



Family Welfare Research & Training Group

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Utility of MABS and New Hires for Evaluating Welfare-to-Work Vendors

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At the request of the Bureau of Work Program Systems (BWPS), Maryland Department of Human Resources, the utility of the Maryland Automated Benefits System (MABS, Maryland's unemployment insurance (UI) data system) and New Hires data in assessing the outcomes of welfare-to-work placements was examined. We obtained quarterly wage data from the University of Baltimore and extracted New Hires data from our archives for 901 placements documented in the Work Opportunities Management Information System (WO MIS). With these data, we examined four basic questions:

- 1) Do the UI data indicate that the person worked in the quarter that WO MIS indicates a job placement occurred?
- 2) Do the New Hires data indicate that the person worked after the placement for the employer that WO MIS indicates?
- 3) To what extent did people retain the jobs they worked in during the placement quarter?
- 4) What industries do customers work in?

Table 1, following, details the distribution over time of the 901 placements.

Table 1. Number of Placements per Quarter

Quarter	Number of Placements	Percent of Placements
1999 - 3 or SFY 2000 - 1	275	30.5%
1999 - 4 or SFY 2000 - 2	251	27.9%
2000 - 1 or SFY 2000 - 3	181	20.1%
2000 - 2 or SFY 2000 - 4	194	21.5%
All Quarters	901	100.0%

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Placements were drawn from four jurisdictions: Baltimore City, Cecil County, Montgomery County, and Prince George's County. Table 2, following, presents the number of placements per jurisdiction.

Table 2. Number of Placements per Jurisdiction

Jurisdiction	Number of Placements	Percent of Placements
Baltimore City	262	29.1%
Cecil County	147	16.3%
Montgomery County	470	52.2%
Prince George's County	22	2.4%
All Jurisdictions	901	100.0%

1) Do the UI data indicate that the person worked in the quarter that WO MIS indicates a job placement occurred?

Table 3, following, presents the percent of records in each jurisdiction with wages from a UI-covered job in Maryland in the quarter of placement.² Figures for Cecil, Montgomery, and Prince George's Counties may not be representative of the number of placements which led to employment, because many workers in those jurisdictions work out of state³, and wage data for bordering states and the District of Columbia are not available.

In Baltimore City, more than eight of ten records show wages in the quarter of placement (84.0%, n=220/262). As would be expected, considering the proportions of residents employed out of state, figures for other jurisdictions are somewhat lower. In Cecil County, about seven of ten records (69.4%, n=102/147) show wages in the quarter of placement. In Montgomery County, the percentage is slightly higher than seven in ten (72.8%, n=342/470). In Prince George's County, there were no placements by the selected vendor in the first two quarters of SFY 2000, and very few records in comparison to other jurisdictions. These factors, in addition to the fact that nearly 45% of workers in this county work out of state, may contribute to the poor showing in Prince George's County in comparison to other jurisdictions. Of the 22 records for Prince George's County, five in ten (50.0%, n=11/22) had wages in the quarter of placement.

² The wage data presented here are taken from Maryland's Unemployment Insurance database, MABS (Maryland Automated Benefit System). Approximately 93 percent of Maryland jobs are covered. Important omissions include military and civilian federal employees, among others. Complete reporting on clients post-exit employment is also constrained by our lack of access to UI databases of the District of Columbia and the four states which border Maryland.

³According to 1990 Census figures, 37.6% of residents of Cecil County, 32.1% of residents of Montgomery County, and 44.9% of residents of Prince George's County work out of state. In contrast only 1.9% of Baltimore City residents are employed out of state. The statewide data indicate that 17.4% of workers are employed outside of Maryland.

Table 3. Percent with UI-covered Wages in Quarter of Placement

Jurisdiction	Number with Wages	Number of Placements	Percent with Wages
Baltimore City			
993	76	93	81.7%
994	81	97	83.5%
001	48	55	87.3%
002	15	17	88.2%
All quarters	220	262	84.0%
Cecil			
993	23	36	63.9%
994	29	43	67.4%
001	21	32	65.6%
002	29	36	80.6%
All quarters	102	147	69.4%
Montgomery			
993	101	146	69.2%
994	86	111	77.5%
001	69	91	75.8%
002	86	122	70.5%
All quarters	342	470	72.8%
Prince George's			
993	0	0	0.0%
994	0	0	0.0%
001	1	3	33.3%
002	10	19	52.6%
All quarters	11	22	50.0%
All 4 Jurisdictions			
993	200	275	72.7%
994	196	251	78.1%
001	139	181	76.8%
002	140	194	72.2%
All quarters	675	901	74.9%

The results presented in Table 3 only speak to whether the person worked for *any* UI-covered employer in the quarter of placement and are not limited to employment for the employer indicated in WO MIS. To assess if the MABS employment is actually the placement reported in WO MIS, we examined the 262 Baltimore City placements in more detail. Of these 262 placements, 220 had MABS recorded employment in the quarter of placement. Of these 220, 64.1% (n = 141/220 or 53.8%, n = 141/262 of all Baltimore City placements) have a MABS record that matches the employer indicated by WO MIS.

2) Do the New Hires data indicate that the person worked after the placement for the employer that WO MIS indicates?

Table 4 displays the results of comparing the WO MIS placements with New Hires. We found much less correspondence between WO MIS and New Hires than between WO MIS and MABS. Among Baltimore City records, approximately half had a New Hires record at some point during State Fiscal Year 2000. For Cecil, Montgomery, and Prince George's Counties, the percentages are even lower at 43.5%, 44.9%, and 31.8%, respectively.

Table 4. Percent with Any New Hires Match in SFY 2000

Jurisdiction	Number with New Hires Match	Number of Placements	Percent with New Hires Match
Baltimore City			
993	43	93	46.2%
994	56	97	57.7%
001	31	55	56.4%
002	7	17	41.2%
All quarters	137	262	52.3%
Cecil			
993	12	36	33.3%
994	20	43	46.5%
001	13	32	40.6%
002	19	36	52.8%
All quarters	64	147	43.5%
Montgomery			
993	63	146	43.2%
994	56	111	50.5%
001	43	91	47.3%
002	49	122	40.2%
All quarters	211	470	44.9%
Prince George's			
993	-	0	-
994	-	0	-
001	2	3	66.6%
002	5	19	26.3%
All quarters	7	22	31.8%
All 4 Jurisdictions			
993	118	275	42.9%
994	132	251	52.6%
001	89	181	49.2%
002	80	194	41.5%
All quarters	419	901	46.5%

The results presented in Table 4 only speak to whether the person had a New Hires record in Fiscal year 2000 and are not limited to New Hires matches for the employer indicated in WO MIS. To assess if the New Hires records were actually the placement reported in WO MIS, we examined the 262 Baltimore City placements in more detail. Of these 262 placements, 137 had a New Hires match in Fiscal Year 2000. Of these 137, 49.6% (n = 68/137) have a New Hires record that matches the employer named in WO MIS.

We also explored if the low number of New Hires matches could be due to a misalignment between the time period covered by New Hires and the date of the placement as recorded in WO MIS. Using the Baltimore City placements, we found that expanding the time period so that all New Hires matches are included only resulted in two more matches.

Finally, we examined the Baltimore City records in detail to assess the number which match MABS and/or New Hires. For the 262 Baltimore City placements, 31.8% (86) match MABS only, 5.0% (13) match New Hires only, 21.0% (55) match both MABS and New Hires and 41.2% (108) match neither MABS nor New Hires.

3) To what extent did people retain the jobs they worked in during the placement quarter?⁴

Tables 5 through 8 display estimates of employment stability for all jurisdictions and separately for Baltimore City, Cecil County and Montgomery County. Due to the small number of placements in Prince George's County, data for that jurisdiction are not presented separately. For example, in Table 5 the first cell indicates that in 200 of the 275 1999-3 placements, the person was employed in the placement quarter. The next cell shows that 171 of these 200 were still employed in the fourth quarter of 1999. By the third quarter of 2000, 93 of the original 200 were still employed and had been in each of the quarters since placement. The last column in each table shows the average number of consecutive quarters worked (including the placement quarter) for each of the placement cohorts.

⁴The results on employment stability are based on the employer the person worked for during the placement quarter. This employer may or may not be the job placement recorded in MABS.

Table 5. Employment Stability After Placement - All Records

Quarter of Placement	Number Employed in Quarter					Mean Number of Consecutive Quarters Worked
	1999 - 3	1999 - 4	2000 - 1	2000 - 2	2000 - 3	
1999 - 3 (n=275)	200	171	137	110	93	3.56
1999 - 4 (n=251)		196	150	124	96	2.89
2000 - 1 (n=181)			139	117	88	2.47
2000 - 2 (n=194)				140	118	1.84

Note: The number in each cell to the right of the placement quarter indicates the number of people who are still employed in that quarter.

Table 6. Employment Stability After Placement - Baltimore City

Quarter of Placement	Number Employed in Quarter					Mean Number of Consecutive Quarters Worked
	1999 - 3	1999 - 4	2000 - 1	2000 - 2	2000 - 3	
1999 - 3 (n=93)	76	64	54	41	37	3.58
1999 - 4 (n=97)		81	56	47	37	2.73
2000 - 1 (n=55)			48	41	32	2.52
2000 - 2 (n=17)				15	10	1.67

Note: The number in each cell to the right of the placement quarter indicates the number of people who are still employed in that quarter.

Table 7. Employment Stability After Placement - Cecil County

Quarter of Placement	Number Employed in Quarter					Mean Number of Consecutive Quarters Worked
	1999 - 3	1999 - 4	2000 - 1	2000 - 2	2000 - 3	
1999 - 3 (n=36)	23	18	11	8	8	2.96
1999 - 4 (n=43)		29	23	20	17	3.07
2000 - 1 (n=32)			21	16	9	2.19
2000 - 2 (n=36)				29	25	1.86

Note: The number in each cell to the right of the placement quarter indicates the number of people who are still employed in that quarter.

Table 8. Employment Stability After Placement - Montgomery County

Quarter of Placement	Number Employed in Quarter					Mean Number of Consecutive Quarters Worked
	1999 - 3	1999 - 4	2000 - 1	2000 - 2	2000 - 3	
1999 - 3 (n=146)	101	89	72	61	48	3.67
1999 - 4 (n=111)		86	71	57	42	2.98
2000 - 1 (n=91)			69	59	46	2.52
2000 - 2 (n=122)				86	73	1.85

Note: The number in each cell to the right of the placement quarter indicates the number of people who are still employed in that quarter.

In order to examine if these employment stability results hold when only employment with the employer recorded in WO MIS is considered, we conducted a more detailed analysis for Baltimore City. For the 141 Baltimore City placements which match MABS in the quarter of placement, 66.0% (93) were employed by the placement employer in both the placement quarter and the first post-placement quarter. In contrast, among the 121 Baltimore City placements which did not match MABS in the quarter of placement, 36.4% (44) were employed by the same employer in both the placement quarter and the first post-placement quarter.

4) What industries do customers work in?

To examine the industries in which customers are employed, we determined the Standard Industry Classification (SIC) codes for the MABS-reported employers which customers worked for during the placement quarter. Table 9 displays the top 5 industry codes for customers from each jurisdiction. Because of the small number of available cases, Prince George's county is excluded from the industry analysis. Curiously, temporary help / employment agencies are the most common industry in Montgomery County and the second most common in Baltimore City and Cecil County. However, it should be noted that Table 9 reflects the industry the customer worked for in the placement quarter, which is not necessarily the placement employer noted in the WO MIS record.

Table 9. Top 5 Industries in the Placement Quarter

Jurisdiction	Frequency	Valid Percent	Cumulative Percent
Baltimore City (n=211 classifiable employers)			
4950 Sanitary Services, Commercial	24	11.4%	11.4%
7361 Temporary Help/Employment Agencies	20	9.5%	20.9%
7010 Hotels and Motels	16	7.6%	28.4%
8721 Accounting, Auditing, Bookkeeping, Payroll	13	6.2%	34.6%
8051 Nursing Homes and Hospices	11	5.2%	39.8%
Cecil (n=109 classifiable employers)			
5800 General Eating and Drinking Places	22	20.2%	20.2%
7361 Temporary Help/Employment Agencies	16	14.7%	34.9%
8051 Nursing Homes and Hospices	13	11.9%	46.8%
5310 Department Stores	8	7.3%	54.1%
5541 Gasoline Service Stations	5	4.6%	58.7%
Montgomery (n=372 classifiable employers)			
7361 Temporary Help/Employment Agencies	57	15.3%	15.3%
5310 Department Stores	34	9.1%	24.5%
5410 Grocery Stores/Supermarkets	22	5.9%	30.4%
5800 General Eating and Drinking Places	21	5.6%	36.0%
8051 Nursing Homes and Hospices	20	5.4%	41.4%
All 4 Jurisdictions (n= 704 classifiable employers)			
7361 Temporary Help/Employment Agencies	95	13.5%	13.5%
5800 General Eating and Drinking Places	50	7.1%	20.6%
5310 Department Stores	45	6.4%	27.0%
8051 Nursing Homes and Hospices	44	6.3%	33.2%
4950 Sanitary Services, Commercial	32	4.5%	37.8%

Data limitations

The results of these analyses should be viewed with several important data constraints in mind. First, the data did not permit us to easily examine if the earnings in the quarter of placement were in fact from the employer with which the customer was placed. The WO MIS data only contain the name of the employer, while our UI data only include the employers UI account numbers. Matching up the employer in WO MIS with the MABS employer is very time-intensive. We must first manually look up and record the name of the MABS employer. We then perform a direct match, where the first 7 characters of the placement employer name and the MABS employer name match. Any placements which do not have a direct match are manually matched and verified through web searches.

Given that any individual employer can have multiple names (e.g., the business name, the company name, the name of the larger corporation of which this employer is a subsidiary) and that any of these names could be used in either system, we believe that the numbers reported here are in fact a conservative estimate of the extent to which the placement listed in WO MIS can be verified in MABS. For example, a placement recorded in WO MIS as occurring at All Wound Up appears in MABS as Niche Marketing Limited, LLC , the corporate name. Much of the difficulty associated with

comparing WO MIS and MABS employer information could be eliminated if the employer state unemployment insurance account number were recorded in WO MIS. This account number should be readily available from all employers covered by Maryland UI laws.

The problem of not being able to definitively identify the employer for all placements also affects our analysis of employment retention. The results reported in the previous pages speak to the extent to which customers remained employed after a placement; this employment is not necessarily with the employers with which they were initially placed.

Third, the limited number of cases for any particular vendor prohibited any real statistical comparison among vendors. If you would like us to conduct more analyses such as these in the future and the data sets contain sufficient numbers of cases, we can certainly do more comparative analyses.

Fourth, the lack of access to data on employment in other states severely limits our ability to adequately assess placements for Cecil, Montgomery, and Prince George s counties. Given the high rates of out-of-state employment among residents of these counties, it is reasonable to assume that our findings underestimate the rate of correspondence between WO MIS, MABS, and New Hires for these jurisdictions.

Finally, the lack of congruence between MABS and New Hires is troubling. The regulations regarding which employers must report data are very similar for both systems. BWPS may wish to investigate this disparity further.