Barriers to employment and the "hard to serve": Implications for services, sanctions, and time limits

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The sharp drop in welfare caseloads following the implementation of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) has led to a proliferation of "leaver" studies analyzing how families leaving welfare have fared. The U.S. Department of Health and Human Services funded leaver studies in ten states and three localities, and many other states conducted their own studies. The methodologies of these studies have varied, but most have found that employment rates of former recipients range between 50 and 70 percent.[1]

The falling welfare rolls have also caused researchers, policymakers, and front-line service delivery staff to focus on those remaining on the caseload, the "stayers." Those in this group are frequently labeled "hard to serve" or "difficult to employ" because of their seeming inability to respond to the new employment-oriented and time-limited welfare system. Yet beyond the shared feature of welfare receipt, their characteristics and the factors associated with their being "hard to serve" are not well understood. One report noted, "more needs to be known about how and when conditions handicap recipients' ability to work, what portion of the cyclers or long stayers are in fact those with unidentified handicapping conditions."[2]

In this article, we describe what we have found in the first three years of the Women's Employment Study (WES), which follows a cohort of welfare recipients. We compare the characteristics of women who accumulated a relatively continuous amount of work experience from 1997 to 1999 with those who worked less; we also compare women who remained welfare recipients for most of this period with those who received welfare in fewer months. We first discuss how these findings build on existing research; next, we examine the barriers to employment associated with welfare recipients who are often defined as "hard to serve" and discuss the ways in which policies such as sanctions and time limits may affect these recipients.

Research findings about the "hard to serve"

The phrase "hard to serve" entered the welfare reform vernacular as a way to categorize individuals who have difficulty in the post-PRWORA welfare system. "Hard to serve" implies that the needs of some recipients may be beyond the scope of services that are typically available in welfare or welfare-to-work offices.[3] Clients labeled "hard to employ," which is used interchangeably with "hard to serve," have characteristics that impede their ability to find and keep jobs. PRWORA's work requirements and its 60-month federal time limit on benefit receipt are based on the supposition that relatively few people will be unable to find work and move off the rolls on their own through current program supports; states are allowed to exempt no more than 20 percent of the caseload from the time limit.

From the beginning, some analysts have questioned whether this proportion is large enough to cover all who might need additional time on assistance. A study by the General Accounting Office (GAO) has noted that although more adult heads of welfare cases are engaged in work or work-related activities than ever before, the majority are not. In fiscal year 1999, 42 percent of TANF cases were in activities that could be counted toward the federal work participation rate defined in PRWORA—employment, job search, and other employment preparation activities. The GAO suggests that some of this failure to participate may be due to the work barriers faced by long-term recipients.[4]

What barriers could make welfare recipients "hard to serve?" Several reviews suggested, even before PRWORA was enacted, that personal and family challenges might impede welfare recipients' ability to find jobs.[5] These problems could be employment-related—low basic skills and learning disabilities, lack of recent work experience, lack of "work readiness" or "soft skills," experiences with employer discrimination. They might be related to physical disabilities, health limitations, substance abuse, or mental health problems of parents or children. They might include family breakdown or instability: domestic violence, involvement with the child welfare system, housing instability. Child care and transportation problems, limited English proficiency, and prior felony convictions might also impede employment.[6]

Estimates of the proportion of recipients who faced such barriers and of how closely the barriers were associated with welfare and work varied greatly, depending on the study.[7] But as welfare caseloads continued to decline, more policymakers and front-line staff became concerned that those still receiving assistance might be disproportionately difficult to employ.

More recent analyses have questioned whether those who remain on the caseload are in reality more disadvantaged than those who have left welfare. Sheila Zedlewski, using data from the National Survey of America's Families, looked at barriers to employment in each state between March 1994 (when national welfare caseloads were at their peak) and February 1997 (the beginning of TANF implementation). Welfare recipients living in states with steep caseload declines should be "harder to serve," since those states will already have moved the most employable off the rolls. But Zedlewski found that welfare recipients living in states with the greatest caseload declines were less likely to report barriers to work than respondents in states where caseload declines were low or moderate. Zedlewski acknowledged that these results were exploratory and could change as states began implementing welfare reform in earnest.[8] Several other studies have found few differences in employment, work experience, education, and other measures between groups that left welfare at an earlier stage of the post-1996 reform and those that left later, thus refuting the assumption that those who left welfare early were better off.[9]

These studies may, however, underestimate the employment difficulties that face those remaining on welfare if many important barriers to employment are mismeasured or not measured at all. Furthermore, studies that take a snapshot of individuals at one point in time cannot address the extent to which barriers persist over time and the possible effect of such persistent barriers on consistent employment or longer-term welfare use. We draw upon three years of panel data from current and former welfare recipients to make two sets of comparisons that seek to illuminate the characteristics of those who may be hard to serve. We compare former recipients who have maintained consistent employment with those who have worked less, and recipients who have remained nearly continuously on welfare with those who have less time on the rolls.

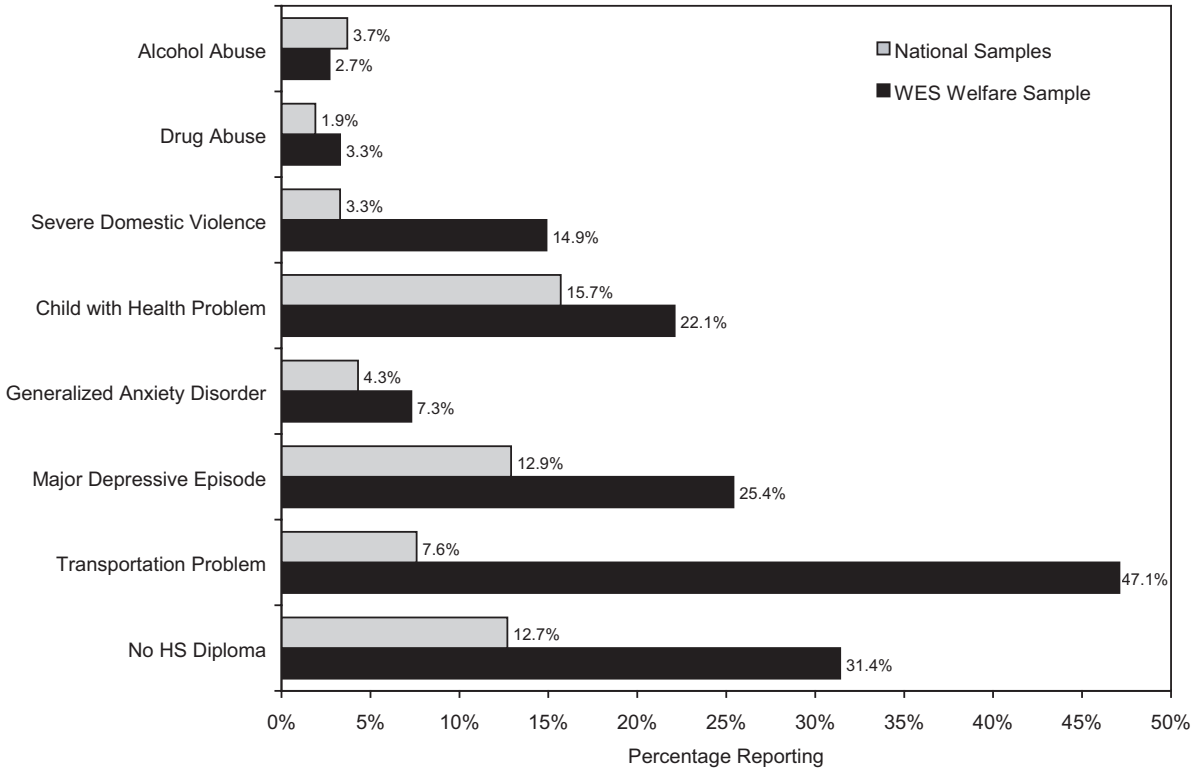


Figure 1. Employment barriers facing welfare mothers in the Women's Employment Study and those facing a national sample of women of comparable ages.

Sources: Current Population Survey, 1998: percentage of all women aged 18–54 who do not have a high school diploma or equivalent; 1990 census: percentage of all women aged 18–54 who live in households with no vehicle available; 1994 National Co-morbidity Survey: percentage of all women aged 15–54 who meet clinical criteria for a major depressive episode, Generalized Anxiety Disorder, or drug or alcohol abuse; 1994 National Longitudinal Survey of Youth: percentage of all mothers aged 29–36 with children who have one of six limitations; 1993 Commonwealth Fund Survey and 1985 National Family Violence Survey: percentage of all women aged 18 and over who report current, severe, physical abuse. HS = high school.

The Women's Employment Study

The Women's Employment Study (WES) measures a comprehensive set of potential barriers to employment among welfare recipients. The measures encompass a range of domains previously shown to have a negative effect on employment.[10] These include:

Work skills, training, and experience (less than a high school education, low work experience, knowledge of few workplace norms such as those concerning lateness and absenteeism, few job skills, perceived discrimination on previous jobs, learning disability, low literacy);

Psychiatric disorders or substance dependence within the past year (Generalized Anxiety Disorder, social phobia, major depressive disorder, Post-Traumatic Stress Disorder or PTSD, drug dependence, alcohol dependence);

Physical health problems (maternal health problems or child with health problems);

Other barriers (domestic violence, transportation problems, child care problems, criminal convictions).

The WES sample was drawn from the February 1997 TANF rolls in one urban Michigan county. Sample members were all female, single-parent heads of TANF cases between the ages of 18 and 54 and either white or African American. In 1997, 753 women (an 86 percent response rate) were interviewed, in 1998, 693 (a 93 percent response rate), and in 1999, 632 (a 91 percent response rate).[11]

Figure 1 shows how WES respondents compared to national samples of adult women in the prevalence of some of these barriers when we first interviewed them. WES respondents were much more likely than all women of comparable ages to be without a high school diploma, to have a transportation problem, to meet the criteria for a major depressive and/or a Generalized Anxiety Disorder, to have a child with a health problem, and to have recent experience with severe domestic violence. However, they were no more likely to report drug or alcohol abuse.

Although other studies have examined the prevalence of various barriers to work, the WES is the only one to date that provides information on the effects of these barriers on employment. Multivariate analyses of WES data from the initial interview showed that the likelihood that a respondent was employed part time was significantly reduced if she had any of the following: no high school diploma, little work experience, few job skills, perceptions of discrimination, a transportation problem, met the diagnostic screening criteria for depression, and had a maternal or child health problem.

Table 1 compares women in the sample that have the highest work and welfare histories to the remainder of the sample, examining the persistence of characteristics that are both more prevalent among TANF recipients than among the general population of women and/or significantly related to the women's probability of employment and welfare receipt at a particular time. In columns 1 and 2, WES respondents who accumulated a great deal of work experience from 1997 to 1999 are compared with those who worked less over the same period. In columns 3 and 4, respondents who continued to receive TANF cash benefits for most of this period are compared with those who received benefits in fewer months. We consider that those who worked in at least 75 percent of the months in the study period are least likely to be "hard to serve." In contrast, women who spent at least 75 percent of those months as welfare recipients are most likely to be "hard to serve."

We first examine employment-related barriers, as determined at the baseline interview (these characteristics could change over time as a function of later work experience). We then examine, in turn, the other possible barriers identified earlier in this article, paying particular attention to the duration of these conditions or circumstances—for example, whether women experienced problems in only one year of the study, in two years, or in all three.

Employment duration and barriers over time

From Table 1 it is clear that those who worked in fewer months—50 percent of the sample—are significantly less likely than women who worked at least 75 percent of the months to have a high school degree; they also have used fewer job skills, reported four or more experiences of discrimination in the first year of the study, and are significantly more likely to have experienced the other barriers in multiple years. For example, 31 percent had no access to transportation in all three years, compared to only 12 percent of those who worked most of the time. And they were more likely to experience mental health problems than those who worked most of the time.

The consistently employed group only rarely reported barriers persisting over time. There is one exception: a substantial minority, 18.9 percent, of this group reported a serious physical health problem in all three years of the study. These respondents may have found jobs which accommodated their health limitations. A significantly larger proportion, about one-quarter, of those who worked less had persistent physical health limitations.

Long-term welfare use and barriers over time

About one-third of the respondents received welfare for 75 percent or more months of the study period. These women are significantly more likely to have six of the nine problems. For example, just under a third reported persistent transportation (29.6 percent) and health problems (29 percent) in all three years, compared to fewer than one-fifth of women who were mostly not on welfare. Persistent welfare users were also more likely to experience severe domestic violence in one or two years.

Table 1
Barrier Conditions over Time and Relationship to Employment Duration and TANF Receipt, Women's Employment Study, 1997–99

Barriers	Employment		TANF Receipt	
	% employed 75%+ of months	% worked < 75% of months	% rec'd TANF 75%+ of months	% rec'd TANF < 75% of months
	(n = 291)	(n = 290)	(n = 186)	(n = 395)
High School Diploma/GED (1997)				
Yes	80.4	60.7***	62.4	74.4***
No	19.6	39.3	37.6	25.6
Job Skills (1997)				
Used 4+	88.0	72.4***	75.3	82.5**
Used <4	12.0	27.6	24.7	17.5
Perceived Job Discrimination (1997)				
< 4 types reported	90.0	82.1***	84.9	86.6
4 + types reported	10.0	17.9	15.1	13.4
Transportation				
Has car/license each year	59.8	38.3***	37.1	54.7***
No car/license one year	16.5	15.2	14.0	16.7
No car/license two years	11.7	15.5	19.4	10.9
No car/license all three years	12.0	31.0	29.6	17.7
Mental Health				
No mental health problems any year	50.2	39.3**	40.9	46.6
Problems in one year	25.1	27.9	24.2	27.6
Problems in two years	17.5	20.3	22.0	17.5
Problems in all three years	7.2	12.4	12.9	8.4
Physical Health				
No high physical health limitations any year	39.2	25.9***	25.3	35.9***
Limitations in one year	21.6	20.7	17.7	22.8
Limitations in two years	20.3	27.6	28.0	22.0
Limitations in all three years	18.9	25.9	29.0	19.2
Children's Health				
No children with health limitations any year	68.0	60.0**	56.5	67.9***
Limitations in one year	21.6	21.0	22.6	20.8
Limitations in two years	7.2	12.4	12.4	8.6
Limitations in all three years	3.1	6.6	8.6	3.0
Domestic Violence				
No severe domestic violence any year	46.0	36.2**	34.4	44.3**
Severe domestic violence only before 1997	26.8	29.3	28.0	28.1
Severe domestic violence in one year	20.3	19.7	23.7	18.2
Severe domestic violence in two years	5.5	11.7	12.4	6.8
Severe domestic violence in all three years	1.4	3.1	1.6	2.5
Alcohol and Drugs				
Never meets dependence criteria any year	93.5	86.9**	88.7	90.9
Meets criteria in one year	4.1	11.0	8.6	7.1
Meets criteria in two years	2.1	1.7	2.2	1.8
Meets criteria in all three years	0.3	0.3	0.5	0.3

* p<.1, ** p<.05, *** p<.01

Note: We exclude from our analyses 24 respondents who moved from the TANF rolls onto the Supplemental Security Income (SSI) program for low-income disabled persons.

Given the high prevalence of these barriers among women who spent more months on TANF and the persistence of these barriers over time, it seems reasonable to conclude that those left on the rolls have attributes which make them "hard to serve," particularly in a work-first environment.

Policy and program implications

The kinds of skill deficits and personal problems documented for Michigan TANF recipients in Table 1 are not frequently nor systematically addressed within the rapid-employment, welfare-to-work model now widely used across the country. What most local agencies do offer unemployed recipients includes job search readiness activities, such as résumé writing and mock interviews, and/or job search experiences, such as bringing employers on site for interviews. These activities are typical of "work first" programs that have been implemented nationwide in recent years. Most welfare agencies also have experience determining the extent to which education, child care, and transportation are barriers to employment and have the resources to address these problems.

When we examined the implementation of Michigan's welfare-to-work programs, however, we found that a number of the barriers shown here, particularly mental health, domestic violence, and other barriers not easily observed by staff are not commonly identified. In Michigan, moreover, self-disclosure is the primary means by which a caseworker may find out about a recipient's personal problems and refer her to treatment or other services.[12] In many states clients are screened for various barriers to employment, but this process is typically done through a structured interview with the TANF caseworker that does not include use of specialized tools or assessment instruments designed to uncover barriers such as domestic violence or mental health problems.[13]

Michigan program managers told us that they would like to have the flexibility to provide a wider range of screening, assessment, and referral services and to have more time to work with the most disadvantaged recipients. A large part of the "hard to serve" issue, then, is not that recipients' characteristics inherently make them "difficult" individuals but that the services stressed in work-first programs are not oriented to their needs. Welfare-to-work programs that focus mainly on providing job-seeking skills to recipients are likely to find multibarrier clients "hard to serve," given the mismatch between their services and clients' needs.

A few states have developed programs that identify a wide range of problems and provide mental health, substance abuse, and other counseling/treatment services. For example, TANF workers in Utah screen clients for a number of barriers using a standardized tool. If the results from that screening indicate a possible mental health or substance abuse problem, the client is seen by a trained social worker who administers further diagnostic assessment tests.[14]

The failure to identify problems puts the "hard to serve" at higher risk of sanctions if their problems make them less likely to comply with welfare program requirements. After the passage of welfare reform, many states increased the severity of their sanction policies. Thirty-six states now terminate benefits entirely, either at the first point of noncompliance or after a period of noncompliance. Seven of these states use "lifetime" sanctions against recipients who are in continued noncompliance—in effect, such sanctions function no differently from the time limit.[15]

Recipients who have left welfare because they have been sanctioned, as opposed to those leaving for other reasons, have been shown to have more work barriers, including lower education levels, mental health problems, and child care and transportation difficulties.[16] Moreover, former recipients who left welfare because they were sanctioned are much less likely to work than those leaving welfare for other reasons.[17] Since WES respondents whom we categorize as "hard to serve" because of their long-term welfare use do not include those who may have already been sanctioned (and thus have not accumulated many months on welfare), our definition of "hard to serve" is limited. Follow-up interviews with sanctioned families, or assessment and referral before the sanction is levied, could potentially uncover some problems and help another group of the hard to serve receive the services they need.

There are, moreover, few options of last resort for recipients who reach state time limits, especially if they lack work skills or transportation or have one or more of the other problems we have identified. In early 2001, just over half (28) of states were following the federal, 60-month cumulative time limit. Five states had imposed shorter time limits, ranging from 21 months in Connecticut to 48 months in Georgia. Another 13 states were using the "fixed-period" time limits, whereby a recipient may receive welfare benefits for a certain amount of time, for example 24 months, but then cannot receive TANF again for a period of time. In all but one of these states, the cumulative time on assistance was 60 months. Finally, five states specified that the time limit would primarily affect adults on assistance; children would continue to receive assistance, either up to 60 months or indefinitely.[18]

By mid-2000, it appeared that roughly 60,000 families nationwide had lost welfare benefits because of time limits, the majority of them in three states (Connecticut, Massachusetts, and Louisiana). In two states where random assignment to time limits was in effect (Connecticut and Florida), there is little evidence that the time limits increased work, but some evidence that they may have reduced incomes and caused some families to leave wel-

fare earlier than necessary in order to save months of eligibility.[19] The results of these studies are not definitive, however, and the effect of time limits on individual families will depend upon the mix of other policies in place in a state, particularly the state's policies regarding extensions and exemptions to the time limit. Currently, there is little information on the extent to which states are granting extensions or exemptions to recipients and for what reasons.

There is every reason to believe, but little evidence to date, that a disproportionate number of the women who will exhaust their time limits will be similar to the WES respondents who had already accumulated, on average, 30 months on welfare between early 1997 and late 1999. They will have more—and more persistent—barriers to employment if they exhaust their benefits without receiving assessment, referral, and treatment or supportive services.

The WES study does not include new entrants, but follows women who were receiving TANF in early 1997. It is likely that a greater proportion of new entrants might have multiple persistent barriers, given that caseloads fell between 1994 and 2000, and the economy probably absorbed more potential welfare recipients with few barriers to employment. It seems, then, important to screen new entrants as well as those who have been on the rolls for many months. Job-search programs could be supplemented to address the kinds of problems we documented, and corrective actions could be taken in response to individualized screening and assessment. Another potentially promising avenue is supported work programs, in which recipients are placed in highly structured and supervised workplaces and are provided with case management services.[20]

Whatever the methods chosen, states should be encouraged to increase assessment, referral, and use of a wide array of services. For example, states could count toward their own work requirements the activities that are aimed at resolving barriers to employment. Work-based welfare programs that do not diversify services to address persistent and multiple barriers risk penalizing, through the policy levers of sanctions and time limits, the most vulnerable TANF recipients and their families. ■

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