



SOCIAL NETWORKS MAKE A DIFFERENCE:

Family Economic Success

IN A SERIES OF REPORTS ON
SOCIAL NETWORKS FROM
THE ANNIE E. CASEY FOUNDATION

NUMBER FOUR

©2007, The Annie E. Casey Foundation, Baltimore, Maryland

About the Annie E. Casey Foundation

The Annie E. Casey Foundation is a private charitable organization dedicated to helping build better futures for disadvantaged children in the United States. It was established in 1948 by Jim Casey, one of the founders of UPS, and his siblings, who named the Foundation in honor of their mother. The primary mission of the Foundation is to foster public policies, human-service reforms, and community supports that more effectively meet the needs of today's vulnerable children and families. In pursuit of this goal, the Foundation makes grants that help states, cities, and neighborhoods fashion more innovative, cost-effective responses to these needs. For more information, visit the Foundation's website at www.aecf.org.

SOCIAL NETWORKS MAKE A DIFFERENCE:

Family Economic Success

**FOURTH IN A SERIES OF REPORTS
ON SOCIAL NETWORKS FROM
THE ANNIE E. CASEY FOUNDATION**

by Nilofer Ahsan
Center for the Study of Social Policy

*Nilofer Ahsan is a Program Associate at the
Center for the Study of Social Policy in
Washington, DC. Ms. Ahsan is also a
member of the Social Network Team at the
Annie E. Casey Foundation.*

ACKNOWLEDGEMENTS:

Thank you to the following people who were interviewed for this paper: Tracy Smith, Odessie Preston, Jim Grimm, Bonnie Howard, Lydia Pritchard, Mark McDaniel, Ricki Lowitz, Orson Watson, Steven Lee, and Lois Smidt. The author would also like to thank Audrey Jordan, Senior Associate at the Annie E. Casey Foundation, and the Foundation's Social Network Team for their contribution and support.

TABLE OF CONTENTS

2	Foreword
4	Chapter One: Introduction
6	Chapter Two: What Difference Do Social Networks Make For Vulnerable Families?
10	Chapter Three: What Difference Can Social Networks Make In The Context of FES?
21	Chapter Four: The Big Picture
23	Endnotes

FRAMING SOCIAL NETWORKS

The Foundation's Social Network portfolio began in early 2004 with the development of a framework and approach for the "third leg of the triumvirate stool" for the *Making Connections** theory: social networks. The three-legged stool represents the three opportunity strands—connections to economic opportunities, strong social networks, and quality services and support—that families must have to realize well-being and successful outcomes. These opportunity strands are at the heart of the Foundation's *Making Connections* initiative.

Cultivating strong social networks was a new area of focus for the Casey Foundation. The development process began with an exploration of existing literature on the subject. After reviewing the literature, it became clear that there was a need to better understand good practice and the social network experiences of families from their points of view. Thus, a consultative session was held in May 2004. The Social Network Team, formed during the planning and implementation of the consultative session, learned much from the participants—a mix of practitioners, resident leaders in the *Making Connections* sites, and researchers. Essentially, the message to the team was to "go carefully into the social ecologies of communities and learn."

A product of this early phase of research is a paper that I wrote, entitled **Tapping the Power of Social Networks**. This paper compiles relevant definitions, key findings from the literature and their limitations when applied to practice and measurement, and the understanding we came to about a potential niche for the Foundation in strengthening positive social networks in the context of the *Making Connections* work in the sites.

The next phase was to learn about and explore successful practices of intermediary organizations already working with families like those who live in our *Making Connections* neighborhoods. Based on a scan of promising approaches across the country and advice from the consultative session participants, we selected six organizations to visit and learn from: Beyond Welfare in Ames, IA; Community Organizing Families Initiative in Chicago, IL; Family Independence Initiative in Oakland, CA; Grace Hill Settlement House in St. Louis, MO; Lawrence Community Works in Lawrence, MA; and La Union de Pueblo Entero (LUPE) in San Juan, TX. These visits included observations, document reviews, interviews, and focus groups with key staff and families involved with these organizations. A second paper, written by Terri Bailey, entitled **The Ties That Bind**, summarizes our findings from these visits, and helps lay the groundwork for the development of a social networks point of view for the Foundation's practice and measurement work in *Making Connections* sites. A third paper, written by Elena Pell, entitled **Relationships Matter: How Agencies Can Support Family and Social Network Development**, focuses specifically on the discussions with the participating families and their experiences in social networks.

**Making Connections* is a ten-year community change initiative by the Annie E. Casey Foundation that seeks to improve child and family outcomes. To learn more about *Making Connections*, please visit www.aecf.org.

Being very clear about the importance of the link between strong, positive social networks and the achievement of successful, tangible outcomes for families, the Social Network Team began to explore how to incorporate a social networks approach into the results-oriented work of the Foundation. We are particularly focused on the core results of *Making Connections* in the areas of Family Economic Success (FES) and ensuring that children are healthy and prepared to succeed in school (CHAPSS). We began with FES, following the history of this work in the *Making Connections* sites, which resulted in a fourth paper, written by Nilofer Ahsan, entitled **Social Networks Make a Difference: Family Economic Success**. This paper describes examples of concrete opportunities where a social networks approach can bolster the scope, scale, and/or sustainability of FES results. It also contains some key insights about engaging families who are most vulnerable, such as those families with members who are formerly incarcerated, or with members who are dealing with mental health or substance abuse challenges, or immigrant families, and supporting the “success trajectories” of these families individually and collectively.

The fifth and final paper, entitled **Measuring Social Networks: Tools for Mapping and Evaluating Their Development**, written by David Chavis and Mary Hyde, provides an overview of the tools for mapping, measuring, and evaluating the development of robust social networks and their association with the improvement of key outcomes for residents and families. This guidebook can be used by practitioners and residents who live and work in the *Making Connections* sites. It provides hands-on tools for mapping and measuring social networks and the development of key elements within these networks, and for measuring effects at various levels of analysis: individual, group, organizational, or whole network.

The objective of the papers in this series is to tell the story of the social network development here at the Casey Foundation, as well as to share these lessons—gathered from practitioners, residents, and families—with the larger field. It is our hope that as you review these five papers you are able to understand the positive impact of social networks on improving the lives of children, families, and communities. Social networks can be so powerful in the lives of the most disadvantaged families. Therefore, it is important to focus on them and create opportunities where they can be supported and sustained. Indeed, it is clear that attention to strengthening these networks is a key ingredient in realizing the aspiration of transforming neighborhoods. We hope these papers help to provide some ideas, strategies, and tools for supporting positive social networks in your work. Please feel free to send us your comments. Comments may be sent to me at ajordan@aecf.org, or Bahia Akerele at bakerele@aecf.org.

Audrey Jordan
Senior Associate
The Annie E. Casey Foundation

This paper presents promising approaches for integrating social networks into existing Family Economic Success strategies within *Making Connections* sites. It starts with a simple typology of the differences that social networks make—both within general populations and among the most vulnerable families—and then presents a discussion of specific strategic opportunities to integrate social networks into existing work. Small but significant changes will help harness the power of social networks to strengthen current strategies.

Contributions to the ideas in this paper come not only from the Foundation's Social Network Team but also from many other practitioners in the field. These experts will continue to be an important resource as we put our ideas into practice.

MAKING CONNECTIONS IN PERSPECTIVE

In 1999, the Annie E. Casey Foundation began a ten-year community change initiative known as *Making Connections* to improve outcomes for families and children in tough neighborhoods. The premise behind *Making Connections* is that children do well when their families do well, and families do better when they live in supportive neighborhoods. *Making Connections* is situated in ten sites around the country: Denver, Des Moines, Hartford, Indianapolis, Louisville, Milwaukee, Oakland, Providence, San Antonio, and Seattle (White Center). The focus of our work in these cities is guided by six core results, which are used to measure progress, invest resources, supply technical assistance, and align the Foundation's work with local concerns. The *Making Connections* core results are:

- Families have increased earning and income.
- Families have increased levels of assets.
- Families, youth, and neighborhoods increase their participation in civic life.
- Families and neighborhoods have strong informal supports and networks.
- Families have access to quality services and support.
- Children are healthy and ready to succeed in school.

Each *Making Connections* site works with a team to help promote family neighborhood strengthening in a variety of ways, from engaging in a targeted effort toward one particular challenge to employing a full array of strategies all at once. It is up to those involved to decide how to proceed in their community. Efforts are concentrated around three premises that the Foundation believes are essential to successful outcomes for these families:

1. Creating the opportunity to earn a decent living and build assets.
2. Building close ties with family, neighbors, faith communities, and civic groups.
3. Having reliable services close to home.

With support and guidance provided through this initiative, neighbors are sharing experiences, know-how, and ideas with each other about what works. This is helping restore and revitalize vibrant communities by supporting and connecting a range of formal and informal efforts that promote family success.

WHAT IS FAMILY ECONOMIC SUCCESS?

Family Economic Success (FES) is an approach within the *Making Connections* initiative that helps low-income working families build strong financial futures in strong neighborhoods by integrating three key components:

- **Workforce development**—the skills and education necessary to get good jobs and build careers.
- **Family economic support**—information, resources, policies, and strategies to help families stabilize their income, build wealth, and accumulate assets.
- **Community investment**—investments and grant making in housing, facilities, and business development.

FES staff at the Foundation make investments, create partnerships, and undertake a variety of community-based strategies to help families achieve economic success.

WHAT ARE SOCIAL NETWORKS?

A social network is defined as people (or organizations or other social entities) connected by a set of social relationships, such as friendship, work, or information exchange.¹ Social networks are the underlying people-to-people ties that help to create a sense of community and common purpose.

Social isolation is linked to many adverse outcomes for children and families. Strong networked communities with lots of opportunities for social connection are able to strengthen individuals and families; take action; find innovative, non-service-oriented solutions to social issues; and own the results of these efforts.

WHAT DIFFERENCE DO SOCIAL NETWORKS MAKE FOR VULNERABLE FAMILIES?

The chart on page 7 provides a generic typology of the contributions that social networks make in the lives of families. These functions of social networks are universal—applying equally to middle class or upper-income families as they do to low-income families. They cut across race and culture, they cut across family type, and they can cut across community. Within social networks they cut across members so that relationships are not unilateral—with some members always giving and others always receiving—but rather, reflect concepts of mutuality and reciprocity.

The chart's second column describes how these networks can support vulnerable families. Research shows generally across areas of need that the families demonstrating the most distress tend to be the most isolated and the most disconnected from social networks. We know that these families are hard to engage and keep within FES and other services programming. Often they have specific issues that they need to deal with before they can effectively connect to these programs—these might include substance use problems, domestic violence issues, recovery from past trauma, or the need for basic educational or language supports. Existing models of services are not working for these families. Social networks present an opportunity to reinforce their engagement with services and interventions through support from peers, family members, and trusted others.

The ways in which social networking impacts vulnerable families include:

Strengthening a sense of identity and value. Our social relationships are one of the key ways by which we define ourselves. Social networks help to give us a sense of belonging and the sense that we are cared for and valued. This increases confidence.

Because vulnerable individuals and families have often been devalued, social networks can play an important role in helping them discover a sense of possibility and renew confidence in their own abilities by providing positive feedback and encouraging support.

Establishing norms. Most of us are profoundly influenced by the beliefs and judgments of those around us—particularly those belonging to the people who are important to us. Often defined negatively as peer pressure, the desire to conform to the expectations of others can also have a positive impact as a motivator for change. It can also help the individual take steps to make a change or take a positive risk, or curb destructive behavior.

Social networks can help vulnerable individuals and families change their behaviors by setting positive expectations and new standards. This positive peer pressure can be very important for changing unproductive behavior patterns that have developed over time. As individuals develop a new sense of self and new patterns of behavior, the network can play a role in reinforcing goals and supporting positive efforts toward achieving them.

WHAT DIFFERENCE DO SOCIAL NETWORKS MAKE?

GENERAL	FOR MOST VULNERABLE	WITHIN AN FES CONTEXT
Strengthen sense of identity and value	<p>Change sense of self</p> <p>Change sense of others/build trust</p>	<p>Increase motivation to participate in training, education, or workforce programs</p> <p>Create “saver” identity</p> <p>Build sense of efficacy associated with job seeking success</p>
Reinforce norms	<p>Change behaviors;</p> <p>Expand horizons,</p> <p>Change expectations,</p> <p>and possibilities/hopes</p>	<p>Increase attachment to the workforce</p> <p>Reinforce saving behavior</p> <p>Transfer job seeking and job holding norms</p>
Expand social outlets	<p>Reduce stress and isolation</p>	<p>Reduce workplace volatility or instability</p>
Facilitate information flow	<p>Translate (both languages and concepts) information for families</p>	<p>Provide information on job and training program openings, what to expect, what is needed</p> <p>Key form of outreach for EITC</p>
Facilitate resource flow	<p>Provide safety nets and informal supports</p>	<p>Provide access to job supports such as emergency child care, transportation, work clothes, etc.</p> <p>The same supports can mitigate early withdrawals from IDA programs</p>
Transfer trusting relationships	<p>Expand supportive network, expand access, provide references</p>	<p>Provide job references</p> <p>Provide credit references</p> <p>Build trust to support utilization of banking, EITC, credit counseling, and other financial supports</p>
Facilitate collective action	<p>Connect to advocates</p>	<p>Organizing for job set asides</p>
Reinforce cultural and community identity	<p>Create a sense of cultural connection</p>	<p>Tie culture and community identity to unique job readiness skills—e.g., translation</p>

Providing social outlets. Social networks also provide a place for us to let our hair down, relieve stress, and have fun with others. They are the space for us to be ourselves, laugh, share stories, and make friends.

The actual social interaction within social networks can provide an important opportunity for individuals to relax and reduce stress. For vulnerable individuals and families, having this opportunity in an environment that does not encourage destructive behavior can be very important.

Facilitating information flow. Social networks are conduits for information flow. This might be news of what is happening within the community or in the life of a participant, information about a job opportunity, a referral on the name of a doctor, or specifics about a sale at the grocery store.

The social isolation of vulnerable individuals and families means that they often do not have the same access to information about opportunities and resources as others. These families can also face language barriers that keep them from getting access to information. Social networks can help to overcome these barriers by providing an important channel for information to reach those who need it—going through informal translation and reframing into terms that are more familiar and connect with families’ realities/contexts (no jargon or “professionalese”).

Facilitating resource flow. Social networks provide a host of informal resources, including emergency child care, gifts of time (such as helping with moving), or gifts of resources (food, clothing, or even cash). Learning that a neighbor has fallen ill often sets off a chain of helpful action, from bringing over a casserole to offering to walk the dog.

Vulnerable individuals and families are often having difficulty just getting by. While the resources that flow through social networks are generally modest—most individuals, for example, cannot rely on social networks to finance a house—for vulnerable individuals and families these resources can be crucial in maintaining stability and preventing crises or in response to a crisis.

Transferring trusting relationships. Social networks also are a key avenue for sharing trust. For example, social networks can help job seekers by providing references and contacts. Social networks are often a way for individuals to find doctors, child care, and other services or resources.

For vulnerable individuals and families, the “vouching” that members of social networks can do for one another can be crucial because these individuals and families have had fewer opportunities to develop their own positive experiences. This might mean that they have not had the opportunity to develop a positive credit history or a strong set of work references. On the flip side, it might also mean that they have a distrust of doctors or the teachers at their child’s school. Social networks can provide the information and context to mitigate that distrust. Social networks often serve as the mediators—helping individuals get access to resources that they might not have without a friend or family member to vouch for them.

Facilitating collective action. Social networks also are a tool for mobilizing, providing a space for individuals with a shared experience to come together to address a shared problem or issue.

Social networks provide an avenue for vulnerable families to turn to where they can share their experience with others—and get help in identifying and responding to unjust treatment.

CHALLENGES TO CONNECTING VULNERABLE FAMILIES TO SOCIAL NETWORKS

While we assume a lack of social networks contributes in some ways to family distress, we can also assume that the reverse is true—that family distress negatively affects the ability to create social networks. Thus, building social networks for these families may require more effort and support than it would for other families. This also will require more intentionality in terms of the types of networks that operate in the *Making Connections* sites.

Social networks can contribute in both positive and negative ways. They can set positive norms and expectations, or encourage negative risk and more self-defeating behavior. The challenge is not just to connect isolated individuals to social networks but also to build social networks that are infused with positive norms and good role models, and where members interact in mutually validating and supportive ways. These challenges can be met by focusing attention on the particular ways in which vulnerable families use social networks and developing strategies that build on this knowledge.

SOCIAL NETWORKS
PROVIDE AN AVENUE
FOR VULNERABLE
FAMILIES TO TURN
TO WHERE THEY
CAN SHARE THEIR
EXPERIENCE WITH
OTHERS—AND GET
HELP IN IDENTIFYING
AND RESPONDING TO
UNJUST TREATMENT.

WHAT DIFFERENCE CAN SOCIAL NETWORKS MAKE IN THE CONTEXT OF FES?

The focus of this paper is on the strategic ways in which social networks can contribute to family economic success. We used as our starting point the work that *Making Connections* sites are already doing in this area and identified several strategic opportunities to strengthen and enhance that work. This section describes three areas of opportunity (asset building, the Earned Income Tax Credit, and jobs) and implications for practice.

ASSET BUILDING

One strategic opportunity to use social networks to contribute to family economic success is in asset-building programs, which provide some combination of financial education, support for savings, and individual development accounts (IDAs). We talked with individuals connected to asset building programs in three *Making Connections* cities: Chicago, Indianapolis, and Providence. What we found was that while in general social connections were not an intentional part of the program structure, both program staff and participants attributed some of the success to the networks created by the cohort structure (generally cohorts of 7 to 10 women went through the programs together).

In addition, we looked at Banking on Family Child Care, an asset building program created for networks of family child care providers. Banking on Family Child Care was an IDA program created by the Local Initiatives Support Corporation. Unlike many IDA programs, one of the primary goals of Banking on Family Child Care was to use the savings program to help keep family child care providers engaged in provider networks.

Research shows that network-affiliated family child care providers are more likely to offer high-quality care than independent providers. However, keeping them engaged in a network is often difficult. Because network engagement was a primary goal, the program was structured with intentional networking components. For example, the program launch took place during an intensive two-day retreat. This was an opportunity for providers to relax together and begin to form relationships. The project also published regular newsletters that helped to keep participants informed of each other's successes.

Overall, the program was quite successful. The 89 percent completion rate is significantly higher than the standard for non-employer-operated IDA programs. The 41 women who completed the program saved \$73,381.95, which, with matching funds, added up to over \$140,000 in assets. Focus groups with participants affirmed that the group experience and seeing other providers reach their goals were key to encouraging individuals in the program to keep saving.

"If you try to do it by yourself, nobody else would motivate you. The ladies in the network helped me that way. They had reached their goal and I hadn't because I was last minute. I don't think I would have done well without the network."

Banking on Family Child Care Participant

How Social Networking May Support Asset Development Programs

Social networks appear to have promise for contributing to the success of asset development programs by:

Creating a sense of identity and value. The cohort structure within these programs can be used to develop a new sense of identity as “savers” and asset builders. For example, the Banking on Family Child Care program celebrated savings successes in newsletters and meetings as a way to reinforce providers’ saving behavior. Those providers who were able to save over \$4,000 were named members of the \$4,000 Club and their achievement was publicized to the group.

Reinforcing norms. In each of the programs we talked to the group played an important role in creating pressure and expectations around saving. When participants were tempted to withdraw their savings group members provided a check for this behavior. For example, in one program staff described how participants would work extra hard to make a deposit just before a group meeting so that they could report their savings to the group. Two levers strongly influence saving behavior within the program: the promise of matched dollars and the positive pressure exerted by the group. Intentionally structuring the program so group relations would continue beyond the program end seems important for trying to continue saving behavior beyond the program’s completion.

These programs also changed participants’ norms around good parenting. Participants described how one of their greatest challenges in developing saving behavior was reducing the money that they spent on or gave directly to their children. One participant described reducing her child’s ice cream money to once a week. Another talked about telling her children that she couldn’t take them to the Great America amusement park. These were painful decisions that cut to the participants’ sense of what it meant to be good parents. Outside validation from the group and staff was important to help them stay firm in these decisions.

Facilitating information flow. While savings are an important part of asset-building programs, they are often impossible without a reduction in expenses. In some ways, participants can be each other’s best support in helping to identify local strategies for this reduction. This might be giving each other tips on sales, free events, or places to get goods or services at a reduced cost.

In one interesting example, Tracy, a participant in the Providence program, described how one of the other participants was ready to pull out her savings to pay an overdue gas bill. Tracy explained to her friend that if she put the minimum down on the bill the gas company would not cut off the gas during the winter months. This gave this person the opportunity to leave the money in the program, earning the three-to-one match the IDA program provides, and then pay off her gas bill.

Facilitating resource flow. When the car breaks down or a child gets sick, savings becomes a distant second to meeting the crisis at hand. Social networks can help connect families

THE BANKING ON
FAMILY CHILD
CARE PROGRAM
CELEBRATED
SAVINGS SUCCESSES
IN NEWSLETTERS
AND MEETINGS AS A
WAY TO REINFORCE
PROVIDERS’ SAVING
BEHAVIOR.

to the resources that they need to get by in these situations—a neighbor who can provide a ride to work when the car breaks down or a family member who can provide emergency child care when needed.

Transferring trusting relationships. These programs often are connecting families to institutions they may not know, have any history with, or feel comfortable in, and social networks can help mitigate the sense of wariness that comes with these new connections. For example, one program staff person said that as individual participants began to interact with staff from the participating bank, others relied on their experience to get more comfortable with the banking process.

Implications for Practice in Asset-Building Programs

- **Use group-building rituals and activities to establish a sense of shared identity and accountability within financial education and IDA programs.** Conversations with staff and participants in these programs indicate that while social networks did play a role in program success there was a lot of room to make more intentional efforts to integrate social network building into the structure of most programs. While relationships did form during the group financial education components of the program, there was little effort to deepen these relationships and use them to intentionally contribute to the program.

More intentional network building efforts might contribute to continued relationships among participants once the program had ended—thus building in a mechanism for reinforcing saving behavior after the financial incentive of the match was no longer available.

- **Create opportunities for participants to engage their own personal networks within the program.** While behavior and norms regarding saving and money might be changing, without engagement of the participant's own family or network these changes may be more difficult to maintain. In the financial literacy program developed in Indianapolis, the participants—who happened to all be Hispanic women—proposed an expansion of the program to include a group targeted to Hispanic men so their spouses and partners could participate in the future. Similarly, participants talked about the difficulty of explaining to children why cost cutting was necessary and described feeling guilty about denying their children treats they would otherwise have given them.

- **Intentionally use the group as a source of information and advice.** Group members actually have a host of financial information that they can share with others. This includes not only information on cost-cutting and savings strategies—but also information on the existing financial institutions within the community. At times, it can be more helpful to have a group member describe their experience applying for a mortgage or filing for the EITC than it is to have a financial educator provide the same information.

EARNED INCOME TAX CREDIT

One of the key goals for infusing capital into low-income communities is full utilization of the Earned Income Tax Credit (EITC). Internal Revenue Service (IRS) estimates are that only 25 percent of those eligible currently file for the EITC. Social networks can play an important role in getting more families to take advantage of the EITC by using individualized outreach to build awareness and help to break down barriers caused by fear or anxiety about providing information to the government, including the IRS.

Making Connections Louisville was a key convener and funder of the Louisville Asset Building Coalition, a collaborative effort to promote financial stability for individuals and families. One of the coalition's critical campaigns helps eligible families receive the Earned Income Tax Credit. The campaign's EITC "marketing ambassadors," as they are known, are residents who spread the word to local families about the credit; refer them to free, fast, and reliable tax preparation sites; and connect them to financial literacy services.

The marketing ambassadors receive specific training on the EITC, the Louisville Asset Building Coalition, and financial literacy, as well as more generalized training on convening meetings, public speaking, and other issues. Each marketing ambassador receives a small stipend of \$75 a month. In exchange, they are charged with speaking to neighbors, friends, and others about the EITC and financial literacy issues. On average, marketing ambassadors spend between 12 to 13 hours a month on outreach.

How Social Networking May Support Full Use of the Earned Income Tax Credit

Social networks appear to have promise for contributing to the success of EITC programs by:

Facilitating information flow. Social networks are an important outreach vehicle for EITC programs. Mary Herbers from the Center for Economic Progress—a key EITC program partner—estimates that 60 percent of the center's EITC filers in Chicago come through the door because of word of mouth. The importance of word of mouth is particularly strong in the Latino community where most of their outreach is done through informal channels.

Another role that social networks can play is in helping to create a better understanding of the barriers individuals face to filing for the EITC and participating in other financial education and asset-building programs. Programs like the marketing ambassadors not only provide an opportunity to get information out about the EITC, but also a way to do market research—identifying better ways to reach those who might be resistant to using the program. In his upcoming paper for the Foundation on the culture of money, Orson Watson describes how the failure of many of our family asset-building programs can be traced to a lack of understanding of the context in which the families we want to engage make economic decisions.

He calls for better market research within low-income communities that will help family asset-building programs be better targeted to community and family needs. Programs like the EITC Marketing Ambassadors program provide a unique opportunity to do this. As community members, neighbors, and friends, marketing ambassadors may be more likely to get honest information about very sensitive money matters than an outsider doing the same work.

Transferring trusting relationships. Word of mouth is an important outreach tool. It provides an opportunity for those who are cautious about filing to hear from a trusted source about the value of the program and to explore fears they might have about what will happen with their information—whether they will be required to pay taxes or whether they will be penalized for not filing in previous years. One interesting comment from someone working on the EITC initiative in St. Louis based on the experience of the marketing ambassadors is that sometimes individuals are wary of the Volunteer Income Tax Assistance sites simply because the tax prep work that they offer is free.

“People understand an H & R Block or a Jackson Hewitt—they know what they’re getting out of helping them with their taxes. They don’t understand or trust a free site.”

Lydia Pritchard, New Directions Housing Corporation, Louisville

This points to the importance of social institutions, such as churches and neighborhood groups that serve as outreach partners to EITC programs. These institutions not only help to provide information and get the word out about EITC filing support, they also serve as an important source for tax preparation volunteers and as sites for hosting tax preparation services. The preexisting member or participant base of these host institutions serves as an important core constituency of all filers at the site. One observation, again from Louisville, is that it is these relationships—not how close in proximity a site is—which often determine where an individual goes for tax preparation assistance.

Tell a Friend and Buzz Marketing Techniques

The Tell-A-Friend program at Food Change in New York City is a simple way to build on the power of word of mouth to broaden information and utilization of free tax preparation. Each individual who gets his or her taxes done at Food Change’s VITA sites receives 20 Tell-A-Friend cards. When friends come to the program to get their taxes done, they simply drop their cards in a bucket. At the end of the tax season, Food Change goes through the cards and gives a cash bonus to the person who referred the most people to the program. Next year, Food Change is thinking of engaging those individuals

who were most successful at outreach this year—as measured by the number of cards their friends turned in—as EITC marketing ambassadors, similar to the model being used in Louisville and in other parts of the country.

The idea for Tell-A-Friend originated when Steven Lee at Food Change read an article in the *New York Times* on “buzz marketing”—marketing based on trying to stimulate information passing through word of mouth rather than using advertising or other formal tools. Most data show that tax prep use for the EITC happens primarily from word of mouth. Buzz marketing is an important outreach tool that seems very relevant to EITC campaigns. Food Change is currently exploring other ways that buzz marketing concepts can be applied to EITC outreach.

All research shows that the primary way that individuals in low-income communities make it to free tax preparation sites or are encouraged to file their Earned Income Tax Credit is through someone they know. To deepen the saturation of EITC Campaigns, we need to have a better understanding of how information flows and how social networks operate within low-income communities.

Implications for Practice in EITC Programs

- **Explore the application of buzz marketing techniques and other ways to more intentionally use word of mouth as an outreach tool.** Buzz marketing is something that is currently being explored and developed as a concept within the for-profit and advertising world. While many techniques are dependent on technology and may have limited applicability in the target communities for the EITC, there may still be important concepts and strategies to be mined.
- **Create a deeper understanding of how social networks operate within our target communities.** A deeper understanding of how social networks function within the communities the Foundation cares about might help to strengthen programs like the EITC Marketing Ambassadors program. For example, understanding the types of individuals who operate as hubs and nodes within a community would help to determine what types of individuals would function effectively as marketing ambassadors. Additionally, understanding through which relationships financial information flows—and doesn’t flow—will make it easier to structure the outreach of marketing ambassadors to have the most impact.
- **Support marketing ambassadors in also doing market research to help understand what the barriers are to using the EITC or participating in EITC-linked asset-building programs.** Ambassadors can be trained to not only provide information about the EITC, but also to collect, in a structured way,

feedback about why people choose not to use the EITC and why they do not use the banking, financial education, and other asset-building resources that sites are trying to link into Volunteer Income Tax Assistance sites. Asking marketing ambassadors to play this additional market research role immediately brings up a resource question. Marketing ambassadors already contribute a lot for an extremely small stipend. Expanding this role would require not only training and support, but also thought to how they are compensated.

JOBS

Research shows that one of the primary ways that people hear about jobs or get connected to job opportunities is through social networks. Individuals that have been out of work for a substantial period of time tend to have weaker social networks and to be more isolated. Beyond Welfare is one program organized around the outcomes of “money, meaning, and relationships.” People need meaningful employment with decent wages (money); a purpose around which to organize their family, employment, and community life (meaning); and connections that are mutually supportive and reciprocal, both within and outside of family (relationships). Beyond Welfare doesn’t look like your standard welfare-to-work program—it only employs two full-time staff people and is not organized around formalized job training or job placement. Instead the program builds networks that connect families on welfare to caring and supportive others.

These personal, individualized relationships are the key strategy that this program uses to help families get and keep jobs. At the core of the Beyond Welfare model is mutual support provided in the form of weekly Thursday night dinners. Between 25 and 40 individuals attend—about two-thirds of those present are usually program participants; the others are family partners and allies. Most participants are connected to a family partner—a committed community volunteer who agrees to work with the family to help them problem solve and identify strategies for meeting goals. Family partners are expected to meet with the Beyond Welfare participant once a month but most are much more actively engaged in the lives of families in the program. This can be anything from lending an ear, reviewing a résumé, providing child care while a mom goes to an interview, or using their own networks/connections to help participants get jobs.

Tracking shows that Beyond Welfare participants advance more educationally than the state welfare population as a whole. When employed they have incomes 50 percent higher than those leaving welfare for work as a whole in the state and are 50 percent more likely to have health insurance coverage in their jobs. Children of Beyond Welfare participants also show substantial academic improvement and greater participation in extracurricular and civic activities. Finally, evaluations indicate that families experience the highest level of economic success when they effectively utilize multiple features (as opposed to one or two features) of Beyond Welfare.

How Social Networking May Support Job Access and Development Programs

Social networks appear to have promise for contributing to the success of employment programs by:

Creating a sense of identity and value. As described above, social networks help to give individuals a sense of belonging that support a feeling of identity and being valued. In a 1985 study, Kanfer and Hulin showed that a strong social-support system provided confidence and a sense of self-efficacy. In the same study, when they tested a number of factors including age, marital status, social support, existence of depression, and perceived obstacles to reemployment, they found that only perceived self-efficacy was a significant predictor of subsequent reemployment. Moreover, it was also positively related to more extensive job search behavior.²

Reinforcing norms. Individuals who have been out of the workforce for a significant period of time may need support in learning about workplace expectations and norms. Social networks can play an important role in providing this information. They can also provide an opportunity and context for individual to discuss their stresses and tensions with the workplace environment and receive feedback from others.

Social networks can provide important contextual information to help an individual evaluate their experience within the workplace environment. For example, an individual who feels like they are being unjustly harassed by their employer for coming in late might reevaluate their reactions when they hear from others that their workplace environments have similar expectations.

Facilitating information flow. Again, one of the primary ways that people hear about jobs is through social networks—and particularly through weak ties within their network. Individuals who have been out of work for a substantial period of time appear to have social networks that are more reliant on a small number of strong ties and fewer weak ties. (Strong ties represent those relationships with families and extremely close friends. Weak ties represent one's acquaintance network—coworkers, neighbors). Moreover, the social networks within many isolated low-income communities where there are high unemployment rates have less information about job opportunities within them.

Thus, the challenge is twofold. First, we must create linking ties that connect individuals who have access to information with jobs to those whose current networks lack access to this information. Beyond Welfare, described above, makes a very intentional effort to build a circle of support for families that includes family partners and allies that come from different class and status backgrounds. While this fills a number of goals for Beyond Welfare, one important impact is that participants have access—through their allies and partners—to job opportunities that might otherwise fall well outside of their normal social network. Secondly, we must help isolated individuals learn to build weak ties that can be used for job seeking. For example, an Ontario Works welfare-to-work program used a case management program that helped participants focus both on expanding their social networks and utilizing them for job search activities. A study of this program found a significant correlation both between the size of social networks and employment and in the program's effect on network size and utilization.³

SOCIAL NETWORKS
CAN PROVIDE
IMPORTANT
CONTEXTUAL
INFORMATION TO
HELP AN INDIVIDUAL
EVALUATE THEIR
EXPERIENCE WITHIN
THE WORKPLACE
ENVIRONMENT.

How Social Networking Supports Improved Jobs and Job Opportunities

INFORMAL SUPPORTS
ARE AN IMPORTANT
TOOL THAT ALL
FAMILIES—BUT
ESPECIALLY
LOW-INCOME
FAMILIES—USE TO
MAINTAIN STABILITY
IN A CRISIS AND
MEET DAY-TO-DAY
GOALS.

Facilitating resource flow. Strong social networks increase families' access to informal supports. Informal supports are an important tool that all families—but especially low-income families—use to maintain stability in a crisis and meet day-to-day goals. Much of the recent work on family balance sheets shows that if you subtract market costs of child care, transportation, housing, and other needed supports low-income families are simply not making enough to get by. How families “make it” is by depending on neighbors, friends, relatives, and supportive others to help out with child care, to offer a ride when the car breaks down, or to provide a loan so that the rent can get paid.

For many families, these informal supports are a key resource for averting a crisis that might impact their ability to keep a job or to keep coming to a training program. Efforts to help job training/search participants engage their networks can extend beyond using networks for job search to also helping them think through how the informal supports available within their networks (babysitting, transportation help, etc.) can resolve barriers that might affect their employment.

Again, an example from Beyond Welfare—regular community dinners often end with a closing circle where individuals make “I have” or “I need” statements. These are opportunities for individuals to either give something away (e.g., “I have a bunch of work clothes that I am getting rid of”) or ask for something (e.g., “I need a ride to a job interview I am going to this week”). If an “I need” request can't be met by someone in the circle that night, network weavers will work within the broader Beyond Welfare network to help meet the request.

Transferring trusting relationships. The vouching that goes on in social networks can be an important asset to family economic success strategies. It can help an individual with an imperfect résumé get considered for a job for which they might otherwise be rejected out of hand. Essentially social network participants can serve as a reference or entrée to job opportunities. For example, one Beyond Welfare participant who recently had come out of prison violated her parole and was coming up for a hearing to determine whether or not she would be sent back to jail. Her entire circle of support wrote letters to the judge describing the work that she was doing to overcome her issues and their confidence that she was moving along the path to recovery. This intervention helped to ensure that she stayed out of prison.

Facilitating collective action. While jobs programs are generally seen as the type of intervention that is aimed at individuals, access to jobs is often shaped by societal forces beyond their control—e.g., redlining of communities, lack of educational and job training opportunities in certain communities, bias in hiring practices, etc. When developing jobs programs it is important to do an analysis of structural barriers toward employment within the community and those factors that are preventing existing programs from being equitable or effective in their implementation. Collective action strategies can be an important factor in bringing to light and addressing these concerns.

Advocating for Effective Implementation for the First Source Hiring Program in Providence, RI

The First Source Hiring ordinance in Providence was designed to ensure that 33 percent of all city-funded jobs will go to South Providence, a distressed neighborhood within Providence. Within that 33 percent target, it was further specified that 90 percent of those jobs go to people of color, 15 percent to people regardless of their immigration status, and 37 percent to people with criminal records. Collective action through house parties, press conferences, public forums, and other tools was a central part of this campaign.

The *Making Connections* initiative:

- Educated community residents on the First Source ordinance.
- Identified community leaders who could provide advocacy leadership on ensuring that the ordinance was implemented effectively and supported them through the advocacy process.
- Lobbied the mayor and city council representatives to ensure that the following changes were incorporated.
 - Explicitly requiring a staff person in the ordinance.
 - Ensuring non-discrimination for people with criminal records in the hiring process.
 - Changing the target number of people of color to 90 percent.
 - Earmarking of \$250,000 in the city budget for implementation of the initiative.
- Created a database of unemployed community residents for the hiring process.

Implications for Practice for Job Programs

- **Use group-building activities among participants in job training programs to develop a shared sense of identity, common norms regarding workplace behavior, and use of the group to vent concerns or frustrations.** As with asset building the group structure of many training programs can be strengthened to reinforce job seeking behavior, build a sense of work ethic, and provide a safe

place to share frustrations and problem solve. Beyond Welfare's practice of regularized "I have/I need" circles not only supports resource sharing within the group but also helps to develop a shared identity/investment in success for everyone.

- **Work intentionally to build networks of support that cut across class lines—thus broadening the information and trusting relationships that can be used to get a job.** Beyond Welfare's circles of support is one model. Creating mentoring relationships for job seekers is another. The focus would be on creating relationships with linking ties that connect individuals to others who have access to information on jobs.

- **Integrate network building and utilization as a specific skill that is developed in job training programs.** The Ontario Works job training program is a good example of this type of model. Strategies such as network mapping, activities to identify resources and supports that can be drawn from one's existing network, and skill-building around network enhancement should be included.

Workforce Pipeline: Louisville

The Annie E. Casey Foundation's workforce strategies support flexible implementation with specific expectations to fit some of the needs and job prospects of different cities. For example, Louisville's *Making Connections* Network directly links residents to opportunities to help kids succeed in school, *and support their families in their efforts to access and improve jobs.* This is working by engaging residents to serve in shared governance/leadership positions in the pipeline and by securing involved employers who need workers. The pipeline links employers and those who can work for them to each other, to others in their industry, and to services.

The workforce pipeline makes use of neighborhood recruiting and mentoring strategies, career coaching, and the direct involvement of employers in expanding and developing new opportunities inside and outside their facilities. This collaborative of employers, organized labor, residents, government, the workforce investment board, funders and local organizations is resulting in jobs for residents in career-ladder health care positions where there were identified openings, training opportunities for potential new hires, and new connections to employers and services. This collaborative has attracted and helped people not traditionally targeted by workforce programs and infrastructure in Louisville.

THE BIG PICTURE

There is clearly much work to be done in terms of translating these ideas into concrete opportunities. The Social Networks Team hopes to partner with individual sites and the FES Team to turn these ideas into practice on the ground. We believe that the ideas presented here represent key opportunities to work to enhance and adapt existing programming. Ideally this work within sites would include a series of steps:

- Analysis of existing FES programs going on in each site to identify key opportunities to enhance social networking components.
- Mapping of existing social networks within each community to identify hubs, nodes, and information flow patterns.
- Direct technical assistance and training to sites on integrating social network practice into existing FES program models.

Although there are important specific opportunities to engage social network building strategies into FES work, it is easy to focus on the details to the detriment of the larger context. While social networks help strategically within defined programmatic contexts to support specific results, we cannot ignore the opportunity to use these networks more holistically. We believe that transformation of people, relationships and results occurs through an emphasis upon powerful community capacity-building approaches and this includes attention to social networks.

Social networks are not confined to low-income families, or families from a specific cultural background. All of us have, need, and use social networks in our lives. They are a primary tool we use for tasks as simple and common as finding a doctor, blowing off steam when we've had a hard day, helping to keep things running smoothly when there's a family crisis, or hearing about a new job.

Another universal is that the environment in which our social networks and we operate is changing radically. As families increasingly are headed by two working parents, as extended families become more spread out and dispersed, as individuals become engaged in longer commutes to work, as children commute further to school, and even as the local store gets replaced by a "big box" operation, those everyday anchors that held social networks become weaker just as the time and energy needed to nurture social networks becomes more scarce. We live in a society where the old rules, structures, and institutions that held our social networks together are eroding.

It is easy to look at these trends and develop a rosy, nostalgic longing for the past. Yet it is important to keep in mind that the social networks of those earlier days, while strong and nurturing ones, also contained negative elements. The same social norms that discouraged things like teen pregnancy also set oppressive limits on the horizons and possibilities of women and minorities. The social and political networks that helped individuals access jobs and political power within machine politics were as much networks of exclusion as they were networks of inclusion.

WE ARE TALKING
ABOUT BUILDING
NETWORKS WITHIN
OUR COMMUNITIES
THAT ARE GOVERNED
BY A STRONG SET
OF PRINCIPLES TO
GUIDE OUR VISION
FOR SOCIAL CHANGE.

As we talk about intentionally weaving social networks into the work of community and social transformation, we are talking about a new vision that rises beyond both the limitations of the present and those of the past. We are talking about building networks within our communities that are governed by a strong set of principles to guide our vision for social change. These networks:

- Thrive as environments of choice where participation is voluntary and based on individuals receiving benefits they value from the network.
- Focus on achieving mutually agreed upon goals, meeting the needs of members, providing leadership opportunities for all members, and establishing an infrastructure built around caring and trust.
- Build connections across lines of class, race, and community.
- Emphasize reciprocity and mutuality rather than patterns of one-way giving or receiving.
- Promote inclusion rather than exclusion—where resources are invested less in keeping people out than in reaching out to ensure diversity and a commitment to reaching those who are isolated.

This new work of social network building goes beyond the idea of weaving social networks into a few program strategies. It is really about intentionally reweaving the fabric of community. It is new work that will both be path breaking and experimental. Within Casey's social networks unit, we are developing a number of new tools and capacities to support this type of broader and deeper social network learning and implementation, and in the future, more tools will be available.

ENDNOTES

- 1 GARTON, L., C. HAYTHORNTHWAITHE, AND B. WELLMAN, "Studying Online Social Networks," *Journal of Computer-Mediated Communication* 3(1) (June 1997).
- 2 KANFER, R., AND C. L. HULIN, "Individual Differences in Successful Job Searches Following Lay-Off." *Journal of Vocational Behaviour*, 38, 835–847 (1985).
- 3 HATALA, JOHN-PAUL. *Making the Transition to Re-Employment: Social Networks and Their Impact on Social Assistance Recipients*. Ottawa: National Library of Canada = Bibliothèque Nationale du Canada (2004). Available online at www.evalufarm.com/00011.pdf.



The Annie E. Casey Foundation

701 ST. PAUL STREET
BALTIMORE, MD 21202
410.547.6600
410.547.6624 FAX
WWW.AECF.ORG