

June 2001

An Assessment of WorkFirst Post-Employment Services

EXECUTIVE SUMMARY

Since its enactment in 1997, WorkFirst has changed the nature of income assistance in Washington, replacing the Aid to Families with Dependent Children (AFDC) entitlement program. WorkFirst clients are required to participate in employment, job search, or other approved activities and face lifetime limits on welfare receipt.

WorkFirst provides post-employment services to help clients stay employed and achieve higher earnings. This report analyzes one-year employment outcomes associated with post-employment services. WorkFirst clients who were employed and either did or did not receive post-employment services in July, August, or September 1999 were followed from October 1999 through September 2000. Program costs associated with keeping clients employed are also summarized.

Key Findings

Clients who worked each quarter—including part-time—had an average of \$12,522 in earnings during the one-year follow-up. Employed WorkFirst clients receiving post-employment services are more likely to stay employed, have higher earnings, and work more hours.

- ❑ Clients who received post-employment services were 6.7 percent more likely to stay employed, earned \$247 more per quarter, and worked 18 more hours per quarter than clients who did not receive post-employment services.
- ❑ A more intensive and proactive model of post-employment services used in Spokane enrolled clients into post-employment services at a higher rate than the rest of the state.
- ❑ Those with post-employment services in Spokane had significantly better employment outcomes than clients in Spokane who did not receive post-employment services. However, the impact of post-employment services provided in Spokane was not significantly different from the impact of services offered elsewhere in the state.
- ❑ When providing post-employment services, WorkFirst agencies did not focus solely on clients who were more likely to have better employment outcomes. On average, clients who received post-employment services were more disadvantaged¹ at the time they received services than clients who did not receive services.

¹ Disadvantaged clients are clients with less work experience, less education, a young child, or other characteristics that cause them to be less likely to be employed.

- It cost about as much (\$10,972 per year) to support a WorkFirst client—with or without post-employment services—who worked four quarters out of the year as it did to support a client who did not work (\$10,904).

This report is part of an evaluation of WorkFirst mandated by the Washington State Legislature. The Joint Legislative Audit and Review Committee (JLARC) and the Washington State Institute for Public Policy (Institute) are collaboratively assessing “the success of the program in assisting clients to become employed and to reduce their use of temporary assistance for needy families” (RCW 44.28.155).

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