Welfare-to-Work: Results are Better than Red Tape
Olivia Golden, Heather Hahn

Abstract
In our research at the Urban Institute, state officials express frustration that caseworkers must spend too many hours tracking paperwork rather than pushing people toward employment, Olivia Golden and Heather Hahn explain in this commentary for the McClatchy Newspapers. It's better to give states leeway to test new ideas about getting people from welfare into jobs and tying this flexibility to results.

The noise about Health and Human Services' announcement inviting states to experiment with new approaches to welfare-to-work has generated much clamor but missed the main point. Politicians and the public should be talking about what works to get struggling parents jobs in this tough economy. Instead, the political crossfire has targeted whether the White House is gutting the mid-1990s bipartisan consensus on welfare reform. The answer to that is easy: it isn't.

One author of this article (Olivia Golden) was the assistant secretary at HHS who oversaw welfare regulations in the Clinton administration. Those rules gave states far more flexibility than they have today, because we thought it would work best for states to define the optimum welfare-to-work pathways. Then, as now, federal oversight should focus on the results, not the process.

Detailed federal rules about process came later, in the 2005 Deficit Reduction Act. Since then, states have faced onerous requirements like documenting the exact number of hours that parents spend looking for jobs. HHS's new demonstration takes a small step in the direction of the Clinton-era consensus about focusing on results rather than red tape, by giving states leeway to test new ideas about getting people into jobs. In fact, it ties flexibility to results even more clearly than in the past. Participating states must prove that their ideas actually improve employment outcomes.

In our research at the Urban Institute, state officials express frustration that caseworkers must spend too many hours tracking paperwork rather than pushing people toward employment. They say that current federal measures drive caseworkers to steer clients into activities that help the state meet regulatory requirements but don't help people find and keep jobs.

Why is it good policy, they ask, to insist that rural parents take long bus trips to the welfare office to do job searches easily handled by telephone from home? Why does it make sense for people with physical and mental health problems to sit for hours in a job club instead of getting the treatment that would make them more employable?

Our research offers real-life examples of measures states might substitute if they applied for a waiver from select bureaucratic requirements. These possibilities are drawn from the handful of states that have gone beyond the federally required rules to focus more directly on promoting work.

Rather than measure the hours welfare recipients spend in particular activities, all these states tally the number of people who get jobs, keep jobs, and increase their wages. Some use additional metrics, such as the number of parents who are working more hours but not yet off welfare. Not all of these results count under current federal rules, but these states believe attention to work outcomes will move more people toward self-sufficiency.

The fixation on red tape rather than results might not matter if jobs were plentiful. But that's not the time we're in. And parents receiving Temporary Assistance for Needy Families benefits often have chronic physical and mental health problems, little education, and child-care responsibilities, sometimes for children who are themselves disabled. Put together, this means that in today's economy, plenty of people with fewer obstacles to work are in line ahead of them for the few jobs available.

The focus on red tape also wouldn't matter quite so much if states had plenty of money to hire caseworkers to track all the paperwork and to solve the real problems, by creating transitional jobs, or providing intensive training, or helping with child care. But again, the opposite is true. State budgets are tight, federal dollars for TANF have shrunk in real terms since 1996, and states have cut way back on cash assistance and work and
training programs.

Misdirected process measures just add to their woes and frustration.

Effective governments, like effective businesses, need innovation the most when times are tough. That's why this is exactly the time to let the most creative states try out their ideas about getting families into jobs. The basic principles behind the HHS demonstration are the same principles behind public and private reforms of all kinds: encourage innovation, measure results, keep what works, and discard what doesn't.

ABOUT THE WRITERS

Olivia Golden is an Institute fellow at the Urban Institute and a former assistant secretary for children and families at HHS. Heather Hahn is a senior research associate at the Institute.

Other Publications by the Authors

- Olivia Golden
- Heather Hahn

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