



# Case Management for Self-Employment Success: Emerging Lessons from the Self-Employment Training Program

By Samia Amin, Caroline Massad Francis, and Irma Perez-Johnson • June 2016

## Background:

The **Self-Employment Training** pilot program is testing strategies to support dislocated workers who want to start their own businesses. Unemployed and underemployed workers who propose businesses in their fields of expertise are eligible.

Participants receive free access to up to 12 months of case management, training, and technical assistance from microenterprise providers experienced in business development, as well as up to \$1,000 in microgrant funds.

SET is offered in four sites:

- Chicago, Illinois
- Cleveland, Ohio
- Los Angeles, California
- Portland, Oregon

The program enrolled 1,981 participants between July 2013 and January 2016.

The U.S. Department of Labor awarded a contract to Mathematica Policy Research to design the SET pilot program; recruit and support local organizations (4 state agencies, 6 local workforce boards, and 11 microenterprise providers) to implement the program; conduct an implementation analysis to examine its feasibility; and conduct a random assignment study to measure its effects. This brief is one of five on emerging lessons from the pilot program. Others examine the offer of SET microgrants, SET outreach, characteristics of SET participants, and their experiences with SET.

The Self-Employment Training (SET) pilot program is testing the benefits of using case management to support aspiring small business owners. As part of case management, SET advisors at experienced, carefully vetted microenterprise providers offer program participants business development assistance that is timely, sustained, and customized. Specifically, SET advisors promptly engage participants in the program, provide monthly follow-up and assistance, and customize services based on the participants' business development needs and progress.

This brief presents early findings on the implementation of SET case management, from the program's start in July 2013 through April 2015. Our assessment draws on data from the program's management information system (MIS), site visits, calls with providers, and case study interviews with 12 participants. Because the program is still ongoing as of September 2015, the qualitative findings in this brief are preliminary and based on a partial sample of program participants. The study's final report in 2018 will include data from a follow-up survey with the full sample of participants, causal results from the impact assessment of the program, and updated implementation results.

## EMERGING LESSONS FROM OUR STUDY OF SET CASE MANAGEMENT:

- **The SET case management model can be implemented with fidelity.** Most participants received timely and sustained case management interactions. Among assigned participants, 89 percent had in-person intake meetings and intake occurred within 2 weeks of program acceptance on average, as required. Among those who received intake, 55 percent received timely monthly check-ins and 41 percent received quarterly assessments. As expected, most microenterprise providers used case management to customize services to address participants' needs.
- **Participants found SET case management useful.** All 12 interviewed participants considered the SET case management approach very valuable. Survey results will provide additional information from the full sample of SET study participants.
- **SET advisors at most microenterprise providers agreed that case management is helpful for some participants but noted implementation challenges.** SET advisors shared that case management could help participants gain confidence, take a step-by-step approach to completing their business plans, develop realistic expectations and strategies, and avoid pitfalls. They noted that declining participant responsiveness over time and difficulties using the study's tracking system to support follow-up made the approach time-consuming and costly to implement.
- **If SET is found to be effective and worth offering more broadly, improving supports for case management may be helpful.** Potential improvements include increasing funding for providers to pay for staff time to deliver and track case management, providing additional assistance for integrating case management into providers' existing service delivery models, and making available a data system that facilitates the case management approach.

## WHY OFFER CASE MANAGEMENT TO ASPIRING SMALL BUSINESS OWNERS?

The goal of the SET program is to identify supports that can help dislocated workers – unemployed or underemployed workers – become reemployed by starting their own businesses in areas related to their fields of expertise. Mathematica Policy Research, in collaboration with the U.S. Department of Labor (USDOL), decided to test case management as a key element of the SET program model. As discussed below, a review of the literature suggests that case management may be a promising approach for helping dislocated workers start businesses. However, it is not widely offered and has not been rigorously tested. This study, funded by USDOL and conducted by Mathematica evaluates case management as one of the key elements of the SET program model.

### BOX 1: ABOUT THE SET STUDY

Mathematica Policy Research is conducting implementation and impact analyses on the feasibility and effects of the SET program. This brief examines the implementation of case management and draws on the following data sources:

- **MIS data** submitted by microenterprise providers on participants' receipt of services and seed capital microgrants, and their progress toward key business development milestones. All providers used the same MIS, which was developed for the SET pilot program.
- **Monitoring data** gathered through regular phone calls with microenterprise provider staff, conducted between September 2014 and April 2015.
- **Site visit data** from one round of visits to all microenterprise providers in the SET study sites conducted 12 to 18 months after program launch. These data include information from in-depth interviews with 32 staff at microenterprise providers (including directors of microenterprise providers, SET advisors, and administrative support staff) and from reviews of participants' case files.
- **Case study interviews** with 12 SET participants to explore their experiences with and perspectives on the program. The purposively selected sample consists of: (1) seven more successful participants who made progress toward developing their businesses (that is, they completed business plans, registered their businesses, and received SET seed capital microgrants) and (2) five less successful participants who engaged in the program for at least five months but did not achieve key milestones or receive microgrants. The interviewed sample includes participants from all 11 providers in all 4 sites, with 4 from Chicago, 4 from Cleveland, 2 from Los Angeles, and 2 from Portland. The final implementation study will include case interviews with a total of 36 participants; the proportions of respondents interviewed will reflect provider assignments.

A follow-up survey of the full sample of SET program participants conducted for the random assignment impact study will provide additional information on participants' receipt of and perspectives on case management (Up to 2,000 eligible applicants will be randomly assigned to the program group and control group with equal probability). A final report with impact and updated implementation findings is expected to be completed by fall 2018. For more information on the SET program design and study, please see Amin et al. (2013).

**Case management that offers timely, sustained, and customized assistance can be helpful for emerging entrepreneurs.** Research suggests that “on-call” focused advice and assistance and “just-in-time” training provided by a mentor may be more effective for aspiring business owners than the general start-up classes that microenterprise providers typically offer. This may be because many new businesses face risks and challenges that are too diverse to identify up front (Sullivan 2000; Schreiner and Woller 2003). However, the case management approach has not been tested for the dislocated worker population.

**Case management may be especially useful for dislocated workers.** Non-experimental research suggests that dislocated workers face challenges that may differ from those of other aspiring business owners. Job displacement has been associated with declines in workers' physical and psychological well-being. These workers can experience heightened anxiety and loss of self-esteem, self-confidence, and sense of purpose (Brand 2015). All these factors can hamper workers' efforts to become reemployed or self-employed. Providing sustained one-on-one encouragement and support may help dislocated workers overcome roadblocks to starting their own business.

We conducted field research during program development in 2011 to 2012. Based on this research, we determined that the customization of services likely to result from case management may be especially helpful for dislocated workers. Although dislocated workers have industry-specific expertise or skills that may facilitate starting a business, they often lack business development knowledge and experience (for example, in financial planning, marketing and human resource management). Trying to master all of these skills at the same time can be overwhelming.

Interviews with microenterprise service providers in the SET study sites confirmed the limited availability of one-on-one support for aspiring business owners. These providers told us that, while they frequently offered free or low-cost group trainings and workshops for new entrepreneurs, they tended to offer only a few hours of one-on-one support per participant, due to staffing and other resource constraints. In addition, many providers reserved such support for clients who had already reached key milestones (such as completing a business plan, beginning business operations, starting to make sales, or hiring additional staff) or charged a fee for such assistance.

## HOW WAS SET CASE MANAGEMENT STRUCTURED?

To test the case management approach, we targeted metropolitan areas with a strong network of microenterprise providers, and within those areas we selected microenterprise providers who appeared to have the capacity to deliver three types of case management interactions:

- **Prompt, in-person intake meetings.** Providers must check the SET MIS daily for the new participants we assign to them. Then they must assign a SET advisor to conduct intake with each new participant within two weeks. During intake, the SET advisor should focus on understanding the participant's business idea, stage of business development, and needs. The SET advisor should also work with the participant to devise a service plan that will help him or her make progress toward developing the business.
- **Monthly check-ins.** At least once a month, the SET advisor must meet with the participant over the phone or in person or check in by email. The SET advisor should use this check-in to understand progress made since the last meeting, identify new business development needs, and provide additional assistance if needed.
- **In-person quarterly reassessments.** Every quarter, the SET advisor must hold an in-person meeting with each participant. During this reassessment, the SET advisor should take stock of the participant's overall progress since intake, reevaluate the participant's needs, and update the service plan. Participants could receive up to three quarterly reassessments during their time in SET.

To encourage client responsiveness, SET advisors could stress to participants that their satisfactory engagement with the program was a precondition for seed capital receipt.

The SET advisors were expected to use the case management interactions noted above to connect individual participants to customized services and supports (such as business development training, technical assistance, and coaching) and to adjust those services and supports as participants' needs evolved. SET advisors could provide services directly, through referral to trainings and other resources available at their own organizations, or through referrals to external partners. The microenterprise

providers were required to submit monthly updates on their case management interactions with individual participants, services and supports provided, and participants' overall progress. These updates were submitted in the SET MIS that we developed for the pilot program. To incentivize microenterprise providers to deliver timely, sustained, and customized support to SET participants, the providers had to report completing key case management interactions to receive payment (see Box 2).

### BOX 2: STRUCTURE OF SET MICROENTERPRISE PROVIDERS' COMPENSATION

Providers received a mix of upfront and pay-for-performance payments. For each referred participant, microenterprise providers could receive up to \$825 per participant:

- An **initial commitment** payment of \$100 for each participant they agreed to serve during the program's full implementation period; local providers agreed to serve 50 to 300 referred SET participants.
- An **intake payment** of \$400 for each referred participant for whom they complete intake; this payment is intended to cover the costs of the initial assessment, service planning, and service delivery.
- Up to three **ongoing engagement payments** of \$75 per participant for conducting quarterly reassessments and delivering services in each month of the preceding quarter, for a maximum of \$225 per participant.
- A **milestone payment** of \$100 for each participant who completes a satisfactory business plan.
- A **termination payment** of \$25 for each participant who leaves the program early prior to the last quarter in the program, to encourage providers to formally close out participants who are no longer actively engaging with the program. This payment was offered in lieu of one or more quarterly payments for participants who were terminated early; therefore it did not count towards the maximum of \$825 per participant.

### WAS SET CASE MANAGEMENT DELIVERED AS PLANNED?

To assess the microenterprise providers' adherence to the SET case management model, we began by examining quantitative MIS data to determine whether the providers delivered the key case management interactions in a *timely* and *sustained* way (See Box 3). Next, we analyzed qualitative data from the site visit interviews, technical assistance calls, and notes entered by microenterprise provider staff in the SET MIS, to examine whether the providers delivered *customized* services and supports to SET participants. Below we present the findings from these analyses.

### BOX 3: ASSESSING FIDELITY TO DELIVERING TIMELY AND SUSTAINED CASE MANAGEMENT

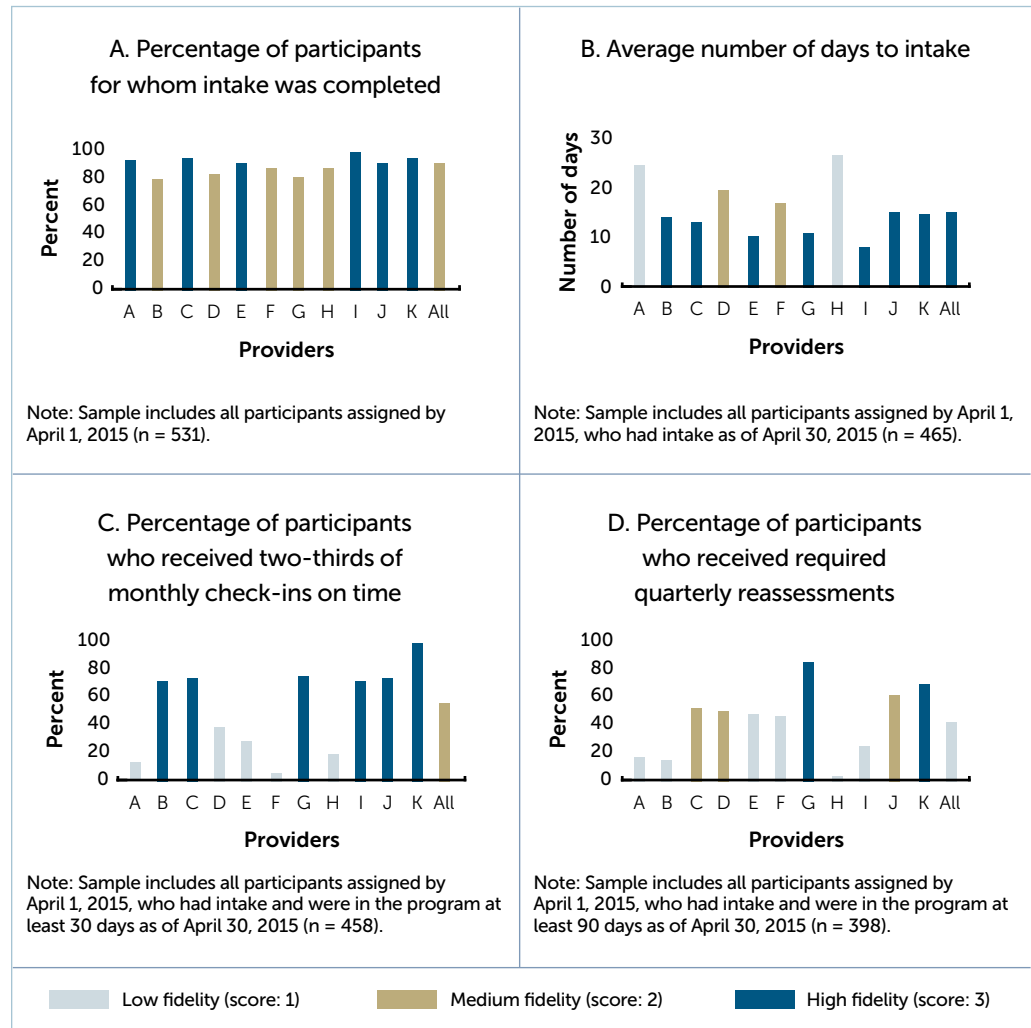
We used four indicators to determine whether case management interactions were timely and sustained. For these indicators, we examined SET MIS data for case management interventions delivered as of April 30, 2015, for the 531 participants assigned to the SET program as of April 1, 2015. To assess fidelity, we examined whether (1) intake happened, (2) intake was timely, (3) monthly check-ins occurred on time, and (4) quarterly reassessments were conducted when due. For each indicator, we assigned a ranking of low, medium, or high fidelity (scored 1, 2, or 3). Definitions, scoring criteria, and the sample included for the indicators are described in the appendix.

We also assigned to providers aggregate fidelity scores for delivering timely and sustained interactions, by totaling the fidelity scores for the four indicators mentioned above (weighting each one equally). The total maximum score a provider could attain was 12.

## WERE SET CASE MANAGEMENT INTERACTIONS TIMELY AND SUSTAINED?

**Almost all microenterprise providers successfully conducted in-person intake meetings.** Across all providers, 89 percent of assigned participants received an in-person intake meeting. Six of 11 providers showed high fidelity by conducting intake for over 90 percent of assigned participants (see Figure 1a). The remaining five providers had moderate fidelity by conducting intake for 75 to 90 percent of assigned participants.

**Figure 1. Providers' fidelity in provision of timely, sustained case management interactions**



<sup>1</sup> We worked intensively with the three providers that received low fidelity ratings to remediate their performance. One of these providers received the low fidelity rating according to MIS data and two according to site visit data. One of the three providers has shown substantial improvement but two have not and, as of August and November 2014, were no longer being assigned new SET participants. Of the 531 total SET participants included in the sample, 72 (13.6 percent) were served by the two low fidelity providers whose performance failed to improve.

Source: MIS data entered as of April 30, 2015, for all participants assigned by April 1, 2015. See Appendix Table 1 for scoring methodology applied.

Note: See Appendix Table 2 for detailed data on provider performance. Provider G was assigned only five participants; therefore, any findings related to this provider should be interpreted with caution.

**A majority of microenterprise providers conducted intake meetings within the required two weeks.** For SET participants who received an intake meeting, the meetings took place 16 days on average after they were accepted into the program. Seven of the 11 microenterprise providers demonstrated high fidelity by conducting intake within 16 days on average or less (see Figure 1b). Two demonstrated moderate fidelity and conducted intake within three weeks on average. Two demonstrated low fidelity, taking longer than three weeks on average to complete participants' intake meetings.<sup>1</sup> The gap between the lowest and highest fidelity providers is substantial—one provider met with participants in a little over a week on average, whereas another took closer to a month on average to conduct intake.

**Program features may have contributed to providers' fidelity to SET intake requirements.** One incentive for microenterprise providers to complete intake meetings promptly may have been that close to half of their total per participant payment is benchmarked to completing the intake meeting (see Box 2). Another factor could have been that the program acceptance letter encouraged participants to call their assigned microenterprise provider to schedule an intake meeting. Participants may have been more enthusiastic and therefore easier to engage in program services at this stage of the program.

**About half of the microenterprise providers completed participant check-ins on time.** To assess the timeliness of check-ins, we examined whether participants for whom intake was conducted received at least two-thirds of their monthly check-ins on time. Importantly, a check-in was only considered complete if the participant *responded* to the provider's efforts to establish contact. Since not all attempts at conducting monthly check-ins would have resulted in a successful check-in, our measure may be interpreted as providing a lower bound on fidelity with this aspect of the SET model. Overall, 55 percent of participants *received* timely monthly check-ins. Six of the 11 microenterprise providers showed high fidelity by completing timely check-ins for more than two-thirds of the participants assigned to them (see Figure 1c). The remaining five providers demonstrated lower fidelity, completing timely check-ins for less than one-third of their assigned participants.

Conducting in-person quarterly reassessments was challenging for most microenterprise providers due to poor participant engagement. We examined whether participants for whom intake was conducted and who were in the program at least three months received all of their quarterly reassessments. Overall, 41 percent of these participants received all of the quarterly assessments that were due. Only two providers showed high fidelity by completing all required quarterly reassessments for more than two-thirds of participants assigned to them (see Figure 1d). Six providers demonstrated low fidelity, conducting quarterly reassessments for less than half of their assigned SET participants. Three providers demonstrated moderate fidelity.

**Across the four indicators, nearly all of the microenterprise providers delivered timely and sustained case management with moderate or high fidelity.** Four of the 11 providers appeared to deliver timely and sustained case management with high fidelity; six with moderate fidelity; and one with low fidelity (see Figure 2). Qualitative data from our site visits and monitoring technical assistance generally corroborate these MIS-based findings with two exceptions. Two providers that received a moderate fidelity rating based on the MIS data were judged to be low fidelity based on interviews and case reviews conducted during site visits.

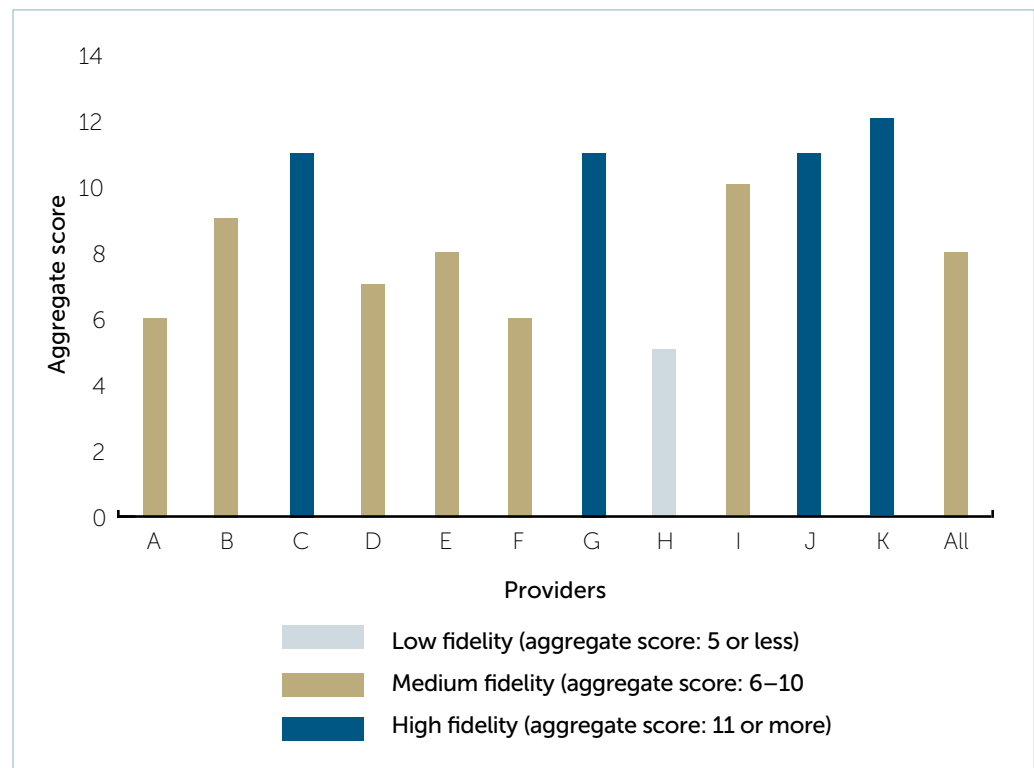
**Implementation fidelity was not related to organization size, the number of staff devoted to SET, and SET advisors' caseloads.** The microenterprise organizations that we recruited to serve as SET providers ranged in size from several dozen employees to fewer than 10 staff. The providers' fidelity did not appear to vary with the organization size, the number of staff involved in SET (advisors and administrative support staff), nor the caseload per SET advisor. Most providers assigned two staff members to work as SET advisors and administrative support staff. Two providers had just one person each assigned to SET and one provider had seven staff members devoted to SET.

## **DID PROVIDERS UNDERSTAND THE GOALS OF CASE MANAGEMENT AND TAILOR SET SERVICES TO PARTICIPANTS' NEEDS?**

To assess whether providers structured case management interactions as planned and used these interactions to customize services, we relied primarily on qualitative data sources (see Box 1, "About the SET Study," for more details on data sources). We did not assign fidelity rankings to these aspects of case management because they were more subjective and likely to evolve over time.

SET advisors clearly understood the intake meeting objectives and approached them systematically at 10 of the 11 microenterprise providers. These SET advisors reported using intake to discuss the



**Figure 2. Fidelity to timely and sustained case management interactions**

Source: Aggregate fidelity scores were computed using data from the SET MIS on intake, check-in, and quarterly reassessment meetings.

Note: Provider G was assigned only five participants and any findings related to this provider should therefore be interpreted with caution.

participant's business idea, business development progress, and appropriate services and next steps. Providers varied in the degree to which they developed a detailed service plan during intake. SET advisors at a few providers reported focusing only on immediate next steps to avoid overwhelming their assigned participants. Several used the meeting to give participants a more comprehensive road map of what the program could help them achieve.

**SET advisors understood the objectives of the monthly check-in at all microenterprise providers, but only those at eight providers approached the check-ins systematically.** SET advisors at three providers did not follow up with assigned participants systematically and relied on participants to seek follow-up. SET advisors at all but one provider reported using a mix of in-person meetings, phone calls, and email to check in with participants. (The advisors at the remaining provider used email exclusively for check-ins.) SET advisors at some providers described a fairly structured and in-depth approach: they hold in-person or phone check-ins that run for one-half hour to one hour, during which they ask participants about progress toward goals discussed at prior meetings, identify bottlenecks, propose solutions, and provide technical assistance. SET advisors at other providers described a lighter-touch approach, mostly using email or phone to find out about participants' activities and ask if they need any additional help.

**At least one SET advisor at 6 of 11 microenterprise providers did not clearly understand the difference between the objectives of the quarterly reassessments and the monthly check-ins.** These advisors worked for microenterprise providers that encouraged their staff to conduct more in-depth monthly check-ins and described them as serving the same function as quarterly check-ins. Although quarterly reassessments were not originally intended to provide in-person technical assistance and monthly check-ins were not intended to adjust participants' service plans, most provider staff reported using the meetings interchangeably for these purposes.

**SET advisors provided or linked participants to customized assistance tailored to their needs at 8 of the 11 providers.** During site visits and monitoring calls, these SET advisors could discuss the selected participants' cases in detail, including their background, progress toward developing their businesses, and needs for technical assistance and other services. The MIS meeting notes submitted by these providers carefully recorded participants' progress, needs, circumstances, and services provided. In contrast, three of the 11 providers (deemed to be low fidelity based on MIS data or site visit data) did not appear to provide customized services; instead they referred participants to nearly identical services and used generic language to describe participants' progress, bottlenecks, and needs. These providers' MIS notes provide little detail on how participants navigated self-employment over time.

Much of the technical assistance that all providers reported delivering to participants focused on completing their business plans, particularly financials and break-even analyses. Moderate and high fidelity providers reported providing additional participant-specific assistance. This could range from conducting market research, providing guidance on setting price points for products, assisting with developing a brand image, helping with website design and improvement, providing guidance on business registration, facilitating introductions to individuals in relevant industries, providing coaching on self-presentation and marketing, and accompanying participants to networking and sales events.

## WHAT WERE PROVIDERS' VIEWS ON SET CASE MANAGEMENT?

Since SET case management is not widely offered by microenterprise providers, providers' perspectives and experiences with the model can shed light on its feasibility. Overall, providers saw the benefits of case management but noted several challenges in implementing it in the context of a pilot program.

**SET advisors at almost all microenterprise providers reported that the supports provided through SET case management were very helpful to some participants.** The only exception was a low-fidelity provider that did not conduct much case management as prescribed by the model. According to SET advisors at eight providers, participants fell into the following three groups—two of which took advantage of case management enough to potentially benefit:

1. **Enthusiastic participants** were motivated and proactive about their business idea. Provider staff perceived these individuals as being very responsive to and benefiting from case management because they embraced and followed through on the advice they received from SET advisors and other staff.
2. **Ambivalent participants** were not confident that self-employment was the right option for them. Provider staff thought that case management could be helpful for these individuals but requires more effort. Over time, some of these participants see the benefits of regular engagement and become more committed to SET and setting up a business, but others become less responsive, especially if they face financial pressures or other challenges in their daily lives.
3. **Unmotivated participants** were not engaged from the beginning and their reasons for applying to SET seemed unclear. According to provider staff, members of this group tended to be very unresponsive to follow-up and some even delayed showing up for intake. Provider staff were skeptical that these participants would benefit from SET case management.

SET advisors described a number of ways in which case management provides opportunities to assist participants who engage with the program, including helping them to:

- **Develop confidence to pursue and persist in establishing their business.** Some SET advisors mentioned “counseling” or “therapy” as part of their role in helping participants navigate self-employment. According to some SET advisors, participants can be in a state of shock and/or angry at having lost their jobs. Even once they engage and get started, these unemployed



participants are at greater risk of getting derailed by challenges ranging from illnesses, strained finances, divorce, loss of housing, and other issues. Having someone who supports them in a stressful time is helpful.

- **Take a step-by-step approach to developing a business plan.** SET advisors at several microenterprise providers noted that, understandably, some participants can get overwhelmed with all the startup tasks of establishing a business. The business plan can be especially intimidating. Some have trouble translating their big ideas into concrete steps. They can struggle with identifying priority tasks and focusing on them. SET advisors at several providers indicated that their participants appreciate having someone break startup tasks into manageable “assignments.” The regular check-ins allow providers to hold participants accountable for progress on those tasks. Some SET advisors indicated that enthusiastic participants value this accountability a lot while other participants can feel harassed by it.
- **Develop realistic expectations.** SET advisors at most providers cited examples of participants seeking to pursue ventures that were not feasible given available resources. SET advisors discussed how they helped these participants downsize their original ideas to more attainable targets. Strategies that SET advisors adopted included helping participants develop realistic financial projections, understand their own financial constraints, conduct market and competitor research, and focus on identifying and understanding their target customers.
- **Avoid pitfalls.** SET advisors at some providers indicated that providing individualized attention to participants enables them to help participants avoid mistakes they might otherwise have made. Potential mistakes include paying for services that are available for free, falling prey to predatory lending, and sinking time and resources into unrealistic ventures. Some SET advisors indicated that these benefits hold even for ambivalent or unmotivated participants. Understanding the level of effort and risks associated with self-employment may help some participants realize sooner that they might be better off focusing on finding wage or salaried employment.

Despite these perceived benefits of case management, microenterprise provider directors, SET advisors, and/or administrative support staff at all 11 microenterprise providers also noted challenges in implementing it. The most frequently cited challenges included:

- **High rates of nonresponse and no-shows.** SET advisors and administrative support staff at eight providers noted that, in order to schedule and complete a single check-in, they often had to email or call participants repeatedly. Some participants do not respond to scheduling requests and others respond but fail to show up for scheduled meetings. Working with unresponsive participants added administrative burden and SET advisors at three providers shared their frustration that this time took away from serving more committed participants.
- **Declining participant responsiveness over time.** Microenterprise provider directors and/or SET advisors at most microenterprise providers indicated that sustaining regular engagement with participants becomes more challenging over time, even for enthusiastic participants. SET advisors at 8 of 11 providers indicated that this is especially true once people complete their business plan and receive their seed capital microgrant funds. (As discussed in a separate brief on SET seed capital microgrants, analysis of MIS data for microgrant recipients suggests that these individuals typically took six months to qualify for and receive microgrants.<sup>2</sup>) SET advisors described a number of other potential contributing factors for declining responsiveness. Some participants become too busy running or growing their businesses. Others run out of unemployment benefits and need to take part-time employment, face personal or family issues, or develop a more realistic understanding of the level of time and commitment required to launch a business, and change their mind about pursuing self-employment.

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<sup>2</sup> See related brief: What Does \$1,000 in Seed Capital Buy? Emerging Lessons from the SET Program’s Offer of Microgrants for Business Start Up (Anderson et al. 2016).

- **Difficulties using the SET MIS to support case management.** SET advisors at 10 of the 11 microenterprise providers indicated that the SET MIS did not facilitate participant tracking to support case management. Commonly cited problems were: (1) the lack of a single view that would display all interactions with a given participant or the status of all assigned participants; and (2) being unable to integrate reminders to staff about upcoming case management meetings. SET advisors and/or administrative support staff at several providers developed spreadsheets to track all participants and the action steps required. Entering data twice for SET participants co-enrolled in other programs exacerbated these frustrations. The level of detail required and topics covered did not align between SET and the participants' other programs.
- **SET requirements for follow-up and data entry were time consuming.** Microenterprise provider directors, SET advisors, and/or administrative support staff at 10 of the 11 microenterprise providers noted that the requirements for monthly follow-up and MIS data entry were more labor-intensive than they had anticipated. Permitting more rapid termination of unresponsive participants appeared to lessen but not fully alleviate such concerns. SET advisors appreciated the discretion to terminate participants. In practice, however, they hesitated to exercise the option without a lapse of several months for fear of being insensitive to participants' genuine constraints (such as illness or a family emergency).
- **SET compensation was not adequate.** Microenterprise provider directors and/or SET advisors at 8 of 11 providers indicated that the SET compensation model does not fully cover their costs. This is especially true because providers often do not get the maximum potential payment for each participant of \$825. As described in Box 2, almost one-third of the per-participant payment is linked to ongoing engagement. Low participation rates in quarterly reassessments (\$75 per completed quarterly assessment) deprive providers of these payments, even if they devote time to reaching out to participants. Similarly, since 40 percent of participants who persisted in the program for eight months did not complete satisfactory business plans, providers often also forego that performance payment (\$100 per participant) for many participants.

## WHAT WERE PARTICIPANTS' VIEWS ON CASE MANAGEMENT?

Participants' perspectives on their experiences with case management provide insights on its desirability and the likely demand for these types of services. Below we present the perspectives of 12 purposively selected individuals on SET case management including individuals who had and had not met key business development milestones. (See Box 1 for more details on respondent selection.) Findings from the follow-up survey will provide perspectives on case management from the full sample of SET participants. **All interviewed participants reported that case management was an important feature of SET.** Ten of the 12 participants interviewed said that case management was among the most useful features of the SET model. Two participants assigned to low-fidelity providers reported that providers did not sufficiently customize assistance or follow-up, and listed these as the primary areas of improvement for SET going forward. Participants' responses echoed providers' perspectives on the ways in which case management can be helpful:

- **Building confidence for self-employment.** One SET participant stated, "[Without SET] I would have been doing everything on my own and it would have been trial and error. It would probably have been too overwhelming, too much risk. I wouldn't know where to start. It's too daunting. I would just get a regular job." Another participant who noted lacking confidence prior to SET said, "I didn't feel strong enough to pursue...a small business. Check-ins gave me motivation...Touching base was really good. It was good to know there was support there if I needed." Notably, with the exception of one participant who was hired for a job similar to her startup idea, all other participants interviewed have continued to work on their businesses—even those who have taken up part-time employment. Eight of the 12 participants interviewed reported earning revenues through their businesses.

- **Developing actionable business plans.** Several participants reported that SET advisors made the business plan less intimidating by dividing it into sections. Some noted that the SET advisors' persistent follow-up motivated them to make faster progress on the business plan than they might have on their own. Several participants appreciated their advisors' focus on making the plans more thorough. One participant said, "He [the SET advisor] really pushed me [to] dig a lot deeper within myself and get the next best thing out versus kind of just going with the bare minimum just to get it done. They really helped me to be prepared in case I needed [the business plan] to acquire different funding." Completing the business plan gave participants a sense of clarity and direction.
- **Developing a roadmap for business startup.** Several participants noted that prior to SET there were many things that they did not know about starting a business. Having an experienced business development professional as a SET advisor who could identify their blind spots, help create a roadmap for business launch, and focus their attention on the most important tasks to prioritize was invaluable according to these respondents.

Participants also highlighted additional ways in which case management was helpful, including:

- **Providing a source of timely answers to questions, which enabled participants to progress faster.** One participant noted that the primary benefit of SET was "having someone as knowledgeable as [the SET advisor] answering all of your questions." Several participants echoed this view. Some especially appreciated SET advisors' timeliness, saying they received responses within a day. One participant marveled that her SET advisor "always answers my calls" and is "able to help right there on the spot, with very clear answers and resources." Participants indicated that such assistance helped them minimize mistakes and make decisions sooner. Conversely, two participants assigned to low-fidelity providers noted their frustration at the advisors' inaccessibility and noted that it delayed their progress and affected their morale.
- **Linking participants to the existing self-employment assistance infrastructure.** Five participants noted that prior to participating in SET they were not aware of the support provided by the Small Business Development Centers (SBDCs), local chamber of commerce, and other organizations. As one participant stated, "If I hadn't gone to SET, I wouldn't have known about [the provider, which is an SBDC]. Once I found out about [the SBDC], a whole other world [became] possible." Having established relationships with these providers, these respondents reported feeling that they can always return for more help. At least three participants mentioned referring others to obtain assistance from these organizations.

## WHAT TECHNICAL ASSISTANCE WAS REQUIRED TO SUPPORT SET CASE MANAGEMENT?

The Mathematica study team worked intensively with service providers to promote adherence to the SET case management approach and other aspects of the intervention. We had designated staff from our team to serve as site liaisons who were responsible for monitoring providers' performance, addressing providers' questions, and providing training and technical assistance. In this section, we discuss our site liaisons' experiences supporting the SET case management approach.

**SET case management required initial and ongoing training, as well as monitoring and technical assistance.** SET was a new approach for most of the participating microenterprise providers—only 2 of the 11 providers offered similar case management to their usual clients. Providers new to case management needed intensive initial training, as well as ongoing technical assistance and close oversight. For 5 of 11 providers, we devoted several days each month for three to eight months to providing technical assistance on the SET case management model.<sup>3</sup> Although provider staff have needed less help as they have gained experience with SET, because of staff turnover at 9 of the 11 providers, we have had to conduct refresher trainings on the SET case management model and SET MIS.

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<sup>3</sup> For two of these providers, a relatively short period (three to four months) of technical assistance involving email reminders to update their MIS records, meetings to discuss concerns with the SET advisors or with provider management, and/or refresher training resulted in a rapid remediation of concerns. For 3 of 11 providers, eight months or more of intensive technical assistance have been needed to address concerns about fidelity to the SET case management approach and incomplete recordkeeping—for 2 of these providers these efforts were unsuccessful and no more participants are being assigned to them.

**Conducting monthly meetings facilitated oversight and technical assistance.** During site visits, we discovered that providers did not always approach us for help with implementing case management. Thus, we initiated monthly monitoring phone calls to: (1) encourage providers to request technical assistance, (2) discuss potential inconsistencies with implementing the case management model, and (3) learn about and prepare for changes in provider staffing and needs for additional training. During these calls, we ask provider staff if they have any questions or concerns about SET implementation, select three participants at random for the SET advisor(s) to discuss, and inquire about any upcoming changes to SET staffing.

**Providers needed technical assistance on many topics.** Some of these topics include using the MIS effectively, strategies to make case management interactions timely, and reaching out to unresponsive participants. We did not provide upfront technical assistance on integrating a workflow for SET into existing procedures and organizing SET follow-up tasks to accommodate advisors' other workload, but such support might have been helpful. Providers who had conducted this type of planning at program launch appeared to implement the SET program model with more fidelity.

**Having a performance-based payment scheme was useful for monitoring and enforcing providers' adherence.** Approving the monthly invoice against MIS entries provides an opportunity for us to identify gaps in performance. This then provides a framework for discussing any performance gaps with providers and providing needed technical assistance. Without performance-based payments, we believe it would have been difficult to focus providers' attention on maintaining fidelity to the case-management approach.

**SET MIS was not optimized to facilitate monitoring and oversight.** We developed the SET MIS primarily as a data collection tool for the pilot program, and did not fully anticipate the range of program management activities for which it could be useful. For example, the SET MIS is not designed to generate aggregate reports on providers' performance on key metrics. This has made it time consuming for us to monitor providers' performance and challenging to detect performance shortfalls in a timely fashion. To address this, we explored ways of exporting MIS data and generating aggregate reports using alternate software to facilitate oversight.

## EMERGING LESSONS FROM THE SET CASE MANAGEMENT APPROACH

Early findings on the offer of case management include the following:

- 1. The SET case management model can be implemented with fidelity.** A majority of microenterprise providers delivered timely and sustained case management interactions and customized services to meet participants' needs.
  - **Most participants received timely and sustained case management support.** Among assigned SET participants, 89 percent had in-person intake meetings and intake occurred within 16 days on average, as required. Among those who received intake, 55 percent also received timely monthly check-ins and 41 percent received quarterly assessments.
  - **Most providers appeared to customize services to participants' needs.** Eight of the 11 providers customized services including assistance with the business plan and with an array of business development topics and participant needs.
- 2. Participants found the SET case management approach very valuable.** All 12 interviewed participants considered one-on-one customized assistance and follow-up important features of SET. Participants indicated that SET case management helped them gain confidence to pursue self-employment, develop actionable business plans, develop and follow roadmaps for business startup, make faster progress by getting timely input, and efficiently link to the microenterprise development resources available in their community. Survey results will provide additional information from SET program participants.

3. **Most microenterprise providers noted that SET case management is helpful for some participants but challenging to implement.** SET advisors at 10 of 11 providers indicated that case management was very helpful to some SET participants. They indicated that it could help participants gain confidence, take a step-by-step approach to completing their business plans, develop realistic expectations and strategies, and avoid pitfalls. SET advisors, microenterprise provider directors, and administrative support staff also noted that declining participant responsiveness over time and difficulties using the SET MIS system to support follow-up made the approach time-consuming and costly to implement.

If SET is found to be effective and worth offering more broadly, our early experiences with SET implementation suggest some potential ways of improving the program's design and implementation procedures:

1. **The level of compensation for service providers may need to increase.** Performance based-incentives have proved to be a useful mechanism for monitoring and enforcing adherence to case management. It seems to have incentivized most providers, and encouraged some of the low-fidelity providers to address gaps in their performance. However, the payment points may need to be adjusted so that providers feel that they have sufficient resources to cover the costs associated with case management.
2. **Regular phone and in-person meetings may be needed, at least in the initial months or years to help microenterprise providers integrate case management into their service model.** This type of support may provide opportunities to calibrate the model to providers' needs. It might also help ensure that staff turnover or reallocation of staff responsibilities do not affect implementation. Working with providers earlier to integrate the SET case flow with the remainder of their work and responsibilities might be helpful.
3. **Developing an MIS that is customized to the case management approach might help providers implement the SET model with fidelity.** This type of MIS could generate reminders and reports that would help providers manage their case load. It could also generate aggregate reports with relevant metrics to help the oversight team gauge fidelity to SET.

Findings on whether or not the SET case management approach will result in improved employment and self-employment outcomes for SET participants relative to the control group will be analyzed in future briefs when the pilot program has ended and data collection is complete.

**Appendix Table 1. Indicators of Timely Delivery of Case Management Interactions**

Indicator	Definition	Scoring Criteria	Sample
Intake conducted	Proportion of assigned participants who are brought in for intake	1: ≤74 percent of participants 2: 75–89 percent of participants 3: ≥ 90 percent of participants	Assigned participants (n=531)
Intake is timely	Average number of days between participant assignment and intake for those for whom intake is conducted	1: ≥ 22 days 2: 17–21 days 3: ≤ 16 days	Participants with intake (n=465)
Monthly check-ins are conducted when due	Proportion of participants who get at least 2/3 of the monthly check-ins required when they are due	1: ≤ 49 percent of participants 2: 50–67 percent of participants 3: ≥ 68 percent of participants	Participants with intake and in the program for 30+ days (n=455)
Quarterly reassessments are conducted	Proportion of participants who get all the quarterly reassessments they are due to have given their tenure of engagement	1: ≤ 49 percent of participants 2: 50–67 percent of participants 3: ≥ 68 percent of participants	Participants with intake and in the program for 90+ days (n=398)

Source: MIS data entered as of April 30, 2015, for all participants who were assigned by April 1, 2015.

**Appendix Table 2. Providers' fidelity in provision of timely, sustained case management interactions: statistics presented in figure 1.**

Provider	Participants for whom intake was completed <sup>a</sup>		Average number of days to intake <sup>b</sup>		Percentage of participants who received two-thirds of monthly check-ins on time <sup>c</sup>		Percentage of participants who received required quarterly reassessments <sup>d</sup>	
	Percent-age	Rating (1-3 scale)	Average days	Rating (1-3 scale)	Percent-age	Rating (1-3 scale)	Percent-age	Rating (1-3 scale)
A	91	3	25	1	13	1	18	1
B	78	2	14	3	71	3	15	1
C	93	3	13	3	73	3	51	2
D	82	2	20	2	39	1	50	2
E	90	3	10	3	29	1	48	1
F	87	2	17	2	6	1	46	1
G	80	2	11	3	75	3	85	3
H	86	2	27	1	19	1	1	1
I	98	3	8	3	69	3	24	1
J	90	3	15	3	73	3	60	2
K	93	3	15	3	97	3	68	3
All	89	2	16	3	55	2	41	1
<b>Sample size</b>	<b>531</b>	<b>n.a.</b>	<b>465</b>	<b>n.a.</b>	<b>458</b>	<b>n.a.</b>	<b>398</b>	<b>n.a.</b>

Source: MIS data entered as of April 30, 2015, for all participants assigned by April 1, 2015. See Appendix for scoring methodology applied.

Note: Provider G was assigned only five participants; therefore, any findings related to this provider should be interpreted with caution.

<sup>a</sup> Sample includes all participants assigned by April 1, 2015.

<sup>b</sup> Sample includes all participants assigned by April 1, 2015, who had intakes as of April 30, 2015.

<sup>c</sup> Sample includes all participants assigned by April 1, 2015, who had intake and were in the program at least 30 days as of April 30, 2015.

<sup>d</sup> Sample includes all participants assigned by April 1, 2015, who had intake and were in the program at least 90 days as of April 30, 2015.



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