

W.E. Upjohn Institute for Employment Research
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Randall W. Eberts

From the Executive Director

A unique feature of the Upjohn Institute is its dual function as a research institute and as the administrator of state and federal employment programs for our two-county area. Across the country, we are known primarily for our research and publications on a variety of employment-related issues. Locally, we are equally known for the job training, school-to-work and welfare-to-work programs we administer. As administrator for a service delivery area (SDA), the Institute provides intake, counseling, and job development services for economically disadvantaged, older adult, and displaced workers under the Job Training Partnership Act. We also administer the state's new welfare-to-work program, Work First. In the course of a year, we provide direct services or subcontracted services to upwards of 5,000 clients.

The fact that Institute staff members administer programs and see clients on a daily basis gives us as researchers a unique perspective on issues facing these programs. Many of our research programs have benefitted from this first-hand knowledge. For instance, our local experience operating labor programs was instrumental in our selection by the World Bank to design and help implement active labor programs in Hungary and Poland. Before that, the Institute designed and evaluated two unemployment insurance reemployment bonus experiments, the first in Illinois and the second in Washington state. Both projects benefitted from the expertise gained from our own operations of various programs at the Institute.

Similarly, the operations division has benefitted from the insights and resources provided by the research division of the Institute. Researchers perform data analysis that enable operations staff to better understand the needs of clients and the outcomes of programs. In addition, research staff also assist operations personnel in thinking through ways to improve delivery of services, bringing ideas and insights from demonstration projects and evaluations of other programs conducted around the country.

This close relationship between operations and research has given the Institute the opportunity to design and test a new approach to delivering job search and other assistance to welfare recipients. Working closely with the U.S. Department of Labor and Michigan's Job Commission, our SDA is scheduled to be the first pilot site for an initiative that allocates welfare-to-work services more effectively to clients.

Currently, welfare-to-work programs, such as Michigan's Work First Program, provide the same services to all participants, regardless of their past work history and skills. However, some participants who have past work experience may be able to find employment without additional assistance, while others with little or no work experience may need more job search assistance than is presently provided through Work First. With limited resources, additional assistance for these participants is typically not available. We contend that a system of targeting resources based on client needs would be a more efficient method of allocating resources within Work First.

In order to target services to clients' actual needs, the Institute proposes a system to profile and refer new participants to appropriate services. The profiling model is based on a statistical method that uses information collected at intake to assign to each participant a probability of being a long-term welfare recipient, or conversely, of quickly finding a job. The statistical model is similar to one used by the Michigan's Worker Profiling and Reemployment Services System (WPRS) for unemployment insurance-eligible claimants. Profiling would allow local providers to move away from a "one-size-fits-all" approach and tailor programs to meet the needs of their clients. It promises to be more cost effective than current programs in meeting the goals of the new welfare reform -- getting welfare recipients into jobs and gaining economic self-sufficiency.

Of course, whether or not this "triage" approach to allocating resources works can only be determined by implementing and evaluating the process. The Institute plans to design and model the program in the near term, and then to implement and evaluate the pilot program. Once the program is tested here, we will disseminate the information to other states in the hope that they may find our experience helpful in thinking about ways to improve their own welfare-to-work programs.