

## Gaps in the Evidence on Employment and Training for Low-Income Adults

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This brief reports on gaps in the research evidence on employment and training interventions for low-income adults, as identified by the Employment Strategies for Low-Income Adults Evidence Review (ESER). For which target populations, settings, and service strategies is there little or no research or limited high-quality evidence about what works to improve employment outcomes for low-income adults? What challenges do policymakers and practitioners face in learning from this literature? This brief discusses limitations both of the interventions studied and the studies themselves and makes recommendations for a research agenda to address these gaps and strengthen the evidence base.

### GAPS IN THE EVIDENCE BASE: TARGET POPULATIONS

**Little evidence exists on employment and training interventions for certain hard-to-serve populations.**

Given the additional challenges facing hard-to-serve populations (such as those who are homeless, disabled,<sup>1</sup> substance-dependent, or reentering from prison) in securing and retaining employment, it would be especially beneficial to have a research base on effective programs specifically for these populations.

### THIS SERIES OF BRIEFS

This series of briefs offers a synthesis of the findings of ESER for policymakers, practitioners, and officials who seek to improve the employment and earnings outcomes of low-income adults through research-based interventions. This brief focuses on gaps in the research base. Other briefs focus on financial incentives and sanctions, work-readiness interventions, primary service strategies, and a meta-analysis to examine which employment services are most effective.

### WHAT IS ESER?

The Employment Strategies for Low-Income Adults Evidence Review (ESER) is a systematic review of the literature on the impacts of employment and training programs and policies for low-income people. Sponsored by the Office of Planning, Research and Evaluation (OPRE) in the Administration for Children and Families, ESER provides practitioners, policymakers, researchers, and the public with a transparent, systematic assessment of the quality of research evidence supporting approaches to improve the employment-related outcomes of low-income adults.

The ESER team searched the literature for relevant research published from 1990 to mid-2014 and then screened for eligible studies to review—those that used randomized controlled trials or comparison group designs.

Trained reviewers examined the strength of the causal evidence for each study—that is, they gauged how likely it was that any impacts reported in the study were *caused by* the intervention being studied, not by something else. They then rated each study based on its rigor (not on the effectiveness of the intervention):

- **High** ratings were for randomized controlled trials with low attrition—that is, few people were missing from follow-up data collection efforts—and with no reassignment of people or cases after the original random assignment.
- **Moderate** ratings were for two types of studies: (1) randomized controlled trials that, due to flaws in the study design or analysis (for example, high attrition), did not qualify for the high rating but satisfied other design criteria and (2) comparison group designs that were well executed and established equivalence between the two groups.
- **Low** ratings were assigned to studies that did not qualify for a high or moderate rating.

This is one in a series of briefs that highlights results from this review. The briefs describe high-quality research on several strategies that promote employment for low-income adults.

The ESER team identified a “primary strategy” for each intervention. This was the employment or training strategy used most in the intervention—the service most treatment group members received and most comparison group members did not. The primary strategy was also the one that appeared integral to the theory of change tested by the study of that intervention.

The team determined the primary strategy for each intervention by having two reviewers independently read the description of each intervention, identify a primary strategy, compare their assessments, and discuss until they reached agreement.

For more details, see [Assessing the Evidence Base: Strategies That Support Employment for Low-Income Adults](#)

ESER identified little research on employment and training interventions for these populations, even though ESER’s search strategy included search terms (for example, “homeless”) designed to identify such studies. For each of these hard-to-serve populations, ESER identified three or fewer interventions with any evaluation.

This lack of evidence on hard-to-serve populations may be partly because the systematic review only included interventions where improving employment and earnings were the primary outcomes of interest. This might have excluded a set of interventions that only secondarily targeted employment and earnings. For example, a more general mental health intervention might have been expected to improve employment for disabled individuals as a secondary outcome, but it would not have been included in ESER.<sup>2</sup>

Among the identified studies on hard-to-serve populations, the quality of the research was generally high: out of the 24 studies, 18 received a high rating and six received a low rating.

### **Less evidence exists on employment and training interventions for low-income males than females.**

The employment, training, and support needs of men might differ from those of women. Sixty-seven of the 108

interventions included in ESER focused on participants who applied for or were receiving cash assistance, such as Aid to Families with Dependent Children (AFDC) or Temporary Assistance for Needy Families (TANF). The research samples for these studies mirrored the national population of cash assistance recipients in that they were overwhelmingly composed of females heading households (often more than 90 percent). The majority of the 41 interventions that did not specifically target cash assistance recipients nonetheless also had a majority of female participants. Only six interventions included in the review focused solely on men, and two of these served formerly incarcerated men. Four of the six interventions were evaluated by studies rated high, but two were only evaluated by studies rated low.

### **GAPS IN THE EVIDENCE BASE: SETTINGS OF THE INTERVENTION**

#### **Little evidence exists on interventions in exclusively rural or suburban settings.**

Low-income individuals in rural or suburban areas may have different needs and face different challenges to employment than those in urban areas. For example, transportation is much more of an issue in rural or suburban areas that are not extensively served by public transit.

A large majority of the 80 interventions that had studies rated high or moderate were tested either in urban locations (44 interventions) or in areas that included urban, suburban, and rural locations (33 interventions) (Figure 1). Only three interventions were tested in exclusively rural settings and none in exclusively suburban settings.

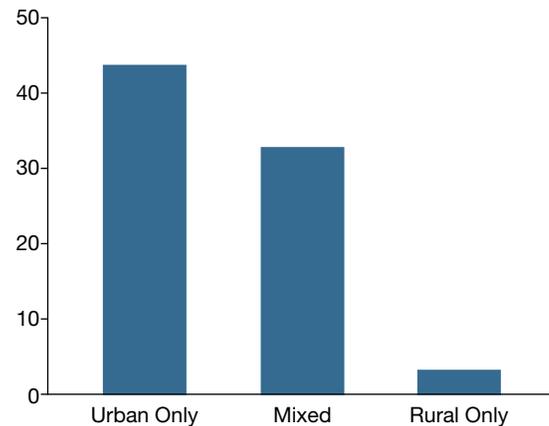
**Rigorous research on employment and training for low-income adults peaked during the 1990s.**

Many of the interventions included in ESER were delivered and evaluated in the 1990s, as many were related to federal and state reforms of the welfare system. The peak in publication of those studies occurred in the late 1990s: half (40 of 80) of the interventions included in ESER had their first study published between 1997 and 2000. In addition, all 12 interventions identified as promising in other briefs in this series were welfare reform efforts. The relatively strong economy of the late 1990s and the policy context created by state AFDC waivers and the conversion of AFDC to TANF make it difficult to extrapolate from these studies to the effectiveness of similar efforts in our current economic and policy context.

**GAPS IN THE EVIDENCE BASE: PRIMARY SERVICE STRATEGY**

**Little evidence exists on the effectiveness of some commonly implemented employment strategies.**

**Figure 1. Number of Interventions, by Setting**

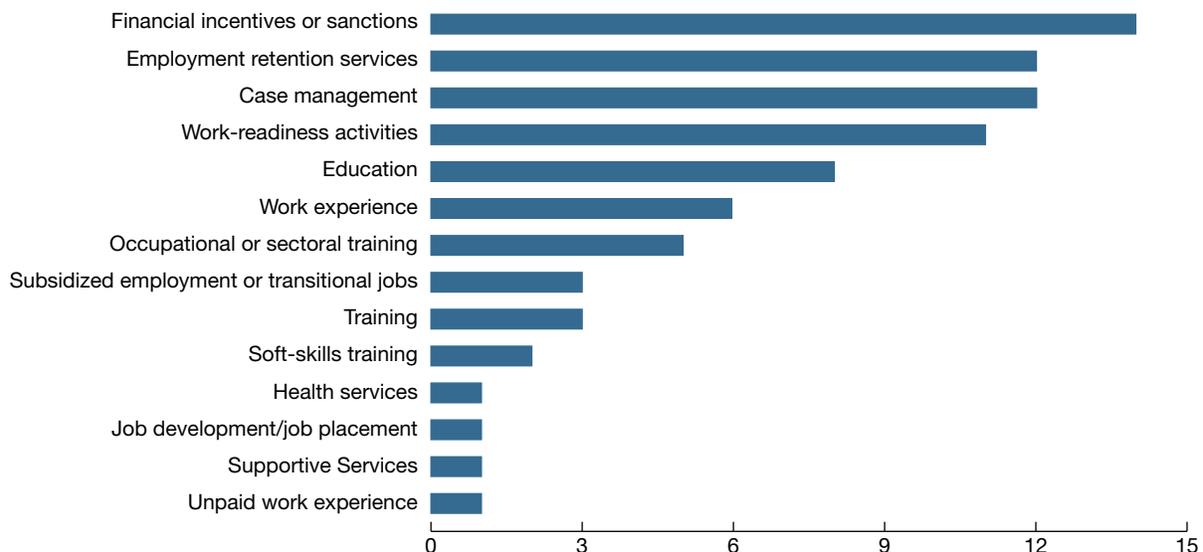


Source: Author calculations from ESER data.

For interventions rated high or moderate, ESER categorized the primary service strategy from among 14 possibilities.<sup>3</sup> The primary service strategy was defined as the strategy that was most characteristic of the services received by the treatment group and that few members of the comparison group received.

- Five service strategies were the primary strategy in eight or more interventions that are supported by at least one high- or moderate-rated study: financial incentives or sanctions, employment retention services, case management, work readiness activities, and education (Figure 2).

**Figure 2. Number of Interventions Supported by High- or Moderate-Rated Studies, by Primary Service Strategy**



Source: Author calculations from ESER data.

- Nine of the primary service strategies had relatively low representation in the research base and were the primary strategy in five or fewer interventions that were supported by high or moderate evidence ratings: training,<sup>4</sup> soft-skills training, occupational or sectoral training, supportive services, subsidized employment or transitional jobs, health services, job development/job placement,<sup>5</sup> work experience, and unpaid work experience.

## **CHALLENGES TO INTERPRETING THE RESULTS FROM ESER**

### **Multiple strategies were almost always evaluated as a bundle.**

Of the 108 interventions studied, only 6 employed a single strategy. Furthermore, among the 80 interventions examined in high- or moderate-rated research studies, only 3 interventions employed a single strategy. All others consisted of multiple strategies that were implemented simultaneously. This makes it challenging to determine which individual strategies were effective, even when a single strategy appeared to be the primary one. This bundling could also be a challenge to practitioners and policymakers attempting to incorporate lessons learned from previous interventions in a new context in which the entire bundle of services would not be offered.

### **Few studies controlled for earnings history from before the year leading up to the intervention.**

Only one of the nonexperimental studies included in ESER received a moderate rating; all other nonexperimental studies received low ratings, almost always because authors did not control for earnings measured in a period that ended at least a full year before participation in the intervention under study. This is necessary to ensure that the groups being compared were on similar employment and earnings trajectories before participating in the intervention. In the absence of these controls, we cannot be confident that any observed differences in outcomes between the groups can be attributed to the intervention under study; they might be attributable to underlying differences between the groups being compared.<sup>6</sup>

### **Comparison groups varied greatly in the services they received.**

Decision makers need to understand the intervention being tested as well as the benchmark or counterfactual to which it is compared. The intervention groups in the studies reviewed by ESER were always being

compared to groups that received some services; in other words, in no study was an intervention being tested against the absence of any services. In many cases, comparison groups received AFDC or TANF services, with components varying by location. In addition, studies that tested the effectiveness of the same intervention sometimes tested it against two different benchmarks. For example, the Minnesota Family Investment Program (MFIP) was tested against both AFDC (the pre-existing welfare program that did not include the work incentives and sanctions of MFIP) and an “incentives-only” condition that included MFIP’s financial incentives and sanctions but no requirement to participate in employment and training activities.

This wide range in the benchmarks against which programs were measured poses challenges to practitioners and policymakers attempting to incorporate lessons learned from studies of previous interventions. For instance, to continue the example discussed above, MFIP for long-term AFDC recipients was classified as a promising program by ESER as compared to the incentives-only condition but not as compared to AFDC. Practitioners implementing TANF programs and interested in incorporating lessons learned from the MFIP evaluation might consider whether their program resembles incentives-only MFIP, the full implementation of MFIP, AFDC, or none of them.

## **SUGGESTIONS FOR FUTURE RESEARCH**

### **Researchers can use ESER to identify research populations and settings that would particularly benefit from closer investigation and more evidence.**

The results of the systematic review suggest that the employment and training needs of certain populations could benefit from greater attention from researchers. These include hard-to-serve populations, such as those who are homeless, released from prison, and disabled individuals. It also includes employment strategies targeting males and residents of rural and suburban areas.

### **The field of employment and training for low-income adults could benefit from more thorough documentation of the characteristics and implementation guidelines of specific, replicable models.**

In other fields, such as child development, pregnancy prevention, and home visiting, the use of specific program models based on a theory of change and

including measures of fidelity and detailed guides to implementation has allowed for greater replicability of best practices. Researchers can aid the development and dissemination of replicable employment and training program models by closely documenting the details of how interventions are implemented and the specific services that comparison group members received.

### **Rapid-cycle evaluations (RCEs) are a potentially useful supplement to large, multiyear evaluations.**

Almost all high-rated studies included in ESER followed a sample population over multiple years to test the effects of a complex intervention. An alternative approach that has not yet been fully incorporated into the employment and training literature is the use of rapid-cycle evaluations. RCEs follow a continuous improvement approach in which an intervention builds evidence over time through a “test-and-tweak” model. Using experimental or quasi-experimental evaluation designs, a well-powered RCE can precisely measure the size of an intervention’s impact so decision makers have a high degree of confidence in the findings. RCEs rely predominantly on existing administrative data, so they are relatively low-cost, and they are typically much faster to implement than large randomized controlled trials. Studies using intermediate outcomes (such as use of services or completion of pre-employment programs) may also be able to detect effects more easily than studies examining long-term outcomes that are more difficult to improve, such as employment and earnings. After using RCEs focused on intermediate outcomes to improve program implementation, researchers could use longer-term evaluations to test the effects of the improved program on employment and earnings.

### **Researchers can explore the impacts of individual employment and training strategies in addition to complex, bundled evaluations.**

ESER found a large number of studies of complex interventions that combined many strategies. Although some of these bundled interventions were effective in boosting employment and earnings, relatively few evaluations were able to pinpoint the effects of a single employment and training strategy such that it could be added to existing programs in other settings. Future research can explore the effects of an individual strategy that is systematically applied to varied service environments, in addition to complex interventions that are bundled together.

## **CONCLUSION**

ESER found and reviewed a large literature of rigorously conducted studies of employment and training interventions for low-income adults. A substantial portion of these studies demonstrated positive impacts on employment, earnings, or other outcomes through well-implemented randomized controlled trials. It is likely that practitioners and policymakers can improve and refine their programs by using the Employment Strategies website to identify relevant programs with evidence of success. The gaps in the literature identified through ESER and reported in this brief point the way to future research that could guide additional improvement in program design and service delivery for low-income adults.

## **ENDNOTES**

- <sup>1</sup> We searched on the term “disabled”, so literature with titles about mental illness or chronic illness would not have been identified by our review unless it also used the term disabled.
- <sup>2</sup> In conducting the search for literature, our intention was to focus on interventions that had been specifically designed to serve a low-income population. Because our primary focus was on low-income adults, our search terms and strategy ensured that we comprehensively captured employment programs for low-income people that might include those with disabilities rather than employment programs designed to work with specific populations, some of whom may have been low-income.
- <sup>3</sup> Working with subject matter experts and OPRE, ESER developed a list of 17 intervention strategy components to describe the interventions evaluated. Within that list, only 14 of those were offered as a primary service strategy in the research that ESER reviewed.
- <sup>4</sup> The three interventions discussed in this brief that have Training as the primary service strategy had both occupational training and soft skills training as primary services; neither was more central to the intervention. Soft-skills training and occupational and sectoral training were also tagged as specific training types. A total of 10 interventions had some form of training as a primary service strategy.
- <sup>5</sup> Job development/job placement, work experience, and unpaid work experience were all subcategories of work-readiness activities identified by ESER. A total of 19 interventions had some form of work-readiness activities as a primary service strategy.
- <sup>6</sup> Labor economists have found that participants in employment and training programs typically experience a “dip” (a short-term reduction) in earnings for roughly a year before entering a program. This is what likely motivates or precipitates their entrance into the program. But, before their spell of hardship began, these people might have been in different circumstances with respect to their employment and earnings. Named for the economist who discovered this pattern, the “Ashenfelter Dip” suggests that people who choose to participate in employment and training programs may differ substantially in their longer-term earning history—and, therefore, future earning potential—from a comparison group composed of nonparticipants, even though the earnings of these two groups might look similar during the year participants entered the program (see Ashenfelter 1978 and Heckman and Smith 2000 for further discussion).

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**ESER publications referenced in this brief**

- Matri, Annalisa, Emily Sama-Miller, and Andrew Clarkwest. Employment Strategies for Low-Income Adults Evidence Review: Standards and methods, Report submitted to the Office of Planning, Research & Evaluation, Administration for Children & Families, U.S. Department of Health & Human Services, Washington, DC: Mathematica Policy Research.

**Additional publications**

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