Increasing Cooperation to Maximize Mobility
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This commentary is part of a series highlighting the work of the 2012 Ideas for Action Award winners, sponsored by The Northwest Area Foundation, University of Minnesota, and University of Washington. This award recognizes organizations that take practical and innovative approaches to helping low-income individuals.

Recent research has demonstrated that a single parent raising two young children in the Commonwealth of Massachusetts must earn $61,168 per year – or $29.00 per hour – to cover basic expenses without needing any public support. This is more than three times the federal poverty level. As these parents try to move toward economic independence, they often find that most safety net programs phase out long before they earn $29.00 per hour, thus thwarting any chance of escaping poverty.

Given shrinking resources at both the state and federal level, as well as diminishing public support for welfare cash assistance programs, it’s time to invest public funding in new and creative ways in order to break the cycle of poverty. At Crittenton Women’s Union (CWU), we have found that to promote self-sufficiency, we need better cooperation among state agencies.

Our years of helping low-income families achieve upward mobility led us to develop an approach we call the Bridge to Self-Sufficiency™. This model suggests that becoming economically independent requires most people to optimize their lives in five basic domains: family stability, well-being, education and training, financial management, and employment and career management. If an individual struggles significantly in any of these areas, it becomes virtually impossible for him or her to attain and keep a family-sustaining job.

To address these barriers, CWU created the Career Family Opportunity (CFO) program. Piloted in 2009, CFO uses the Bridge to Self-Sufficiency™ approach to promote economic independence among low-income single parents over five years. Using goal setting, mentoring, network building, financial incentives, and asset development, the program provides participants with mentors to help them achieve a family-sustaining job and $10,000 in personal savings.

An evaluation of families participating in the first three years of the program has shown a dramatic increase in earnings. Wages increased by 30 percent from $14.51 at program entry to $18.86 at the end of the third year. These same participants also accumulated a total of $25,258 in savings, and the number of post-secondary degree and certificate holders increased from 50 percent at the start of the program to 75 percent after three years.

These results demonstrate that holistic, long-term economic mobility programming can offer a cost-effective way to decrease dependence on public assistance among low-income families. Yet problems still remain when it comes to funding these programs.

CFO is funded by a combination of private philanthropy and public investment of the Boston and Cambridge Housing Authorities. But there is not enough private philanthropy available to sustain this program entirely. Ultimately, significant public funding is required to bring approaches like this to all who could benefit from them.

Unfortunately, programs like CFO are best funded by multi-agency collaborations that don’t naturally happen in state government—despite the tremendous economic incentive to do so. This suggests that a new public approach to fighting poverty is needed to effectively address this problem.

CWU recently commissioned Brandeis University to conduct a return on investment evaluation of CFO. An initial report finds that the annual package of public supports received by participants in this program is about $30,000 per family. These include health care, housing, child care, food support, disability
income, cash assistance, and unemployment insurance. On average, they come from a combination of seven safety net program areas representing six departments within state and federal government.

This data should encourage social policy researchers, policymakers, and low-income advocates to consider supporting a new public policy approach to poverty that focuses on economic mobility programs funded across multiple public departments.

Public officials would be well served to experiment with innovative public resource investment strategies that work across agencies. We must recognize that a higher level of organization and cooperation is needed among government agencies if we are to help low-income families achieve self-sufficiency most effectively.

Once public institutions begin to move past overly narrow eligibility or surmount categorical barriers to service delivery, even more innovative public investments can be made to help poor families move up the economic ladder.

By supporting effective nonprofit approaches that actually help low-income families attain economic self-sufficiency, state governments can become better stewards of dwindling resources.

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