Employment Processes as Barriers to Employment in the Lower-Wage Labor Market

Formative Data Collections for ACF Research

0970 – 0356

Supporting Statement

Part A

MARCH 2022

Updated May 2022

Submitted By:
Office of Planning, Research, and Evaluation
Administration for Children and Families
U.S. Department of Health and Human Services

4th Floor, Mary E. Switzer Building
330 C Street, SW
Washington, D.C. 20201

Project Officer:
Megan Reid

Part A

Executive Summary

Type of Request: This Information Collection Request is for a generic information collection under the umbrella generic, Formative Data Collections for ACF Research (0970-0356).

Description of Request:

The Office of Planning, Research, and Evaluation within the Administration for Children and Families (ACF) at the U.S. Department of Health and Human Services launched a project that will systematically review what is known about how employment processes can present barriers to employment in the low-wage labor market and advancement for workers of color, as well as explore and identify potentially promising strategies to address racial biases in the low-wage labor market. As part of this project, ACF is proposing to conduct one-on-one semi-structured discussions with a range of project collaborators (aka stakeholders) who are involved in low-wage labor markets and can provide diverse perspectives on biases in employment processes and potential solutions to address those sources of bias. These discussions will inform the future selection of candidate anti-bias strategies for potential further study. We do not intend for this information to be used as the principal basis for public policy decisions.

**Alternative Supporting Statement for Information Collections Designed for
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A1.   Necessity for Collection

Bias can affect the opportunities for workers of color in lower wage jobs at multiple points in
employment processes, including how job openings are advertised, employer screening of applications
to select interviewees, interviewing the candidate, the characteristics of the job into which a low-wage
worker is hired (e.g., starting wage, hours, opportunities for advancement), performance review, and
subsequent promotion decisions. The Administration for Children and Families (ACF) Office of Planning,
Research, and Evaluation proposes to conduct discussions with individuals who can provide a variety of
perspectives on racially biased employment processes in the low-wage labor market that are not
available through other avenues, including published literature. These individuals ("project
collaborators") will share their own experiences with the low-wage labor market, their perceptions of
how bias can be addressed, and will suggest papers and other grey literature that are difficult to find but
important for understanding the low-wage employment processes.

This information will help inform future ACF research, including identifying promising practices for
mitigating barriers to employment and advancement for people of color that may be the focus of
further ACF-supported studies.

There are no legal or administrative requirements that necessitate this collection. ACF is undertaking the
collection at the discretion of the agency.

A2.   Purpose

Purpose and Use

ACF funds programs to promote self-sufficiency of households with low incomes. Many individuals
in those households are people of color. To the extent that those racially biased employment
processes impede the ability of these individuals to obtain employment, maintain employment, and
advance in their careers, those biased processes are also a barrier to ACF achieving its goals.
Therefore, ACF is supporting data collection that will help the agency better understand the ways in
which employment processes can be biased and possible strategies to address that bias.

This proposed information collection meets the following goals of ACF's generic clearance for formative
data collections for research and evaluation (0970-0356):

1. inform the development of ACF research
2. maintain a research agenda that is rigorous and relevant

Regarding the first goal, the information collected will help ACF identify promising strategies to
combat bias in employment processes that could be subjects of future research to better
understand how they function, how effective they are, and how they might be scaled to help more
workers of color in low-wage jobs.

Regarding the second goal, the information collected will help ensure that ACF's research agenda is
able to focus research questions on aspects of bias in low-wage labor markets that are most
relevant and salient to workers, their employers, and programs that serve them—including ACF-
funded programs.

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Project collaborators will include representatives from organizations that serve or advocate for low-wage workers, employers, state and local policymakers, designers of software used for hiring and scheduling, and workers of color in the low-wage labor market. The purpose of semi-structured discussions with project collaborators is to provide the research team with diverse perspectives on the nature of biased employment processes and strategies to address bias. In conjunction with information extracted through the research team's literature review, this information will be used to identify aspects of employment processes where policies or practices can disrupt bias in employment processes and identify anti-bias strategies that may be promising subjects for future research.

Discussion topics will specifically address how racial bias can occur as employers:

- Find candidates for job openings
- Select applicants for interviews
- Make hiring decisions for various kinds of staff (part time/full time, temporary or permanent)
- Set initial wages and tasks
- Set work schedules
- Provide on-the-job training and mentoring
- Make promotion and retention decisions

Discussions will also cover strategies to address bias including:
- Employer-level interventions designed to detect and decrease bias by staff who are involved in hiring, supervision, training, and promotion
- Strategies to address bias in human resources software algorithms
- Efforts to enforce laws against workplace discrimination
- Social policies that can address bias and its effects

The information collected is meant to contribute to the body of knowledge relevant to ACF programs, ACF program participants, and participants' employment outcomes. It is not intended to be used as the principal basis for a decision by a federal decision-maker and is not expected to meet the threshold of influential or highly influential scientific information. Further, the project collaborators will not be representative of the general population and will not be generalized to a broader population.

Guiding Questions

The topics for project collaborator discussions listed in the preceding section are guided by the following key research questions.

1. How does racial bias affect hiring, wage assignment, and promotion decisions in the low-wage labor market?
2. How does racial bias intersect with other factors related to the nature of work, such as nonstandard and variable work schedules or arrangements?
3. How does racial bias in the lower-wage labor market intersect with individuals' criminal justice experience or other aspects of an individual's identity, such as ethnicity, gender, sexuality, and disability status?
4. What promising approaches are being taken to actively address racial bias in employment processes in the low-wage labor market that employment programs may be able to use or promote?
5. How did changes in hiring, wages, promotions, and the nature of work due to the COVID-19 pandemic exacerbate or ameliorate existing racial inequities in the lower wage labor market?

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Study Design

Data Collection Activity	Instrument	Respondent, Content, Purpose of Collection	Mode and Duration
Project collaborator discussions	Instrument 1: Discussion Guide	**Respondents**: 1 or more project collaborators from each of the following groups: employers, low-wage workers of color, organizations that advocate for low-wage workers, state and local workforce administrators, and software developers. **Content**: List of discussion topics that will be tailored to each project collaborator (see the attached Discussion Guide and the bulleted topics provided in Section A.2). **Purpose**: Gain diverse perspectives of the nature of employment barriers in the low-wage labor market and potential methods to disrupt biases in order to inform scope and focus of subsequent identification of possible study sites.	**Mode**: Video conference or telephone **Duration**: 1 hour

Other Data Sources and Uses of Information

N/A

A3. Use of Information Technology to Reduce Burden

The project collaborator discussions will be held using video conferencing technology or by phone. Using video conferencing reduces respondent burden by allowing the respondents to participate at a location and time that is most convenient for them.

A4. Use of Existing Data: Efforts to reduce duplication, minimize burden, and increase utility and government efficiency

The data to be collected during the project collaborator discussions are not available from any other source.

A5. Impact on Small Businesses

No small business will be involved with this information collection.

A6. Consequences of Less Frequent Collection

This is a one-time data collection.

A7. Now subsumed under 2(b) above and 10 (below)

A8. Consultation

Federal Register Notice and Comments

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In accordance with the Paperwork Reduction Act of 1995 (Pub. L. 104-13) and Office of Management and Budget (OMB) regulations at 5 CFR Part 1320 (60 FR 44978, August 29, 1995), ACF published two notices in the Federal Register announcing the agency's intention to request an OMB review of the overarching generic clearance for formative information collection. This first notice was published on November 3, 2020, Volume 85, Number 213, page 69627, and provided a sixty-day period for public comment. The second notice published on January 11, 2021, Volume 86, Number 6, page 1978, and provided a thirty-day period for public comment. ACF did not receive any substantive comments.

Consultation with Experts Outside of the Study

None

A9. Tokens of Appreciation

Most of the project collaborator respondents will be participating in the interviews within their professional capacity and during their normal workday, thus will not be offered tokens of appreciation. Respondents who are low-wage workers of color, however, need to take time off work to participate in the conversations or participate during their free time. Providing tokens of appreciation for the hour of personal time for low-wage workers of color is likely to promote participation by allowing respondents to, for example, take time off work or secure childcare to participate in the interview after work hours. Consequently, researchers will offer $35 cash gift cards for each of the four project collaborators who are low-wage workers of color.

A10. Privacy: Procedures to protect privacy of information, while maximizing data sharing

Personally Identifiable Information

No personally identifiable information will be collected.

Assurances of Privacy

Information collected will be kept private to the extent permitted by law. Respondents will be informed of all planned uses of data, that their participation is voluntary, and that their information will be kept private to the extent permitted by law. As specified in the contract, the research team will comply with all Federal and Departmental regulations for private information.

Data Security and Monitoring

The following privacy and data security measures will be in place to protect respondents' privacy, including any personally identifiable information collected about them:

1. All data, including portable media (e.g., voice/video recordings) and computerized files, are kept in secure areas.
2. All research staff will be trained on appropriate privacy and data security matters.

A11. Sensitive Information [1]

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[1] Examples of sensitive topics include (but not limited to): social security number; sex behavior and attitudes; illegal, anti-social, self-incriminating and demeaning behavior; critical appraisals of other individuals with whom respondents have close relationships, e.g., family, pupil-teacher, employee-supervisor; mental and psychological problems potentially embarrassing to respondents; religion and indicators of religion; community activities which

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This data collection will ask in general terms about racial bias that respondents have experienced or seen. It will not involve collection of detailed information about people or entities involved. The data collection does not aim to document specific instances in detail, but to identify and understand ways in which bias occurs. Before beginning discussions, the research team will ensure that respondents understand that they can decline to respond to any questions that they do not feel comfortable addressing.

A12.   Burden

Explanation of Burden and Cost Estimates

Table A.1 shows the annual burden and cost of the data collection instruments and activities described in this ICR. The estimated burden per respondent is one hour for one discussion.

Each set of respondents brings a different perspective on employment processes. Employers implement processes. Software developers create algorithms that affect processes like hiring, scheduling, and performance assessment. Workers experience and navigate employment processes. Staff who work on behalf of workers see problems and impacts from a second-hand, but possibly broader perspective through their interactions with many workers and employers.

The number of respondents was determined in an effort to balance available resources and the utility of the information collected. There are typically at least two respondents in each category. The counts of employers and workers are higher because of the range of industries that are of interest. While a software developer may be able to speak to applications used in multiple industries or settings, a worker or HR representative may only be able to speak to experience within a particular industry or occupational field.

Only one respondent is proposed for representatives from organizations that serve or advocate for workers in low-wage jobs because the research team will also obtain that perspective from three other "lived experience experts," individuals who were low wage workers and whom the project will engage on an ongoing basis.

The assumed wage rate is based on the May 2020 employment and wages from Occupational Employment Statistics survey from the Bureau of Labor Statistics (https://www.bls.gov/oes/current/oes_nat.htm), and was estimated with the following assumptions for occupations and industries:

- The rate for employer representatives is based on a mean hourly wage of $60.45 for General and Operations Managers across industries (SOC code 11-1021, General and Operations Managers (bls.gov)).

- The rate for State and local labor enforcement and workforce development administrators, $52.59, is based on the mean hourly wage for Management Occupations in *Local Government (excluding Schools and Hospitals)* under SOC code 11-0000 (General and Operations Managers, Local Government (bls.gov).

- The rate for Organizations that serve or advocate for people of color, $53.52 is based on the mean hourly wage for Management Occupations in *Social Advocacy Organizations* Social

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indicate political affiliation and attitudes; legally recognized privileged and analogous relationships, such as those of lawyers, physicians and ministers; records describing how an individual exercises rights guaranteed by the First Amendment; receipt of economic assistance from the government (e.g., unemployment or WIC or SNAP); immigration/citizenship status.

Advocacy Organizations - May 2020 OEWS Industry-Specific Occupational Employment and Wage Estimates (bls.gov).

- The rate for a software developer, $77.76, is equivalent to Computer and Information System Managers under SOC code 11-3021.

- The federal minimum wage, $7.25, for low-wage workers.

Table A.1: Estimated Annualized Cost to Respondents

Instrument	Type of Respondent	No. of Respondents (total over request period)	No. of Responses per Respondent (total over request period)	Avg. Burden per Response (in hours)	Total/ Annual Burden (in hours)	Avg. Hourly Wage Rate	Total Annual Respondent Cost
Discussion Guide (Modules 1, 2, 7)	Employers	3	1	1	3	$60.45	$181.35
Discussion Guide (Modules 1, 3, 7)	Workers of color in low wage jobs	4	1	1	4	$7.25	$29.00
Discussion Guide (Modules 1, 4, 7)	Staff from organizations that serve or advocate for people of color	1	1	1	1	53.52	$53.52
Discussion Guide (Modules 1, 5, 7)	State and local workforce development administrators	2	1	1	2	52.59	$105.18
Discussion Guide (Modules 1, 6, 7)	Software developers	2	1	1	2	77.76	$155.52
	Total	**12**	**1**	**1**	**12**	**$43.71**	**$524.57**

A13. **Costs**

This proposed information collection does not impose a financial burden on respondents. Respondents will not incur any expenses other than the time spent answering the questions contained in *Instrument 1: Discussion Guide.*

A14. **Estimated Annualized Costs to the Federal Government**

Table A.2 shows the estimated annual costs to the Federal government. The amount for Instrument Development and fielding the project collaborator discussion guide is $41,845.

Table A.2: Estimated Annual Costs to Government

Cost Category	Estimated Costs
Conduct and Summarize Project Collaborator Discussions	$34,000
Total/annual costs	$34,000

A15.   Reasons for changes in burden

This is for an individual information collection under the umbrella formative generic clearance for ACF research (0970-0356).

A16.   Timeline

Data collection is expected to begin in late February 2022 and conclude in June 2022. The project collaborator data will inform identification of promising strategies that could be the subject of further study (final internal memo expected August 2022).

A17.   Exceptions

No exceptions are necessary for this data collection.

Attachments
Instrument 1: Project collaborator Discussion Guide

Appendix A: Draft Outreach Email

Appendix B: Project Description