

Social Programs That Work Review

## Evidence Summary for the Portland JOBS Training Program

### HIGHLIGHTS:

- **PROGRAM:** A mandatory welfare-to-work program focused on moving welfare applicants and recipients quickly into the workforce.
- **EVALUATION METHODS:** A randomized controlled trial (RCT) with a sample of 4,028 single-parent welfare applicants or recipients in Portland, Oregon.
- **KEY FINDINGS:** Sizable increase in employment rates and job earnings, reduction in welfare dependency, and savings to the government, at study follow-up five years after random assignment.
- **OTHER:** A limitation of the evidence is that this study was conducted prior to the enactment of sweeping federal welfare reforms in 1996, and it is unknown whether the findings would generalize to present-day welfare settings.

### I. Evidence rating: **SUGGESTIVE TIER**

The standard for Suggestive Tier is:

*Programs that have been evaluated in one or more well-conducted RCTs (or studies that closely approximate random assignment) and found to produce sizable positive effects, but whose evidence is limited by only short-term follow-up, effects that fall short of statistical significance, or other factors. Such evidence suggests the program may be an especially strong candidate for further research, but does not yet provide confidence that the program would produce important effects if implemented in new settings.*

### II. Description of the Program:

JOBS, which operated in Portland, Oregon in the mid to late 1990s, was a mandatory welfare-to work program for single-parent welfare recipients whose children were over one year in age. The program's main focus was on moving these welfare recipients quickly into the workforce. Two central features of Portland JOBS that distinguish it from other welfare-to-work programs are: (i) the program placed participants deemed to be job-ready in structured job search services, and those with little work experience or education in short-term education/training to improve their employability; and (ii) staff

encouraged participants to take high quality, stable jobs (i.e., jobs paying 25% or more above minimum wage, with benefits and potential for advancement), even if it meant turning down lower quality jobs.

Portland JOBS was operated through a close partnership between the welfare office and the contractor organizations (primarily community colleges) that provided program services. Each program participant had a single case manager in the welfare department who was responsible for placing them in appropriate program services (e.g., job search, education, or training), and insuring that they participated in these activities.

Program participants first completed a mandatory 3-4 week independent job search. Those who did not find a job (i) were administered math and reading tests; and (ii) were interviewed by their case manager about their educational background, job skills and work history. Based on these tests and interview, the case manager placed them in one of two service tracks (described immediately below), or deferred them from participating in JOBS activities if they had serious family problems, very low skills, or exceptionally low motivation levels (approximately 25% were deferred).

Program participants deemed job-ready by their case manager (65% of all non-deferred participants) were placed in a “fast track” designed to quickly move them into the workforce. They first attended a 20-person job club led by contractor staff. Job clubs met for 60 hours over two weeks, and included discussion of job search strategies, resume preparation, and videotaped practice interviews. After job club, Portland JOBS participants were usually required to conduct a job search, utilizing resources at the welfare office and contractor sites (e.g., job listings, computers, staff advice, etc.).

JOBS participants with little or no work and/or education history were placed in an “enhanced track,” providing them with short-term education/training to quickly increase their employability and move them into the workforce. Those placed in the enhanced track first attended a 4-5 week life skills training class (i.e. problem-solving and job search strategies). Then, those with no high school diploma or equivalent attended six weeks of basic education to complete their GED. The rest were placed in either vocational training, a job club, or unpaid volunteer work to gain work experience.

Participation in the program was mandatory, and 21% of individuals assigned to the program lost some of their welfare benefits for not participating in assigned activities.

The program cost approximately \$6,200 per participant (2017 dollars). These costs were more than offset by savings to the government (as discussed below).

[Click here for a more detailed description of the Portland JOBS program.](#) See especially pp. ES-6 to ES-10 and pp. 46-76.

### **III. Evidence of Effectiveness:**

This program was evaluated in one randomized controlled trial with a sample of 4,028 single-parent welfare applicants or recipients whose children were over one year in age, and who had completed the initial mandatory job search described above. These applicants or recipients were randomly assigned,

during 1993 and 1994, either to (i) a group required to participate in the JOBS program, or (ii) a control group that was not eligible for the program, but could participate in other services in the community.

93% of sample families were headed by females. All sample parents were at least 21 years old; and 70% were white, 20% were African American, and 4% were Hispanic.

**Effects on the Portland JOBS group at the 5-year follow-up (versus the control group):**

- 25% higher annual job earnings per person over the five-year period (\$7,337 in annual earnings for the Portland JOBS group vs. \$5,886 for the control group, in 2017 dollars).
- 23% lower annual receipt of welfare payments per person over the five-year period (\$2,519 vs. \$3,292, in 2017 dollars).
- 21% more time employed per person over the five-year period (9.4 quarters employed vs. 7.8 quarters).
- 11% lower annual receipt of food stamps per person over the five-year period (\$1,951 vs. \$2,185, in 2017 dollars).
- The sizeable effects on employment, earnings, and welfare receipt applied to both the less and the more disadvantaged subgroups in the full sample (e.g., both those with higher and lower levels of previous education and work experience).
- Large effect on receipt of a trade license or certificate (17% vs. 4%), and suggestive evidence of a sizeable effect on receipt of a high school diploma or GED (26% vs 17%). However, the latter effect did not reach statistical significance, possibly because of the small sample for this outcome.
- No significant effect on participants' total income, because the JOBS group's increase in job earnings was offset by their lower receipt of welfare/food stamps.
- No significant effect on children's health, educational achievement, or level of delinquency.
- The program resulted in large net savings to the government through increased tax revenues and reduced welfare and food stamps payments. Specifically, the government saved \$2.89 for every \$1.00 it invested in the program.

**Description of Study Quality:**

- The study had low attrition and a long term follow-up: At the 5 year follow-up, outcome data on employment, earnings, and welfare/food stamps payments were obtained for 100% of the sample, using state and county administrative records. Other study outcomes (e.g., the adults' educational attainment and their children's health and education) were measured separately, through a survey of a random subsample of 504 sample members at the 5-year follow-up. This survey obtained outcome data for 88% of the subsample.
- The study measured outcomes using an intention to treat analysis.

- In measuring most outcomes, the study used official unemployment, earnings and public assistance records, rather than relying on sample members' self reports of these outcomes.
- This was a large study, which evaluated the Portland JOBS as it was typically operated, providing evidence of its effectiveness in real-world conditions.

#### **IV. References:**

Scrivener, Susan and Gayle Hamilton, Mary Farrell, Stephen Freedman, Daniel Friedlander, Marisa Mitchell, Jodi Nudelman, Christine Schwartz. *National Evaluation of Welfare-to-Work Strategies: Implementation, Participation Patterns, Costs, and Two-Year Impacts of the Portland (Oregon) Welfare-to-Work Program*. MDRC, May 1998. [Click here for a link to this study](#).

Hamilton, Gayle and Stephen Freedman, Lisa Gennetian, Charles Michalopoulos, Johanna Walter, Diana Adams-Ciardullo, Anna Gassman-Pines, Sharon McGroder, Martha Zaslow, Jennifer Brooks, Surjeet Ahluwalia, Electra Small, Bryan Ricchetti. *National Evaluation of Welfare-to-Work Strategies: How Effective Are Different Welfare-to-Work Approaches? Five-Year Adult and Child Impacts for Eleven Programs*. MDRC and Child Trends, December 2001. [Click here for a link to this study](#).