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Measuring Employment Outcomes in TANF

Presented by Heather Hahn

Purpose of Study

Understand how states currently measure employment outcomes

Identify issues and options for measuring employment outcomes in TANF

Few State TANF Programs Have Employment Outcome Measurement Systems

- States TRACK employment among recipients for WPR
- Few have performance measurement SYSTEMS that include measures of employment OUTCOMES

What are Performance Measurement Systems?

- Align with program goals (objectives)
- Specific measures (indicators) for specific population
 - Process vs. outcomes
- Benchmarks/performance targets
- Consequences (incentives/penalties)
- Data collection and analysis

State Employment Outcome Measurement Systems are Unique

- Performance-based Contracts

 - Wisconsin: private contractors – job entry & retention

 - New York City: vendors – job placement & retention

- TANF within Workforce Agency

 - Texas: WIOA-based; leavers' employment & retention

 - Utah: recipients' job entry, retention, earnings

- County-Administered TANF Programs

 - Colorado: employment entry among recipients

 - Minnesota: Self-Support Index - employed recipients

State Employment Outcome Measurement Systems are Unique

- Which employment outcomes?
Job entry, retention, wages (when? For how long?)
- Whose employment outcomes?
All recipients, work-eligible recipients, leavers (when?)
- Whose performance?
State agency, county, contractor, workforce board
- What consequences?
Financial penalty or reward, public report to legislature
- With what data?

What About National TANF Employment Outcome Measures?

- Is it possible?
- What are the issues and options?

Issues and Options for National TANF Employment Outcome Measures

TANF block grant gives states authority over:

- who is eligible
- for what
- for how long
- what is required of them
- what services they receive

These choices affect client employment outcomes
AND complicate reliable measurement across states

Issues and Options for National TANF Employment Outcome Measures

State policies create important differences in who is:

- ever on assistance
- a current recipient
- a leaver

These differences advantage or disadvantage a state depending on which groups of people are included in the denominator of the calculation of employment outcomes.

Issues and Options for National TANF Employment Outcome Measures

- Income eligibility threshold for applicants
 - higher threshold = more recipients with earnings
 - = advantage if measure recipient employment
- Max income for ongoing eligibility
 - higher max = keep employed recipients on longer
 - = advantage if measure recipient employment
 - = disadvantage if measure exit for employment
- Time limits
 - One state's recipient is another state's leaver

Who is Included in the Calculation?

- All recipients? work-eligible? leavers?
- Solely state-funded program recipients?
- Exiters due to time limits?
- Sanctioned clients?
- Nonassistance recipients?
- Recipients of worker supplements?

Denominator Decisions Create Incentives

Broad denominator (e.g. all recipients)

= Incentive to help all recipients find work

= Incentive to keep hard-to-employ off assistance

Issues and Options for National TANF Employment Outcome Measures

- Adjusting for differences in state contexts:
 - unemployment rates, wage rates, geography and transportation infrastructure; negotiation skills
- State variation in data quality, access, and analysis capacity
- Practical implementation issues
 - Time and resources to develop measures and data infrastructure
 - Enough time to pass for changes in outcomes to occur

Another Option: Federal Support for State-Specific Employment Outcome Measures

- Technical assistance to systematically apply measurement principles to unique TANF program
- Technical assistance to enhance state data quality and analysis capacity
- Facilitate information sharing and collaboration among states
- Conduct demonstrations to evaluate measures within or across states

Conclusion

- Diversity of state TANF programs makes it nearly impossible to develop consistent TANF employment outcome measures nationally
- Federal government can learn from and encourage state TANF employment outcome measures
- A realistic understanding of the issues and options can inform decisions about how best to promote employment through TANF