter for control group members, equivalent to 12,444 per year.

As expected for a sample of long-term TANF leavers, TANF receipt rates for control group members were low in Year 1: Less than 10 percent received TANF. Food stamp receipt rates, on the other hand, were fairly high, at almost 62 percent. The control group's average income (from UI earnings, TANF, food stamps, and program incentives)[7] was $8,709. Note that although total measured income provides a reasonable estimate of income, it is not a full measure of income. It does not include the Earned Income Tax Credit (EITC) — an important source of income for many of the working poor — and it does not account for income from other household members or other sources, such as child support payments or Supplemental Security Income (SSI) benefits. Later this chapter examines an income measure from the 12-Month ERA Survey, which includes other sources of income.

Table 4.1 shows that South Carolina's ERA program did not produce impacts on employment or employment stability during Year 1. The percentages of ERA and control group members who were ever employed in a UI-covered job are similar: About two-thirds of each research group was employed at some point during Year 1. Furthermore, sample members in both groups worked about the same percentage of the follow-up period, as can be noted from the small and insignificant difference in their average quarterly employment rates. Similarly, as shown in the next several rows of the table, Moving Up had no effect on earnings. The bottom five rows of the table show that the program also did not produce impacts on public assistance receipt or income.

Table 4.2 summarizes the program's effects during Quarter 5, or the last quarter of the follow-up year. The quarterly employment rate for the control group remained stable throughout Year 1 and was 53 percent in the last quarter. For those ever employed in a UI-covered job in Year 1, about three-quarters were still employed at the end of the follow-up period. As the table shows, Moving Up had little effect on employment, earnings, or income during Quarter 5. The employment rates for the two research groups are similar: 55 percent for the ERA group and 53 percent for the control group. Among those employed in the last quarter, earnings among workers were $177 lower for the ERA group, suggesting that the small increases in employment were concentrated in lower-paying jobs.

Tables 4.1 and 4.2 show that South Carolina's ERA program had little effect on employment for the full report sample. There are several likely explanations for these findings. First, as noted in Chapter 3, Moving Up increased participation rates only modestly, meaning that the fraction of people who were actually affected by the program is small.

[7] As part of the ERA program treatment, incentives were provided only to ERA group members. Box 2.2 in Chapter 2 outlines the incentives used by Moving Up.

The Employment Retention and Advancement Project

Table 4.2

Year 1, Last-Quarter Impacts on UI-Covered Employment, Public Assistance, and Measured Income

South Carolina

Outcome	ERA Group	Control Group	Difference (Impact)		P-Value
Ever employed[a] (%)	55.2	52.9	2.4		0.12
For those employed in Year 1:					
Not employed in Year 1, last quarter (%)	*19.3*	*22.1*	*-2.7*		*NA*
Employed in Year 1, last quarter (%)	*80.7*	*77.9*	*2.7*		*NA*
Total earnings ($)	1,658	1,680	-22		0.72
Earned $2,500 or more (%)	30.3	29.9	0.5		0.75
Earned between $500 and $2,499 (%)	19.4	17.1	2.3	*	0.10
Earned between $1-$499 (%)	5.6	6.0	-0.4		0.66
For those employed in Year 1, last quarter:					
Earnings ($)	*3,002*	*3,179*	*-177*		*NA*
Ever received TANF (%)	4.7	4.8	-0.1		0.89
Amount of TANF received ($)	19	18	0		0.89
Ever received food stamps (%)	54.9	54.8	0.1		0.95
Amount of food stamps received ($)	476	491	-14		0.34
Total measured income[b] ($)	2,159	2,190	-30		0.62
Sample size (total = 2,864)	1,421	1,443			

SOURCES: MDRC calculations from UI, TANF, and food stamps administrative records from the State of South Carolina and UI data from the State of North Carolina.

NOTES: See Appendix B.

[a]This table includes only employment and earnings in jobs covered by the North Carolina and South Carolina unemployment insurance (UI) programs. It does not include employment outside North and South Carolina or in jobs not covered by UI (for example, "off the books" jobs, some agricultural jobs, and federal goverment jobs).

[b]This measure represents the sum of UI earnings, TANF, food stamps, and Moving Up incentives for the ERA group.

Another possible explanation for the lack of employment impacts is that the high employment rates of the control group members made it harder for the program to increase employment. Note that although a large percentage of control group members were employed at some period of time during Year 1, employment stability was low, which shows that there was some room for improvement. The lack of "good jobs" previously mentioned may have made it more difficult for Moving Up to increase earnings and advancement.

Job Characteristics

To this point, administrative records data have been used to estimate Moving Up's effects. Administrative unemployment insurance (UI) records, however, do not provide information about job quality. In addition to earnings, other evidence of advancement can be seen in the characteristics of the jobs that individuals hold. For example, if a sample member moves to a job that has a better shift than her current job, this might be considered a positive labor market outcome, even if her salary does not increase. This section relies on the ERA 12-Month Survey to examine whether South Carolina's ERA program led to improvements in participants' job characteristics.

Table 4.3 displays the characteristics of respondents' current jobs at the time of the survey interview. The top panel shows the effects of the ERA program on employment status. Note that employment rates in this table are about 7 percentage points higher for each research group than the rates recorded by the administrative records, most likely because the survey recorded jobs not covered by the UI system.[8] Similar to the administrative records result, the survey shows that Moving Up did not increase employment. About three-quarters of each research group reported being employed during the follow-up period. Consistent with the results in Table 4.2, similar proportions of the two research groups were employed at the time of the survey (54 percent of the ERA group and 51 percent of the control group).

Table 4.3 also shows that Moving Up had no systematic impacts on job quality or type. For example, 46 percent of the ERA group were employed full time when they were interviewed, compared with 45 percent of the control group. The program led to a small increase (4 percentage points) in the proportion of sample members who worked between 30 and 34 hours per week. On average, however, ERA group members did not work more hours per week than the control group; nor did Moving Up increase hourly wages or earnings.

South Carolina's ERA program also did not increase the percentage of sample members who obtained jobs that had fringe benefits or more desirable work shifts. On average, less than one-fifth of both research groups had a "good job," which is defined either as a job that offers

[8]Similarly, Kornfeld and Bloom (1999) found that surveys yield higher employment rates and earnings than UI records but show similar impacts.

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Table 4.3

Impacts on Characteristics of Current Job

South Carolina

Outcome	ERA Group	Control Group	Difference (Impact)	P-Value
Employment status				
Ever employed since random assignment (%)	76.2	75.0	1.2	0.73
Currently employed	53.8	50.6	3.2	0.42
No longer employed	22.4	24.4	-2.0	0.57
Current working status (%)				
Full time	46.3	44.6	1.8	0.65
Part time	7.4	6.0	1.4	0.51
Currently employed at a "good job"[a] (%)	18.7	19.4	-0.7	0.81
Hours				
Average hours per week	20.1	19.2	0.9	0.58
Total hours per week (%)				
Less than 30	7.4	6.0	1.4	0.51
30-34	9.6	5.9	3.7 *	0.10
35-44	28.4	30.9	-2.4	0.50
45 or more	8.3	7.9	0.4	0.84
Average hourly wage (%)				
Less than $5.00	4.5	5.3	-0.8	0.68
$5.00 - $6.99	15.6	18.5	-2.9	0.35
$7.00 - $8.99	18.4	15.0	3.4	0.26
$9.00 or more	15.3	11.9	3.4	0.19
Average hourly wage among those employed ($)	*8.06*	*7.84*	*0.22*	*NA*
Earnings				
Average weekly earnings ($)	159	152	6	0.65
Total earnings per week (%)				
Less than $200	13.0	12.9	0.1	0.98
$201-$300	20.0	20.4	-0.4	0.91
$301-$500	17.0	13.9	3.1	0.27
$500 or more	3.7	3.4	0.3	0.83
Average weekly earnings among those employed ($)	*296*	*298*	*-3*	*NA*

(continued)

Table 4.3 (continued)

Outcome	ERA Group	Control Group	Difference (Impact)	P-Value
Benefits				
Employer-provided benefits at current job (%)				
Sick days with full pay	18.5	20.9	-2.5	0.42
Paid vacation	32.2	31.4	0.8	0.83
Paid holidays other than Christmas and New Year	24.4	26.1	-1.7	0.61
Dental benefits	21.1	25.4	-4.3	0.17
A retirement plan	20.4	24.1	-3.6	0.24
Employer-provided benefits at current job (%)				
A health plan or medical insurance	25.8	29.7	-3.9	0.23
Schedule[b] (%)				
Regular	31.8	32.9	-1.2	0.76
Split	0.6	0.8	-0.2	0.76
Irregular	3.4	2.4	1.0	0.46
Evening shift	4.9	4.8	0.1	0.96
Night shift	4.3	3.7	0.6	0.70
Rotating shift	7.7	5.0	2.7	0.18
Other schedule	0.3	0.7	-0.3	0.59
Odd job	0.7	0.3	0.4	0.47
Jobs skills index[c]	0.31	0.30	0.01	0.23
Percentage reporting that job requires each at least monthly (%)				
Requires reading and writing skills	38.2	35.2	3.0	0.43
Works with computers	22.2	16.2	6.0 **	0.05
Does arithmatic	23.7	26.2	-2.5	0.48
Requires customer contact	42.7	41.8	1.0	0.80
Sample size (total = 594)	299	295		

SOURCE: MDRC calculations from responses to the ERA 12-Month Survey.

NOTES: See Appendix D.

[a]This definition of a "good job" was adapted from Johnson and Corcoran (2003). A "good job" is one that offers 35 or more hours per week and either (1) pays $7.00 or more per hour, and offers health insurance, or (2) pays $8.50 or more per hour and does not provide health insurance.

[b]A split shift is defined as one consisting of two distinct periods each day. An irregular schedule is defined as one that changes from day to day. A rotating shift is one that changes regularly from days to evenings to nights.

[c]The job skills index was created by regressing the "good job" measure on 10 dummy variables that indicate whether sample members possess specific job skills. This regression generated weights that ranked each skill based on its association with working at a good job. Each sample member was given a job skills score that was created by multiplying the regression-derived weights by each of the 10 jobs skills dummy variables. The result is an index that measures the probability of working at a good job, based on the skills that are required at the current job.

35 work hours a week, pays at least $7 per hour, and offers health insurance or as a job that pays at least $8.50 per hour, offers 35 work hours a week, and does not provide health insurance.[9]

The last panel of Table 4.3 shows the percentage of sample members who reported that their current or most recent job required certain skills. Past research has found that jobs of different skill requirements differ in their prospects for earnings growth.[10] Even if sample members do not have a "good job," being able to learn skills that lead to a good job would suggest a positive outcome. The job skills index shows whether the skills needed in the sample members' current jobs are the ones associated with a good job.[11] As shown, the ERA group scored 0.31 on the job skills index, which was about the same for the control group (0.30). Although the program did not affect the job skills index, it did lead to an increase in jobs requiring computer use. Note that using computers is highly associated with good jobs. There was not a difference between the ERA group and the control group on the job skills index measure because the index takes into account other job skills, on some of which the control group might have scored higher than the ERA group.

Employment Stability and Earnings Growth

The administrative records showed that Moving Up did not have an effect on participants' employment stability, as measured by the number of quarters employed or by earnings. This section examines employment stability and earnings growth as measured by the ERA 12-Month Survey.

As noted earlier, Moving Up aimed to assist sample members in maintaining employment, as a means of increasing their earnings over time. Table 4.4 takes a closer look at the program's effect on job retention.[12] Survey respondents in each group reported that they worked for about six months during Year 1. These results are similar to the findings that were calculated using administrative data for the full report sample. Among those employed who worked during Months 1 to 3, 80 percent of the control group members worked for six or more consecutive months (40.4/0.505). The table shows that Moving Up had little effect on employment stability.

As shown in Table 4.3, Moving Up did not produce an increase in the average weekly earnings, which suggests that the program did not have an effect on wage growth. However, average weekly earnings are calculated for everyone, even those who were not employed. One

[9]Johnson and Corcoran, 2003.

[10]Johnson, 2005.

[11]Scores on the jobs skill index ranged from 0.07 to 0.67. The 25th percentile value is 0.24, and the 75th percentile is 0.37.

[12]Note that the employment measure in Table 4.4 is different from the employment measure in Table 4.3. Table 4.4 refers to the percentage of sample members who were employed at some point during the first year after random assignment, while Table 4.3 refers to the percentage who were employed at some point between random assignment and the survey interview, which could have taken place any time between 13 and 18 months after random assignment.

The Employment Retention and Advancement Project

Table 4.4

Impacts on Employment Retention

South Carolina

Outcome	ERA Group	Control Group	Difference (Impact)	P-Value
Ever employed in Year 1 (%)	71.5	70.3	1.2	0.73
Average months employed in Year 1	6.5	6.1	0.4	0.31
Total months employed in Year 1 (%)				
Less than 4	9.4	11.1	-1.7	0.50
4 to 7	11.7	13.5	-1.8	0.51
8 to 10	9.6	9.6	0.0	1.00
More than 10	40.7	36.0	4.7	0.19
Worked during Months 1 to 3 and worked for (%)				
Less than 6 consecutive months	10.1	10.1	0.1	0.98
6 or more consecutive months	44.4	40.4	4.0	0.27
Number of jobs in Year 1 (%)				
0	28.5	29.8	-1.2	0.73
1	51.1	51.6	-0.5	0.90
2 or 3	19.5	16.5	3.0	0.35
4 or more	0.9	2.2	-1.3	0.21
Ever worked for one employer for 6 months or more (%)	51.1	47.2	3.9	0.30
Sample size (total = 594)	299	295		

SOURCE: MDRC calculations from responses to the ERA 12-Month Survey.

NOTES: See Appendix D.

better way to measure advancement would be to examine the changes in individuals' wages and work hours over time. Table 4.5 displays such changes during Year 1 for the portion of the respondent sample who worked during the first six months after random assignment and who were also working at the time that the survey was administered. For some respondents, the measures in this table capture advancement within the same job; for other respondents, the measures record movement to a better job.[13]

Table 4.5 shows that, among the control group members, 42 percent were employed during the two time periods described above. The remaining rows examine the growth in

[13]Note that Table 4.5 may slightly understate the full effect of ERA on advancement. The table does not capture advancement that occurred for sample members whose employment started after Month 7.

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Table 4.5

Impacts on Advancement

South Carolina

Outcome	ERA Group	Control Group	Difference (Impact)	P-Value
Employed in first 6 months and at interview (%)	43.3	41.5	1.8	0.63
Among those employed in first 6 months and at interview:				
Percentage whose weekly earnings:				
Increased	26.4	18.6	7.8 **	0.02
By less than 20 percent	7.0	5.4	1.6	0.42
By 20 percent or more	19.4	13.2	6.2 **	0.04
Decreased	5.6	11.9	-6.3 ***	0.01
Stayed the same	11.3	11.0	0.3	0.91
Average weekly earnings at interview ($)	*318*	*305*	*13*	*NA*
Percentage whose hours worked:				
Increased	14.1	10.8	3.4	0.22
By less than 20 percent	2.9	2.2	0.7	0.59
By 20 percent or more	11.2	8.6	2.6	0.29
Decreased	8.0	9.8	-1.8	0.44
Stayed the same	21.2	20.9	0.2	0.94
Average hours worked at interview	*38.3*	*38.3*	*0.0*	*NA*
Percentage whose hourly pay:				
Increased	27.0	21.1	5.9 *	0.08
By less than 20 percent	9.4	8.8	0.6	0.81
By 20 percent or more	17.6	12.3	5.3 *	0.07
Decreased	5.8	9.8	-4.0 *	0.07
Stayed the same	10.6	10.6	-0.1	0.98
Average hourly pay at interview ($)	*8.35*	*7.95*	*0.40*	*NA*
Sample size (total = 594)	299	295		

SOURCE: MDRC calculations from responses to the ERA 12-Month Survey.

NOTES: See Appendix D.

weekly earnings, hours worked, and hourly pay among sample members who were employed at these two time periods. Overall, the control group members experienced little advancement: 19 percent of the sample experienced an increase in weekly earnings; 12 percent experienced a decrease; and 11 percent had no change in weekly earnings. Note that when these percentages are summed, they equal the percentage of sample members who were employed at the two points in

time. Furthermore, only 11 percent experienced an increase in hours worked, and 21 percent experienced an increase in hourly pay.

South Carolina's ERA program did not increase the percentage of sample members who were employed both in the first six months after random assignment and at the survey interview (43 percent versus 42 percent). However, the program did increase the percentage of sample members who experienced an increase in weekly earnings. Compared with 19 percent of the control group, 26 percent of the ERA group experienced a weekly increase, for a statistically significant impact of 8 percentage points. The majority of the ERA group who experienced an increase saw their weekly earnings grow by 20 percent or more. Yet the program led to only a small increase ($13) in average weekly earnings among those employed at the two points in time. Despite ERA's effects on hourly pay, average weekly earnings remained unaffected (Table 4.3).

Impacts in Year 2

South Carolina's ERA program was intended to increase both employment and earnings over time. One year of follow-up, however, may be too short a period of time to show program effects on job retention and advancement. To estimate the effects of Moving Up in Year 2, the impacts for an early cohort of the sample were examined. The early cohort includes 752 sample members (or 26 percent of the report sample) who were randomly assigned from September 2001 through December 2001. At least two years of follow-up data were available for these sample members.

Among the early cohort, Moving Up increased employment rates but not earnings in Quarters 4 and 5 of the follow-up period (see Appendix Table E.1). These impacts, however, were short lived. There were no effects on employment or earnings from Quarter 6 onward. Thus, there is no evidence to suggest that the impacts will emerge beyond the two-year point. It is important to note that these early impacts occurred when the program was fully funded and the caseloads were still small.

* * *

The findings in this section show that South Carolina's ERA program did not increase survey respondents' employment or job stability. On average, at the time of the survey interview, the job characteristics of the two research groups were comparable. Although Moving Up did have a positive effect on wage growth, this increase affected only a small proportion of the sample, so average earnings did not increase.[14]

[14]Impacts on other, noneconomic outcomes, such as household composition and child care, were examined (see Appendix Tables E.2 and E.3). Overall, the ERA program did not have effects on these outcomes.

Impacts for Subgroups

The previous section showed that South Carolina's ERA program had few impacts for the sample as a whole. However, Moving Up may have worked differently for different types of people. For this reason, a variety of subgroups that may have had different exposure and/or responses to the program treatment are examined.[15]

Note that, in experimental designs, it is reasonable to estimate impacts for any subgroup, as long as the subgroups are defined according to characteristics measured prior to random assignment. The outcomes for ERA group members in each subgroup are compared with the outcomes for control group members in that same subgroup, applying the same regression-adjustment procedures and tests of statistical significance that were used for the full report sample.[16]

Subgroups Based on Employment Status

As discussed earlier in the report, program services varied, depending on the employment status of the participants when they entered the study. For employed ERA group members, Moving Up focused on providing retention and advancement services. If the program did lead to effects on retention and advancement for this group, then it is possible that these effects would be diluted in the full report sample, given that a significant fraction of sample members were not working at the point of random assignment. In this case, effects on retention and advancement would be best measured by focusing on the sample of people who were employed at the point of random assignment. For unemployed ERA participants, the program focused on providing preemployment services, such as job search assistance. Because it would be useful to estimate the ERA program's effects on employment for this portion of the sample, this section examines the impacts based on employment status prior to random assignment.[17]

Effects were first examined by employment status in the quarter prior to random assignment (see Appendix Table E.4). The top panel of Appendix Table E.4 shows the ERA program's effects for those employed in the quarter prior to random assignment (or "recently employed"), and the bottom panel shows the effects for those not employed in the quarter prior to

[15]Impacts were estimated for other subgroups, including subgroups defined by education level, TANF receipt history, race, number of children, earnings, income, food stamp receipt in the quarter prior to random assignment, and employment in the year prior to random assignment. The results show that the ERA program did not produce effects on these subgroups; therefore, the results are not presented in this section.

[16]A separate analysis attempted to identify the effects of the ERA program among those who were most likely to participate. In the first stage, a regression model was used to identify baseline characteristics associated with participation. Next, these results were used to create subgroups of the program and control groups that were most likely to participate in services. Impacts were then estimated for this subgroup. The analysis found no statistically significant effects on employment or earnings for this subgroup.

[17]Because employment status at the time of random assignment is not available, employment prior to random assignment — as measured by UI records data — is used in creating the subgroups.

random assignment (or "not recently employed"). Moving Up did not have different effects for these two subgroups.

The *not recently employed* subgroup includes sample members who worked during the previous year as well as those without recent work history. ERA's effects on employment and earnings may differ for these two subgroups. Those with employment history may benefit mostly from job search assistance, while those without any employment history may need additional services, such as preemployment or supportive services. In order to focus on a subset of this subgroup that may need ERA services and thus may be more willing to participate, the sample was further divided into the following three subgroups:

1. The *recently unemployed* subgroup includes those who did not work during the quarter prior to random assignment but who did work for at least two quarters in the year prior to random assignment (that is, in prior Quarters 2 to 4). This subgroup represents about 9 percent of the report sample.

2. The *recently employed* subgroup[18] includes those who worked in the quarter prior to random assignment and makes up 52 percent of the report sample.

3. The *mostly unemployed* subgroup includes those who did not work during the prior year and those who worked in one only of the first three quarters of the prior year.[19] This subgroup makes up 39 percent of the report sample.

Table 4.6 presents the effects for these three subgroups. The top panel of the table shows the impacts for the recently unemployed; the middle panel shows the impacts for the recently employed; and the bottom panel shows the impacts for the mostly unemployed.

Among the control group members, in terms of employment and earnings during the follow-up period, the recently unemployed subgroup fared better than the mostly unemployed subgroup but not as well as the recently employed subgroup. For example, during Year 1, the recently unemployed earned $7,500 less than the recently employed ($3,339 versus $10,839), and they earned more than the mostly unemployed ($3,339 versus $1,995). The control group members in the recently employed subgroup also had more stable employment than the control group members in the other two subgroups. Note that only 63 percent of the control group members in the recently unemployed subgroup found a job during the first year of follow-up, which suggests that it might be difficult for this subgroup to find a job after losing one.

[18]Note that this subgroup is the same as the one shown in Appendix Table E.4.

[19]Only 15 percent of this subgroup worked for one quarter during the previous year.

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Table 4.6

Impacts on UI-Covered Employment and Earnings, by Employment Status in the Year Before Random Assignment

South Carolina

Outcome	ERA Group	Control Group	Difference (Impact)	P-Value	P-Value for Subgroup Differences
Recently unemployed					
Total earnings ($)	5,137	3,339	1,799 ***	0.01	0.01
Ever employed[a] (%)	75.4	62.8	12.6 **	0.04	0.10
Average quarterly employment (%)	55.7	40.4	15.3 ***	0.00	0.01
Number of quarters employed	2.2	1.6	0.6 ***	0.00	0.01
Employed 4 consecutive quarters (%)	33.9	20.0	13.9 **	0.01	0.01
Earned over $10,000 (%)	22.2	11.4	10.9 **	0.02	0.02
Average earnings per quarter employed ($)	*2,305*	*2,067*	238	*NA*	*NA*
Sample size (total = 249)	117	132			
Recently employed					
Total earnings ($)	10,444	10,839	-396	0.22	
Ever employed (%)	93.6	92.7	0.8	0.53	
Average quarterly employment (%)	81.4	81.0	0.4	0.82	
Number of quarters employed	3.3	3.2	0.0	0.82	
Employed 4 consecutive quarters (%)	66.6	66.2	0.4	0.85	
Earned over $10,000 (%)	46.7	47.9	-1.3	0.57	
Average earnings per quarter employed ($)	*3,208*	*3,344*	*-136*	*NA*	
Sample size (total= 1,501)	739	762			
Mostly unemployed					
Total earnings ($)	1,591	1,995	-404	0.13	
Ever employed (%)	33.5	35.3	-1.7	0.53	
Average quarterly employment (%)	19.9	21.0	-1.1	0.57	
Number of quarters employed	0.8	0.8	0.0	0.58	
Employed 4 consecutive quarters (%)	6.2	9.8	-3.6 **	0.03	
Earned over $10,000 (%)	4.5	7.1	-2.6 *	0.06	
Average earnings per quarter employed ($)	*2,000*	*2,383*	*-383*	*NA*	
Sample size (total = 1,114)	565	549			

(continued)

Table 4.6 (continued)

SOURCES: MDRC calculations from UI records from the States of North Carolina and South Carolina.

NOTES: See Appendix B.

[a]This table includes only employment and earnings in jobs covered by the North Carolina and South Carolina unemployment insurance (UI) programs. It does not include employment outside North and South Carolina or in jobs not covered by UI (for example, "off the books" jobs, some agricultural jobs, and federal goverment jobs).

As shown in Table 4.6, Moving Up increased employment and employment stability among the recently unemployed subgroup. During Year 1, the program increased the percentage who were employed in a UI-covered job by 13 percentage points and increased earnings by an average of $1,799 — a large, statistically significant impact. The program also increased the percentage of ERA group members in the recently unemployed subgroup who earned more than $10,000 during Year 1: Almost one-quarter of the ERA group did so, compared with only 11 percent of the control group. This may be a result of the increase in employment or may indicate that Moving Up had effects on advancement for this subgroup.

Table 4.6 shows that Moving Up did not increase employment or earnings for the recently employed subgroup or the mostly unemployed subgroup. The program had a small negative effect on employment stability among the mostly unemployed subgroup.[20]

Further statistical tests were conducted to determine whether the *differences* in earnings and employment impacts among the three subgroups are statistically significant. The rightmost column in the top panel of Table 4.6 shows the p-values for the subgroup differences. Except for the "ever employed" measure, all differences in impacts across subgroups are statistically significant.

There are several possible reasons why South Carolina's ERA program had such positive effects for the recently unemployed. One explanation may be that the subgroups are composed of different people and that their differences may be related to the impacts. For example, if members of the recently employed subgroup have lower education levels than members of the recently unemployed subgroup, then the differences in impacts may be due to education level and not to recent employment history per se. To test this hypothesis, a "conditional" impact model was estimated by adding interaction variables to the regression model to account for the possibility that

[20]Impacts on an alternative recently unemployed subgroup were examined. The alternative subgroup includes sample members who were not employed in the quarter prior to random assignment but who did work for at least one quarters in the year prior to random assignment. The results show that the program increased employment and earnings for alternative recently employed subgroups, but the impacts were smaller than the impacts found for the recently employed subgroup.

different subgroups responded differently to the program.[21] The results suggest that the differences in impacts between the recently unemployed and the other subgroups are due to recent employment history per se and not to its correlation with other observable characteristics.[22]

Another possible reason for the positive effects among the recently unemployed could be the timing of program outreach to this subgroup. These sample members needed employment assistance, which South Carolina's ERA program offered. Analysis in Chapter 2 suggests that job placement was the strongest component of Moving Up, so the program was probably able to help ERA group members find new jobs faster than the control group could. Furthermore, Moving Up might have had an easier time placing the recently unemployed into jobs, since they had previous work history. The fact that this subgroup had recent work history also suggests that these sample members might have had fewer barriers to employment than other TANF leavers, such as those without employment history, who make up about one-third of the ERA sample. Once engaged in Moving Up, the recently unemployed might also have benefited from other services, such as those aimed at retention and advancement.[23]

Inasmuch as the control group's employment outcomes were fairly high, Moving Up might have had a harder time increasing employment among the recently employed subgroup. Furthermore, given the loss of higher-paying manufacturing jobs in South Carolina during the follow-up period, the program might have had a tougher time finding employed sample members better jobs. In addition, the implementation research shows that the ERA program was more effective in providing job placement services than in providing advancement services.

The sample members in the mostly unemployed subgroup were surviving by means other than their earnings or TANF. For instance, survey results show that a slightly larger percentage of sample members in this subgroup relied on income from other sources, such as earnings from another household member. Compared with the recently unemployed and the recently employed subgroups, a larger percentage of the mostly unemployed subgroup also reported having poor or fair health. (Box 4.1 presents additional information about the mostly unemployed subgroup.)

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[21]The regression model includes interactions of selected background characteristics with the ERA group dummy variable. The following variables were interacted with the program status dummy: employment in the prior year, number of children, county, month of random assignment, high school diploma status, race, reason for TANF exit, and time off TANF.

[22]Note that other unobservable characteristics, such as an individual's motivation, are not available and therefore are not controlled for in the model.

[23]Chapter 3 shows that participation impacts for this subgroup are negative. However, since the survey sample includes only 77 sample members from this subgroup, the participation results should be interpreted cautiously.

Box 4.1

Income Sources for Control Group Members Who Left TANF Due to the Time Limit or a Sanction and for Those Who Were Mostly Unemployed

This text box examines the primary means of support for two selected subgroups that are of some concern: those who left TANF due to a time limit or a sanction and those who were mostly unemployed in the year prior to random assignment. Since the control group outcomes represent what would have happened in the absence of the program, the control group outcomes for each subgroup are compared with the control group outcomes for the full sample. Data used in this box are derived from the ERA 12-Month Survey.

Several similarities and differences were found among the three groups. The total measured household income for all three is low, falling below the yearly poverty threshold of about $18,000 in 2001 for a family of four. Furthermore, over half the sample members in each group relied on food stamps. As shown, the composition of total household income varied across the three groups. A higher percentage of the time-limit and sanction leavers depended on food stamp benefits, while the mostly unemployed relied more on food stamp benefits and earnings from others. Among the three groups, the time-limit and sanction leavers had the lowest amount of household income in the month prior to their interview.

Outcome	Full Sample (N = 295)	Left TANF Due to Time Limit or Sanction (N = 99)	Mostly Unemployed (N = 113)
Household income source (%)			
Own earnings	59.8	46.3	40.7
Earnings from others	27.4	21.6	32.0
Child support	34.0	32.9	32.8
Food stamps	62.5	74.9	65.8
TANF	6.1	6.4	7.7
SSI	15.9	12.0	14.2
Total household income in prior month ($)	1,269	905	1,219
Household size	3.9	4.0	4.1
Living with spouse (%)	17.9	11.0	22.0

The respondent's earnings made up a smaller fraction of total household income for the mostly unemployed than for the other two groups. People in the mostly unemployed subgroup were also more likely to be living with an employed adult. Consistent with this, the mostly unemployed were more likely than the other groups to be living with a spouse.

Subgroups Based on TANF History

The sample for South Carolina's ERA program is composed of TANF leavers, some of who had been off TANF for a little over five years before entering the study and others who had been off for as few as nine months. The recent leavers may have had more attachments to the TANF system and may have been more willing to participate in the ERA program. In contrast, the program may have had more difficulties in engaging leavers who exited TANF long before entering the study. People who have been off longer had survived longer without the help of the TANF system. Perhaps they were less likely to "need" the Moving Up program or to believe that they needed it. For these reasons, impacts were examined for subgroups of sample members based on the time elapsed between exiting TANF and undergoing random assignment for this study.

The top panel of Table 4.7 shows the impacts for those who had been off TANF for less than 2.5 years (the "recent leavers"), who make up 28 percent of the report sample. The bottom panel shows the impacts for those who had been off TANF for 2.5 years or more (the "not recent leavers"), who make up 72 percent of the report sample. The control group outcomes for both subgroups are similar. For example, about two-thirds of each subgroup worked during the year, and each subgroup worked about half of the follow-up period. The only noticeable difference between the two subgroups is that the recent leavers earned less than the not recent leavers.

South Carolina's ERA program increased employment and employment stability among recent TANF leavers. The program increased employment in UI-covered jobs by 5 percentage points — a gain in stable employment. But despite the increases in employment and employment stability, the program did not lead to a significant increase in earnings. Given the greater variability in earnings, it sometimes occurs that effects on employment rates are statistically significant while effects on earnings are not.

Overall, Moving Up did not have an effect on employment or employment stability for the subgroup that had left welfare earlier (the not recent leavers). As shown in the bottom panel of Table 4.7, the program reduced average earnings by $471 below the control group's average earnings of $6,928. When statistical significance tests were applied to the differences in impacts between the recent leavers and the not recent leavers, the differences were found to be significant in four of the six comparison measures (see Table 4.7).

One possible explanation for the program's positive effects on the recent leavers may be that a large percentage of them were recently unemployed. In fact, however, this is not the case: Only 11.5 percent of the recent leavers are also in the recently unemployed subgroup. This

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Table 4.7

Year 1 Impacts on UI-Covered Employment and Earnings, by Length of Time Since TANF Receipt

South Carolina

Outcome	ERA Group	Control Group	Difference (Impact)	P-Value	P-Value for Subgroup Differences
Recent leavers[a]					
Total earnings ($)	6,742	6,280	462	0.24	0.04
Ever employed[b] (%)	75.2	69.9	5.3 **	0.04	0.03
Average quarterly employment (%)	60.2	55.3	4.9 **	0.03	0.03
Number of quarters employed	2.4	2.2	0.2 **	0.03	0.03
Employed 4 consecutive quarters (%)	42.1	38.3	3.8	0.17	0.10
Earned over $10,000 (%)	28.1	26.5	1.7	0.52	0.25
Average earnings per quarter employed ($)	*2,802*	*2,841*	*-39*	*NA*	*NA*
Sample size (total = 807)	389	418			
Not recent leavers[a]					
Total earnings ($)	6,457	6,928	-471 **	0.05	
Ever employed (%)	65.8	67.1	-1.3	0.44	
Average quarterly employment (%)	53.1	53.8	-0.7	0.61	
Number of quarters employed	2.1	2.2	0.0	0.61	
Employed 4 consecutive quarters (%)	39.5	41.0	-1.5	0.38	
Earned over $10,000 (%)	28.0	29.8	-1.8	0.24	
Average earnings per quarter employed ($)	*3,039*	*3,219*	*-179*	*NA*	
Sample size (total= 2,057)	1,032	1,025			

SOURCES: MDRC calculations from UI, TANF, and food stamps administrative records from the State of South Carolina and UI data from the State of North Carolina.

NOTES: See Appendix B.

[a]Sample members defined as "recent leavers" had left TANF less than 2 1/2 years before they were randomly assigned. Sample members defined as "not recent leavers" had left TANF 2 1/2 years or more before they were randomly assigned.

[b]This table includes only employment and earnings in jobs covered by the North Carolina and South Carolina unemployment insurance (UI) programs. It does not include employment outside North and South Carolina or in jobs not covered by UI (for example, "off the books" jobs, some agricultural jobs, and federal goverment jobs).

suggests that the program's employment effects for this subgroup are not related to employment history but, rather, to TANF history.[24]

Another possible explanation is that Moving Up was more successful in engaging the recent leavers than the not recent leavers. As noted earlier in this report, program tracking data suggest that ERA group members in the recently unemployed subgroup were somewhat more likely to be engaged in Moving Up than other ERA group members. This subgroup may have been more willing to participate because its members were more recently attached to the TANF system.

Table 4.8 presents impacts for sample members based on the reason for TANF exit. The top panel shows effects on sample members who left TANF as a result of reaching the time limit or because of a sanction. Among the TANF leavers population, this subgroup is of major concern, since these people probably left TANF involuntarily. This subgroup represents 35 percent of the report sample. The bottom panel shows effects on sample members who left TANF for reasons other than time limits or sanctions. The majority of sample members in this subgroup include those who left TANF due to receipt of income above eligibility limits (about 40 percent of the report sample). The control group members who left TANF due to time limits or sanctions earned less ($4,088 versus $8,130) and worked less (60 percent versus 72 percent) over the follow-up year than those who left TANF for other reasons. The differences in these impacts between the subgroups are statistically significant. (Box 4.1 presents further details about those who left TANF as a result of sanctions or reaching the time limit.)

South Carolina's ERA program had a positive effect on employment stability among time-limit and sanctioned TANF leavers. Moving Up significantly increased the average quarterly employment rate, by almost 4 percentage points. In contrast, it did not increase employment or earnings for sample members who left TANF for reasons other than the time limit or sanctions. The program significantly decreased the ERA group members' average total earnings for this subgroup, by $466.

County-by-County Impacts

This section examines the variation in ERA's effects among the six counties in South Carolina's Pee Dee Region. As noted in previous chapters, the service delivery of advancement and retention services varied across the counties. In addition, some counties were able to engage a larger proportion of sample members in the Moving Up program.

[24]When the differences between the TANF subgroups were estimated in a conditional impact model, the differences remained.

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Table 4.8

Year 1 Impacts on UI-Covered Employment and Earnings, by Reason for TANF Exit

South Carolina

Outcome	ERA Group	Control Group	Difference (Impact)	P-Value	P-Value for Subgroup Differences
Left TANF due to time limit or sanction					
Total earnings ($)	4,433	4,088	345	0.19	0.03
Ever employed[a] (%)	62.5	59.8	2.6	0.30	0.29
Average quarterly employment (%)	46.7	43.0	3.7 *	0.06	0.09
Number of quarters employed	1.9	1.7	0.2 *	0.06	0.09
Employed 4 consecutive quarters (%)	30.2	27.9	2.3	0.33	0.28
Earned over $10,000 (%)	17.8	16.4	1.3	0.49	0.24
Average earnings per quarter employed ($)	*2,375*	*2,382*	*-7*	*NA*	*NA*
Sample size (total = 994)	505	489			
Left TANF for other reasons					
Total earnings ($)	7,664	8,130	-466 *	0.09	
Ever employed (%)	71.6	72.1	-0.5	0.73	
Average quarterly employment (%)	59.6	60.1	-0.4	0.77	
Number of quarters employed	2.4	2.4	0.0	0.77	
Employed 4 consecutive quarters (%)	45.6	46.6	-0.9	0.61	
Earned over $10,000 (%)	33.6	35.3	-1.7	0.32	
Average earnings per quarter employed ($)	*3,213*	*3,384*	*-171*	*NA*	
Sample size (total = 1,870)	916	954			

SOURCES: MDRC calculations from UI and TANF administrative records from the State of South Carolina and UI data from the State of North Carolina.

NOTES: See Appendix B.

[a]This table includes only employment and earnings in jobs covered by the North Carolina and South Carolina unemployment insurance (UI) programs. It does not include employment outside North and South Carolina or in jobs not covered by UI (for example, "off the books" jobs, some agricultural jobs, and federal goverment jobs).

Appendix Table E.5 presents impacts on employment and earnings for each county during the first year of follow-up. Among the control group members, employment rates varied across counties. During the follow-up period, the control group members in County 4 were less likely to work (64 percent) than their counterparts in the other counties; employment varied from 67 to 70 percent. The control group members' average total earnings were lowest in County 4 ($6,418) and highest in County 1 ($6,901).

Figure 4.1 presents county-by-county impacts during Year 1 on "ever employed," "total earnings," and "total income." Note that the sample sizes per county range from 270 to 1,158.

As shown in the figure, County 6 stands out from the other counties for its large economic effects. The Moving Up program in County 6 increased employment substantially: The employment level for the ERA group was 9 percentage points higher than the level for the control group in that county. The differences in earnings and income for County 6 seem large but are not statistically significant, possibly because of small sample sizes.[25] The $1,154 difference in income just misses statistical significance at the 10 percent level. In contrast, the ERA program in two counties had negative effects. The other three counties did not produce any significant effects on employment, earnings, or income.

One possible explanation for these findings is that the people who were served in the most successful county's program may have differed from those who were served in the other counties. Results from a conditional impact model suggest that the different impacts reflect the counties per se, not differences in sample members' characteristics across counties — for example, the fact that County 6 had a higher proportion of recent TANF leavers.[26]

The results may be explained by the differences across the six counties in the implementation and service delivery of Moving Up. As noted in earlier chapters, there were apparent differences in the type of services provided by each county and in the level of outreach performed by each county. For example, evidence from the implementation research, time study, and survey suggests that County 6 provided retention and advancement services more consistently than the other five counties did.

* * *

[25]It is typical to find employment impacts that are statistically significant but earnings impacts that are not, given that there is greater variability in earnings.

[26]As noted earlier, the conditional model does not control for other unobservable characteristics that may have affected the results.

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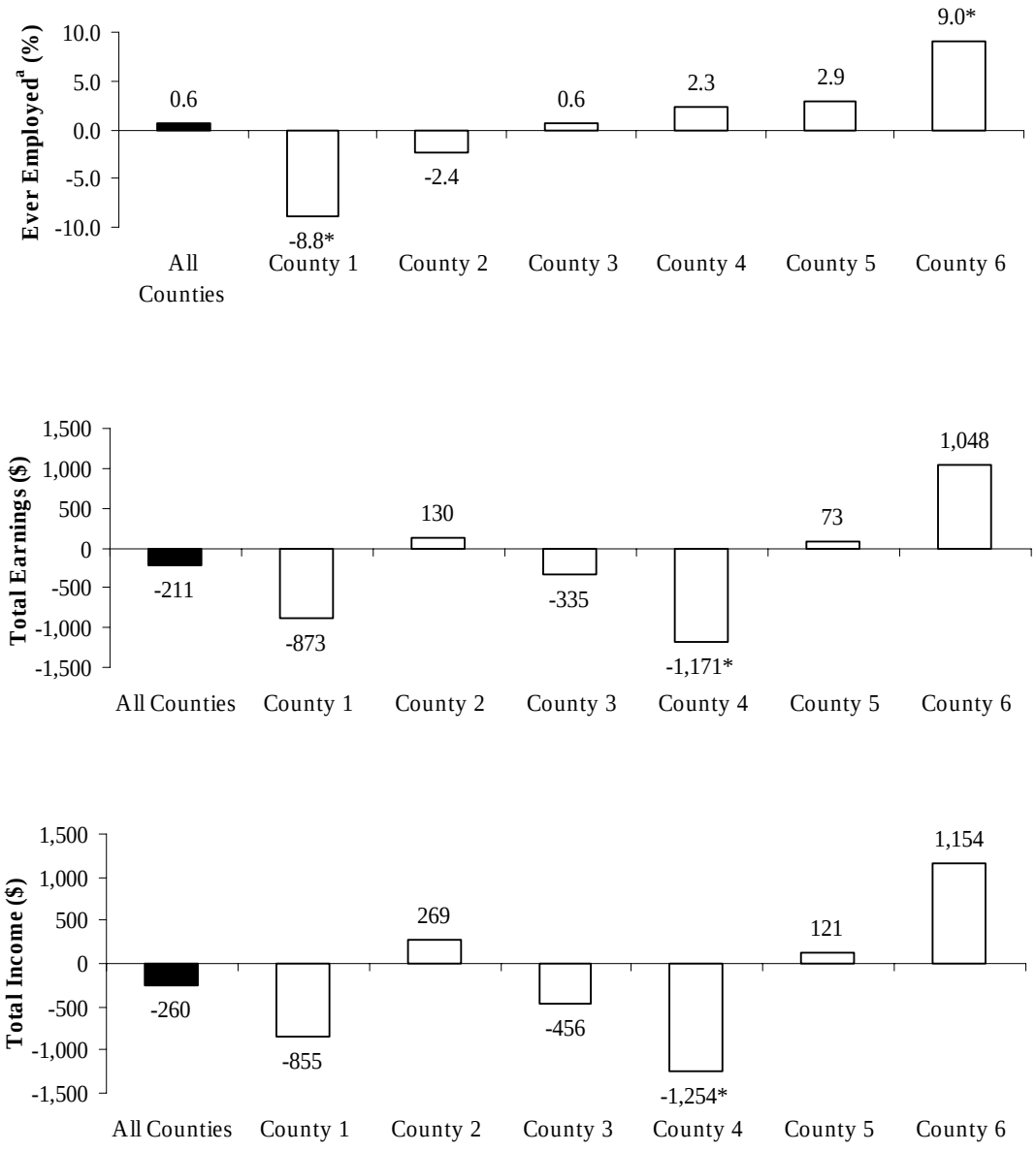
Figure 4.1

Year 1 Impacts on UI-Covered Employment, Earnings, and Income, by County

South Carolina



(continued)

Figure 4.1 (continued)

SOURCES: MDRC calculations from UI, TANF, and food stamps administrative records from the State of South Carolina and Moving Up incentives for the ERA group.

NOTES: See Appendix B.

Sample sizes vary by county from 270 to 1,158.

The differences between impacts across counties are not statistically significant.

[a]This table includes only employment and earnings in jobs covered by the North Carolina and South Carolina unemployment insurance (UI) programs. It does not include employment outside North and South Carolina or in jobs not covered by UI (for example, "off the books" jobs, some agricultural jobs, and federal goverment jobs).

In sum, the results in this section show that the impacts for the full report sample mask positive impacts for three subgroups and small-to-negative impacts for other subgroups. Moving Up had positive effects on employment, retention, and advancement for sample members who had recently become unemployed prior to random assignment. The program was also effective in increasing employment and employment stability among more recent TANF leavers and employment stability among sample members who left TANF as a result of time limits or a sanction. The impacts for the full report sample also mask differences by county. In particular, the program in one county led to substantial increases in employment.

Appendix A

Supplementary Table for Chapter 1

The Employment Retention and Advancement Project

Appendix Table A.1

Description of ERA Projects

State	Location	Target Group	Primary Service Strategies
Advancement projects			
Illinois	Cook (Chicago) and St. Clair (East St. Louis) Counties	TANF recipients who have worked at least 30 hours per week for at least 6 consecutive months	A combination of services to promote career advancement (targeted job search assistance, education and training, assistance in identifying and accessing career ladders, etc.)
California	Riverside County Phase 2	Newly employed TANF recipients working at least 20 hours per week	Test of alternative strategies for promoting participation in education and training activities
Placement and retention (hard-to-employ) projects			
Minnesota	Hennepin County (Minneapolis)	Long-term TANF recipients who were unable to find jobs through standard welfare-to-work services	In-depth family assessment; low caseloads; intensive monitoring and follow-up; emphasis on placement into unsubsidized employment or supported work with referrals to education and training, counseling, and other support services
Oregon	Portland	Individuals who are cycling back onto TANF and those who have lost jobs	Team-based case management, job search/job readiness components, intensive retention and follow-up services, mental health and substance abuse services for those identified with these barriers, supportive and emergency services

(continued)

Appendix Table A.1 (continued)

State	Location	Target Group	Primary Service Strategies
Placement and retention (hard-to-employ) projects (continued)			
New York	New York City PRIDE (Personal Roads to Individual Development and Employment)	TANF recipients whose employability is limited by physical or mental health problems	Two main tracks: (1) Vocational Rehabilitation, where clients with severe medical problems receive unpaid work experience, job search/job placement and retention services tailored to account for medical problems; (2) Work Based Education, where those with less severe medical problems participate in unpaid work experience, job placement services, and adult basic education
New York	New York City Substance Abuse (substance abuse case management)	TANF recipients with a substance abuse problem	Intensive case management to promote participation in substance abuse treatment, links to mental health and other needed services
Projects with mixed goals			
California	Los Angeles County EJC (Enhanced Job Club)	TANF recipients who have been required to search for employment	Job search workshops promoting a step-down method designed to help participants find a job that pays a "living wage"
California	Los Angeles County (Reach for Success program)	Newly employed TANF recipients working at least 32 hours per week	Stabilization/retention services, followed by a combination of services to promote advancement: education and training, career assessment, targeted job development, etc.
California	Riverside County PASS (Post-Assistance Self-Sufficiency program)	Individuals who have left TANF due to earned income	Intensive, family-based support services delivered by community-based organizations to promote retention and advancement

(continued)

Appendix Table A.1 (continued)

State	Location	Target Group	Primary Service Strategies
Projects with mixed goals (continued)			
Ohio	Cleveland	Low-wage workers with specific employers making under 200% of poverty who have been in their current jobs less than 6 months	Regular on-site office hours for counseling/case management; Lunch & Learn meetings for social support and presentations; newsletter for workers and employers; and Supervisory Training for employer supervisors
Oregon	Medford and Eugene	Employed former TANF recipients	Stabilization/retention services, followed by a combination of services to increase enrollment in education and training and promote advancement through "work-based" strategies
Oregon	Salem	TANF applicants	Job search assistance combined with career planning; once employed, education and training, employer linkages to promote retention and advancement
South Carolina	6 rural counties in the Pee Dee Region	Individuals who left TANF (for any reason) between 10/97 and 12/00	Individualized case management with a focus on reemployment, support services, job search, career counseling, education and training, and use of individualized incentives
Texas	Corpus Christi, Fort Worth, and Houston	TANF applicants and recipients	Individualized team-based case management; monthly stipends of $200 for those who maintain employment and complete activities related to employment plan

Appendix B

Notes for Tables and Figures Displaying Results Calculated with Administrative Records Data

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

Rounding may cause slight discrepancies in calculating sums and differences.

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

Italics indicate comparisons that are nonexperimental. These measures are computed only for sample members who were employed in Quarters 2 to 5. Since there may be differences in the characteristics of program group and control group members who were employed, any differences in outcomes may not necessarily be attributable to the ERA program. Statistical tests were not performed.

"Year 1" refers to Quarters 2 to 5. Quarter 1 is the quarter in which random assignment took place.

Dollar averages include zero values for sample members who were not employed or were not receiving TANF or food stamps.

Results are for sample members randomly assigned from September 2001 to December 2002.

NA = not applicable.

Appendix C

Supplementary Materials from the South Carolina ERA Program

Brochure

Invitation Letter

Career Enhancement Plan

MOVING UP CAREER CONSULTANTS

RICHARD CRUMMY, Chesterfield County
P.O. Box 269, Chesterfield, SC 29709
Telephone: 843/623-5236
Cell Phone: 843/861-2357

JOHN L. GRAHAM, Darlington County
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Telephone: 843/332-2231
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LYNN BARNHILL, Darlington County
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LARONNA FAULK, Dillon County
P.O. Box 1307, Dillon, SC 29536
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DEBRA GHEE, Florence County
2685 S. Irby Street, Box A
Florence, SC 29505
Telephone: 843/669-3354 Ext. 309
Cell Phone: 843/616-0595

EDELL JOHNSON, Florence County
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JERYL Y. ANDERSON, Florence County
345 S. Ron McNair Boulevard
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TARA MCKENZIE, Florence County
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DEBORAH MARTIN, Marion County
137 Airport Court/Suite A, Mullins, SC 29574
Telephone: 843/423-4623 Ext. 128
Cell Phone: 843/430-0390

LIZ T. STUBBS, Marlboro County
P.O. Drawer 120, Bennettsville, SC 29512
Telephone: 843/479-4389
Cell Phone: 843/439-0463

Moving Up

Moving Up

IMPROVE YOUR INCOME

Getting a Job –
Keeping a Job –
Getting a Better Job

MOVING UP CAN HELP YOU EARN BIGGER PAY CHECKS

- Learn the secrets of getting a promotion.
- Get help on earning a pay increase.
- Increase your worth to the employer so you get more hours and paid more.
- Get a plan for how to make money.

Moving Up can help you move up to a higher income level and break out of low wage jobs.

The whole point of **Moving Up** is: **Getting a Job – Keeping a Job – Getting a Better Job.**

MOVING UP CAN HELP!

- $ The path you take is up to you
- $ Help finding a better job
- $ Free tuition
- $ Free classes for your GED
- $ Help with child care, rides and health insurance
- $ Earn bonuses and incentives from **Moving Up** for the positive things you do
- $ The funds are here. Get your fair share.

Everyone needs some help some time to get ahead.

Moving Up may be your chance to make a better life for you and your family.

Moving Up is a limited time offer!

Moving Up will only offer these services for a short time, so if a career consultant calls you

TAKE ADVANTAGE OF THIS OPPORTUNITY!

Dear

Good News! You have been chosen to be a member of the Moving Up Program!

Don't worry! It won't cost you anything. In fact being a member of the program may be one of the best things you ever do for you and your family. The program is not offered to everyone. It is only for those who receive this invitation.

Moving Up is about:

Increasing your income

Making a better life for you and your family

If you choose to participate, I will work with you as your personal Career Consultant.

In a few days I will call you to provide details about Moving Up. However, there is no need to wait for my call — CALL NOW: _____ My office hours are usually 8:30 a.m. to 5:00 p.m. Monday through Friday, but if I am out, just leave a message and I will get back to you.

Moving Up will work with you to provide special job related services to reach your goals for a better life.

I will look forward to meeting you.

Sincerely

MOVING UP PROGRAM
Career Enhancement Plan

I. **Name:** _____ **SSN:** _____ **Age:** _____

II. **Children's Ages** (Circle Children's Ages that live in home) 0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18

III. **Plan Type:** (check applicable plan) ____ Employment ____ Retention ____ Advancement **Telephone:** _____

IV. **Educational Information:** _____

V. **Work History/Skills:** _____

_____

VI. **Limitations/Barriers:** (check applicable barriers)

__ Lack of Education __ Lack of Transportation __ Lack of Experience __ Lack of Job Seeking Skills
__ Lack of Parenting Skills __ Lack of Job Training __ Lack of Child Care __ Criminal History
__ Lack of Health Care __ Medical Problems __ Drugs/Alcohol __ Family Relationship Issues

Note: _____

VII. **Employment/Training Needs:** (check applicable needs)

__ Assessment __ Job Search __ Job Club/Life Skills __ TEC SPEC. SCHS. __ Vocational Rehabilitation __ Other
__ GED/Diploma __ Basic Education __ Vocational Training __ TEC Dip/Cert. __ TEC Continuing Ed

Note: _____

VIII. **Supportive Services:** (check applicable services)

__ Child Care __ Transportation __ FI Benefits __ Food Stamps __ Medical Assistance
__ Housing __ One-Stop __ DAODAS __ Mental Health __ OJT __Other

Note: _____

IX. **Steps:** These are the actions the member must do to reach his/her career goal. Identify the step(s) below with an estimated completion date and the incentive for completing each step.

1. _____ 4. _____
2. _____ 5. _____
3. _____ 6. _____

Career Goals:_____

I understand my participation in the Moving Up Program is strictly voluntary. I agree to participate fully in the program and accept this plan as written by me and my career consultant. I agree to maintain regular contact with my career consultant at a time and place mutually agreeable between us. I also understand I can receive support services and incentives to help me reach my career goal.

Member/Date: _____ **Career Consultant/Date:** _____

Appendix D

Notes for Tables and Figures Displaying Impacts Calculated with Responses to the ERA 12-Month Survey

Estimates were regression-adjusted using ordinary least squares, controlling for pre-random assignment characteristics of sample members.

Rounding may cause slight discrepancies in calculating sums and differences.

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

Italics indicate comparisons that are nonexperimental. These measures are computed only for sample members who were employed in Quarters 2 to 5. Since there may be differences in the characteristics of program group and control group members who were employed, any differences in outcomes may not necessarily be attributable to the ERA program. Statistical tests were not performed.

NA = not applicable.

Appendix E

Supplementary Tables for Chapter 4

The Employment Retention and Advancement Project

Appendix Table E.1

Impacts on Quarterly UI-Covered Employment and Earnings for the Report Sample and Early Cohort

South Carolina

Outcome	ERA Group	Control Group	Difference (Impact)		P-Value
Report sample (randomly assigned from September 2001 to December 2002)					
Ever employed[a] (%)					
Quarter 1	54.1	53.0	1.1		0.37
Quarter 2	54.3	54.7	-0.5		0.72
Quarter 3	55.6	55.3	0.3		0.85
Quarter 4	55.4	53.9	1.5		0.33
Quarter 5	55.2	52.9	2.4		0.12
Total earnings ($)					
Quarter 1	1,538	1,589	-50		0.25
Quarter 2	1,582	1,622	-40		0.44
Quarter 3	1,629	1,728	-99	*	0.10
Quarter 4	1,663	1,713	-50		0.41
Quarter 5	1,658	1,680	-22		0.72
Sample size (total = 2,864)	1,421	1,443			
Early cohort (randomly assigned from September 2001 to December 2001)					
Ever employed[a] (%)					
Quarter 1	53.7	49.8	3.9	*	0.07
Quarter 2	50.1	50.5	-0.4		0.87
Quarter 3	57.0	53.1	3.9		0.16
Quarter 4	59.1	50.5	8.6	***	0.00
Quarter 5	58.2	52.4	5.8	*	0.05
Quarter 6	54.6	52.1	2.5		0.43
Quarter 7	52.4	49.7	2.7		0.37
Quarter 8	51.7	49.6	2.1		0.50
Quarter 9	51.7	50.2	1.5		0.65
Total earnings ($)					
Quarter 1	1,452	1,445	7		0.93
Quarter 2	1,370	1,362	8		0.93
Quarter 3	1,557	1,570	-13		0.91
Quarter 4	1,728	1,644	84		0.49
Quarter 5	1,713	1,654	59		0.63
Quarter 6	1,637	1,573	63		0.62
Quarter 7	1,586	1,528	58		0.66
Quarter 8	1,656	1,531	124		0.35
Quarter 9	1,565	1,550	15		0.91
Sample size (total = 752)	377	375			

(continued)

Appendix Table E.1 (continued)

SOURCES: MDRC calculations from UI, TANF, and food stamps administrative records from the State of South Carolina and UI data from the State of North Carolina.

NOTES: See Appendix B.

[a]This table includes only employment and earnings in jobs covered by the North Carolina and South Carolina unemployment insurance (UI) programs. It does not include employment outside North and South Carolina or in jobs not covered by UI (for example, "off the books" jobs, some agricultural jobs, and federal goverment jobs).

The Employment Retention and Advancement Project

Appendix Table E.2

Impacts on Household Income and Composition

South Carolina

Outcome	ERA Group	Control Group	Difference (Impact)	P-Value
Household income				
Percentage with each income source (%)				
Own earnings	62.1	59.8	2.3	0.54
Earnings of other members	28.1	27.4	0.7	0.84
Child support	31.6	34.0	-2.4	0.54
Public assistance	67.6	68.4	-0.8	0.82
TANF	5.4	6.1	-0.7	0.72
Food stamps	59.7	62.5	-2.8	0.43
SSI or disability	16.8	15.9	1.0	0.76
Total household income in prior month ($)	1,319	1,269	50	0.56
Percentage of household income that is respondent's (%)	74.5	72.3	2.2	0.41
Alternative household income[a] ($)	1,074	1,062	12	0.84
Household composition				
Number in household	3.9	3.9	0.0	0.93
Ever married (%)	47.8	52.2	-4.4	0.23
Current martial status (%)				
Married and living with spouse	14.8	17.9	-3.0	0.30
Separated or living apart from spouse	18.1	18.2	-0.1	0.98
Living with partner	14.6	10.3	4.3	0.12
Divorced	13.8	14.5	-0.8	0.78
Widowed	0.8	1.6	-0.8	0.35
Sample size (total = 594)	299	295		

SOURCE: MDRC calculations from responses to the ERA 12-Month Survey.

NOTES: See Appendix D.

[a] This measure was created by combining administrative records data and respondent's earnings from the survey. It includes survey earnings or UI earnings where available, food stamps, AFDC, and estimated EITC income in the month prior to the survey.

The Employment Retention and Advancement Project

Appendix Table E.3

Impacts on Other Outcomes

South Carolina

Outcome	ERA Group	Control Group	Difference (Impact)	P-Value
Health coverage				
Respondent has health coverage[a] (%)	75.2	77.4	-2.2	0.54
Publicly funded	61.6	58.2	3.4	0.39
Publicly funded and not on TANF or SSI	52.1	49.6	2.6	0.53
Privately funded	22.3	27.2	-4.9	0.14
All dependent children have health care coverage (%)	81.0	81.9	-0.9	0.77
All dependent children have health care coverage and respondent is not covered by TANF or SSI (%)	74.0	74.5	-0.6	0.88
Respondent and all children have health care coverage (%)	68.9	69.5	-0.5	0.89
Respondent and all children have health care coverage and respondent is not covered by TANF or SSI (%)	60.4	61.5	-1.1	0.79
Child care				
Ever used any child care in Year 1 (%)	35.1	31.9	3.2	0.39
Any informal child care (%)	5.8	8.7	-2.9	0.17
Child care expenses (%)	26.6	20.5	6.1 *	0.07
Paid entirely by respondent	10.6	9.6	1.0	0.69
Paid partially by respondent	12.3	8.9	3.5	0.17
Not paid by respondent	3.7	2.1	1.6	0.25
Child care was a barrier to school, job training, or work (%)	6.5	6.6	-0.1	0.96
Quit job, school, or training because of child care problems	4.4	4.7	-0.3	0.89
Missed work because of child care problems	3.1	2.6	0.5	0.73
Transportation				
Own car, van, or truck (%)	65.4	65.3	0.1	0.98
Commuting time (minutes)	23.0	23.0	0.0	0.98
Transportation costs per week ($)	24	25	-1	0.51
Method of transportation to work (%)				
By car	41.8	42.4	-0.5	0.89
By bus	4.0	3.1	0.9	0.57
Get a ride	21.4	22.7	-1.3	0.71
Walk	2.3	2.1	0.2	0.88
Sample size (total = 594)	299	295		

(continued)

Appendix Table E.3 (continued)

SOURCE: MDRC calculations from responses to the ERA 12-Month Survey.

NOTES: See Appendix D.

[a]Health coverage measures combine data from the survey employment section, health coverage section, income section, and administrative records on public assistance receipt. A person can be receiving both public and private health coverage.

The Employment Retention and Advancement Project

Appendix Table E.4

Year 1 Impacts on UI-Covered Employment and Earnings, by Employment Status in the Quarter Before Random Assignment

South Carolina

Outcome	ERA Group	Control Group	Difference (Impacts)	P-Value	P-Value for Subgroup Differences
Recently employed[a]					
Total earnings ($)	10,466	10,817	-350	0.26	0.36
Ever employed[b] (%)	93.6	92.7	0.9	0.48	0.94
Average quarterly employment (%)	81.4	81.0	0.5	0.76	0.49
Number of quarters employed	3.3	3.2	0.0	0.76	0.49
Employed 4 consecutive quarters (%)	66.6	66.1	0.5	0.83	0.76
Earned over $10,000 (%)	46.7	47.8	-1.1	0.61	0.72
Average earnings per quarter employed ($)	*3,213*	*3,339*	*-126*	*NA*	*NA*
Sample size (total = 1,501)	739	762			
Not recently employed[a]					
Total earnings ($)	2,235	2,221	14	0.95	
Ever employed (%)	41.2	40.1	1.1	0.65	
Average quarterly employment (%)	26.4	24.4	2.1	0.25	
Number of quarters employed	1.1	1.0	0.1	0.24	
Employed 4 consecutive quarters (%)	11.2	11.5	-0.3	0.83	
Earned over $10,000 (%)	7.6	7.8	-0.2	0.89	
Average earnings per quarter employed ($)	*2,115*	*2,283*	*-168*	*NA*	
Sample size (total = 1,363)	682	681			

SOURCES: MDRC calculations from UI records from the States of North Carolina and South Carolina.

NOTES: See Appendix B.

[a]"Recently employed" sample members worked in the quarter before random assignment, based on UI wage data, and sample members who were "not recently employed" did not work in that quarter.

[b]This table includes only employment and earnings in jobs covered by the North Carolina and South Carolina unemployment insurance (UI) programs. It does not include employment outside North and South Carolina or in jobs not covered by UI (for example, "off the books" jobs, some agricultural jobs, and federal goverment jobs).

The Employment Retention and Advancement Project

Appendix Table E.5

Impacts on UI-Covered Employment and Earnings, by County

South Carolina

Outcome	ERA Group	Control Group	Difference (Impact)	
County 1				
Total earnings ($)	6,028	6,901	-873	
Ever employed[a] (%)	61.5	70.3	-8.8	*
County 2				
Total earnings ($)	6,625	6,495	130	
Ever employed (%)	67.2	69.5	-2.4	
County 3				
Total earnings ($)	6,534	6,869	-335	
Ever employed (%)	68.9	68.3	0.6	
County 4				
Total earnings ($)	5,247	6,418	-1,171	*
Ever employed (%)	66.2	64.0	2.3	
County 5				
Total earnings ($)	6,685	6,611	73	
Ever employed (%)	69.7	66.8	2.9	
County 6				
Total earnings ($)	7,940	6,892	1,048	
Ever employed (%)	76.0	67.0	9.0	*
Sample size (total = 2,864)	1,421	1,443		

SOURCES: MDRC calculations from UI and TANF administrative records from the State of South Carolina and UI data from the State of North Carolina.

NOTES: See Appendix B.

[a]This table includes only employment and earnings in jobs covered by the North Carolina and South Carolina unemployment insurance (UI) programs. It does not include employment outside North and South Carolina or in jobs not covered by UI (for example, "off the books" jobs, some agricultural jobs, and federal goverment jobs).

The differences between impacts across counties are not statistically significant.

The Employment Retention and Advancement Project

Appendix Table E.6

Year 1 Impacts on UI-Covered Employment

South Carolina

Outcome (%)	ERA Group	Control Group	Difference (Impact)	P-Value
Ever employed[a]				
Quarter of random assignment	54.1	53.0	1.1	0.37
Q2	54.3	54.7	-0.5	0.72
Q3	55.6	55.3	0.3	0.85
Q4	55.4	53.9	1.5	0.33
Q5	55.2	52.9	2.4	0.12
Earned $2,500 or more				
Quarter of random assignment	27.6	29.4	-1.7	0.14
Q2	28.8	29.5	-0.7	0.61
Q3	29.0	30.7	-1.7	0.22
Q4	30.5	31.9	-1.4	0.33
Q5	30.3	29.9	0.5	0.75
Earned between $500 and $2,499				
Quarter of random assignment	20.6	18.1	2.5 *	0.07
Q2	20.0	18.9	1.1	0.43
Q3	21.0	19.4	1.6	0.27
Q4	20.2	16.4	3.8 ***	0.01
Q5	19.4	17.1	2.3 *	0.10
Earned between $1 and $499				
Quarter of random assignment	5.9	5.6	0.3	0.73
Q2	5.4	6.4	-0.9	0.28
Q3	5.5	5.2	0.4	0.68
Q4	4.7	5.6	-0.9	0.27
Q5	5.6	6.0	-0.4	0.66
Sample size (total = 2,864)	1,421	1,443		

SOURCES: MDRC calculations from UI and TANF administrative records from the State of South Carolina and UI data from the State of North Carolina.

NOTES: See Appendix B.

[a]This table includes only employment and earnings in jobs covered by the North Carolina and South Carolina unemployment insurance (UI) programs. It does not include employment outside North and South Carolina or in jobs not covered by UI (for example, "off the books" jobs, some agricultural jobs, and federal goverment jobs).

The Employment Retention and Advancement Project

Appendix Table E.7

Year 1 Impacts on Quarterly UI-Covered Employment and Welfare Status

South Carolina

Outcome (%)	ERA Group	Control Group	Difference (Impact)	P-Value
Employed, not receiving TANF[a]				
Quarter of random assignment	53.3	52.8	0.6	0.64
Q2	52.4	53.6	-1.2	0.38
Q3	54.0	53.7	0.3	0.86
Q4	53.6	52.3	1.3	0.40
Q5	53.2	51.0	2.2	0.16
Employed, receiving TANF				
Quarter of random assignment	0.8	0.3	0.5 *	0.07
Q2	1.9	1.2	0.7	0.11
Q3	1.6	1.6	0.0	0.99
Q4	1.8	1.6	0.2	0.69
Q5	2.1	1.9	0.2	0.72
Not employed, receiving TANF				
Quarter of random assignment	0.5	0.4	0.1	0.63
Q2	1.6	1.4	0.2	0.62
Q3	2.4	2.5	-0.1	0.85
Q4	2.8	2.6	0.2	0.75
Q5	2.7	2.9	-0.3	0.64
Not employed, not receiving TANF				
Quarter of random assignment	45.4	46.6	-1.2	0.33
Q2	44.2	43.9	0.3	0.85
Q3	42.0	42.2	-0.2	0.91
Q4	41.9	43.6	-1.7	0.27
Q5	42.1	44.2	-2.1	0.18
Sample size (total = 2,864)	1,421	1,443		

SOURCES: MDRC calculations from UI and TANF administrative records from the State of South Carolina and UI data from the State of North Carolina.

NOTES: See Appendix B.

[a]This table includes only employment and earnings in jobs covered by the North Carolina and South Carolina unemployment insurance (UI) programs. It does not include employment outside North and South Carolina or in jobs not covered by UI (for example, "off the books" jobs, some agricultural jobs, and federal goverment jobs).

The Employment Retention and Advancement Project

Appendix Table E.8

Year 1 Impacts on TANF Receipt and Payments

South Carolina

Outcome	ERA Group	Control Group	Difference (Impact)		P-Value
Ever received TANF (%)					
Quarter of random assignment	1.3	0.7	0.6	*	0.09
Q2	3.5	2.5	1.0		0.13
Q3	4.0	4.1	-0.1		0.89
Q4	4.6	4.2	0.4		0.62
Q5	4.7	4.8	-0.1		0.89
Amount of TANF received ($)					
Quarter of random assignment	2	1	0		0.66
Q2	11	9	2		0.43
Q3	15	16	-1		0.78
Q4	17	19	-2		0.61
Q5	19	18	0		0.89
Sample size (total = 2,864)	1,421	1,443			

SOURCE: MDRC calculations from TANF administrative records from the State of South Carolina.

NOTES: See Appendix B.

The Employment Retention and Advancement Project

Appendix Table E.9

Year 1 Impacts on Food Stamp Receipt and Payments

South Carolina

Outcome	ERA Group	Control Group	Difference (Impact)	P-Value
Ever received food stamps (%)				
Quarter of random assignment	53.6	54.4	-0.8	0.47
Q2	54.7	53.7	1.0	0.41
Q3	55.3	53.8	1.5	0.27
Q4	55.0	54.9	0.1	0.92
Q5	54.9	54.8	0.1	0.95
Amount of food stamps received ($)				
Quarter of random assignment	438	459	-20 *	0.07
Q2	450	463	-13	0.30
Q3	461	470	-9	0.52
Q4	468	480	-12	0.41
Q5	476	491	-14	0.34
Sample size (total = 2,864)	1,421	1,443		

SOURCE: MDRC calculations from TANF administrative records from the State of South Carolina.

NOTES: See Appendix B.

Appendix F

South Carolina ERA 12-Month Survey Response Analysis

The ERA 12-Month Survey provides information on respondents' participation in various activities and services, health care coverage, job characteristics, household composition, and other measures presented in this report. This appendix assesses the reliability of impact results for the survey. It also examines whether the impacts for the survey respondents can be generalized to the impacts for the report sample. First, a description of how the survey sample was selected is provided. The response rates for the survey sample and the two research groups are then discussed. Afterwards, differences between survey respondents and survey nonrespondents are examined, followed by a comparison between the research groups among the survey respondents. Finally, administrative records data are used to compare the impacts across survey samples and the report sample.

Overall, there is little evidence to suggest that the survey is not reliable or that the survey respondent sample cannot be generalized to the report sample. The response rates were high for the full survey sample and across research groups. Furthermore, respondents and nonrespondents do not differ in key pre-random assignment characteristics. A comparison between research groups among the survey respondents shows no systematic differences between the groups. The results also show that the respondents' impacts on employment and welfare receipt are similar to the impacts for the report sample and the survey-eligible sample.

Survey Sample Selection

As noted in Chapter 1 and as summarized in Box F.1, the *research sample* includes 3,035 sample members who were randomly assigned from September 2001 to January 2003. The *report sample* includes the 2,864 sample members who were randomly assigned from September 2001 through December 2002. Individuals who were assigned in January 2003 were excluded because one full year of administrative records follow-up data were not available for them at the point that the analyses for this report were conducted.

A two-step process was used to select the sample for the ERA 12-Month Survey. First, the *survey-eligible sample* was selected. It includes 901 sample members who were randomly assigned from February to June 2002 and who met the eligibility criteria for the survey. Anyone younger than age 18 and anyone who did not speak English or Spanish was excluded from the survey-eligible sample, which is composed of about 30 percent of the full research sample and covers one-third of the entire sample intake period.

From the survey-eligible sample, a random sample of 746 members was chosen to be interviewed.[1] This sample is referred to as the *fielded sample.* To ensure representation of individuals

[1]Note that although 746 sample members were chosen to be interviewed, and 595 completed the survey, only 594 members were analyzed. One sample member was excluded from the survey and administrative re-

(continued)

Box F.1

Key Analysis Samples

Research sample. Everyone randomly assigned during the sample intake period, which ranged from September 2001 to January 2003.

Report sample. Everyone randomly assigned from September 2001 to December 2002. At least one year of follow-up data were available for this sample.

Survey-eligible sample. Sample members in the research sample who were randomly assigned during the months in which the survey sample was selected and who met the criteria for inclusion.

Fielded sample. Sample members who were chosen from the survey-eligible sample to be interviewed for the survey.

Respondent sample. Sample members in the fielded sample who completed the ERA 12-Month Survey.

Nonrespondent sample. Sample members in the fielded sample who were not interviewed because they were not located or they refused to be interviewed or because of other reasons.

across the total sample, a random stratified sample was selected by county.[2] Therefore, the fielded sample has the same proportion of sample members in each county as the proportion of sample members randomly assigned in each county. Furthermore, the fielded sample had an equal number of ERA and control group members selected from each county. For instance, since Florence County accounts for 40 percent of the full research sample, 40 percent of the fielded sample were selected from that county. The fielded sample is also split equally between ERA and control group members.

cords analyses because the earnings reported for that member in the UI system were extraordinarily high (over $100,000 annually).

[2]After analyzing public assistance records, it was found that a small percentage of the fielded sample members had returned to Temporary Assistance for Needy Families (TANF) prior to random assignment, thus violating the random assignment criteria. (See Chapter 1 for more information on random assignment.) From the original fielded sample, 71 sample members were dropped and later replaced, and 8 sample members were dropped without replacement.

Survey Response Rates

Sample members who were interviewed for the ERA 12-Month Survey are referred to as "survey respondents," or the *respondent sample*, while sample members who were not interviewed are known as "nonrespondents." or the *nonrespondent sample.* A total of 595 sample members, or 80 percent of the fielded sample, completed the survey. Almost three-fourths of the nonrespondent sample refused to be interviewed or could not be located.[3] The response rates of the research groups were very similar: 81 percent of the ERA group members completed the survey, compared with 79 percent of the control group members.

Although the overall response rates are high, whenever the response rate is lower than 100 percent, *nonresponse bias* may occur. Differences may exist between the respondent sample and the larger, fielded sample, owing to differences between the sample members who completed a survey and those who did not. Furthermore, the estimates may be biased if the background characteristics differ between the research groups.

Comparison of Respondents and Nonrespondents Within the Survey Sample

In order to examine whether there are systematic differences between those who responded to the survey and those who did not, an indicator of survey response status was created, and then multivariate analysis was used to identify what pre-random assignment characteristics are significantly related to the indicator.

Table F.1 shows the estimated regression coefficients for the probability of being a respondent. As can be noted from this table, besides background characteristics such as race, age, and number of children, a research status indicator was included in the model. The second column of the table provides the parameter estimates that indicate the effect of each variable on the probability of completing the survey. The asterisks and p-values show the statistical significance of this relationship.

Only food stamp receipt in the year prior to random assignment was statistically significant in predicting whether or not someone would complete a survey. This is not surprising, since one of the main methods used by the survey firms in tracking individuals was through the public assistance systems. People who were receiving public assistance benefits were probably more

[3]Other respondents were not interviewed because they were incapacitated, institutionalized, located after the fielding period expired, or deceased.

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Appendix Table F.1

Estimated Regression Coefficients for the Probability of Being a Respondent on the ERA 12-Month Survey

South Carolina

	Survey Sample	
	Parameter Estimate	P-Value
ERA group	0.018	0.530
Age of the youngest child	-0.004	0.257
Number of children	0.002	0.882
Black, non-Hispanic	0.017	0.901
White	0.031	0.828
No high school diploma or GED	-0.021	0.486
Employed in the quarter before random assignment[a]	-0.028	0.604
Female	0.164	0.113
Month of sample intake	0.008	0.465
21 to 30 years of age	0.052	0.728
31 to 40 years of age	0.081	0.598
41 years old and over	0.123	0.433
Number of months off welfare	-0.025	0.134
Employed in the prior year	0.070	0.277
Received food stamps in the prior year	0.200 ***	0.000
Number of quarters employed in the prior year	0.034	0.215
Earnings in the prior 3 years	0.000	0.287
Number of quarters employed in the prior 3 years	-0.013	0.116
R-square (0.094)		
F-statistic (4.19)		
P-value of F-statistic (0.00)		
Sample size	745	

SOURCES: MDRC calculations from UI, TANF, and food stamps administrative records from the State of South Carolina and UI data from the State of North Carolina.

NOTES: See Appendix B.

[a]This table includes only employment and earnings in jobs covered by the North Carolina and South Carolina unemployment insurance (UI) programs. It does not include employment outside North and South Carolina or in jobs not covered by UI (for example, "off the books" jobs, some agricultural jobs, and federal goverment jobs).

likely to be contacted by the survey firm, since the contact information in these systems was probably more up to date. The F-statistic, along with the p-value of the F-statistic (at the bottom of Table F.1), shows that the differences between the survey respondents and the survey nonrespondents are statistically significant. Although statistically significant, the R-square suggests that less than 10 percent of variance is explained by this significant factor. Other variables that may have contributed to the completion of the survey were not included in the model.

Comparison of the Research Groups in the Survey Respondent Sample

Random assignment designs minimize the possibility of potential biases in the results. Although the response rates are high across both research groups, there is still the possibility that the characteristics of each research group differed due to the nonrespondent sample. If this is true, the impact estimates for the respondent sample may be affected.

Table F.2 shows baseline characteristics of the ERA and control group members. The differences between the groups are relatively small and not statistically significant. Furthermore, a multivariate regression analysis was performed to further test whether or not there was a relationship between the background characteristics and the research status. A 0/1 dummy indicating the research status was regressed on pre-random assignment characteristics — many of which are shown in Table F.2. The number of years off TANF prior to random assignment and the number of quarters employed during the three years prior to random assignment were found to be significantly related to the research status. The p-value of the F-statistic in the model, however, is not statistically significant.

Comparison of Survey Respondents with the Fielded Sample and the Report Sample

Using administrative records data, this section discusses whether the survey respondents' impacts can be generalized to the fielded sample and the report sample. There might be other reasons besides nonresponse bias that may affect the ability to generalize the survey sample to the research sample. As discussed previously, the fielded sample includes sample members who were randomly assigned during a period of time that does not cover the full random assignment period. By limiting the sample in this manner, a "cohort effect" may have been introduced. This could affect the impact estimates, because the survey cohort might differ from sample members who were randomly assigned in other cohorts.

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Appendix Table F.2

Background Characteristics of Survey Respondents Who Were Randomly Assigned Between February and June 2002

South Carolina

Variable	ERA Group	Control Group
Female (%)	98.0	99.0
Race (%)		
Black	79.3	76.3
White	20.1	22.4
Other	0.7	1.4
Age (%)		
20 or younger	1.3	0.3
21 to 30	43.1	47.1
31 to 40	40.1	38.3
41 or older	15.4	14.2
Average age (years)	32	32
High school diploma[a] (%)	55.9	56.6
Employed during the quarter before random assignment[b] (%)	59.9	55.3
Employed during the year before random assignment (%)	70.6	68.1
Number of quarters employed in the prior year (%)	2.3	2.2
Number of quarters employed in the prior 3 years (%)	7.1	6.5
Earnings in the 3 years before random assignment ($)	17,310	15,618
Number of children (%)		
0	1.0	1.0
1	28.1	26.1
2	36.5	33.6
More than 3	34.4	39.3
Average number of children	2.2	2.4
Age of youngest child (%)		
Under 3 years	15.1	19.7
3 to 5 years	34.1	32.2
6 years and older	50.8	48.1
TANF receipt history[c] (%)		
Never	0	0
Less than 3 months	5.4	7.1
3 months or more and less than 2 years	34.8	37.3
2 years or more and less than 5 years	32.8	26.4
5 years to 9 years	27.1	29.2
Average months on welfare during the past 9 years	40.3	40.5

(continued)

Appendix Table F.2 (continued)

Variable	ERA Group	Control Group
TANF receipt history[c] (%)		
Average number of years off welfare	3.0	3.1
Received food stamps in prior year (%)	68.9	71.2
Sample size (total = 594)	295	299

SOURCES: MDRC calculations from UI, TANF, and food stamps administrative records from the State of South Carolina and UI data from the State of North Carolina.

NOTES: See Appendix B.

[a]In South Carolina, those having 12 or more years of education are considered to have a high school diploma. Information on educational attainment is not available. Background characteristics such as education and number of children are derived from the DSS system at the time of exit. These data can be up to 5 1/2 years old.

[b]This table includes only employment and earnings in jobs covered by the North Carolina and South Carolina unemployment insurance (UI) programs. It does not include employment outside North and South Carolina or in jobs not covered by UI (for example, "off the books" jobs, some agricultural jobs, and federal goverment jobs).

[c]This measure goes back only 9 years before random assignment.

Table F.3 shows the adjusted means and impacts on several employment and public assistance outcomes for the full sample, fielded sample, and respondent sample.[4] This comparison is useful in assessing whether the story changes when using the different samples. This table shows that the impacts for the fielded and respondent samples are consistent with the impacts from the report sample. In general, the program did not have effects during the first year of follow-up in any of the key outcomes. The only exception is for TANF receipt among the respondent sample. Statistically significant impacts on TANF receipt were found for the first year of follow-up for the respondent sample, but the impacts are not significant for the report sample or the fielded sample. Although the magnitude of the impacts is slightly larger and statistically significant, the direction of the impacts remains the same. For example, the impact on TANF receipt during one year after random assignment is 0.3 percent for the report sample and 2.3 percent for the fielded sample, while it is 4.0 (statistically significant) for the respondent sample.

[4]All the impacts are regression-adjusted within each sample, to control for differences in background characteristics, prior earnings, prior employment, prior public assistance receipt, location or residence, and period of sample intake.

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Appendix Table F.3

Comparison of Impacts for the Report Sample, Fielded Sample, and Respondent Sample

South Carolina

Outcome	ERA Group	Control Group	Impact	P-Value
Quarters 2 to 5				
Ever employed[a] (%)				
Report sample	68.5	67.8	0.6	0.64
Fielded sample	69.2	69.9	-0.8	0.79
Respondent sample	72.1	73.4	-1.3	0.67
Average quarterly employment (%)				
Report sample	55.1	54.2	0.9	0.43
Fielded sample	56.2	56.9	-0.7	0.76
Respondent sample	58.6	59.9	-1.2	0.64
Employed 4 consecutive quarters (%)				
Report sample	40.2	40.2	0.1	0.96
Fielded sample	41.0	45.2	-4.3	0.14
Respondent sample	43.1	47.5	-4.3	0.18
Number of quarters employed				
Report sample	2.2	2.2	0.0	0.43
Fielded sample	2.2	2.3	0.0	0.76
Respondent sample	2.3	2.4	0.0	0.64
Earnings ($)				
Report sample	6,532	6,743	-211	0.29
Fielded sample	6,825	7,264	-439	0.30
Respondent sample	6,962	7,403	-441	0.31
Ever received TANF (%)				
Report sample	7.6	7.2	0.3	0.74
Fielded sample	8.8	6.5	2.3	0.23
Respondent sample	11.1	7.1	4.0 *	0.10
Amount of food stamps received ($)				
Report sample	1,856	1,904	-49	0.33
Fielded sample	1,798	1,824	-27	0.78
Respondent sample	2,081	2,057	23	0.84
Total measured income ($)				
Report sample	8,450	8,710	-260	0.18
Fielded sample	8,695	9,147	-452	0.27
Respondent sample	9,134	9,524	-389	0.35

(continued)

Appendix Table F.3 (continued)

SOURCES: MDRC calculations from UI, TANF, and food stamps administrative records from the State of South Carolina and UI data from the State of North Carolina.

NOTES: See Appendix B.

The report sample includes 2,864 sample members; ERA group: 1,421; control: 1,443.

The fielded sample includes 745 sample members; ERA group: 371; control: 374.

The respondent sample includes 594 sample members; ERA group: 299; control: 295.

[a]This table includes only employment and earnings in jobs covered by the North Carolina and South Carolina unemployment insurance (UI) programs. It does not include employment outside North and South Carolina or in jobs not covered by UI (for example, "off the books" jobs, some agricultural jobs, and federal goverment jobs).

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