

Tracking County Responses to Welfare Reform

Pender County

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The Policy Context

The primary economic and social county characteristics of Pender County involve the low unemployment rate and Hurricane Floyd. As the county manager noted, “a robust economy does more for welfare reform than anything else.” Economic growth has ranged from 4-7%, and the population has increased 40% from 1990-2000 (29,000 to 40,500) with an additional increase of 20% from 2000-2010 (40,500 to 48,500) (Chamber of Commerce, 1999). Employers are hungry for workers, and this has been a significant factor in the transition of welfare recipients into employment. The Work First caseload, which was 551 families on July 1996, declined to 182 families as of April 2000 (NCDHHS, 2000). Like many others involved in welfare reform around the state and country, Pender County officials wonder if the gains in workforce participation are merely a reflection of the great demand for service workers. Many wonder what will happen if a recession hits.

The other major economic and social factor in Pender County is the aftermath of Hurricane Floyd. The county was devastated by the flooding, and recovery efforts have dominated the attention and resources of the county commissioners as well as potentially helpful community institutions such as the faith community. The DSS Director believes this event has hindered the progress of Work First.

Time Frame – Highlights

The evolution of Work First in Pender County has been gradual. The decision to remain a standard county was not a major event, but certainly the adoption of Work First by the state stimulated several significant organizational and cultural changes that

will be discussed later in the report – primarily the reorganization of the DSS welfare unit to emphasize job placement and the greater efforts to include other agencies and institutions in the community. Recent County Commissioner elections has produced a conservative board that has not been nearly as willing to invest resources in social services initiatives as the DSS Director would like. However, the County Manager points out that the Pender County DSS has grown by 13 employees and \$1,911,691 in total budget over the last five years.

Decision Dynamics – 1997-98

There was little debate or controversy about opting for electing or standard county status. The decision was made jointly by the DSS Director, the DSS Board, and the County Commissioners rather quickly, and the unanimous thinking was that the county could accomplish everything they wanted as a standard county. There is also no sense that it was a particularly visible process or that there was any issues in filing plans with the State DSS. The DSS Director notes that in a small county, limited resources prevent the consideration of innovative programs. The county commissioner/social services board member also notes that they were simply afraid of what electing status might mean – staying a standard county was a much safer route. They were not convinced that they had the capacity to meet the goals set for an electing county.

Goals, Objectives, or Program Priorities

The DSS Director states there has been a heavy emphasis on reducing the welfare rolls, securing and retaining workforce participation, and ensuring the well-being of

children. The welfare rolls are down 73% since the start of Work First, and 94% of the welfare recipients are still in jobs one year later. She notes that the key to workforce participation has been to find full-time employment with benefits. Follow-up by caseworkers is also important. In terms of the well-being of children, she suggests that expansion of health benefits to the working poor (discussed below) and better links between child protective services and the welfare case workers have been positive steps.

Reducing state and local expenditures has not been a priority of Work First, and this frankly is a point of contention for some of the actors in Pender County. The DSS Director notes that the county commissioners don't understand that all of those welfare recipients moving into jobs are eligible for day care, transportation, and health benefits. For example, the day care budget in Pender County has increased from \$300,000 to \$1 million.

The other goal – reducing child and family poverty – should be a by-product of achieving the other goals but there are serious questions whether this connection is there in reality. The DSS Director notes that placing a welfare recipient in an entry level, minimum wage job does not raise a family out of poverty. The county manager has a somewhat different concern. He suggests that minimum wage jobs are all that a segment of the population has the ability to handle, and Work First may be building unrealistic expectations for these people. He is also concerned that because of all the transitional benefits provided the overall expenditures are not going down even though the rolls are decreasing. Sooner or later these people are going to have to make it on their own.

Thus there is some level of disagreement over the priorities of welfare reform. The DSS Director is primarily concerned with transitioning welfare recipients into stable jobs

that they will keep, and this means providing expensive benefits such as day care, transportation, and healthcare for a period of time. The county manager and commissioners have a higher concern for program expenditures, and worry about permanently weaning people off of these transitional benefits. The county manager in particular is concerned that all of these benefits translates to too much coddling of people – at some point a person has to have the drive to make it on their own. The question is how a program instills this motivation.

Program Implementation: 1998-2000

Greater Autonomy/Discretion/Choice

In terms of greater autonomy/discretion/choice in program operations and use of funds, this has not been a particularly distinctive aspect of welfare reform in Pender County. The DSS Director notes that as a standard county, they follow the state plan and manual. She also suggests that their ability to innovate has been inhibited by the attitudes or beliefs of the “powers that be,” specifically the county commissioners. They have not been willing to allocate the money necessary for things like transportation. Salaries for van drivers to help transport welfare recipients to work, for example, are not competitive. Another example is the county would not approve a new position in the DSS, even though the state would initially fund the position. She also believes that hurricane recovery and the already overcrowded condition of the DSS office has contributed to the lack of support from the county commissioners. However, the County Manager points out that in FY 00-01, the Board of County Commissioners approved the largest single pay raise in Pender County history in an effort to resolve some of the pay inequity issues

pointed out in a classification study conducted by an outside consulting firm.

Furthermore, the Board of Commissioners has approved the rehabilitation of a recently purchased building specifically addressing overcrowded conditions in DSS. The DSS has grown at a rate in personnel and funding more than most of the other departments in Pender County. Nonetheless, the DSS Director suggests that social services always seems to be “low man on the totem pole” in the county when it comes to funding. Apparently Work First has not changed this – they have not taken advantage of the opportunity to address bigger picture issues like the lack of public transportation in a rural county like Pender. The county manager also doesn’t perceive more funding flexibility, but he notes that it “plays well to the press.”

However, there has been more participation of nonprofit agencies. As will be discussed in more detail under program successes, there is more flexibility to use funds to contract for services with nonprofit agencies such as the Job Links program at the community college. The county manager is more skeptical of the involvement of nonprofits in welfare reform – he sees that a real commitment must be made and that the agencies must have measurable goals and objectives.

County DSS Organizational Change

Significant structural changes have occurred in the way the Pender County DSS delivers the Work First program. In the prior welfare program there were two separate divisions of workers -- the AFDC or cash workers who were strictly eligibility specialists, and the JOBS or social services workers, who were concerned with the total needs of the client, including employment. Under this system, clients had these two

different contacts, but they often didn't understand the difference. The other problem was that the client would first see the eligibility worker, and be referred at a later date to the social worker. This separation often led to a disconnect between welfare benefits and job placement, because there was no mention of work or self-sufficiency from the eligibility worker. Under Work First, these two workers are now one team, and the clear message from both sides is mutual responsibility and work expectations for the clients. The message is that the DSS will provide certain supportive services, but in return the client must make every effort to find a job and become self-sufficient. The DSS Director stresses that in 1999 Pender County ranked fourth in the state in workforce participation. Overall, the DSS Director believes this structural change and the Work First emphasis on work and time limits has produced a change in the culture of the DSS, and it has been surprisingly smooth. The old focus on eligibility determination has been replaced by a focus on work and self-sufficiency. This culture change has been positively reinforced by the significant number of clients who are amenable to the new program. DSS staff have noticed a positive change in self-esteem and healthy changes in mannerisms, dress, and conversation. As the county manager notes, some of this optimism has worn off as staff must focus on clients with more difficult work barriers that require more resources or tools than the county presently has.

Changes in County/State Relations

Since they remained a standard county, the DSS Director sees no change in county/state relations. Interestingly, the County Manager suggests that if the state really wants the county to take ownership of the welfare program, they should put the DSS

under county control, like enabling legislation did for Wake and Mecklenberg Counties. This point was echoed by a county commissioner, who notes that they really have no idea what is going on in the DSS.

Chief Successes of Welfare Reform

According to the DSS Director, a chief success has been the improved collaboration with other agencies (in addition to the previously mentioned reduction in the welfare rolls and the new emphasis on work and self-sufficiency throughout the system). The perception of a typical welfare recipient by this wider range of people has changed for the better. In the past, people didn't understand that being on welfare isn't just a matter of being lazy or unmotivated; these people have very real barriers to work. The County Manager is much less impressed – he doesn't see much success from a "macro" point of view. He maintains that welfare reform all boils down to people wanting to become self-sufficient badly enough. He wonders how you instill this in people – he's not convinced that current welfare reform is addressing this challenge.

Chief Shortcomings of Welfare Reform

A shortcoming of welfare reform has been the deemphasis on training welfare recipients, according to the DSS Director. The focus now is on getting people into jobs as soon as possible, but the problem is that they can't survive in these jobs without experience or a work background. For example, the time limit on training is 6-12 weeks – it is not possible to prepare someone to be proficient in a technology such as computers in that timeframe. The local community college does have some "human resource

development” courses, like job interviewing skills, but they don’t have the staff to do enough. Other problems cited by the DSS Director include lack of industries with higher paying jobs, lack of public or other suitable transportation, insufficient child care to handle extended hours and flexible schedules, and a high percentage of functionally illiterate participants who have no connection with the workforce. She cites a number of needs for them to progress further, including more State training due to numerous policy changes, and improved networking/communication with community colleges (DHHS, 2000).

The county manager’s main concern with welfare reform is that they’ve built false expectations with clients. He understands the importance of building self- esteem and taking small steps toward success, but the main message that is not being delivered is that a job is work that involves certain responsibilities – not just showing up and watching the clock. A good worker sometimes must do a little extra to get the job done. Employers want someone they can train – someone with a positive attitude who can read and apply what they read and do basic arithmetic. In his view, Work First is not focusing on these basics, and instead is sending people to fast track computer training that they think will land them a \$9.00 an hour job. This is not reality. People should not be coddled.

The county commissioner/social services board member notes that although more people are now in jobs than just “sitting under trees,” overall they have just shifted the money from one program to another. Instead of the money being distributed as cash assistance, it is now being distributed to pay for day care, transportation, and health services. In other words, the public tax dollar is still being spent, and only time will tell if former welfare recipients are truly better off working than just staying home watching

their children. If they are at home, they may not be working but they are also not utilizing day care and transportation services.

Involvement of a Wider Range of Players

According to the DSS Director, there clearly is a wider range of agencies involved in welfare reform. Besides DSS, there is the health department, community college, Employment Security, the Workforce Development Board (under the Council of Governments), mental health, vocational rehabilitation, and schools providing after-school day care programs. More specifically, Employment Security is now contacting businesses to set aside slots for Work First participants. In a tight labor market Work First participants are very attractive to employers because they don't initially require health insurance. The community college is now more involved with the Job Link program. Once Employment Security identifies certain jobs for Work First recipients, the community college offers human resource development courses to prepare people. This is an example of how Work First differs from the old welfare approach; instead of enrolling a client in school to pursue a degree, now they must be in short, job training courses to meet participation criteria (as discussed elsewhere in this report, this new approach has positives and negatives). They do try to avoid placing clients in dead end jobs in places like fast food chains, and instead aim for clerical or administrative support positions in companies or government agencies where there is a career ladder of some sort.

The DSS Director also points out the host of new businesses as well as government agencies that are more interested in hiring Work First participants because of the tight

labor market and the lower overall initial cost. Some businesses are even providing vans for transportation and after-care for night shift work. Other examples of wider involvement include the addition of a Qualified Substance Abuse Professional in the mental health department to deal with all Work First recipients with substance abuse problems, and the construction of a low-income housing unit where 32 of the 40 units are reserved for Work First clients. This unit is located near an industrial park and numerous supportive services; the purpose is to provide transitional housing as a Work First client is restricted to a three year stay.

Finally, there has been a significant push to involve the faith community more, particularly to provide child care and transportation. Unfortunately, these efforts have been sidetracked because of the need to provide hurricane relief.

From his position, the county manager is less impressed with the greater involvement of groups in the community. He hears a great deal of talk from a variety of special interest groups, but there is “lots of smoke, but little fire.” He doesn’t see many of these groups achieving anything concrete.

The county commissioner/social services board member is impressed by the wider range of players in welfare reform. The greater involvement of job training agencies, the community college, and local businesses is all positive. However, this wider involvement has not translated to any significantly greater degree of understanding of the welfare system in the community. The general public does not understand welfare reform. The public hears that the welfare rolls are dropping, so they just assume that the social services system must be downsizing and dependency is decreasing. The public

does not understand that all of those former welfare recipients are only working because of various expensive supportive services.

Researcher Assessment

The picture in Pender County is mixed. Although the DSS Director is pleased with the reduction in the welfare rolls, centralization of social services staff, and collaboration with other agencies towards job placement for welfare clients, there is a more negative tone compared to interviews last year. It may well be that the terrible flooding from Hurricane Floyd is to blame, but she is very pessimistic about the willingness of the county commissioners to invest the resources needed to be more innovative with the delivery of social services to Work First clients. The county manager and county commissioner/social services board member appreciate the reduction in the welfare rolls and placement of welfare recipients in jobs, but are quite skeptical of the long-range impact of these efforts and the cost of day care and transportation. In their view, a certain segment of the population will never attain more than minimum wage jobs, and this means they will never be self-sufficient. These respondents also do not sense any ownership or control of the welfare program. As a standard county, they see the program mandated by the state and federal government, with little flexibility. If the counties are to be accountable then the entire administrative structure needs to be changed. As long as the current structure exists, counties will not be fully committed to welfare reform.

References

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