

Social Programs That Work Review

Evidence Summary for the Los Angeles Jobs-First Greater Avenues for Independence (GAIN) Program

HIGHLIGHTS:

- **PROGRAM:** A program to quickly move welfare recipients into the workforce.
- **EVALUATION METHODS:** A well-conducted randomized controlled trial (RCT) with a sample of 20,731 welfare recipients in Los Angeles.
- **KEY FINDINGS:** Sizable increase in employment rates and job earnings, reduction in welfare dependency, and savings to the government.
- **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-First Greater Avenues for Independence (GAIN), which operated in Los Angeles from 1995-1998, was a welfare-to-work program for all two-parent welfare recipients, and all single-parent welfare recipients whose children were at least three years old. The program served the largest county welfare population in the nation -- a welfare population larger than that of all states except for New York and California. It was a mandatory program, in that participation was required as a condition for receiving full federal welfare benefits.

An important aspect of Jobs-First GAIN is that it was designed based on the results of previous well-designed randomized controlled trials. Specifically, it was created in response to the finding of few positive effects in a trial of Los Angeles' previous welfare-to-work program -- which focused on providing welfare recipients with basic education services as its first priority (e.g., remedial reading and math). In addition, Jobs-First GAIN borrowed key features from the welfare-to-work program in Riverside County, California, which had been found highly effective in an earlier trial. Like the Riverside County program, Jobs-First GAIN placed strong emphasis on moving welfare recipients quickly into the workforce.

Jobs-First GAIN was operated through a close partnership between Los Angeles County's Department of Public Social Services (DPSS) and its Office of Education. Throughout the program, starting with an intensive six-hour group orientation, program staff conveyed a strong message about the importance of work, emphasizing how it can lift participants' self-esteem and how a low-paying job can serve as a stepping stone to a higher-paying one. Following orientation, participants met one-on-one with a DPSS case manager who collected their background information and assigned them to their first program activity.

The main program activity was a three-week job club, conducted by Office of Education staff at job centers throughout the county. A small percentage of program participants (23%) took part in basic education or job training, but usually in conjunction with attending job clubs. The job clubs taught participants how to find job openings, write a resume, complete a job application, and effectively interview for a position. Job club participants then conducted up to two weeks of supervised job search, using job center resources (i.e. phones, job listings, and staff assistance). Program staff also brought in local employers for weekly job fairs, and capitalized on their relationships with these employers to match program participants to specific job openings.

Participation in Los Angeles Jobs-First GAIN was mandatory, and almost 30% of individuals assigned to the program lost some of their welfare benefits for not participating in assigned activities.

Over two years, the total program cost was approximately \$2,485 per two-parent family assigned to the program and \$4,305 per single-parent assigned to the program in 1998 dollars (\$3,796 and \$6,576 respectively in 2017 dollars). Costs were higher for single-parents because, on average, they participated in more program activities than members of two-parent families.

[Click here for a more detailed description of the Los Angeles Jobs-First GAIN program.](#) See especially pp. ES-5 to ES-9 and pp. 7-12.

Throughout this summary, all monetary amounts are converted to 2017 dollars.

III. Evidence of Effectiveness:

This program was evaluated in one randomized controlled trial of 20,731 program-eligible welfare recipients who appeared at Jobs-First GAIN offices throughout Los Angeles between April and September 1996. These individuals were randomly assigned to either a group required to participate in

the Jobs-First GAIN program, or a control group that could not participate in the program, but could utilize any other community services.

46% of the sample were Hispanic, 25% were African-American, and 20% were white. 30% of the sample were identified by the study authors as being “most disadvantaged” because they had (1) received welfare payments for at least two years cumulatively prior to random assignment, (2) did not have a high school diploma or GED, and (3) had not worked in the past year.

All effects described below are statistically significant at the 0.05 level unless stated otherwise.

Jobs-First GAIN’s effects on participants from *two-parent* families 2 years after entering the program (versus the control group):

- 31% higher annual job earnings per person over the two-year period (\$6,187 in annual earnings for the Jobs-First GAIN group vs. \$4,721 for the control group).
- 28% more time employed per person over the two years (3.4 quarters employed for the Jobs-First GAIN group vs. 2.6 quarters employed for the control group).
- 12% lower welfare payments per person over the two years (\$7,372 for the Jobs-First GAIN group vs. \$8,394 for the control group).
- 13% lower annual food stamp payments per person over the two years (\$2,967 for the Jobs-First GAIN group vs. \$3,400 for the control group).
- Program participants experienced no net financial gain or loss, as their increased earnings were offset by reduced welfare and other benefits.
- The above effects were as large, and for some outcomes larger, for the most disadvantaged members of the sample.
- The program produced a large net savings to the government through increased tax revenues and reduced welfare and food stamp payments (as an estimate, \$2.29 saved for every \$1.00 invested).

Jobs-First GAIN’s effects on *single-parent* program participants 2 years after entering the program (versus the control group):

- 25% higher annual job earnings per person over the two-year period (\$5,732 vs. \$4,569)
- 23% more time employed per person over the two years (3.3 quarters employed vs. 2.7 quarters employed).
- 10% lower welfare payments per person over the two years (\$6,505 vs. \$7,200).
- 9% lower annual food stamps payments per person over the two years (\$2,523 vs. \$2,785).
- Program participants experienced no net financial gain or loss, as their increased earnings were almost entirely offset by reduced welfare and other benefits.

- The above effects were as large, and for some outcomes larger, for the most disadvantaged members of the sample.
- A survey of a random subsample of single-parent participants found no effects on marriage rates and no consistent effects on children's health, educational achievement, or level of delinquency.
- The program produced a net savings to the government through increased tax revenues and reduced welfare and food stamp payments (as an estimate, \$1.25 saved for every \$1.00 invested).

Description of Study Quality:

- The study had no attrition for the study's main outcomes of interest: At the 2 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. A few other study outcomes (e.g. educational and health outcomes for children of single-parents) were measured separately, through a survey of a random subsample of 746 single-parent welfare recipients in the original sample. About 74% of this subsample completed the survey.
- This was a very large study which evaluated Jobs-First GAIN as it was implemented throughout Los Angeles County, thus providing evidence of the program's effectiveness in real-world conditions.
- The study measured outcomes using an intention-to-treat analysis.
- To measure employment, earnings, and welfare outcomes, the study used official state and county administrative records, supplemented with survey respondents' self-reports.
- Study Limitation: The study only had a two-year follow-up; longer term follow-up would be needed to determine whether Jobs-First GAIN had a sustained effect on earnings, employment, and welfare receipt.

IV. References:

Freedman, Stephen, Jean Tansey Knab, Lisa A. Gennetian, and David Navarro. "The Los Angeles Jobs-First GAIN Evaluation: Final Report on a Work First Program in a Major Urban Center." MDRC, June 2000. [Click here for a link to this study.](#)

Weissman, Evan. "Changing to a Work First Strategy: Lessons from Los Angeles County's GAIN Program for Welfare Recipients." MDRC, June 1997.