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**Evaluation of the GATE II Grants:
Is Self-Employment Training Effective for Rural and
Older Dislocated Workers?**

Final Report

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The evaluation of the second round of Growing America Through Entrepreneurship (GATE II) grants represented an exciting opportunity to further test the effectiveness of the GATE program model on labor market outcomes. By identifying two specific target populations of dislocated workers – those ages 45 and over and those located in rural areas – this demonstration expands the research on self-employment programs.

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EXECUTIVE SUMMARY

In June 2008, the U.S. Department of Labor (DOL) awarded Growing America Through Entrepreneurship (GATE II) grants to four states: Alabama, Minnesota, North Carolina, and Virginia. Alabama and North Carolina used the grants to provide self-employment training to dislocated workers in rural areas, while Minnesota and Virginia targeted older dislocated workers. In awarding these demonstration grants, DOL sought to assess the effectiveness of self-employment training for improving the labor market outcomes of rural and older dislocated workers.

This report presents the results of the evaluation of the GATE II program as implemented in the four grantee states. The objective of the evaluation is to address two key research questions:

- Was GATE II effective in improving the labor market outcomes of older dislocated workers and of rural dislocated workers?
- Is providing self-employment training to older dislocated workers and rural dislocated workers interested in self-employment a viable policy tool for promoting their reemployment?

To address these questions, DOL asked the four grantee states to use random assignment to determine which program applicants would receive GATE II services (treatment group) and which would not receive these services (control group). Random assignment of applicants enables researchers to rigorously estimate program impacts by comparing post-program outcomes of treatment group members against control group members.

IMPAQ International LLC (IMPAQ) was selected to design and implement an evaluation of the GATE II grant program. The evaluation design included two components:

- An implementation study to examine program design and implementation of GATE II in each grantee state
- A random assignment impact study to examine the impact of GATE II on participants' labor-market outcomes (e.g., self-employment, overall employment, self-employment earnings, and total earnings).

The implementation study covering all four grantee states was completed in 2011 (Davis et al., 2011). In this report, we present the results of the random assignment impact study. While all four states were requested to implement a random assignment design, only two states were successful: North Carolina and Virginia. Alabama was unsuccessful in its effort to implement a random assignment design; Minnesota chose to implement a different design that did not incorporate random assignment. As a result, the impact evaluation study results presented in this report focus only on the North Carolina and Virginia GATE II demonstrations.

GATE II Implementation

Although the specific details of program implementation varied between North Carolina and Virginia (the two states that implemented random assignment), the general strategy was similar. Each of these GATE II grantees implemented the following key steps:

- **Community Outreach and Recruitment** – This step involved attracting eligible and interested participants.
- **Registration** – This was the first step that a dislocated worker could take to indicate interest in GATE II services. Registration methods varied across grantees; options included registering at a participating One-Stop Career Center (now known as American Job Centers), through the GATE Web site, by mailing a postcard, or by calling a toll-free number.
- **Eligibility Verification** – At this step, the grantee would assess an individual’s eligibility for participation in the program using data obtained at registration.
- **Orientation** – Registered individuals interested in services were required to participate in a GATE II orientation. The orientation provided attendees with a balanced picture of both the positive and negative aspects of self-employment, described GATE services, and explained the GATE II application process.
- **Application** – Individuals interested in applying for GATE II services following the orientation could apply to the program. The application collected information to confirm eligibility, to provide the assessment counselor with information about the participant’s needs, and to provide information for the evaluation.
- **Random Assignment to Treatment and Control Groups** – To support the evaluation of the impacts of the GATE II programs, DOL asked grantees to use random assignment. This would determine which applicants would receive program services (treatment group) and which applicants would not receive program services (control group).

These two GATE II grantees also offered similar basic services to all individuals assigned to the GATE II treatment group. These services included:

- **Business Readiness Assessment** – The purpose of this business readiness assessment was to recommend the services and providers that best met the participant’s needs. On the basis of this review, the counselor would recommend the appropriate set of services to the participant and refer him or her to a training or business counseling provider.
- **One-on-One Business Counseling** – Individual business counseling covered topics such as refinement of the business idea, business plan writing and development, marketing, budget and cash flow projections, and availability of financing.
- **Classroom Training** – At minimum, service providers were required to offer basic courses that focus on developing a business plan. Other basic courses covered topics such as market research, marketing, pricing, financing, cash flow, and legal issues. More advanced courses covered topics such as growth strategies, business planning, and

customer relations. In addition to training courses, some providers offered seminars on specific business types (e.g., child-care businesses), e-commerce, or accounting software packages.

GATE II Impacts

The objective of the GATE II impact study was to examine the effectiveness of self-employment training in helping rural and older dislocated workers to improve their self-employment and overall labor market outcomes. Because random assignment was implemented successfully in only two states – North Carolina and Virginia – the impact study was limited to those two states. Since North Carolina and Virginia catered to different target populations, and thus customized their programs accordingly, we conducted separate impact analyses for each state.

To estimate the impacts of the North Carolina and Virginia GATE II programs, we relied on three primary sources of data:

- **Participant tracking system (PTS)** – Each state used a PTS to gather information on applicants’ characteristics at the time of their application and to track the progress of treatment group members through the program.
- **Follow-up survey** – A follow-up telephone survey was conducted in both states to gather information on the labor market outcomes of treatment and control group members in the period following program entry. The survey was conducted at about 32 months after program entry in North Carolina and at about 24 months after program entry in Virginia. In North Carolina, 825 of 1,175 applicants completed a survey, for a response rate of 70 percent. In Virginia, 336 of 436 applicants completed a survey, for a response rate of 77 percent.
- **State administrative data** – In addition to the survey data, IMPAQ collected state Unemployment Insurance (UI) administrative data and wage records, which provide information on an applicant’s UI receipt and quarterly earnings, respectively, in the period after program entry.

Using these data, we estimated the impact of each GATE II program on the following key labor market outcomes:

- **Starting a new business** – whether the applicant started a new business after entering the program and by the time of the follow-up survey
- **Self-employment** – whether the applicant was self-employed at the time of the survey
- **Employed in a wage/salary job** – whether the applicant was employed in a wage/salary job at the time of the survey
- **Self-employment earnings** – total self-reported self-employment earnings at the time of the survey

- **Wage/salary earnings** – total self-reported wage/salary earnings at the time of the survey
- **Total earnings** – the sum of self-employment earnings and wage/salary earnings at the time of the survey
- **Weeks of UI received** – the total number of weeks that the applicant collected UI benefits during the 12 months following entry in the program
- **Amount of UI benefits received** – the total amount of all UI benefits received during the 12 months following entry in the program
- **Quarterly earnings** – UI-covered earnings in state administrative data for each of the six calendar quarters after entering the program

Program impacts were estimated using multivariate regression models that estimate treatment-control differences in each outcome, controlling for applicant characteristics, prior UI receipt, and prior earnings. The impact estimates for North Carolina showed that the state's GATE II program:

- Increased the likelihood of starting a business in the 32-month period after program entry by 9.5 percentage points (a 35-percent increase over the control group mean)
- Increased the likelihood of self-employment at 32 months after program entry by 7.4 percentage points (a 27-percent increase over the control group mean)

These results show that the North Carolina GATE II program was effective in helping participants to start their own business following program entry *and* be self-employed nearly three years after program entry. The North Carolina impact study did not yield any statistically significant impacts on salary employment, overall employment, earnings, or UI receipt.

On the other hand, the impact analyses of the Virginia GATE II program yielded different results. Specifically, the Virginia GATE II program:

- Increased the likelihood of starting a business in the 24-month period after program entry by 11.0 percentage points (a 29-percent increase over the control group mean)

Thus, the Virginia results show that self-employment training was effective in assisting older dislocated workers to start their own business after program entry. The Virginia impact study did not yield any statistically significant impacts on self-employment, salary employment, overall employment, earnings, or UI receipt.

Additional subgroup analyses were conducted using the North Carolina data to assess whether the program had differential impacts by age and other key characteristics. The results show that the North Carolina program was effective in assisting younger workers (less than 45 years old) to start a new business in the 32-month period after program entry *and* to be self-employed 32 months after program entry. The results also show no statistically significant impacts on older workers (45+ years old). Finally, the results show that participants with no

prior self-employment experience were more likely than other participants to benefit from program participation.

Conclusions

The impact study of GATE II in North Carolina showed that the program was effective in assisting rural dislocated workers to start their own business following program entry *and* be self-employed nearly three years after program entry. On the other hand, the impact study of the Virginia GATE II program, which was designed to help older dislocated workers, showed that, while the program was effective in helping participants to start their own business after program entry, there were no statistically significant impacts on self-employment or on overall employment.

Additional analyses showed that the North Carolina GATE II program was more effective for younger workers (those less than 45 years old) and for workers with no prior self-employment experience. These results provide insights on why the North Carolina program was found to be more effective than the Virginia program. North Carolina served rural dislocated workers, many of whom were less than 45 years old and had limited self-employment experience. On the other hand, Virginia served older, more experienced dislocated workers who did not benefit as much from receiving program services.

Based on these results, self-employment training is an effective policy tool for assisting younger dislocated workers, particularly those with limited self-employment experience. The evidence, however, does not yield a similarly positive conclusion for older dislocated workers. In conclusion, based on the results of this study – and combined with the results of previous studies on the efficacy of self-employment training – the DOL should continue to support programs that provide self-employment training, with emphasis on serving younger dislocated workers with limited self-employment experience.

1. INTRODUCTION

In the mid-2000s, the U.S. Department of Labor (DOL) implemented Project GATE (Growing America Through Entrepreneurship), a demonstration program designed to provide self-employment training to individuals interested in pursuing self-employment. The impact study of Project GATE, published by DOL in 2009 (Benus et al., 2009) showed that the program was effective in assisting unemployed workers interested in self-employment to start their own business, become self-employed, and avoid unemployment for long periods. Following the success of Project GATE, DOL decided to award grants – known as the GATE II grants – to four states for implementing programs modeled after Project GATE. The main difference between Project GATE and the GATE II grant program was that the former served nearly everyone who expressed an interest in self-employment, while GATE II targeted (a) older dislocated workers and (b) dislocated workers residing in rural areas. DOL focused on these populations to investigate whether self-employment training offers an opportunity to stimulate the reemployment of these two target populations by helping them start their own businesses.

In June 2008, DOL awarded GATE II grants to four states: Alabama, Minnesota, North Carolina, and Virginia. Alabama and North Carolina used the grants to provide self-employment training to dislocated workers in rural areas, while Minnesota and Virginia targeted older dislocated workers. A detailed discussion of the implementation of GATE II grants in each of the four states is available in an earlier report submitted to DOL, entitled *Evaluation of the Growing America Through Entrepreneurship (GATE) II Grants: Implementation Study* (Davis et al., 2011).

To rigorously assess the effectiveness of the GATE II programs in improving the labor market outcomes of rural and older dislocated workers, DOL asked the four grantee states to use a random assignment design in which randomly selected program applicants would either receive services (treatment group) or not receive services (control group). This design would enable the estimation of program impacts by comparing the post-program labor market outcomes of treatment-group and control-group members. North Carolina and Virginia complied with DOL's request. However, Alabama was not successful in implementing random assignment, while Minnesota chose not to implement random assignment. As a result, only North Carolina and Virginia are included in the impact study of the GATE II grants.

This report presents the evaluation results of the GATE II grant program as implemented in North Carolina and Virginia. The objective of the evaluation was to address two key research questions:

- Was GATE II effective in improving the labor market outcomes of older dislocated workers and rural dislocated workers?
- Is providing self-employment training to older dislocated workers and rural dislocated workers a viable policy tool for promoting reemployment?

To address these questions, the evaluation included two components: 1) an implementation study to examine program design and implementation in each state; and 2) an impact study to examine the impact of GATE II on participant labor market outcomes (e.g., self-employment, overall employment, self-employment earnings, and total earnings).

In the remainder of this report, we present the findings of this evaluation. Chapter 2 provides a discussion of previous self-employment programs implemented in the U.S. and evidence on their effectiveness. Chapter 3 describes the GATE II program model. Chapter 4 provides a discussion of the design and implementation of the GATE II program in the four grantee states. Chapter 5 presents the impact results from an experimental design evaluation of the GATE II programs in North Carolina and Virginia. Finally, Chapter 6 summarizes the study findings and policy implications.

2. BACKGROUND

2.1 Self-Employment Training Programs

In the late 1970s and early 1980s, several European countries established programs to assist unemployed workers in becoming self-employed. Most of these programs provided either income support or seed capital, together with some training or technical assistance. For example, the Chomeur Createurs (Unemployed Entrepreneurs) program in France, implemented nationally in 1980, allowed persons to collect unemployment benefits in a lump sum to finance businesses. Another such program, the Enterprise Allowance Scheme, was implemented nationally in Britain in 1983. This program provided technical assistance and an allowance roughly equal to unemployment benefits for up to one year (Robinson, 1993).

In the United States, the past two decades have seen a rapid increase in programs designed to assist people in starting and operating their own businesses. In 1993, Congress passed the North America Free Trade Agreement (NAFTA) Implementation Act, which authorized states to establish self-employment assistance (SEA) programs for a temporary five-year period. SEA programs were established to provide free self-employment training to UI recipients who are likely to exhaust their UI entitlement. To encourage participation in these programs, recipients who chose to receive this training remained eligible to receive their UI entitlement and were exempt from work search requirements. Following recommendations from a Congressional report prepared by DOL (Vroman 1997), Congress passed new legislation permanently authorizing SEA programs in 1998. While the SEA legislation authorized all states to do so, a majority of states did not implement the program. Only 11 states passed enabling SEA legislation; eight of them actually implemented SEA programs: California, Delaware, Maine, Maryland, New Jersey, New York, Oregon, and Pennsylvania. Thus, although all states are eligible to implement SEA, to date most states have chosen not to do so.

In addition to the SEA programs, the number of programs offering training, technical assistance, or loan assistance increased from only a handful in 1982 to nearly 700 in 2002 (Walker and Blair, 2002). Frequently administered by community action groups, community development corporations, or women's economic development centers, the programs mainly target low-income populations, the unemployed, welfare recipients, refugees, other disadvantaged groups, and women. Funding for these programs comes from Federal, state, or local governments, as well as private foundations.

Organizations partially funded by the Small Business Administration (SBA), such as the Small Business Development Centers (SBDCs) and Business Information Centers, also provide assistance to people interested in starting or expanding businesses. SBDCs, often associated with a college or university, offer one-on-one technical assistance and training in business development. The Service Corps of Retired Executives (SCORE), a partner of the SBA, is comprised of former businessmen and women and provides free, one-on-one counseling to those interested in starting businesses. Business Information Centers provide resources for

small business startup and development, including computer hardware and software; a library of magazines, books, and videos; and on-site counseling through SCORE. Moreover, the SBA has developed loan programs for small businesses. The most relevant of these for small startup businesses is the SBA Microloan program. Under this program, loans of up to \$35,000 are made by nonprofit community-based organizations.

2.2 Prior Research on Self-Employment Training Programs

Despite the growing interest in self-employment training programs in the past two decades, relatively few studies have provided reliable evidence of their effectiveness. Notably, existing research has been funded, entirely or partially, by DOL.

In the early 1990s, DOL funded the Washington Self-Employment and Enterprise Development program and the Massachusetts Enterprise Project, two demonstration programs that provided self-employment training and monetary assistance to UI recipients interested in pursuing self-employment. To examine the effectiveness of these programs, the demonstrations were designed as experiments in which a random sample of applicants was selected for program participation (treatment group) and the remaining applicants were denied services (control group). Those in the treatment group were required to attend workshops on issues related to starting a business and were offered monetary assistance during program participation. One key difference between the two programs is the way they provided the monetary assistance. Washington followed the French model of providing the remaining UI benefits in one lump-sum payment once certain program milestones were reached, while Massachusetts followed the British model of providing regular UI benefits during program participation.

The impact evaluation of Washington and Massachusetts self-employment demonstrations, collectively known as the UI Self-Employment Demonstration (Benus et al., 1995), showed that program participants experienced significant gains in self-employment, overall employment, and earnings. Based on these results, the study concluded that self-employment programs are an effective reemployment policy tool and should be incorporated into the U.S. workforce development system.

A subsequent non-experimental evaluation of the effectiveness of the SEA program in Maine, New Jersey, and New York funded by DOL (Kosanovich et al., 2001) compared the outcomes of SEA participants with those of persons eligible for SEA but who decided not to participate. The evaluation found that after program enrollment, SEA participants were much more likely to be self-employed or employed in either their own businesses or in regular wage and salary jobs; they also were more satisfied with their work than were people who were eligible for SEA but declined to enroll. Although these findings provide some evidence that SEA program are effective, they cannot be interpreted as reliable impact estimates since program participants were compared to individuals who chose not to participate.

In 2002, DOL partnered with the SBA to support Project GATE, an experimental design demonstration program that provided individuals interested in self-employment with an array

of self-employment services. Project GATE was designed as an experiment to investigate the impact of self-employment training on participant labor market outcomes. The demonstration was implemented from 2003 through 2005 in Pennsylvania, Minnesota, and Maine, with 21 American Job Centers (AJCs) serving as gateways to the program. Individuals 18 years of age or older who were interested in starting or expanding a small business and legally able to work in the U.S. were eligible to apply for participation in Project GATE.

The program attracted 4,198 applicants who were randomly assigned to the treatment group or the control group. Those in the treatment group were offered various self-employment training services, designed to help participants gain a better understanding of the process of starting and operating a new business. Services included: 1) an individual session with a business counselor to assess participant business needs, 2) one-on-one technical assistance to help participants develop a business plan and obtain financing, and 3) classroom training about staff hiring and other operational issues, business growth strategies, business planning, and customer relations.

The final evaluation report of Project GATE (Benus et al., 2009) showed that the program was effective in promoting the self-employment outcomes of participants who were unemployed at the time of random assignment, but had limited impact for participants who were not unemployed at the time of random assignment. In particular, the program was effective in assisting unemployed participants in starting a new business and becoming self-employed within six months of entering the program. Importantly, the program was also effective in helping unemployed participants remain self-employed for up to five years after entering the program.

Additional analyses of Project GATE presented by Michaelides and Benus (2012) showed that the program's impacts were mainly driven by the program's effectiveness in helping unemployed participants start their businesses much earlier than they would have in the absence of the program. Based on these findings, the study confirmed that GATE self-employment training services are effective in helping unemployed workers who are interested in self-employment to start and sustain their own business.

The studies cited above provide promising evidence about the effectiveness of self-employment training programs in assisting unemployed workers and UI recipients who are interested in self-employment. However, there is no evidence regarding whether such programs are effective for older and rural dislocated workers, two populations of particular interest to DOL for a number of reasons. Both older and rural workers are more likely than average to be interested in becoming self-employed. In 2008, 9.8 percent of the U.S. workforce was self-employed, compared with 13.8 percent of workers ages 45 years or above and 11.1 percent of workers residing in rural areas.¹ These figures show that older and rural workers tend to be more likely than younger workers and workers residing in urban areas, respectively, to turn to self-employment as a way to become employed. At the same time, many older and

¹ Source: Tabulations of the 2008 American Community Survey data.

rural dislocated workers may be interested in pursuing self-employment as a way to get reemployed; they are reluctant to do so since they do not have the necessary support to learn about starting and operating a new business. It is, therefore, expected that providing self-employment training to these workers may ease their path toward self-employment. The objective of the GATE II grants was to examine whether providing self-employment training to older and rural dislocated workers is a viable policy to help them get reemployed by starting their own business and becoming self-employed.

3. GATE II PROGRAM MODEL

Based on the results obtained from the evaluation of Project GATE (Benus et al., 2009), DOL sought to assess the efficacy of offering self-employment training to rural dislocated workers and to older dislocated workers, two groups that typically face significant obstacles in becoming reemployed. In 2008, DOL awarded four GATE II grants to Alabama, North Carolina, Minnesota, and Virginia. The objective of these grants was to implement self-employment training programs modeled after Project GATE and to assess the impact of these services on older and rural dislocated workers.

Minnesota and Virginia received GATE II grants to provide self-employment training to older dislocated workers (i.e., dislocated workers who were at least 45 years old) who were eligible for Workforce Investment Act (WIA) services. North Carolina and Alabama received GATE II grants to provide self-employment training to WIA-eligible dislocated workers in rural areas.

The GATE II program model involves several steps, including community outreach and recruitment, registration, eligibility verification, orientation, application, and treatment/control group assignment of eligible applicants. Treatment-group program participants receive GATE II services, such as business readiness assessment, one-on-one business counseling, entrepreneurial training, and microloan assistance. Applicants assigned to the control group were not offered GATE II services but were free to access and utilize existing microenterprise programs, trainings, and resources.

Below, we provide a more detailed description of the GATE II service delivery strategy and describe the types of GATE II services offered to those assigned to the treatment group.

3.1 Service Delivery Strategy

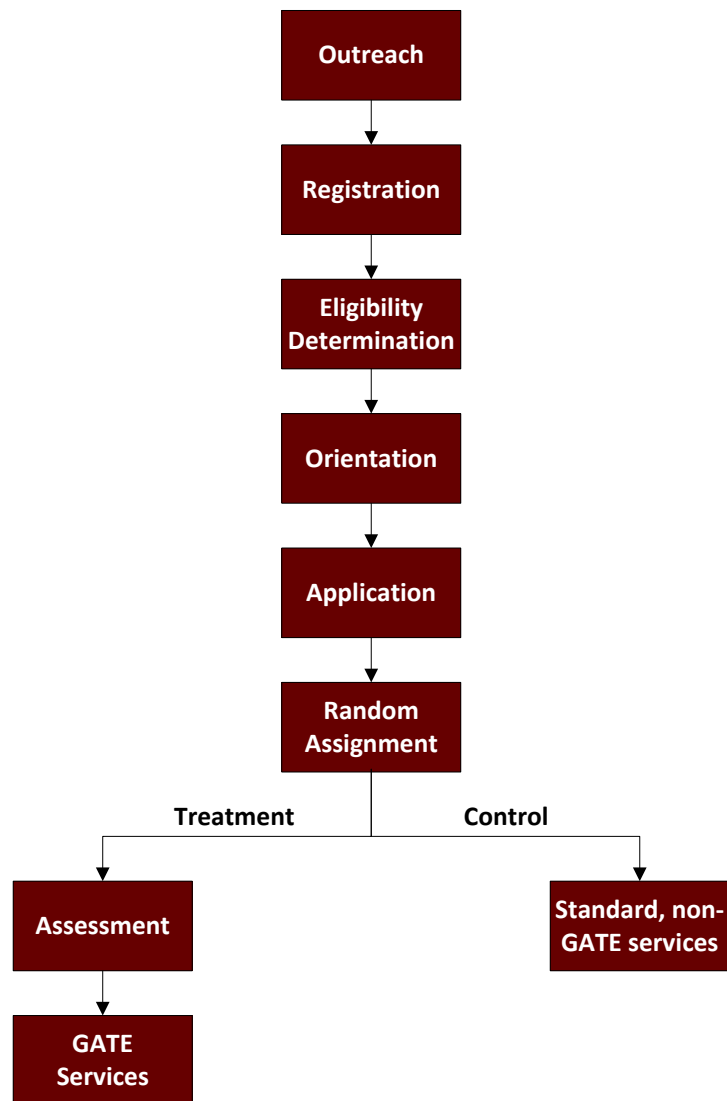
As shown in Exhibit 1, the following key components were common to each of the grantees implementing the GATE II random assignment program:

- **Community Outreach and Recruitment.** Each state conducted outreach activities to attract eligible and interested participants (e.g., printed outreach materials, Website creation, and participation in outreach events).
- **Registration.** Dislocated workers interested in receiving GATE II services were required to register for the program at a participating American Job Center (AJC) through the GATE Website, by mailing a postcard to the relevant workforce agency, or by calling a toll-free number.
- **Eligibility Verification.** This step involved assessing an individual's minimum eligibility for participation in the program using data gathered during the registration process.
- **Orientation.** Registered individuals interested in services were required to participate in a GATE II orientation. The orientation provided attendees with a balanced picture of

both the positive and negative aspects of self-employment, described GATE II services, and explained the GATE II application process.

- **Application.** All those interested in applying for GATE II services following the orientation were provided an opportunity to do so. The application form collected information to further check eligibility for participation, to provide the assessment counselor with information about the participant’s needs, and to provide information needed for the evaluation.
- **Random Assignment to Treatment and Control Groups.** To estimate program impacts and determine which applicants would receive program services (treatment group) and which applicants would not receive program services (control group), DOL asked grantees to use random assignment procedures.

Exhibit 1: GATE II Program Model



3.2 Program Services

Each GATE II grantee was required to offer, at minimum, 1) business readiness assessment, 2) one-on-one business counseling, and 3) classroom training to those participants assigned to the GATE II treatment group.

- **Business Readiness Assessment.** To best meet the participant's needs, the counselor would recommend an appropriate set of services to the participant. The counselor then referred the participant to a training or business counseling provider for receipt of these services.
- **One-on-One Business Counseling.** Individual business counseling is an important and effective strategy for assisting entrepreneurs with their business needs and was an important component of the GATE II program. Topics covered in counseling sessions included refinement of the business idea, business plan writing and development, marketing, budget and cash flow projections, and availability of financing. For those in need of financing for their businesses, the counselors provided assistance in applying for loans from the SBA or other sources.
- **Classroom Training.** At minimum, service providers were required to offer basic courses that focused on developing a business plan. Other basic level courses included topics such as market research, marketing, pricing, financing, cash flow, and legal issues. More advanced courses covered topics such as growth strategies, business planning, and customer relations. In addition to training courses, some providers offered seminars on specific business types (e.g., child-care businesses), e-commerce, or training in how to use accounting software programs.

DOL provided GATE II grantees flexibility in implementing the GATE II program model, and this influenced the types of services provided to participants. Thus, while all GATE II grant participants were required to receive a business assessment, some participants may have received one-on-one business counseling only or some classroom training only, while other participants received both services. Further discussion of the specific services provided to GATE II participants is provided in the following chapter, which presents an overview of how grantees implemented the GATE II program.

4. IMPLEMENTATION OF GATE II GRANTS

While each of the GATE II grantee states were required to implement the key components of the GATE II Program model, they were given flexibility regarding the specific features of their programs. As a result, there were many similarities across grantees, but also some important differences. For example, Alabama and North Carolina used the grants to provide self-employment training to dislocated workers in rural areas, while Minnesota and Virginia targeted older dislocated workers. In addition, Alabama, Minnesota, and North Carolina designed and implemented statewide programs to serve dislocated workers, while Virginia provided services only in Northern Virginia and in Central Virginia.

Factors driving each state's decision to apply for a GATE II grant varied. Rising unemployment rates, plant closings, and/or shrinking state budgets resulting from the nationwide economic recession were the impetus for Alabama, Minnesota, and North Carolina to apply for the grant. Virginia, on the other hand, applied for a grant to implement GATE II in Northern Virginia before a major downturn in the state's economy. Northern Virginia was somewhat sheltered from large economic swings. But when the state applied for an extension of its GATE II grant for the Richmond area, the effects of the recession also had begun to hit Northern Virginia.

All states secured job-search waivers for participants and "hold-harmless" provisions for dislocated worker service providers, including AJCs in their states. Job-search waivers ensured that participants would not be penalized for not engaging in active job search while in GATE II. Similarly, hold-harmless provisions helped ensure that service providers, particularly AJCs, were not penalized for helping clients receiving UI benefits engage in GATE II services rather than participate in active job search activities (as required when receiving UI benefits).

An overview of some key similarities and differences in implementing the GATE II grants in Alabama, Minnesota, North Carolina, and the two sites in Virginia (Northern Virginia and Richmond) is presented in Exhibit 2. As indicated in the exhibit:

- Some states implemented a statewide program, while others implemented the program in specific parts of the state
- Some grantees began their program implementation January 2009 and others in July 2010 (the Richmond GATE site)
- Targeted populations varied across the states, with some states targeting rural, dislocated workers, while other targeted older workers
- Grantees utilized a variety of partners to deliver program services, including economic development organizations, training providers, other government agencies/programs, and the workforce development system.

Exhibit 2: Overview of GATE II Program

	Alabama	Minnesota	North Carolina	Virginia	
				Northern Virginia	Richmond
Program Name(s) Assigned by Grantee for Branding / Marketing	Project LEARN (Launching Entrepreneurs Across Rural Networks)	Project GATE II or Minnesota GATE II	NC GATE or Project GATE	NOVAGATE (Northern Virginia GATE)	Richmond GATE
Statewide or Regional Program Focus / Scope	Statewide (with four regional hubs)	Statewide	Statewide (rural counties only)*	Regional	Regional
Service Delivery Area	All Alabama counties	All Minnesota counties	All 85 rural North Carolina counties	Fairfax, Loudon, and Prince William Counties	Richmond metropolitan area
Target Population within Service Delivery Area	Rural dislocated workers	Older (>=45 years of age) dislocated workers	Rural dislocated workers**	Older (>=45 years of age) dislocated workers in the three designated Northern Virginia counties	Older (>=45 years of age) dislocated workers in the Richmond metropolitan area
Approximate Launch Date	April 2009 (initial plan); December 2009 / January 2010 (redesigned plan)	January 2009	April 2009	February 2009	July 2010
Grant Administrator	Alabama Department of Economic and Community Affairs (ADECA)	Minnesota Department of Employment and Economic Development (DEED)	North Carolina Department of Commerce (NCDOC)	Virginia Community College System (VCCS)	Virginia Community College System (VCCS)
Day-to-Day Program Operator / Administrator	University of Alabama Management Information Systems (MIS) Program	Minnesota Department of Employment and Economic Development (DEED)	North Carolina Rural Economic Development Center (NC Rural Center)	SkillSource Group, Inc (SSG)	Community College Workforce Alliance (CCWA)
Key Partners / Service Providers	Local One-Stop Career Centers, Small Business Development Centers (SBDCs), Women's Business Centers, Public libraries, Community colleges, SCORE, and Chambers of Commerce	Local One-Stop Career Centers (WorkForce Centers), Small Business Development Centers, Independent organizations, and colleges/universities	Local One-Stop Career Centers (JobLink Career Centers), North Carolina Community College System (NCCCS) and the affiliated Small Business Center Network, Employment Security Commission, North Carolina Rural Entrepreneurship through Action Learning (NC REAL) Enterprises, and public libraries	Local One-Stop Career Centers, Business Development Assistance Group (BDAG), Northern Virginia Community College (NVCC), SCORE, and independent consultants	Local One-Stop Career Centers and a temporary Employment Transition Center (ETC), Retail Merchants Association, SCORE, and independent consultants

* According to NC Rural Center staff, the State of North Carolina considers a county to be rural if its population density did not exceed 250 per square mile at the time of the 2000 U.S. Census. A total of 85 of North Carolina's 100 counties meet this definition and are either served by an NC GATE brick-and-mortar site or by the NC GATE virtual site.

** Defined by NC GATE as: 1) dislocated workers living in one of North Carolina's 85 rural counties or 2) dislocated workers who were laid off from a company located in a rural county and who planned to start their business in a rural county.

***Richmond's GATE II program was not launched until July 2010. Thus, the initial (and only) site visit occurred in 2011 to allow additional time for Richmond GATE II to be implemented. However, approximately the same amount of time had elapsed between Richmond's startup date and initial site visit as had elapsed between startup and initial site visit for all the other sites.

**** For several reasons (e.g., Minnesota's GATE II program was not using random assignment, grantee had not yet provided some requested data), IMPAQ and DOL decided not to have a site visit team return for a follow-up site visit to Minnesota in 2011.

In the remainder of this chapter, we first present an overview of the research design associated with the Implementation Study, including the key research questions, data sources, and analysis approach. We then provide only a brief overview of program implementation in Alabama and Minnesota since these states are not included in the impact evaluation. Following a description of the implementation in Alabama and Minnesota, we provide a more detailed description of the GATE II program implementation in North Carolina and Virginia. These two states successfully implemented random assignment and are included in the impact analyses (Chapter 5).

A more comprehensive treatment of the Implementation Study findings can be found in the GATE II Interim Report, *Evaluation of the Growing America Through Entrepreneurship (GATE) II Grants: Implementation Study* (Davis et al., 2011). This report provided a detailed assessment of the following for each of the four grant programs:

- Organization, management and partnerships
- Service-delivery strategies used for outreach, recruiting, orientation, and application for program services
- Services provided to GATE II participants.

In addition, the Interim Report synthesized findings from GATE II participant interviews and case file reviews, outlined lessons learned, challenges, best practices, and recommendations for future implementation of the GATE II program.

4.1 Implementation Study Design

Below, we describe the research questions, data sources and the analysis approach used to conduct the implementation study.

4.1.1 Research Questions

The implementation study focused on how the GATE II program model was implemented in each of the study states. To assess this, we addressed the following key research questions:

- How did the grantee design and implement its GATE II program?
- What strategies were used to reach targeted populations and to deliver program services?
- How were partnerships/collaborations with GATE II service providers decided upon and established? What were their respective roles and responsibilities in the flow of service?
- What special conditions were requested and received for GATE II grantees, participants, and partners?
- What implementation challenges, successes, and lessons were learned that could inform future iterations of the GATE program model or similar programs?

4.1.2 Data Sources

To assess the implementation of the GATE II program model, IMPAQ conducted a series of two-three-day site visits to each of the five study sites. (There were two sites in Virginia: Northern Virginia and Richmond.) Initial visits were made to all five sites, with follow-up visits made to three of the five sites (Northern Virginia, North Carolina, and Alabama). Minnesota was visited only once, at the state's request. Since Richmond's program was not launched until July 2010, no site visit was made until 2011 (the time of the scheduled follow-up visits to other sites), which allowed the same amount of start-up time as had elapsed between startup and initial site visit for the other sites.

Site visits had three overall goals:

- To meet with stakeholders to gather information about the GATE II design process and program implementation
- To observe local implementation and key activities of the GATE II program
- To meet with selected participants from each GATE II program to learn about their experiences with the program.

During the site visits, interviewers utilized semi-structured interview protocols and observation guides developed by the IMPAQ team. IMPAQ staff conducted interviews with representatives of the grantee organization, the local AJC, and GATE II training providers. During this process, we met with staff responsible for grant administration, outreach, orientation, assessment/counseling/career management, and training. Probes and clarifying questions were added as needed, and each guide was tailored to the interviewees' role in the GATE II design and implementation phases. When the interviewee held multiple roles, the interviewers drew relevant questions from the guides corresponding to each of the roles. Interviews were conducted using a combination of modes/methods (e.g., individual interviews and group interviews, in-person and telephone interviews) to maximize efficiency and to take into account interviewees' proximity and availability during the visit. Interviews were also conducted with selected GATE II participants in each site. During the initial site visits, participants were self-selected by the grantee.

For follow-up site visits, project staff developed and used structured protocols to interview individuals who had not been interviewed during the initial site visit. A new list of key topics and questions was developed for re-interviewing individuals during follow-up site visits. During the follow-up site visit, participant interviewees were randomly selected from available data on program participants.

During both the initial and follow-up site visits, site visitors also observed key processes covering all facets of the GATE II service strategy. The site visit teams observed:

- Placement of outreach materials and program facilities
- Outreach activities, including open houses/orientation sessions

- Registration/application completion
- GATE program assessments and counseling sessions
- Training activities, including classroom training and Web-based training
- Program data collection/entry activities
- Participant case file team meetings among project staff.

As part of the implementation study process, IMPAQ also reviewed such documents as the grantees' initial design and implementation plans, quarterly grantee status reports, and GATE II materials developed and used by the grantees (e.g., brochures, flyers, application and assessment forms, Websites).

4.1.3 Analysis Approach

IMPAQ consolidated the qualitative data gathered from GATE II sites to summarize how the GATE II programs were implemented in each of the four grantee states (NC, VA, AL, MN). Staff organized the data around the key research questions described above. As previously mentioned, a detailed report on the results of the implementation study was produced in a separate report to DOL (Davis et al., 2011).

4.2 Alabama GATE II Implementation

Alabama's GATE II program was implemented and marketed as the Launching Entrepreneurs Across Rural Networks (LEARN) program. The LEARN project was co-run by the University of Alabama (UA) Management Information System (MIS) program in Tuscaloosa and the Alabama Department of Economic and Community Affairs (ADECA) in Montgomery. The University of Alabama-based project staff was responsible for the day-to-day operations; ADECA served as the fiscal agency and grant coordinator.

Key characteristics or processes associated with the implementation of Project LEARN in Alabama include the following:

- Project LEARN had a statewide focus with four regional hubs (Decatur/Huntsville in northern Alabama, Tuscaloosa in central Alabama, Troy/Montgomery in southern Alabama, and the Mobile/Baldwin area in the far south) to assist in targeting LEARN program services to dislocated workers in rural areas.
- Although multiple outreach strategies were employed to varying degrees, the LEARN team chose to rely heavily on an event-driven recruitment strategy to promote awareness of LEARN. The LEARN team placed paid advertisements in local daily or weekly newspapers in the "Help Wanted" sections, announcing when and at which AJCs (or other locations) upcoming LEARN open houses would be held in the area.
- The LEARN team initially intended to utilize a "rapid response" strategy to recruit cohorts of GATE II participants. The original design involved the use of mobile career

center vans to offer immediate, onsite rapid response to company cohorts of dislocated workers identified as the result of Worker Adjustment and Retraining Notification (WARN) Act notices. However, as companies were not complying with WARN Act requirements to notify state officials of large upcoming layoffs, Alabama redesigned its outreach program to include individual recruitment of dislocated workers from all sites in Alabama experiencing large-scale layoffs, not just from those sites identified through WARN notices.

- Orientation sessions for dislocated workers were completed either online or in-person. All eligible individuals who registered and completed an orientation session were allowed to complete and submit a LEARN application.
- The target results for the assignment of eligible applicants into the treatment (LEARN) and control (non-LEARN) groups was to have half of the eligible applicants randomly assigned to the LEARN program and the other half assigned to the control group.
- Each program participant was expected to meet with a business counselor/trainer to complete an assessment of business readiness and skill sets. Based on these results, a mutually agreed-upon, individually-tailored approach to building clients' skills and developing business plans was developed.
- Each LEARN participant was offered support from a business counselor/trainer. University of Alabama-based LEARN staff put participants in touch with specialized counselors from different sources/organizations in different counties (e.g., local SBDCs, Women's Business Centers, other individuals or organizations referred to them or known to be legitimate).
- Most of the sites used CORE FOUR[®], a business planning course aimed at educating and motivating individuals who wished to start small businesses.² The four "cores" of the CORE FOUR[®] curriculum included: 1) success planning, 2) market planning, 3) cash flow planning, and 4) operations planning. The course was paid directly (and in full) by the University of Alabama for LEARN participants, and CORE FOUR[®] provided the course to LEARN at a much discounted rate.

Detailed information on the LEARN program participants is unavailable due to data quality control issues experienced by the Alabama grantee.

4.3 Minnesota GATE II Implementation

Minnesota's GATE II project, known as Minnesota GATE II, was led and administered by the Minnesota Department of Employment and Economic Development (DEED). DEED managed and operated Minnesota's GATE II effort in partnership with several key organizations involved with employment services, education, economic development, and the promotion of

² Instead of COREFOUR, one site used the Next Level Plan Business Planning and Communications Course; another site used the FastTrac[®] Entrepreneurship Training Program.

entrepreneurship, including: local WorkForce Centers (WFCs), local SBDCs, and local colleges and universities.

Key characteristics or processes associated with the implementation of the Minnesota GATE II program include the following:

- Minnesota's GATE II program was focused statewide on dislocated workers interested in starting or growing their own businesses. Initially, the age requirement for program eligibility was 50 or older, but the state later received permission from DOL to implement a lower minimum age requirement of 45. Minnesota also expanded its eligibility requirements to include National Emergency Grant participants.
- DEED played the lead role in developing and disseminating Minnesota GATE II marketing materials (e.g., posters, flyers, brochures), but relied heavily on its AJCs and SBDC partners around the state to promote Minnesota GATE II, and refer and recruit potentially eligible individuals into the program.
- Because Minnesota was authorized to use a non-experimental design, all individuals who 1) had their GATE II eligibility verified, 2) completed a pre-assessment with a Dislocated Worker (DW) counselor and 3) attended an orientation seminar, were automatically placed in the treatment group and given a "Golden Ticket" authorizing them to receive the remaining GATE II services. According to Minnesota's WebCATS data tracking system, 615 individuals completed the GATE II pre-assessment.
- There was no limit to the number of follow-up counseling sessions a GATE participant could receive, above and beyond his or her initial session. The content of counseling sessions focused on four major areas: 1) accounting/cash flow/finance, 2) business plan, 3) managing and marketing, and 4) activities associated with launching business.
- After reviewing participants' assessment results, training opportunities were recommended, as appropriate. There were no mandatory training courses for GATE II clients, but participation in the FastTrac® Entrepreneurial Training Program course, offered at many colleges and universities around the state, was highly encouraged. This standardized, 10-module program for aspiring entrepreneurs was open to the public at a cost of \$395 and was provided at no cost to Minnesota GATE II participants.

4.4 North Carolina GATE II Implementation

Like many states, North Carolina experienced rising unemployment in the period prior to and during the implementation of GATE II. In particular, the average unemployment rate in the state rose from 4.8 percent in 2006 to 6.3 percent in 2008, the year GATE II grants were awarded.³ This increase was steeper than the increase in the national rate over the same period: 4.6 percent in 2006 to 5.8 percent in 2008.⁴ This resulted in significant job losses, particularly among historically prominent industries in the state, such as manufacturing,

³ Source: Local Area Unemployment Statistics, Bureau of Labor Statistics.

⁴ Source: Current Population Survey, Bureau of Labor Statistics.

textiles, and agriculture, which combined for a net loss of more than 5,000 jobs from the third quarter of 2007 to the first quarter of 2008.⁵ Moreover, in the midst of the recession, the state's unemployment rate rose to 10.4 percent in 2009 and to 10.8 percent in 2010, both higher than the national rates of 9.3 percent and 9.6 percent, respectively. Rural counties were particularly hard-hit by the recession, as industries disappeared and few alternative employment options existed. In fact, the unemployment rate in rural North Carolina areas was 7.8 percent in 2008 and rose to 13.5 percent by 2010, both much higher than the average rates in the state. As a result, North Carolina state and local agencies were looking for ways to help the large number of dislocated workers find new jobs and careers, particularly in rural areas.

With a culture that values and supports small businesses, the state already had an organizational infrastructure designed to provide microenterprise programs and services and promote small businesses. This included the community college system and the affiliated Small Business Center Network, the NC Rural Center, and the NC Rural Center's Microenterprise Loan Program. In addition, prior to the implementation of the GATE II program, known as North Carolina GATE II, the state had already implemented a program that promoted entrepreneurship, NC NOW (New Opportunities for Workers). While somewhat similar to North Carolina GATE II (and the overall GATE II model), NC NOW was described by program administrators as not as well-designed as North Carolina GATE II. As a result, in the design and implementation of North Carolina GATE II, administrators applied lessons learned from earlier efforts. These included strengthening partnerships and linkages with the JobLink Career Centers (JLCCs), utilizing existing training courses for entrepreneurial development, and strengthening existing partnerships with other state agencies and organizations.

4.4.1 Program Focus

North Carolina GATE II focused on dislocated workers in the state's 85 rural counties (out of a total of 100 counties) to serve GATE II participants through either community-based brick-and-mortar sites or a centrally operated virtual site. An additional reason for focusing on rural areas – besides rising unemployment – was that about 10 percent of North Carolina's rural workforce was self-employed in 2008, which shows that workers residing in rural areas viewed self-employment as an attractive employment option.⁶ The project was led by the NCDOC in partnership with several key organizations involved with employment services, education and training, rural economic development, and the promotion of entrepreneurship. This includes NCCCS and the affiliated Small Business Center (SBC) Network; North Carolina Employment Security Commission (ESC) and local JLCCs; NC Rural Center; and NC REAL Enterprises.

4.4.2 Program Design and Participant Selection Process

The SBCs of eight community colleges, serving 13 rural counties, were the locations for North Carolina's physical sites providing GATE II services. Dislocated workers from the remaining 72

⁵ Source: Quarterly Workforce Indicators, US Census Bureau.

⁶ Source: Tabulations of the 2008 American Community Survey data.

rural counties were served through a virtual site operated by the North Carolina Rural Center in Raleigh. These program participants initially accessed North Carolina GATE II through its Website, www.ncprojectgate.org. Once enrolled, they were served by a centralized North Carolina GATE II counselor at the NC Rural Center, who provided counseling and support by phone and e-mail. In addition, these participants could receive training through online courses and training and business counseling through the SBCs at their local community colleges.

Outreach and Recruitment Activities. North Carolina GATE II used multiple outreach strategies to promote the program and recruit potential North Carolina GATE II participants. The NC Rural Center played a leading role in developing common marketing materials for the entire state. The GATE II counselors at the physical sites focused on outreach within their designated counties.

First, the NC Rural Center developed print materials, such as brochures and posters, with a common design that could be used by North Carolina GATE II partners. The print materials included consistent information, messages, and contact information for potential participants, including the Website address and a toll-free number. The brochures also included a detachable postage-paid mail-back card. All calls to the toll-free number went to the North Carolina GATE II virtual-site counselors at the NC Rural Center office in Raleigh, who were able to answer questions and help potential participants get started in becoming a North Carolina GATE II participant.

Second, North Carolina GATE II relied on referrals from its workforce and business development partners in the state's rural counties, especially from local JLCC and ESC staff. The NC Rural Center distributed the print materials to the JLCCs in the 72 counties served by the virtual site, and asked the directors to promote North Carolina GATE II among the JLCC staff. North Carolina GATE II counselors at the physical sites were expected to educate and build relationships with the staff at the JLCCs in their service areas to promote referrals from the centers. In addition, they were expected to display North Carolina GATE II brochures and posters to ensure visibility to visitors at the JLCCs. North Carolina GATE II counselors also distributed brochures and posters to other sites where potential participants might see them, such as public libraries, which are often used by dislocated workers for computer and Internet access and proved to be very reliable and enthusiastic outreach service providers for North Carolina GATE II. Not only had libraries allowed the North Carolina GATE II brochures and posters to be displayed at the libraries, but many also took the initiative to refer dislocated workers to North Carolina GATE II and disseminate North Carolina GATE II materials to potentially eligible individuals. Once the marketing materials were placed in public libraries, the number of inquiries about North Carolina GATE II increased significantly.

Third, the physical sites used print and broadcast media to a limited extent to promote North Carolina GATE II in their markets. All sites had news stories about North Carolina GATE II placed in the local newspapers, as determined by the NC Rural Center through media tracking, and at least one site paid to run newspaper ads with success stories about North Carolina GATE II participants. These stories highlighted how the program could benefit would-be entrepreneurs.

Some sites were also able to get free air-time on local commercial and public radio stations. Overall, North Carolina GATE II sites generally avoided spending a lot of money on print or broadcast advertisements, given their limited resources and perceived low impact.

Lastly, NC Rural Center developed a well-designed Website for North Carolina GATE II. The Website functioned as a central portal for all potential participants. It was promoted as part of all other outreach strategies, including hyperlinks from partner Websites. The main North Carolina GATE II Website portal allowed potential participants to read information about North Carolina GATE II, register their names and contact information, view the orientation video, and complete the scholarship application.

Registration and Eligibility Determination. The target population for North Carolina GATE II was dislocated workers in rural counties. To be eligible for a North Carolina GATE II scholarship, dislocated workers either had to live in one of North Carolina's 85 rural counties or must have been laid off from their last job and planned to start their business in one of these rural counties. There were additional eligibility criteria that dislocated workers interested in North Carolina GATE II needed to meet (e.g., age 18 or older, eligible for the WIA program).

All potential participants first had to register at the North Carolina GATE II Website. Dislocated workers who lacked Internet access could visit the Website using computers at their local SBC or JLCC. Eligibility for North Carolina GATE II was confirmed on the Website during the registration process, and visitors were encouraged to check with their JLCCs if unsure about their status as a dislocated worker. In addition, the SBC Directors and North Carolina GATE II counselors confirmed eligibility when they discussed the program with potential participants. The North Carolina GATE II counselors were expected to inform the respective JLCCs when they enrolled a North Carolina GATE II scholar to ensure the receipt of the job search waivers. The use of a central registry and application system through the Website streamlined the process and facilitated consistency in procedures.

Orientation Sessions. Potential applicants were expected to go through a North Carolina GATE II orientation before applying for the North Carolina GATE II “scholarship” program. The orientations were provided in two ways: online through the North Carolina GATE II Website or through group sessions delivered by a North Carolina GATE II counselor at a physical site. In total, 1,652 individuals participated in an orientation session.

Regardless of delivery method, orientation included an informational video developed by the NC Rural Center that featured North Carolina’s director of the SBC Network and the NCDOC assistant commissioner for small business. The video, entitled “The Entrepreneur Next Door,” explained entrepreneurship, described North Carolina GATE II, and provided information that illustrated the risks and difficulties of pursuing self-employment. The video also described the North Carolina GATE II eligibility criteria, the North Carolina GATE II scholarship application process, and the fact that not all applicants would become North Carolina GATE II scholars due to limited resources. Potential applicants were encouraged to view the orientation through the

North Carolina GATE II Website. Before doing the orientation, they were asked to register by providing full contact information.

After registering, they could view the orientation video on the computer. They were also given the option to sign up for an in-person group orientation session if they were in an area served by a physical site. Group orientation sessions were conducted by the North Carolina GATE II counselors at physical sites, usually weekly or semi-weekly, at a designated location, such as the local SBC or JLCC. When necessary (e.g., when someone could not attend a scheduled group session), orientations were provided to individuals at a location determined by the individual and the North Carolina GATE II counselor. Attendees at group orientation sessions were asked to provide full contact information in lieu of the registration required by the online orientation to the North Carolina GATE II Website.

Application Process. Potential participants then filled out and submitted the North Carolina GATE II scholarship application on the program’s Website. As shown in Exhibit 3, 1,175 eligible dislocated workers applied for GATE II services, representing 71 percent of the 1,652 individuals participating in an orientation. The submitted applications were added to the central applicant database for North Carolina maintained by the NC Rural Center and shared with IMPAQ.

Exhibit 3: Number of GATE II Applicants in North Carolina

State	Number Attending Orientation	Number of Applicants
North Carolina	1,652	1,175 (71%)

Source: Participant Tracking System

Assignment to Treatment and Control Groups. After the online applications were received and added to the central database, IMPAQ randomly assigned applicants to either the treatment or control group. As shown in Exhibit 4, consistent with North Carolina’s targets for program participation, 75 percent (881) of those randomly assigned went to the treatment group, while 25 percent (294) were assigned to the control group. Applicants assigned to the treatment group were considered to be North Carolina GATE II scholarship recipients, thus becoming eligible to receive all North Carolina GATE II program services. Applicants were notified of their North Carolina GATE II scholarship status via letters from IMPAQ. The North Carolina GATE II scholarship recipients were referred to the GATE II counselor at either the nearby brick-and-mortar site or the virtual site, depending on the participant’s county of residence.

Exhibit 4: Random Assignment of GATE II Eligible Applicants in North Carolina

State	Total	Treatment Group	Control Group
North Carolina	1,175 (100%)	881 (75%)	294 (25%)

Source: Participant Tracking System

Applicants assigned to the control group were considered “non-North Carolina GATE II participants.” They could contact their local SBC director and receive some small business counseling, some free courses, and some courses that require tuition – the “standard treatment” for budding entrepreneurs in North Carolina. The business counseling relationship for this standard treatment was limited by not only the case load and availability of the SBC director, but also by the would-be entrepreneur’s degree of self-motivation and self-guidance.

4.4.3 Program Services Offered and Provided

Initial Business Readiness Assessment. North Carolina GATE II participants received a set of services designed to provide more intensive support for overcoming obstacles and becoming successful entrepreneurs. However, before any services were rendered, each North Carolina GATE II participant underwent a one-on-one assessment by his or her North Carolina GATE II counselor, who evaluated his or her business and financial needs.

The first part of the one-on-one assessment evaluated how well suited the participant was for self-employment and entrepreneurship. The counselors used an online entrepreneurship assessment tool developed by NC REAL Enterprises (and available to the general public) called “Am I Ready to Start My Own Business?” to help determine clients’ needs, entrepreneurial readiness, and business readiness. Each participant completed the brief online assessment, then discussed the results with his or her counselor, who used it as a starting point to discuss the commitment and risk involved in starting a small business. The second part included a financial assessment of the person’s credit ratings, assets, and liabilities. The results of this assessment helped determine financial readiness to take on the risks of starting a small business, and then to develop a financial plan. The counselors also used the one-on-one assessment as an opportunity to discuss and explore the participant’s business idea(s). Based on the results of the assessment, the participant and the counselor developed an agreed-upon, individually-tailored approach to building the scholars’ business skills and developing their business plans. If they reached consensus on this approach, then the North Carolina GATE II participant was formally enrolled in the program. As shown in Exhibit 5, almost all (99%) eligible applicants randomly assigned to the treatment group received an assessment.

Exhibit 5: Number of GATE II Assessments in North Carolina

State	Treatment Group	Number of Assessments
North Carolina	881	870 (99%)

Source: Participant Tracking System

One-on-One Business Counseling and Technical Assistance. Based on their needs as determined by the initial assessment, North Carolina GATE II participants received one-on-one business consulting and coaching from their assigned North Carolina GATE II counselor. The counselors worked with participants to identify and access training courses, develop a business idea and plan, provide referrals to resources, and help them navigate state and local

bureaucracies and business requirements. North Carolina GATE II participants assigned to the virtual site received essentially the same counseling services as participants with a counselor located at one of the physical sites, just without the face-to-face relationship with a counselor. Instead, they interacted with their counselors primarily by phone and email. They could also receive face-to-face business counseling from their local SBC directors, but not at the same level as with the North Carolina GATE II counselors. The exact nature of the counseling relationships was tailored to the needs, strengths, and motivation levels of the GATE II participants.

Entrepreneurship Training and Microenterprise Services/Resources. North Carolina GATE II participants were allowed to take up to four courses offered by their local community colleges that were related to their business. The courses were selected in consultation with the assigned North Carolina GATE II consultant. Each participant was highly encouraged (but not required) to take the NC REAL Entrepreneurship Course (classroom-based) or the eREAL course (an online entrepreneur-training course developed specifically for North Carolina GATE II and taught by a North Carolina GATE II counselor), unless a special exception was provided. Each NC REAL or e-REAL course was taught over 8–14 weeks, and the modules were designed to provide hands-on experience in developing a feasible business plan. North Carolina GATE II scholars were also encouraged to attend a three-hour seminar offered at the community colleges, entitled “From Losing My Job to Owning my Job.” Each North Carolina GATE II participant was authorized to receive up to \$420 in training funds and vouchers. Requests for training funds above \$420 were reviewed and approved on a case-by-case basis by a committee comprised of selected NC Rural Center and NC REAL staff and representatives from the North Carolina community college system. If necessary, scholars were allowed to take special courses outside the community college system if that best fit the needs of the scholar and was approved by the North Carolina GATE II counselor. The cost of tuition, materials, and fees for all approved courses were covered by the program.

Exhibit 6 summarizes the receipt of services among GATE II participants. As shown in the Exhibit, 74 percent of GATE II treatment group members responding to the GATE II follow-up survey in North Carolina received at least one type of self-employment service through the GATE II program, and 34 percent received three or more services. In comparison, among survey respondents in the control group, only 58 percent received at least one self-employment service outside the GATE program. In general, the treatment group received more self-employment services than the control group in North Carolina.⁷

⁷ In Section 5.1 we describe how services received by the control group affect the impact study.

Exhibit 6: Number of Services Received, North Carolina Participants

	Treatment Group	Control Group
No services received	164 (26%)	83 (42%)
One service received	111 (18%)	37 (19%)
Two services received	138 (22%)	43 (22%)
Three or more services received	216 (34%)	33 (17%)
Total	629 (100%)	196 (100%)

Source: GATE II Survey

Note: Includes only participants who completed the survey.

Exhibit 7 shows the different types of services provided by GATE II to the treatment group. Among GATE II participants receiving more than one service and responding to the GATE II follow-up survey, classroom training and counseling accounted for the majority (46%) of services received. For those receiving only one service, classroom training was the most common type (59%) of service provided.

Exhibit 7: Types of GATE II Services Received, North Carolina GATE II Participants

Service Type	More than One Service Received	Only One Service Received
Classroom Training	270 (25%)	65 (59%)
Counseling	228 (21%)	39 (35%)
Peer Support	108 (10%)	7 (6%)
Mentoring	234 (22%)	0
Other Services	234 (22%)	0
Total	1,074 (100%)	111 (100%)

Source: GATE II Survey.

Note: Includes only participants in the treatment group who completed the survey.

Responding North Carolina treatment group members received, on average, 46.6 hours of self-employment services, as shown in Exhibit 8. Classroom training accounts for the single largest proportion of this time – 21.2 hours – as program participants utilized this service more than any of the other four. North Carolina GATE II participants spent the least amount of time receiving peer support services – only about three hours, on average.

**Exhibit 8: Number of Hours of GATE II Services Received
by Type of Service, North Carolina GATE II Participants**

Self-Employment Service	Average Hours
Classroom Training	21.2
Mentoring	7.6
One-on-One Counseling	15.2
Peer Support/Networking	2.6
Total	46.6

Source: GATE II Survey

Note: Includes only participants in the treatment group who completed the survey.

4.5 Virginia GATE II Implementation

The Commonwealth of Virginia is divided into 15 Workforce Investment Areas, each of which operates relatively independently. These 15 areas are administered through the VCCS, the lead organization for Virginia’s two GATE II programs: Northern Virginia (NOVA) GATE and Richmond GATE.

When DOL issued the GATE II SGA in 2008, the Northern Virginia Workforce Investment Board (WIB) was selected by VCCS to apply for the grant as a way to build entrepreneurship training into its portfolio of services. At the time, Virginia’s unemployment rate was 4.8 percent, one percent lower than nationally. During the recession, Virginia’s unemployment rate remained below the national rate in 2009 (6.9 percent versus 9.3 percent) and in 2010 (7.1 percent versus 9.6 percent).

Given its proximity to Washington, DC, and its many Federal jobs, the unemployment rate in Northern Virginia was typically lower than the statewide rate. In 2008, the Northern Virginia rate was 2.5 percent, 2.3 percentage points lower than statewide; by 2010, the Northern Virginia rate had risen to 4.4 percent, which was still 2.7 percentage points lower than statewide. Beyond public sector-related work, other key industries in Northern Virginia included healthcare, construction, business services, information technology, and retail. These industries were hurt by the slow economy, as evidenced by the rise in the unemployment rates from 2008 to 2010.

While in 2008 the Richmond area had a similar unemployment rate as the rest of the state (4 percent), in 2008 and 2009, several employers in the Richmond area laid off large numbers of employees. As a result, the unemployment rate in Richmond rose to eight percent by 2010, one percent higher than the state rate. Many white-collar jobs were lost in engineering, securities, and banking. Approximately 90 percent of those workers had education levels beyond the high school level, and about two-thirds had a bachelor’s degree or better. With the availability of additional GATE II grant funds and rising unemployment statewide, the VCCS expanded GATE II to the Richmond metropolitan area to help prevent highly educated workers from leaving the area and offer new opportunities to dislocated workers.

4.5.1 Program Focus

Northern Virginia's GATE II program was implemented and marketed as the NOVAGATE program, which focused on Fairfax County, Loudoun County, and Prince William County. Services and staff were centrally located in Falls Church, and participants were recruited from AJCs in Falls Church, Leesburg, Alexandria, Reston, and Woodbridge. Initially, the age requirement for eligibility in the program was 50 or older. However, NOVAGATE requested and received permission from DOL to implement a lower minimum age requirement of 45 in early 2010. A key reason for this request was that enrollment into GATE II was lagging and a lower age cutoff would increase the pool eligible for GATE II services.

The Richmond program did not officially launch until July 2010, over a year later than the NOVAGATE program and the other states' GATE II programs. Richmond's GATE II program was implemented and marketed as the Richmond Growing America Through Entrepreneurship (Richmond GATE) program and focused on the same target population as NOVAGATE: dislocated workers age 45 and older living in the greater Richmond, Virginia region, including four counties and four cities, with Richmond serving as the program's hub.

4.5.2 Program Design and Applicant Selection Process

NOVAGATE was administered by the SSG under contract to the Fairfax County Department of Family Services to deliver public employment and training services through Virginia's AJCs. SSG is the administrative arm for the WIB. SSG worked with the BDAG to provide one-on-one counseling for NOVAGATE participants. BDAG subcontracted with the NVCC system to provide additional training.

Whereas NOVAGATE was overseen by and housed in the Northern Virginia AJCs, Richmond GATE was administered by the CCWA under contract to the VCCS. As the CCWA is an alliance between John Tyler Community College and J. Sargeant Reynolds Community College, the two educational institutions already had a long history of working together prior to their collaboration on Richmond GATE.

Prior to launch, Richmond GATE II staff consulted with NOVAGATE staff to learn more about NOVAGATE's implementation experience. The Richmond GATE service model drew from NOVAGATE's experiences and materials.

Outreach and Recruitment Activities. SSG played the leading role in developing outreach and marketing materials to disseminate and promote information about NOVAGATE to encourage eligible individuals aged 45 and older to apply. Multiple outreach strategies were used to promote NOVAGATE in the selected NOVAGATE service areas of Loudon, Prince William, and Fairfax counties. NOVAGATE relied heavily on print materials and word-of-mouth advertising to promote NOVAGATE. Print materials were available and prominently displayed in several languages at each AJC. NOVAGATE also sent press releases, informational newsletters, and news links through the Fairfax County newsletter, which is an electronic weekly bulletin. Other

print outreach included emails targeting dislocated workers age 45 or older through the Virginia Workforce Connection (an orientation email sent monthly through the online filing for Virginia Employment Commission UI benefits), posters at local employment centers, libraries, and income tax assistance programs. NOVAGATE information and materials were also featured on the SSG Website.

The CCWA modified the NOVAGATE outreach and marketing materials – provided to them by NOVAGATE staff – to encourage eligible individuals to apply to the Richmond GATE program. Richmond GATE advertised using direct mail – targeting three local postal codes – and used a targeted list provided by the VCCS to reach people who met the age criteria and were enrolled as dislocated workers at an AJC. They also sent emails to and through their local partners and local businesses, and had success getting human-interest stories written in the local newspaper and shown on television newscasts. In addition, they partnered with a local television station that started a “job link connection” on its Website as part of the station’s response to the local layoffs and corresponding rise in unemployment, and placed advertisements on radio stations, in the Monday metropolitan section of the local newspaper, and using banner ads on the *Richmond Times Dispatch* newspaper’s Website. CCWA staff attended trade shows and job fairs, where they reached dislocated workers. Richmond GATE advertisements were featured in the sections of the CCWA course catalog that covered customer service and business courses.

Registration and Eligibility Determination. The NOVAGATE and Richmond GATE programs used similar processes for registration and determining eligibility. For both programs, Workforce Investment Act (WIA)-eligible dislocated workers interested in the program were required to register prior to orientation. Registration could be completed by telephone, postcard, the NOVAGATE or Richmond GATE Websites, or at an AJC kiosk. Staff at each AJC was also able to register interested dislocated workers. Project coordinators received and processed all registrations and verified eligibility for the program. Criteria consisted of age, status as a dislocated worker, possessing a valid photo identification card that indicated their age and documentation of their unemployment insurance eligibility, and proposing a valid, ethical business idea and the intent to open the business in Virginia.

Orientation Sessions. Both the NOVAGATE and the Richmond GATE Project Coordinators regularly conducted orientation sessions for dislocated workers. NOVAGATE’s orientations were conducted at AJCs located in the Northern Virginia WIB; in addition, the orientation was available online. Richmond GATE orientation sessions were conducted at the AJCs or ETCs within the Richmond WIB, and occasionally at libraries, which were open later. NOVAGATE held at least one orientation session monthly at each of the five Northern Virginia AJC locations, while Richmond GATE held two or three group orientation sessions monthly, plus occasional orientations for interested individuals. No advance registration for in-person orientation sessions was required for either site, although staff did track how many people were interested and signed up: 612.

Each orientation session lasted approximately one hour. The facilitator first provided an introduction that explained the program and the random assignment process. Attendees then

watched a brief video about the program. The video scripts were identical but for Richmond’s local references and scenes, including a segment with a successful entrepreneur.

Application Process. The application process was nearly identical for NOVAGATE and Richmond GATE. All eligible individuals who registered and completed an orientation session (on the SSG Website or in-person) could complete and submit a NOVAGATE application. The facilitator encouraged each attendee to submit an application before leaving the AJC. Those who wished to complete the application at a later date were provided a pre-addressed stamped envelope to return at their convenience. While individuals were completing the applications, the facilitator answered questions and collected completed applications. Overall, 435 dislocated workers applied for GATE services in Virginia, representing 71 percent of the 612 individuals participating in an orientation, as shown in Exhibit 9 below.

Exhibit 9: Number of GATE II Applicants in Virginia

State	Number Attending Orientation	Number of Applicants
Virginia	612	435 (71%)

Source: Virginia PTS.

Random Assignment. As reflected in Exhibit 10 below, Virginia assigned half of GATE II applicants to the treatment group (218) and nearly half to the control group (217). As applicants were assigned, the project coordinators in both groups made initial contact with applicants randomly selected for GATE II services. Those selected were given the phone number of appropriate staff to schedule their assessment session. Once the participant made contact, business counselors were notified. Control-group participants were provided with a list of free or at-cost services and resources already available and accessible in either Northern Virginia or the Richmond area, as appropriate, for dislocated workers.

Exhibit 10: Random Assignment of GATE II Eligible Applicants in Virginia

State	Total	Treatment Group	Control Group
Virginia	435 (100%)	218 (50%)	217 (50%)

Source: Virginia PTS.

Although the GATE II programs in Virginia had complemented and built upon the existing portfolio of services available to dislocated workers, key differences existed between the services offered to individuals assigned to the GATE II programs and those assigned to the control group. For example, those in the GATE II control group could receive counseling through SCORE or other volunteer counselors. However, unlike GATE II participants, the control group was not assigned a designated counselor who would follow up with them; control-group participants received only business counseling services they actively sought. In addition, although individuals assigned to the control group could sign up for and attend courses offered

through the same training providers as program participants, they had to pay their own tuition and had to seek out the courses themselves.

4.5.3 Program Services

Initial Business Readiness Assessment. As a first step upon entering the GATE programs in Virginia, each applicant participated in an assessment and initial counseling session. The applicant completed the assessment online in the business counselor’s office using a tool developed to assess the individual’s business readiness and skills, identify what skills the individual may need to improve before starting a business, and help determine and shape the individual’s personalized entrepreneurial training program. The participant then met with a counselor for 45 to 60 minutes. The initial assessment and counseling session helped set expectations and oriented the participant to the GATE program, laid the foundation for understanding what it takes to start a business, and identified gaps in participants’ business knowledge. As shown in Exhibit 11, most (87%) eligible applicants randomly assigned to the treatment group received an assessment.

Exhibit 11: Number of GATE II Assessments in Virginia

State	Treatment Group	Number of Assessments
Virginia	219	191 (87%)

Source: Virginia PTS.

One-on-One Business Counseling and Technical Assistance. Both the NOVAGATE and Richmond GATE programs provided participants with access to a business counselor to assist in developing business plans, securing business licenses, providing feedback on ideas and opportunities, and ongoing needs. The programs implemented and encouraged a self-directed approach for participants who were establishing their business. In contrast to non-program participants, counselors were available to participants for as much time as needed, as long as they were making progress on their business plan and business licenses.

Entrepreneurship Training and Microenterprise Services/Resources. Each NOVAGATE participant was required to attend a two-day boot-camp training course developed for NOVAGATE and offered quarterly through the NVCC. The training was comprised of six topics, including 1) sales, 2) marketing, 3) legal issues, 4) finance, 5) market research, and 6) record keeping for tax purposes; the training lasted two consecutive days. Topics were designed to prepare the participants as they developed business plans and started businesses. Tuition was paid for NOVAGATE students through WIA funds, and course materials were provided free. The class was also open to non-NOVAGATE students for a \$195 fee. Additional targeted training and guidance was provided to NOVAGATE participants, and the program assisted in connecting participants with SCORE (in Washington, DC) and other SBDC mentors for specific or specialized training. NOVAGATE also offered the additional services and resources to participants, including

business cards, logo, and Website development assistance; computers at low cost; legal assistance; marketing opportunities; and a business incubator.

NOVAGATE also offered monthly 90-minute lunch-hour networking events (seminars advertised as “focus groups”) for participants in a conference room in the building in which the BDAG and Falls Church AJC are housed. Typically, 20–30 participants attended the focus-group sessions. Networking events were held on a range of topics: credit management, small business mentor programs, budgeting, asset building, legal issues, organizational communications, financing, crafting effective elevator speeches, and sharing NOVAGATE participants’ accomplishments.

Richmond GATE offered nine specially developed classes to its participants. None of the classes was mandatory, and all but one was open to Richmond GATE participants only. Classes were offered on a rotating cycle, more or less monthly, so there was no need to wait an entire quarter to enroll in the class. Course offerings included: Getting Started in Business, SCORE “First Step” Workshop, Finance and Marketing for Non-Financial Managers, Quick Books, CORE FOUR®, Understanding Credit, Business Networking for Small Businesses, Marketing for Small Businesses, and Mastering Sales Magnetism.

Due to its success, CCWA purchased this curriculum to add to its non-GATE offering. As appropriate, additional training and guidance was also provided, as Richmond has a very active small business and business networking community. For example, courses were offered through the Retail Merchants Association, including a class on using social media, and by other networking organizations.

The program coordinator sponsored Richmond GATE participants’ attendance at training offered by SCORE, the Retail Merchants Association, and other networking organizations. Additional courses and specialized training were available upon request.

Exhibit 12 summarizes the receipt of services among GATE II participants. As shown in the Exhibit, 82 percent of GATE II treatment group members in Virginia received at least one type of self-employment service through the GATE program, with over half receiving three or more services. In comparison, just over half of survey respondents in the control group reported receiving any services outside of the GATE program. Overall, the treatment group received more self-employment services than the control group in Virginia.⁸

⁸ In Section 5.1 we describe how services received by the control group affect the impact study.

Exhibit 12: Number of Services Received, Virginia GATE II Participants

Number of Self-Employment Services	Treatment Group	Control Group
No services received	32 (18%)	74 (47%)
One service received	21 (12%)	33 (21%)
Two services received	34 (19%)	18 (11%)
Three or more services received	91 (51%)	33 (21%)
Total	178 (100%)	158 (100%)

Note: Includes only participants who completed the follow-up survey.

Source: Virginia GATE II Survey

Exhibit 13 shows the different types of services provided by GATE II to the treatment group. Among treatment group members receiving more than one service and responding to the GATE II follow-up survey, classroom training and counseling accounted for the majority (52%) of services received. For those receiving only one service, classroom training was the most common type (52%) of service provided.

Exhibit 13: Types of GATE II Services Received, Virginia GATE II Participants

Service Type	Any Services Received	Only One Service Received
Classroom Training	110 (27%)	11 (52%)
Counseling	105 (25%)	8 (38%)
Peer Support	84 (20%)	2 (10%)
Mentoring	59 (14%)	0
Other Services	59 (14%)	0
Total Services	417 (100%)	21 (100%)

Note: Includes only participants in the treatment group who completed the survey. Source: Virginia GATE II Survey

Members of the treatment group in Virginia received, on average, 48.8 hours of self-employment services, as shown in Exhibit 14. Classroom training accounts for more than half of this time, or 27.6 hours, as program participants utilized this service more than any of the other four. Virginia GATE II participants spent the least amount of time receiving one-on-one counseling (5.5 hours) and mentoring services (7.1 hours).

**Exhibit 14: Number of Hours of GATE II Services Received
by Type of Service, Virginia GATE II Participants**

Self-Employment Services	Average Hours
Classroom Training	27.6
One-on-One Counseling	7.1
Mentoring	5.5
Peer Support/Networking	8.6
Total	48.8

Note: Includes only participants in the treatment group who completed the survey.
Source: Virginia GATE II Survey

5. GATE II IMPACT STUDY

The objective of the GATE II impact study is to examine the effectiveness of the GATE II programs in helping participants to improve their labor market outcomes. For this purpose, DOL asked grantee states to use a random assignment process to determine which applicants would be served by the program (treatment group) and which applicants would not be served by the program (control group). This enables the estimation of GATE II impacts by comparing the post-program entry outcomes between treatment and control group members.

North Carolina and Virginia implemented a random assignment process in administering their grant programs. However, Alabama was not successful in implementing random assignment, while Minnesota chose not to do so. For this reason, the impact study focuses on examining the effectiveness of GATE II in North Carolina and Virginia and excludes the Alabama and Minnesota GATE II grantees. However, since North Carolina and Virginia targeted different populations and customized their programs accordingly, separate impact analyses were conducted for each state.

In the remainder of this chapter, we present the random assignment impact study of the GATE II programs in North Carolina and Virginia. We begin our discussion with an overview of the research design used to conduct the impact analyses. We then present the impact study for the North Carolina GATE II program, followed by the impact study of the Virginia GATE II program. Finally, we present subgroup analyses of program impacts to confirm that the overall impacts for North Carolina and Virginia were not masking underlying differences in the effectiveness of the program across key participant subgroups.

5.1 Impact Study Design

Random assignment of North Carolina and Virginia GATE II applicants enables an estimation of program impacts by comparing the post-program outcomes between those selected to receive program services (treatment group) and those selected to not receive program services (control group). Below, we provide an overview of the impact study design, including the key research questions, a discussion of the random assignment process, data sources used in the study, and the impact analysis plan.

5.1.1 Key Research Questions

The impact study is designed to examine the effectiveness of GATE II programs in assisting rural and older dislocated workers interested in self-employment. In particular, the study focuses on two key research questions:

- *Was GATE II effective in improving the labor market outcomes of older dislocated workers and rural dislocated workers?*

- *Is providing self-employment training to older and rural dislocated workers a viable policy tool for promoting their reemployment?*

Specifically, the impact study examines whether GATE II was effective in promoting the labor market outcomes of these workers by starting their own business and becoming self-employed and/or by improving their overall employment prospects following program entry. Key outcomes of interest include: new business starts, becoming self-employed, becoming employed in a salary job, overall employment (self-employed and/or employed in a salary job), self-employment earnings, total earnings, and UI receipt. Based on the analyses of program impacts, critical insights were drawn about the viability of providing self-employment training to older and rural dislocated workers as a means to promote their reemployment and reduce their dependency on UI benefits.

5.1.2 Random Assignment

To support the impact study, the North Carolina and Virginia GATE II grantees implemented random assignment of participants as part of their program implementation. Under this process, eligible applicants were chosen randomly for either the treatment group (receive program services) or for the control group (do not receive program services). The random assignment process used by North Carolina and Virginia involved the following steps:

- **Step 1** – Each application was reviewed to confirm the applicant’s eligibility for the program
- **Step 2** – Site personnel e-mailed the names of eligible applicants to IMPAQ
- **Step 3** – IMPAQ used a computer algorithm to randomly assign applicants to treatment and control groups
- **Step 4** – IMPAQ provided sites with the results of random assignment either by mail or by Web-based entries accessed by site personnel
- **Step 5** – Applicants were notified of their assignment by mail.

In the letter notifying applicants of the results of random assignment, treatment group members received instructions for next steps, including contact information for scheduling an initial assessment. Individuals selected for the control group were provided with information on other free or at-cost services and resources available for dislocated workers. These resources included services available through AJCs, WIA services and local SBDCs, which typically provide resources and training opportunities to individuals considering starting small businesses.

Although there is little chance that control group members received services through GATE II that were intended for the treatment group, in many cases, control group members could also avail themselves of services similar to those provided to GATE participants.⁹ However, unlike

⁹ Checks included in the random assignment process precluded those assigned to the control group from reapplying to the program in hopes of being assigned to the treatment group.

treatment group participants, these services often varied in some significant ways. For example, services for control group members were likely not to have been as robust as for those provided to the GATE II treatment group. That is, control group members may not have been assigned to a designated case manager, may have received very limited business counseling services and may have received no follow-up communication after an initial meeting. In addition, the control group members will most likely have been charged for the service, while GATE II treatment group members received services at no cost. Exhibits 6 and 12 show that those in the control groups in North Carolina and Virginia were much less likely to receive any self-employment services.¹⁰ Nevertheless, because those assigned to the control group were not excluded from receiving other self-employment services available in their communities, the impact estimates we present below represent the impact of GATE II compared to “business as usual.” In other words, our analyses describe the impacts of GATE II *beyond* the impacts of other self-employment service options that were offered at the time of the program. So, the impact results should not be interpreted as estimates of the effectiveness of self-employment training more broadly.

5.1.3 Data Sources

Since random assignment was used to determine which applicants would receive services, program impacts can be estimated by simply comparing the post-program entry outcomes between treatment and control group members. To measure applicant characteristics at the time of program entry and applicant post-program entry labor market outcomes, the following data sources are used:

- **Participant Tracking System (PTS) Data.** North Carolina and Virginia used a PTS to gather applicant information at the time each applicant entered the program, which collected information on demographic characteristics (e.g., gender, race, age, and education); employment and income (e.g., employment status and household income); self-employment experience and access to credit when entering the program. This information was used to examine applicant characteristics at program entry, test if random assignment was successfully implemented, and as control variables in the multivariate impact analyses.
- **Follow-up Survey.** IMPAQ implemented a telephone survey of all program applicants approximately 32 months after they entered the program in North Carolina and 24 months after in Virginia. This survey was conducted by IMPAQ’s telephone survey center. The follow-up survey collected information on key labor market outcomes, including new business starts, self-employment, wage/salary employment, self-employment earnings, and wage/salary earnings.¹¹ Survey data are used to construct key measures of applicant employment outcomes after program entry and to estimate the impact of GATE II on those outcomes.

¹⁰ The implication of control group members receiving GATE II services is that, assuming the services are effective, the study may underestimate the impact of the program. Because there is little chance that control group members in either North Carolina or Virginia were able to enroll in GATE II, we expect any corresponding bias in our impact estimates to be a very minor concern.

¹¹ Additional details regarding the follow-up survey are provided in Appendix A.

- **UI Claims Data.** IMPAQ collected data from the North Carolina and Virginia agencies that maintain UI administrative records. These data provided information on the number of weeks and benefit amounts of UI that GATE II applicants collected prior to and following program entry. These data are used to estimate program impacts on UI receipt in the 12-month period following program entry.
- **Wage Records.** We also obtained wage record data from the state agencies in North Carolina and Virginia that maintain administrative data on earnings. These data provided information on the amounts earned by GATE II applicants prior to and following program entry. These data are used to estimate program impacts on quarterly earnings in the six quarters following program entry.

5.1.4 Impact Analyses Plan

The analyses plan for estimating GATE II impacts in North Carolina and Virginia was comprised of three components:

- **Descriptive Analyses.** The PTS data were used to provide descriptive analyses of the characteristics of GATE II applicants at the time of application. These analyses provided information on the composition of the population that applied for GATE II in North Carolina and Virginia, including socioeconomic characteristics, and prior self-employment, business and employment experience. In addition, UI claims and Wage Records were used to examine UI receipt and quarterly earnings of GATE II applicants in the 12-month period prior to applying for program participation. These analyses provide information about the types of individuals who applied for each program and help assess whether the two programs were successful in attracting their target populations.
- **Random Assignment Tests.** Prior to estimating program impacts, it is important to verify that random assignment of program applicants to the treatment or to the control group was done correctly. If so, there should not be any differences in characteristics between the treatment and the control group at the time of application. To confirm that random assignment was successful, and to examine if there were treatment-control differences in characteristics, we produced two tests: 1) t-tests, to assess if treatment-control group differences in mean values of baseline were statistically significant; and 2) estimated regression models, where the dependent variable was the probability of being assigned in the treatment and controls included all available characteristics. If no significant differences are detected, any subsequent treatment-control differences in outcomes can be attributed to the program.
- **Multivariate Impact Regression Models.** Program impacts are estimated using multivariate linear regression models that compare outcomes between treatment and control group members, controlling for available characteristics. The inclusion of available individual characteristics in the models is done for two reasons: 1) to improve statistical power by removing variation in the outcome of interest that result from observed characteristics; and 2) to ensure that impact estimates are accurate by accounting for treatment-control group differences in characteristics that may have occurred by chance. These models are

estimated separately for each outcome of interest (new business start, self-employed, employed in salary job, overall employment, self-employment earnings, salary wages, UI receipt, and quarterly earnings), and t-tests are used to assess if the program had statistically significant impacts on each outcome.¹² Based on the results, we are able to draw reliable inferences on the effectiveness of the GATE II programs in North Carolina and Virginia, and on whether self-employment training is a viable policy in helping rural and older dislocated workers to improve their labor market outcomes.

5.2 North Carolina GATE II Impact Evaluation

The North Carolina GATE II program was designed to help rural, dislocated workers start their own businesses as a way to get reemployed. This section presents analyses of the program's impact on participant self-employment, employment, and UI receipt outcomes following program entry. We start by providing an overview of the data used in the analyses, followed by an overview of the characteristics of GATE II applicants. Then, we present tests to confirm that random assignment was successfully implemented and provide descriptive statistics of key applicant outcomes following program entry. Finally, we present the results of the impact analyses and a discussion of the main findings.

5.2.1 Data Overview

The impact study of the North Carolina GATE II program relied on the data sources described below.

PTS Data. North Carolina used a PTS to gather applicant information at the time of program entry. The PTS data provided information on applicants' socioeconomic characteristics; employment and income; and self-employment experience and access to credit at program entry. This information was used to examine applicants' characteristics entering the program, test if random assignment was successfully implemented, and as control variables in the multivariate impact analyses regression models.

Follow-up Survey. IMPAQ implemented a telephone survey of all program applicants at approximately 32 months after entering the program. The survey collected information on key labor market outcomes, including new business starts, self-employment, salary employment, self-employment earnings, and salary earnings. The survey was completed by 881 applicants, for an overall survey response rate of 70 percent. Note that the response rate was 71 percent for the treatment group (623 respondents) and 67 percent for the control group (202 respondents). T-test comparisons showed that this difference was not statistically significant,

¹² Some of the outcomes of interest are dichotomous variables (e.g., new business start, self-employed, and UI receipt), so the use of a binary response model instead of a linear regression model may be more appropriate to estimate program impacts. Thus, for dichotomous outcomes, we estimated both a linear and a probit regression model. Since no statistical differences were detected between linear regression-estimated and probit regression-estimated impacts, for simplicity, the sections that follow report the results of the linear regression model, with standard errors computed using the Huber/White sandwich estimator to account for potential heteroskedasticity.

which indicates that treatment and control group members were equally likely to respond to the survey. Survey data were used to construct key measures of applicant employment outcomes and to estimate program impacts at 32 months after program entry.

North Carolina UI Claims Data. The UI data obtained from North Carolina provided information on the total number of UI weeks and benefit amounts collected by GATE II applicants. These data were used to measure each applicant's receipt of UI benefits in the 12 months prior to and following random assignment. UI claims data were used to examine each applicant's receipt of UI and to estimate UI program impacts in the 12-month period after program entry.

North Carolina Wage Records. The data obtained provided information on the wages earned from Q1:2007 through Q1:2012. These data were used to measure quarterly earnings by all GATE II applicants and to estimate program impacts on quarterly earnings in the six quarters following program entry.

5.2.2 Characteristics of Program Applicants

Socioeconomic Characteristics. Exhibit 15 presents the socioeconomic characteristics of program applicants at the time of application, as reported in the PTS data. During the recruitment period, 1,175 individuals applied for and were deemed eligible for participation in the GATE II program. Of these, 655 (56 percent) were men and 520 (44 percent) were women; the majority of applicants were white, and about one third were black. Applicants were about equally distributed across the four age groups and about 55 percent of applicants had no more than a high school education. About half were married at the time of application, with an average household size of 3.0 persons.

As expected, given the program focus, 1,017 (87 percent) of applicants were unemployed, meaning that they were not employed in a salaried job or self-employed at the time of application. About six percent of applicants reported being employed in a salaried job, and eight percent reported being self-employed at the time of application. The distribution is skewed toward lower-income levels, with nearly half of the applicants reporting a household income below \$25,000 and only 20 percent reporting a household income of \$50,000 or more. Moreover, only 39 percent of applicants had health insurance coverage at the time of application. These figures are not surprising, given the fact that the program mainly attracted unemployed individuals residing in rural areas.

Exhibit 15: Socioeconomic Characteristics of North Carolina GATE II Applicants

Total	All Applicants
	1,175 (100%)
Socioeconomic Characteristics	
Gender	
Male	655 (56%)
Female	520 (44%)
Race	
White	705 (60%)
Black	386 (33%)
Other Race	84 (7%)
Age Group	
Less than 35 Years	198 (17%)
35-44 Years	323 (27%)
45-54 Years	373 (32%)
55+ Years	281 (24%)
Education	
No High School Diploma	219 (19%)
High School Diploma	422 (36%)
Some College or Associate Degree	285 (24%)
College Degree	249 (21%)
Household Characteristics	
Married	607 (52%)
Never Married	228 (19%)
Household Size	3.0 (1.6)
Other Characteristics	
Disabled	67 (6%)
Born in the U.S.	1,133 (96%)
Employment and Income	
Employment Status	
Unemployed	1,017 (87%)
Employed in Salaried Job	66 (6%)
Self-Employed	92 (8%)
Household Income	
Less than \$10,000	334 (28%)
\$10,000-\$24,999	240 (20%)
\$25,000-\$49,999	364 (31%)
\$50,000-\$74,999	152 (13%)
\$75,000+	85 (7%)
Health Insurance	462 (39%)

Note: Reported is the number of applicants with sample proportions in parentheses; for household size, reported is the sample mean with standard deviation in parentheses. Source: PTS Data.

Self-Employment Experience, Business Background, and Access to Credit. Exhibit 16 used PTS data to summarize information on the applicants’ self-employment experience and access to credit at the time of application. As can be seen, only 31 percent of applicants had prior self-employment experience; this proportion includes the eight percent of applicants who were self-employed at program entry. These figures show that: 1) the majority of applicants did not have

self-employment experience and 2) some applicants had some experience, and presumably some owned a business that was idle at the time of application.

**Exhibit 16: Self-Employment Experience, Business Background,
and Access to Credit, North Carolina GATE II Applicants**

Total	All Applicants
	1,175 (100%)
Self-Employment Experience	367 (31%)
Has Management Experience	733 (62%)
Years of Management Experience	5.0 (6.8)
Credit History Problem†	628 (53%)
Family Supports Effort	1,078 (92%)
Family Member Works to Support Effort	613 (52%)

Note: Reported is the number of applicants with sample proportions in parentheses; for years of management experience, reported is the sample mean with standard deviation in parentheses. †= Available for 1,056 of the 1,175 applicants. Source: PTS Data.

Exhibit 16 also shows that 62 percent of applicants had some management experience. In fact, applicants reported an average of five years of experience working in a managerial position. These figures show that while most applicants had limited self-employment experience, many had experience working in a managerial position. Finally, 53 percent of applicants reported having credit history problems, which indicates that they would probably face barriers in securing financing for their business. At the same time, nearly all applicants reported that their immediate family supports their pursuit of self-employment, while about half reported that a family member will work to provide financial support to their self-employment pursuit.

Prior UI Receipt and Quarterly Earnings. Exhibit 17 presents information on the UI benefits collected and quarterly earnings by GATE II applicants in the 12 months prior to entering the program. As shown, six percent of applicants were collecting regular UI, 54 percent were collecting Emergency Unemployment Compensation (EUC) benefits, and 10 percent were collecting Extended Benefits (EB). The remaining 30 percent of applicants were not collecting UI upon entering the program. These figures show that the majority of applicants were on UI at the time of application, while nearly two-thirds of applicants had exhausted their regular UI benefits and were collecting EUC or EB. Thus, the program primarily attracted displaced workers who relied on UI for long periods prior to application. This is confirmed by the average UI weeks and benefit amounts collected in the period prior to entering the program. As shown in Exhibit 17, the average recipient collected 16.7 benefit weeks and \$5,308 in benefits. Separate analyses show that recipients who were on UI for at least one week in the 12-month period prior to entering the program collected 21.9 benefit weeks and \$7,069 benefit amounts during that period.

**Exhibit 17: Prior UI Receipt and Quarterly Earnings,
North Carolina GATE II Applicants**

	All Applicants
UI Receipt at Program Entry[†]	
Regular UI	71 (6%)
EUC	635 (54%)
EB	116 (10%)
Not Collecting UI	353 (30%)
UI Receipt, 12 Months Prior to Program Entry[†]	
UI Weeks Collected	16.7 (17.8)
Benefit Amounts Collected (\$)	5,308 (6,387)
Quarterly Earnings, Prior to Program Entry (\$)††	
Quarter 4	4,639 (5,998)
Quarter 3	4,389 (6,885)
Quarter 2	3,508 (5,762)
Quarter 1	2,649 (5,312)
Total, Quarters 1-4	14,918 (20,381)

Note: Reported are sample means with standard deviations in parentheses; for collected UI and below federal poverty threshold, reported is the total number of recipients with the proportion of all recipients in parentheses. Source: †= North Carolina UI Claims Data; ††= North Carolina Wage Records.

The same exhibit presents the quarterly wage amounts earned by GATE II applicants in the four quarters prior to entering the program. The average applicant earned \$4,639 in Quarter 4 prior to entering the program, an amount that gradually declined leading up to the time of application; by Quarter 1 prior to entering the program, the average applicant earned \$2,649. In total, program applicants earned \$14,918 in the 12-month period prior to entering the program.

Overall, the figures in Exhibit 17 show that the program primarily attracted individuals who earned relatively low wages and relied on UI for extended periods in the 12 months prior to applying for GATE II participation.

5.2.3 Treatment and Control Group Equivalence

Random assignment was used to determine which applicants would be assigned to the treatment group (receiving GATE II services) and which applicants would be assigned to the control group (not receiving GATE II services). Following random assignment, 881 (75 percent) were assigned to the treatment and 294 (25 percent) were assigned to the control group.¹³

¹³ The decision to do a 75/25 percent treatment/control allocation (rather than a 50/50 allocation, which would yield higher statistical power for the impact study) was an operational decision made by North Carolina and approved by DOL.

Prior to estimating the program's impacts, it is important to verify that random assignment was implemented correctly. To test the accuracy of the random assignment process, we analyzed treatment-control differences in characteristics and used t-tests to assess if those differences are statistically significant. If random assignment was successfully implemented, then we should not detect statistically significant treatment-control differences in characteristics. Exhibit 18 presents these comparisons for applicants' socioeconomic characteristics. As can be seen in the right column, there were no statistically significant differences in characteristics between the treatment and control groups at the time of application. These results strongly suggest that assignment of applicants was not correlated to observable characteristics. Separate analyses (not shown), confirm that applicants were also equivalent in terms of their self-employment experience, UI receipt in the 12 months prior to program entry, and quarterly earnings in Quarters 1-4 prior to program entry.

To confirm these results, we estimated a linear regression model where the dependent variable is the probability of being assigned in the treatment group and control variables include all available applicant characteristics in Exhibits 15-17. Regression results are presented in Appendix B, Exhibit B.1. They show that none of the estimated parameters were statistically significant, confirming that treatment and control group members had similar baseline characteristics.

In addition to verifying treatment-control equivalence in baseline characteristics, it is important to examine if this equivalence was maintained among those responding to the follow-up survey. As discussed above, the overall survey response rate was 70 percent and there were no statistically significant treatment-control differences in the response rate. But it is possible that survey attrition led to differences in characteristics between treatment and control group survey respondents. This would raise concerns about *survey non-response bias* for impact analyses of survey outcomes. This bias is created when there is a treatment-control imbalance in survey respondent characteristics that are correlated with the outcome of interest.

To test for survey response bias, we estimated the same linear regression model outlined above for survey respondents only. That is, we estimated the probability of being in the treatment group for survey respondents controlling for all available applicant characteristics. Results are presented in Appendix B, Exhibit B.2, and show no significant differences in characteristics between treatment and control group survey respondents, which alleviates concerns about survey non-response bias.

The analyses described above show that treatment and control group members were equivalent in their observable characteristics at the time of application. Furthermore, the treatment-control balance in characteristics was maintained among survey respondents. Thus, any treatment-control differences in outcomes subsequent to random assignment can be confidently attributed to GATE II.

**Exhibit 18: Treatment-Control Differences in Socioeconomic Characteristics,
North Carolina GATE II Applicants**

Total	Treatment Group	Control Group	Difference
	881	294	
Socioeconomic Characteristics			
Gender			
Male	0.54	0.59	-0.05 [0.03]
Female	0.46	0.41	0.05 [0.03]
Race			
White	0.61	0.58	0.03 [0.03]
Black	0.33	0.34	-0.01 [0.03]
Other Race	0.07	0.08	-0.01 [0.02]
Age Group			
Less than 35 Years	0.17	0.18	-0.01 [0.03]
35-44 Years	0.28	0.27	0.01 [0.03]
45-54 Years	0.31	0.34	-0.03 [0.03]
55+ Years	0.25	0.21	0.04 [0.03]
Education			
No High School Diploma	0.18	0.20	-0.02 [0.03]
High School Diploma	0.35	0.38	-0.03 [0.03]
Some College or Associate Degree	0.24	0.24	-0.00 [0.03]
College Degree	0.22	0.18	0.04 [0.03]
Household Characteristics			
Married	0.52	0.51	0.01 [0.03]
Never Married	0.19	0.20	-0.01 [0.03]
Household Size	2.9	3.1	-0.02 [0.11]
Other Characteristics			
Disabled	0.05	0.06	-0.01 [0.02]
Born in the U.S.	0.97	0.96	0.01 [0.01]
Employment and Income			
Household Income			
Less than \$10,000	0.29	0.29	-0.00 [0.03]
\$10,000-\$24,999	0.20	0.22	-0.02 [0.03]
\$25,000-\$49,999	0.31	0.31	-0.00 [0.03]
\$50,000-\$74,999	0.13	0.14	-0.01 [0.02]
\$75,000+	0.08	0.04	0.04 [0.03]
Employment Status			
Unemployed	0.81	0.81	0.00 [0.03]
Employed in Salary Job	0.07	0.07	-0.00 [0.01]
Self-employed	0.03	0.03	0.00 [0.01]
Not in the Labor Force	0.09	0.09	-0.00 [0.01]
Health Insurance	0.40	0.37	0.03 [0.03]

Note: Reported is the sample mean; the right column reports treatment-control group differences in means with standard errors in brackets. *=statistically significant at the five-percent level. Source: PTS Data.

5.2.4 Applicant Post-Random Assignment Outcomes

Using the follow-up survey data, the UI administrative data, and the wage records, we produced measures of applicant labor market outcomes in the period following program application. These outcomes are described below.

Follow-up Survey Outcomes. Using the follow-up survey, we produced measures of key applicant outcomes at approximately 32 months after program entry. These outcomes include:

- **Started a new business** – whether the applicant started a new business after entering the program and by the time of the survey
- **Self-employed** – whether the applicant was self-employed at the time of the survey
- **Employed in wage/salary job** – whether the participant was employed in a salaried job at the time of the survey
- **Employed** – Whether the participant was self-employed *or* employed in a salaried job at the time of the survey
- **Self-employment earnings** – total self-employment earnings at the time of the survey
- **Wage/Salary earnings** – total salary earnings at the time of the survey
- **Total earnings** – total self-employment plus salary earnings at the time of the survey

Note that some survey respondents did not provide answers to all questions needed to construct each employment and earnings outcomes; as a result, not all survey outcomes are available for all 881 survey respondents. Exhibit 19 summarizes the employment outcomes for North Carolina GATE II applicants who responded to the survey and provided answers to the questions needed to construct each outcome.¹⁴ As shown, 34 percent of applicants reported having started a business between entering the program and the time of the survey. Moreover, 27 percent were self-employed 32 months after entering the program. Nearly twice as many applicants were employed in salary jobs (51 percent) as were self-employed at the time of the survey (27 percent). Overall, 70 percent of applicants were employed at the time of the survey, either in a salary job or in their own business.

¹⁴ As a result of non-response, employment outcomes were available as follows: started a new business was available for 778 applicants (66 percent of all applicants); self-employed for 814 applicants (69 percent); employed in a wage/salary job for 820 applicants (70 percent); and employed for 820 applicants (70 percent).

**Exhibit 19: Employment Outcomes, 32 Months after Entering the Program,
North Carolina GATE II Applicants**

	All Applicants
Started a new business	0.34 (0.47)
Self-employed	0.27 (0.44)
Employed in a wage/salaried job	0.51 (0.50)
Employed	0.70 (0.46)

Note: Reported are sample means with standard deviations in parentheses.
Source: North Carolina follow-up survey.

Exhibit 20 presents the earnings outcomes at 32 months after entering the program for applicants who responded to the survey and provided answers to the questions needed to construct each outcome.¹⁵ Program applicants earned much more from salaried jobs than from self-employment. The average program applicant earned \$483 from self-employment at 32 months after program entry. Wage and salary earnings were substantially higher; the average applicant earned \$19,972 from wage and salary employment. In total, program applicants in North Carolina earned \$20,926 in total earnings (self-employment plus wage/salary earnings) at 32 months after program entry.

**Exhibit 20: Earnings Outcomes, 32 Months after Program Entry,
North Carolina GATE II Applicants**

	All Applicants
Self-employment earnings	483 (2,923)
Wage/salary earnings	19,972 (28,018)
Total earnings	20,926 (28,672)

Note: Reported are sample means with standard deviations in parentheses.
Source: North Carolina follow-up survey.

Overall, the follow-up survey data show that 32 months after applying to the program, most participants were employed, primarily in wage/salary jobs; that over one-third of applicants had started their own business; and that over one-quarter were self-employed.

UI Receipt Outcomes. Using North Carolina UI claims data in the period, we produced measures of an applicant’s UI receipt in the 12-month period following the time of application. These measures are presented in Exhibit 21. As shown, in the 12-month period after entering the program, the average GATE II applicant collected 23.9 UI benefit weeks and \$7,651 benefit amounts. These figures show that program applicants continued to rely on the UI program in the 12-month period following their GATE II application.

¹⁵ As a result of non-response, earnings outcomes were available as follows: Self-employment earnings were available for 772 applicants (66 percent of all applicants); wage/salary earnings for 684 applicants (58 percent); and total earnings for 641 applicants (55 percent).

**Exhibit 21: UI Receipt Outcomes, 12 Months After Entering the Program,
North Carolina GATE II Applicants**

	All Applicants
UI Weeks Collected	23.9 (19.7)
UI Benefit Amounts Collected (\$)	7,651 (7,418)

Note: Reported are sample means with standard deviations in parentheses.

Source: North Carolina UI Claims Data.

Quarterly Earnings. Using North Carolina Wage Records from the third quarter of 2009 through the first quarter of 2012, we measured quarterly earnings by all GATE II applicants in North Carolina for up to eight quarters after entering the program. Note that individuals in the study sample applied for GATE II participation from the second quarter of 2009 (Q2:2009) through the second quarter of 2011 (Q2:2011). Given the timing of application and availability of wage records, we can measure quarterly earnings following program entry as follows: Quarter 1-3 earnings for all 1,175 GATE II applicants; Quarter 4 earnings for the 1,089 applicants who entered GATE II through Q1:2011; Quarter 5 earnings for the 990 applicants who entered GATE II through Q4:2010; and Quarter 6 earnings for the 903 applicants who entered GATE II through Q3:2010. By the same token, we measure earnings for up to 11 quarters after program entry for individuals who entered GATE II in Q2:2009. Due to the sample attrition caused by the timing of the data, our analyses focus on Quarters 1-6 after program entry.

Exhibit 22 presents the quarterly earnings by program applicants in the six quarters after program entry. As shown in the left column, the average applicant earnings in Quarter 1 after program entry was \$807. This average gradually increased over time; in Quarter 6, the average applicant earned \$2,298. These figures show that program applicants earned low quarterly amounts in the state of North Carolina. This may be due to the fact that a large proportion of applicants were not employed in a UI-covered job after entry in the program. In fact, separate analyses show that only 24 percent of all GATE II applicants had positive earnings in Quarter 1, a figure that gradually increased to 41 percent by Quarters 5-6. Notably, the latter proportion approaches the proportion of applicants who reported in the follow-up survey that they were employed in a salaried job 32 months after entering the program (51 percent).

**Exhibit 22: Quarterly Earnings After Entering the Program,
North Carolina GATE II Applicants**

	All Applicants	Employed Applicants
Quarterly Earnings After Entering the Program		
Quarter 1	807 (2,148)	3,305 (3,263)
Quarter 2	1,222 (2,747)	4,150 (3,672)
Quarter 3	1,475 (3,272)	4,647 (4,631)
Quarter 4	1,748 (3,544)	4,996 (4,437)
Quarter 5	2,007 (3,617)	5,241 (4,151)
Quarter 6	2,298 (3,911)	5,578 (4,340)

Note: Reported are sample means with standard deviations in parentheses.
Source: North Carolina UI Wage Records.

The right column of Exhibit 22 presents average quarterly earnings for “employed” applicants, that is, applicants who had positive quarterly earnings. As shown, employed applicants earned \$3,305 in Quarter 1 after program entry, a figure that increased to \$5,578 by Quarter 6. These figures show that applicants who earned wages from a UI-covered job had relatively high earnings after entering the program, which increased over time.

5.2.5 Program Impacts

To estimate program impacts, we use a multivariate linear regression model, which compares the outcomes between treatment and control group members, controlling for available applicant characteristics, prior UI receipt, and prior earnings. The regression model can be expressed as follows:

$$Y = a \cdot T + X \cdot b + PUI \cdot c + PW \cdot d + u$$

The dependent variable (*Y*) is the outcome of interest, and control variables include:

- *T*, a treatment indicator that equals one if the applicant was in the treatment group and 0 if the applicant was in the control group
- *X* includes a constant term and all available applicant characteristics
- *PUI* includes prior UI receipt outcomes in the 12-month period prior to entering the program
- *PW* includes quarterly wage amounts earned in the four quarters prior to entering the program
- *u*, a zero-mean disturbance term

The parameter of interest in this model is α , which is the regression-adjusted treatment effect of the program on the outcome of interest. This model was estimated separately for all outcomes of interest.¹⁶ The results of the impact analyses are presented below.

Program Impacts on Business Starts and Employment. Exhibit 23 presents the regression-adjusted impacts of GATE II on business starts and employment outcomes using data from the follow-up survey.¹⁷ As shown, the regression-adjusted impact of GATE II on the probability of starting a new business following random assignment was 0.095 and was statistically significant at the one-percent level. This result suggests that GATE II led to a 9.5 percentage-point increase in the likelihood of starting a new business after entering the program. Compared to the control group mean (27 percent), this impact suggests that the program led to a 35-percent increase in starting a new business after entering the program.

The program also led to a 7.4-percent increase in the probability of being self-employed at the time of the follow-up survey (32 months after entering the program); compared to the control group mean (27 percent), this impact translates to a 27-percent increase in self-employment. These results show that the North Carolina GATE II program was not only effective in helping participants to start their own business but also to sustain that business and remain self-employed for long periods after program entry.

**Exhibit 23: Regression-adjusted GATE II Impacts
on Business Starts and Employment, North Carolina**

	Regression-adjusted Impact
Started a new business	0.095 (0.037)***
Self-employed	0.074 (0.035)**
Employed in a wage/salary job	-0.032 (0.042)
Employed	0.017 (0.039)

Note: Reported are regression-adjusted treatment effects with standard errors in parentheses. Source: North Carolina follow-up survey. Statistical significance: ** = at the five-percent level; *** = at the one-percent level.

As shown in Exhibit 23, the program did not have a statistically significant impact on employment in a wage/salary job or on employment overall. These results show that GATE II was effective in helping applicants start a new business after entering the program and in being self-employed nearly three years later.

¹⁶ For outcomes constructed using the follow-up survey (Exhibits 5 and 6), attrition weights were used to ensure that the estimation sample was representative of all GATE II applicants. The process of constructing these weights is described in Appendix C. Using attrition weights ensures that our impact estimates using data only from survey respondents are representative of the results we would obtain if *all applicants* had responded to the survey. In Appendix D, we show that the impact estimates are similar whether the attrition weights are used or not.

¹⁷ Full regression results for these and all regression models described in the report are presented in Appendix E.

In addition to a linear regression model, we used a probit regression model to estimate program impacts on the dichotomous outcomes presented in Exhibit 23. Probit-estimated impacts (not shown) were statistically equivalent to those reported in Exhibit 23; thus, impact estimates are not sensitive to the use of a linear regression model versus a probit regression model.

Program Impacts on Earnings. Exhibit 24 presents the impacts of GATE II on earnings outcomes as reported by applicants in the follow-up survey. As shown, none of the estimated impacts are statistically significant, indicating that GATE II had no discernible impacts on participant self-employment, wage/salary, or total earnings at 32 months following entry into the program. This shows that GATE II helped participants to start their own business and become self-employed, but did not necessarily help them to earn higher earnings. In addition, GATE II had no impacts on salary employment and/or overall employment, and thus did not lead to any positive impacts on salary and total earnings.

Exhibit 24: Regression-adjusted GATE II Impacts on Earnings, North Carolina

	Regression-adjusted Impact
Self-employment earnings	-22 (300)
Wage/salary earnings	-2,093 (2,416)
Total earnings	-1,445 (2,467)

Note: Reported are regression-adjusted treatment effects with standard errors in parentheses. Source: North Carolina follow-up survey.

Program Impacts on UI Receipt. Exhibit 25 presents the regression-adjusted program impacts on the number of UI weeks and UI benefit amounts collected in the 12-month period after entering the program. As shown, the estimated impact on UI weeks collected was 1.3 weeks but lacked statistical significance. Similarly, the estimated impact on UI benefit amounts collected was not statistically significant. These results provide no evidence that GATE II was effective in reducing the dependency of applicants on the UI system. This is not an unexpected finding, given the program’s not having any impacts on participants’ overall employment (self-employment and/or salary employment).

Exhibit 25: Regression-adjusted GATE II Impacts on UI Receipt Outcomes, North Carolina

	Regression-adjusted Impact
UI Weeks Collected	1.3 (1.1)
UI Benefit Amounts Collected (\$)	344 (406)

Note: Reported are regression-adjusted treatment effects with standard errors in parentheses.

Program Impacts on Quarterly Earnings. Exhibit 26 presents the regression-adjusted program impacts on quarterly earnings in the six quarters following program entry. As shown in the exhibit, the program did not have any impact on quarterly wage amounts earned after entering the program. These results are consistent with the results of the impact analyses on earnings, using applicant responses to the follow-up survey.

**Exhibit 26: Regression-adjusted GATE II Impacts
on Quarterly Earnings, North Carolina**

	Regression-adjusted Impact
Quarterly Earnings After Program Entry	
Quarter 1	-69 (142)
Quarter 2	-288 (184)
Quarter 3	-146 (221)
Quarter 4	-62 (250)
Quarter 5	180 (264)
Quarter 6	231 (299)

Note: Reported are regression-adjusted treatment effects with standard errors in parentheses.

5.2.6 Summary of the Results

The North Carolina GATE II program was designed to help rural, dislocated workers to start their own businesses as a way to stimulate their reemployment. The program was successful in attracting applicants who were unemployed, collected UI for extended periods prior to entering the program, and with limited self-employment experience. Analyses of program impacts based on a follow-up survey conducted about 32 months after entering the program show that the program was effective in helping participants start their own business in the 32-month period following program entry *and* report to be self-employed at the time of the survey. However, the program had no measurable impacts on overall employment or on participant earnings. Moreover, impact analyses based on North Carolina UI data and wage records show that the program did not have any measurable impacts on UI receipt in the 12 months after entering the program or on quarterly earnings in the six-quarter period after entering the program. These results suggest that GATE II was effective in assisting rural, dislocated workers to start their own business after entering the program and, importantly, remain self-employed nearly three years after entering the program. However, the program was not effective in improving overall employment and earnings.

5.3 Virginia GATE II Impact Evaluation

The objective of the Virginia GATE II program was to help older, dislocated workers get reemployed through self-employment. This section presents the program’s impacts on the post-program entry labor market outcomes of program participants. We first provide an

overview of the data used for the analyses and the characteristics of GATE II applicants. We then provide tests to confirm that random assignment was done correctly, as well as descriptive analyses of applicant outcomes. Finally, we present the results of the impact analyses and a discussion of the main findings.

5.3.1 Data Overview

The impact study of the Virginia GATE II program relied on the data sources described below.

PTS Data. Virginia used a PTS to gather information on applicant characteristics at the time of application, including socioeconomic characteristics, employment and income, and self-employment experience, business background, and access to credit.

Follow-Up Survey. IMPAQ implemented a survey of treatment and control group members at approximately 24 months after entering the program. The survey was completed by 336 Virginia GATE II applicants, for an overall response rate of 77 percent. Notably, the overall response rate varied significantly between treatment and control group members. In particular, the survey response rate was 83 percent for treatment group members (180 respondents) and 72 percent for control group members (156 respondents); a t-test shows that this difference was statistically significant at the one-percent level. This disparity raises concerns about survey non-response bias, an issue that is discussed in detail in Section 5.3.3.

Virginia UI Claims Data. The UI claims data provided information on the number of UI weeks and benefit amounts collected by GATE II applicants from January 2008 through June 2012. These data are used to measure applicants' UI receipt in the 12-month period prior to and in the 12-month period after entering the program.

Virginia Wage Records. The wage records provided information on the earnings of GATE II applicants in North Carolina from Quarter 1, 2007 (Q1:2007) through Quarter 2, 2012 (Q2:2012). These data are used to measure earnings in the four quarters prior to and in the six quarters after entering the program.

These data were used as follows: The PTS data were used to examine applicant characteristics, test if random assignment was done correctly, and as control variables in the impact models. Survey data were used to estimate program impacts on key employment outcomes 24 months after entering the program. Virginia UI claims and wage records were used to examine applicants' prior UI receipt and wage outcomes, and to estimate program impacts on UI receipt and earnings following program entry.

5.3.2 Characteristics of Program Applicants

Socioeconomic Characteristics. As shown in Exhibit 27, 435 individuals applied for and were deemed eligible for program participation, which shows that the program was not as successful as the North Carolina program in attracting a high number of applicants. The relatively low

number of Virginia GATE II applicants has important implications for the impact study, since the study would detect statistically significant impacts only if actual impacts were very large. For example, power analyses indicate that, based on a sample size of 435 applicants, the impact on the likelihood of self-employment would need to be at least 10 percentage points to feel confident that the study will detect the impact with a five-percent statistical significance level and 80 percent power. Thus, unless the actual impacts are large, it would not be surprising if the impact study does not yield statistically significant impact estimates.

Exhibit 27: Characteristics of Virginia GATE II Applicants

Total	All Applicants
	435 (100%)
Socioeconomic Characteristics	
Gender	
Male	215 (49%)
Female	220 (51%)
Race	
White	223 (51%)
Black	179 (41%)
Other Race	33 (8%)
Age Group	
45-54 Years	219 (50%)
55+ Years	216 (50%)
Education	
No High School Diploma	4 (1%)
High School Diploma	45 (10%)
Some College or Associate Degree	129 (30%)
College Degree	257 (59%)
Household Characteristics	
Married	219 (50%)
Never Married	103 (24%)
Household Size	2.6 (1.6)
Other Characteristics	
Disabled	14 (3%)
Born in the U.S.	434 (99%)
Employment and Income	
Household Income	
Less than \$10,000	76 (17%)
\$10,000-\$24,999	58 (13%)
\$25,000-\$49,999	134 (31%)
\$50,000-\$74,999	61 (14%)
\$75,000+	106 (24%)
Employment Status	
Unemployed	331 (76%)
Employed in Salary Job	30 (7%)
Self-employed	74 (17%)
Health Insurance	273 (63%)

Note: Reported is the number of applicants with sample proportions in parentheses; for household size, reported is the sample mean with standard deviation in parentheses. Source: PTS Data.

The 435 applicants were about equally split between male (49 percent) and female (51 percent) applicants and between white (51 percent) and nonwhite applicants (49 percent; this includes black and other race). All applicants were at least 45 years old, which was the program's target population, with half of all applicants in the 45-54 years old range. Interestingly, nearly nine in every ten applicants had some college education – 30 percent attended college or had an associate degree, and 59 percent had a college degree. Exhibit 27 also shows that half the applicants were married at the time of application, with an average household size of 2.6 persons.

Nearly three-quarters of applicants reported being unemployed at the time of application, seven percent were employed in a salaried job, and 17 percent were self-employed. The household income distribution shows that 70 percent of applicants had household income of at least \$25,000 upon entering the program, whereas about one-quarter of applicants had a household income of at least \$75,000. Finally, 63 percent of Virginia applicants had health insurance.

Self-Employment Experience, Business Background, and Access to Credit. As shown in Exhibit 28, 44 percent of applicants had prior self-employment experience (including the 17 percent who were self-employed upon entering the program). The majority of applicants (85 percent) reported they had managerial experience; more than half had more than five years of experience. As shown in the exhibit, only 41 percent of applicants had good credit history at the time of application, which indicates that they would probably not have easy access to credit for supporting their business. At the same time, 56 percent of applicants reported that an immediate family member was working to financially support their pursuit of starting their own business.

**Exhibit 28: Self-employment Experience, Business Background,
and Access to Credit, Virginia GATE II Applicants**

Total	All Applicants
	435 (100%)
Self-employment Experience	192 (44%)
Has Management Experience	369 (85%)
Years of Management Experience	
No Experience	66 (15%)
Less than 1 Year	37 (9%)
1-5 Years	98 (23%)
More than 5 Years	234 (54%)
Credit History	
No/Bad Credit History	93 (22%)
Average	165 (38%)
Good	177 (41%)
Family Supports Effort	340 (78%)
Family Member Works to Support Effort	243 (56%)

Note: Reported is the number of applicants with sample proportions in parentheses;
Source: PTS Data.

Prior UI Receipt and Quarterly Earnings. As shown in Exhibit 29, the majority of GATE II applicants were collecting UI at program entry: 23 percent were collecting regular UI, 32 percent were collecting EUC, and eight percent were collecting EB. The fact that 40 percent of applicants were collecting EUC or EB indicates that they exhausted regular UI at some point prior to entering GATE II. In fact, in the 12-month period prior to entering the program, the average applicant collected 18.8 benefit weeks and \$6,714 benefit amounts, which confirms that the program attracted applicants who depended on UI for long periods.

**Exhibit 29: Prior UI Receipt and Quarterly Earnings,
Virginia GATE II Applicants**

Total	All Applicants
	435 (100%)
UI Receipt at Program Entry[†]	
Regular UI	98 (23%)
EUC	140 (32%)
EB	34 (8%)
Not Collecting UI	163 (37%)
UI Receipt, 12 Months Prior to Entry into the Program[†]	
UI Weeks Collected	18.8 (18.5)
Benefit Amounts Collected (\$)	6,714 (6,970)
Quarterly Earnings (\$), Prior to Entry into the Program^{††}	
Quarter 4	7,179 (12,120)
Quarter 3	6,680 (12,909)
Quarter 2	5,654 (11,205)
Quarter 1	4,610 (13,919)
Total, Quarters 1-4	24,122 (39,038)

Note: For UI receipt at program entry, reported are the number of applicants with sample proportions in parenthesis; for prior UI receipt and prior quarterly earnings, reported are sample means with standard deviations in parentheses. Source: [†]= Virginia UI Claims Data; ^{††}= Virginia Wage Records.

Exhibit 29 also shows that the average applicant earned \$7,179 in Quarter 4 prior to entering the program, which gradually declined to \$4,610 in Quarter 1. In total, the average recipient earned \$24,122 in the four quarters prior to entering the program.

5.3.3 Treatment and Control Group Equivalence

The 435 Virginia GATE II applicants were randomly assigned with equal probability to the treatment and the control group. As a result, 218 (50 percent) were assigned in the treatment group and 217 (50 percent) were assigned in the control group. To confirm that random assignment was done correctly, we calculated treatment-control differences in characteristics and used t-tests to assess their statistical significance.

Exhibit 30 shows that, with the exception of very few variables, there were no statistically significant treatment-control differences in characteristics. Nonetheless, there were a small number of significant differences. For example, male applicants were 10 percent more likely than female applicants to be assigned to the treatment group. Moreover, applicants with no more than a high school diploma were five percent more likely than the remaining applicants to be in the treatment group, and those employed in a salaried job were five percent less likely to be in the treatment group. While these significant differences are not negligible, they do not constitute evidence that random assignment was unsuccessful. This is supported by separate

analyses (not shown) which indicate that there were no significant treatment-control differences in self-employment experience, prior UI receipt, and prior quarterly earnings.

Exhibit 30: Treatment-Control Differences in Characteristics, Virginia

Total	Treatment Group	Control Group	Difference
	218	217	
Socioeconomic Characteristics			
Gender			
Male	0.56	0.46	.10 [.05]**
Female	0.46	0.56	-.10 [.05]**
Race			
White	0.51	0.51	.00 [.05]
Black	0.40	0.42	-0.02 [0.05]
Other Race	0.09	0.06	0.03 [0.03]
Age Group			
45-54 Years	0.49	0.51	-0.02 [0.05]
55+ Years	0.51	0.49	0.02 [0.05]
Education			
No High School Diploma	0.01	0.01	-0.00 [0.01]
High School Diploma	0.08	0.13	0.05 [0.03]*
Some College or Associate Degree	0.32	0.28	0.04 [0.04]
College Degree	0.60	0.59	0.01 [0.05]
Household Characteristics			
Married	0.52	0.48	0.04 [0.05]
Never Married	0.22	0.25	0.03 [0.04]
Household Size	2.6	2.6	0.00 [0.20]
Other Characteristics			
Disabled	0.03	0.04	-0.01 [0.02]
Born in the U.S.	1.00	1.00	-0.00 [0.01]
Employment and Income			
Household Income			
Less than \$10,000	0.17	0.18	-0.01 [0.04]
\$10,000-\$24,999	0.15	0.12	0.03 [0.03]
\$25,000-\$49,999	0.30	0.32	-0.02 [0.04]
\$50,000-\$74,999	0.13	0.15	-0.02 [0.03]
\$75,000+	0.26	0.23	0.03 [0.04]
Employment Status			
Unemployed	0.78	0.75	0.03 [0.04]
Employed in Salary Job	0.04	0.09	-0.05 [0.02]*
Self-Employed	0.18	0.16	0.02 [0.04]
UI Benefits			
Currently on UI	0.72	0.73	-0.01 [0.04]
UI Weeks Collected in Past Year	17.5	16.1	1.4 [1.7]
Has Health Insurance	0.62	0.64	-0.02 [0.05]

Note: Reported is the sample mean; the right column reports treatment-control group differences in means with standard errors in brackets. Statistical significance: **= at five-percent level, *= at 10-percent level. Source: PTS Data.

To provide additional evidence that random assignment was successful, we estimated a linear regression model, where the dependent variable is the probability of being in the treatment group and control variables include all characteristics presented in Exhibit 30. Results, presented in Appendix B, Table B.1, show that the only estimated parameters that were statistically significant was male and family supports effort. However, an F-test that tests the hypothesis that all estimated parameters are equal to zero yielded a p-value of 0.5450; thus, the hypothesis could not be rejected, which means that there were no overall treatment-control differences in characteristics. Based on these results, we conclude that random assignment was done correctly.

In addition to examining the baseline equivalence in characteristics between the treatment and the control groups, it is important to test if this equivalence remained intact for survey responders. This is particularly important for Virginia, since treatment group members were much more likely than control group members to respond to the follow-up survey (83 percent versus 72 percent). To assess treatment-control differences in characteristics among survey respondents, we estimated the model outlined above for survey respondents only. Results, presented in Appendix B, Table B.2, show that only two parameters are statistically significant. F-test results to test the hypothesis that all estimated parameters are equal to zero yielded a 0.5538 p-value, confirming that treatment and control survey respondents were identical in terms of their observed characteristics. These analyses show that differences in survey response did not cause an imbalance in the characteristics of treatment and control group respondents.

The above results alleviate to some extent the concerns about survey non-response bias caused by a treatment-control imbalance in survey respondent characteristics that are correlated with the outcome of interest. However, some concerns remain because of the important treatment-control disparity in survey response rates. For example, if there is a positive relationship between survey response and post-program success and that relationship differs between treatment and control group members in a way that makes treatment group members more likely to respond to the survey, then impact estimates for survey outcomes would be biased in favor of the program. However, the results of our tests show that attrition did not differ between the treatment and the control group based on observable characteristics.

5.3.4 Applicant Post-random Assignment Outcomes

Using available data, we produced measures of outcomes in the period following application to the program. These outcomes, which are similar to those produced for the North Carolina analyses, are described below.

Follow-up Survey Outcomes. Using the data collected from the follow-up survey, we produced the same employment and earnings outcome measures that were produced for North

Carolina.¹⁸ As with North Carolina, not all 336 Virginia survey respondents answered the questions needed to construct each outcome; as a result, not all survey outcomes are available for all respondents. Exhibits 31 and 32 summarize employment measures for Virginia GATE II applicants who responded to the survey and provided answers to the questions needed to construct each outcome.¹⁹

Exhibit 31 shows that in the 24-month period after program entry, 35 percent of applicants had started a new business and 30 percent were self-employed. In terms of employment, 55 percent of applicants were employed in a wage/salaried job, nearly double the proportion that was self-employed. About three-quarters of all applicants were employed in some capacity.

**Exhibit 31: Employment Outcomes, 24 Months after Program Entry,
Virginia GATE II Applicants**

	All Applicants
Started a new business	0.35 (0.48)
Self-employed	0.30 (0.46)
Employed in a wage/salary job	0.55 (0.50)
Employed	0.75 (0.43)

Note: Reported are sample means with standard deviations in parentheses.
Source: Virginia follow-up survey

Exhibit 32 presents earnings outcomes for Virginia GATE II applicants who responded to the survey and answered the questions needed to construct each outcome.²⁰ As shown, Virginia applicants earned significantly more in wage/salaried jobs than from self-employment. On average, applicant’s self-employment earnings were only \$520 from self-employment at 24 months after program entry. In comparison, program applicants earned \$29,354 from wage and salary jobs and \$30,999 in total earnings.

¹⁸ One difference between Virginia and North Carolina is that the Virginia survey was conducted 24 months after entry into the program, while the North Carolina survey was conducted 32 months after.

¹⁹ As a result of non-response, employment outcomes were available as follows: started a new business was available for 333 applicants (77 percent of all applicants); self-employed for 334 applicants (77 percent); employed in a wage/salary job for 334 applicants (77 percent); and employed for 336 applicants (77 percent).

²⁰ As a result of non-response, earnings outcomes were available as follows: self-employment earnings was available for 320 applicants (74 percent of all applicants); wage/salary earnings for 251 applicants (58 percent); and total earnings for 242 applicants (56 percent).

**Exhibit 32: Earnings Outcomes, 24 Months after Program Entry,
Virginia GATE II Applicants**

	All Applicants
Self-employment earnings	520 (3,361)
Wage/salary earnings	29,354 (43,412)
Total earnings	30,999 (43,804)

Note: Reported are sample means with standard deviations in parentheses.
Source: Virginia follow-up survey

UI Receipt Outcomes. Using Virginia UI claims data in the period, we produced measures of applicants' UI receipt in the 12-month period following application. As shown in Exhibit 33, Virginia GATE II applicants collected an average of 16.5 UI weeks and \$5,594 of benefits in the 12-month period after entering the program. These figures show that program applicants relied to some extent on UI over that period.

**Exhibit 33: UI Receipt Outcomes, 12 Months After Program Entry,
Virginia GATE II Applicants**

	All Applicants
UI Weeks Collected	16.5 (17.7)
UI Benefit Amounts Collected (\$)	5,594 (6,410)

Note: Reported are sample means with standard deviations in parentheses.
Source: Virginia UI Claims Data

Quarterly Earnings. Program applicants entered the Virginia GATE II program from Q3:2009 through Q2:2011. We can thus use Virginia wage records for the period Q4:2009 through Q2:2012 to measure quarterly earnings following entry into the program, as follows:

- Quarter 1-4 earnings for all 435 GATE II applicants
- Quarter 5 earnings for the 380 applicants who entered GATE II through Q1:2011
- Quarter 6 earnings for the 300 applicants who entered GATE II through Q4:2010

As shown in the left column of Exhibit 34, the average applicant earned \$2,146 in Quarter 1 after entering the program, a figure that gradually increased over time. By Quarter 6, the average applicant earned \$4,802. The right column presents average earnings for employed applicants – applicants who had positive earnings in each quarter. As shown, those employed earned \$6,223 in Quarter 1, which increased to \$10,075 by Quarter 6 after entering the program. These figures show that, conditional on employment, applicants received relatively high earnings in the six-quarter period after entering the program.

**Exhibit 34: Quarterly Earnings After Entering the Program,
Virginia GATE II Applicants**

	All Applicants	Employed Applicants
Quarterly Earnings After Entering the Program		
Quarter 1	2,146 (5,133)	6,223 (7,155)
Quarter 2	3,333 (6,645)	7,967 (8,293)
Quarter 3	3,965 (8,044)	8,372 (9,995)
Quarter 4	4,241 (7,267)	8,955 (8,329)
Quarter 5	4,557 (7,802)	9,674 (8,936)
Quarter 6	4,802 (8,255)	10,075 (9,487)

Note: Reported are sample means with standard deviations in parentheses.

Source: Virginia UI Wage Records.

5.3.5 Program Impacts

To estimate program impacts, we use the same multivariate linear regression model used to estimate North Carolina program impacts. The model can be expressed as follows:

$$Y = a \cdot T + X \cdot b + PUI \cdot c + PW \cdot d + u$$

The dependent variable (*Y*) is the outcome of interest and control variables include:

- *T*, a treatment indicator that equals one if the applicant was in the treatment group and 0 if the applicant was in the control group
- *X* includes a constant term and all available applicant characteristics²¹
- *PUI* includes prior UI receipt outcomes in the 12-month period prior to program entry
- *PW* includes quarterly wage amounts earned in the four quarters prior to program entry
- *u*, a zero-mean disturbance term.

The parameter of interest is α , which is the regression-adjusted treatment effect of the program. The model was estimated separately for each outcome of interest, and attrition weights were used for outcomes based on the follow-up survey.²² The impact analyses results are presented below.

²¹ Inclusion of these variables ensures that we control for the observed differences in the probability of treatment group assignment based on observed characteristics.

²² The process of constructing these weights is described in detail in Appendix C. In Appendix D, we show that the impact estimates are similar whether the attrition weights are used or not.

Program Impacts on Self-Employment Outcomes. Exhibits 35 and 36 present the regression-adjusted impacts of Virginia’s GATE II program on employment and earnings outcomes based on data from the follow-up survey.²³

As shown in Exhibit 35, the estimated parameter for starting a new business is 0.111 and was statistically significant at the 10-percent level. This result suggests that the Virginia GATE II program was effective in helping participants start their own business in the 24-month period following program entry. Compared to the control group mean (29 percent), this impact translates to a 38-percent increase in new business starts. On the other hand, there were no statistically significant impacts on being self-employed at the time of the survey, which suggests that treatment and control group members were equally likely to be self-employed at 24 months after program entry. Similarly, we do not observe any statistically significant impacts on employment in a wage/salary job or overall employment. These results show that while the program was effective in helping participants start their own business following program entry, it was not effective in improving the probability that they remained self-employed at 24 months after program entry. In other words, the program was effective in helping participants jump-start their self-employment pursuit by starting their own business, but was less effective in helping them to remain self-employed for long periods after program entry.

Exhibit 35: Regression-adjusted GATE II Impacts on Employment, Virginia

	Regression-Adjusted Impact
Started a business	0.111 (0.058)*
Self-employed	0.040 (0.049)
Employed in a wage/salaried job	-0.001 (0.057)
Employed	0.001 (0.050)

Note: Reported are regression-adjusted treatment effects with standard errors in parentheses. Source: Virginia follow-up survey.

To confirm these results, we also estimated program impacts using a probit regression model. These results (not shown) yielded impact estimates that were statistically equivalent to those reported in Exhibit 35, which confirms that the reported impact estimates are robust to the choice of the statistical model used to estimate impacts.

As indicated in Exhibit 36, estimated program impacts on participant self-employment earnings, wage/salary earnings, and total earnings bear negative signs but are not statistically significant. These results show that the Virginia GATE II program had no measurable impacts on participant earnings at 24 months after program entry.

²³ Full regression results for these and all regression models described in the report are presented in Appendix E.

**Exhibit 36: Regression-adjusted GATE II Impacts
on Earnings Outcomes, Virginia**

	Regression-adjusted Impact
Self-employment earnings	-435 (371)
Wage/salary earnings	-7,400 (5,248)
Total earnings	-8,351 (5,344)

Note: Reported are regression-adjusted treatment effects with standard errors in parentheses. Source: Virginia follow-up survey. Statistical significance: *= at the 10 percent level.

Program Impacts on UI Receipt. Exhibit 37 presents the regression-adjusted program impacts on the number of UI weeks and UI benefit amounts collected in the 12-month period following program entry. The treatment parameter was 1.4 weeks for UI weeks collected and \$327 for UI benefit amounts collected. Both lacked statistical significance, which suggests that the program did not help recipients reduce their dependency on UI following program entry and, thus, did not lead to any savings for the UI program. This finding is consistent with the fact that the program did not lead to positive impacts on overall employment.

**Exhibit 37: Regression-adjusted GATE II Impacts
on UI Receipt Outcomes, Virginia**

	All Applicants
UI Weeks Collected	1.4 (1.1)
UI Benefit Amounts Collected (\$)	327 (406)

Note: Reported are regression-adjusted treatment effects with standard errors in parentheses.

Program Impacts on Quarterly Earnings. Exhibit 38 presents the regression-adjusted impacts on quarterly earnings in the six quarters following entry into the program. As can be seen, there were no statistically significant differences in quarterly earnings in the six-quarter period following entry into the program. These results not consistent with the results of the impact analyses of participant earnings reported in the follow-up survey.

**Exhibit 38: Regression-adjusted GATE II Impacts
on Quarterly Earnings, Virginia**

	Regression-adjusted Treatment Effect
Quarterly Earnings After Entry into the Program	
Quarter 1	-72 (142)
Quarter 2	-292 (185)
Quarter 3	-148 (221)
Quarter 4	-63 (250)
Quarter 5	175 (265)
Quarter 6	232 (300)

Note: Reported are regression-adjusted treatment effects with standard errors in parentheses.

5.3.6 Summary of the Results

In Virginia, GATE II was designed to help older workers return to employment by supporting their efforts to pursue self-employment. The program primarily attracted older dislocated workers who were highly educated, had relatively extensive self-employment or managerial experience, and had relatively high household incomes. Our analyses provide evidence that the program was effective in helping participants to start their own business following program entry. However, this impact did not translate into significant gains in self-employment at 24 months after program entry, which suggests that the program was not successful in helping them remain self-employed for long periods after program entry. Moreover, there are no measurable impacts on participant self-reported earnings at 24 months after program entry, and on UI receipt and quarterly earnings.

On the surface, these results suggest that the Virginia GATE II program was not as effective as the North Carolina program for older, dislocated workers interested in self-employment. We should note, however, that the Virginia program attracted a relatively low number of applicants (435 applicants). So, the fact that the program had an impact on starting a new business but not on remaining self-employed could be due to that the Virginia sample could only detect a statistically significant impact on self-employment if that impact was relatively large.²⁴ Thus, the fact that we do not find an impact on self-employment is consistent with two explanations:

- The program truly had no impact on self-employment, or
- The sample was not sufficiently large to detect an impact.

²⁴ For example, power analyses show that in order for this study to detect Virginia GATE II impacts, the actual impacts would have to be at least 10 percentage points on self-employed. The estimated parameter for self-employed in Exhibit 35 is only four percentage points; if this was the true program impact, it would be impossible to detect with the available sample size in this study.

5.4 Subgroup Analyses

The impact study for North Carolina produced different results than the impact study for Virginia. In North Carolina, GATE II was effective in promoting new business starts *and* self-employment, but had no impacts on the remaining labor market outcomes. These results show that self-employment training was effective in promoting self-employment for rural dislocated workers.

The overall impact estimates presented above could potentially mask underlying program impacts on key subgroups. For example, if it is true that GATE II was not effective for promoting self-employment for workers 45 years old or older (as the Virginia results suggest), then the North Carolina program impact results may indicate a similar result. Furthermore, if we find that the program in North Carolina was also not effective in promoting self-employment for older workers as the Virginia results suggest, then the overall positive impacts in North Carolina must be driven by the fact that the program was highly effective for workers less than 45 years old.

It is also possible that GATE II was more effective for dislocated workers with low education and/or no prior self-employment experience, who may not have a strong understanding of what it takes to start and operate a new business and thus are more likely to benefit from the program. If this conjecture is true, then the impacts on self-employment in North Carolina may result from the program's having served a high proportion of low-education and inexperienced workers.

To investigate the results presented above and assess whether GATE II was indeed more effective for some subgroups (e.g., younger workers), we conducted additional subgroup analyses of program impacts using the North Carolina sample.²⁵ The results of these analyses are summarized below.

5.4.1 Program Impacts by Age

As described above, applicants to the GATE II programs in North Carolina and Virginia varied in several respects. The most notable difference was that the Virginia program, by design, attracted only older workers (45 years old or older), while North Carolina attracted both older and younger workers (less than 45 years old). To explore whether North Carolina program impacts differed by participant age, we estimated a modified version of the main multivariate regression model:

$$Y = a_0 \cdot T + a_1(T \cdot YOUNG) + X \cdot b + PUI \cdot c + PW \cdot d + u$$

²⁵ Due to small sample sizes, subgroup analyses for Virginia did not produce any meaningful results and, thus, are excluded from the discussion.

The terms in the model are the same as the ones we used to estimate the overall results, with the exception that this model includes the term ($T \cdot YOUNG$), which equals 1 if the applicant was in the treatment group *and* younger than 45 years old. Adding this term to the regression model allows the treatment effect to differ between older workers (45 years old or older) and younger workers (less than 45 years old). In particular, there are two parameters of interest:

- α_0 , the regression-adjusted impact of the program on older workers
- $\alpha_0 + \alpha_1$, the regression-adjusted impact of the program on younger workers.

Exhibit 39 presents the impact estimates for these terms.

Exhibit 39: Regression-adjusted Impact Estimates, by Age, North Carolina

	Less than 45 Years Old $\alpha_0 + \alpha_1$	45+ Years Old α_0
Started a New Business	0.122 (0.054)**	0.073 (0.051)
Self-employed	0.102 (0.051)*	0.052 (0.047)
Employed in a Wage/Salary Job	0.003 (0.065)	-0.060 (0.055)
Employed	0.084 (0.063)	-0.035 (0.050)
Total Earnings	-361 (3,931)	-2,263 (3,164)

Note: Reported are regression-adjusted treatment effects with standard errors in parentheses. Source: North Carolina follow-up survey. **= Statistically significant at the five-percent level.

As shown in Exhibit 39, the North Carolina program was only effective for workers who were less than 45 years old. In particular, the program led to significant impacts on the probability of starting a new business (12.2 percentage points) and self-employment (10.2 percentage points) for younger workers. On the other hand, none of the impacts were statistically significant for older workers. These results show that the North Carolina program’s overall impacts on starting a business after program entry and being self-employed at 32 months after program entry were driven by younger participants. Moreover, the lack of impact on self-employment for older workers is consistent with the results found for Virginia. These results show that the GATE II program was effective in promoting self-employment for younger dislocated workers but did not show statistically significant impacts for older dislocated workers.

5.4.2 Program Impacts by Other Characteristics

In addition to testing for age differences in program impacts, we used a similar approach as the one described above to examine whether the North Carolina GATE II program had differential impacts based on gender, race, education, employment status, prior self-employment experience, and other characteristics. Our analyses yielded statistically significant effects based on prior self-employment experience but not based on any other characteristic.

Exhibit 40 presents the North Carolina regression-adjusted impact estimates based on prior self-employment experience. The results clearly show that the impacts of GATE II in North

Carolina were greatest for individuals who entered the program with no prior self-employment experience. For this group, GATE II increased the likelihood of starting a business by 14.3 percentage points and the likelihood of being self-employed at 32 months after program entry by 10.7 percentage points. In contrast, GATE II had no effect on participants who entered the program with prior self-employment experience.

These results suggest that part of the reason we do not observe impacts in Virginia is because a greater proportion of the target population entered the program with some experience with self-employment. In Virginia, 44 percent of applicants had prior self-employment experience, compared to 31 percent of North Carolina applicants.

**Exhibit 40: Regression-adjusted Impact Estimates,
by Prior Self-employment Experience, North Carolina**

	No Prior Self-employment Experience	With Prior Self-employment Experience
Started a New Business	0.143 (0.040)***	-0.019 (0.079)
Self-employed	0.107 (0.039)***	-0.003 (0.068)
Employed in a Wage/Salary Job	-0.053 (0.051)	0.011 (0.073)
Employed	0.045 (0.048)	-0.042 (0.067)
Total Earnings	-2,746 (3,036)	1,291 (4,099)

Note: Reported are regression-adjusted treatment effects with standard errors in parentheses.
Source: North Carolina follow-up survey. Statistical significance: *** = at the one-percent level

The above results demonstrate that the North Carolina GATE II impacts accrued largely to participants who were younger and entered the program with no prior self-employment experience. In contrast, we found no evidence that program impacts varied based on age, race, education, and other characteristics. As a way to tease out the relative importance of age and self-employment experience, we further refined the regression models to include two interaction terms based on participant age and prior self-employment experience.

Exhibit 41 presents the results from a model that includes treatment interactions for age and prior self-employment experience. Results show that the North Carolina program had significant impacts for workers with no prior self-employment experience but no impacts for workers with prior self-employment experience. Moreover, there were no significant impacts based on participant age. These results show that entering the program with no self-employment experience versus entering the program with self-employment experience had a relatively greater influence on the impact of GATE II than the influence of being less than 45 years old versus being 45 years old or older.

**Exhibit 41: Regression-adjusted Impact Estimates
by Age and Prior Self-employment Experience, North Carolina**

	Started a New Business	Self- employed	Employed in a Wage/Salary Job	Employed	Total Earnings
Less than 45 Years Old	-0.004 (0.094)	0.020 (0.085)	0.055 (0.092)	0.027 (0.088)	2,590 (6,017)
No Prior Self-employment Experience	0.134** (0.055)	0.093* (0.053)	-0.086 (0.064)	-0.006 (0.059)	-3,797 (4,046)

Note: Reported are regression-adjusted treatment effects with standard errors in parentheses. Source: North Carolina follow-up survey. Statistical significance: ** = at the five-percent level; * = at the 10-percent level.

5.4.3 Summary of Subgroup Analysis

The subgroup impact analyses presented above provide additional insights as to why the impact analyses of the North Carolina program yielded different results than the impact analyses of the Virginia program. Subgroup analyses of North Carolina GATE II show that the program was effective in promoting new business starts and self-employment for younger workers (those less than 45 years old).

Additional analyses suggest that program impacts varied based on participants' prior self-employment experience but not based on other characteristics. Participants with no prior self-employment experience were much more likely to start their own business *and* be self-employed at 32 months after program entry, as a result of program participation. These results provide an additional explanation for the lack of impacts on self-employment in Virginia, which served higher proportions of workers with prior self-employment experience relative to North Carolina. Overall, the subgroup analyses show that self-employment training may be much more effective for younger inexperienced workers.

6. CONCLUSION

In 2008, DOL awarded GATE II grants to Alabama, Minnesota, North Carolina, and Virginia to provide self-employment training to rural and older dislocated workers interested in pursuing self-employment. Alabama and North Carolina used the grant to provide self-employment training to rural dislocated workers; Minnesota and Virginia used the grants to provide self-employment training to older workers. To assess the effectiveness of these programs, DOL asked states to design their programs as experiments, with a random assignment process determining which applicants would receive services (treatment group) and which would not receive services (control group). North Carolina and Virginia successfully implemented random assignment of program applicants and, thus, are the focus of the impact study.

The objective of this evaluation was to examine the effectiveness of the North Carolina and Virginia GATE II programs in improving the labor market outcomes of rural and older dislocated workers, respectively. Using participant survey and state administrative data, we examined the impact of the North Carolina and Virginia GATE II program in participant labor market outcomes following entry into the program, including new business starts, self-employment, overall employment, self-employment earnings, wage and salary earnings, and UI receipt.

In North Carolina, we found that GATE II was effective in helping rural dislocated workers to start their own businesses after entering the program and led to a greater probability of self-employment at 32 months following program entry. Program impacts on new business starts and self-employment are consistent with the impacts of the UI Self-Employment Demonstration (Benus et al., 1995) and of Project GATE (Benus et al., 2009). There were, however, other impact results that were not completely consistent with earlier studies. For example, in North Carolina, we did not find statistically significant impacts on participant earnings, a result that is consistent with the GATE results but different from the UI Self-Employment Demonstration study results (which found statistically significant impacts on participant earnings). These differences in impact results may be due to differences in economic context, target populations, sample sizes, and services provided by the different DOL self-employment demonstration programs.

In Virginia, we found that the GATE II program was effective in helping older dislocated workers to start their own business after program entry, but did not yield statistically significant impacts on self-employment at 24 months after program entry. Moreover, no measurable impacts on overall employment, earnings, and UI receipt were detected. Based on these results, the Virginia GATE II program was effective in helping participants to jump-start their pursuit of self-employment, but this study was unable to find evidence that the program affected participants' earnings or their likelihood of remaining self-employed for long periods after program.

Additional subgroup analyses were conducted using the North Carolina data to assess whether the program had differential impacts by age and other key characteristics. The results show that the North Carolina program was effective in assisting younger workers (less than 45 years

old) to start a new business in the 32-month period after program entry *and* to be self-employed 32 months after program entry. The results also show no statistically significant impacts on older workers (45+ years old). Finally, the results show that participants with no prior self-employment experience were more likely than other participants to benefit from program participation.

In conclusion, the impact study of the GATE II grant programs provides useful insights about the effectiveness of self-employment training for rural and older dislocated workers. Self-employment training is an effective policy for assisting younger, inexperienced dislocated workers to start their own business and remain self-employed for long periods after program entry. In light of these results, and combined with the results of previous research on the efficacy of self-employment training, we conclude that the DOL should continue to support programs that provide self-employment training to dislocated workers, particularly to younger dislocated workers with limited self-employment experience.

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APPENDIX A. FOLLOW-UP TELEPHONE SURVEY

SECTION A: INTRODUCTION/SCREENER

A1. Hello, may I please speak to (SAMPLE MEMBER). My name is (NAME) and I'm calling from IMPAQ International. Is this (SAMPLE MEMBER)?

- SAMPLE MEMBER AVAILABLE..... 01
- SAMPLE MEMBER NOT AVAILABLE 00 →

When would be a good time to reach (SAMPLE MEMBER)?
RECORD INFORMATION.
THANK PERSON AND TERMINATE.

A2. Hello, my name is (NAME), and I'm calling from IMPAQ International in Columbia, Maryland. We are conducting a survey on behalf of the U.S. Department of Labor with people who applied to Project GATE. I would like to ask you some questions about your experiences with self-employment and self-employment services.

Your opinions and experiences are extremely important. We would appreciate your participation in this study, and in return can offer you \$15 for your time.

The information gathered as the result of this survey will not be attributable directly to you, the respondent, and will only be discussed among members of the research team.

May we begin?

PROBE: You may remember that you became a participant in this study between 2009 and 2011.

- OK TO CONTINUE 01
- NOT A GOOD TIME FOR SM..... 00 →

When would be a good time to do the interview? **RECORD APPT. DATE AND TIME.**
THANK SM AND TERMINATE.

- REFUSED..... r
- R. HESITATES TO DO SURVEY..... h
- R. HAS QUESTIONS ABOUT THE STUDY..... q

GO TO INFORMATION SCREEN

A3. First we have to make sure we're talking to the right person. I'm going to ask you for the month and day you were born, but not the year.
Please tell me the month and day you were born.

(01-12) (01-31)
 _ _ / _ _
 MONTH DAY

REFUSED..... r }
 DON'T KNOW..... d } → GO TO A5

A4. **PROGRAMMER: CHECK DOB. DOES THE DOB IN A3 MATCH THE DOB IN THE SAMPLE FILE?**

YES01
 NO/NO DOB00

(if Yes go to B1 for treatment or to B0 for control)

A5. And what are the last 4-digits of your Social Security number?

_ _ _ _

DON'T KNOW..... d }
 REFUSED..... r } → GO TO A7

A6. **PROGRAMMER: CHECK SSN. DO THE LAST 4 DIGITS OF THE SSN IN A5 MATCH THE SSN IN THE SAMPLE FILE?**

YES01 → GO TO B1
 NO/NO SSN00 → GO TO A7

A7. I'm sorry. I need to check my records before I can interview you. Is this the best time to reach you in the future?

YES 01 → **THANK SM AND TERMINATE. RECORD TIME AND DATE**

NO 00 → **What is the best time to reach you? RECORD TIME AND DATE. THANK SM AND TERMINATE.**

INFORMATION SCREEN. READ ONLY IF SAMPLE MEMBER REQUESTS MORE INFORMATION.

Answers to Commonly Asked Questions²⁶

“I didn’t participate in GATE. I’m no longer in the GATE Program.”

We are calling individuals who applied for the GATE program, even if they never participated or are no longer participating. Your responses and views are important in that they help us gain perspective from those who no longer or never participated.

“I did not like the GATE Program.”

I understand. Your comments will be especially important to the study. The United States Department of Labor wants to have feedback from individuals who were both satisfied and not satisfied with their experiences in the GATE Program.

“I didn’t start my own business.”

That’s OK. Your responses and views are important to the study. The United States Department of Labor wants to have feedback from individuals who did not start their own business as well as those that did.

“How did you get my name?”

We are calling everyone who applied for the GATE Program. You might remember that the application materials you signed mentioned that we would be calling you for an interview.

“What happens if I don’t participate?”

Your participation is voluntary and will not affect your eligibility to receive any services or benefits. However, your experiences and opinions are very important to the success and improvement of programs like GATE.

“I don’t have the time.”

We can do the survey in more than one call, if necessary. I’d like to begin now and do as much as we can. Then, if you need to stop, I can call you back at your convenience to finish. Or, I can schedule a more convenient time to call you back. Which do you prefer?

²⁶ **Programmer:** These questions and answers should be available to interviewers any point in the questionnaire

“I’m not interested.”

Let me reassure you that we are not selling anything. We’re interested in your opinions and experiences. The information you provide will help address the special needs of individuals who want to start their own business. There are no right or wrong answers. Any information you give me will be held in the strictest confidence.

“Are my answers confidential?”

Any information you give me will be held in the strictest confidence and will be used only for the purposes of the study. Your answers will be combined with those of others and your name will never be used in reporting the results of the study. All personally identifiable data will be kept confidential except as required by law. Your answer to questions will not affect your eligibility for any public program.

“How long will this take?”

The length of the interview is different for different people, but it usually takes 30 minutes.

“What is the purpose of the study?”

Our goal is to assess whether programs like GATE are successful in meeting the needs of individuals who want to start their own business. If the GATE Program is successful, the U.S. Department of Labor may decide to expand the program.

“What information do you intend to collect?”

We will collect information about your experiences in receiving self-employment services, your experiences with self-employment and other employment, and your receipt of unemployment insurance and public assistance.

SECTION B: SELF-EMPLOYMENT SERVICES

This first series of questions is about self-employment services (*put it before B0 & B1*).

B0. **[FOR CONTROL GROUP MEMBERS ONLY]** Have you, a business partner, or a family member received any GATE services?

- YES 01
 - NO 00
 - DON'T KNOW 08
 - REFUSED..... 07
- } → **GO TO B3**

B1. Prior to when you applied for the Growing America Through Entrepreneurship (GATE) program on (RANDOM ASSIGNMENT DATE), did you participate in any self-employment services or programs to help you start or grow your own business? Services or programs could include classes, workshops, seminars, one-on-one counseling or technical assistance, a peer support or networking group, or mentoring.

- YES 01
 - NO 00
 - DON'T KNOW 08
 - REFUSED..... 07
- } → **GO TO B3**

B2. Prior to applying for the GATE program around (RANDOM ASSIGNMENT DATE), what types of self-employment services or programs did you participate in? Did you participate in . . .

	YES	NO	DON'T KNOW	REFUSED
a. classes, workshops or seminars?	01	00	08	07
b. one-on-one counseling or technical assistance?	01	00	08	07
c. a peer support/networking group?	01	00	08	07
d. mentoring?	01	00	08	07
e. Any other types of self-employment programs? (SPECIFY)	01	00	08	07

B3. Since (RANDOM ASSIGNMENT DATE), have you attended any classes, workshops, or seminars on topics related to your business?

YES	01	
NO	00	} → GO TO B6
DON'T KNOW	08	
REFUSED.....	07	

B4. How many individual sessions of these classes, workshops, or seminars did you attend?

|_|_|_| NUMBER OF CLASSES/SESSIONS

DON'T KNOW	998
REFUSED.....	997

B5. On average, how long were the individual sessions of these classes, workshops, or seminars?

|_|_|_| LENGTH

MINUTES	01
HOURS.....	02
DON'T KNOW	08
REFUSED.....	07

B5a. What organizations provided these classes, workshops, or seminars?

NAME(S) _____

DON'T KNOW	98
REFUSED.....	97

B6. Since applying to the GATE Program in (RANDOM ASSIGNMENT DATE), have you received any **one-on-one** counseling or technical assistance on starting or expanding your business?

- YES 01
 - NO 00
 - DON'T KNOW 08
 - REFUSED..... 07
- } → **GO TO B9**

B7. How many one-on-one counseling or technical assistance sessions have you attended since (RANDOM ASSIGNMENT DATE)?

- |_|_| NUMBER OF SESSIONS
- DON'T KNOW 998
 - REFUSED..... 997 → **GO TO B8a**

B8. On average, how long did each one-on-one counseling or technical assistance session last?

- |_|_| LENGTH
- MINUTES 01
 - HOURS..... 02
 - DON'T KNOW 08
 - REFUSED..... 07

B8a. What organizations provided you with one-on-one counseling or technical assistance?

NAME(S) _____

- DON'T KNOW98
- REFUSED.....97

B9. Since (RANDOM ASSIGNMENT DATE), have you attended any peer support group for self-employed persons or persons interested in becoming self-employed?

PROBE: By this we mean groups of individuals who are self-employed or trying to start a business who meet to share ideas, strategies, and information.

YES	01	
NO	00	} → GO TO B12
DON'T KNOW.....	08	
REFUSED.....	07	

B10. How many support group sessions have you attended since (RANDOM ASSIGNMENT DATE)?

|_|_| NUMBER OF SESSIONS

DON'T KNOW.....	998	
REFUSED.....	997	GO TO B11a

B11. On average, how long did each of these sessions last?

|_| LENGTH

MINUTES	01
HOURS.....	02
DON'T KNOW.....	08
REFUSED.....	07

B11a. What organizations provided a peer support group?

NAME(S) _____

DON'T KNOW.....	98
REFUSED.....	97

B12. Since (RANDOM ASSIGNMENT DATE), have you worked with an experienced business-owner or someone else who could act as your mentor?

- YES 01
 - NO 00
 - DON'T KNOW 08
 - REFUSED 07
- } → **GO TO B15**

B13. About how many meetings, in total, have you had with a mentor since (RANDOM ASSIGNMENT DATE)?

- |_|_| NUMBER OF MEETINGS
- DON'T KNOW 998
 - REFUSED 997 → **GO TO B14a**

B14. On average, how long did each of these meetings last?

- |_|_| LENGTH
- MINUTES 01
 - HOURS 02
 - DON'T KNOW 08
 - REFUSED 07

B14a. What organizations provided you with a mentor?

NAME(S) _____

- DON'T KNOW 98
- REFUSED 97

B15. Since (RANDOM ASSIGNMENT DATE), have you received any other types of self-employment services that we haven't already talked about?

- YES 01
 - NO 00
 - DON'T KNOW 08
 - REFUSED..... 07
- } → **GO TO B17**

B16. What were they?

RECORD VERBATIM _____

B16a. What organizations provided you with these other services?
(Code all that apply) (Options/Drop down list for other organizations that could provide services)

NAME(S) _____

-
- Other Specify94
 - DON'T KNOW..... .98
 - REFUSED.....97

B16b. **PROGRAMMER:
IF B3, B6, B9, B12 or B15 = 1, GO TO B17.
OTHERWISE GO TO B20.**

B17. Thinking about all the services you have received **since applying to the GATE Program** (RANDOM ASSIGNMENT DATE), about how much did you pay in total for these services?

\$ [] [] , [] [] [] . [] [] TOTAL AMOUNT

- Services were free 01
- Paid for services.....02
- DON'T KNOW 08
- REFUSED..... 07

B18. NO B18 IN THIS VERSION

B19. NO B19 IN THIS VERSION

B20. **PROGRAMMER: IF B3, B6, B9, B12 and B15 = 0, GO TO B21. OTHERWISE GO TO B22.**

B21. Why didn't you participate in any self-employment services or programs?

CODE ALL THAT APPLY

- DIDN'T THINK SERVICES WOULD BE HELPFUL..... 01
 - SERVICES LOCATED TOO FAR AWAY 02
 - TIMES INCONVENIENT 03
 - DIDN'T WANT TO WAIT FOR CLASSES TO BEGIN..... 04
 - DECIDED TO POSTPONE SELF-EMPLOYMENT 05
 - DECIDED NOT TO PURSUE SELF-EMPLOYMENT AT ALL..... 06
 - TOO BUSY 07
 - OTHER (SPECIFY)..... 08
-

B22. Since (RANDOM ASSIGNMENT DATE), have you developed or revised a written business plan?

- YES 01
 - NO 00
 - DON'T KNOW..... 08
 - REFUSED..... 07
- } → **GO TO B26**

B23_0 **PROGRAMMER: IF SAMPLE MEMBER IS IN TREATMENT GROUP, GO TO B23. IF SAMPLE MEMBER IS IN CONTROL GROUP, GO TO B25.**

B23. Did you receive help writing your business plan from someone in the GATE program? Please include a counselor, a mentor, or someone in a support group or workshop.

- YES 01
- NO 00
- DON'T KNOW..... 08
- REFUSED..... 07

B25. **IF TREATMENT:** Did you receive help writing your business plan from someone in a self-employment program other than GATE?
Please include a counselor, a mentor, or someone in a support group or workshop.

IF CONTROL: Did you receive help writing your business plan from someone in a self-employment program?
Please include a counselor, a mentor, or someone in a support group or workshop.

YES 01
NO 00
DON'T KNOW..... 08
REFUSED..... 07

B26. Since (RANDOM ASSIGNMENT DATE), have you applied for a business loan?

YES 01
NO 00
DON'T KNOW..... 08
REFUSED..... 07

→ **GO TO B31a**

B27. To how many different institutions or programs have you applied for loans since (RANDOM ASSIGNMENT DATE)?

[_] NUMBER OF INSTITUTIONS
DON'T KNOW..... 98
REFUSED..... 97

B29. When applying for loans, did you receive any help from someone in a self-employment program?

YES 01
NO 00
DON'T KNOW..... 08
REFUSED..... 07

→ **GO TO B31a**

B30. **PROGRAMMER:**
IF SAMPLE MEMBER IS TREATMENT GROUP, GO TO B31.
IF SAMPLE MEMBER IS NOT IN TREATMENT GROUP, GO TO B31a.

B31. Did the GATE Program provide any of this help?

- YES 01
- NO 00
- DON'T KNOW..... 08
- REFUSED..... 07

B31a. **PROGRAMMER:
IF B3, B6, B9, B12 AND B15 = 0, d OR r, GO TO B36.
OTHERWISE CONTINUE.**

**PROGRAMMER NOTE:
IF B23 = YES or B25=YES SKIP B32a**

B32. I am going to read a list of ways self-employment services may have helped you. Did self employment services help you a lot, somewhat, or not at all in . . .

	A LOT	SOME- WHAT	NOT AT ALL	DON'T KNOW	REFUSED
a. Developing a business plan	01	02	03	08	07
b. Applying for loans	01.....	02.....	03.....	08...	07
c. Deciding whether to pursue self-employment	01	02	03	08	07
d. Refining your business idea	01.....	02.....	03.....	08...	07
e. Dealing with credit issues	01	02	03	08	07
f. Developing your marketing strategy.....	01.....	02.....	03.....	08...	07
g. Dealing with legal issues	01	02	03	08	07
h. Dealing with accounting issues	01.....	02.....	03.....	08...	07
i. Hiring and dealing with employees	01	02	03	08	07
j. Networking.....	01.....	02.....	03.....	08...	07
k. Using computers and other technology	01	02	03	08	07
l. Dealing with clients	01.....	02.....	03.....	08...	07
m. Providing psychological support	01	02	03	08	07

B33. Did self-employment services help you in any other ways?

- YES 01
 - NO 00
 - DON'T KNOW 08
 - REFUSED..... 07
- } → **GO TO B34**

B33a. In what other ways did these services help you?

RECORD VERBATIM: _____

B34. Thinking about **all** of the self-employment services that you have received since (RANDOM ASSIGNMENT DATE), how would you rate the overall usefulness of the services you have received? Were they . . .

- Very useful, 01
- Somewhat useful, 02
- Not very useful, or 03
- Not at all useful 04
- DON'T KNOW 08
- REFUSED..... 07

B34a. **PROGRAMMER: HAS RESPONDENT RECEIVED MORE THAN ONE TYPE OF SELF-EMPLOYMENT SERVICE? DO AT LEAST TWO OF THE FOLLOWING QUESTIONS EQUAL "01" (B3, B6, B9, B12, OR B15)? IF SO, INSERT NAMES OF SERVICES INTO B35. IF NONE OR ONLY ONE SERVICE RECEIVED, GO TO B36.**

B35. You mentioned previously that **since** applying to the GATE Program (RANDOM ASSIGNMENT DATE), you had received (NAMES OF SELF-EMPLOYMENT SERVICES RECEIVED – REFER TO QUESTIONS B3, B6, B9, B12 AND B 15). Please tell me which one service has been most useful to you.

- CLASSES OR WORKSHOPS..... 01
- ONE-ON-ONE COUNSELING OR TECHNICAL ASSISTANCE 02
- PEER SUPPORT/NETWORKING GROUP..... 03
- MENTORING 04
- OTHER (SPECIFY)..... 05
- DON'T KNOW..... 08
- REFUSED..... 07

B36. Are there any services that you didn't receive or didn't receive enough of that could have helped you in starting or growing your own business?

- YES 01
 - NO 00
 - DON'T KNOW..... 08
 - REFUSED..... 07
- } → **GO TO C1**

B37. What services would have been useful to you?

CODE ALL THAT APPLY

- CLASSES OR WORKSHOPS..... 01
- ONE-ON-ONE COUNSELING OR TECHNICAL ASSISTANCE 02
- PEER SUPPORT/NETWORKING GROUP..... 03
- MENTORING 04
- LOANS 05
- OTHER (SPECIFY)..... 06
- DON'T KNOW..... 08
- REFUSED..... 07

SECTION C: SELF-EMPLOYMENT EXPERIENCE

C1. The next series of questions are about your experiences with self-employment. Why were you interested in being self-employed?
PROBE: Were there any other reasons?

CODE ALL THAT APPLY

- TO INCREASE INCOME 01
- COULD NOT GET A JOB WORKING FOR
SOMEONE ELSE 02
- WANTED TO BE MY OWN BOSS/
TIRED OF WORKING FOR SOMEONE ELSE 03
- TO GET WORK NOT AVAILABLE ELSEWHERE
IN THE JOB MARKET 04
- FLEXIBILITY IN DAILY SCHEDULE 05
- POTENTIAL TO CAPITALIZE ON ONE'S
EXISTING SKILLS 06
- TO HAVE MORE FREEDOM TO MEET FAMILY
RESPONSIBILITIES 07
- TO BRING NEW IDEAS TO THE MARKETPLACE/
TO MEET A NEED IN THE COMMUNITY 08
- BEING SELF-EMPLOYED WAS ALWAYS
MY DREAM 09
- EARLY RETIREMENT 10
- OTHER (SPECIFY)..... 11
- DON'T KNOW..... 98
- REFUSED..... 97

C2. Prior to applying for the GATE Program in (RANDOM ASSIGNMENT DATE), had you been self-employed, that is, owned your own business?

YES	01	} → GO TO C4
NO	00	
DON'T KNOW.....	08	
REFUSED.....	07	

C2a. Prior to applying for the GATE Program in (RANDOM ASSIGNMENT DATE), how many businesses had you owned?

|_| NUMBER OF BUSINESSES

NONE	00
DON'T KNOW.....	98
REFUSED.....	97

C3. Thinking about the most recent time you were self-employed before (RANDOM ASSIGNMENT DATE), about how long, in total, were you self-employed?
RECORD LENGTH AND CODE TIME UNIT.

|_| LENGTH

WEEKS.....	01
MONTHS	02
YEARS	03
DON'T KNOW.....	08
REFUSED.....	07

C4. **Since applying to the GATE Program** in (RANDOM ASSIGNMENT DATE) have you been self-employed, that is, owned your own business?

YES	01	} → GO TO C4b
NO	00	
DON'T KNOW.....	08	
REFUSED.....	07	

C4a. Are you currently self-employed?

YES	01	==> GO TO C4d
NO	00	
DON'T KNOW.....	08	
REFUSED.....	07	

C4b. Would you like to start your own business?

YES 01
NO 00 ==> GO TO C55
DON'T KNOW..... 08
REFUSED..... 07

C4c. Are you taking any specific actions to start your own business?

YES 01==> GO TO C55
NO 00==> GO TO C55
DON'T KNOW..... 08==> GO TO C55
REFUSED..... 07==> GO TO C55

C4d. How many businesses have you owned since (RANDOM ASSIGNMENT DATE)?
Please include all businesses owned prior to (RANDOM ASSIGNMENT DATE) that
you still own and also include all businesses that you have owned since (RANDOM
ASSIGNMENT DATE)

|_|_| NUMBER OF BUSINESSES

DON'T KNOW..... 98
REFUSED..... 97

	CURRENT/MOST RECENT BUSINESS	SECOND BUSINESS
<p>C5. The next questions are about the business(es) you have owned since (RANDOM ASSIGNMENT DATE).</p> <p>Please tell me about your (most recent/) self-employment experience. What was the name of the business?</p> <p>RECORD NAME OF BUSINESS ACROSS THE TOP OF THE GRID FIRST. THEN ASK C6-C20a DOWN FOR EACH BUSINESS.</p> <p>PROGRAMMER: IF C4a=01 DON'T ASK C7-C9 FOR EACH BUSINESS</p>	<p>_____</p> <p>NAME OF BUSINESS</p> <p>DON'T KNOW 08 REFUSED 07</p>	<p>_____</p> <p>NAME OF BUSINESS</p> <p>DON'T KNOW 08 REFUSED 07</p>
<p>C5a. What other businesses have you owned since (RANDOM ASSIGNMENT DATE)?</p> <p>RECORD AS NEXT BUSINESS IN COLUMN HEADER</p>		
<p>C6. In what month and year did you start operating (THIS BUSINESS) as the owner?</p> <p>IF DK PROBE FOR BEST ESTIMATE</p>	<p>__/__/____ MONTH YEAR</p> <p>DON'T KNOW98/9998 REFUSED97/9997</p>	<p>__/__/____ MONTH YEAR</p> <p>DON'T KNOW98/9998 REFUSED97/9997</p>
<p>C7. In what month and year did you stop operating (THIS BUSINESS) as the owner?</p> <p>IF DK, PROBE FOR ESTIMATE</p>	<p>__/__/____ MONTH YEAR</p> <p>STILL OPERATING BUSINESS.....(GO TO C10).....96 DON'T KNOW98/9998 REFUSED97/9997</p>	<p>__/__/____ MONTH YEAR</p> <p>STILL OPERATING BUSINESS.....(GO TO C10).....96 DON'T KNOW98/9998 REFUSED97/9997</p>
<p>C8. Why did you stop operating (THIS BUSINESS) as the owner?</p>	<p><u>CODE ALL THAT APPLY</u></p> <p>BUSINESS DID NOT MAKE ENOUGH INCOME 01 GOT A BETTER OPPORTUNITY 02 HOURS TOO LONG 03 INCOME TOO UNCERTAIN 04 ILLNESS/DISABILITY 05 PERSONAL REASONS 06 OTHER (SPECIFY) 07</p> <p>_____</p> <p>DON'T KNOW98 REFUSED97</p>	<p><u>CODE ALL THAT APPLY</u></p> <p>BUSINESS DID NOT MAKE ENOUGH INCOME 01 GOT A BETTER OPPORTUNITY 02 HOURS TOO LONG 03 INCOME TOO UNCERTAIN 04 ILLNESS/DISABILITY 05 PERSONAL REASONS 06 OTHER (SPECIFY) 07</p> <p>_____</p> <p>DON'T KNOW98 REFUSED97</p>

C9. What did you do when you stopped operating (THIS BUSINESS) as the owner?	<u>CODE ALL THAT APPLY</u>	<u>CODE ALL THAT APPLY</u>
	TOOK JOB WORKING FOR SOMEONE	TOOK JOB WORKING FOR SOMEONE
	ELSE..... 01	ELSE 01
	STARTED ANOTHER BUSINESS..... 02	STARTED ANOTHER BUSINESS 02
	LOOKED FOR WORK..... 03	LOOKED FOR WORK 03
	PARTICIPATED IN EDUCATION/ TRAINING PROGRAM..... 04	PARTICIPATED IN EDUCATION/ TRAINING PROGRAM 04
	TOOK CARE OF CHILD, FAMILY MEMBER, OR SICK RELATIVE 05	TOOK CARE OF CHILD, FAMILY MEMBER, OR SICK RELATIVE 05
	RETIRED..... 06	RETIRED..... 06
	WAS SICK 07	WAS SICK..... 07
	OTHER (SPECIFY)..... 08	OTHER (SPECIFY)..... 08
	_____	_____
	DON'T KNOW.....98	DON'T KNOW.....98
	REFUSED.....97	REFUSED.....97

THIRD BUSINESS	FOURTH BUSINESS	FIFTH BUSINESS
<p style="text-align: center;">_____ NAME OF BUSINESS</p> <p>DON'T KNOW..... 08 REFUSED..... 07</p>	<p style="text-align: center;">_____ NAME OF BUSINESS</p> <p>DON'T KNOW..... 08 REFUSED..... 07</p>	<p style="text-align: center;">_____ NAME OF BUSINESS</p> <p>DON'T KNOW..... 08 REFUSED..... 07</p>
<p style="text-align: center;">_/_/_____ MONTH YEAR</p> <p>DON'T KNOW.....98/9998 REFUSED.....97/9997</p>	<p style="text-align: center;">_/_/_____ MONTH YEAR</p> <p>DON'T KNOW.....98/9998 REFUSED.....97/9997</p>	<p style="text-align: center;">_/_/_____ MONTH YEAR</p> <p>DON'T KNOW.....98/9998 REFUSED.....97/9997</p>
<p style="text-align: center;">_/_/_____ MONTH YEAR</p> <p>STILL OPERATING BUSINESS.....(GO TO C10).....96 DON'T KNOW.....98/9998 REFUSED.....97/9997</p>	<p style="text-align: center;">_/_/_____ MONTH YEAR</p> <p>STILL OPERATING BUSINESS.....(GO TO C10).....96 DON'T KNOW.....98/9998 REFUSED.....97/9997</p>	<p style="text-align: center;">_/_/_____ MONTH YEAR</p> <p>STILL OPERATING BUSINESS.....(GO TO C10).....96 DON'T KNOW.....98/9998 REFUSED.....97/9997</p>
<p style="text-align: center;"><u>CODE ALL THAT APPLY</u></p> <p>BUSINESS DID NOT MAKE ENOUGH INCOME 01 GOT A BETTER OPPORTUNITY..... 02 HOURS TOO LONG 03 INCOME TOO UNCERTAIN..... 04 ILLNESS/DISABILITY 05 PERSONAL REASONS 06 OTHER (SPECIFY)..... 07</p> <p>DON'T KNOW.....98 REFUSED.....97</p>	<p style="text-align: center;"><u>CODE ALL THAT APPLY</u></p> <p>BUSINESS DID NOT MAKE ENOUGH INCOME 01 GOT A BETTER OPPORTUNITY..... 02 HOURS TOO LONG 03 INCOME TOO UNCERTAIN..... 04 ILLNESS/DISABILITY 05 PERSONAL REASONS 06 OTHER (SPECIFY)..... 07</p> <p>DON'T KNOW.....98 REFUSED.....97</p>	<p style="text-align: center;"><u>CODE ALL THAT APPLY</u></p> <p>BUSINESS DID NOT MAKE ENOUGH INCOME 01 GOT A BETTER OPPORTUNITY..... 02 HOURS TOO LONG 03 INCOME TOO UNCERTAIN..... 04 ILLNESS/DISABILITY 05 PERSONAL REASONS 06 OTHER (SPECIFY)..... 07</p> <p>DON'T KNOW.....98 REFUSED.....97</p>
<p style="text-align: center;"><u>CODE ALL THAT APPLY</u></p> <p>TOOK JOB WORKING FOR SOMEONE ELSE 01 STARTED ANOTHER BUSINESS..... 02 LOOKED FOR WORK..... 03 PARTICIPATED IN EDUCATION/</p>	<p style="text-align: center;"><u>CODE ALL THAT APPLY</u></p> <p>TOOK JOB WORKING FOR SOMEONE ELSE 01 STARTED ANOTHER BUSINESS..... 02 LOOKED FOR WORK..... 03 PARTICIPATED IN EDUCATION/</p>	<p style="text-align: center;"><u>CODE ALL THAT APPLY</u></p> <p>TOOK JOB WORKING FOR SOMEONE ELSE 01 STARTED ANOTHER BUSINESS..... 02 LOOKED FOR WORK..... 03 PARTICIPATED IN EDUCATION/</p>

TRAINING PROGRAM.....	04	TRAINING PROGRAM.....	04	TRAINING PROGRAM.....	04
TOOK CARE OF CHILD, FAMILY MEMBER, OR SICK RELATIVE	05	TOOK CARE OF CHILD, FAMILY MEMBER, OR SICK RELATIVE	05	TOOK CARE OF CHILD, FAMILY MEMBER, OR SICK RELATIVE	05
RETIRED	06	RETIRED	06	RETIRED	06
WAS SICK	07	WAS SICK	07	WAS SICK	07
OTHER (SPECIFY).....	08	OTHER (SPECIFY).....	08	OTHER (SPECIFY).....	08
<hr/>		<hr/>		<hr/>	
DON'T KNOW.....	98	DON'T KNOW.....	98	DON'T KNOW.....	98
REFUSED.....	97	REFUSED.....	97	REFUSED.....	97

	CURRENT/MOST RECENT BUSINESS	SECOND BUSINESS
C10. What is/was the main product or activity (OF THIS BUSINESS)? RECORD VERBATIM	_____ - _____ - DON'T KNOWd REFUSEDr	_____ _____ DON'T KNOW..... d REFUSED..... r
C11. Do/Did you work for just one client when you owned (THIS BUSINESS)?	YES..... NO..... DON'T KNOW.....08 REFUSED.....07	YES01 NO00 DON'T KNOW.....08 REFUSED.....07
C12. On average, how much are/were the <u>monthly receipts or sales</u> for (THIS BUSINESS)? IF DK, PROBE FOR ESTIMATE	\$ ___ , ___ DON'T KNOW.....08 REFUSED.....07	\$ ___ , ___ DON'T KNOW.....08 REFUSED.....07
C13. On average, how much are/were the <u>monthly expenses</u> for (THIS BUSINESS)? Please include any payments to yourself or your family members. IF DK, PROBE FOR ESTIMATE	\$ ___ , ___ DON'T KNOW.....08 REFUSED.....07	\$ ___ , ___ DON'T KNOW.....08 REFUSED.....07
C14. How many hours do/did you usually work in an average week at (THIS BUSINESS)? Please include any time you spend/spent working at home.	___ NUMBER OF HOURS DON'T KNOW.....998 REFUSED.....997	___ NUMBER OF HOURS DON'T KNOW.....998 REFUSED.....997
C15. What percent of your total household income is/was produced as a result of (THIS BUSINESS)? When thinking about your total household income please	___ PERCENT ALL.....100	___ PERCENT ALL.....100

<p>consider income from your spouse or other immediate family members living with you.</p>	<p>DON'T KNOW.....998 REFUSED.....997</p>	<p>DON'T KNOW.....998 REFUSED.....997</p>
<p>C16. Do/Did you pay yourself a regular salary from (THIS BUSINESS)?</p>	<p>YES..... NO.....(GO TO C18)..... DON'T KNOW.....(GO TO C18).....08 REFUSED.....(GO TO C18).....07</p>	<p>YES.....01 NO.....(GO TO C18).....00 DON'T KNOW.....(GO TO C18).....08 REFUSED.....(GO TO C18).....07</p>
<p>C17. Before taxes and other deductions, how much do/did you pay yourself from (THIS BUSINESS)? Do not include bonuses, profit distributions or any owner draws you may have taken. If R does not volunteer ASK: Was that per month, per year, or some other time period?</p>	<p>\$ [] [] [], [] [] [] [] [] [] WEEK MONTHLY..... YEAR EVERY TWO WEEKS TWICE A MONTH (BI-MONTHLY) DAY.....06 HOUR OTHER (SPECIFY) DON'T KNOW..... REFUSED.....97</p>	<p>\$ [] [] [], [] [] [] [] [] [] WEEK01 MONTHLY02 YEAR03 EVERY TWO WEEKS04 TWICE A MONTH05 DAY.....06 HOUR07 OTHER (SPECIFY).....08 DON'T KNOW98 REFUSED97</p>

THIRD BUSINESS	FOURTH BUSINESS	FIFTH BUSINESS
<p>_____</p> <p>_____</p> <p>DON'T KNOW..... d</p> <p>REFUSED r</p>	<p>_____</p> <p>_____</p> <p>DON'T KNOW d</p> <p>REFUSED r</p>	<p>_____</p> <p>_____</p> <p>DON'T KNOW..... d</p> <p>REFUSED r</p>
<p>YES 01</p> <p>NO 00</p> <p>DON'T KNOW 08</p> <p>REFUSED 07</p>	<p>YES 01</p> <p>NO 00</p> <p>DON'T KNOW 08</p> <p>REFUSED 07</p>	<p>YES 01</p> <p>NO 00</p> <p>DON'T KNOW 08</p> <p>REFUSED 07</p>
<p>\$, </p> <p>DON'T KNOW 08</p> <p>REFUSED 07</p>	<p>\$, </p> <p>DON'T KNOW 08</p> <p>REFUSED 07</p>	<p>\$, </p> <p>DON'T KNOW 08</p> <p>REFUSED 07</p>
<p>\$, </p> <p>DON'T KNOW 08</p> <p>REFUSED 07</p>	<p>\$, </p> <p>DON'T KNOW 08</p> <p>REFUSED 07</p>	<p>\$, </p> <p>DON'T KNOW 08</p> <p>REFUSED 07</p>
<p> NUMBER OF HOURS</p> <p>DON'T KNOW 998</p> <p>REFUSED 997</p>	<p> NUMBER OF HOURS</p> <p>DON'T KNOW 998</p> <p>REFUSED 997</p>	<p> NUMBER OF HOURS</p> <p>DON'T KNOW 998</p> <p>REFUSED 997</p>
<p> PERCENT</p> <p>ALL 100</p> <p>DON'T KNOW 998</p> <p>REFUSED 997</p>	<p> PERCENT</p> <p>ALL 100</p> <p>DON'T KNOW 998</p> <p>REFUSED 997</p>	<p> PERCENT</p> <p>ALL 100</p> <p>DON'T KNOW 998</p> <p>REFUSED 997</p>

YES.....01	YES.....01	YES.....01
NO.....(GO TO C18).....00	NO.....(GO TO C18).....00	NO.....(GO TO C18).....00
DON'T KNOW.....(GO TO C18).....08	DON'T KNOW.....(GO TO C18).....08	DON'T KNOW.....(GO TO C18).....08
REFUSED.....(GO TO C18).....07	REFUSED.....(GO TO C18).....07	REFUSED.....(GO TO C18).....07
\$, .	\$, .	\$, .
WEEK.....01	WEEK.....01	WEEK.....01
MONTHLY.....02	MONTHLY.....02	MONTHLY.....02
YEAR.....03	YEAR.....03	YEAR.....03
EVERY TWO WEEKS.....04	EVERY TWO WEEKS.....04	EVERY TWO WEEKS.....04
TWICE A MONTH.....05	TWICE A MONTH.....05	TWICE A MONTH.....05
DAY.....06	DAY.....06	DAY.....06
HOUR.....07	HOUR.....07	HOUR.....07
OTHER (SPECIFY).....08	OTHER (SPECIFY).....08	OTHER (SPECIFY).....08
_____	_____	_____
DON'T KNOW.....98	DON'T KNOW.....98	DON'T KNOW.....98
REFUSED.....97	REFUSED.....97	REFUSED.....97

	MOST RECENT BUSINESS	SECOND BUSINESS
C18. Have you taken or received any other income payments from (THIS BUSINESS), including bonuses, profit distribution, or owners draw?	YES 01 NO(GO TO C18b) 00 DON'T KNOW.....(GO TO C18b) 08 REFUSED.....(GO TO C18b) 07	YES 01 NO(GO TO C18b) 00 DON'T KNOW.....(GO TO C18b) 08 REFUSED.....(GO TO C18b) 07
C18a. Before taxes and other deductions, what was the total amount of these payments? IF DK, PROBE FOR ESTIMATE	\$ _ _ _ , _ _ _ . _ _ _ DON'T KNOW08 REFUSED.....07	\$ _ _ _ , _ _ _ . _ _ _ DON'T KNOW08 REFUSED.....07
C18b. Do/Did you pay a spouse, domestic partner, or other relative living in your household a regular salary from (THIS BUSINESS)?	YES 01 NO(GO TO C18d) 00 DON'T KNOW.....(GO TO C18d) 08 REFUSED.....(GO TO C18d) 07	YES 01 NO(GO TO C18d) 00 DON'T KNOW.....(GO TO C18d) 08 REFUSED.....(GO TO C18d) 07
C18c. Before taxes and other deductions, how much do/did you pay them from (THIS BUSINESS)? Do not include bonuses, profit distributions, or any draws you may have given them. If R does not volunteer ask: Is/Was that per week, per month, per year, or some other time period?	\$ _ _ _ , _ _ _ . _ _ _ WEEK 01 MONTHLY 02 YEAR 03 EVERY TWO WEEKS..... 04 TWICE A MONTH..... 05 DAY 06 HOUR 07 OTHER (SPECIFY)..... 08 DON'T KNOW98 REFUSED.....97	\$ _ _ _ , _ _ _ . _ _ _ WEEK 01 MONTHLY 02 YEAR 03 EVERY TWO WEEKS..... 04 TWICE A MONTH..... 05 DAY 06 HOUR 07 OTHER (SPECIFY)..... 08 DON'T KNOW98 REFUSED.....97
C18d. Has a spouse, domestic partner, or other close relative living in your household received any other income payments from your business, including bonuses, profit distributions or owner's draw?	YES 01 NO(GO TO C18f) 00 DON'T KNOW.....(GO TO C18f) 08 REFUSED.....(GO TO C18f) 07	YES 01 NO(GO TO C18f) 00 DON'T KNOW.....(GO TO C18f) 08 REFUSED.....(GO TO C18f) 07
C18e. Before taxes and other deductions, what was the total amount of these	\$ _ _ _ , _ _ _	\$ _ _ _ , _ _ _

<p>payments?</p> <p>IF DK, PROBE FOR ESTIMATE</p>	<p>DON'T KNOW.....08</p> <p>REFUSED.....07</p>	<p>DON'T KNOW.....08</p> <p>REFUSED.....07</p>
--	--	--

THIRD BUSINESS	FOURTH BUSINESS	FIFTH BUSINESS
YES 01	YES 01	YES 01
NO (GO TO C18b) 00	NO (GO TO C18b) 00	NO (GO TO C18b) 00
DON'T KNOW (GO TO C18b) 08	DON'T KNOW (GO TO C18b) 08	DON'T KNOW (GO TO C18b) 08
REFUSED (GO TO C18b) 07	REFUSED (GO TO C18b) 07	REFUSED (GO TO C18b) 07
\$, .	\$, .	\$, .
DON'T KNOW.....08	DON'T KNOW.....08	DON'T KNOW.....08
REFUSED.....07	REFUSED.....07	REFUSED.....07
YES..... 01	YES.....01	YES..... 01
NO.....(GO TO C18d)..... 00	NO.....(GO TO C18d).....00	NO.....(GO TO C18d)..... 00
DON'T KNOW.....(GO TO C18d)..... 08	DON'T KNOW.....(GO TO C18d).....08	DON'T KNOW.....(GO TO C18d)..... 08
REFUSED.....(GO TO C18d)..... 07	REFUSED.....(GO TO C18d).....07	REFUSED.....(GO TO C18d)..... 07
\$, .	\$, .	\$, .
WEEK..... 01	WEEK.....01	WEEK..... 01
MONTHLY.....02	MONTHLY.....02	MONTHLY..... 02
YEAR.....03	YEAR.....03	YEAR..... 03
EVERY TWO WEEKS.....04	EVERY TWO WEEKS.....04	EVERY TWO WEEKS..... 04
TWICE A MONTH.....05	TWICE A MONTH.....05	TWICE A MONTH..... 05
DAY.....06	DAY.....06	DAY..... 06
HOUR.....07	HOUR.....07	HOUR..... 07
OTHER (SPECIFY).....08	OTHER (SPECIFY).....08	OTHER (SPECIFY)..... 08
_____	_____	_____
DON'T KNOW.....98	DON'T KNOW.....98	DON'T KNOW.....98
REFUSED.....97	REFUSED.....97	REFUSED.....97
YES..... 01	YES.....01	YES..... 01
NO.....(GO TO C18f)..... 00	NO.....(GO TO C18f).....00	NO.....(GO TO C18f)..... 00
DON'T KNOW.....(GO TO C18f)..... 08	DON'T KNOW.....(GO TO C18f).....08	DON'T KNOW.....(GO TO C18f)..... 08
REFUSED.....(GO TO C18f)..... 07	REFUSED.....(GO TO C18f).....07	REFUSED.....(GO TO C18f)..... 07

\$,	\$,	\$,
DON'T KNOW.....08 REFUSED.....07	DON'T KNOW.....08 REFUSED.....07	DON'T KNOW.....08 REFUSED..... 07

	MOST RECENT BUSINESS	SECOND BUSINESS
C18f. PROGRAMMER: CHECK QUESTION C7, P. 15. IS SM STILL OPERATING BUSINESS?	YES(GO TO C20a) 01 NO 00	YES(GO TO C20a) 01 NO 00
C19. Did you sell (THIS BUSINESS)?	YES 01 NO(GO TO C20a) 00 DON'T KNOW(GO TO C20a) 08 REFUSED.....(GO TO C20a) 07	YES 01 NO(GO TO C20a) 00 DON'T KNOW(GO TO C20a) 08 REFUSED.....(GO TO C20a) 07
C20. How much did you sell (THIS BUSINESS) for?	\$ _ _ , _ _ _ , _ _ _ DON'T KNOW08 REFUSED.....07	\$ _ _ , _ _ _ , _ _ _ DON'T KNOW08 REFUSED.....07
C20a. PROGRAMMER: CHECK QUESTION C4b, IS THERE ANOTHER PERIOD OF SELF-EMPLOYMENT?	YES(GO TO C6, P.15, COLUMN 2) 01 NO(CONTINUE)..... 00	YES(GO TO C6, P. 16, COLUMN 3) 01 NO(CONTINUE)..... 00

THIRD BUSINESS	FOURTH BUSINESS	FIFTH BUSINESS
YES.....(GO TO C20a).....01 NO.....00	YES.....(GO TO C20a).....01 NO.....00	YES.....(GO TO C20a).....01 NO.....00
YES.....01 NO.....(GO TO C20a).....00 DON'T KNOW...(GO TO C20a).....08 REFUSED.....(GO TO C20a).....07	YES.....01 NO.....(GO TO C20a).....00 DON'T KNOW...(GO TO C20a).....08 REFUSED.....(GO TO C20a).....07	YES.....01 NO.....(GO TO C20a).....00 DON'T KNOW...(GO TO C20a).....08 REFUSED.....(GO TO C20a).....07
\$ _ _ _ , _ _ _ DON'T KNOW.....08 REFUSED.....07	\$ _ _ _ , _ _ _ DON'T KNOW.....08 REFUSED.....07	\$ _ _ _ , _ _ _ DON'T KNOW.....08 REFUSED.....07
YES.....(GO TO C6, P. 16, COLUMN 4)..... 01 NO.....(CONTINUE)..... 00	YES..... (GO TO C6, P. 16, COLUMN 5).....01 NO (CONTINUE)00	<div style="border: 1px solid black; padding: 5px; display: inline-block;"> CONTINUE </div>

C21. The next questions are about your most recent business that is [NAME OF BUSINESS IN C5, P. 15, FIRST COLUMN]. Is/Was your business structured as a sole proprietorship, a partnership, a corporation, or a cooperative?

- SOLE PROPRIETORSHIP 01 —**GO TO C23**
 - PARTNERSHIP 02
 - CORPORATION 03
 - COOPERATIVE 04
 - OTHER (SPECIFY)..... 05
-
- DON'T KNOW..... 08
 - REFUSED..... 07

C22. What percent of (THIS BUSINESS) do/did you own?

|_|_| PERCENT

- ALL 100 **GO TO C23**
- DON'T KNOW..... 998
- REFUSED..... 997

C22a. Do/Did any members of your immediate family own part of (THIS BUSINESS)?

- YES 01
 - NO 00
 - DON'T KNOW..... 08
 - REFUSED..... 07
- } → **GO TO C23**

C22b. What percent of (THIS BUSINESS) do/did they own?

|_|_| PERCENT

- DON'T KNOW..... 998
- REFUSED..... 997

C23. Did you start (THIS BUSINESS) from scratch, or did you acquire it from someone else?

- STARTED FROM SCRATCH..... 01 —GO TO C27
- ACQUIRED FROM SOMEONE ELSE/
OTHER ENTITY..... 02
- DON'T KNOW..... 08
- REFUSED..... 07

C24. Did you buy (THIS BUSINESS)?

- YES 01
 - NO 00
 - DON'T KNOW..... 08
 - REFUSED..... 07
- } → GO TO C26

C25. How much did you pay for it?

\$|_|_|, |_|_|_|, |_|_|_|

- DON'T KNOW.....08
- REFUSED.....07

GO TO C27

C26. How did you acquire ownership of (THIS BUSINESS)?

- RECEIVED TRANSFER OF
OWNERSHIP/GIFT..... 01
 - INHERITED 02
 - OTHER (SPECIFY)..... 03

- DON'T KNOW..... 08
 - REFUSED..... 07

C27. Have you invested any of your own money into (THIS BUSINESS) since (RANDOM ASSIGNMENT DATE)? Please do not include money borrowed or otherwise received from relatives.

YES	01	
NO	00	} → GO TO C29
DON'T KNOW.....	08	
REFUSED.....	07	

C28. Since (RANDOM ASSIGNMENT DATE), how much of your own money have you invested in (THIS BUSINESS)?

IF DK, PROBE FOR ESTIMATE

\$ |_|_|, |_|_|, |_|_|

Amount Given (Less THAN OR EQUAL TO \$99,999,999.).....	01
More than \$99,999,999.).....	02
DON'T KNOW.....	08
REFUSED.....	07

C29. Since about (RANDOM ASSIGNMENT DATE), did you borrow any money for (THIS BUSINESS)?

YES	01	
NO	00	} → GO TO C36a
DON'T KNOW.....	08	
REFUSED.....	07	

C30. How much have you borrowed for (THIS BUSINESS)?

\$|_|_|, |_|_|, |_|_|

Amount Given (Less THAN OR EQUAL TO \$99,999,999.).....	01
More than \$99,999,999.).....	02
DON'T KNOW.....	08
REFUSED.....	07

C31. Did you obtain a personal loan, a business loan, or both?

- PERSONAL LOAN..... 01
- BUSINESS LOAN..... 02 **GO TO C33**
- BOTH..... 03
- DON'T KNOW..... 08
- REFUSED..... 07 **GO TO C36a**

C32. What was the source of your personal loan? Was it . . .(READ CATEGORIES)

CODE ALL THAT APPLY

- A credit card,..... 01
- A home mortgage or home equity line of credit, 02
- A family member, or..... 03
- A friend? 04
- OTHER (SPECIFY)..... 05

- DON'T KNOW..... 08
- REFUSED..... 07

C32a. What was the total amount of (this personal loan/these personal loans)?

\$ |_|_|,|_|_|,|_|_| AMOUNT

- Amount Given (Less THAN OR EQUAL TO \$99,999,999.).....01
- More than \$99,999,999.).....02
- DON'T KNOW.....08
- REFUSED.....07

C32b. What was the interest rate for (this loan/the largest loan you obtained)?

|_|_|.|_|_| PERCENT (ALLOW ZERO)

- DON'T KNOW..... 98
- REFUSED..... 97

C32c. What was the length of (this loan/the largest loan you obtained)? **RECORD LENGTH AND CODE TIME UNIT.**

|_|_| LENGTH

WEEKS..... 01
MONTHS 02
YEARS 03
DON'T KNOW08
REFUSED.....07

C32d. **IF C31=01 GO TO C36a; OTHERWISE CONTINUE**

C33. From what source did you receive your business loan?

CODE ALL THAT APPLY

A BANK OR CREDIT UNION..... 01
SMALL BUSINESS ADMINISTRATION (SBA) 02
ANOTHER GOVERNMENT LOAN 03
INVESTMENT COMPANY 04
OTHER (SPECIFY)..... 05

DON'T KNOW..... 08
REFUSED..... 07

C33a. **PROGRAMMER:
IF C33=02, CONTINUE; OTHERWISE, GO TO C34a.**

C34. Was the Small Business Administration loan an SBA Microloan, an SBA-guaranteed loan, a 504 Certified Development Company loan, or a Small Business Investment Companies loan?

SBA MICROLOAN 01
SBA-GUARANTEED LOAN 02
504 CERTIFIED DEVELOPMENT
COMPANY LOAN..... 03
SMALL BUSINESS INVESTMENT
COMPANIES LOAN..... 04
OTHER (SPECIFY)..... 05

DON'T KNOW..... 08
 REFUSED..... 07

C34.0. **PROGRAMMER:
 IF C31 ≠ 3 then skip to C35. OTHERWISE CONTINUE.**

C34a. What was the total amount of this business loan or these loans?
**(IF MULTIPLE LOANS FOR THIS BUSINESS, REPORT SUM OF ALL LOANS
 BELOW.)**

\$|_|_|, |_|_|, |_|_| AMOUNT

Amount Given (Less THAN OR EQUAL TO \$99,999,999.).....01
 More than \$99,999,999.).....02
 DON'T KNOW.....08
 REFUSED.....07

C35. What was the interest rate for (this loan/the largest loan you obtained)?

|_|.|_| PERCENT (ALLOW ZERO)

DON'T KNOW..... 98
 REFUSED..... 97

C36. What was the length of (the loan/the largest loan you obtained)? **RECORD LENGTH
 AND CODE TIME UNIT.**

|_| LENGTH

WEEKS..... 01
 MONTHS 02
 YEARS 03
 DON'T KNOW..... 08
 REFUSED..... 07

C36a. Did you receive any grants to start your business?

YES 01
 NO 00
 DON'T KNOW..... 08
 REFUSED..... 07



C36b. What was the total amount of these grants?

\$ |__|,|__|,|__|

- Amount Given (Less THAN OR EQUAL TO \$99,999,999.).....01
- More than \$99,999,999.).....02
- DON'T KNOW.....08
- REFUSED.....07

C36c. What was the source of these grants?

RECORD VERBATIM: _____

C37. Apart from any of your own money, money you borrowed, or grants you received since (RANDOM ASSIGNMENT DATE), did you use any other sources of capital, such as gifts from family members or friends, or the sale of another business, to start or grow (THIS BUSINESS)?

- YES 01
 - NO 00
 - DON'T KNOW..... 08
 - REFUSED..... 07
- } → **GO TO C40**

C38. What were these other sources of capital?

CODE ALL THAT APPLY

- GIFTS FROM FAMILY MEMBERS 01
 - GIFTS FROM FRIENDS 02
 - SALE OF ANOTHER BUSINESS 03
 - OTHER (SPECIFY)..... 04
-
- DON'T KNOW..... 08
 - REFUSED..... 07

C39. Altogether, how much did you receive from these sources since (RANDOM ASSIGNMENT DATE)?

\$ |__|,|__|,|__|

- DON'T KNOW.....08

REFUSED.....07

C40. Where is your (current/most recent) business located, in your home, an incubator, a commercially available space, or some other place?
(IF ASKED): An incubator is space provided to start-up young entrepreneurs by self-employment assistance organizations.

HOME..... 01
INCUBATOR..... 02
COMMERCIALY AVAILABLE SPACE 03
SOME OTHER PLACE (SPECIFY)..... 04

DON'T KNOW..... 08
REFUSED..... 07

C41. What is the zip code where your business, (THIS BUSINESS), is/was located?

|_|_|_|_|

DON'T KNOW..... 99998
REFUSED..... 99997

C42. **PROGRAMMER:
IF C4a=01, P. 14, CONTINUE; OTHERWISE, GO TO C52.**

C43. The next questions, are about (all of) the business(es) that you **currently own**. What is the total number of employees that currently work in your business(es)? Please exclude yourself, but include paid family members.

|_| NUMBER OF EMPLOYEES

NONE 00
DON'T KNOW..... 98
REFUSED..... 97

} → **GO TO C49**

C44. How many of these employees are working 35 or more hours per week, and how many are working less than 35 hours per week in (this business/these businesses)?
IF RESPONDENT SAYS "NONE," CODE 00.

NUMBER OF FULL-TIME EMPLOYEES
 NUMBER OF PART-TIME EMPLOYEES
 DON'T KNOW..... 98
 REFUSED..... 97

C45. How many of your immediate family members work in this business? Please do not include yourself.

NUMBER
 NONE 00
 DON'T KNOW..... 98
 REFUSED..... 97

C46. What is this business's current monthly payroll?

\$, PAYROLL AMOUNT
 DON'T KNOW.....08
 REFUSED.....07

} → **GO TO C48**

C47. Does this amount include payments to yourself?

YES 01
 NO 00
 DON'T KNOW..... 08
 REFUSED..... 07

C48. Next, I will read a list of benefits that some people get through their jobs. Do all of your employees, some of your employees, or none of your employees currently receive . . .

CODE ALL, SOME, OR NONE FOR EACH

	ALL	SOME	NONE	DON'T KNOW	REFUSED
a. paid sick leave?	01	02	03	08	07
b. paid vacation?	01	02	03	08	07
c. paid holidays?	01	02	03	08	07
d. health insurance or membership in an HMO or PPO plan?.....	01	02	03	08	07
e. retirement or pension benefits, a 401K plan?	01	02	03	08	07
f. life insurance?	01	02	03	08	07
g. any other benefits? (SPECIFY)	01	02	03	08	07

C49. Now, please tell me if **you** receive these benefits through your business . . .

CODE YES OR NO FOR EACH

	YES	NO	DON'T KNOW	REFUSED
a. paid sick leave?	01	00	08	07
b. paid vacation?	01	00	08	07
c. paid holidays?	01	00	08	07
d. health insurance or membership in an HMO or PPO plan?.....	01	00	08	07
e. retirement or Pension benefits, a 401K plan?	01	00	08	07
f. life insurance?	01	00	08	07
g. any other benefits? (SPECIFY)	01	00	08	07

C50. **PROGRAMMER:
IF C49d=00 GO TO C51. OTHERWISE, GO TO C52**

C51. Do you have health insurance?

- YES 01
 - NO 00
 - DON'T KNOW 08
 - REFUSED 07
- } → **GO TO C52**

C51a. What is the source of that insurance?

THROUGH SPOUSE'S INSURER.....	01
THROUGH YOUR EMPLOYER'S INSURER	02
THROUGH TRADE ASSOCIATION'S INSURER	03
THROUGH MEDICAID OR OTHER PUBLIC HEALTH INSURANCE	04
THROUGH A PRIVATE INSURER	05
THROUGH SOME OTHER SOURCE (SPECIFY).....	06
<hr/>	
DON'T KNOW.....	08
REFUSED.....	07

C52. When you started this business, did you have health insurance coverage?

YES	01
NO	00
DON'T KNOW.....	98
REFUSED.....	97

C53. When you started this business, did other household members have any earnings?

YES	01
NO	00
DON'T KNOW.....	08
REFUSED.....	07

C54. What would you say were the most difficult challenges you faced when you started this business?

CODE ALL THAT APPLY

PROBE: Any others?

LACK OF CAPITAL OR START-UP FUNDS.....	01
AMOUNT OF TIME/WORK INVOLVED	02
INSUFFICIENT SALES.....	03
INSUFFICIENT CASH FLOW	04
DIFFICULTIES HIRING QUALIFIED STAFF.....	05
LOCAL COMPETITION	06
BECOMING KNOWN/GETTING EXPOSURE	07
TAXES.....	08
INSURANCE.....	09
REGULATIONS/LICENSES.....	10
DEALING WITH CLIENTS	11
UNCERTAINTY/CHANGING ECONOMY	12
FINDING A LOCATION.....	13
PROBLEMS WITH SUPPLY OF PRODUCT OR MATERIAL AVAILABILITY	14
PERSONAL/FAMILY BARRIERS	15
FINDING CLIENTS.....	16
OTHER (SPECIFY).....	17
<hr/>	
DON'T KNOW.....	98
REFUSED.....	97

GO TO D0a

C55. At any time since (RANDOM ASSIGNMENT DATE) have you tried to start a business?

YES	01	
NO	00	} → GO TO D0a
DON'T KNOW.....	08	
REFUSED.....	07	

C56. What would you say were the most difficult challenges you faced trying to start your own business?

CODE ALL THAT APPLY

LACK OF CAPITAL OR START-UP FUNDS.....	01
AMOUNT OF TIME/WORK INVOLVED	02
INSUFFICIENT SALES.....	03
INSUFFICIENT CASH FLOW	04
DIFFICULTIES HIRING QUALIFIED STAFF.....	05
LOCAL COMPETITION	06
BECOMING KNOWN/GETTING EXPOSURE	07
TAXES.....	08
INSURANCE.....	09
REGULATIONS/LICENSES.....	10
DEALING WITH CLIENTS	11
UNCERTAINTY/CHANGING ECONOMY	12
FINDING A LOCATION.....	13
PROBLEMS WITH SUPPLY OF PRODUCT OR MATERIAL AVAILABILITY	14
PERSONAL/FAMILY BARRIERS	15
FINDING CLIENTS	16
OTHER (SPECIFY).....	17
<hr/>	
DON'T KNOW.....	98
REFUSED.....	97

SECTION D: EMPLOYMENT, WORKING FOR SOMEONE ELSE

D0a. The next questions are about jobs you may have had where you worked for someone else.

Prior to (RANDOM ASSIGNMENT DATE), did you have a job where **you worked for someone else?** Please include part-time and full-time jobs, and military service.

- YES 01
 - NO 00
 - DON'T KNOW 08
 - REFUSED 07
- } → **GO TO D3**

D1. Prior to (RANDOM ASSIGNMENT DATE), approximately, how long did you work, **in total**, on **all** jobs where you worked for someone else?

RECORD LENGTH AND CODE TIME UNIT

- || LENGTH
- WEEKS 01
 - MONTHS 02
 - YEARS 03
 - DON'T KNOW 08
 - REFUSED 07

D2. How much of the (TIME IN D1) you worked for someone else prior to (RANDOM ASSIGNMENT DATE) were you working as a manager?

IF Asked: By manager we mean anyone who supervises other staff or oversees parts of a business. **RECORD LENGTH AND CODE TIME UNIT.**

- || LENGTH
- NONE 00
 - WEEKS 01
 - MONTHS 02
 - YEARS 03
 - DON'T KNOW 08
 - REFUSED 07

D3. The next questions are about full and part-time jobs, including military service, that you may have held since (RANDOM ASSIGNMENT DATE) where you were working for someone else.

Are you **currently** working for someone else?

YES 01 — **GO TO D6**
NO 00
DON'T KNOW 08
REFUSED 07

D3a. Do you want to have a job where you work for someone else?

YES 01
NO 00 — **GO TO D4**
DON'T KNOW 08
REFUSED 07

D3b. Are you actively looking for a job where you would work for someone else?

YES 01
NO 00
DON'T KNOW 08
REFUSED 07

D4. Are you currently doing any of the following? Are you...

A. Participating in an education or raining program Y / N
B. Taking care of a relative Y / N
C. Retired Y / N
D. Currently ill Y / N
DON'T KNOW 98
REFUSED 97

D5. Since (RANDOM ASSIGNMENT DATE) have you had a job that lasted two weeks or longer? Please include part-time and full-time jobs, and military service.

YES 01 — **GO TO D7**
NO 00
DON'T KNOW 08
REFUSED 07

→ **GO TO D22**

D6. **Currently**, how many different full- and part-time jobs do you have where you work for someone else?

- ONE..... 01
- TWO OR MORE 02
- DON'T KNOW..... 08
- REFUSED..... 07

	CURRENT/MOST RECENT JOB 01	SECOND MOST RECENT JOB 02
<p>D7. What is the name of the employer for whom you work the most hours/for whom you worked more than two weeks since (RANDOM ASSIGNMENT DATE)?</p> <p>INTERVIEWER: RECORD EMPLOYER/BUSINESS NAME FOR THIS JOB IN D7, COLUMN 1, AS JOB 1. THEN GO TO D7a.</p> <p>RECORD EMPLOYER NAME(S) ACROSS THE TOP OF THE GRID FIRST. THEN ASK D8-D21 DOWN FOR EACH JOB.</p>	<hr/> <hr/>	<hr/> <hr/>
<p>D7a. Where else have you worked since (RANDOM ASSIGNMENT DATE)? Please include any (other current jobs whether), part-time or full-time jobs.</p> <p>PROBE: Where did you work before (LAST JOB)?</p> <p>MANDATORY PROBE: Where else have you worked?</p> <p>RECORD AS NEXT JOB IN COLUMN HEADER.</p>		
<p>D8. In what month and year did you start working for (EMPLOYER)?</p> <p>RECORD MONTH AND YEAR. START DATE CAN BE BEFORE (RANDOM ASSIGNMENT DATE)</p>	<p>START: / MONTH YEAR</p> <p>DON'T KNOW.....98/9998</p> <p>REFUSED.....97/9997</p>	<p>START: / MONTH YEAR</p> <p>DON'T KNOW.....98/9998</p> <p>REFUSED.....97/9997</p>

<p>D9. In what month and year did you stop working for (EMPLOYER)?</p> <p>RECORD MONTH AND YEAR. STOP DATE MUST COME AFTER (RANDOM ASSIGNMENT DATE).</p>	<p>STOP: _ _ / _ _ _ _ MONTH YEAR</p> <p>STILL AT JOB..... 96</p> <p>DON'T KNOW.....98/9998</p> <p>REFUSED.....97/9997</p>	<p>STOP: _ _ / _ _ _ _ MONTH YEAR</p> <p>STILL AT JOB..... 96</p> <p>DON'T KNOW.....98/9998</p> <p>REFUSED.....97/9997</p>

JOB 03	JOB 04	JOB 05
<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
START: <input type="text"/> / <input type="text"/> MONTH YEAR DON'T KNOW.....98/9998 REFUSED.....97/9997	START: <input type="text"/> / <input type="text"/> MONTH YEAR DON'T KNOW.....98/9998 REFUSED.....97/9997	START: <input type="text"/> / <input type="text"/> MONTH YEAR DON'T KNOW.....98/9998 REFUSED.....97/9997

STOP: _ _ / _ _ _ _ MONTH YEAR	STOP: _ _ / _ _ _ _ MONTH YEAR	STOP: _ _ / _ _ _ _ MONTH YEAR
STILL AT JOB..... 96 DON'T KNOW.....98/9998 REFUSED.....97/9997	STILL AT JOB..... 96 DON'T KNOW.....98/9998 REFUSED.....97/9997	STILL AT JOB..... 96 DON'T KNOW.....98/9998 REFUSED.....97/9997

	CURRENT/MOST RECENT JOB 01 	SECOND MOST RECENT JOB 02
<p>D10. What kind of company is/was (EMPLOYER)? What do/did they make, sell, or do?</p> <p>PROBE FOR TYPE OF PRODUCT OR SERVICE</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p>DON'T KNOWD</p> <p>REFUSEDR</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p>DON'T KNOWD</p> <p>REFUSEDR</p>
<p>D11. What do/did you do there?</p> <p>PROBE: What is/was your job title?</p> <p>PROBE FOR CLEAR AND DESCRIPTIVE ACTIVITIES AND JOB TITLE</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p>DON'T KNOWD</p> <p>REFUSEDR</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p>DON'T KNOWD</p> <p>REFUSEDR</p>
<p>D12. Which of the following best describes your employment status at this job? Are/Were you . . .</p> <p>READ CATEGORIES</p>	<p>an employee, working for pay at a private company, 01</p> <p>a local, state, federal government employee, 02</p> <p>on active military duty, or 03</p> <p>working without pay 04</p> <p>OTHER (SPECIFY) 05</p> <p>_____</p> <p>_____</p> <p>DON'T KNOW 08</p> <p>REFUSED 07</p>	<p>an employee, working for pay at a private company, 01</p> <p>a local, state, federal government employee, 02</p> <p>on active military duty, or 03</p> <p>working without pay 04</p> <p>OTHER (SPECIFY) 05</p> <p>_____</p> <p>_____</p> <p>DON'T KNOW 08</p> <p>REFUSED 07</p>

D13. How many hours do/did you usually work in an average week at (EMPLOYER)? IF DK, PROBE FOR ESTIMATE	_ _ _ _ HOURS PER WEEK	_ _ _ _ HOURS PER WEEK
	DON'T KNOW 998 REFUSED 997	DON'T KNOW 998 REFUSED 997

JOB <u>03</u>	JOB <u>04</u>	JOB <u>05</u>
<hr/> <hr/> <hr/> DON'T KNOW D REFUSED R	<hr/> <hr/> <hr/> DON'T KNOW D REFUSED R	<hr/> <hr/> <hr/> DON'T KNOW D REFUSED R
<hr/> <hr/> <hr/> DON'T KNOW D REFUSED R	<hr/> <hr/> <hr/> DON'T KNOW D REFUSED R	<hr/> <hr/> <hr/> DON'T KNOW D REFUSED R
an employee, working for pay at a private company,01 a local, state, federal government employee,02 on active military duty, or03 working without pay04 OTHER (SPECIFY)05 <hr/> <hr/> DON'T KNOW08 REFUSED07	an employee, working for pay at a private company, 01 a local, state, federal government employee, 02 on active military duty, or 03 working without pay 04 OTHER (SPECIFY) 05 <hr/> <hr/> DON'T KNOW 08 REFUSED 07	an employee, working for pay at a private company, 01 a local, state, federal government employee, 02 on active military duty, or 03 working without pay 04 OTHER (SPECIFY) 05 <hr/> <hr/> DON'T KNOW 08 REFUSED 07

HOURS PER WEEK	HOURS PER WEEK	HOURS PER WEEK
DON'T KNOW998	DON'T KNOW.....998	DON'T KNOW 998
REFUSED997	REFUSED.....997	REFUSED 997

	CURRENT/MOST RECENT JOB 01	SECOND MOST RECENT JOB 02
D14. INTERVIEWER: CHECK D12. IS CODE 04, "WORKING WITHOUT PAY," CODED?	YES(GO TO D18).....01 NO00	YES(GO TO D18).....01 NO00
D15a. Not counting tips, bonuses, or commissions, how often are/were you usually paid?	ONCE A DAY01 ONCE A WEEK02 ONCE EVERY TWO WEEKS03 TWICE A MONTH.....04 ONCE A MONTH.....05 ONCE A YEAR06 DON'T KNOW.....08 REFUSED07	ONCE A DAY01 ONCE A WEEK02 ONCE EVERY TWO WEEKS03 TWICE A MONTH.....04 ONCE A MONTH.....05 ONCE A YEAR06 DON'T KNOW.....08 REFUSED07
D15b. Not counting tips, bonuses, or commissions, how much are/were you usually paid each time you receive/received payment?	\$ _ _ _ , _ _ . _ _	\$ _ _ _ , _ _ . _ _
D16a. Do/did you receive any additional payment as tips? [IF NO, GO TO D16c]	YES 01 NO 00	YES 01 NO 00
D16b. How much do you think those tips add/added up to in a year?	\$ _ _ _ , _ _ . _ _	\$ _ _ _ , _ _ . _ _
D16c. Do/did you receive any additional payment as bonuses? [IF NO, GO TO D16e]	YES 01 NO 00	YES 01 NO 00
D16d. Usually, how much is/was the total amount of those bonuses each year?	\$ _ _ _ , _ _ . _ _	\$ _ _ _ , _ _ . _ _
D16e. Do/did you receive any additional payment as commissions? [IF NO, GO TO D17]	YES 01 NO 00	YES 01 NO 00

D16f. Usually, how much is/was the total amount of those commissions each year?	\$ _ _ _ _ , _ _ _ _ . _ _ _ _	\$ _ _ _ _ , _ _ _ _ . _ _ _ _
D17. Are/Were the following benefits available to you on your job at (EMPLOYER)? READ CATEGORIES. CODE YES OR NO FOR <u>EACH</u>.	<p style="text-align: right;"><u>YES</u> <u>NO</u></p> a. Paid sick leave? 01 00 b. Paid vacation? 01 00 c. Paid holidays? 01 00 d. Health insurance, or membership in an HMO or PPO plan? 01 00 e. Retirement, or pension benefits or a 401K plan? 01 00 f. Life insurance? 01 00 g. Any other benefits? (SPECIFY) .. 01 00 _____ DON'T KNOW.....08 REFUSED07	<p style="text-align: right;"><u>YES</u> <u>NO</u></p> a. Paid sick leave? 01 00 b. Paid vacation? 01 00 c. Paid holidays? 01 00 d. Health insurance, or membership in an HMO or PPO plan? 01 00 e. Retirement, or pension benefits or a 401K plan? 01 00 f. Life insurance? 01 00 g. Any other benefits? (SPECIFY) .. 01 00 _____ DON'T KNOW.....08 REFUSED07

<u>JOB 03 </u>	<u>JOB 04 </u>	<u>JOB 05 </u>
YES..... (GO TO D18) 01	YES..... (GO TO D18) 01	YES..... (GO TO D18) 01
NO..... 00	NO..... 00	NO..... 00
ONCE A DAY 01	ONCE A DAY 01	ONCE A DAY 01
ONCE A WEEK..... 02	ONCE A WEEK..... 02	ONCE A WEEK..... 02
ONCE EVERY TWO WEEKS..... 03	ONCE EVERY TWO WEEKS..... 03	ONCE EVERY TWO WEEKS..... 03
TWICE A MONTH 04	TWICE A MONTH 04	TWICE A MONTH 04
ONCE A MONTH 05	ONCE A MONTH 05	ONCE A MONTH 05
ONCE A YEAR..... 06	ONCE A YEAR..... 06	ONCE A YEAR..... 06
DON'T KNOW 08	DON'T KNOW 08	DON'T KNOW 08
REFUSED 07	REFUSED 07	REFUSED 07
\$ _ _ _ , _ _ _ . _ _	\$ _ _ _ , _ _ _ . _ _	\$ _ _ _ , _ _ _ . _ _
YES 01	YES 01	YES 01
NO 00	NO 00	NO 00
\$ _ _ _ , _ _ _ . _ _	\$ _ _ _ , _ _ _ . _ _	\$ _ _ _ , _ _ _ . _ _
YES 01	YES 01	YES 01
NO 00	NO 00	NO 00
\$ _ _ _ , _ _ _ . _ _	\$ _ _ _ , _ _ _ . _ _	\$ _ _ _ , _ _ _ . _ _
YES 01	YES 01	YES 01
NO 00	NO 00	NO 00
\$ _ _ _ , _ _ _ . _ _	\$ _ _ _ , _ _ _ . _ _	\$ _ _ _ , _ _ _ . _ _

	<u>YES</u> <u>NO</u>		<u>YES</u> <u>NO</u>		<u>YES</u> <u>NO</u>
a. Paid sick leave?.....	01 00	a. Paid sick leave?	01 00	a. Paid sick leave?	01 00
b. Paid vacation?.....	01 00	b. Paid vacation?	01 00	b. Paid vacation?	01 00
c. Paid holidays?.....	01 00	c. Paid holidays?	01 00	c. Paid holidays?	01 00
d. Health insurance, or membership in an HMO or PPO plan?.....	01 00	d. Health insurance, or membership in an HMO or PPO plan?	01 00	d. Health insurance, or membership in an HMO or PPO plan?	01 00
e. Retirement, or pension benefits or a 401K plan?.....	01 00	e. Retirement, or pension benefits or a 401K plan?.....	01 00	e. Retirement, or pension benefits or a 401K plan?.....	01 00
f. Life insurance?.....	01 00	f. Life insurance?	01 00	f. Life insurance?	01 00
g. Any other benefits? (SPECIFY)..	01 00	g. Any other benefits? (SPECIFY) ...	01 00	g. Any other benefits? (SPECIFY) ...	01 00
<hr/>		<hr/>		<hr/>	
DON'T KNOW	08	DON'T KNOW	08	DON'T KNOW	08
REFUSED	07	REFUSED	07	REFUSED	07

	CURRENT/MOST RECENT JOB 01 	SECOND MOST RECENT JOB 02
D18. INTERVIEWER: CHECK D9. IS CODE, "STILL AT THIS JOB," CODED?	YES(GO TO D21a) 01 NO 00	YES.....(GO TO D21a).....01 NO00
D19. Why did you stop working at (EMPLOYER)? Did you quit, retire, were you laid off or fired, or did the period you were scheduled to work there end? PROBE: What reason were you given by your employer? SELECT <u>ONE</u> CODE ONLY.	QUIT 01 RETIRE 02 LAID OFF 03 FIRED..... 04 WORK PERIOD/TEMPORARY JOB ENDED 05 OTHER (SPECIFY) 06 _____ DON'T KNOW 08 REFUSED 07	QUIT01 RETIRE02 LAID OFF03 FIRED04 WORK PERIOD/TEMPORARY JOB ENDED05 OTHER (SPECIFY).....06 _____ DON'T KNOW08 REFUSED07
D20. When that job ended, did you receive severance pay?	YES 01 NO 00 DON'T KNOW 08 REFUSED..... 07	YES 01 NO 00 DON'T KNOW 08 REFUSED 07
D21. When that job ended, what did you do? CODE ALL THAT APPLY.	TOOK ANOTHER JOB WORKING FOR SOMEONE ELSE 01 STARTED A BUSINESS 02 WORKED ON STARTING MY OWN BUSINESS 03 LOOKED FOR WORK 04 PARTICIPATED IN EDUCATION/ TRAINING PROGRAM 05	TOOK ANOTHER JOB WORKING FOR SOMEONE ELSE 01 STARTED A BUSINESS 02 WORKED ON STARTING MY OWN BUSINESS 03 LOOKED FOR WORK 04 PARTICIPATED IN EDUCATION/ TRAINING PROGRAM 05

	TOOK CARE OF CHILD/FAMILY MEMBER/SICK RELATIVE 06 RETIRED 07 WAS SICK 08 OTHER (SPECIFY) 09 _____	TOOK CARE OF CHILD/FAMILY MEMBER/SICK RELATIVE 06 RETIRED 07 WAS SICK 08 OTHER (SPECIFY) 09 _____
	DON'T KNOW 98 REFUSED 97	DON'T KNOW 98 REFUSED 97
D21a. INTERVIEWER: IS THERE ANOTHER JOB? CHECK D7.	YES (GO TO D8, COLUMN 2) 01 NO 00	YES (GO TO D8, COLUMN 3) 01 NO 00
JOB 03 	JOB 04 	JOB 05
YES (GO TO D21a) 01 NO 00	YES (GO TO D21a) 01 NO 00	YES (GO TO D21a) 01 NO 00
QUIT 01 RETIRE 02 LAID OFF 03 FIRED 04 WORK PERIOD/TEMPORARY JOB ENDED 05 OTHER (SPECIFY) 06 _____	QUIT 01 RETIRE 02 LAID OFF 03 FIRED 04 WORK PERIOD/TEMPORARY JOB ENDED 05 OTHER (SPECIFY) 06 _____	QUIT 01 RETIRE 02 LAID OFF 03 FIRED 04 WORK PERIOD/TEMPORARY JOB ENDED 05 OTHER (SPECIFY) 06 _____
DON'T KNOW 98 REFUSED 97	DON'T KNOW 98 REFUSED 97	DON'T KNOW 98 REFUSED 97
YES 01 NO 00	YES 01 NO 00	YES 01 NO 00

DON'T KNOW.....08	DON'T KNOW 08	DON'T KNOW.....08
REFUSED.....07	REFUSED 07	REFUSED.....07
TOOK ANOTHER JOB WORKING FOR SOMEONE ELSE.....01	TOOK ANOTHER JOB WORKING FOR SOMEONE ELSE 01	TOOK ANOTHER JOB WORKING FOR SOMEONE ELSE.....01
STARTED A BUSINESS02	STARTED A BUSINESS 02	STARTED A BUSINESS.....02
WORKED ON STARTING MY OWN BUSINESS03	WORKED ON STARTING MY OWN BUSINESS 03	WORKED ON STARTING MY OWN BUSINESS.....03
LOOKED FOR WORK04	LOOKED FOR WORK..... 04	LOOKED FOR WORK04
PARTICIPATED IN EDUCATION/ TRAINING PROGRAM05	PARTICIPATED IN EDUCATION/ TRAINING PROGRAM..... 05	PARTICIPATED IN EDUCATION/ TRAINING PROGRAM05
TOOK CARE OF CHILD/FAMILY MEMBER/SICK RELATIVE06	TOOK CARE OF CHILD/FAMILY MEMBER/SICK RELATIVE 06	TOOK CARE OF CHILD/FAMILY MEMBER/SICK RELATIVE06
RETIRED07	RETIRED 07	RETIRED07
WAS SICK08	WAS SICK..... 08	WAS SICK08
OTHER (SPECIFY)09	OTHER (SPECIFY)..... 09	OTHER (SPECIFY).....09
_____	_____	_____
DON'T KNOW.....98	DON'T KNOW 98	DON'T KNOW.....98
REFUSED.....97	REFUSED 97	REFUSED.....97
YES (GO TO D8, COLUMN 4) 01	YES..... (GO TO D8, COLUMN 5) 01	CONTINUE
NO00	NO..... 00	

D22. Thinking about all the work you do, whether for yourself or for someone else, how would you rate your overall satisfaction with your work? Would you say you are very satisfied, somewhat satisfied, somewhat dissatisfied or very dissatisfied with your work?

- VERY SATISFIED..... 01
- SOMEWHAT SATISFIED 02
- SOMEWHAT DISSATISFIED..... 03
- VERY DISSATISFIED..... 04
- DON'T KNOW..... 08
- REFUSED..... 07

D23. Next, I'd like you to look back to before you applied for the GATE program to when you first lost your job. How long did you think it would take to find a job in your same line of work?

RECORD LENGTH AND CODE TIME UNIT

|_|_| LENGTH

- WEEKS 01
- MONTHS 02
- YEARS..... 03
- DON'T KNOW 08
- REFUSED 07

D24. At that time, how long did you think it would take to find **any job at all**?

RECORD LENGTH AND CODE TIME UNIT

|_|_| LENGTH

- WEEKS 01
- MONTHS 02
- YEARS..... 03
- DON'T KNOW 08
- REFUSED 07

D25. Now, please think about the six months after you first lost your job. Did you have any trouble making payments on any of your monthly bills or loan payments during that period?

- YES 01
- NO 00 → **GO TO D27a**
- DON'T KNOW 08
- REFUSED..... 07

D26. Which bills or payments did you have trouble making in the six months following your job loss? Did you have trouble paying (READ a-g)...**CODE ONE FOR EACH**

D26	<u>YES</u>	<u>NO</u>	<u>DON'T HAVE</u>	<u>DON'T KNOW</u>	<u>REFUSED</u>
a. Your rent or mortgage?	01	00	03	08	07
b. utility bills?	01	00	03	08	07
c. credit card bills?	01	00	03	08	07
d. automobile loans?	01	00	03	08	07
e. school loans?	01	00	03	08	07
f. medical bills?	01	00	03	08	07
g. some other bills or loans? (SPECIFY)	01	00	03	08	07

D27a. During this period of unemployment prior to the GATE program, did you move to a new place to live because you were unable to pay your rent, mortgage or other bills?

- YES 01
 - NO 00
 - DON'T KNOW 08
 - REFUSED..... 07
- } → **GO TO D28**

D27b. Did this occur in the first six months of your unemployment?

- YES 01
- NO 00
- DON'T KNOW 08
- REFUSED..... 07

D28. Thinking about all aspects of your life, how would you rate your overall satisfaction with your life? Would you say you are very satisfied, somewhat satisfied, somewhat dissatisfied or very dissatisfied with your life?

VERY SATISFIED.....	01
SOMEWHAT SATISFIED	02
SOMEWHAT DISSATISFIED.....	03
VERY DISSATISFIED.....	04
DON'T KNOW.....	08
REFUSED.....	07

SECTION E: INCOME SOURCES AND AMOUNTS

E1. Now I'd like you to think about your household's total income during the past twelve months. When answering these next questions please include income from self-employment, regular jobs and odd jobs, under-the-table jobs, Social Security, pensions, rent, interest, dividends, unemployment compensation, welfare, from food stamps, child support, and money from any other sources.

What was the total income of all members of your household, including yourself, from all sources before taxes and deductions during the past twelve months?

IF DK, PROBE FOR ESTIMATE

\$, **GO TO E5a**

DON'T KNOW..... 08
 REFUSED..... 07

E2. During the past twelve months, would you say your household income was less than \$30,000, or \$30,000 or more?

LESS THAN \$30,000 01 **GO TO E4**
 \$30,000 OR MORE 02
 DON'T KNOW 08 **GO TO E5a**
 REFUSED..... 07

E3. Would you say it was . . .

from \$30,000 to under \$45,000 01
 \$45,000 to under \$60,000 02
 \$60,000 to under \$75,000 03
 \$75,000 to under \$90,000 04
 \$90,000 to under \$105,000 05
 more than \$105,000..... 06
 DON'T KNOW 08
 REFUSED..... 07

GO TO E5a

- E4. Would you say it was . . .
- less than \$5,000 01
 - \$5,000 to under \$10,000 02
 - \$10,000 to under \$15,000 03
 - \$15,000 to under \$20,000 04
 - \$20,000 to under \$25,000 05
 - \$25,000 to under \$30,000 06
 - DON'T KNOW 08
 - REFUSED..... 07

E5a. Since (RANDOM ASSIGNMENT DATE), have you or anyone else in your household received Unemployment Compensation benefits?

- YES 01
 - NO 00
 - DON'T KNOW 08
 - REFUSED..... 07
- } → **GO TO E6a**

E5b. When was the first date you received those Unemployment Compensation benefits, after (RANDOM ASSIGNMENT DATE)?

Month: _____
 Day: _____
 Year: _____

- DON'T KNOW 08
- REFUSED..... 07

E5c. When you first applied for those benefits, you were determined to be eligible to receive a certain total amount of benefits, spread out over a period of a certain number of weeks. Did you eventually receive that entire total amount of benefit payments?

- YES 01
- NO 00
- DON'T KNOW 08
- REFUSED..... 07

E5d. After receiving the total amount of benefits allowed, some people are eligible to receive additional Unemployment Compensation benefits for additional weeks. These are called "Extended Benefits". Did you receive any Extended Benefits?

- YES 01
- NO 00
- DON'T KNOW 08
- REFUSED..... 07

E5e. Are you currently receiving Unemployment Compensation benefits?

- YES 01 **—GO TO E5g**
- NO 00
- DON'T KNOW 08
- REFUSED..... 07

E5f. When was the last date you received Unemployment Compensation benefits?

Month: _____
Day: _____
Year: _____

- DON'T KNOW 08
- REFUSED..... 07

E5g. Between the first date after [RANDOM ASSIGNMENT DATE] that you received benefits and the last date after [RANDOM ASSIGNMENT DATE] that you received benefits, were there any periods when you did not receive any benefits?

- YES 01
 - NO 00
 - DON'T KNOW 08
 - REFUSED..... 07
- } → **GO TO E5i**

E5h. How many weeks did those periods last, altogether?

- Weeks: _____
- DON'T KNOW 08
 - REFUSED..... 07

E5i. On average, since (RANDOM ASSIGNMENT DATE), when your household received Unemployment Compensation benefits, how much did your household receive each week?

\$ |_|_|_|,|_|_|_|

DON'T KNOW..... 08

REFUSED..... 07

E6a. Since (RANDOM ASSIGNMENT DATE), have you or anyone else in your household received Trade Readjustment Allowances or Trade Adjustment Assistance?

YES 01

NO 00

DON'T KNOW..... 08

REFUSED..... 07



E6b. Altogether, since (RANDOM ASSIGNMENT DATE), how many weeks has your household received Trade Readjustment Allowances or Trade Adjustment Assistance?

|_|_|_| NUMBER OF WEEKS

DON'T KNOW..... 08

REFUSED..... 07

E6c. On average, since (RANDOM ASSIGNMENT DATE), how much Trade Readjustment Allowances or Trade Adjustment Assistance did your household receive each week?

\$ |_|_|_|,|_|_|_|

DON'T KNOW..... 08

REFUSED..... 07

E7. Next I am going to ask you if you or your household have received income from a variety of sources since (RANDOM ASSIGNMENT DATE).

Have you or has anyone in your household received income **since** (RANDOM ASSIGNMENT DATE)?

ASK AND RECORD RESPONSES. THEN ASK E7b-E7c FOR EACH "YES" RESPONSE IN E7a. If E7a=2 (ONE TIME PAYMENT ASK E7d. GO TO NEXT PAGE.

E7a. OTHER SOURCES OF HOUSEHOLD INCOME	YES	NO	ONE TIME PAYMENT	DON'T KNOW	REFUSED	E7b. Since (RANDOM ASSIGNMENT DATE), how many months did you or your household receive (SOURCE)?	E7c. On average, how much (SOURCE) per month did you or your household receive since (RANDOM ASSIGNMENT DATE)? PLEASE ENTER WHOLE DOLLAR AMOUNT ONLY	E7d. How much did you or someone in your household receive in (source) payments? PLEASE ENTER WHOLE DOLLAR AMOUNT ONLY
						__ NUMBER OF MONTHS DON'T KNOW.....98 REFUSED.....97	If E7b=0 or Refused then skip \$ __ , __ DON'T KNOW999998 REFUSED.....999997	\$ __ , __ DON'T KNOW999998 REFUSED.....999997
Social Security Retirement, Disability, or Survivors' benefits?	01	00	02	08	07	__ NUMBER OF MONTHS DON'T KNOW.....98 REFUSED.....97	If E7b=0 or Refused then skip \$ __ , __ DON'T KNOW999998 REFUSED.....999997	\$ __ , __ DON'T KNOW999998 REFUSED.....999997
Since applying to the GATE program in (RA Date) Other pensions, annuities, or other disability or retirement programs?	01	00	02	08d	07	__ NUMBER OF MONTHS DON'T KNOW.....98 REFUSED.....97	If E7b=0 or Refused then skip \$ __ , __ DON'T KNOW999998 REFUSED.....999997	\$ __ , __ DON'T KNOW999998 REFUSED.....999997
Cash welfare, including TANF (Minnesota Family Investment Program [MFIP]) benefits, General Assistance and Supplemental Security Income (SSI)?	01	00	02	08d	07	__ NUMBER OF MONTHS DON'T KNOW.....98 REFUSED.....97	If E7b=0 or Refused then skip \$ __ , __ DON'T KNOW999998 REFUSED.....999997	\$ __ , __ DON'T KNOW999998 REFUSED.....999997
Veteran's payments?	01	00	02	08	07	__ NUMBER OF MONTHS DON'T KNOW.....98 REFUSED.....97	If E7b=0 or Refused then skip \$ __ , __ DON'T KNOW999998 REFUSED.....999997	\$ __ , __ DON'T KNOW999998 REFUSED.....999997
	01	00	02	08	07		If E7b=0 or Refused then skip	\$ __ , __

Food Stamps?					__ NUMBER OF MONTHS DON'T KNOW.....98 REFUSED.....97	\$ __ , __ DON'T KNOW999998 REFUSED.....999997	DON'T KNOW999998 REFUSED.....999997
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SECTION F: HOUSEHOLD COMPOSITION, MARITAL STATUS, AND SPOUSE EMPLOYMENT

F1. Now, we'd like to ask a few general questions. What is your current marital status?

- MARRIED/COMMON LAW 01
 - LIVING TOGETHER UNMARRIED 02
 - SEPARATED 03
 - DIVORCED 04
 - WIDOWED 05
 - NEVER MARRIED 06
 - DON'T KNOW 08
 - REFUSED 07
- } → **GO TO F5**

F2. Is your (husband/wife/partner) currently working, either part-time or full-time, for pay? Please exclude any work (he/she) does for your business.

- YES 01
 - NO 00
 - DON'T KNOW 08
 - REFUSED 07
- } → **GO TO F5**

F3. How much does (he/she) usually make **per week** before taxes and other deductions? Please include tips, commissions, and regular overtime.

INTERVIEWER: ACCEPT MOST CONVENIENT PAY PERIOD. IF NECESSARY, CONFIRM PAY PERIOD. ENTER AMOUNT, THEN CODE TIME PERIOD.

- \$|_|_|_|,|_|_|_|.|_|_|_| AMOUNT
- PER WEEK 01
 - ONCE EVERY TWO WEEKS 02
 - TWICE A MONTH 03
 - PER MONTH 04
 - PER YEAR 05
 - IN-KIND ONLY 06
 - DON'T KNOW 08

REFUSED..... 07

F4. How many hours a week on average does (she/he) work?

|_|_| HOURS

DON'T KNOW..... 998

REFUSED..... 997

F5. Including yourself, how many people are currently living in your household? Please include babies, small children, people who are not related to you and people who are temporarily away.

|_| NUMBER OF PEOPLE

LIVES ALONE 95 → **Finish: GO TO SECTION G**

DON'T KNOW..... 98

REFUSED..... 97

F5a. Do you have any children under 18 years of age who live with you over half the time? Please include your own and adopted children, foster-step-, or grandchildren.

YES 01

NO 00

DON'T KNOW..... 08

REFUSED..... 07

GO TO SECTION G

F5b. How many children under 18 years of age live with you?

|_| NUMBER

DON'T KNOW..... 98

REFUSED..... 97

SECTION G: CONTACT INFORMATION

Thank you very much for your help. That completes the interview. Your answers, together with the answers of other participants, will be used to study self-employment programs.

I would like to confirm your contact information so that we can send you your \$15 check for your participation,

G1. First, just to make sure I have it right, the correct spelling of your name and address is . . .

YES, NAME AND ADDRESS CORRECT 01

NO 00



RECORD CORRECT NAME AND/OR ADDRESS: NAME: _____ ADDRESS: _____ _____ _____

G2a. Do you have an e-mail address?

YES 01

NO 00

GO TO G3

G2b. Please spell your e-mail address for me.

G3. Is there another number where you usually can be reached?

YES 01



RECORD OTHER NUMBER: _ _ _ _ - _ _ _ _ - _ _ _ _

NO 00

G4. In whose name is that phone listed?

G4a. Is this a home phone, work phone, or cell phone?

- HOME 01
- WORK..... 02
- CELL 03
- OTHER (SPECIFY)..... 04

G5. That completes the survey. Thank you for your time and cooperation.

APPENDIX B: REGRESSION RESULTS, TREATMENT-CONTROL EQUIVALENCE

REGRESSION RESULTS, TREATMENT-CONTROL EQUIVALENCE

Exhibit B.1: Regression Results, Probability of Being in the Treatment Group

	North Carolina	Virginia
Male	-.043 (.027)	.110 (.056)**
Race: White	.027 (.055)	-.072 (.102)
Race: Black	.025 (.056)	-.064 (.104)
Age: 35-44 Years	.014 (.042)	--
Age: 45-54 Years	-.028 (.044)	--
Age: 55+ Years	.009 (.048)	-.004 (.052)
High School Diploma	.007 (.037)	-.120 (.270)
Some College/Associate Degree	.020 (.040)	-.044 (.052)
College Degree	.032 (.043)	.007 (.260)
Married	.027 (.036)	-.030 (.073)
Never Married	-.015 (.043)	-.033 (.072)
Household Size	-.014 (.009)	-.024 (.019)
Disabled	-.027 (.056)	-.009 (.147)
Born in the US	.025 (.074)	-.606 (.515)
Employed in Salary Job	-.012 (.057)	-.143 (.098)
Self-Employed	-.033 (.051)	-.040 (.078)
Household Income: \$10,000-\$24,999	-.022 (.038)	.083 (.092)
Household Income: \$25,000-\$49,999	.001 (.036)	.001 (.079)
Household Income: \$50,000-\$74,999	-.012 (.050)	-.030 (.110)
Household Income: \$75,000+	.095 (.063)	.046 (.094)
Health Insurance	.005 (.029)	-.032 (.056)
Self-Employment Experience	-.012 (.030)	.053 (.060)
Has Management Experience	-.018 (.029)	.038 (.056)
Family Supports Effort	-.025 (.048)	.134 (.065)**
Family Member Works to Support	-.034 (.028)	.038 (.056)
UI Receipt at Program Entry	-.017 (.032)	-.075 (.070)
UI Weeks Collected, 12 Months Prior	-.000 (.001)	.002 (.000)
Prior Quarterly Earnings, Quarter 1	-.011 (.032)	.054 (.089)
Prior Quarterly Earnings, Quarter 2	.022 (.040)	-.132 (.106)
Prior Quarterly Earnings, Quarter 3	.037 (.043)	.054 (.106)
Prior Quarterly Earnings, Quarter 4	.033 (.038)	.103 (.133)
Constant	.800 (.107)***	1.115 (.594)***
Observations	1,175	435
R-Squared	.0183	.0636
F-Test p-value	.8374	.5450

Note: Reported are linear regression estimates with standard errors in parentheses. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

**Exhibit B.2: Regression Results, Probability of Being in the Treatment Group,
Survey Respondents**

	North Carolina	Virginia
Male	-.041 (.031)	.067 (.065)
Race: White	.104 (.069)	-.132 (.118)
Race: Black	.078 (.070)	-.135 (.120)
Age: 35-44 Years	.033 (.050)	--
Age: 45-54 Years	-.016 (.051)	--
Age: 55+ Years	-.019 (.055)	-.001 (.059)
High School Diploma	-.017 (.043)	-.272 (.318)
Some College/Associate Degree	-.007 (.047)	-.064 (.306)
College Degree	-.009 (.050)	-.108 (.303)
Married	.050 (.042)	.035 (.083)
Never Married	-.009 (.050)	-.010 (.081)
Household Size	-.018 (.011)	-.007 (.022)
Disabled	-.088 (.063)	.013 (.160)
Born in the US	-.017 (.091)	-.640 (.518)
Employed in Salary Job	-.026 (.066)	-.195 (.112)*
Self-Employed	.070 (.058)	-.072 (.088)
Household Income: \$10,000-\$24,999	-.033 (.046)	.145 (.106)
Household Income: \$25,000-\$49,999	-.043 (.044)	.041 (.092)
Household Income: \$50,000-\$74,999	-.055 (.059)	.020 (.116)
Household Income: \$75,000+	.019 (.070)	.068 (.110)
Health Insurance	-.003 (.033)	-.131 (.065)**
Self-Employment Experience	-.022 (.034)	.054 (.071)
Has Management Experience	.030 (.034)	-.023 (.081)
Family Supports Effort	-.070 (.057)	.124 (.073)*
Family Member Works to Support	-.040 (.033)	.027 (.065)
UI Receipt at Program Entry	-.018 (.038)	-.105 (.081)
UI Weeks Collected, 12 Months Prior	-.001 (.001)	.002 (.002)
Prior Quarterly Earnings, Quarter 1	.029 (.043)	-.052 (.109)
Prior Quarterly Earnings, Quarter 2	-.041 (.046)	-.014 (.138)
Prior Quarterly Earnings, Quarter 3	-.012 (.051)	.066 (.125)
Prior Quarterly Earnings, Quarter 4	.019 (.044)	.072 (.145)
Constant	.922 (.128)***	1.366 (.622)***
Observations	825	336
R-Squared	.0344	.0820
F-Test p-value	.5569	.5538

Note: Reported are linear regression estimates with standard errors in parentheses. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

APPENDIX C: CONSTRUCT ATTRITION WEIGHTS TO ADDRESS SURVEY ATTRITION

CONSTRUCT ATTRITION WEIGHTS TO ADDRESS SURVEY ATTRITION

The impacts of the GATE II program on key employment and earnings outcomes were estimated using data from the follow-up survey of participants. Some GATE II applicants did not complete the follow-up survey which may cause the estimation sample to differ from the total population of program applicants. The purpose of constructing survey attrition weights is to adjust for survey non-response based on observed characteristics at the time of application. Attrition weights are used to ensure that the sample used to estimate the regression models is representative of the total population of program participants, not just those who responded to the follow-up survey. Because we analyzed the data from North Carolina and Virginia separately, we constructed survey weights separately for each state. The procedure described below was carried out for both states.

The first step in creating the attrition weights was to estimate a logistic regression of the form:

$$R = \alpha + \beta X + \varepsilon$$

The terms in this equation are:

- R , an indicator that equals 1 if respondent completed the survey and 0 otherwise,
- α , a constant,
- β , a set of parameters to be estimated
- X , a matrix of respondent characteristics (e.g., gender, age, race, educational attainment, prior self-employment experience, and employment status at time of application)
- ε , a mean-zero disturbance term

This model was estimated using data for all GATE II participants in the state. After estimating the model, the next step was to construct the predicted likelihood that each participant would complete a follow-up survey. This predicted value (which we call \hat{R}) is given by:

$$\hat{R} = \hat{\alpha} + \hat{\beta}X$$

In this equation, the hats above each term indicate estimated values. The estimated values on the right-hand side of the equation are the parameter estimates from the first step logistic regression. After calculating the predicted values, the final step was to construct the attrition weights. For a single participant, the attrition weight (w) is equal to the inverse of the predicted probability that he/she would complete a follow-up survey:

$$w = 1/\hat{R}$$

The attrition weights were then used in all regression models for which the outcome of interest was derived from the follow-up survey data.

APPENDIX D: SENSITIVITY ANALYSES

SENSITIVITY ANALYSES

The impacts of the GATE II program on employment and earnings outcomes based on data from the follow-up survey were produced using attrition weights equal to the inverse of the predicted probability that an individual would complete a survey. Details regarding this procedure is provided in Appendix C.

To assess the degree to which the impact estimates are sensitive to the use of attrition weights, this appendix compares the impact estimates with and without the use of attrition weights. Exhibit D-1 summarizes the impact estimates under alternative technical approaches involving the use of attrition weights and imputations, as follows:

- Column 1 (attrition weights) presents the impact estimates when using attrition weights; these are the benchmark results that are presented in the body of the report.
- Column 2 (no attrition weights) presents the impact estimates when we do not use the attrition weights.

Comparing the results in columns 1 and 2, we are able to assess if the benchmark results reported in the body of the report change when we do not use the attrition weights. As shown, the results are substantively similar between the two columns, indicating that the results are not driven by the use of the weights. Separate t-test analyses show that any differences in the parameters between the two columns are not statistically significant. Overall, these comparisons show that the impact results are not sensitive to the use of attrition weights, which is consistent with the fact that the treatment-control balance in characteristics was not affected by survey attrition.

Exhibit D-1. GATE II Impacts With and Without the Use of Survey Attrition Weights

	With Attrition Weights	No Attrition Weights
	(1)	(2)
North Carolina		
Started a new business	0.095 (0.037)**	0.083 (0.037)**
Self-employed	0.074 (0.035)**	0.058 (0.034)*
Employed in a wage/salary job	-0.032 (0.042)	-0.031 (0.041)
Employed	0.017 (0.039)	0.008 (0.038)
Self-employment earnings	-22 (300)	101 (239)
Wage/salary earnings	-2,093 (2,416)	-2,080 (2,474)
Total earnings	-1,445 (2,467)	-1,396 (2,502)
Virginia		
Started a new business	0.111 (0.058)*	0.112 (0.057)*
Self-employed	0.040 (0.049)	0.038 (0.048)
Employed in a wage/salary job	-0.001 (0.057)	0.013 (0.056)
Employed	0.001 (0.050)	0.010 (0.048)
Self-employment earnings	-435 (371)	-466 (391)
Wage/salary earnings	-7,400 (5,248)	-7,476 (5,331)
Total earnings	-8,351 (5,344)	-8,421 (5,425)

APPENDIX E: COMPLETE IMPACT REGRESSION RESULTS

COMPLETE IMPACT REGRESSION RESULTS

Exhibit E.1: Full Regression Results, Employment Outcomes, North Carolina

	Started a Business	Self-Employed	Employed in a Wage/ Salary Job	Employed
Treatment Group	0.095 (0.037)***	0.074 (0.035)**	-0.032 (0.042)	0.017 (0.039)
Male	0.027 (0.035)	0.010 (0.031)	0.069 (0.037)*	0.070 (0.035)**
Race: White	0.026 (0.077)	0.088 (0.069)	-0.017 (0.088)	0.026 (0.075)
Race: Black	-0.064 (0.076)	0.031 (0.068)	-0.037 (0.088)	-0.063 (0.078)
Age: 35-44 Years	0.015 (0.053)	0.042 (0.050)	-0.080 (0.061)	-0.063 (0.057)
Age: 45-54 Years	0.041 (0.054)	0.013 (0.051)	-0.088 (0.062)	-0.078 (0.057)
Age: 55+ Years	-0.015 (0.060)	-0.019 (0.055)	-0.119 (0.067)*	-0.097 (0.062)
High School Diploma	-0.020 (0.047)	-0.006 (0.044)	0.007 (0.052)	-0.002 (0.049)
Some College/Associate Degree	0.016 (0.053)	0.056 (0.050)	0.065 (0.056)	0.092 (0.051)*
College Degree	0.056 (0.055)	0.010 (0.049)	0.114 (0.057)**	0.102 (0.048)**
Married	0.020 (0.050)	0.003 (0.046)	-0.009 (0.051)	0.025 (0.059)
Never Married	-0.040 (0.051)	-0.021 (0.049)	-0.041 (0.062)	-0.057 (0.012)
Household Size	0.010 (0.012)	-0.006 (0.011)	0.021 (0.013)	0.012 (0.073)
Disabled	0.089 (0.072)	0.025 (0.069)	-0.224 (0.069)***	-0.182 (0.088)**
Born in the US	-0.001 (0.103)	-0.069 (0.105)	0.050 (0.107)	-0.080 (0.071)
Employed in Salary Job	-0.039 (0.072)	-0.098 (0.059)*	0.134 (0.075)*	0.001 (0.052)
Self-Employed	0.092 (0.103)	0.273 (0.069)***	0.012 (0.069)	0.195 (0.059)***
Household Income: \$10,000-\$24,999	-0.005 (0.054)	-0.037 (0.051)	0.093 (0.062)	0.010 (0.061)
Household Income: \$25,000-\$49,999	0.023 (0.060)	0.013 (0.056)	0.111 (0.064)*	0.063 (0.079)
Household Income: \$50,000-\$74,999	0.033 (0.082)	0.033 (0.078)	0.055 (0.082)	0.026 (0.091)
Household Income: \$75,000+	0.121 (0.107)	0.062 (0.099)	-0.030 (0.104)	0.047 (0.037)
Health Insurance	0.017 (0.039)	0.026 (0.035)	-0.006 (0.040)	-0.023 (0.038)
Self-Employment Experience	0.097 (0.042)**	0.047 (0.039)	-0.017 (0.042)	0.007 (0.038)
Has Management Experience	0.065 (0.039)*	0.002 (0.036)	-0.026 (0.041)	-0.005 (0.067)
Family Supports Effort	0.046 (0.061)	0.030 (0.055)	0.042 (0.067)	0.067 (0.037)
Family Member Works to Support	0.068 (0.038)**	0.081 (0.035)**	-0.050 (0.040)	-0.008 (0.044)
UI Receipt at Program Entry	-0.014 (0.044)	-0.009 (0.041)	0.076 (0.048)	0.035 (0.001)
UI Weeks Collected, 12 Months Prior	0.000 (0.001)	0.001 (0.001)	0.000 (0.001)	0.001 (0.000)
Prior Quarterly Earnings, Quarter 1	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)
Prior Quarterly Earnings, Quarter 2	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)
Prior Quarterly Earnings, Quarter 3	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)
Prior Quarterly Earnings, Quarter 4	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)
Constant	0.009 (0.146)	0.054 (0.144)	0.349 (0.162)**	0.576 (0.159)***
Observations	778	814	819	820
R-Squared	0.0955	0.0898	0.0584	0.0858
F-Test p-value	0.0000	0.000	0.0029	0.000

Note: Reported are linear regression estimates with standard errors in parentheses. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

Exhibit E.2: Full Regression Results, Earnings Outcomes, North Carolina

	Self-Employed Earnings	Wage/Salary Earnings	Total Earnings
Treatment Group	-22 (300)	-2,093 (2,416)	-1,445 (2,468)
Male	-125 (214)	6,515 (2,079)***	6,149 (2,142)***
Race: White	214 (252)	-9,478 (5,879)	-8,792 (5,939)
Race: Black	647 (276)**	11,007 (5,891)*	-10,244 (5,946)*
Age: 35-44 Years	3,954 (288)	6,168 (3,354)*	-8,116 (3,504)**
Age: 45-54 Years	198 (212)	-8,034 (3,384)**	-9,325 (3,566)***
Age: 55+ Years	428 (347)	-9,087 (3,691)**	-10,945 (3,869)***
High School Diploma	-479 (375)	1,516 (2,531)	14,123 (2,630)
Some College/Associate Degree	-271 (401)	6,180 (3,023)**	5,421 (3,146)*
College Degree	-173 (461)	9,101 (3,524)**	7,858 (3,609)**
Married	342 (254)	-3,242 (3,057)	-2,790 (3,151)
Never Married	177 (276)	-7,038 (3,181)**	-7,101 (3,277)**
Household Size	37 (71)	1,276 (754)*	1,294 (760)*
Disabled	1,089 (836)	-9,348 (3,310)***	-8,118 (3,468)**
Born in the US	305 (193)	9,181 (6,442)	7,986 (6,932)
Employed in Salary Job	-112 (249)	15,985 (6,126)***	15,264 (6,309)**
Self-Employed	1,198 (758)	239 (3,447)	2,386 (3,679)
Household Income: \$10,000-\$24,999	-224 (345)	5,293 (2,765)*	6,108 (2,878)**
Household Income: \$25,000-\$49,999	-115 (372)	8,982 (3,269)***	10,295 (3,933)***
Household Income: \$50,000-\$74,999	485 (601)	5,449 (4,694)	7,538 (4,771)
Household Income: \$75,000+	779 (985)	7,424 (6,685)	12,082 (6,994)*
Health Insurance	-207 (272)	-2,512 (2,332)	-3,445 (2,400)
Self-Employment Experience	-27 (227)	-3,964 (2,496)	-2,861 (2,603)
Has Management Experience	1.50 (216)	-81 (2,227)	-841 (2,286)
Family Supports Effort	102 (291)	-1,550 (3,419)	-1,115 (3,494)
Family Member Works to Support	32 (244)	-2,225 (2,283)	-2,129 (2,358)
UI Receipt at Program Entry	137 (193)	-1,658 (2,853)	-3,239 (3,027)
UI Weeks Collected, 12 Months Prior	-1 (8)	2 (7)	7 (75)
Prior Quarterly Earnings, Quarter 1	-0 (0)	0 (0)	0 (0)
Prior Quarterly Earnings, Quarter 2	0 (0)	-0 (0)	-0 (0)
Prior Quarterly Earnings, Quarter 3	-0 (0)	0 (0)	0 (0)
Prior Quarterly Earnings, Quarter 4	0 (0)	0 (0)	0 (0)
Constant	-685 (860)	18,767 (8,252)**	21,344 (8,733)**
Observations	772	684	641
R-Squared	0.0546	0.1150	0.1237
F-Test p-value	0.9266	0.0000	0.0000

Note: Reported are linear regression estimates with standard errors in parentheses. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

Exhibit E.3: Full Regression Results, UI Receipt After Program Entry, North Carolina

	UI Weeks Collected	UI Benefit Amounts Collected
Treatment Group	1.3 (1.1)	344 (406)
Male	-1.9 (1.0)*	299 (372)
Race: White	3.3 (2.1)	1,216 (753)
Race: Black	2.7 (2.1)	527 (773)
Age: 35-44 Years	-0.9 (1.6)	96 (578)
Age: 45-54 Years	-0.4 (1.7)	702 (601)
Age: 55+ Years	0.9 (1.8)	214 (657)
High School Diploma	0.8 (1.4)	612 (503)
Some College/Associate Degree	0.2 (1.5)	439 (552)
College Degree	1.1 (1.6)	1,784 (589)***
Married	-2.7 (1.4)**	-1,638 (491)***
Never Married	-0.3 (1.6)	-424 (588)
Household Size	0.1 (0.3)	111 (127)
Disabled	-1.1 (2.1)	-118 (773)
Born in the US	-0.8 (2.8)	100 (1,014)
Employed in Salary Job	-4.8 (2.2)**	-1,845 (782)**
Self-Employed	-1.9 (1.9)	-764 (701)
Household Income: \$10,000-\$24,999	4.2 (1.4)***	2,008 (524)***
Household Income: \$25,000-\$49,999	7.5 (1.4)***	4,640 (499)***
Household Income: \$50,000-\$74,999	9.1 (1.9)***	6,710 (683)***
Household Income: \$75,000+	11.0 (2.4)***	8,618 (866)***
Health Insurance	-2.1 (1.1)*	-632 (402)
Self-Employment Experience	-2.1 (1.1)*	797 (414)*
Has Management Experience	1.1 (1.1)	701 (399)*
Family Supports Effort	0.8 (1.8)	1,348 (658)**
Family Member Works to Support	0.3 (1.1)	-346 (388)
UI Receipt at Program Entry	21.1 (1.1)***	5,982 (442)***
UI Weeks Collected, 12 Months Prior	-0.1 (0.0)***	-24 (11)**
Prior Quarterly Earnings, Quarter 1	3.3 (1.4)**	558 (516)
Prior Quarterly Earnings, Quarter 2	-1.2 (1.5)	-867 (545)
Prior Quarterly Earnings, Quarter 3	4.1 (1.6)**	1,260 (590)**
Prior Quarterly Earnings, Quarter 4	0.6 (1.4)	159 (522)
Constant	4.8 (4.1)	-2,102 (1,501)
Observations	1,175	1,175
R-Squared	0.3236	0.3694
F-Test p-value	0.0000	0.0000

Note: Reported are linear regression estimates with standard errors in parentheses. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

Exhibit E.4: Full Regression Results, Quarterly Earnings After Program Entry, North Carolina

	Quarterly Earnings After Program Entry					
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	Quarter 6
Treatment Group	-69 (142)	-288 (184)	-146 (221)	-62 (250)	180 (264)	231 (299)
Male	229 (131)*	259 (169)	349 (203)*	321 (228)	405 (241)*	450 (273)*
Race: White	342 (142)	54 (342)	801 (411)*	721 (455)	668 (481)	179 (536)
Race: Black	244 (131)	245 (351)	1,009 (421)**	632 (468)	447 (497)	162 (554)
Age: 35-44 Years	-331 (203)	-334 (262)	-245 (315)	-175 (354)	-718 (379)*	-534 (432)
Age: 45-54 Years	273 (211)	-441 (273)	-466 (327)	-474 (366)	-1,106 (390)***	-755 (444)*
Age: 55+ Years	-504 (231)**	-735 (298)**	-720 (358)**	-512 (399)	-1,163 (429)***	-1,285 (493)***
High School Diploma	132 (177)	219 (228)	234 (274)	324 (308)	316 (328)	409 (371)
Some College/Associate Degree	119 (194)	-45 (250)	100 (301)	412 (337)	510 (355)	371 (401)
College Degree	346 (207)*	313 (267)	312 (321)	372 (363)	228 (384)	681 (440)
Married	125 (172)	111 (223)	202 (267)	142 (301)	101 (317)	136 (362)
Never Married	-92 (206)	-404 (267)	-384 (320)	-127 (360)	-30 (382)	6.32 (435)
Household Size	8.22 (44)	-40 (57)	-72 (69)	-56 (77)	-114 (81)	-39 (91)
Disabled	-652 (271)**	-463 (351)	394 (421)	-195 (479)	-748 (505)	-991 (566)*
Born in the US	-40 (356)	381 (460)	124 (553)	253 (622)	205 (658)	280 (726)
Employed in Salary Job	1,777 (275)***	1,467 (355)***	1,249 (426)***	1,357 (475)***	1,254 (503)**	677 (575)
Self-Employed	51 (246)	68 (318)	274 (382)	82 (437)	-376 (459)	-437 (54)
Household Income: \$10,000-\$24,999	131 (184)	293 (238)	354 (286)	603 (321)*	709 (335)**	1,021 (379)***
Household Income: \$25,000-\$49,999	267 (175)	449 (226)**	475 (272)*	632 (306)**	1,187 (324)***	1,567 (368)***
Household Income: \$50,000-\$74,999	217 (240)	603 (310)*	483 (372)	539 (417)	659 (446)	794 (500)
Household Income: \$75,000+	688 (304)**	999 (393)**	1,154 (472)**	1,934 (533)***	2,298 (566)***	2,652 (636)***
Health Insurance	76 (141)	27 (183)	-8.43 (219)	-316 (248)	-296 (261)	-251 (295)
Self-Employment Experience	46 (145)	-68 (188)	57 (225)	116 (257)	97 (271)	-9.86 (307)
Has Management Experience	-164 (140)	23 (181)	-104 (217)	35 (245)	-26 (259)	73 (293)
Family Supports Effort	-724 (231)***	-841 (299)***	-488 (359)	-501 (396)	-538 (410)	-726 (466)
Family Member Works to Support	-175 (136)	-230 (176)	-319 (212)	-205 (238)	-122 (253)	-295 (287)
UI Receipt at Program Entry	125 (155)	267 (201)	163 (241)	315 (273)	505 (290)*	525 (332)
UI Weeks Collected, 12 Months Prior	-1 (3.69)	1.26 (4.77)	11 (5.73)*	8.76 (6.49)	12 (7)*	10 (7.96)
Prior Quarterly Earnings, Quarter 1	-183 (181)	342 (234)	196 (281)	198 (314)	143 (335)	240 (387)
Prior Quarterly Earnings, Quarter 2	70 (191)	19 (247)	311 (297)	113 (330)	173 (348)	-102 (400)
Prior Quarterly Earnings, Quarter 3	-279 (207)	-42 (268)	2 (322)	176 (356)	-317 (374)	-250 (427)
Prior Quarterly Earnings, Quarter 4	57 (183)	-61 (237)	97 (284)	-161 (317)	-110 (336)	51 (388)

	Quarterly Earnings After Program Entry					
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	Quarter 6
Constant	1,103 (527)**	1,456 (681)**	689 (818)	495 (925)	1,067 (978)	1,201 (1,124)
Observations	1,175	1,175	1,175	1,089	990	903
R-Squared	0.0734	0.0522	0.0378	0.0414	0.0684	0.0726
F-Test p-value	0.0000	0.0011	0.0681	0.0594	0.0002	0.0003

Note: Reported are linear regression estimates with standard errors in parentheses. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

Exhibit E.5: Full Regression Results, Employment Outcomes, Virginia

	Started a Business	Self-Employed	Employed in a Wage/ Salary Job	Employed
Treatment Group	0.111 (0.058)*	0.040 (0.049)	-0.001 (0.057)	0.001 (0.050)
Male	0.077 (0.063)	0.101 (0.055)*	-.056 (0.065)	0.043 (0.057)
Race: White	-0.060 (0.117)	0.026 (0.086)	0.104 (0.124)	0.186 (0.104)*
Race: Black	0.038 (0.121)	0.1230 (0.086)	0.082 (0.126)	0.159 (0.107)
Age: 55+ Years	-0.045 (0.058)	-0.057 (0.049)	-0.070 (0.059)	-0.106 (0.049)**
High School Diploma	0.446 (0.199)**	0.209 (0.133)	-0.076 (0.303)	0.115 (0.294)
Some College/Associate Degree	0.443 (0.178)**	0.244 (0.121)**	-0.079 (0.287)	0.123 (0.281)
College Degree	0.416 (0.172)**	0.287 (0.115)**	-0.183 (0.287)	0.030 (0.281)
Married	0.054 (0.082)	0.031 (0.071)	0.072 (0.208)	0.075 (0.071)
Never Married	-0.060 (0.083)	-0.026 (0.066)	-0.027 (0.083)	0.044 (0.073)
Household Size	-0.038 (0.022)*	-0.023 (0.019)	0.012 (0.022)	0.015 (0.018)
Disabled	-0.069 (0.181)	-0.200 (0.150)	-0.244 (0.139)*	-.450 (0.136)***
Born in the US	N/A	N/A	N/A	N/A
Employed in Salary Job	-0.099 (0.090)	-0.173 (0.039)	0.237 (0.084)***	0.099 (0.077)
Self-Employed	-0.060 (0.116)	0.305 (0.082)***	0.047 (0.085)	0.194 (0.061)***
Household Income: \$10,000-\$24,999	-0.118 (0.107)	-0.013 (0.086)***	-0.163 (0.110)	-0.146 (0.103)
Household Income: \$25,000-\$49,999	-0.041 (0.100)	0.067 (0.082)	-0.107 (0.105)	-0.062 (0.099)
Household Income: \$50,000-\$74,999	0.060 (0.122)	0.110 (0.102)	-0.174 (0.125)	-0.090 (0.114)
Household Income: \$75,000+	0.029 (0.118)	0.056 (0.105)	-0.128 (0.125)	-0.078 (0.114)
Health Insurance	0.038 (0.063)	0.025 (0.053)	0.081 (0.061)	0.103 (0.055)*
Self-Employment Experience	0.202 (0.066)***	0.161 (0.061)***	-0.111 (0.066)*	0.077 (0.059)
Has Management Experience	0.193 (0.066)***	0.140 (0.053)***	-0.020 (0.078)	0.094 (0.070)
Family Supports Effort	0.022 (0.073)	0.006 (0.061)	-0.101 (0.075)	-0.067 (0.062)
Family Member Works to Support	-0.108 (0.066)*	-0.119 (0.054)**	0.048 (0.063)	-0.077 (0.052)
UI Receipt at Program Entry	-0.011 (0.083)	-0.030 (0.071)	0.205 (0.079)**	0.138 (0.071)*
UI Weeks Collected, 12 Months Prior	0.002 (0.002)	0.002 (0.001)	-0.001 (0.002)	0.001 (0.002)
Prior Quarterly Earnings, Quarter 1	0.000 (0.000)***	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)
Prior Quarterly Earnings, Quarter 2	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)
Prior Quarterly Earnings, Quarter 3	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)
Prior Quarterly Earnings, Quarter 4	0.000 (0.000)**	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)**
Constant	-0.294 (0.228)	-0.281 (0.166)*	0.604 (0.333)*	0.305 (0.316)
Observations	299	333	334	336
R-Squared	0.1635	0.2453	0.1493	0.1723
F-Test p-value	0.0000	0.0000	0.0000	0.0000

Note: Reported are linear regression estimates with standard errors in parentheses. Born in the US dropped due to collinearity. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

Exhibit E.6: Full Regression Results, Earnings Outcomes, Virginia

	Self-Employed Earnings	Wage/Salary Earnings	Total Earnings
Treatment Group	-435 (371)	-7,400 (5,248)	-8,351 (5,344)
Male	733 (551)	4,772 (5,145)	7,431 (5,419)
Race: White	985 (601)	11,235 (12,696)	5,338 (13,006)
Race: Black	746 (431)*	12,833 (13,350)	7,402 (13,668)
Age: 55+ Years	-296 (380)	-9,148 (5,411)*	-9,306* (5,464)
High School Diploma	1,116 (1,094)	25,003 (15,010)*	30,049* (15,923)
Some College/Associate Degree	788 (759)	11,523 (11,729)	15,979 (12,749)
College Degree	1,137 (639*)	13,147 (11,342)	18,247 (12,444)
Married	9.86 (705)	4,675 (6,012)	1,340 (6,409)
Never Married	-850 (563)	1,122 (6,027)	-705 (6,407)
Household Size	36 (188)	-764 (1,953)	-244 (1,947)
Disabled	-1,189 (575)**	4,108 (11,241)	2,289 (11,484)
Born in the US	N/A	N/A	N/A
Employed in Salary Job	1,453 (1,246)	6,978 (7,248)	7,973 (7,609)
Self-Employed	-786 (648)	2,093 (7,054)	1,412 (7,313)
Household Income: \$10,000-\$24,999	31 (662)	-4,212 (6,682)	-4,271 (6,665)
Household Income: \$25,000-\$49,999	-126 (661)	9,977 (8,081)	10,526 (8,471)
Household Income: \$50,000-\$74,999	-454 (841)	-2,902 (10,297)	-2,546 (10,577)
Household Income: \$75,000+	-922 (1,040)	6,638 (10,530)	8,899 (10,837)
Health Insurance	17 (418)	-454 (4,842)	-130 (5,073)
Self-Employment Experience	594 (653)	-12,018 (6,037)*	-10,784* (6,007)
Has Management Experience	473 (272)*	5,704 (6,198)	6,851 (6,242)
Family Supports Effort	-244 (421)	-2,358 (5,834)	-1,216 (5,883)
Family Member Works to Support	-167 (444)	8,898 (5,596)	7,695 (5,820)
UI Receipt at Program Entry	505 (668)	-1,719 (6,299)	-1,071 (6,310)
UI Weeks Collected, 12 Months Prior	-19 (14)	280 (155)*	255 (155)
Prior Quarterly Earnings, Quarter 1	-0 (0)	0 (0)	0 (0)
Prior Quarterly Earnings, Quarter 2	0 (0)	0 (0)**	0 (0)*
Prior Quarterly Earnings, Quarter 3	-0 (0)	0 (0)	0 (0)
Prior Quarterly Earnings, Quarter 4	0 (0)	0 (0)	0 (0)
Constant	-1,252 (864)	-11,344 (21,092)	-11,845 (21,449)
Observations	320	251	242
R-Squared	0.0682	0.2705	0.2899
F-Test p-value	0.9998	0.0000	0.000

Note: Reported are linear regression estimates with standard errors in parentheses. Born in the US dropped due to collinearity. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

Exhibit E.7: Full Regression Results, UI Receipt After Program Entry, Virginia

	UI Weeks Collected	UI Benefit Amounts Collected
Treatment Group	1.4 (1.1)	327 (406)
Male	-1.9 (1.0)*	275 (371)
Race: White	3.2 (2.0)	1,258 (753)*
Race: Black	2.7 (2.1)	536 (773)
Age: 55+ Years	-0.9 (1.1)	-268 (408)
High School Diploma	0.8 (1.4)	609 (503)
Some College/Associate Degree	0.1 (1.5)	424 (550)
College Degree	1.0 (1.6)	1,766 (588)***
Married	-2.6 (1.3)*	-1,685 (489)***
Never Married	-0.4 (1.5)	-582 (552)
Household Size	-0.0 (0.3)	112 (123)
Disabled	-1.0 (2.1)	-126 (771)
Born in the US	-0.8 (2.8)	88 (1014)
Employed in Salary Job	-4.8 (2.1)**	-1,837 (782)**
Self-Employed	-1.9 (1.9)	-780 (700)
Household Income: \$10,000-\$24,999	4.2 (1.4)***	2,039 (523)***
Household Income: \$25,000-\$49,999	7.6 (1.4)***	4,666 (497)***
Household Income: \$50,000-\$74,999	9.1 (1.9)***	6,747 (680)***
Household Income: \$75,000+	11.1 (2.4)***	8,709 (860)***
Health Insurance	-2.0 (1.1)*	-634 (401)
Self-Employment Experience	-2.0 (1.1)*	-767 (411)*
Has Management Experience	1.1 (1.1)	742 (398)*
Family Supports Effort	0.7 (1.8)	1,312 (656)**
Family Member Works to Support	0.2 (1.1)	-330 (386)
UI Receipt at Program Entry	21.2 (1.2)***	5,972 (442)***
UI Weeks Collected, 12 Months Prior	-0.1 (0.0)***	-23 (10)**
Prior Quarterly Earnings, Quarter 1	3.2 (1.4)**	629 (513)
Prior Quarterly Earnings, Quarter 2	-1.2 (1.5)	-818 (543)
Prior Quarterly Earnings, Quarter 3	4.0 (1.6)**	1,294 (590)**
Prior Quarterly Earnings, Quarter 4	0.6 (1.4)	200 (520)
Constant	5.1 (3.9)	-1,716 (1,407)
Observations	435	435
R-Squared	0.3200	0.3684
F-Test p-value	0.0000	0.0000

Note: Reported are linear regression estimates with standard errors in parentheses. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

Exhibit E.8: Full Regression Results, Quarterly Earnings After Program Entry, Virginia

	Quarterly Earnings After Program Entry					
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	Quarter 6
Treatment Group	-72 (143)	-292 (185)	-148 (221)	-64 (250)	175 (265)	232 (300)
Male	239 (131)*	275 (169)	366 (203)*	340 (228)	449 (241)*	476 (271)*
Race: White	327 (264)	30 (342)	775 (410)*	394 (454)	624 (483)	157 (537)
Race: Black	238 (272)	236 (352)	999 (422)**	624 (468)	451 (499)	161 (556)
Age: 55+ Years	-74 (143)	60 (185)	155 (222)	174 (253)	89 (268)	147 (303)
High School Diploma	142 (177)	2,323 (229)	248 (274)	333 (308)	329 (329)	419 (372)
Some College/Associate Degree	153 (193)	5.48 (250)	149 (300)	447 (336)	583 (355)	460 (401)
College Degree	372 (207)*	351 (267)	350 (321)	402 (362)	283 (385)	731 (441)*
Married	120 (172)	108 (223)	202 (267)	156 (300)	113 (318)	108 (362)
Never Married	44 (194)	-200 (251)	-178 (301)	52 (337)	378 (358)	376 (407)
Household Size	31 (43)	-8.03 (56)	-41 (67)	-38 (75)	-74 (79)	14 (89)
Disabled	-686 (271)**	-510 (351)	440 (421)	-208 (479)	-767 (506)	-1,040 (566)*
Born in the US†	-37 (356)	385 (461)	129 (553)	259 (622)	218 (660)	325 (728)
Employed in Salary Job	1,767 (275)***	1,452 (356)***	1,234 (427)***	1,349 (475)***	1,241 (505)**	678 (576)
Self-Employed	85 (246)	118 (318)	323 (382)	124 (436)	-294 (459)	-335 (534)
Household Income: \$10,000-\$24,999	101 (184)	248 (238)	308 (285)	574 (321)*	666 (336)**	959 (379)**
Household Income: \$25,000-\$49,999	231 (174)	396 (226)*	422 (271)	596 (305)*	1,124 (325)***	1,511 (368)***
Household Income: \$50,000-\$74,999	172 (239)	536 (309)*	416 (371)	495 (416)	588 (447)	727 (501)
Household Income: \$75,000+	624 (302)**	902 (391)**	1,055 (469)**	1,857 (531)***	2,160 (566)***	2,532 (635)***
Health Insurance	58 (141)	1.50 (183)	-33 (219)	-336 (247)	-338 (261)	-322 (294)
Self-Employment Experience	10 (144)	-122 (187)	3.40 (224)	75 (255)	12 (280)	-91 (306)
Has Management Experience	-172 (140)	8.50 (181)	-120 (217)	17 (244)	-59 (259)	64 (293)
Family Supports Effort	-688 (231)**	-787 (298)***	-434 (358)	-461 (395)	-432 (410)	-612 (465)
Family Member Works to Support	-145 (136)	255 (176)	-276 (211)	-172 (237)	-45 (252)	-217 (286)
UI Receipt at Program Entry	116 (155)	0.376 (201)	152 (241)	312 (273)	487 (291)*	499 (333)
UI Weeks Collected, 12 Months Prior	-1.77 (3.68)	334 (4.76)	10 (5.71)*	7.93 (6.46)	12 (6.91)*	8.50 (7.95)
Prior Quarterly Earnings, Quarter 1	-185 (180)	6 (233)	185 (280)	168 (312)	77 (335)	235 (387)
Prior Quarterly Earnings, Quarter 2	64 (191)	-52 (247)	297 (296)	89 (329)	121 (345)	-112 (401)
Prior Quarterly Earnings, Quarter 3	-284 (207)	-95 (268)	-9 (322)	157 (356)	-358 (375)	-259 (428)
Prior Quarterly Earnings, Quarter 4	35 (183)	920 (237)	61 (284)	-197 (316)	-190 (336)	-2 (388)
Constant	746 (495)	920 (640)	150 (768)	51 (870)	14 (916)	175 (1,042)
Observations	435	435	435	435	435	435

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	
R-Squared	0.0694	0.0471	0.0344	0.0396	0.0596	0.0653
F-Test p-value	0.0000	0.0028	0.0941	0.0545	0.0010	0.0010

Note: Reported are linear regression estimates with standard errors in parentheses. †= Born in the US dropped in some models due to collinearity. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.