

PROJECT MATCH



Self-Efficacy as a Welfare-to-Work Goal: Emphasizing Both Psychology and Economics in Program Design

Toby Herr and Suzanne L. Wagner

Project Match's program design work in the fields of welfare-to-work and workforce development has always been grounded in the field of human development, reflecting an interest in understanding the process by which individuals change and grow and how that process is linked to increases in economic and family stability among low-income populations. In this update, we discuss why welfare-to-work programs should be designed from a more psychological perspective, particularly in regard to cultivating in individuals a better sense of self-efficacy—a critical facilitator and mediator of behavioral change. We believe that by integrating knowledge from the field of psychology into program design, agencies will increase the likelihood of welfare recipients benefiting from the economically focused services and assistance available to them.

Making a Place for Psychology in Welfare-to-Work

From one end of the political spectrum to the other, everyone was more wrong than right in their predictions for the 1996 welfare reforms. Liberals underestimated the ability of welfare recipients to go to work when required to do so. Conservatives overestimated the degree to which work would transform the lives of welfare recipients and their families. And neither side imagined that so many welfare recipients would leave the rolls without any work at all.

What threw off everyone's predictions? In large part, we think that people on both sides were surprised because there has been limited effort to think more psychologically about welfare recipients: why they decide to go on the rolls, why they decide to leave them, why they decide to meet the work requirement, why they decide to accept a sanction, why they decide to take a job, why they decide to quit it—in short, what motivates welfare recipients' behavior. The field has tended to think pretty narrowly about motivation, focusing on a rather small number of carrots and sticks as the prime determinants of people's choices: the threat of losing all or part of a grant, for example, or the promise of an earned income tax credit and a child care subsidy.

In general, these carrots and sticks are economic in nature, derived from the assumption that most welfare recipients' decisions are based primarily on financial considerations. Yet most people, whether poor or not, usually make a decision for a host of reasons, including but going beyond the financial, so that the decision-making process is infinitely more complex than a simple economic equation.

Because of its more economic perspective, the field historically has been surprised by welfare recipients' choices and behavior. Under the 1988 Family Support Act, when a human capital development approach predominated, policy-

Support for this update was provided by the Joyce Foundation, Alphawood Foundation, and Bowman C. Lingle Foundation Trust. The findings and recommendations in this update do not necessarily represent the official positions or policies of the funders.

makers and administrators were confounded by the high dropout rates in education and training programs, even under threat of a sanction. And in two well-designed demonstration programs focused on work, New Hope in Wisconsin and the Self-Sufficiency Project in Canada, which offered generous earnings supplements, program designers did not expect the low take-up rate among those eligible. When viewed through a psychological lens, these responses to offers and mandates become more understandable, in fact might even have been predictable. In focus groups with non-takers in Canada's Self-Sufficiency Project, for example, when asked to consider "how their lives would have changed if they had taken up the supplement, having more money was given little consideration and ran second to thoughts of personal fulfillment or concerns about the impact that their working might have on their children.... Other qualities that seemed most to distinguish non-takers from takers were the former's lower self-esteem, determination, and confidence regarding the future."¹

Just as psychological factors play a role in take-up and engagement in welfare-to-work programs, so do they in labor force attachment and progress. Recent research on work patterns indicates that "the likelihood that women will work steadily and will find better jobs after first leaving welfare is related to other factors that are more difficult to observe, such as motivation, interpersonal and problem-solving skills, and differing labor markets."²

Despite mounting evidence from experience and research, the field continues to focus almost exclusively on nonpsychological issues in designing welfare policies and programs, but understandably, since it is easier to imagine getting a handle on more tangible problems like child care and transportation (though even they are daunting).

At the same time, there are many frontline workers in welfare offices around the country who understand that meeting policy and program goals requires sensitivity to welfare recipients' strengths and limitations, dreams and fears. Whether because of formal training or innate understanding, they recognize that an individual's decisions—to go to a work assignment or not, to keep a job interview appointment or not, to access a child care subsidy or not—hinge in part on complex psychological issues such as the ability to cope with uncertainty, face unfamiliar situations, take on new challenges, and separate from children. In the context of the welfare agency environment, these frontline workers usually have no structure or tools for addressing psychological issues with welfare recipients in the regular course of their work. When they do so, it is through personal inclination, not program design.

Improving Feelings of Self-Efficacy Among Welfare Recipients

Project Match's Pathways Case Management System is an example of how it is possible with typical welfare agency operations to build on or incorporate psychological principles and practices that contribute to improvements in welfare recipients' functioning, without ignoring agency goals like meeting work requirements. In Pathways, the focus is on self-efficacy, a central concept in the field of psychology. Albert Bandura, considered the foremost authority today on the subject, writes:

Perceived self-efficacy is concerned with people's beliefs in their capabilities to exercise control over their own functioning and over events that affect their lives. Beliefs in personal efficacy affect life choices, level of motivation, quality of functioning, resilience to adversity and vulnerability to stress and depression....

Ordinary realities are strewn with impediments, adversities, setbacks, frustrations and inequities. People must, therefore, have a robust sense of efficacy to sustain the perseverant effort needed to succeed.³

Bandura asserts that a person's belief about his or her performance of a task, rather than the actual level of performance, determines whether he or she will undertake the task.⁴ A woman who believes she always does badly in job interviews and becomes extremely anxious before them, for example, is likely to avoid interviews, even though in reality she presents herself well and is qualified for the jobs for which she is applying. In other words, this eminently employable woman's low sense of efficacy regarding job interviews is liable to prevent her from getting employed.

Self-Efficacy vs. Self-Esteem. Self-efficacy should not be confused with the related but separate concept of self-esteem, which refers to an individual's sense of his or her value or worth.⁵ While low self-esteem (or other psychological characteristics) can also influence behavior, we believe that self-efficacy is the most fruitful to target in welfare-to-work, for several reasons. In the field of psychology, a self-esteem belief is considered a generalized self-appraisal that is not context-sensitive or task-specific. A self-esteem belief answers the question, "How do I feel about myself?" A self-efficacy belief, in contrast, is both context-sensitive and task-specific, applicable to a particular goal. A self-efficacy belief answers the question, "Can I do this?" Thus, feelings of efficacy are directly linked to specific behavioral outcomes—that is, whether a person decides to act or refrains from acting in a particular situation.

In the context of a welfare-to-work program, it is much easier to conceive of increasing an indi-

vidual's feeling of efficacy about a particular action (e.g., going on a job interview) than to conceive of improving how that person feels about himself or herself generally, with the hope that improved self-esteem will result indirectly in employment or other desired outcomes. As another researcher in the welfare-to-work field has explained, "Because self-efficacy is active, it has important implications for field practitioners, those whose goal is to change behavior of individuals in the real world."⁶

Building Self-Efficacy Beliefs. According to Bandura, there are four main ways to promote a strong sense of self-efficacy⁷:

1. Mastery experiences
2. Social modeling
3. Social persuasion
4. The reduction of stress reactions and the alteration of negative emotional proclivities and misinterpretations of physical states

When implemented as envisioned, the Pathways Case Management System incorporates each of these aspects of the self-efficacy-building process into regular welfare agency operations (though the fourth aspect in a modified form).

Pathways was developed by Project Match for state and local welfare agencies. (The system is separate and distinct from the community-based employment program that Project Match has operated in Chicago since 1985.) The goal of Pathways is to help all types of welfare recipients—not just those deemed employable—move onto, and along, their own unique route toward economic and family stability. The system does this by providing welfare agencies with a set of tools for ensuring monthly contact between caseworkers and welfare recipients; for developing and monitoring customized monthly



plans; and for promoting a teamwork approach among welfare agency staff, and also with partner agencies such as workforce development and child welfare.

The Pathways “tool kit”—the components of the system—includes an activity diary, a monthly group meeting for welfare recipients, both a monthly case review session and a debriefing session for agency staff, and a computerized tracking system. Grounded in the field of human development, we designed these components with knowledge about how individuals grow and change, but we did not intentionally set out to improve welfare recipients’ sense of self-efficacy. Only recently, as we have tried to articulate how Pathways works, did we become aware of the degree to which the system—particularly the activity diary and the monthly group meeting—is structured to do this.⁸ With this realization, we have begun to think of an increased sense of self-efficacy as an explicit goal of Pathways—one that is important to all welfare recipients, whether subject to the work requirement or exempt for medical or other reasons. As feelings of self-efficacy increase, people should be correspondingly more able to take concrete steps toward employment or other goals related to economic and family stability.

¹Social Research and Demonstration Corporation, “When Work Pays Better Than Welfare: A Summary of the Self-Sufficiency Project’s Implementation, Focus Group, and Initial 18-Month Impact Reports” (Vancouver: Social Research and Demonstration Corporation, March 1996), pp. 14–15.

²Melissa Wavelet and Jacquie Anderson, “Promoting Self-Sufficiency: What We Know About Sustaining Employment and Increasing Income Among Welfare Recipients and the Working Poor,” *Focus 22* (special issue 2002): 57.

³Albert Bandura, “Self-Efficacy,” in V. S. Ramachandran, ed., *Encyclopedia of Human Behavior*, vol. 4 (New York: Academic Press, 1994), p. 81.

⁴Albert Bandura, “Self-Efficacy Mechanism in Human Agency,” *American Psychologist* 37 (1982): 122–147.

⁵J. Blascovich and J. Tomaka, “Measures of Self-Esteem,” in J. P. Robinson, P. R. Shaver, and L. S. Wrightsman, eds., *Measures of Personality and Social Psychological Attitudes*, vol. 1 (San Diego: Academic Press, 1991).

⁶Emily A. Sterrett, “Use of a Job Club to Increase Self-Efficacy: A Case Study of Return to Work,” *Journal of Employment Counseling* 35 (June 1998): 69.

⁷Bandura, “Self-Efficacy.”

⁸Specifics about how the Pathways components are structured to promote a stronger sense of self-efficacy are detailed in a monograph of the same title, from which this update is adapted, available from Project Match.

This Research & Policy Update is adapted from a longer monograph of the same title. The update was prepared by Project Match for a presentation at the Seventh International Women’s Policy Research Conference, sponsored by the Institute for Women’s Policy Research, June 22–24, 2003, Washington, D.C.