Dislocation & Reemployment Services: Recent Evaluation Findings

Prepared by

Ron D'Amico, President
Social Policy Research Associates
Oakland, CA

With contributions from:
Mathematica Policy Research, Inc.
Princeton, NJ

www.spra.com
Recent and Planned Data Collection

Evaluation of Trade Adjustment Assistance

- Administrative data collection
- Site visits to 30 States and 63 local offices
- Survey of TAA eligibles and comparison group

Evaluation of Rapid Response Services

- Site visits to 8 States and 4 LWIAs
- Survey of Rapid Response coordinators

Evaluation of One-Stop Self-Services

- Site visits to 9 States and 14 LWIAs
- Survey of One-Stop Resource Room customers

Additional data collection for 2009-2010
Selected Findings on Key Principles

- Promote early intervention
- Facilitate take-up into TAA and other services
- Promote rapid, suitable reemployment
Critical Role for Rapid Response

- Presented in association with every major dislocation
- Presents a broad mix of services
  - Range of One-Stop Career Center services
  - Financial guidance and credit counseling
  - Health care, health insurance, and mental health
  - Entrepreneurial training
  - Strategies for coping
- Critical for moving workers into services quickly
- Surveys workers to identify their likely needs early
- Sometimes leads to the filing of a petition for TAA
Innovative Practices in Rapid Response

Proactive Efforts
• Some efforts to develop early warning systems
• Aversion attempted (though not often successful)

Services to Employers
• Aversion activities, such as business consulting

Early Intervention
• Pre-layoff re-employment services used some of the time, though obstacles limit use
• Use of labor-management committees

State Financial Contributions to Rapid Response
Self-Services Quality Ratings

Self-services are generally of good quality

Source: Survey of self-services customers in 5 LWIAs
Self-Services Under Considerable Strain

But the volume of customers can be overwhelming

Annual Number of New Customers in 7 LWIAs

Source: WIASRD and data on self-services gathered from LWIAs

SPR
Many Customers are Frequent Users

Number of Days Customers Use Self-Services in a Year

Source: Data on self-services gathered from LWIAs
Self-service customers tend disproportionately to:
- Be younger or older
- Be high school dropouts
- Have poor basic skills
- Have poor computer literacy skills

Opinions are mixed. Customers …
- Are mostly satisfied with staff & facilities, but…
- About half report that services weren't helpful in finding a job
Promoting Take-up into Services

Key Goals for TAA

- Expand eligibility for TAA
- Effective notification of eligibility for services
- Get workers into services quickly
Percent of Petitions Certified that Cover Secondary Worker Groups

Source: USDOL
DOL Response Time for Petitions Filed

Source: USDOL
Promote Take-up for Services

Take-up Rate for TAA Services among Eligibles

- 49.7% Received a significant TAA service
- 50.3% Did not receive a service

Source: Survey of TAA eligibles.
Why Didn’t Eligible Workers Apply for TAA?

Source: Survey of TAA eligibles. Respondents reported multiple reasons so numbers sum to more than 100%.
Notification of Benefits Is Generally Linked to Knowledge and Service Receipt

Knowledge of TAA Benefits

Notification
- Rapid Response
- Letter from State
- TAA Orientation

Service Receipt
- Reemployment Services
- Training
- HCTC
- ATAA
Who Doesn't Get Served?

Vulnerable worker groups less knowledgeable of TAA and receive fewer services

• TAA eligibles who do not speak English at home or did not complete high school
  – Less knowledgeable about benefits
  – Less likely to receive reemployment services (but not necessarily less likely to enroll in training)
8/16 Rule Counter-Productive

Clear and Reasonable Intent, but...

8/16 Turns Out to be Too Quick for Many

- Notification and TAA eligibility must come first
- Need for training must be established
- Training plan developed

Unforeseen Negative Consequences

- Effects largely undermined by widespread use of waivers
- Massive increase in workload for line staff
Promoting Rapid, Suitable Reemployment

Key Goals for TAA

- Provide wrap-around services
- Wage insurance as another option
Potentially critical role of wrap-around services in assuring successful outcomes, yet...

- TAA's funding restrictions constrained how much case management could be provided
- Upfront assessment & service planning and post-training placement assistance often missing
- Co-enrollment in WIA could fill this gap, but WIA may not be able to serve all
Reasons Eligibles Didn't Apply for ATAA

Wage insurance (ATAA) offers alternative, but is rarely used

- Could not find job: 27%
- Wanted training: 21%
- Not eligible: 19%
- Missed deadline: 15%
- Found a job: 14%
- Retired: 13%
- Did not understand program: 12%
- Other: 23%

Source: Survey of TAA eligibles
Conclusions

Implications and Next Steps
2009 Amendments Fix Some Problems

Key Findings & Policy Changes

- TAA take-up hasn't expanded → Expansion of eligibility to service workers
- 8/16 rules not working → Elimination of 8/16 rules
- Case management often not available → Funds in TAA provided specifically for this service
- Take-up for wage insurance is low → Eligibility rules for wage insurance are relaxed
Changing Economic Environment

Trend in Mass Dislocation Events

Source: BLS Mass Layoff Statistics (2009 figures are projected)
Number of TAA Eligibles Will Surge

Trend in Expected No. of Eligibles

Source: DOL Petition Data (2010 figures are projected)
Next Steps

Questions to Investigate in Upcoming Data Collection

- Ability of Rapid Response, One-Stop Career Center self-services, and TAA service delivery to deal with the surge in the eligible pool
- Adequacy of TAA funds to provide case management services and effects on co-enrollment
- Effect of changes on wage insurance take-up
Next Steps

For Comments or Further Information

Ronald D’Amico, Ph.D.
Project Director and Co-PI
Social Policy Research Associates
510-763-1499 x628
ron_damico@spra.com

Peter Schochet, Ph.D.
Co-PI
Mathematica Policy Research
609-936-2783
pschochet@mathematica-mpr.com