

The Barriers to Entry of the Workforce for Welfare Recipients of Two-Parent Households in North Carolina

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Abstract: There are a variety of challenges that Temporary Assistance for Needy Families (TANF) recipients face in meeting the federally-mandated work participation requirement. Such challenges include transportation, child care, education, life skill, and motivation, among others. The purpose of this study was to determine the greatest challenges facing welfare recipients from two-parent households in the state of North Carolina in order to aid North Carolina’s Work First program in developing courses of action to address these challenges. The hypothesis for this study was that those who were not successful in meeting the working requirement would have education issues more often than those who were successful in meeting the working requirement. The hypothesis was not supported by this study as those who were not successful in meeting the working requirement had motivation issues more often than those who were successful in meeting the working requirement, rather than education issues.

Keywords: Welfare, Employment, Poverty

1. Introduction

During President Bill Clinton’s 1991 campaign he pledged to “end welfare as we know it,” and that he did (Carcasson, 2006). With his signing of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Clinton brought about a welfare system that required work to receive temporary assistance (U.S. Department of Health and Human Services, 2006). With the establishment of a five-year limit, the new definition of success for welfare programs became how well states could empower welfare recipients to get them off benefits and into the workforce (U.S. Department of Health and Human Services, 2006). Since Clinton’s reform, there has been a variety of research on the biggest challenges in meeting the working requirement needed to remain eligible for Temporary Assistance for Needy Families (TANF) benefits.

The majority of research on challenges in meeting the working requirement has focused on households that have a single mother. Danziger et al. (1999) identified insufficient education, unreliable transportation, poor physical or mental health, substance abuse, and workplace discrimination as some of the most significant individual barriers facing single mothers on welfare that were attempting to meet the working requirement. Debord, Canu, and Kerpelman (2000) also focused primarily on single mothers on welfare and identified transportation, child care, physical and mental health, and life management skills as major challenges welfare recipients must overcome. Despite all the research done on welfare, there is a serious lack of research as it relates to households with two parents. There are two main reasons for this. One reason is that there are simply far less two-parent households on welfare assistance. For example, “The Urban Institute researchers estimate that only 12 percent of two-parent families who were eligible for TANF assistance actually received it in 2013. The percentage of eligible single-parent families who received TANF assistance is also low, but at 28 percent is more than twice the share of eligible two-parent families who receive help” (Fremstad, 2016). With the majority of welfare recipients being from single parent households, little research has been focused on welfare as it relates to two-parent families. Additionally, there is “extraordinary variation among states in the number of two-parent families receiving help” (Fremstad, 2016). For example, “only 18 states provided TANF or state-only assistance to more than 1,000 two-parent families and “three states

helped zero two-parent families in 2013” (Fremstad, 2016). With such significant variations in how states handle welfare for two-parent families, any research done on welfare as it relates to two-parent families cannot be considered valid on a national-scale. For this reason and the sheer lack of two-parent households on welfare assistance, there has been little incentive for any research on welfare as it relates to two-parent families.

Each state has a unique approach to managing welfare and each state faces its own challenges in getting recipients back into the workforce. In North Carolina, the Work First Program is the state’s version of TANF and the program’s four purposes are to “assist needy families so that children may be cared for in their own homes or the homes of relatives, end dependence of needy parents by promoting job preparation, work, and/or marriage, prevent or reduce the incidence of out of wedlock pregnancies,” and “encourage the formation and maintenance of two parent families” (Work First, 2018). Work First’s organizational structure functions in a manner that the state-level monitors the overall program, interprets program regulations, provides technical assistance, and develops policy while the county-level provides the direct services and cash assistance to clients (Work First, 2018). The program’s primary challenge is meeting the federally mandated two-parent participation rate of 90%. The intent of the mandated work participation rate is “to shift the emphasis of... welfare programs from providing ongoing income maintenance to preparing welfare recipients to enter the paid labor market and supporting them once they make the transition” (Pavetti, 2004). In order “to hold states accountable for moving families from welfare to work, the TANF legislation included work participation rates that states were required to achieve, or risk losing a portion of their state TANF allocation” (Pavetti, 2004). Because of this requirement, Work First must have at least 90% of program recipients from two parent households that are work eligible either working or engaged in a work-like activity (e.g., vocational training) for a specified number of hours per week (Work First, 2018). However, due to a case-load reduction credit, the rate that North Carolina must achieve has been dropped from 90% to 43.9% (U.S Department of Health and Human Services, 2017). A “case load reduction credit is based on decreases in caseloads receiving TANF... funded assistance” (Legal Information Institute, 2019). The purpose of this credit is “to reward states that helped welfare recipients leave the rolls” (Pavetti, 2004). Once the case load reduction credit is factored in, North Carolina has only achieved a two-parent work participation rate of 21.7%, which is less than half of the required 43.9% (U.S Department of Health and Human Services, 2017). There are a number of obstacles that make meeting this rate a challenge. Based on interviews with Work First leadership and focus groups with county managers, these obstacles include unreliable transportation services to work, a lack of proper child care, a lack of education, a lack of proper life skills, and a lack of drive from a client, among others. The conclusions reached in the interviews and focus groups are consistent with the findings of Debord, Canu, and Kerpelman (2000), which identified transportation, child care, physical and mental health, and life management skills as major challenges that welfare recipients in North Carolina’s Work First program must overcome. However, these findings are mainly only applicable to single parent households. Out of the 30 participants in Debord, Canu, and Kerpelman (2000), only four were from households with two parents. Given the struggles of North Carolina and other states to meet federally-mandated work participation rates for two-parent households, a deeper investigation into the challenges two-parent households face in getting off welfare and into the workforce is warranted.

The purpose of this study was to determine the greatest challenges facing welfare recipients from two-parent households in the state of North Carolina in order to aid North Carolina’s Work First program in developing courses of action to address these challenges. The greatest challenge will be quantified by frequency and risk, with frequency being how often the challenge occurs and risk being how often the challenge results in a program participant being unable to meet the working requirement. It was hypothesized that those who were not successful in meeting the working requirement would have education issues more often than those who were unsuccessful in meeting the working requirement.

2. Method

2.1 Participants

One hundred and six case managers for North Carolina’s Work First program volunteered for this study through their completion of a survey designed by the researcher that was approved and conducted internally by the Work First program. A case manager, otherwise known as a casework associate, works directly with welfare recipients in order to provide each recipient the services her or she needs. After screening the data for validity, 71 participants were included in the final data analysis.

2.2 Measures and Procedures

The independent variable for this study was whether a case was a success or a failure. The independent variable was binary. The dependent variables for this study were transportation issues, child care issues, education issues, life skill issues, motivation issues, and other issues. All dependent variables were ordinal and used a modified Likert scale between 0 and 10. Operational definitions for these variables can be found in Table 1.

Table 1. Operational Definitions

Variable	Operational Definition
Transportation Issues	Unreliable or unavailable transportation services for recipients to get to and from work
Child Care Issues	Recipient unable to receive child care or caring for person in the home
Education Issues	Recipient lacks sufficient education to get hired for and maintain a job
Life Skill Issues	Recipient lacks basic life skills needed to live independently, such as personal finance, or lacks common workplace etiquette needed to maintain a job
Motivation Issues	Client lacks the motivation to work
Other Issues	Any other issues identified by case managers
Success or Failure	Whether a recipient was able or unable to meet the work participation requirement

For this study's procedure, the researcher began with a two-day site visit to North Carolina's Work First program headquarters. During this visit, both the state program office and the Wake county office were visited. Interviews were conducted with program leadership at the state office and focus groups were conducted with managers at the Wake county office. The interviews and focus groups helped inform the survey design for the case managers. Research has identified focus groups "as a useful way of securing information for purposes of informing the development of" a survey (Rea and Parker, 2005). Within the survey, case managers were asked if they worked on cases involving two-parent families, which county office they worked in, and to identify both the frequency and risk of the challenges facing two-parent families striving to meet the working requirement. Once all the survey responses were collected, the data was screened for validity.

Three screening criteria were developed for survey questions regarding frequency and risk of each challenge in order to make sure all data utilized for the study was valid. The first screening criteria was to verify that the participant was a case manager that had worked on Work First cases for two-parent families. This screening was measured by the participant's answer to the first question in the survey. The second screening criteria was whether or not a participant had met the intent of the survey question. This screening was measured by whether the participants' responses clearly showed that they intended to fill out the survey properly and that their responses clearly demonstrated value. The third screening criteria was to verify whether or not a participant had filled out the survey question properly. This screening was measured by whether the participant filled out the survey question exactly as prescribed. All data that passed the first two screenings were included in the final data. The justification for including data that did not pass the third screening was that it was shown that including that data added to the value of the overall data and did not significantly impact the results. Once the data was screened, a multivariate analysis of variance (MANOVA) was conducted.

3. Results

When interpreting this study's results, it is important to note that it was a study of caseworkers' perceptions and the results do not demonstrate causality. However, it is often said that perception is reality. The results of this study still provide valuable insight into the greatest challenges faced by North Carolina's Work First program in meeting the two-parent work participation rate. The descriptive statistics for the data can be found in Table 2.

A MANOVA was conducted to analyze the data. In a MANOVA, data is examined for statistical differences on two or more continuous dependent variables by an independent grouping variable (Tabachnick and Fidell, 2012). The assumptions of MANOVA include the assumption of independence of observation, the assumption of normality, the assumption of homogeneity of variance, and the assumption of the absence of multicollinearity (Tabachnick and Fidell, 2012). Initial exploratory analyses indicated potential issues with the data, to include violation of the assumption of normality and of the assumption of homogeneity of variance.

Table 2. Descriptive Statistics

		<i>M (SD)</i>	Median	<i>N</i>
Transportation	Failure	.10 (.675)	2.00	71
	Success	.57 (.700)	3.00	51
Education	Failure	.56 (.180)	2.00	71
	Success	.18 (.410)	2.00	51
Life Skills	Failure	.42 (.284)	1.00	71
	Success	.49 (.189)	1.00	51
Motivation	Failure	.63 (.876)	2.00	71
	Success	.49 (.580)	1.00	51

However, violation of the assumption of normality was not an issue. In order to determine the robustness of the *F*-test, under conditions of non-normality, Blanca, Alarcón, Arnau, Bono, and Bendayan (2017) systematically investigated the impact of these distributions on the Type I error. Results indicated that in all cases the *F*-test was robust, thus no impact of non-normal distribution on Type I error rates. Therefore, non-normality would not impact the result of this study's *F*-test. To correct the violation of homogeneity of variance, the dependent variables of child care and other were removed from the analysis. After making corrections, the MANOVA was conducted.

The null hypothesis was that there would be no group differences in the means with regard to success or failure in overcoming the challenges of transportation issues, education issues, life skill issues, and motivation issues. The alternative hypothesis was that there would be group differences in the means with regard to success or failure in overcoming the challenges of transportation issues, education issues, life skill issues, and motivation issues. The null hypothesis was rejected in favor of the alternative hypothesis.

A MANOVA was conducted to examine the impact of transportation issues, education issues, life skills issues, and motivation issues on the success or failure in meeting the work participation requirement. Results showed no main effect for transportation, $F(1, 120) = 2.31, p = 0.13$ or life skills $F(1, 120) = 0.088, p = 0.77$, indicating that neither played a role in the success or failure of a case. With regard to the effect of education on success or failure of a case, results indicated that those who were successful in meeting the working requirement ($M = 2.18$) had education issues more often than those who failed to meet the working requirement ($M = 1.56$), $F(1, 120) = 6.80, p = 0.01$. With regard to the effect of motivation on success or failure of a case, results indicated that those who were successful in meeting the working requirement ($M = 1.49$) had motivation issues less often than those who failed to meet the working requirement ($M = 2.63$), $F(1, 120) = 12.55, p = 0.001$.

4. Discussion

Based on the results of the study, the hypothesis was not supported. Motivation, not education, was found to be a more frequent issue among those who were unable to meet the working requirement. Surprisingly, education issues were found to have a higher presence among those who were successful in meeting the working requirement. This implies that motivation may be more important in meeting the working requirement than education. A lack of education may be easier to overcome in the presence of high motivation. This could make sense in that those with high motivation will be more proactive in searching for work and may be better at holding jobs due to displaying a higher amount of effort and a greater desire to learn the skills to perform in their position. While a sufficient education may make it easier to get a foot in the door, it may not be sufficient to hold a job if the motivation to work is not present. It may also be that those with a proper education are not as motivated and active in seeking out employment and fail to get a job as a result. Ultimately, motivation may be a better indicator of a welfare recipient's ability to meet the working requirement than education.

There are a variety of limitations to this study. One major limitation of this study is that it is a study of case managers' perceptions of cases, not the actual cases themselves. However, it is often said that perception is reality. The results of this study still provide valuable insight into the greatest challenges faced by North Carolina's Work First program in meeting the two-parent work participation rate. Another notable limitation is that this study only looks at challenges surrounding the state of North Carolina as a whole and does not account for the different challenges that each individual

county may face. For example, a large, urban county may face entirely different challenges in getting its welfare recipients into the workforce than a small, rural county. It may turn out that welfare challenges can only truly be addressed at the lowest level and further study into challenges faced at the county-level may shed further light on this potential issue. Another limitation of the study is that there is no comparison between two-parent households and single parent households. Despite these limitations, the study still provides valuable insight for Work First regarding its case managers' perceptions of the most significant challenges that two-parent families are being faced with in meeting the working requirement.

For future work, it is recommended that a similar study be conducted by Work First utilizing actual case data and compare the findings with the findings of this study. Doing so would allow Work First to see the difference if any, between the case managers' perceptions of problems and the problems that are actually happening. It is also recommended that Work First conduct a similar study with a focus on single parent families. Doing so would provide insight into whether the challenges faced by two-parent families are unique from those faced by single parent families. It is also recommended that the results of this study be utilized by North Carolina's Work First program in developing new courses of action to better meet the work participation requirement for two-parent cases. It is also recommended that each proposed course of action has a key performance indicator (KPI) to measure the success of each course of action. Taking the data gathered from the internally-conducted survey and using it to examine challenges at a county-level would provide greater insight into how courses of action should be developed for separate parts of the state of North Carolina. By taking the implications of this study and applying it to the challenges at hand, North Carolina's Work First program can rise to new levels of performance and help empower its clients to get them off welfare and into a stable position in the workforce.

Welfare recipients face numerous challenges on their path towards stable employment. By utilizing the results of this study, Work First can gain better insight into the challenges recipients face and use this knowledge to modify its capabilities to help remove as many obstacles to employment as possible. Once stable employment is achieved, welfare recipients will be empowered and able to more easily live independent lives.

5. References

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