

The Enhanced Transitional Jobs Demonstration

Implementation and Early Impacts of the Next Generation of Subsidized Employment Programs

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Chapter 4

**TransitionsSF
(San Francisco, CA)**

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Executive Summary

TransitionsSF served noncustodial parents who were struggling to meet their child support obligations because they were unemployed. It operated as a collaborative effort of the San Francisco Mayor’s Office of Economic and Workforce Development (OEWD), the City and County of San Francisco Department of Child Support Services (DCSS), and Goodwill of San Francisco, San Mateo, and Marin. The program enhanced the basic transitional jobs model through a tiered approach that placed participants in different types of subsidized jobs (nonprofit, public, or private for-profit) based on their job readiness as measured by previous work experience and education. In addition to enhancing the structure of the model, DCSS provided incentives linked to program participation: It temporarily lowered participants’ child support orders and reinstated driver’s licenses that had been suspended for nonpayment of child support.

Main Findings

- **A large majority of study participants were black or Hispanic men in their 30s or 40s; nearly all had worked before, but most had little recent work experience.** A little more than two-thirds of participants had high school diplomas or equivalents, but very few had postsecondary degrees. Nearly all participants had some work experience — and most had held a job for at least six months at some point — but about 80 percent had worked for a year or less in the previous three years. A large proportion of participants (66 percent) were in unstable housing, either staying with someone else or homeless. About two-thirds had current child support orders, while nearly 30 percent only owed back child support for children who were no longer minors. Twenty-eight percent of participants had been previously incarcerated, and nearly 80 percent had past criminal convictions in the state of California.
- **While the TransitionsSF model was innovative, the program faced significant operational challenges.** Fewer than half of the program group members (44 percent) ever worked in a subsidized job. This low placement rate occurred, in part, because half of participants were unable to complete the required preemployment activities, which included a drug test that many participants could not pass. In addition, the program struggled to identify subsidized positions with private-sector employers, and there were delays in placing participants in the public tier — both of which caused long waits for job placements and probably contributed to attrition. Ultimately, among participants who were slated for the private-sector tier, only 24 percent were ac-

tually placed in that type of subsidized job (others were placed in nonprofit positions); similarly, only 39 percent of those slated for the public tier worked in that type of position.

- **The child support incentives were important for many participants.** DCSS successfully provided substantial benefits to participants through its use of child support-related incentives, including the release of suspended driver's licenses and modifications of child support orders. However, it had a more limited ability to provide these benefits for participants' out-of-county cases. This limitation became a problem when the program started to recruit participants with out-of-county cases in an effort to reach its enrollment target.
- **Despite its implementation challenges, TransitionsSF had statistically significant impacts on both employment and earnings during the first year after random assignment.** Due in part to the subsidized jobs, program group members were more likely to be employed, worked more quarters on average, and had higher earnings on average than control group members. For example, program group members earned more than \$2,100 more than control group members on average during the first year (including earnings from subsidized jobs). Employment gains persisted into the first quarter of year two, when very few program group members were still working in subsidized jobs, though earnings increases did not. The impact on employment during the first year was largest among those with no recent work experience.
- **TransitionsSF produced short-term increases in financial security but few other impacts on measures of participant well-being.** In a survey administered around five months after random assignment, program group members reported being more financially secure than control group members, but did not report greater levels of overall happiness, reduced psychological distress, or increased self-confidence related to employment. Although the program produced higher levels of earnings and employment during the first year, these did not translate into positive impacts on measures of personal well-being (for example, health, health insurance coverage, psychological distress, or stability of living situation) measured in another survey administered one year after random assignment.
- **TransitionsSF increased the proportion of participants who paid child support.** Program group members were more likely to pay formal child support than control group members during the first year after random assign-

ment, and paid child support one month more on average during the course of the year. However, there was not a statistically significant difference in the total *amount* of formal child support paid, in part because the program lowered the amount of child support that program group members were required to pay. Put another way, the program lowered participants' child support obligations to better reflect their ability to pay, and doing so did not result in lower child support collections.

The first section of this chapter provides background on the program model, the intended intervention, the recruitment and screening process, and the characteristics of the participants enrolled. The second section describes the implementation of the program, with a particular focus on the ways implementation aligned with or deviated from the intended model. The final section describes the program's one-year impacts on participation in services, employment, child support payments, and criminal justice outcomes.

TransitionsSF

Background

TransitionsSF was established to help unemployed noncustodial parents who were behind in child support payments reconnect with the labor market through transitional jobs. Its tiered approach was designed to allow participants to work in transitional jobs that were appropriate to their backgrounds and abilities. DCSS also viewed the program as an opportunity to experiment with modifying orders to amounts that were manageable to parents. The goal was to first increase payment regularity and later payment amounts. This section begins with an overview of the community context, describes the program model as it was intended to function, and presents information on the characteristics of the study participants.

Context

TransitionsSF was implemented in San Francisco, whose tech boom has received national attention for dramatically, but unevenly, affecting the city's economic landscape. In 2013, San Francisco's unemployment rate was 5.7 percent, the third lowest in California. San Francisco's median household income was \$75,604 between 2009 and 2013, compared with \$53,046 for the country. Over half of San Francisco's population holds a bachelor's degree or higher. But these indicators, which suggest a strong and healthy economy, belie the scarcity of opportunities for those who are less educated and who lack the skills required for the jobs driving the economy forward.

San Francisco lacks businesses and industries that hire large numbers of lower-skilled workers (manufacturing, for example). In 2013, 4 of the top 10 largest employers in San Francisco were government agencies. Only two, the City and County of San Francisco and the University of California, San Francisco, employed more than 10,000 workers. Other large employers in the city were hospitals, banks, institutions of higher education, retailers such as Gap, Inc. (whose headquarters are in the city), and technology companies such as Salesforce.com, Inc. The Director of Workforce Development at OEWD explained that "big box" is considered a dirty phrase in the city, so there are few large chain stores. Opportunities for lower-skilled workers are more common in other nearby areas, such as Alameda County, which operates the region's port; however, the minimum wages there are lower and commutes via public transportation can be a challenge. For the jobs that are available to them in the city, San Francisco's lower-skilled residents face competition from workers with similar profiles who live in neighboring areas.

The disparities in income and economic opportunities have made it harder for the poor to live in San Francisco. One of the most prominent manifestations of this difficulty is found in

the housing market. A 2014 report by the National Low Income Housing Coalition calculated that an individual needed to earn \$29.83 an hour to afford a market-rate one-bedroom apartment in the city, or roughly three times San Francisco's minimum wage. Many of the region's poor have already been pushed out of the city due to the cost of living; indeed, it is possible that those who remain in San Francisco (and who are represented in this study's sample population) are more disadvantaged because they lack the resources to move.

In addition to the local economy and labor market, the child support-enforcement context in San Francisco may have also influenced program implementation. California's child support policies reflect an effort to align child support order amounts with noncustodial parents' circumstances. Noncustodial parents who are incarcerated for more than 90 days and who do not have any means to pay child support can request that their orders be reviewed for modification. Similarly, orders can be reviewed for modification for noncustodial parents who are unemployed, disabled, or receiving general assistance or Social Security.

DCSS takes an active approach to such order modifications. DCSS staff members visit county jails on a weekly basis to inform noncustodial parents about their rights. DCSS also reviews wage data on a quarterly basis to monitor changes in income. The state has a Compromise of Arrears Program, through which noncustodial parents can reduce the past-due child support they owe the government. Caseworkers at DCSS are required to review their caseloads and refer potential participants as appropriate. Performance in this area is a component of caseworkers' annual reviews, which demonstrates DCSS's commitment to assist noncustodial parents struggling with their child support obligations.

DCSS also operates the Custodial and Noncustodial Employment Training Program (C-NET), a program for clients who have barriers that prevent them from being able to fulfill their child support obligations. C-NET shares some features with TransitionsSF, such as individual case management, driver's license release, and job-search help. However, these services are less robust than the ones offered by TransitionsSF. Further, C-NET does not have some of TransitionsSF's central features, namely, transitional job placement and order modification.

San Francisco is an environment with many services available for disadvantaged people, so control group members had access to a large number of other resources in the community, including other employment programs. For example, OEWD runs several other employment and training programs targeting a range of individuals, from low-skilled to higher-skilled; however, these programs tended to offer less comprehensive services.

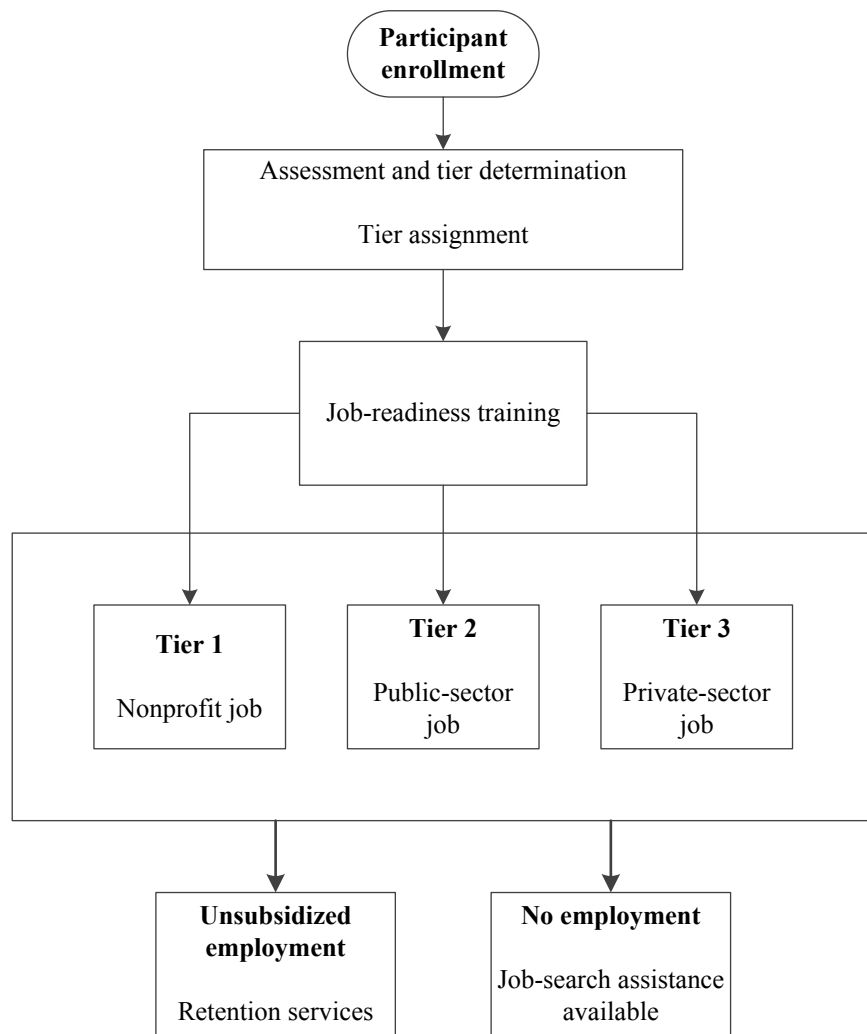
Intended Model

As described in Chapter 1, the TransitionsSF model reflected both structural enhancements to the basic transitional jobs model and child support incentives. As illustrated in Figure

4.1, the model included three stages: pre-transitional job, transitional job, and follow-up. The tiered transitional jobs model was based on the subsidized employment program that San Francisco’s Human Services Agency operated using American Recovery and Reinvestment Act funding. The program was considered highly successful, especially because it placed a large number of people with private, for-profit employers. The partners sought to adapt and enhance

Figure 4.1

TransitionsSF Program Model



this model to serve noncustodial parents who were struggling to pay their child support orders, thereby boosting their earnings so that they could pay their child support. DCSS recognized that standard “guideline” orders were too burdensome for many of these individuals, and it was particularly interested in learning about the effects of lowering these orders to a more manageable amount.¹

The pre-transitional job period was to focus on preparing participants for employment. During this initial stage, participants would undergo a variety of assessments of their behaviors and needs. If services were needed — for example, substance-use or mental health treatment — case managers would make appropriate referrals. Participants would also begin building the soft skills they needed in the workplace through job-readiness training. This period, expected to last for three weeks, would allow the staff to determine the right type of transitional job for each participant.

Next, participants would be placed in a five-month transitional job in one of three tiers, with assignments based on work experience, educational level, and performance in the pre-transitional job period. Each tier corresponded to a different job sector — nonprofit, public, and private, for-profit — that matched the participants’ level of job readiness from lowest to highest. If participants demonstrated superior performance on the job, or, conversely, revealed that they could not meet the demands of the transitional job, they might move up or down a tier. Otherwise, they would remain in the same tier for the length of the transitional job stage. The jobs in the nonprofit and public tiers were strictly transitional and not expected to become permanent; in contrast, private-sector employers were expected to move individuals who performed well during the subsidy period into regular, unsubsidized jobs.

Several months into the transitional job, the staff would start to work with participants to conduct job searches so that they could successfully make the transition into unsubsidized employment. In the yearlong follow-up period, which started after the transitional jobs ended, the staff would continue the job-search process with participants who had not obtained jobs, or work with them on job retention and advancement if they had.

Throughout each stage of the program, participants were to receive case management services and several other forms of support. Perhaps most substantially, DCSS released their suspended driver’s licenses and modified their child support orders to a below-guideline amount once they began working, so that they would not see large deductions from their paychecks. These incentives were to be removed if participants stopped engaging with the program. If they

¹Child support orders are based on guidelines that consider the incomes of both parents and other factors. A small number of study sample members had received child support order modifications before they entered the study, but the status quo was generally to assign orders based on the guidelines.

continued to be nonresponsive, DCSS could bring these participants to court. Participants also received stipends for attending activities like educational classes, among other types of support.

The TransitionsSF program model was based on the following assumptions:

- **Participants faced a host of barriers to employment that needed to be addressed before they could stabilize and work.** According to the grant proposal, participants were expected to require time to develop “habits for success.” The purpose of the assessments, early case management, referrals, and job-readiness training was to prepare participants for placement. Barriers to employment due to lack of education would be addressed through high school equivalency and digital literacy classes.
- **The different tiers of transitional jobs would ensure that participants received work experiences in environments that were beneficial to them and appropriate for their current levels of employability.** Participants in Tier 1 (the nonprofit tier) would gain soft skills and learn appropriate workplace behavior in a supportive environment. Participants in Tier 2 (the public service tier) would also have a relatively supportive environment and would gain exposure to the public sector. For participants in Tier 3 (the private-sector tier), the purpose of the transitional job was to give employers the opportunity to “test-drive” participants before they were hired. Even if a participant did not get hired, that person would have a new job to add to his or her résumé and an employer reference to use when searching for an unsubsidized job.
- **Participants needed incentives to remain engaged with the program.** The partners considered a “carrot-and-stick” approach to be critical to keeping participants active in TransitionsSF. DCSS recognized that child support obligations were a barrier to employment for many noncustodial parents. DCSS hoped that if it gave TransitionsSF participants “off-guideline” child support orders that were lower than normal, they would become more open to working and have a chance to get back on their feet.
- **Participants’ transitional jobs experience would enable them to become gainfully employed with a living wage so they could take care of themselves and their children.** DCSS speculated that lowering the amount owed each month would allow participants to make payments more consistently and reliably, which in turn would benefit the family by improving relationships between custodial and noncustodial parents. TransitionsSF was also in-

tended to be a step toward regular employment for participants, thereby increasing child support collection in the future.

Three pieces in the original design were underdeveloped and not fully considered until very close to the program's launch: when to administer the drug test participants would have to pass in order to be placed in transitional jobs (a standard policy at Goodwill); what specific strategies to use to help participants make the transition into unsubsidized employment after their transitional jobs ended; and how Goodwill and the San Francisco Human Services Agency (which operated the transitional jobs in Tier 2) would coordinate providing services and support to participants in Tier 2. The late planning of these elements had ramifications for the program as it unfolded.

Recruitment and Study Enrollment

Although TransitionsSF had fairly broad eligibility criteria and minimal screening, achieving the sample-size goal of 1,000 participants required substantial staff resources and effort. This section describes the recruitment and random assignment process, as well as the challenges the program encountered in trying to reach recruitment targets.

To be eligible for TransitionsSF, individuals had to be noncustodial parents between the ages of 18 and 60, residing in San Francisco, who were unemployed or underemployed. They also had to meet at least one of several child support-based criteria: They had to be behind in child support payments by at least 121 days; have zero/reserved orders because they had low incomes or no income; be required to have orders established within 30 days; or have made payments of less than \$100 (aside from income withholding) in the past 120 days. DCSS used its database to identify such individuals and conducted outreach to a selected sample of them each month. The program's goal was to randomly assign 44 to 52 noncustodial parents each month, in order to enroll monthly cohorts of about 22 to 26 into TransitionsSF.²

- **The partners had different perspectives on how much assessment and screening to conduct before random assignment. Ultimately, the decision was made to do minimal screening. As a result some participants were included who were unable or unwilling to fully engage with TransitionsSF.**

The first step toward enrolling in the study was for invited individuals to attend an orientation session held once a month at the public library, a location DCSS selected because it was familiar to the individuals and potentially more approachable than the DCSS office. At this orientation, attendees learned about the program, the evaluation, and random assignment. Those

²A cohort is a group of participants who join a program at the same time and move through it together.

who were interested in participating then completed a consent form and a form that asked for basic information about their criminal justice backgrounds, demographic characteristics, and educational and employment histories. They received an appointment for random assignment at the DCSS office two days later.

At the random assignment appointment, each individual met one-on-one with a member of the DCSS staff, who collected additional background information and then entered the individual into MDRC's online random assignment system. Participants assigned to the program group signed a document that described the actions to be taken by DCSS and the requirements the participants needed to fulfill to be in TransitionsSF, including attending the job-readiness training and working in a transitional job. They were also instructed to go to Goodwill the following morning to begin the program. Participants assigned to the control group signed a similar document, though theirs was for C-NET, DCSS' existing case management program for unemployed parents. Each of them was also given an appointment time with the DCSS staff person who runs C-NET.³

During the planning phase, the partners disagreed about whether individuals should be assessed before random assignment. DCSS wanted to serve a broad swath of the eligible population, which would also maximize the number who could be randomly assigned, while Goodwill and OEWD wanted more screening so they could identify people who did not seem ready to participate in TransitionsSF. Ultimately, there was no additional screening of participants beyond confirming their eligibility. The random assignment appointment was deliberately scheduled for two days after the orientation so individuals had to make an additional trip to enroll, thereby demonstrating a genuine interest in participating and the ability to keep an appointment. OEWD staff members speculated in an interview that the program struggled to work with certain participants because they lacked the ability or motivation to participate fully.

- **DCSS conducted an intensive outreach effort, but meeting the enrollment goal for the evaluation proved to be a struggle that became more difficult over time.**

A large number of DCSS staff members were involved with the effort to recruit targeted individuals. DCSS primarily relied on letters and phone calls to invite potential participants to attend the monthly orientation sessions, but it also used other recruitment methods to boost interest. For example, DCSS sent letters to custodial parents, asking them to encourage the noncustodial parents of their children to participate — and also asking them to provide DCSS

³An interview with the C-NET caseworker and case file reviews of three control group members (one selected at random from each of the three tiers) indicated that few members of the control group ultimately engaged with C-NET.

with updated contact information for those noncustodial parents. Staff members also visited halfway houses, jails, community centers, and other places where the program's target population might be, to provide information to them about TransitionsSF.

Data that DCSS tracked on recruitment suggest two reasons for the enrollment challenges: (1) the limited number of eligible individuals and (2) the difficulty of persuading eligible parents to attend the orientation. As time went on, DCSS found that it had to reach out to increasing numbers of individuals to achieve its monthly goals. San Francisco is not a particularly large city, and the number of new cases each month was small, meaning that the size of the target population did not grow much over the course of the project. Eventually, DCSS largely depleted the individuals available to recruit. Recruitment was also hampered by the negative perception of DCSS held by many noncustodial parents. DCSS staff explained that noncustodial parents see the agency as an aid to custodial parents and as enforcement directed at noncustodial parents. Some were wary of the invitation they received to learn about TransitionsSF, thinking it might be a sting operation. Indeed, several participants interviewed by the evaluation team reported that they had been suspicious of the program when they received their outreach letters.

In the spring of 2013, DCSS began recruiting San Francisco residents who only had child support cases outside the county to expand the pool of eligible individuals. While this strategy did increase the number of noncustodial parents in the recruitment pool, DCSS was not always able to offer these parents certain forms of support that were available to other participants. Those elements had to be approved by the child support departments in the counties where their cases were located. This issue is discussed further below.

Baseline Characteristics

This section discusses the background characteristics of the evaluation sample in areas such as demographics, educational background, work history, and child support history. These characteristics are presented in Tables 4.1 and 4.2 and Appendix Table C.1.⁴

A large majority of study participants were black or Hispanic men (as shown in Table 4.1). Their average age was 40, a few years older than the average age across all the programs that targeted noncustodial parents. Nearly 35 percent of the participants in San Francisco were 45 or older, compared with about 25 percent of the participants and control group members

⁴As expected (given the random assignment design), there were very few statistically significant differences between the program and control groups with respect to these characteristics. Therefore, for simplicity, Tables 4.1 and 4.2 and Appendix Table C.1 present numbers for the full San Francisco sample. For a detailed comparison of the baseline characteristics of program group members and control group members across the ETJD programs, see Appendix I.

Table 4.1**Characteristics and Employment Histories of Sample Members: *San Francisco***

Characteristic	San Francisco Program	ETJD Programs Targeting Noncustodial Parents
Male (%)	88.0	93.2
Age (%)		
18-24	4.8	7.6
25-34	25.8	32.6
35-44	34.5	34.9
45 or older	34.9	24.9
Average age	40.1	37.6
Race/ethnicity (%)		
Black, non-Hispanic	67.4	82.4
White, non-Hispanic	3.4	5.5
Hispanic	19.3	7.9
Asian, non-Hispanic	4.9	1.4
Other/multiracial	4.9	2.9
Educational attainment (%)		
No high school diploma or equivalent	28.5	29.2
High school diploma or equivalent	67.6	66.0
Associate's degree or equivalent	1.6	2.6
Bachelor's degree or higher	2.3	2.3
Marital status (%)		
Never married	57.0	66.2
Currently married	8.4	8.4
Separated, widowed, or divorced	34.7	25.4
Veteran (%)	0.9	4.9
Has a disability (%)	0.2	5.4
Housing (%)		
Rents or owns	29.9	45.4
Halfway house, transitional house, or residential treatment facility	4.5	3.7
Homeless	13.7	7.9
Staying in someone else's apartment, room, or house	51.9	43.0

(continued)

Table 4.1 (continued)

Characteristic	San Francisco Program	Programs Targeting Noncustodial Parents
<u>Employment history</u>		
Ever worked (%)	97.5	95.6
Among those who ever worked:		
Worked in the past year (%)	41.4	49.9
Average hourly wage in most recent job (\$)	14.25	11.21
Ever worked for the same employer for 6 months or more (%)	87.5	79.5
Months worked in the previous 3 years (%)		
Did not work	5.9	13.8
Fewer than 6 months	31.2	27.8
6 to 12 months	43.6	28.7
13 to 24 months	6.2	14.1
More than 24 months	13.1	15.6
Sample size	995	3,998

SOURCES: MDRC calculations based on baseline survey data and ETJD management information system data.

across all the noncustodial parent programs. Several program staff members observed that the participants were older than anticipated, and that their age represented an additional challenge to finding employment for them. The highest level of education reached by two-thirds of the sample was a high school diploma or equivalent (for example, a General Educational Development [GED] certificate). Twenty-nine percent of the sample did not have a high school diploma or equivalent.

Nearly all participants had employment experience, though their recent work histories appeared to be sporadic: In the previous three years, about 44 percent of the participants had worked between 6 and 12 months, and about 31 percent of the participants had worked, but for less than 6 months (see Table 4.2). The average hourly wage from participants' last jobs (\$14.25) was high relative to other cities (\$11.21).⁵ This high wage is consistent with San

⁵Table 4.2 shows sample members' average hourly wage at their most recent jobs before they entered the study. Appendix Table C.1 presents more detailed information about sample members' hourly wages in their most recent jobs before they entered the study.

Table 4.2

Child Support and Criminal Justice Characteristics of Sample Members: *San Francisco*

Characteristic	San Francisco Program	ETJD Programs Targeting Noncustodial Parents
<u>Parental and child support status</u>		
Noncustodial parent (%)	100.0	100.0
Has any minor-age children (%)	87.3	93.2
Among those with minor-age children:		
Average number of minor-age children	2.1	2.5
Living with minor-age children (%)	19.9	18.1
Has a current child support order (%)	67.2	86.3
Has an order only for child support debt (%)	29.0	12.7
<u>Criminal history</u>		
Ever convicted of a crime ^a (%)	79.1	76.4
Ever convicted of a felony	34.8	36.7
Ever convicted of a misdemeanor	56.6	64.6
Ever incarcerated in prison (%)	28.3	40.2
Among those ever incarcerated in prison:		
Average time in prison (years)	NA ^b	3.8
Years between most recent release and program enrollment (%)		
Less than 1 year	19.6	33.2
1 to 3 years	17.9	17.5
More than 3 years	62.5	49.2
Average months since most recent release ^c	94.7	62.2
On community supervision at program enrollment ^d (%)	48.8	51.6
Sample size	995	3,998

SOURCES: MDRC calculations based on baseline survey data, ETJD management information system data, and criminal justice administrative records.

NOTES: Measures are self-reported unless otherwise noted. NA = not available.

^aIncludes convictions in the state of California as recorded in administrative records. Does not include federal convictions or convictions from other states.

^bAdministrative prison records from California were not available on this subject at the time of this report.

^cMost recent release can be from prison or jail.

^dIncludes parole, probation, and other types of criminal justice or court supervision.

Francisco's wages as a whole, which are generally higher than the national average across different occupations. Since 2009, the city's minimum wage has been close to or over \$10 per hour.

Given San Francisco's high rental prices (as described earlier), it is not surprising that housing was a major problem for participants. About 52 percent of participants were staying in someone else's apartment, room, or house at the time they enrolled in the study and nearly 14 percent reported being homeless. Both these figures are considerably higher in San Francisco than in the other ETJD programs.⁶

A history of criminal justice involvement posed another barrier to employment for a sizable portion of the sample. Nearly 80 percent of participants had past criminal convictions in the state of California, 35 percent had past felony convictions, and 28 percent had previously been incarcerated in prison.⁷ Forty-three percent of the sample (over half of those with past convictions) had been convicted of a violent crime (see Appendix Table C.1). Among those who had been to prison, the average time since their most recent release from prison or jail was more than seven years (95 months on average, as shown in Table 4.2), but one-fifth had been released within the past year. Having a criminal history limited job opportunities for some participants.

About 67 percent of participants had current child support orders, while nearly 30 percent had only arrears child support orders, meaning that they only owed back child support for children who were no longer minors. The substantial number of participants with arrears-only orders is probably due to the older-skewing sample. Reviews of program participants' case files conducted by the evaluation team and interviews with selected program participants and staff members indicate that many participants had multiple child support cases, sometimes in different counties. Some participants had both current child support orders and arrears orders.

Program Implementation

Program Structure and Staffing

Each of TransitionsSF's three primary partner organizations performed a distinct role on the project: OEWD (the San Francisco Mayor's Office of Economic and Workforce Development) was responsible for overall project and grant management; DCSS (the City and County

⁶The rate of homelessness among sample members in San Francisco was high both compared with other ETJD programs serving noncustodial parents (as shown in Table 4.1) *and* compared with ETJD programs serving formerly incarcerated individuals (5.8 percent on average, not shown).

⁷The measure of incarceration in prison does not include incarceration in jail.

of San Francisco Department of Child Support Services) conducted recruitment and provided child support-related incentives to participants; and Goodwill provided program services. In addition, the city's Human Services Agency (HSA), which runs the Public Service Trainee program,⁸ managed the Tier 2 transitional jobs, including participant placement and relationships with the Tier 2 employers. The three primary partners remained actively engaged in TransitionsSF throughout the grant period, and senior managers from all three partners met regularly to discuss program policies and procedures. A program manager from HSA also participated in meetings, but was less involved in the program's overall design and strategy. DCSS staff members and the Goodwill project manager met weekly to review participants' status, discussing their attendance, subsidized and unsubsidized job placements, and child support payments.

On the whole, the program had more staffing for the pre-transitional job activities than for job development and postemployment follow-up. Goodwill allocated four full-time-equivalent staff positions (FTEs) to the pre-transitional job stage; three FTEs to case management during and after the transitional job, and two FTEs to job development for both Tier 3 subsidized positions and unsubsidized jobs.⁹ Data from a time-use study — in which program staff members reported how they spent their time during a two-week period — confirms that limited time was spent on job development. Just 9 percent of all staff hours spent on TransitionsSF were devoted to making contact with potential employers and searching for new transitional job or unsubsidized job opportunities for participants. An additional 10 percent was spent on transitional job and unsubsidized job-search assistance in the form of sharing job opportunities with participants, leading a job club, and other activities. That 10 percent includes time spent by case managers on helping participants with their job searches. The largest proportion of the staff's time, 23 percent, was spent on case management. The small number of staff members working on job development probably contributed to the difficulties TransitionsSF had in creating adequate numbers of Tier 3 (private, for-profit) transitional job openings and in getting participants into unsubsidized employment after their transitional jobs ended. These challenges are described in later sections.

The following staff members (from Goodwill except when noted) provided services directly to TransitionsSF participants.

Assessment specialists, who were all master's-level counselors, met with participants individually during orientation week and asked about the stability and safety of their living

⁸The Public Service Trainee program is available to recipients of Temporary Assistance for Needy Families who are enrolled in Jobs Now, a subsidized employment program operated by HSA.

⁹FTEs indicate the number of full-time employees at an organization plus the number of part-time employees, standardized to a full-time basis. For example, an organization with 4 full-time and 3 half-time employees would have 5.5 FTEs.

situations, their transportation needs, their health insurance, their physical and mental health, their work histories, and their education levels. In this meeting, the assessment specialists also reviewed the results of the online assessments that participants took during orientation, which identified their work interests and aptitudes. Using the information they gathered, the assessment specialists prepared a written report on each participant and shared it with case managers.

The **job-readiness training instructor** taught a two-week, 24-lesson course based on a curriculum used at Goodwill programs across the country, covering topics such as interviewing, writing résumés, and handling conflict. The instructor also worked with participants to draft cover letters and résumés and to conduct mock interviews. All participants were required to complete this course before being placed in transitional jobs.

Case management functions were divided between two groups of staff members. During orientation week, participants were assigned to a **resource specialist**, who focused on addressing barriers to employment by helping participants obtain documents such as birth certificates or Social Security cards, providing bus tokens, and making referrals to outside agencies for legal services, housing, mental health counseling, eyeglasses, and work attire. Though resource specialists had access to the reports produced by the assessment specialists, they typically held another “intake” conversation with each participant to identify that person’s needs. The resource specialists explained that this conversation was necessary because participants often failed to disclose sensitive issues like drug use in the first assessment. Resource specialists also helped participants get their drug tests and background checks completed.

Once participants completed the preemployment activities, they began working with a **career adviser**. Resource specialists and career advisers were paired and worked with the same group of participants; if serious issues emerged, career advisers could refer a participant back to a resource specialist for additional help. The career adviser’s role was to support the participant in his or her transitional job and to help him or her plan for unsubsidized employment.

Case managers accompanied participants in Tiers 1 and 3 to job sites on the first day to meet with the supervisors together. They remained in contact with the job-site supervisors if there were issues with participants’ job performance and conducted formal performance evaluations with all work-site supervisors in Tiers 1 and 3, collecting their appraisals of participants’ job performance in areas such as punctuality, attention to detail, grooming, ability to work independently without supervision, and mastery of job-specific learning objectives. Case managers did not have contact with Tier 2 job sites, an issue discussed further below.

The case managers served as an important link to the job development team as participants searched for unsubsidized employment. Participants were expected to meet with their case

managers twice a month while they worked in their transitional jobs and once a month after that, though case managers were available to meet more frequently if needed.¹⁰ At these meetings, case managers discussed how the transitional job was going, helped with career exploration and job searching, and shared job leads from the Goodwill job developers. They worked with participants to tailor their résumés, submit job applications, and prepare for interviews.

Goodwill dedicated two **job developers** to TransitionsSF, with one manager overseeing their work. Job developers cultivated relationships with private, for-profit employers to create subsidized Tier 3 transitional jobs, and identified unsubsidized job leads. The job developers monitored job listings on the Internet and in other places and conducted outreach to employers to encourage them to participate in TransitionsSF. Job developers met once with participants during job-readiness training to learn about their interests and work backgrounds, but after that, they communicated transitional and unsubsidized job opportunities to participants through the case managers. Some participants were able to develop relationships with the job developers through other channels; for example, one job developer led a weekly job club and got to know the participants who attended regularly.

Two **DCSS caseworkers** assigned to TransitionsSF carried caseloads of about 200 participants each, considerably lower than the typical DCSS caseload of 600 or more. They were responsible for administering the child support incentives for program participation, including driver's license release and child support order modification, and for removing these incentives if participants stopped attending the program. In addition, participants were able to call their caseworkers directly, in contrast to standard practice, where DCSS clients called a hotline if they had questions.

During the transitional job, participants were also enrolled in either GED or digital literacy classes. Instructors from Five Keys Charter School provided GED preparation, while instructors from Goodwill provided digital literacy classes. The program made arrangements with transitional job employers so that participants could attend these classes at Goodwill for 6 to 10 hours each week. Digital literacy classes were four months long, while the length of GED classes varied depending on when participants were ready for testing.

TransitionsSF was also able to make use of a number of Goodwill's existing partnerships with other service providers in the community. Participants who failed their drug tests were referred for counseling to Family Service Agency, which had an office within a Goodwill location. Staff members at Family Service Agency joined case-conferencing meetings with the

¹⁰The actual frequency of these meetings is unknown, as they do not appear to have been reliably recorded in the management information system.

Goodwill staff to discuss TransitionsSF participants. Participants with more serious substance-use issues were referred to Walden House, which provided rehabilitation services. Both Family Service Agency and Walden House also offered mental health treatment.

Implementation of Core Program Components

This section draws from interviews with staff members, partners, employers, and participants that were conducted over three site visits by the evaluation team (one visit to conduct an early assessment of the program and two later visits to learn about ongoing program implementation); conversations with program managers over the course of the grant period; and participation data drawn from the management information system, which are presented in Table 4.3 and Figure 4.2.

- **Tier assignments were made early during the orientation week. Although the program intended to determine tier assignments for participants using a firm set of guidelines based on work experience and educational level, the actual process used was not entirely clear.**

The tiered approach to transitional jobs was supposed to place each participant in a transitional job appropriate to that person's job skills or job readiness. If implemented properly, with all participants assigned to tiers based on clear criteria that were consistently applied, this procedure could have also enabled the study to conduct impact analysis within each tier.¹¹ However, it is not entirely clear what process the staff followed to make these assignments, despite the evaluation team's efforts to understand it through staff interviews and data analysis. Though the program's formal policy was that participants should be assigned to job tiers in part based on their attendance and performance in the job-readiness classes, staff members reported that they made tier assignments strictly based on educational attainment and work history (see Box 4.1 for the guidelines). They explained that this approach allowed them to make tier assignments as soon as participants enrolled in TransitionsSF, which sped the process of matching participants with transitional jobs. However, if that were the case then it should have been possible to predict participants' tier assignments based on the educational and work history information collected by DCSS during the random assignment process, and the assignments Goodwill actually made did not consistently match those predictions. This discrepancy could have arisen from discrepancies between DCSS's and Goodwill's participant background forms. Goodwill's form asked about participants' full-time work history since 2004, while DCSS's

¹¹The evaluation team encouraged the TransitionsSF partners to develop and follow clear criteria for tier assignments specifically so that it would be possible to conduct impact analysis within each tier. In response, the program developed the matrix using education level and work experience shown in Box 4.1.

Table 4.3

**One-Year Participation in ETJD Subsidized Jobs and Services
Among Program Group Members: *San Francisco***

Measure	Program Group ^a	Tier 1	Tier 2	Tier 3
Started orientation (before job-readiness training) (%)	92.8	98.4	94.2	96.6
Completed initial assessment at Goodwill (%)	80.0	87.2	81.3	85.5
Started job-readiness training (%)	75.4	82.4	77.7	79.3
Completed job-readiness training (%)	59.7	64.2	59.0	66.9
Ever passed a drug test (%)	62.3	70.6	61.9	64.1
Completed job-readiness training and passed a drug test (%)	50.7	55.1	51.8	54.5
Worked in a subsidized job (%)	43.5	49.2	41.7	46.9
Worked in a Tier 1 subsidized job	25.1	47.1	6.5	20.0
Worked in a Tier 2 subsidized job	12.0	1.1	38.8	2.8
Worked in a Tier 3 subsidized job	7.4	1.1	0.0	24.1
Did not work in a subsidized job (%)	56.5	50.8	58.3	53.1
Among those who worked in a subsidized job:				
Average number of months in the program ^b	7.0	6.8	7.5	6.8
Average number of days from random assignment to first subsidized paycheck	85.2	88.9	91.2	75.1
Average number of days worked in a subsidized job ^c	63.4	55.3	69.0	69.6
Assigned to high school equivalency class (%)	25.3	37.4	36.0	3.4
Completed, among those assigned to this class	49.6	42.9	56.0	100.0
Assigned to digital literacy class (%)	62.7	55.6	55.4	90.3
Completed, among those assigned to this class	38.2	46.2	24.7	40.5
Sample size	501	187	139	145

SOURCES: MDRC calculations based on data from TransitionsSF payroll records and participation records, and the ETJD management information system.

NOTES: The tier columns reflect initial tier assignments. They do not reflect later movement between tiers.

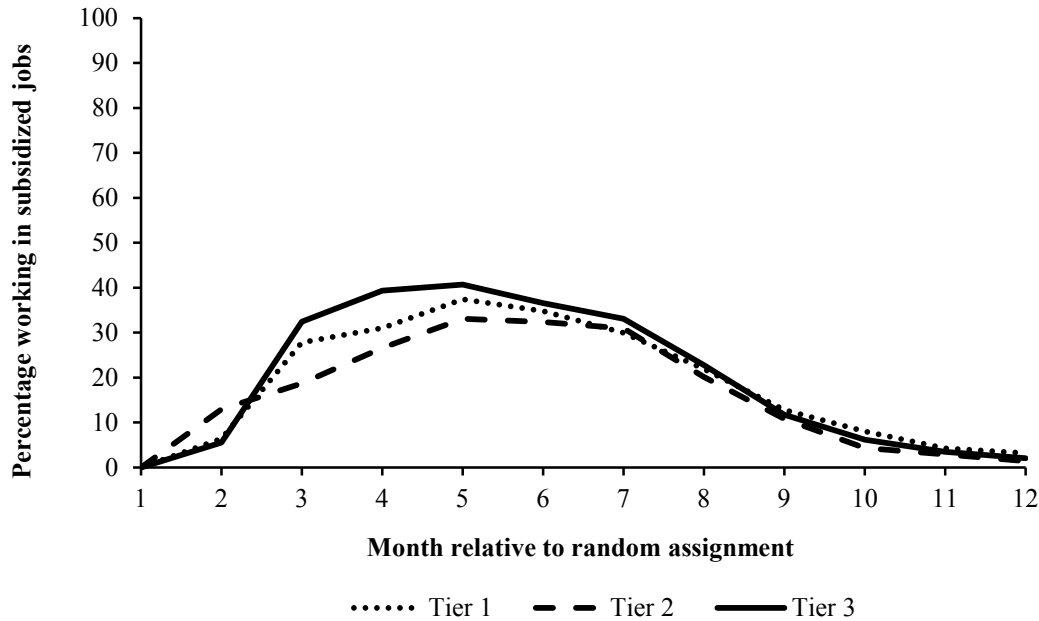
^aIncludes 30 individuals for whom no tier assignment was available and who are not included in a tier column. As a result of these 30 individuals, percentages shown in the "Program Group" column may not reflect the averages of the tier columns.

^bMeasured as the duration between random assignment and last subsidized paycheck.

^cCalculated using net hours worked, assuming a seven-hour workday.

Figure 4.2

Subsidized Employment Over Time: *San Francisco*



SOURCES: MDRC calculations based on data from TransitionsSF payroll records and the ETJD management information system.

NOTES: Tier lines reflect initial tier assignments. They do not reflect later movement between tiers. Month 1 in this figure is the month in which random assignment occurred.

background form asked about any type of employment and did not include date restrictions. Goodwill’s form asked whether participants had completed college while DCSS’s form asked whether they had attended college.¹² It is also possible that some participants may have report-

¹²The form filled out by participants at DCSS before random assignment read: “Check your level of education: No high school diploma / GED High school diploma/GED Some college”

The question about employment asked “Have you ever been employed? Yes No”, then asked participants to “Check the number of years of work experience you have: Less than 1 year 1 - 5 years More than 5 years”

The form filled out by participants upon their arrival at Goodwill read: “(check all that apply): I have completed the [] grade; I have a GED; I have a High School Diploma; I have completed college coursework/vocational training, I have a college degree.” The question about employment asked: “Since 2004, (continued)

Box 4.1

Transitional Job Tier Assignment Matrix

Amount of Work Experience	Highest Level of Education	Tier Assignment
0-1 years	No high school diploma or equivalent	Nonprofit (1)
1-5 years	No high school diploma or equivalent	Public sector (2)
5+ years	No high school diploma or equivalent	Public sector (2)
0-1 years	High school diploma or equivalent	Nonprofit (1)
1-5 years	High school diploma or equivalent	Public (2)
5+ years	High school diploma or equivalent	Private sector (3)
0-1 years	Some college	Public sector (2)
1-5 years	Some college	Private sector (3)
5+ years	Some college	Private sector (3)

ed different educational and work history information once enrolled at Goodwill for reasons other than the form discrepancies, or that the staff did not adhere entirely to the guidelines and used other factors to make the assignments.

A number of participants ended up working in different tiers than the ones they were initially assigned. Changes were occasionally made to accommodate participants' interests; for example, a few participants slated for Tier 2 did not want to work outside. Some participants who were assigned to Tier 3 got "parked" working in Tier 1 while Goodwill worked to identify appropriate slots for them in Tier 3, but not all of them ended up getting Tier 3 positions. Participants with superior performance ultimately did not move up tiers, as initially planned.

- **Pre-transitional job activities were largely implemented as intended, but there was a great deal of attrition during this period. For those who persisted in the program, completing these activities required much more**

how many years of full time work experience have you had? 1) less than one year full time work experience; 2) One to five years of full time work experience; and 3) More than five years full time work experience."

time than expected. Both management information system data and staff interviews indicate that passing the drug test was a barrier to participation for many people.

The vast majority of program group members (93 percent) showed up at Goodwill after random assignment and started orientation. As shown in Table 4.3, however, participants dropped out at each successive step: 80 percent of the program group met with the assessment specialist, 75 percent started the job-readiness training classes, and 60 percent completed them.

As shown in Table 4.3, 62 percent of participants passed the drug test. The others either never passed or left the program before passing. The drug-test requirement, which is a Goodwill agency policy, was not known until close to the start of the program; if it had been known, the study's designers may have decided to conduct random assignment after participants had passed the drug test. Failed drug tests were a primary reason why many participants spent so long in the pre-transitional job period, which lasted for almost three months on average. Three months was considerably longer than the intended three weeks — though job developers acknowledged that three weeks would have been improbable, because a week or two was probably needed to place a participant in a transitional job and for that person to start working. While participants had up to three chances to pass the drug test, failing the first time added a minimum of an additional 45 days before they could retake the test. During the time that participants were working to fulfill the necessary requirements to begin a transitional job, they attended their assigned educational activities (digital literacy or GED classes) and met with their case managers. Some also stopped attending and had to be reengaged by Goodwill and DCSS.

Another reason for attrition was that a substantial number of participants across all tiers independently obtained unsubsidized employment without first working in a transitional job, according to Goodwill. This finding raises the question of whether the program was serving some people who did not need subsidized jobs.

The program intended to push participants to focus on employment, yet the staff observed that participants had other needs that had to be addressed. Staff members reported that many participants were not ready for the program because of serious problems such as a lack of stable housing, mental health issues, and substance abuse. The program was not designed to address these, which may have contributed to the high attrition rate. For example, the drug test was intended merely to screen participants for employability, but it often revealed that they needed to undergo serious treatment. While Goodwill could make referrals for this treatment, it was not part of the program model.

- **Overall, 44 percent of participants worked in transitional jobs (see Table 4.3). This low rate can be attributed largely to the high attrition that took place during the preemployment period. Of those who successfully**

completed the preemployment stage, about 80 percent to 90 percent worked in transitional jobs, though not necessarily in the tiers to which they were originally assigned.

Different participants had different characteristics, and the different tiers had different requirements. As a result, there were considerable variations in both the rates at which eligible participants were placed in transitional jobs and in the number of days that passed between random assignment and the time a participant received his or her first paycheck, as shown in Table 4.3. Among those who completed job-readiness training and passed the drug test, Tier 1 had the highest subsidized jobs placement rate at 89 percent (this figure is derived by dividing 49.2 percent by 55.1 percent — the percentage placed in a subsidized job by the percentage who completed preemployment activities). This result is not surprising, as Goodwill had direct control over transitional jobs at its warehouse and stores, making these among the easiest placements to secure. Tier 1 participants may also have been less likely than participants in other tiers to get jobs on their own and leave the program for that reason.

The placement rate among participants who completed job-readiness training and passed the drug test was lowest in Tier 2, at 81 percent (41.7 percent divided by 51.8 percent). Tier 2 participants also spent the longest time in the program (91 days) before receiving their first paychecks. This duration probably reflects the additional challenges involved in getting placed in a Tier 2 transitional job. Before they could start work, Tier 2 participants had to complete another background check required by HSA's human resources department. This step could take three to eight weeks, adding to the time participants spent before starting work and also probably contributing to additional attrition. As the table shows, about 7 percent of those assigned to Tier 2 were placed in Tier 1 transitional jobs at Goodwill.

Participants in Tier 3 spent the shortest time in the program before starting their jobs and receiving their first paychecks (75 days). As they were considered the most job-ready participants, they may have been able to move through the pre-transitional period more quickly than participants assigned to other tiers. However, there were sometimes more participants seeking transitional jobs in this tier than there were jobs available, which could result in delays before they were placed. In fact, there were times when no Tier 3 positions were open. These challenges reflected Goodwill's inexperience with developing transitional jobs in the private, for-profit sector, as well as difficulties posed by San Francisco's employment market, described earlier in the chapter. The job developers also found that participants tended to be reluctant to work far from central San Francisco, sometimes due to the challenges of commuting. However, many of the transitional jobs were located outside of central San Francisco. In fact, DCSS worked with the probation agency to allow participants who were on probation to bypass the requirement of serving that probation in San Francisco (if that was where their crimes were committed), making it possible for them to work outside of the county.

Eighty-six percent of the Tier 3 participants who completed preemployment activities ended up working in subsidized jobs (46.9 percent divided by 54.5 percent). However, as shown in the table, 20 percent of program group members assigned to Tier 3 and 37 percent of those assigned to Tier 3 who completed preemployment activities (20.0 percent divided by 54.5 percent) were placed in Tier 1 jobs, almost as many as were placed in Tier 3 jobs. These assignments probably occurred because Tier 3 participants were “parked” in Tier 1 when no appropriate Tier 3 openings were available.

- **For those who were placed, the tier system provided different types of jobs with varying levels of support from employers, as intended.**

Participants in Tiers 1 and 3 were expected to work 30 hours per week and received the local minimum wage (\$10.24 in 2012 and \$10.55 in 2013). Participants in Tier 2 were paid a slightly higher wage due to city regulations. To maintain equity among the tiers, Tier 2 participants worked fewer hours per week (24 to 26 hours per week). Goodwill served as the employer of record for Tier 1 and 3 jobs; for Tier 2, it was HSA.

Table 4.3 shows that across all tiers participants worked an average of 63 days in their transitional jobs (or slightly more than three months), based on a seven-hour workday.¹³ The average length of time spent working in a transitional job was lower for participants in Tier 1 (about three months on average) than those in Tiers 2 and 3 (about four months). These average lengths of time indicate that some participants who worked did not stay for the full five-month transitional job period.

Participants who lost their transitional jobs for reasons such as poor attendance or punctuality were given the opportunity to be placed in a second transitional job at Goodwill. Some participants were forced to leave their transitional jobs for “cause,” for example, because of stealing; they were terminated from the program.

Jobs in the different tiers offered different types of work, different levels of support and supervision, and different relationships with Goodwill staff members. Participants in some tiers also had a better chance than participants in others of being hired into unsubsidized jobs at the end of the program.

¹³The actual days worked was somewhat higher. The calculation in Table 4.3 assumes participants worked seven hours a day, following the standard definition of a “workday” used across all ETJD programs in the evaluation to facilitate comparisons. As mentioned in the previous paragraph, participants in Tiers 1 and 3 were scheduled to work 30 hours per week (6 hours a day) and participants in Tier 2 worked a little less, 24 to 26 hours per week. Participants worked fewer than seven hours a day to accommodate their educational activities.

Tier 1. This tier, which had the largest number of participants, was generally well implemented. Goodwill provided transitional jobs to Tier 1 participants in its warehouse and retail stores. Other nonprofit organizations — for example, an organization that provided housing to a variety of disadvantaged populations — also hosted participants in Tier 1 jobs in administrative, maintenance, and janitorial positions. Tier 1 jobs afforded participants opportunities to learn to arrive to work on time, dress professionally, and acquire workplace-appropriate social skills. Though these jobs were not expected to turn into unsubsidized jobs, some supervisors indicated a willingness to hire participants if positions became available. Indeed, Goodwill reported hiring a number of participants.

Tier 2. Transitional jobs in this tier were highly desirable to some participants who viewed them as opportunities to enter the workforce of the city government, one of the area’s few employers that hires less-skilled individuals and pays relatively well. However, Tier 2, which was operated by HSA, provided participants with an experience that was somewhat removed from the rest of TransitionsSF and that came with unique challenges.

The majority of Tier 2 positions involved working outside and required physical labor. These were jobs such as litter collection, graffiti abatement, landscaping, and weeding for the Department of Public Works and the Recreation and Parks Department, though there were also some janitorial and clerical positions in other departments. HSA oversaw Tier 2 participants while they worked in their transitional jobs and conducted job evaluations with their employers to collect their opinions of participants, rather than allowing Goodwill to do so. Although the participants were still supposed to meet with their case managers every other week, participants ended up having considerably fewer interactions with the Goodwill staff than participants in other tiers, because their jobs were located outside of Goodwill and Goodwill had no oversight responsibilities for the jobs. It was also difficult for the job developers to determine how successful Tier 2 participants were in their jobs because Goodwill did not receive their performance evaluations. Due to the complex rules of the city hiring process, there was almost no chance that Tier 2 transitional jobs could turn into regular unsubsidized jobs.

Tier 3. Goodwill job developers worked with case managers to match Tier 3 participants who were ready for placement with available jobs. The types of employers in Tier 3 were mostly small businesses, such as auto-repair shops, janitorial cleaning services, and local retailers, and positions tended to be entry-level. Several employers hosted multiple participants. The job developers formed a relationship with a large staffing agency, which placed a few participants. Staff members reported that only a small fraction of Tier 3 jobs turned into unsubsidized positions.

- **To encourage program participation, TransitionsSF provided financial incentives to participants for many activities; however, the high rate of**

attrition indicates that these incentives were not fully effective. The program also accommodated participants by offering them multiple chances to succeed.

In an effort to increase program participation, participants received stipends for attending program activities. Participants received \$100 per week for attending the job-readiness training classes and \$75 per week for attending educational (GED or digital literacy) classes. They also received stipends totaling \$75 per week for attending job clubs and submitting job-search plans. This last incentive reportedly increased job-club attendance from about half a dozen per week to about 20 participants. However, for other activities (such as the job-readiness training, which lost 17 percent of its participants between the start and the end), it does not appear that the incentives were enough to keep participants involved. Table 4.3 indicates only half of the participants assigned to GED class completed it and fewer than 4 in 10 assigned to digital literacy completed that.

Several Goodwill staff members and managers expressed concern that TransitionsSF was too “enabling,” that it did not hold participants sufficiently accountable for their behavior. As mentioned earlier, a participant who left an initial transitional job for any reason other than “cause” (for example, stealing) was able to obtain another transitional job at Goodwill. TransitionsSF overlooked behaviors that the job developers noted would be unacceptable in regular jobs — for example, poor attendance or failing a drug test.

- **The most substantial incentives for program participation came from the child support system. In particular, the child support order modification allowed participants to work while having a considerably smaller amount removed from their paychecks than they would otherwise. But once again, the large number of participants who left the program indicates that these benefits were not sufficient to keep them engaged.**

After participants began job-readiness training, DCSS released suspended driver’s licenses and lifted bank levies. Once a participant began a transitional job, a DCSS caseworker modified his or her child support order to \$50 per month for the first child, \$20 per month for the second child, and \$10 per month for each additional child thereafter.¹⁴ These amounts were considerably lower than the standard guideline of \$267 per month per child for individuals earning minimum wage, and thus removed what was for many a disincentive to work in the

¹⁴In cases where the custodial parent received welfare cash assistance from Temporary Assistance for Needy Families (TANF), regulations allowed DCSS to automatically adjust the child support order amount because the money was owed directly to the state for providing cash assistance. For non-TANF cases, which were a minority among the participants, the custodial parents had to agree to the modifications. They typically did, as they felt that some payment was better than no payment.

formal economy. Participants who owed child support debt were ordered to pay \$20 per month toward that debt, which was also a much smaller amount than they would have had to pay in the absence of the program. If participants adhered to the program’s requirements, these modifications would remain in place for the entirety of their time in TransitionsSF, including the one-year follow-up period after they completed their transitional jobs.

When participants left the program, DCSS maintained their order modifications and other child support-related incentives for up to 90 days to give them a chance to change their minds and return, another example of TransitionsSF’s effort to accommodate participants. The initially proposed strategy called for using the immediate removal of child support-related incentives as a tool to encourage participation. It is unclear how consistently benefits were removed if participants did not return to the program after the 90-day grace period. The rapidly changing and often complicated nature of a participant’s status made it hard for Goodwill and DCSS to stay on the same page. Further, DCSS had little leverage over participants who were in good standing with DCSS by making payments — or even over those who were not making payments, for the small number of study members who had already obtained modified orders before they entered TransitionsSF.¹⁵

Another challenge to implementing these “carrots and sticks” was that DCSS had limited power over participants whose cases were from other counties. Some participants had cases in both San Francisco and outside counties and DCSS could only control the San Francisco-based cases. The issue intensified when DCSS expanded program eligibility to those who had solely out-of-county cases. DCSS made efforts to negotiate with the child support departments and judicial systems of other counties and explain the program, with some success, but it was rare for any county to agree to provide the same terms as were offered by DCSS.

- **It was a challenge to connect participants with unsubsidized employment. The program implemented various approaches, but lacked a coherent strategy. TransitionsSF had originally hoped that many Tier 3 transitional job employers would hire participants into regular employment, but it did not happen often.**

Initially, the expectation was that participants who performed well in Tier 3 subsidized jobs with private businesses would get unsubsidized jobs with the same employers. One of the provisions of an agreement signed by both the Tier 3 employer and the participant stated that the employer would hire the participant if the participant performed well and the employer was able to hire. But job developers acknowledged that they did not only recruit employers that

¹⁵With the few participants who had previous order modifications, the TransitionsSF program still had some leverage in the form of releasing bank levies or reinstating driver’s licenses.

actually had the potential to hire participants after the transitional job. Goodwill saw value in having companies train participants during the transitional job even if they did not hire them afterwards, and seemed to make a higher priority of that on-the-job training than the potential for permanent hires. This shift in expectations may have been spurred by the ongoing need for Tier 3 employers. A small company that permanently hired a participant at the end of the five-month subsidy would not typically be able to continue to take on additional participants in transitional positions. Ultimately, it appeared that few participants in Tier 3 were hired by their employers after the transitional job period.

In the summer of 2012, as the first cohort of TransitionsSF participants reached the end of their transitional jobs, Goodwill began a weekly job club. The job club was initially created to increase perseverance in searching for jobs among participants who had completed their transitional jobs, by establishing a shared group ethos.¹⁶ By fall 2012, participants began to join job club earlier in their tenure, before they had completed their transitional jobs. Job club became a vital mechanism for helping job developers get to know the participants and their interests. However, attendance was generally low, and it was especially difficult for some Tier 2 and 3 participants to attend because of conflicts with their transitional job schedules.

Job leads identified by the job developers were available to all individuals involved with Goodwill programs, not exclusively those in TransitionsSF, meaning that TransitionsSF participants were in essence competing with other candidates at Goodwill. However, TransitionsSF had the benefit of a stronger relationship between the job developers and case managers, fostered through weekly meetings where they discussed which participants would be good matches for selected job leads.

One strategy the job developers described was talking with employers to identify the employers' needs, and then sending them participants who could be successful in those jobs. This strategy boosted the program's ability to find jobs for participants with specific skill sets or interests.

Goodwill further increased its emphasis on job development during 2013 and 2014, when it brought in employers with jobs to conduct on-site interviews, though these opportunities were open to participants in all Goodwill programs, not only TransitionsSF participants. With the partners feeling pressure to increase job placements, OEWD brought in another organization, Mission Hiring Hall, to work on connecting participants with unsubsidized jobs. However, this relationship ended up being both unsuccessful and brief, and the contract was revoked.

¹⁶At the time, Goodwill had been considering shifting all individual job-search activities across its various programs to a group-based approach.

- **At the end of their transitional jobs, some participants still had barriers to employment that the program was unable to address fully, which made it harder for them to find unsubsidized jobs.**

Goodwill staff members encountered difficulty in engaging participants in the search for unsubsidized employment, especially after their transitional jobs ended. Job developers and other staff members said that while the transitional jobs were essentially handed to participants, getting unsubsidized jobs required a lot more initiative and legwork from them. Case managers encouraged participants to start looking for permanent jobs while they were still in their transitional jobs, and tried to impress on them the temporary nature of the transitional jobs. Nevertheless, it was easy for participants to get comfortable in their transitional jobs, and many hoped they would become permanent. Even after completing their transitional jobs, some participants had the same barriers to employment as they had upon program entry, such as substance use. According to staff members, many participants lacked the motivation needed to compete for a job, do well in an interview, and show up for work consistently. Job developers observed that some participants, especially those with the least work experience, had expectations for the kinds of jobs they wanted that were not aligned with job-market realities.

- **Participants appreciated the job-readiness training and incentives provided by the program, but had mixed views of their transitional jobs.**

Data from participant questionnaires, in-depth interviews, and focus groups indicate that participants generally had positive views of the TransitionsSF program.¹⁷ Participants (and Goodwill staff members) highly valued the job-readiness classes that gave participants a leg up in applying to jobs, taught valuable soft skills, and increased self-confidence. Participants felt that preparing résumés and conducting mock interviews sharpened their job-search skills and that the job-readiness class and digital literacy class made them more comfortable with the online aspects of conducting a job search. They also expressed appreciation for getting their driver’s licenses back and the assistance from the program that lowered their child support payments to something “sensible,” as one put it.

Participants’ views of their transitional jobs were mixed. In focus groups and individual interviews with participants, it was clear that many liked their work and their supervisors. Those working in jobs in the private sector saw them as a way to “get a foot in the door,” as one participant said. (For a closer look at participants’ experiences, see Box 4.2.) The questionnaires

¹⁷The questionnaires mentioned here were administered to a small number of participants working in transitional jobs at the time of the research team’s site visit. These short questionnaires were used in lieu of interviews to inform the implementation study, and are separate from the in-program and one-year follow-up surveys discussed in the impact analysis.

Box 4.2

TransitionsSF Participant Profiles

Tier 1

“Santiago” is a Mexican-American man born and raised in the Bay Area. Growing up, Santiago lived with his alcoholic father and Santiago himself began drinking and committing crimes as a teenager. Santiago has been arrested and gone to prison roughly 8 to 10 times, on charges including possession of a firearm, possession of or selling drugs, and assault with a deadly weapon. He has three children, ages 3, 12, and 18. He has not seen his teenaged daughters in five years, has no contact with them and does not have a good relationship with their mother and her new husband. He has a better relationship with the mother of his 3-year-old son, and through an informal agreement, he regularly visits the boy. He has active child support orders for the two minor-age children and also has child support debt. Santiago moved to San Francisco to get away from his old life and is looking forward to putting his criminal past and substance abuse behind him: “I wasted too many years of my life that I can’t replace. I lost my two daughters that don’t want nothing to do with me because they think that I’m a gang member who sells drugs. I’m not. That’s not who I am today.” When he entered the program, he was living in a Sober Living home and had been out of prison for several months. TransitionsSF represented a chance for a fresh start. When Santiago completed the job-readiness training class at Goodwill he was proud of his accomplishment and excited that his mother, his primary source of support, witnessed his success at the graduation ceremony. Santiago has extensive history in food service and hopes to go back to working full time in that area after working in a subsidized job through the program.

Tier 2

“Xavier” is a 42-year-old black man from San Francisco. He has three children, aged 14, 19, and 21. His youngest child, a son, lives in Nevada where Xavier also lived for a time. Xavier currently lives with his aunt, and although none of his children live close by, Xavier talks to his children several times a week and enjoys good relationships with all of them (though he is less involved with one married daughter). Xavier has a criminal history, and describes being in and out of jail since he was 16 years old. Xavier came into the TransitionsSF program with an extensive, but unstable work history. Xavier has held various jobs such as landscaping, being a desk clerk, warehouse work, food concessions at a ball park, sheet-metal work, and mowing lawns and other jobs helping people for cash. Xavier’s primary motivation for joining the program was the promise of help with his child support debt. Although Xavier does not have current child support orders, he owes over \$30,000 in debt. Through TransitionsSF, Xavier was placed in a subsidized job with a parks landscaping and maintenance crew for the city of San Francisco. He enjoyed this job tremendously and even though the Goodwill staff told him not to count on being able to keep it, his work-site supervisor told him he wanted to keep him

(continued)

Box 4.2 (continued)

on full time. Xavier worked at this job until it ended. Xavier attended a job club at Goodwill until he was no longer eligible for the stipend he had received for attending. Xavier found a full-time job at a recycling plant. Child support debt remains an issue for him. Xavier tried to work with both the child support agency and TransitionsSF to reduce his debt, but found it too stressful to figure out, so he eventually “left it alone” and still has payments taken directly out of his paycheck.

Tier 3

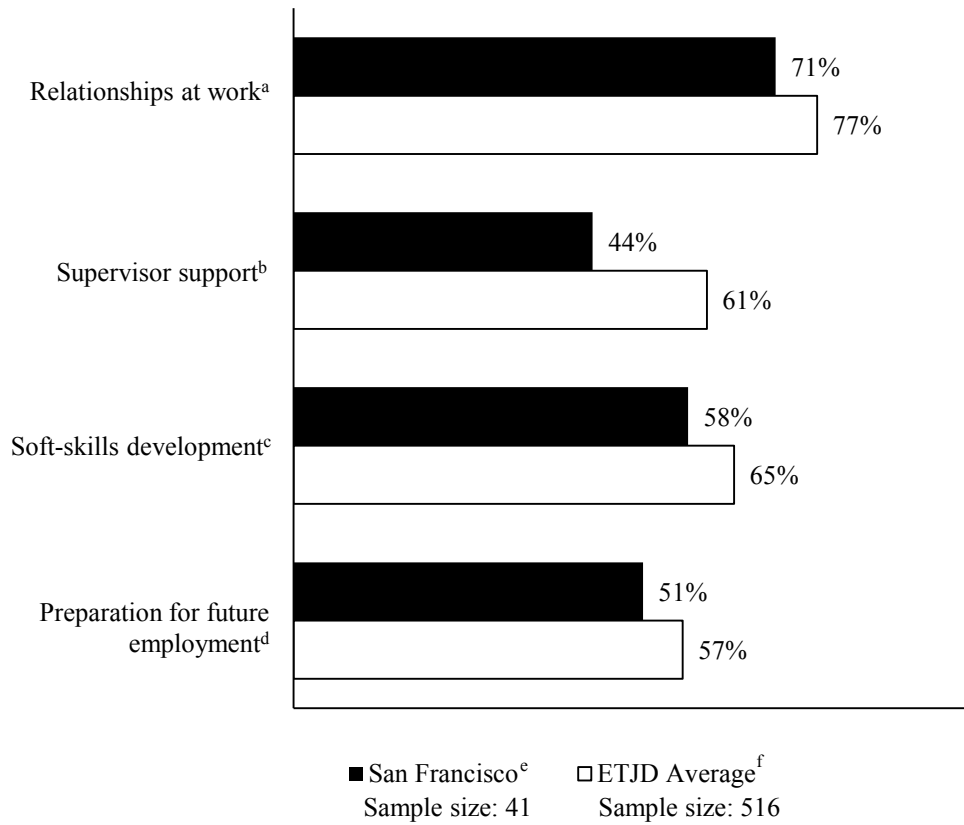
“William” is a middle-aged black man who has lived his entire life in San Francisco. He currently lives in single-room-occupancy housing. William began working in electrical engineering in high school and completed a college degree in electronics. William has considerable experience in electrical engineering, and worked in the field until an illness forced him to stop working, three years before he started the TransitionsSF program. William has a 16-year-old daughter. Getting help with child support was his primary motivation for joining the program. Previously, William spent a week in county jail for contempt of court for not paying child support. With the help of TransitionsSF, William successfully got his child support payments reduced. William thought that having the child support staff working in cooperation with the Goodwill staff helped his case and appreciated that TransitionsSF staff members appeared in court on his behalf. William was also surprised at how much he learned from the other aspects of the program. William enjoyed the job-readiness training and the chance to build up his résumé and learn interviewing skills. He says he learned improved time-management and job-search skills in the class. While in the program, William was placed as a custodian for properties operated by Mercy Housing, a nonprofit affordable housing organization. Though he did not feel he learned much from this job, William stayed in it until the transitional job period ended. William hopes to return to a job in the engineering field. He gets by on part-time work in food concessions at sports stadiums.

completed by Tier 1 participants, summarized in Figure 4.3, show that most participants who completed the questionnaire understood what was expected of them on the job and had positive relationships with their coworkers (71 percent); however, fewer than half felt that their supervisors were supportive (44 percent) or thought that their jobs were useful in gaining skills and contacts to help them find employment in the future (51 percent).¹⁸ Some participants felt that the transitional jobs were a “waste of time” because of their temporary nature. This view was

¹⁸For logistical reasons, the large majority of participant questionnaires about transitional jobs were administered to a small group of Tier 1 participants who were working at Goodwill. The figure therefore only presents the results for Tier 1 participants.

Figure 4.3

Favorable Impression of the Value of Transitional Job Support and Preparation for Future Employment: *San Francisco*



(continued)

Figure 4.3 (continued)

SOURCE: MDRC calculations based on the ETJD participant questionnaire.

NOTES: The measures presented in this figure, *relationships at work*, *supervisor support*, *soft-skills development*, and *preparation for future employment* were created based on an exploratory factor analysis of a pool of questions. These questions asked participants about their level of agreement with a particular statement on a scale of 1 to 7, where 1 indicates strong disagreement and 7 indicates strong agreement. Based on the results of the factor analysis, questions were grouped into factors and a mean score was calculated across the questions included in a particular factor; the percentages presented above represent the proportion of questionnaire respondents who averaged a score of 6 or higher on the questions in that factor, indicating a high level of satisfaction with their program experiences in that area.

With a few exceptions, questionnaires were administered to participants by the research team during site visits at events and activities when many participants would be available at once. Consequently, the responses obtained are from participants who attended program activities and were therefore likely to be more motivated and engaged than the full sample of program participants. For this reason, the results presented in this figure are not necessarily representative of all participant experiences and should be interpreted with caution; they are likely to be more positive.

^aBased on agreement with the following statements: *I understand what is expected of me on the job; I know whom at work to ask for help when I need it; My relationships with coworkers are positive and supportive; and My coworkers understand me and want me to succeed.*

^bBased on agreement with the following statements: *I get the support or guidance that I need from my supervisor; My supervisor gives me advice about how to handle situations at work; and My supervisor helps me if personal issues come up that get in the way of working.*

^cBased on agreement with the following statements: *I am learning how to work better with coworkers; I am learning how to cooperate better with supervisors; and This job has helped me learn to present myself better at work.*

^dBased on agreement with the following statements: *The kind of work I am doing will help me get a decent-paying job later; I am learning specific job skills that I will use in the future; and I have met people through this job who may help me find a job in the future.*

^eIncludes Tier 1 respondents only.

^fTo account for varying questionnaire sample sizes across ETJD programs, the "ETJD average" is a weighted average of all programs such that each program is equally represented.

especially strong among some Tier 2 participants in the focus groups and individual interviews, who were frustrated when the jobs they enjoyed ended, especially when they had been under the impression that their supervisors were interested in keeping them on.

Impacts on Participant Outcomes

Participation and Service Receipt Outcomes

As described above, TransitionsSF offered a wide array of services with a particular focus on work-readiness services provided by Goodwill and child support assistance provided by DCSS. Table 4.4 shows the impacts of TransitionsSF on participation and service receipt, using

Table 4.4

One-Year Impacts on Participation and Service Receipt: *San Francisco*

Outcome (%)	Program Group	Control Group	Difference (Impact)	Ninety Percent Confidence Interval
<u>Employment support</u>				
Received help related to finding or keeping a job	92.9	69.4	23.5***	[18.7, 28.2]
Job search, job readiness, and career planning ^a	92.9	68.8	24.1***	[19.3, 28.9]
Paying for job-related transportation or equipment costs	55.8	29.0	26.9***	[20.7, 33.0]
<u>Education and training</u>				
Participated in education and training	45.1	26.2	18.8***	[12.9, 24.8]
ESL, ABE, or high school diploma or equivalent ^b	20.6	11.2	9.4***	[4.8, 14.0]
Postsecondary education leading to a degree	7.5	5.6	1.9	[-1.3, 5.1]
Vocational training	31.1	16.2	14.9***	[9.5, 20.2]
Received high school diploma or equivalent	2.4	1.2	1.2	[-0.5, 3.0]
Earned professional license or certification (not including OSHA or forklift) ^c	12.7	8.5	4.2*	[0.2, 8.1]
Earned OSHA or forklift certification	4.3	1.3	3.0**	[0.8, 5.1]
<u>Other support and services</u>				
Among those identified as formerly incarcerated at enrollment: ^d				
Received help related to past criminal convictions	81.2	51.0	30.2***	[19.3, 41.1]
Handling employer questions about criminal history	77.7	37.5	40.2***	[29.0, 51.3]
Legal issues related to convictions	58.8	45.2	13.5*	[1.3, 25.8]
Received help related to child support, visitation, parenting or other family issues	66.0	43.9	22.1***	[16.0, 28.3]
Modifying child support debts or orders	62.2	37.9	24.3***	[18.2, 30.4]
Setting up visitation with child(ren)	22.5	17.1	5.4*	[0.3, 10.4]
Parenting or other family-related issues	26.6	21.6	4.9	[-0.5, 10.4]
Received advice or support from a staff member at an agency or organization	57.1	36.8	20.2***	[14.0, 26.4]

(continued)

Table 4.4 (continued)

Outcome (%)	Program Group	Control Group	Difference (Impact)	Ninety Percent Confidence Interval
Received mentoring from a staff member at an agency or organization	52.9	29.4	23.5***	[17.4, 29.6]
Received mental health assistance	26.9	20.3	6.7**	[1.3, 12.1]
Sample size	346	318		

SOURCE: MDRC calculations based on responses to the ETJD 12-month survey.

NOTES: Results in this table are regression-adjusted, controlling for pre-random assignment characteristics.

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

^aIncludes help with job searching, job referrals, developing a résumé, filling out job applications, preparing for job interviews, job-readiness training, and planning for future career or educational goals.

^bESL = English as a second language, ABE = adult basic education.

^cOSHA stands for Occupational Safety and Health Administration. In an effort to separate receipt of professional licenses or certifications that require more intensive and lengthy training (for example, a Certified Medical Assistant certificate or a commercial driver's license) from those that can be earned following more cursory, one-day training, receipt of OSHA and forklift certifications, which fall into the latter group, is presented separately from receipt of other types of licenses or certifications. A review of all reported types of licenses or certifications revealed that OSHA and forklift certifications account for a large majority of the shorter-term, less intensive licenses and certifications received by sample members.

^dThese measures include only those who were identified as formerly incarcerated at study enrollment (program group = 98; control group = 85; total = 183).

data drawn from a survey administered about 12 months after random assignment. Unless otherwise indicated, all impact results discussed in this report are statistically significant, with $p < 0.10$.

- **Despite implementation problems, TransitionsSF had statistically significant impacts on service receipt in nearly every domain measured. However, the impacts were not as large as those observed in some of the other ETJD programs, perhaps due to the high rate of attrition among program participants, perhaps because services were widely available to the control group.**

As expected, program group members reported receiving help finding or keeping a job at a higher rate than control group members (93 percent versus 69 percent). Program group members were nearly twice as likely to receive assistance with job-related transportation or equipment costs (56 percent versus 29 percent). However, it is worth noting that control group

members received job-search, job-readiness, and career-planning services at fairly high rates (over two-thirds received these services), a reflection of how readily available such services were in San Francisco.

Program group members were also more likely to receive GED education and vocational training than control group members (45 percent versus 26 percent). Goodwill required individuals without high school diplomas or equivalents (29 percent of the sample) to participate in GED classes, and 21 percent of program group members reported participating in GED classes (program data in Table 4.3 show a similar percentage, at 25 percent). Despite this increase in class attendance, the program did not produce a statistically significant increase in the rate at which participants obtained GED credentials by the end of the first year after random assignment. Program group members reported receiving vocational training at higher rates than control group members (31 percent versus 16 percent, as shown in Table 4.4), but there was only a small estimated impact on receipt of a professional license or certification. That this impact was small is not surprising, as professional certifications were not a focus of the TransitionsSF program.

Program group members who had been incarcerated in prison (30 percent of the sample) were much more likely to receive help related to their previous convictions: 81 percent of such members of the program group reported receiving these services versus 51 percent of control group members. In particular, program group members were 40 percentage points more likely to report that they received help regarding how to answer questions about their previous convictions than were control group members (78 percent versus 38 percent).

Nearly two-thirds of the program group received help modifying their child support debt or orders, a rate that was 24 percentage points higher than that among control group members (38 percent). Given TransitionsSF's heavy emphasis on order modifications as a way to encourage participation in the program, one might expect that nearly all program group members should have received help with their child support orders. However, as discussed earlier in this chapter, a number of factors may have gotten in the way. First, 7 percent of program group members never showed up at Goodwill following random assignment, and therefore may not have had their orders modified. Second, some program group members who participated in TransitionsSF had child support cases exclusively in other counties, where DCSS did not have authority to modify orders or debts.

TransitionsSF did not focus on setting up visitations with children or providing parenting assistance, and correspondingly there is little or no impact on receipt of these services.

Employment and Earnings Outcomes

Data presented earlier in this chapter showed that fewer than half of the TransitionsSF program group members worked in subsidized jobs. Given this somewhat low participation rate in subsidized employment, and given that the majority of the jobs in Tiers 2 and 3 were unlikely to turn into permanent employment, it is reasonable to wonder whether the program would have an impact on earnings and employment, especially after the subsidized employment period ended.

- **TransitionsSF had statistically significant impacts on both employment and earnings during the first year after random assignment. Program group members were more likely to be employed, worked more quarters on average, and had higher earnings on average than control group members. Employment gains persisted into the first quarter of year two, at which point most subsidized jobs offered by TransitionsSF had ended, though earnings increases did not.**

Table 4.5 shows that TransitionsSF had an estimated 25 percentage point impact on employment, according to unemployment insurance wage records and program payroll records, with 78 percent of the program group employed at some point in the first four quarters after random assignment versus 54 percent of control group members. Survey data (shown in the bottom panel of the table) tell a similar story, with an estimated 18 percentage point impact on being employed in the first year after random assignment. Program group members also worked more quarters in the year: On average, program group members worked around one quarter more than control group members.¹⁹ Program group members were about twice as likely to work in all four quarters after random assignment as control group members (19 percent versus 11 percent).

Program group members also earned considerably more on average than control group members. During the first year after random assignment, program group members' earnings (\$7,151 on average) were \$2,113 higher on average than those of control group members (\$5,038). Figure 4.4 shows that quarterly earnings impacts were significant only in the first and second quarter after random assignment, when individuals were most likely to be in subsidized jobs or directly after the subsidized jobs ended. However, the annual earnings impact estimate (\$2,113) is larger than the amount program group members earned from their

¹⁹Quarterly employment is measured by an individual having positive earnings in a quarter, as recorded in unemployment insurance wage records and program payroll records. These data indicate that an individual worked in a particular quarter, but do not contain information on the number of days or hours worked in the quarter.

Table 4.5
One-Year Impacts on Employment and Earnings: *San Francisco*

Outcome	Program Group	Control Group	Difference (Impact)	Ninety Percent Confidence Interval
<u>Primary outcomes</u> <i>(based on administrative data)</i>				
Employment ^a (%)	78.4	53.9	24.5***	[20.0, 29.1]
ETJD subsidized employment (%)	45.6	--		
Number of quarters employed	2.1	1.3	0.8***	[0.7, 0.9]
Average quarterly employment (%)	53.0	33.2	19.8***	[16.5, 23.1]
Employment in all quarters (%)	19.3	10.5	8.8***	[5.3, 12.3]
Total earnings (\$)	7,151	5,038	2,113***	[1,324, 2,902]
ETJD subsidized earnings (\$)	1,271	--		
Total earnings (%)				
\$5,000 or more	51.5	30.4	21.1***	[16.6, 25.6]
\$7,500 or more	38.8	24.5	14.3***	[9.9, 18.7]
\$10,000 or more	25.6	16.4	9.2***	[5.3, 13.0]
Employment in the first quarter of Year 2	45.9	39.9	6.0**	[1.0, 11.0]
ETJD subsidized employment in the first quarter of Year 2	2.5	--		
<hr/>				
Sample size ^b	502	492		
<hr/>				
<u>Self-reported outcomes</u> <i>(based on survey data)</i>				
Ever employed in Year 1 (%)	71.7	53.6	18.1***	[12.0, 24.2]
Currently employed (%)	43.1	34.2	8.8**	[2.7, 14.9]
Currently employed in transitional job program	3.9	2.6	1.3	[-1.0, 3.6]
Type of employment (%)				
Not currently employed	58.1	66.6	-8.6**	[-14.7, -2.4]
Permanent	26.6	16.8	9.8***	[4.6, 15.1]
Temporary, including day labor and odd jobs	15.3	15.3	0.1	[-4.6, 4.8]
Other	0.0	1.3	-1.4**	[-2.4, -0.3]

(continued)

Table 4.5 (continued)

Outcome	Program Group	Control Group	Difference (Impact)	Ninety Percent Confidence Interval
Among those currently employed: ^c				
Hours worked per week	33.7	28.6	5.1***	[2.1, 8.0]
Hourly wage (\$)	14.6	15.7	-1.1	[3.6, 1.4]
Hours worked per week (%)				
More than 20 hours	34.2	22.3	12.0***	[6.3, 17.6]
More than 34 hours	23.2	13.1	10.1***	[5.2, 15.0]
Hourly wage (%)				
More than \$8.00	37.3	27.1	10.2***	[4.2, 16.2]
More than \$10.00	33.8	24.5	9.4***	[3.5, 15.2]
Sample size	346	318		

SOURCES: MDRC calculations based on quarterly wage data from the National Directory of New Hires and responses to the ETJD 12-month survey.

NOTES: Results in this table are regression-adjusted, controlling for pre-random assignment characteristics.

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

^aEmployment rates and earnings include both ETJD subsidized jobs and all other jobs covered by unemployment insurance.

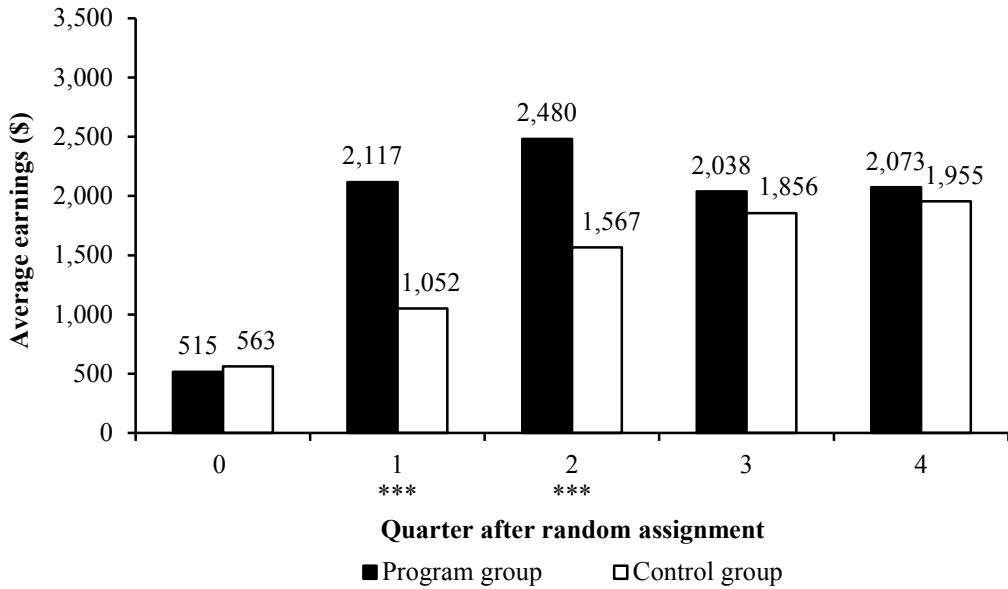
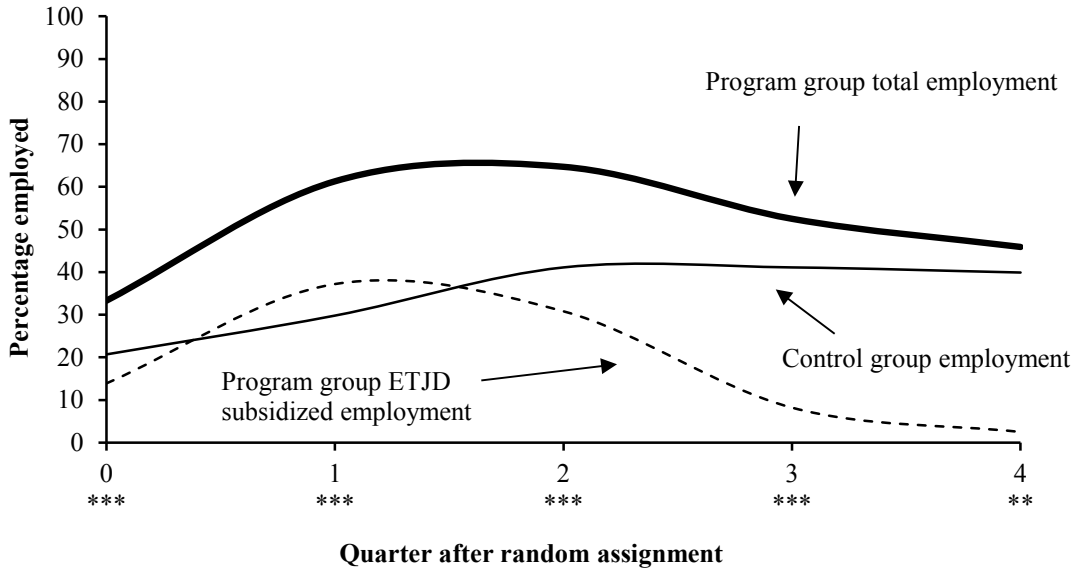
^bOne-year child support administrative data were available for only 903 out of 995 total sample members.

^cThese measures are calculated among those employed at the time of the survey; they are therefore considered nonexperimental and are not tested for statistical significance.

subsidized jobs (\$1,271), indicating that a portion of the annual impact estimate is from unsubsidized employment.

To illustrate whether these employment and earnings gains persisted after the period of subsidized employment ended, Table 4.5 and Figure 4.4 include employment and earnings for the fourth quarter after random assignment (the first quarter of Year 2). During that quarter 46 percent of the program group was employed, which is 6 percentage points higher than the employment rate for the control group (40 percent). Since only 2.5 percent of the program group was working in subsidized jobs at that point, it appears that about half of this difference is accounted for by unsubsidized employment. The survey results tell a similar story, showing an estimated 9 percentage point impact on program group employment at the time of the survey (administered in the third or fourth quarter after random assignment for most respondents). As

Figure 4.4
Employment and Earnings Over Time: *San Francisco*



(continued)

Figure 4.4 (continued)

SOURCE: MDRC calculations based on quarterly wage data from the National Directory of New Hires.

NOTES: Results in this figure are regression-adjusted, controlling for pre-random assignment characteristics.

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

Employment rates and earnings include both ETJD subsidized jobs and all other jobs covered by unemployment insurance.

Figure 4.4 shows, the percentage of employed program group members declined slightly between Quarters 3 and 4, while control group employment rates remained nearly constant. It is unclear whether a substantial difference in employment rates will continue in future quarters, given these shrinking margins over time.

Earnings impacts did not persist into the first quarter of Year 2, according to unemployment insurance wage data and program payroll records. Figure 4.4 shows that in the third and fourth quarters after random assignment, the earnings differences between program and control groups shown in unemployment insurance data were no longer statistically significant. This lack of impact could indicate that although more program group members were employed during the first quarter of Year 2, they had lower-paying jobs or worked for fewer hours. The survey findings are similar: Although more program group members were employed at the time of the survey, it does not appear that the employed members of the program group had higher-paying jobs. Interestingly, among those currently employed, program group members worked *more* hours per week than control group members. However, these estimates of pay and hours worked are considered nonexperimental, as they are only among those individuals who said they were employed and not the full sample.

- **Impacts on employment were largest among those who with no recent work experience.**

Prior research suggests that employment programs may be more or less effective for certain subgroups of people.²⁰ ETJD is based on the hypothesis that the programs may be more effective for people who are the least “employable” and who are therefore unlikely to find jobs on their own, without assistance from a program. The research team therefore examined the program’s impacts on employment among subgroups who had more or less recent work experience when they enrolled in the program.²¹ Individuals who had been employed for at least

²⁰Butler et al. (2012).

²¹An additional subgroup analysis was conducted examining whether there were differences between the impacts for participants who enrolled during the first year of program operations and for those who enrolled in the second year. The results of this cohort analysis are presented in Appendix Table C.2. There (continued)

one quarter in the year before random assignment were assumed to be more employable than individuals who had not worked at all during that year. As shown in Table 4.6, levels of employment and earnings were lowest among those who did not work at all in the previous year, suggesting that prior-year employment is a fairly good predictor of employment in the year after random assignment.

Consistent with the ETJD theory, the program's impacts on employment in the first year are largest for those who did not work at all in the previous year. Among those who did not work at all in the previous year, 73 percent of program group members were employed at some point during the year after random assignment (in part due to the transitional jobs), compared with just 42 percent of the control group, an estimated impact of 31 percentage points. Among those who worked in the previous year, 86 percent of program group members worked at some point during the year after random assignment, but as expected, a much larger proportion of the control group members also worked (71 percent). The estimated impact on employment was therefore only 15 percentage points among this subgroup. Program group members in the subgroup that did not work at all in the previous year earned about \$2,468 more on average than their control group counterparts. Although the impact on earnings appears to be greater for individuals who did not work in the previous year, the difference between the impact for those who did not work in the previous year and the impact for those who did work is not statistically significant. The impacts on employment in the first quarter of Year 2 are not significantly different between the two subgroups.

Child Support and Family Relations Outcomes

As described earlier in this chapter, a central component of TransitionsSF was modifying the current child support orders of program group participants down to \$50 per month for the first child, with the idea that this lower child support obligation during the early months of the subsidized job would remove a possible disincentive to work in the formal economy. The program also offered other child support-related incentives for program participation, chief among them reinstatement of suspended driver's licenses. Given these incentives, and given that presumably any increase in subsidized employment would correspondingly produce an increase in the *number of individuals* paying child support, the research team and program operators expected to see a positive impact in the number of program group members paying child support. However, one may not expect to see *higher child support payment amounts* among program group members, because during the period of program participation, program group members with current cases in San Francisco County were only required to pay \$50 per month.

were statistically significant differences between the two cohorts in impacts on average quarterly employment (with larger impacts for the first-year cohort in both cases), but otherwise impacts were similar across the two.

Table 4.6

One-Year Impacts on Employment and Earnings, by Employment Status in the Prior Year: *San Francisco*

Outcome	Did Not Work in Prior Year				Worked in Prior Year				Difference Between Subgroup Impacts ^a
	Program Group	Control Group	Difference (Impact)	Ninety Percent Confidence Interval	Program Group	Control Group	Difference (Impact)	Ninety Percent Confidence Interval	
Employment ^b (%)	72.5	41.6	30.9***	[0.6, 0.3]	86.1	71.2	14.9***	[86.0, 21.2]	†††
ETJD subsidized employment (%)	46.9	--			43.3	--			
Total earnings (\$)	5,189	2,721	2,468***	[1,732, 3,204]	9,757	8,230	1,527	[-54, 3,109]	
Average quarterly employment (%)	44.2	22.6	21.6***	[17.5, 25.8]	64.1	48.2	16.0***	[10.5, 21.5]	
Employment in the first quarter of Year 2 (%)	36.2	32.0	4.2	[-2.4, 10.7]	59.3	50.5	8.8*	[0.9, 16.7]	
Sample size	289	283			213	209			

SOURCE: MDRC calculations based on quarterly wage data from the National Directory of New Hires.

NOTES: Results in this table are regression-adjusted, controlling for pre-random assignment characteristics.

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

^aWhen comparing impacts between two subgroups, an H-statistic is generated. The H-statistic is used to assess whether the difference in impacts between the subgroups is statistically significant. Statistically significant differences across subgroups are indicated as: ††† = 1 percent; †† = 5 percent; † = 10 percent.

^bEmployment rates and earnings include both ETJD subsidized jobs and all other jobs covered by unemployment insurance.

- **The program group was more likely to pay formal child support than the control group during the first year after random assignment. However, there was not a statistically significant difference in the total amount of formal child support paid.**

Table 4.7 confirms these expectations: Administrative data from the child support system showed that program group members were more likely to have paid child support by about 13 percentage points, with 73 percent of program group members paying child support at some point in the year versus 60 percent of control group members. They also paid child support one month more on average than control group members (4.4 months versus 3.5 months). Although program group members were more likely to pay any child support at some point during the year, on average there was no statistically significant difference in the amount of child support paid by program and control group members. In other words, among those who paid child support, program group members paid less than control group members. Again, this finding is not surprising given the child support order modification offered to participating program group members. Notably, although there was no positive impact on child support payment amounts, neither was there a negative impact.

As Figure 4.5 shows, the child support findings in later quarters directly parallel the employment and earnings findings described earlier in this chapter: Although the number of program group members paying child support was higher in these later quarters, the total amount of child support paid was no different, indicating that among those who paid child support in later quarters, control group members paid more. These patterns raise an interesting policy question regarding what is more desirable: more noncustodial parents paying child support in lower amounts, or fewer noncustodial parents paying child support in higher amounts.

Lastly, Table 4.7 shows that there was little difference between research groups in how often sample members had contact with their children, as reported in the 12-month survey. As mentioned earlier, parenting and family services were not a large component of the TransitionsSF program and there was little difference in receipt of these services, therefore there was little reason to expect differences in these outcomes.

Criminal Justice Outcomes

Although 79 percent of sample members had past convictions and 28 percent of sample members had been incarcerated before entering the program, most of this involvement with the criminal justice system occurred several years before random assignment. For example, people who had been incarcerated in prison had been released, on average, more than seven years earlier (see Table 4.2). Since recidivism rates are highest in the first few years after release, the

Table 4.7

One-Year Impacts on Child Support and Family Relations: *San Francisco*

Outcome	Program Group	Control Group	Difference (Impact)	Ninety Percent Confidence Interval
<u>Primary outcomes</u> (based on administrative data)				
Paid any formal child support ^a (%)	72.7	59.7	13.0***	[8.7, 17.3]
Among those who paid formal child support:				
Months from random assignment to first payment ^b	3.6	3.5	0.1	
Months of formal child support paid	4.4	3.5	0.9***	[0.6, 1.3]
Amount of formal child support paid (\$)	1,385	1,435	-50	[-364, 264]
Sample size	502	493		
<u>Self-reported outcomes (%)</u> (based on survey data)				
Currently a noncustodial parent of a minor-age child	57.9	58.2	-0.3	[-6.5, 5.9]
Provided informal cash support or noncash support in the past month				
Informal cash support	42.9	43.1	-0.3	[-6.6, 6.0]
Noncash support	32.8	31.1	1.7	[-4.3, 7.7]
Noncash support	41.1	39.7	1.4	[-4.9, 7.6]
Owing child support affects willingness to take jobs	24.4	21.1	3.2	[-2.2, 8.7]
Incarcerated for not paying child support	0.7	-0.1	0.7*	[0.0, 1.4]
Among those with minor-age children: ^c				
Frequency of contact with focal child in the past 3 months				
Every day or nearly every day	41.8	41.4	0.3	
A few times per week	19.6	22.2	-2.5	
A few times per month	14.7	12.1	2.6	
Once or twice	5.5	5.5	0.0	
Not at all	18.3	18.8	-0.4	
Sample size	347	319		

(continued)

Table 4.7 (continued)

SOURCES: MDRC calculations based on child support agency data and responses to the ETJD 12-month survey.

NOTES: Results in this table are regression-adjusted, controlling for pre-random assignment characteristics.

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

^aMeasures of formal child support include all payments made through the state's child support collection and disbursement unit, including funds from employer withholding and other sources (for example, tax intercepts).

^bThis measure is calculated among those who paid child support during the follow-up period; it is therefore considered nonexperimental and is not tested for statistical significance.

^cThis measure is calculated among those who reported having a minor-age child at the time of the survey; it is therefore considered nonexperimental and is not tested for statistical significance. The focal child is defined as the youngest minor-age child living outside of the sample member's household; if the sample member reports no minor-age children living outside of his or her household, the focal child is the youngest minor-age child residing within the household.

evaluation team did not expect a large portion of the sample to have criminal justice interactions in the year following random assignment.²² Further, TransitionsSF did not focus on services related to criminal justice — beyond how to talk about past convictions with employers. Therefore, there was not expected to be much difference between program and control group members in this area.

- **As expected, there were no statistically significant differences between program group and control group members in criminal justice involvement in the year following random assignment.**

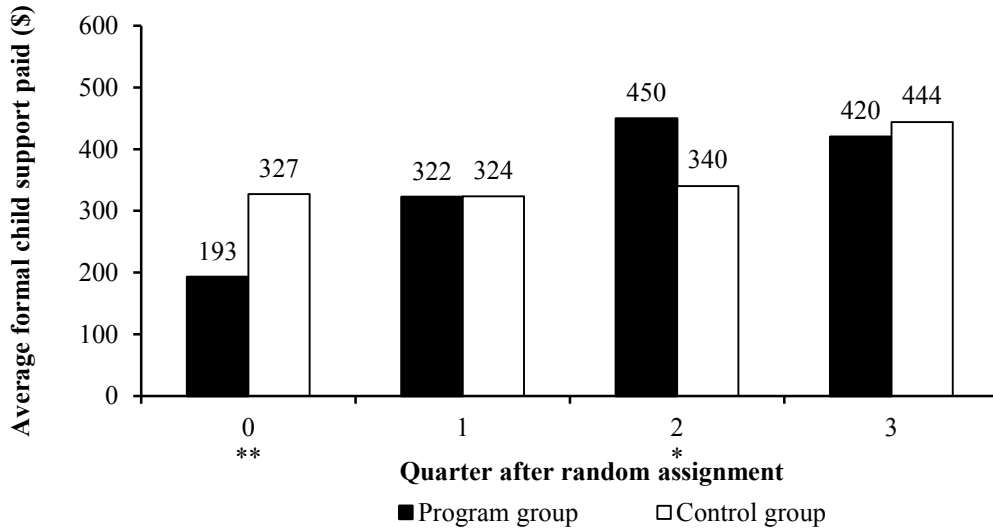
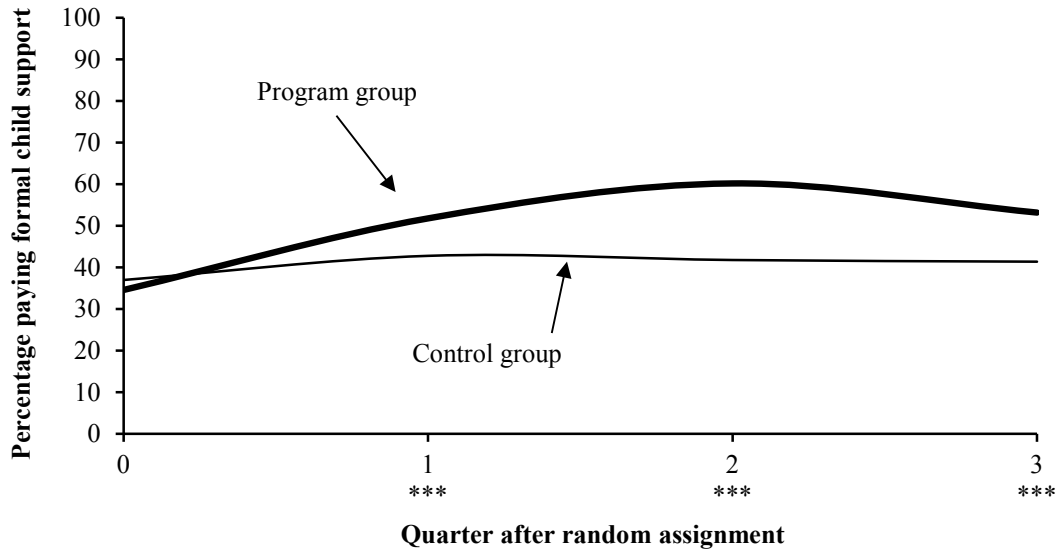
Table 4.8 shows that 19 percent of sample members were arrested in the year following random assignment, and 9 percent were convicted of a crime. The differences in arrest and conviction rates between the program and control groups were small and not statistically significant. Few sample members in either the program and control group reported on the 12-month survey that they had been incarcerated in jail or prison following random assignment, and there were no statistically significant differences in incarceration rates.

Economic and Personal Well-Being Outcomes

With the increased rates of employment among program group members shown earlier in this chapter, one might expect that the program might also correspondingly produce positive impacts on measures of personal well-being, such as health, health insurance coverage, psychological distress, and stability of living situations. Survey results presented in

²²Durose, Cooper, and Snyder (2014).

Figure 4.5
Formal Child Support Payments Over Time: *San Francisco*



(continued)

Figure 4.5 (continued)

SOURCE: MDRC calculations based on child support agency data.

NOTE: Results in this figure are regression-adjusted, controlling for pre-random assignment characteristics.

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

Measures of formal child support include all payments made through the state's child support collection and disbursement unit, including funds from employer withholding and other sources (for example, tax intercepts).

Table 4.8
One-Year Impacts on Criminal Justice Outcomes: *San Francisco*

Outcome	Program Group	Control Group	Difference (Impact)	Ninety Percent Confidence Interval
<u>Primary outcomes</u> (based on administrative data)				
Arrested (%)	18.6	20.6	-2.0	[-6.0, 1.9]
Convicted of a crime (%)	9.2	9.1	0.1	[-2.9, 3.1]
<hr/>				
Sample size				
<u>Self-reported outcomes</u> (based on survey data)				
Incarcerated (%)	6.8	8.2	-1.4	[-4.8, 2.0]
Total days incarcerated ^a	3.3	7.2	-3.9	[-8.1, 0.2]
On parole or probation (%)	14.8	16.1	-1.3	[-5.7, 3.1]
<hr/>				
Sample size	346	318		

SOURCES: MDRC calculations based on criminal justice data and responses to the ETJD 12-month survey.

NOTES: Results in this table are regression-adjusted, controlling for pre-random assignment characteristics.

^aThis measure includes a small number of outlier values resulting from sample members who were interviewed more than 18 months after study enrollment.

Table 4.9 show that there were some positive impacts on measures of financial well-being in the early months following random assignment, but there were no other statistically significant positive impacts on measures of well-being during this early time. There were no positive impacts on well-being measures at the end of the first year, either.

- **A few months after random assignment, program group members reported feeling more financially secure than control group members.**

An early follow-up survey was administered around five and a half months after random assignment.²³ The purpose of this survey was to capture information about sample members' well-being at the time when the program group's employment rate was expected to be much higher than the control group's. As shown in Table 4.9, during this early period there was a statistically significant impact (of 11 percentage points) on the number of respondents who said they had enough money to make ends meet at the end of a typical month: 49 percent of program group members reported not having enough to make ends meet versus 60 percent of the control group. Similarly, there was a statistically significant impact (of 12 percentage points) on the number of respondents who said that their financial situations were better than they had been a year earlier (57 percent of program group members versus 45 percent of control group members). Despite these impacts on self-reported financial security, there were no statistically significant differences in measures of personal well-being related to happiness or reduced psychological distress, nor in measures of self-confidence.

- **Despite higher levels of earnings and employment, and despite early signs of increased financial security, by the end of the first year there were no statistically significant differences in most personal well-being measures surveyed. There were, in fact, negative impacts on some of these measures.**

As Table 4.10 shows, at the time of the 12-month follow-up survey program group members were not statistically significantly more likely to have health insurance coverage even though they had higher rates of employment. It is possible that their jobs at the time of the survey were no more likely than those of control group members to offer health insurance. Nor were they more likely to report being in good health than control group members. Program group members were more likely to experience eviction than control group members (9 percent versus 4 percent) and more likely to have had their utility or phone service disconnected (34 percent versus 27 percent). It is unclear why these negative program impacts would occur, or what mechanism related to the program would contribute to them.

²³This "in-program" survey was part of the STED project, and was therefore only administered in the two ETJD cities that are also STED cities: San Francisco and Atlanta.

Table 4.9

Short-Term Impacts on Well-Being and Self-Confidence: *San Francisco*

Outcome	Program Group	Control Group	Difference (Impact)	Ninety Percent Confidence Interval
<u>Financial well-being</u>				
State of family finances at the end of a typical month (%)				
Some money left over	6.9	5.2	1.7	[-1.9, 5.3]
Just enough to make ends meet	44.0	34.7	9.4**	[2.1, 16.6]
Not enough to make ends meet	49.1	60.2	-11.1**	[-18.4, -3.7]
Financial situation is better than it was this time last year (%)	56.9	44.8	12.1***	[4.7, 19.4]
Frequency of worry about ability to meet monthly living expenses (<i>range of 0 to 10, where 0 = never and 10 = all the time</i>)	6.8	7.0	-0.2	[-0.6, 0.3]
Had insufficient food in the past week (%)	37.8	44.9	-7.1	[-14.3, 0.2]
<u>Personal well-being (%)</u>				
Experienced serious psychological distress in the past month ^a	16.9	13.7	3.2	[-2.2, 8.5]
Overall happiness				
Very happy	15.4	17.2	-1.9	[-7.4, 3.7]
Pretty happy	50.5	47.0	3.6	[-3.8, 11.0]
Not too happy	34.1	35.8	-1.7	[-8.7, 5.3]
<u>Self-confidence scales</u>				
Score on Pearlin Mastery Scale ^b	5.2	5.2	0.1	[-0.1, 0.2]
Score on Work Self-Efficacy Scale ^c	3.9	3.9	0.0	[0.0, 0.1]
Score on Job Search Self-Efficacy scale ^d	4.1	4.2	0.0	[-0.1, 0.1]
Sample size	268	247		

(continued)

Table 4.9 (continued)

SOURCES: MDRC calculations based on responses to the ETJD in-program survey.

NOTES: Results in this table are regression-adjusted, controlling for pre-random assignment characteristics.

For the in-program survey, only sample members randomly assigned between July 2012 and December 2013 were included. The survey response rate for this subsample was 72 percent.

^aA score of 13 or higher on the Kessler-6 (K-6) scale is used here to define serious psychological distress. The K-6 assesses how often during the past month a respondent felt so sad that nothing could cheer him or her up; nervous; restless or fidgety; hopeless; that everything was an effort; or worthless. As a result of minor differences between the scale used to administer the K-6 in the ETJD in-program survey and the standard K-6 scale, the percentages presented in this table may slightly underestimate the incidence of serious psychological distress among the ETJD sample.

^bThe Pearlin Mastery Scale ranges from 0 to 6. The scale assesses the extent to which respondents agree that they can do anything they set their minds to, they can find a way to succeed at something, their ability to get what they want is in their own hands, their futures depend on themselves, and they can do the things they want to do.

^cThe Work Self-Efficacy scale ranges from 0 to 4. The scale assesses the extent to which respondents agree that they can get to work on time, meet employers' expectations, work well with others, have good relationships with their supervisors, work well as a team, complete assigned tasks, and learn new skills.

^dThe Job Search Self-Efficacy scale ranges from 0 to 5. The scale assesses how confident respondents are that they can make a list of skills that can be used to find a job, talk to friends and contacts to find out about potential employers or discover promising job openings, complete a good job application and résumé, make contact with and persuade potential employers to consider them, and make a good impression and get points across in a job interview.

Conclusion

TransitionsSF was an ambitious project that sought to increase the employment of noncustodial parents who were struggling to pay child support, and, correspondingly, the rate of compliance with their orders. To achieve this goal, the program offered participants a wide range of services that included intensive case management, three types of transitional jobs tailored to different levels of employment readiness, and support that ranged from stipends for participation in program activities to substantial modifications of child support orders, the latter made possible by the direct involvement of DCSS.

Staff members from all three primary partner agencies — the San Francisco Mayor's Office of Economic and Workforce Development, DCSS, and Goodwill — invested considerable effort into TransitionsSF. A number of components were largely delivered as designed: the assessments and job-readiness training, transitional jobs that offered varying degrees of support, financial incentives, the release of suspended driver's licenses, and modifications of child support orders. Other components deviated from the intended delivery. The process used to

Table 4.10

One-Year Impacts on Economic and Personal Well-Being: *San Francisco*

Outcome (%)	Program Group	Control Group	Difference (Impact)	Ninety Percent Confidence Interval
Experienced a financial shortfall in the past 12 months	57.2	52.7	4.5	[-1.9, 11.0]
Could not pay rent or mortgage	43.9	38.3	5.5	[-0.9, 11.9]
Evicted from home or apartment	9.3	4.2	5.1***	[1.9, 8.4]
Utility or phone service disconnected	34.1	26.8	7.3**	[1.4, 13.2]
Could not afford prescription medicine	22.0	20.6	1.4	[-3.9, 6.7]
Had insufficient food in the past month	31.1	26.4	4.7	[-1.2, 10.6]
Housing in the past month				
Rented or owned own apartment or room	32.7	33.1	-0.4	[-6.4, 5.6]
Lived with family or friends ^a	57.7	54.6	3.1	[-3.3, 9.4]
Homeless or lived in emergency or temporary housing	7.1	8.6	-1.5	[-5.0, 2.0]
Incarcerated, on work release, or living in a halfway house	0.5	1.4	-0.9	[-2.1, 0.4]
Other	2.0	2.3	-0.3	[-2.2, 1.5]
Is currently in good, very good, or excellent health	68.6	70.0	-1.4	[-7.3, 4.5]
Had health insurance coverage in the past month	60.5	54.8	5.7	[-0.6, 12.0]
Health coverage was employer-based	12.9	11.1	1.8	[-2.5, 6.0]
Experienced serious psychological distress in the past month ^b	12.9	12.9	0.0	[-4.4, 4.3]
Sample size	346	318		

SOURCE: MDRC calculations based on responses to the ETJD 12-month survey.

NOTES: Results in this table are regression-adjusted, controlling for pre-random assignment characteristics.

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

^a Includes those who lived with friends or family and paid rent and those who lived with friends or family without paying rent.

^b A score of 13 or higher on the Kessler-6 (K-6) scale is used here to define serious psychological distress. The K-6 assesses how often during the past month a respondent felt so sad that nothing could cheer him or her up; nervous; restless or fidgety; hopeless; that everything was an effort; or worthless. As a result of minor differences between the scale used to administer the K-6 in the ETJD 12-month survey and the standard K-6 scale, the percentages presented in this table may slightly underestimate the incidence of serious psychological distress among the ETJD sample.

assign participants to tiers was not implemented as planned. Child support order modifications were not removed rapidly enough to provide a negative consequence to participants who were not cooperating with the program. And the transitional jobs in Tier 3 rarely turned into regular employment for participants as intended. Future programs should also consider the extent to which they should offer transitional public jobs with state, local, or federal government agencies, whose lengthy background checks can delay the start of subsidized employment and whose complex hiring processes can prevent participants from moving into regular, unsubsidized jobs.

In implementing TransitionsSF, the partner agencies encountered many challenges that made it take much longer for participants to move through the program than originally anticipated. Many participants dropped out along the way, often before they had even started working in transitional jobs. Similar programs might need to structure up-front services in a way that can keep participants engaged, as attrition was the primary reason that fewer than half of participants ultimately worked in transitional jobs. The mandatory drug test proved to be a particularly high hurdle for many participants, lengthening the time they spent in the program before entering transitional jobs and causing some to drop out. But staff members noted that substance use remained one of the barriers to finding unsubsidized employment for some participants at the end of the program. Participants may have needed more intensive substance-abuse treatment services than TransitionsSF was designed to provide.

In the planning phases of TransitionsSF, the partners debated and disagreed on how extensively to assess potential participants before random assignment and enrollment. Later on, some staff members pointed to a lack of screening as the cause of many of the program's challenges. Indeed, the high rate of attrition indicated that there were a large number of participants for whom the program was not a good fit. On the other hand, the study found that the impacts on employment and earnings in the first 12 months after random assignment were largest for those with no recent work experience — participants who might have been screened out of the program had there been assessments in the enrollment process.

TransitionsSF also faced difficulty in connecting participants with unsubsidized employment. While this difficulty was caused by some factors beyond the program's control — such as the substance use mentioned above — the program would probably have benefited from having more staffing and resources dedicated to job development. It may have also helped if the program had included more opportunities for job developers and participants to interact. The model called for participants to work on searching for jobs with their case managers, who in turn communicated with the job developers, but it appeared that when job developers directly got to know participants who attended job clubs, they were able to provide better assistance.

Despite these difficulties in program implementation, TransitionsSF had statistically significant impacts on employment and earnings during the first year after random assignment. The employment gains persisted into the first quarter of Year 2, when most subsidized jobs offered by TransitionsSF had ended, though the earning increases did not. The program also generated statistically significant impacts on the number of participants who paid child support, even though the program had relatively low participation rates in transitional jobs due to attrition. Although there was no positive impact on the total amount of child support paid, there was also no negative impact, meaning that the child support reductions for program group members did not result in a net decrease in child support collection. Additional follow-up is required to assess whether these differences in employment and child support outcomes will continue as more time elapses, program group members become more distant from their experiences in TransitionsSF, and their modified child support orders return to guideline levels.

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