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# Women, Work, and Welfare Reform

*This article summarizes findings from the book, Working After Welfare: How Women Balance Jobs and Family in the Wake of Welfare Reform, published in 2008 by the Upjohn Institute (ordering information on p. 7–8).*

Mishon is a hotel housekeeper in her early thirties with two teenagers. In 2004, she earned just over the minimum wage. Instead of looking for a higher-paying job, she preferred to stay with her current employer because her schedule was stable, which allowed time in the evenings to help her children with their homework. Amanda, an office manager earning about \$10 an hour, said that she too needed to spend time with her children rather than return to school to get a better job. “A lot of my time that I could devote to education and to work, I choose to spend on my children, and that’s temporary,” she said. “Once the kids are grown, I won’t have any real reasons to keep me from growing and moving ahead.”

Mishon and Amanda were part of the Women’s Employment Study (WES), which was originally designed to follow about 750 Michigan welfare recipients as they attempted to make the transition from welfare to work. Over the course of the study, the majority of women left the welfare rolls for employment. However, many policymakers and advocates have noted that simply moving women from welfare and into jobs does not make their families self-sufficient. Indeed, studies in several states following families leaving welfare found that for women who worked, wages were in the \$7–\$8 an hour range (Acs and Loprest 2003).

When the WES surveys concluded, researchers conducted in-depth interviews in 2004 with some members of the study, including Mishon and Amanda, who had found jobs and had more or less remained steadily employed. While these women are typically considered

the “successes” of welfare reform, many faced challenges in moving further up the economic ladder. Some found it difficult to obtain jobs that paid higher wages or to find opportunities to increase their skills and thus their employment options. But the most common theme that emerged in women’s stories was the challenge of balancing work and family demands and the sacrifices women made to their own career advancement so that their children’s lives would be disrupted as little as possible.

*Working After Welfare: How Women Balance Jobs and Family in the Wake of Welfare Reform*, which was published last year by the Upjohn Institute,

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explores issues related to employment advancement using both the survey and interview data from the Women’s Employment Study. This article provides highlights from the book.

### **The Women’s Employment Study**

The WES is a panel survey that began in 1997 and followed a random sample of welfare recipients from one urban Michigan county, collecting five waves of survey data between 1997 and 2003. All women were between the ages of 18 and 54 when the study began, received Temporary Assistance for Needy Families in February 1997, and were African American or white U.S. citizens.

Most of the sample left welfare by 2003 and did not return. Many of these women worked in at least some months during a year. Employment rates among

the sample climbed steadily throughout 1997 and 1998 and reached a peak in November 1999, when nearly 80 percent of the women were employed. In August 2003, the last month for which we have employment data for all respondents, just over two-thirds, 68.6 percent, were employed.

### **Descriptive Findings on Employment Transitions**

Chapter 3 of the book presents findings from a series of analyses looking at the employment trajectories of the 421 women in the WES who were working at the beginning of the study (1997 or 1998). I computed a wage that, assuming full-time, full-year work, would still leave a family of three (a single mother and two children, the typical family in the WES) below the federal poverty line. In 1997 this rate was \$6.15 an hour (or \$6.25 in 1998). I consider women working in jobs paying those wages (or less) to have below-poverty-wage jobs in the initial period. In 2003, the comparable wage rate for a below-poverty-wage job is \$7.05 an hour. I categorize women as having above-poverty-wage jobs if their hourly rates put them above the federal poverty line. In 1997–1998, this would translate into wage rates above \$6.16–\$6.26.

Among respondents working in 1997 or 1998, 55.1 percent were in poverty-wage jobs and 44.9 percent were in above-poverty-wage jobs. By 2003, a much smaller proportion, 26.6 percent, were in poverty-wage jobs, with 50.8 percent in above-poverty-wage jobs. The remaining 22.6 percent reported no work during 2003, and thus I categorize them as being unemployed. As shown in Table 1, just over 17 percent of working sample members started and ended the study employed in poverty-wage jobs, or jobs that paid less than \$7.05 an hour (in 2003 dollars). A smaller fraction, 9 percent, were working in above-poverty-wage jobs (that is, jobs paying more than \$7.05 an hour) when the study started, but by 2003 they were no longer being paid this much and instead were in poverty-wage jobs. About a quarter moved from poverty-wage jobs to above-poverty-

**Table 1 Employment Transitions, 1997–1998 to 2003, Workers with Valid Starting Wages (n = 421)**

Transition type	%
Poverty wage both periods	17.3
Poverty wage to above-poverty wage	24.7
Poverty wage to unemployment	13.1
Above-poverty wage both periods	26.1
Above-poverty wage to poverty wage	9.3
Above-poverty wage to unemployment	9.5

NOTE: A poverty-wage job is equivalent to \$6.15 an hour or less in 1997 and \$7.05 an hour in 2003.

SOURCE: Author's tabulations from WES data.

wage jobs, while just over 9 percent held an above-poverty-wage job in both periods.

### Selected Multivariate Findings

Regression analyses document that a number of human capital problems, such as not knowing proper workplace behaviors, low levels of previous work experience, and prior discrimination are associated with ending the study in a poverty-wage job or with unemployment. Persistent transportation and health problems were significantly related to remaining in a poverty-wage job or to becoming unemployed. This set of findings suggests that the strong economy of the late 1990s allowed some women to get low-paying jobs but not necessarily advance or enjoy stable employment.

These analyses provide some insight into the types of barriers that keep people in lower-paying jobs or contribute to unemployment; however, they do not shed light upon the actual processes behind movements up or down the employment ladder. Several chapters in the book use information from qualitative interviews with a number of WES respondents to illustrate some of the employment patterns described above. Through in-depth discussions with these women, I learned more about the problems they encountered in finding and keeping jobs and the choices and trade-offs they made in balancing work and family life.

### Qualitative Findings

Tensions between motherhood and career advancement opportunities,

whether it be decisions to return to school or choices women make about upward movement on the job, emerged as perhaps the most striking common feature across interviews. This was true regardless of the wage level of the jobs in which women worked. Women expressed a strong desire to spend time with their children and participate in their activities. This desire sometimes got in the way of further advancement.

Jackie, who worked in a grocery store, did not apply for a promotion because it meant transferring to a store farther away. She explained how her daughter's schedule played a role in her employment

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decisions: "If it [the job] was in my store, I probably would [apply], but if it was somewhere else, I just can't do it right now because of my nine-year-old . . . I'd have to get up earlier and I ain't got nobody here to get my daughter."

Concerns about their children's well-being were also a main reason that women put off participating in education and training. Amanda, the office manager of a law firm, represents this struggle. She said, "My choices are to take night classes and not be around the kids, which I don't like. They're teenagers—they need me at home now more than they ever did . . . I have daughters. My youngest has a boyfriend now, so I don't want to be one of those moms and then complain later on, 'Well,

what happened?'" If I take classes during the day, I'm missing work, which is my paycheck, so I can't do that because my paychecks are lower. I can't do that."

In fact, one-third of the women we interviewed, when asked about their greatest challenges to further advancement, said that responsibilities to their children prevented them from moving up. A number of women believed that once their children were grown, they could devote time to themselves and would be able to advance. Sierra held this view, noting that her purpose for working now was not to get ahead but to provide for her children: "It's my family and kids right now. It [work] ain't just for me, basically right now it's for the kids. I'll have my life later." Of course, putting children before job advancement did mean that, generally, the family's income remained low.

### Conclusion

Many former welfare recipients are actively engaged in the labor market; some have moved up the employment ladder, but many others still earn relatively low wages. Yet most women we interviewed believed that their chances to improve were limited because of their responsibilities as parents. When faced with a choice between higher wages or control over their schedules, many chose the latter. Policy could do more not only to respect that decision but to help families by better supporting working parents.

### Reference

Acs, Gregory, and Pamela Loprest. 2004. *Leaving Welfare: Employment and Well-Being of Families that Left Welfare in the Post-Entitlement Era*. Kalamazoo, MI: W.E. Upjohn Institute for Employment Research.

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