

Subsidized and Transitional Employment Demonstration (STED)



REFERENCE SHEET FOR MFIP EMPLOYMENT COUNSELORS

Background

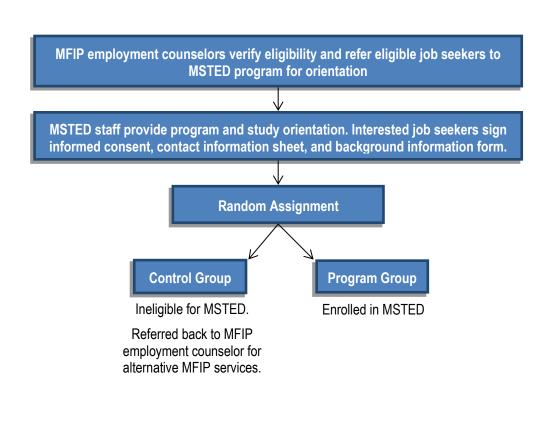
Since the 1970s, a few subsidized employment models have been rigorously evaluated, with mixed results. The Subsidized and Transitional Employment Demonstration (STED) builds on these earlier studies by testing promising and innovative subsidized employment models. The Administration for Children and Families in the U.S. Department of Health and Human Services is sponsoring the evaluation. The Minnesota Department of Human Services is funding the Minnesota STED (MSTED) program in several counties.

Policy Questions

A major policy question confronting the nation, particularly at a time of economic uncertainty, is: *Do government subsidies of work yield positive long-term results for individuals? Do these programs add value, over and above what would have happened without the work subsidy?*

Study Design Features

The study is using a random assignment design to test the effectiveness of MSTED. This means that admission into the program will be decided using a random, lottery-like process. Potential participants have an equal chance of being assigned to the program group (allowed to enroll in MSTED) or the control group (not allowed to enroll in MSTED). The research team will collect data for everyone in both groups for several years.





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Program/Study Eligibility Criteria

MFIP job seekers must meet the following eligibility criteria before being referred to the program:

- ✓ On MFIP for at least six months
- ✓ \$1,200 or less in earnings for the last six months
- ✓ Not a minor parent
- ✓ Not a parent between 18-24 years old and pursuing a full-time education plan
- ✓ Not exempt from the work requirements, with the exception of exempted newly arrived immigrants

Key Points for Potential Participants

Before referring anyone to MSTED, employment counselors will need to convey several pieces of information to potential participants:

- ❖ MSTED is a program that places people in subsidized jobs in order to improve long-term employment outcomes.
- Admission to the program is not guaranteed. It will be decided by a random, lottery-like process.
- The program is part of a national study to find out if subsidized employment programs help job seekers find and keep jobs.
- MSTED program staff will provide an orientation that explains both the program and the study.

Key Points about the MSTED Program

Communicate to participants the multiple goals of subsidized employment, including:

- Providing earned income
- Developing a recent work history and reference
- Addressing barriers to employment
- ❖ Learning and practicing successful workplace behaviors and skills
- Giving the participant a chance to show an employer they are a good worker and a good match
- ❖ Connecting participants with employment opportunities they would not have been able to obtain on their own
- Transitioning to unsubsidized employment

The Research Team

MDRC is a nonprofit, nonpartisan education and social policy research organization that is dedicated to learning what works to improve the well-being of low-income people. For this evaluation, MDRC has partnered with three other well-known and highly regarded research firms: MEF Associates, Branch Associates, and Decision Information Resources (DIR).