Executive Summary

An Introduction to the World of Work
A Study of the Implementation and Impacts of New York City’s Summer Youth Employment Program

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At the turn of the 21st century, employment rates among teenagers and young adults in the United States began falling dramatically, a trend that accelerated during the Great Recession and has since reversed little. In this context, public programs that provide paid summer jobs to young people may play an especially important role in providing early work experiences for teenagers and young adults who would not otherwise have them. Participants in these programs benefit by earning immediate income and may also learn valuable work-related soft skills that could help them in the future.

This report examines the impacts of the nation’s largest summer youth jobs program — New York City’s Summer Youth Employment Program (SYEP) — on young people’s education, employment, and earnings. MDRC’s evaluation, which is funded by the U.S. Department of Labor and a private foundation, includes a sample of nearly 265,000 young people who applied to SYEP for the first time between 2006 and 2010. The analysis uses an experimental design that relies on SYEP’s randomized lottery application system. Drawing on interviews, focus groups, and a survey of service providers conducted in 2015, the report also describes SYEP’s implementation and the experiences of participants.

The implementation analysis reveals a consistent theme: SYEP’s large scale greatly shapes its implementation and participants’ experiences. Identifying and screening work sites and making job placements for nearly 50,000 young people each summer is an enormous undertaking that requires year-round planning and coordination. SYEP’s size also makes it challenging to provide meaningful, skill-building work experiences for all participants. As a result, there is considerable variation in the types and quality of SYEP work experiences, even within the same job sector and industry.

The impact analysis shows that SYEP had large impacts on young people’s employment and earnings during the summer for which they applied. As a result of the program, those who won places in SYEP through a randomized lottery were 54 percentage points more likely to be employed and earned $580 more during that summer, on average, than those who did not. In other words, the program met its primary objective of increasing the employment and income of New York City’s young people during the summer. And it did so with minimal “substitution”: most applicants who lost their lotteries, especially the youngest of them (the 14- and 15-year-olds), did not find other jobs during that summer. Apart from these impacts on individuals, SYEP also partly bears the labor costs for a substantial number of employers, including hundreds of day camps. SYEP was less successful in improving longer-term outcomes: the program had little effect on education, employment, or earnings beyond the initial summer.

The implementation and impact findings presented in this report highlight the tension between the program’s short- and long-term goals, as it is difficult to provide jobs and income to a large number of young people in a short period while at the same time providing services that are individually tailored and that are intensive enough to alter their long-term outcomes. Some new and future changes may strengthen the program, however. In recent years, the city has made efforts to customize services for some types of participants and to make program funding more consistent, and there are plans to pilot test some adaptations to the program in the future. It will be important to assess whether such changes improve the program without jeopardizing what it currently does well.
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The Authors
Executive Summary

At the turn of the 21st century, employment rates among American teenagers and young adults began falling dramatically, a trend that accelerated during the Great Recession and has since reversed little. In this context, public programs that provide paid summer jobs to young people may play an especially important role in providing early work experiences to teenagers and young adults who would not otherwise have them. Participants benefit by earning immediate income and may also learn valuable work-related soft skills that could help them in the future.

This report examines the impacts of the nation’s largest summer youth jobs program — New York City’s Summer Youth Employment Program (SYEP) — on young people’s education, employment, and earnings. MDRC’s evaluation, which is funded by the U.S. Department of Labor and a private foundation, includes a sample of nearly 265,000 young adults who applied to SYEP for the first time between 2006 and 2010. The analysis uses an experimental design that relies on SYEP’s randomized lottery application system. Drawing on interviews, focus groups, and a survey of service providers conducted in 2015, the report also describes SYEP’s implementation and the experiences of participants. As discussed further below:

- **SYEP’s large scale greatly shapes its implementation.** The program is an enormous undertaking, and it can be challenging to provide every participant with a meaningful work experience. The types and quality of SYEP work experiences vary considerably, even within the same job sector and industry.

- **SYEP had large impacts on young people’s employment and earnings during the summer for which they applied, but it had little impact beyond that summer.** Young people who won places in the program through the lottery were 54 percentage points more likely to be employed and earned $580 more during that summer, on average, than those who did not.

Background

Nationally, hundreds of millions of dollars in federal funding once supported summer jobs programs for over 500,000 young adults per year, but the Workforce Investment Act of 1998 ended that funding. Some summer jobs programs continued to operate using other funding, but

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generally at a smaller scale. Substantial federal funding for summer youth jobs programs temporarily returned in response to the Great Recession. In 2009, states used about $700 million in funds from the American Recovery and Reinvestment Act to provide summer jobs for young people. Only small amounts of federal funding have been available in recent years, however.

An emerging body of research, including two studies of SYEP, suggests that summer youth employment programs can accomplish a number of short-term goals: providing a source of income that young people may not otherwise have, reducing their likelihood of being involved in illegal activities, and improving their educational outcomes such as school attendance and attempts at taking statewide exams required for high school graduation. It is less clear whether these programs can lead to longer-term improvements in education, employment, or earnings. Thus far, research findings have not provided evidence that they do.

The SYEP Model

Between 2004 and 2015, New York City’s SYEP placed about 25,000 to 50,000 young people in summer jobs each year, with annual applications recently exceeding 120,000. The program has operated continuously since 1963, relying on city and state funds in times with little or no federal funding. Since 2003, the New York City Department of Youth and Community Development (DYCD) has administered SYEP.

SYEP offers people ages 14 to 24 minimum-wage, entry-level jobs with public and private employers across the city, and educational workshops on work readiness, financial literacy,
career exploration, postsecondary (college) education, and personal health. The program lasts six to seven weeks in July and August, and offers up to 25 hours of paid work and educational services each week. From 2004 to 2012, SYEP dedicated at least 10 percent of paid program time to educational services for all participants. Starting in 2013, participants of different ages have received different services: 14- and 15-year-olds can participate in up to 20 hours each week, 5 of which are to be in educational workshops, while older participants can work up to 25 hours a week and receive educational services only during a mandatory orientation.

Operating the program requires cooperation among DYCD, community-based service providers, and employers. The providers, of which there are about 50 per year, include multi-service social agencies, community colleges, economic development agencies, and other organizations that focus on workforce and youth development. These providers act as intermediaries among young people, employers, and DYCD; recruit employers and young people for the program; place participants in jobs; run the workshops; and monitor participants’ progress throughout the summer. Employers are responsible for supervising SYEP participants at their jobs. DYCD provides training and technical support and carries out oversight and monitoring.

Like other summer jobs programs, SYEP largely focuses on short-term goals, including reducing youth unemployment during the summer, introducing participants to the world of work, and providing participants and their families with income. The program also seeks to improve participants’ long-term employment prospects by helping them develop work-appropriate soft skills and life skills, and by helping them understand their higher education and career options. While SYEP does not explicitly aim to improve participants’ educational outcomes, the work experience may combat “summer learning loss” (in which students lose academic skills over the summer due to a lack of structured activities), and the summer income may reduce their need to work during the school year and allow them to better engage in school.

The Implementation of SYEP

This study’s implementation analysis relies on data collected in 2015 from interviews with DYCD staff members, a survey of and interviews with provider staff members, focus groups and interviews with program participants, and interviews with people who applied to SYEP but did not participate. These data provide insights into how SYEP works on the ground and the factors that influence its implementation and participants’ experiences.

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11The age limit for SYEP eligibility was raised from 21 to 24 in 2009.
12Until 2012, the program lasted seven weeks; since 2013, the program has lasted six weeks.
• Placing nearly 50,000 people into jobs each summer is an enormous undertaking requiring considerable planning and coordination.

In the first half of each year, the SYEP providers and DYCD prepare for the program’s July start by identifying and screening work sites, hiring and training staff members, and conducting youth outreach. To do so they make use of an infrastructure of work sites, community partnerships, and awareness about SYEP that has built up over the program’s long history.

Uncertainty about annual funding levels made the planning process more difficult in recent years. After 2000, in the absence of steady federal funding for summer jobs programs, SYEP has relied more on allocations from the city and state, which have fluctuated from year to year. Since the city has generally reached budget agreements in mid- to late June, DYCD and the providers often have not known the number of summer jobs SYEP could offer until weeks before the program began, resulting in a scramble to identify and screen work sites and to plan staffing. In 2016, the city committed to a baseline budget to serve at least 60,000 young people each summer, which is expected to alleviate this problem.

• The scale of SYEP makes it challenging to provide meaningful work experiences that can develop every participant’s skills.

While providers aim to make a variety of types of jobs available, their ability to do so is often limited by employers’ staffing needs. For example, camps and day care programs make up a large share of SYEP work sites because they rely on SYEP for temporary workers when families are looking for affordable child care options during the summer. But many for-profit businesses may not need to hire temporary workers during the summer. For that reason, SYEP’s work-site options can be limited to particular sectors able to absorb large numbers of short-term workers. Participants must also be placed quickly after they enroll in the program. These facts together make it difficult to match young people to jobs based on their interests and preferences.

• Participants’ experiences in the program can vary greatly depending on their providers and work sites.

The thousands of SYEP employers across the city include public agencies, nonprofit organizations, and for-profit businesses of varying sizes, organizational characteristics, and labor needs. Between 2006 and 2014, most SYEP participants (73 percent) were placed with nonprofit organizations and nearly half (46 percent) worked for summer camps or day care programs, but the rest worked in diverse industries. Since participants spend most of their SYEP hours at work, the characteristics and cultures of their work sites greatly shape their experiences. The tasks participants perform and their opportunities to build skills and profes-

\[\text{13} \text{Fourteen percent were placed at government agencies and 13 percent with for-profit businesses.}\]
sional relationships also vary depending on the work site, even within the same industry and sector. For example, young people working at one day care helped the teachers serve food to children and take them on field trips, while those at another provided individual academic tutoring.

SYEP participants also experience different levels of supervision, mentoring, and support depending on their work sites. Employers are responsible for supervising young people at the work sites, and the level and quality of their supervision and support reflect staff members’ management styles and workloads, their organizations’ cultures, and the number of participants they oversee. Only a handful of participants reported making deep, potentially long-term connections with supervisors. The size of the program also makes it difficult for provider staff members to have meaningful interactions with young people when they visit work sites, especially those employing large numbers of SYEP participants.

The quality of the educational workshops varies widely among providers and often depends on their ability to draw on their existing organizational resources and community partnerships. For example, some providers have certified teachers, college counselors, or financial education advisers who deliver their educational services, while others rely on seasonal staff members who may or may not have experience with such workshops or their content.

**Impact Analysis Methods, Data, and Sample**

The second component of this evaluation focuses on estimating the “impacts” of the SYEP program. The impacts represent the difference the program makes in the lives of young people. In other words, to what extent does the program lead to better outcomes for young people than they would have had without it? The analysis estimates SYEP’s impacts among 264,075 young people who applied to the program for the first time between 2006 and 2010.

The evaluation takes advantage of DYCD’s randomized admission lotteries to conduct an experimental analysis.14 Each year, young people applied in April or May to one service provider, and were entered into a randomized lottery that selected applicants to be offered places with that provider.15 In the analysis, young people who were selected in a lottery are included in the program group, and young people who were not selected are included in the control group, whether or not they ultimately participated in SYEP. Because the lotteries are random, the program and control groups within each lottery are expected to be equivalent with respect to their measured and unmeasured characteristics at the time they applied. The differ-

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14DYCD continues to use lotteries, though the process has changed somewhat since 2010.
15If a provider had slots reserved for young people with disabilities, two lotteries were run.
ences that emerge between the two groups over time can therefore be attributed with confidence to SYEP (after accounting for the particular lottery into which each applicant was entered).16

The analysis examines the impacts of winning an SYEP lottery on three sets of outcomes: employment and earnings during the summer following the initial application; employment and earnings over the five years thereafter; and educational outcomes (high school attendance and completion as well as college enrollment and graduation).

Partly because only first-time applicants are included, the sample skews young, with about 52 percent being 14 or 15 years old at the start of the summer for which they applied. A little over half are female (54 percent) and most are either black (43 percent) or Hispanic (30 percent). Most were in school, with 86 percent reporting they were in high school or below and 7 percent reporting they were in college. Many were from low-income families, as about 80 percent of those in middle or high school were eligible for free or reduced-price school lunches.

**Participation in SYEP**

- Although not all program group members participated in SYEP, and a small percentage of control group members did, winning an SYEP lottery had a large, statistically significant impact on a young person’s probability of participating in SYEP.

In the summer for which they applied, 67 percent of program group members and 6 percent of control group members participated in SYEP.17 It is not surprising that a substantial proportion of program group members did not participate. Although all program group members were offered slots in SYEP, each lottery winner had only five business days to respond. It is likely that some of them were not successfully reached or missed that window. Some of them may have also found other summer opportunities between the time they applied (in March and April) and the time they were notified of their selection (typically between May and July). It is also not surprising that a small number of control group members did participate, since some people who were not selected in the main lotteries were offered places in SYEP later on.18

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16The regression models used to estimate impacts include fixed effects to account for lottery strata.

17Young people could apply to SYEP in subsequent years, and whether they won the lottery in those years was not affected by whether they had won it before. Therefore, some members of both groups also participated later. The program group remained significantly more likely to have ever participated in SYEP in the five years after application (72 percent did, compared with 29 percent of the control group).

18In some cases, providers had small numbers of slots that were unfilled a few weeks into program operation, and to fill these positions they called people on the applicant list. Those who said they were still interested were entered into another randomized lottery. Since data about these lotteries were not available, research group assignment for this evaluation relies only on the main lotteries.
Impacts During the Application Summer

Figure ES.1 shows impacts on employment and earnings during the application summer (the summer for which young people applied). The bars to the left show average total employment and the bars to the right show average total earnings. Total employment and earnings include SYEP jobs and wages as well as those from other jobs. Within each set of bars, the share from other (non-SYEP) jobs is indicated by the diagonal striped lines.

- **SYEP greatly increased total employment and earnings during the application summer by employing young people who would not have worked otherwise.**

  As the figure shows, the average program group member was 54 percentage points more likely to be employed and earned $580 more than the average control group member during the application summer — a 290 percent increase in employment and a 200 percent increase in earnings. These positive impacts on total employment and earnings were entirely the result of employment and earnings from SYEP itself. The findings indicate that SYEP met its central objectives of introducing young people to the world of work, providing supplemental income to families, and reducing youth unemployment during the summer.

Impacts in the Five Years After the Application Summer

While SYEP mainly seeks to affect outcomes for young people during the summer itself, it also aims to have longer-lasting impacts on employment and education. This section assesses whether such impacts emerged over the five years following the initial application summer. Figure ES.2 depicts average employment and earnings among the program and control groups during those five years.

- **SYEP had little impact on employment and earnings in the five years after the application summer.**

  SYEP had small, statistically significant positive impacts on total employment in Follow-Up Years 1 and 2 (0.9 percentage points and 0.5 percentage points, respectively), before the program and control group means converged. As the figure shows, these positive impacts on total employment were entirely the result of higher SYEP employment among program group members. (Program group members were somewhat more likely to reapply to SYEP in later summers.) Interestingly, SYEP had statistically significant negative impacts on total earnings during the same period, which may mean that control group members obtained jobs that paid more or that were more permanent. However, these impacts were short-lived and probably too small to be meaningful. For example, in Follow-Up Year 1, control group members earned only $40 (or 3 percent) more, on average, than program group members.
SYEP did not affect high school or college outcomes.

SYEP did not increase the number of school days young people attended during Follow-Up Year 1 (both the program and control group attended 83 percent of the time, on average), nor did it increase their likelihood of graduating on time from high school (that is, within four years of entering).\(^{19}\) Fifty-seven percent of both groups did so. Similarly, SYEP did not increase college enrollment or graduation in the five years after the application summer (56 percent and 6 percent, respectively, for both groups).

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\(^{19}\)The analytic sample used to estimate impacts on educational outcomes excludes young people who were not enrolled in the New York City public school system during the years after the application summer.
Figure ES.2

Impacts on Employment and Earnings
During the Five Years After the Application Summer

- **Program group**
- **Control group**

Indicates the share of total employment or earnings from work *other* than SYEP

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**SOURCES:** MDRC calculations using data from the New York State Department of Labor and the New York City Department of Youth and Community Development.

**NOTES:** Statistical significance levels are indicated as follows: *** = 0.1 percent; ** = 1 percent; * = 5 percent.

Results in this figure are regression-adjusted for baseline characteristics and lottery strata.
Discussion of Findings and Policy Implications

SYEP is an iconic program that plays a role in the lives of tens of thousands of young adults and in the overall economy in New York City. It dwarfs many other youth-focused programs nationwide and partly bears the labor costs for more than 1,000 day camps, many of which serve low-income families who need child care and enrichment options for their children during the summer. Each year, the program also puts tens of millions of dollars, in total, into the pockets of participants, most of whom are from low-income families.

This report provides new insights into SYEP’s impacts on employment, earnings, and education. The results show that SYEP succeeds in achieving its primary short-term goal: providing work experience and income to a large number of young people who would not otherwise be working. About 72 percent of program group members worked during the summer, a rate nearly four times that of control group members and far higher than youth employment rates overall. On average, program group members earned $580, or three times more than control group members, a substantial amount of money that participants said they used for things like buying school supplies, saving for college, and contributing to their families.

Despite SYEP’s large impacts on employment and earnings during the application summer, the program appears to have little sustained impact on longer-term outcomes in education and the labor market. These findings are consistent with previous research showing that summer jobs programs are effective in engaging young people in short-term work, but generally do not increase employment, earnings, or educational attainment beyond the summer.

The broader evidence base for youth employment programs suggests that improving longer-term outcomes for young people would require additional, more costly program components that respond to their needs. For example, career-specific training and work experience, combined with support to address personal development and barriers to success, can influence young people’s employment outcomes over the long term. However, it may be very difficult for a program as large as SYEP to add such services. SYEP providers place tens of thousands of young people into summer jobs in a very short time. Without substantial additional resources, it is difficult to imagine how they could incorporate more intensive program components. Indeed, in recent years DYCD has made efforts to customize SYEP’s services for different groups of

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20Between 2006 and 2014, the total amount paid to SYEP participants ranged from about $25 million to about $45 million per year.


participants based on their ages, disability statuses, and other characteristics, but these options serve a small share of participants for logistical and cost-related reasons. Still, the city continues to work toward improving the program, and in 2017 DYCD will conduct a few small-scale pilot tests of new program models targeting young people with varying service needs.

The findings in this report suggest that when assessing SYEP’s success and making decisions about its future, it is important to consider a tension that exists between the program’s short- and long-term goals. As a mechanism for creating thousands of jobs and providing additional income to participants, SYEP is very successful. In considering changes designed to improve the long-term impacts of SYEP or similar programs, funders and practitioners will want to seek solutions that do not unintentionally jeopardize the program’s ability to meet this primary short-term goal.