
Job Training That Works

**Initial Earnings and Employment Findings
from P/PV's Sectoral Employment Impact Study**

September 15th and 16th 2009

U.S. DOL, ETA's Recovery and Reemployment Research Conference

The Study

- ❖ Three organizations selected from nominations from leaders in the workforce development field.
- ❖ Criteria: focused on a sector, sub sector or occupation; served over 100 people annually; had strong reputations; placed people above \$8 an hour.
- ❖ Organizations recruited double the participants who were randomly assigned to participate in the program or to the control group.
- ❖ Follow-up interview period began 24 months after baseline and could occur up to 30 months.

Three Organizations



Five Common Elements

- ❖ Sector focus: A continuum of strategies designed to engage an industry or a small set of industries.
- ❖ Concern for candidates' career match: Recruitment, screening and intake processes aimed at making appropriate career matches.
- ❖ Integrated skills training: Technical job-specific training, job-readiness workshops, and support to strengthen basic English and math skills.
- ❖ Individualized services to support training completion and success on the job: Social supports, such as childcare, transportation, housing and financial assistance as well as job-specific assistance.
- ❖ Flexibility to adjust to a changing environment: Close connection to industry allowing for shifts in occupational/industry focus; ability to alter mix of services to respond to changes in partner agencies or available funding.

Sector Focus

- ❖ **Wisconsin Regional Training Partnership (WRTP)**
 - ❖ manufacturing, construction and healthcare
 - ❖ business/union membership organization; coordinators led industry specific committees that identified needs among member businesses; “ordered up” classes.
- ❖ **Jewish Vocational Services (JVS Boston)**
 - ❖ medical billing, accounting and office administration
 - ❖ employer advisory councils and account management approach; employers involved through interviewing, curriculum advise and internships.
- ❖ **Per Scholas**
 - ❖ information technology
 - ❖ role as recycling social venture creates strong connections to industry; direct employer relationships and A+ certification.

Characteristics of participants at baseline

- ❖ Set out to serve disadvantaged, low income job seekers and workers
 - ❖ Worked an average of 6.8 months in the year prior and earned \$9,872
 - ❖ 32% working at time of baseline
 - ❖ 81% were either African American or Latino
 - ❖ 37% ever on welfare
 - ❖ 22% had been convicted of a crime
 - ❖ Age
 - 18 to 24 – 28%
 - 25 to 54 – 70%
 - 55 and over – 2%
 - ❖ Education
 - More than high school diploma – 18%
 - High school diploma – 53%
 - GED or high school equivalency – 22%
 - Less than high school – 7%

Concern for candidates career match

- ❖ Requirements of the industry/specific jobs served as criteria for training program entry.
- ❖ All have multi-step processes in place in which individuals and organization decided on appropriateness of career/program match.
- ❖ Generate a large pool of candidates to reach target numbers.

Integrated skills training

❖ **WRTP**

- ❖ A short-term (40-160 hours) technical training brokered through a network of providers (local colleges/technical schools, industry personnel on loan) that included an “essential skills” component focused on operating within the work/industry culture.
- ❖ On average participants spent 1.9 months in training.

❖ **JVS**

- ❖ A 21- to 25-week training program that includes core classes in computer software, specialized training in medical or basic office skills or accounting, internship and job readiness and soft skills training.
- ❖ On average participants spent 4.7 months in training.

❖ **Per Scholas**

- ❖ 15-week, 500-hour computer technician training program with “hands on” instruction and problem-solving and the opportunity to work as part-time interns. Participants eligible to take the A+ exam.
- ❖ On average participants spent 3.3 months in training.

Individualized services to support training completion and success on the job

- ❖ WRTP offered participant supports and remedial education through a **network of public and community-based agencies.**
- ❖ JVS participants accessed instruction in **basic skills or ESL** if needed. Legal matters, childcare needs and transportation difficulties are handled through partnerships with other agencies and organizations.
- ❖ Per Scholas offered services such as **mentoring, counseling, employability workshops and assistance** with work attire. Job placement services were also available to participants through external organizations.

Flexibility to adjust to a changing environment

- *Act at the nexus between “three customers”: job seekers, funding agencies and local employers.*
- *Broker resources together in services that meet the needs of all. Combination of public funding, such as WIA training vouchers, welfare-to-work and workforce attachment and advancement resources and private foundation support.*
- *Have the flexibility to innovate in response to changes in employers’ needs and funding agency requirements.*

The Analysis

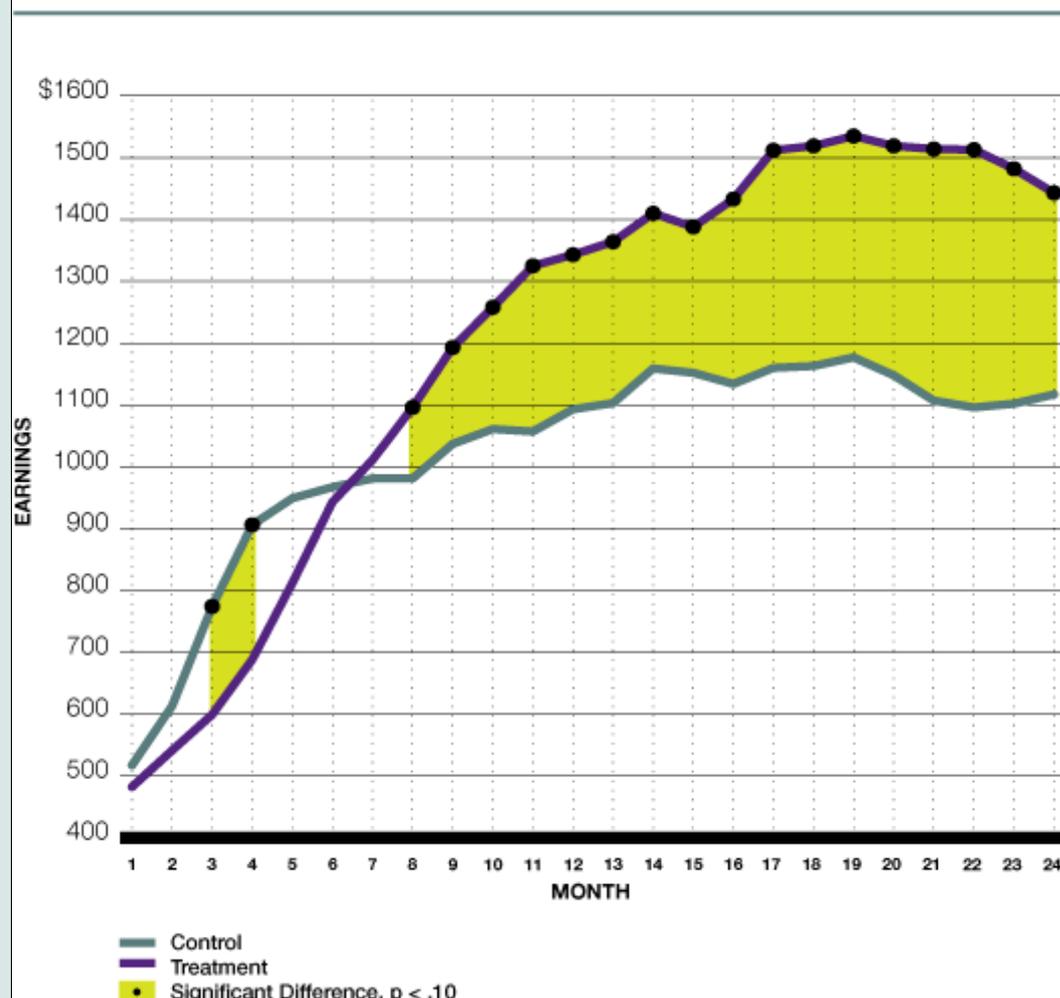
- ❖ 1,014 respondents in the follow-up sample
- ❖ 79% response rate
- ❖ Regression analysis was performed on all outcomes controlling for baseline characteristics
- ❖ All outcomes analyzed over the entire 24 month follow-up period, in the second year of follow-up and in each of the 24 months

Earnings

- ❖ Program participants saw significant earnings gains, about \$4,500, when compared with controls over the entire follow-up period.
- ❖ Earnings gains were particularly strong during the second year, about \$4,000.
- ❖ Impacts began around the eighth month and continued throughout the follow-up period.

Earnings

Figure 1: Total Earnings by Month

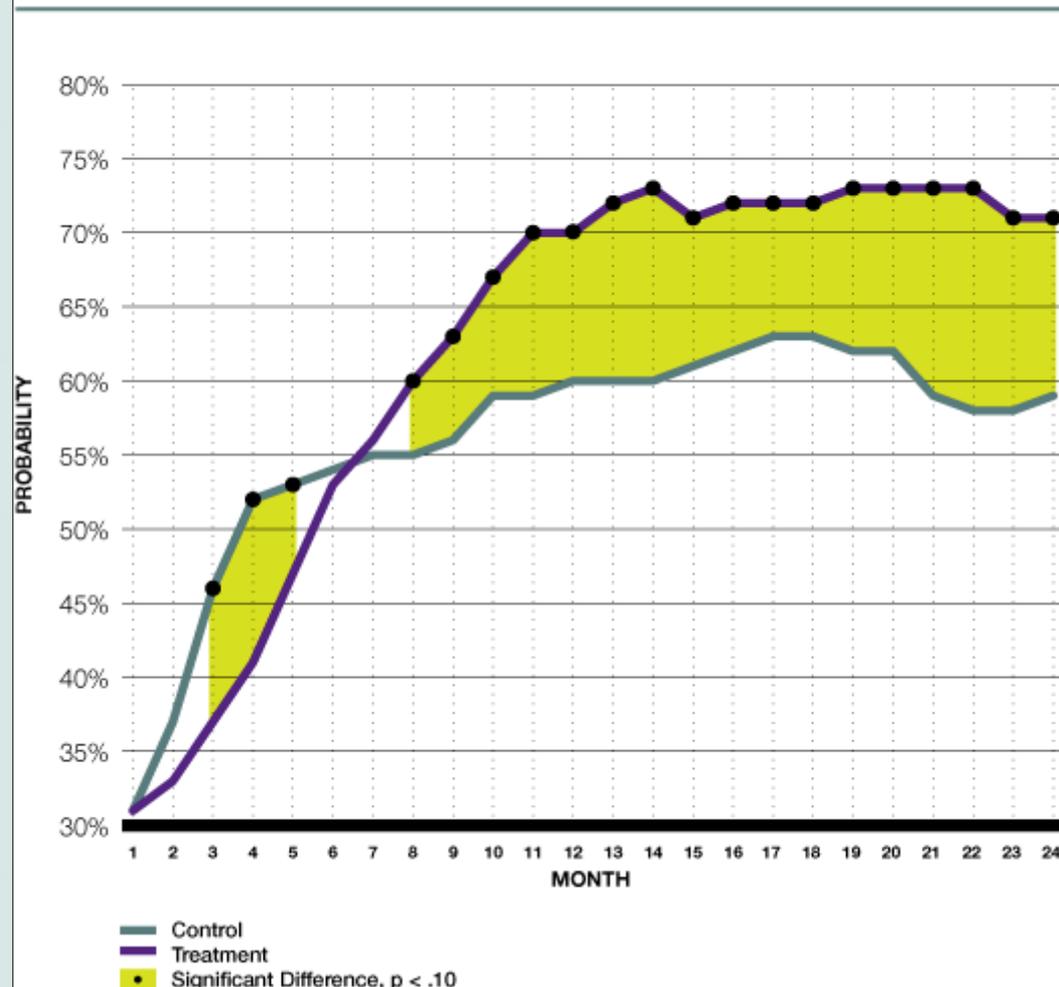


Employment

- ❖ Program participants were more likely to work and worked more consistently than controls.
- ❖ Over the 24-month follow-up period, program participants worked about 1.5 months more than controls.
- ❖ By Year Two, employment rates for program participants averaged about 70%, versus 60% for controls.

Employment

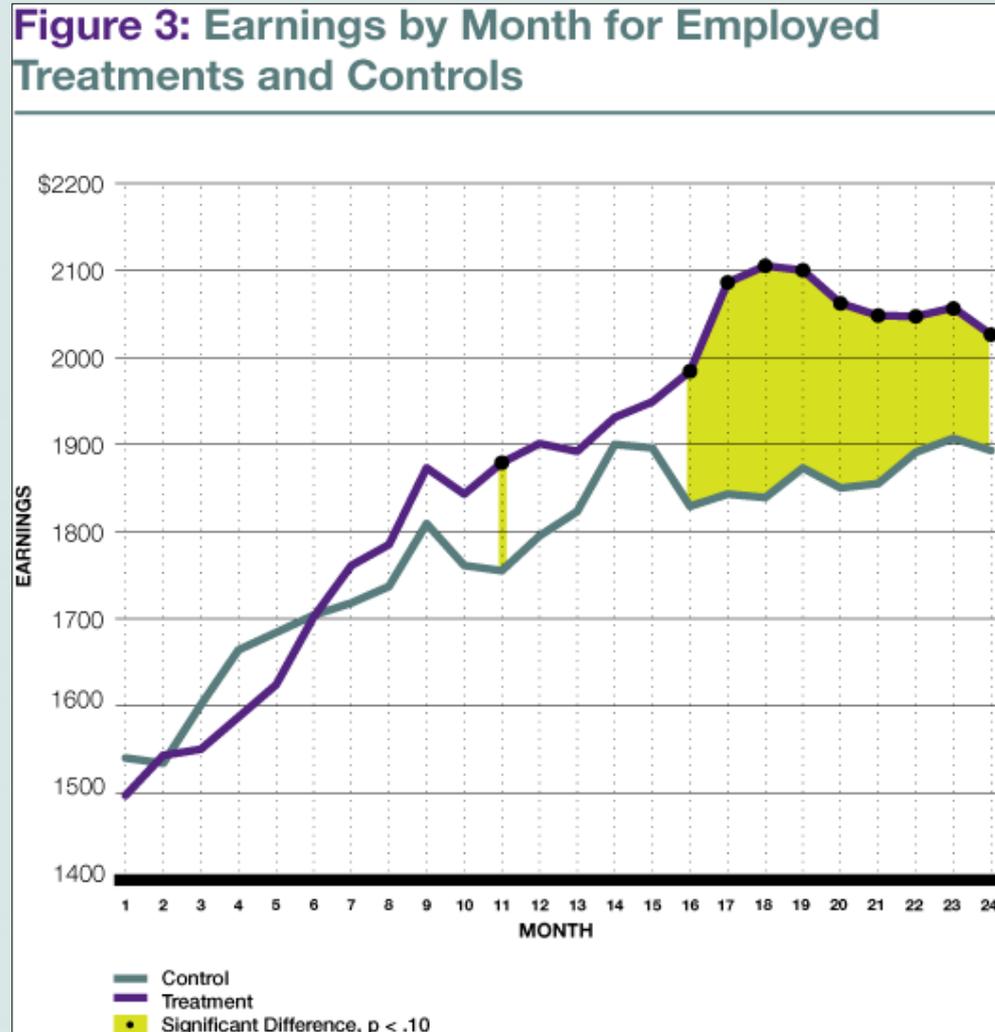
Figure 2: Probability of Employment by Month



Earnings for Those Employed

- ❖ Employment alone does not explain the difference in earnings between treatments and controls.
- ❖ Employed program participants earned about \$3,300 more than employed controls.
- ❖ All of these earnings gains occurred in Year Two.

Earnings for Those Employed

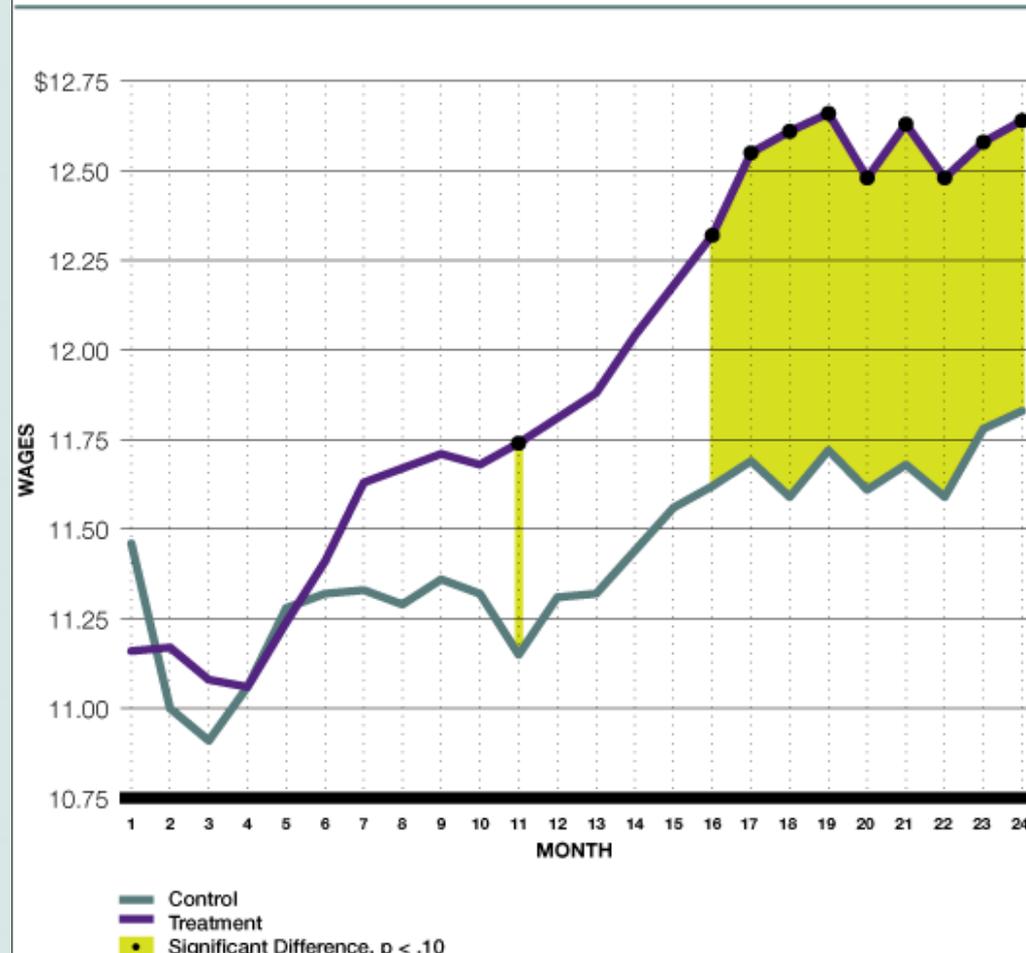


Hours, Wages and Benefits

- ❖ Employed program participants worked about 200 more hours than employed controls during Year Two.
- ❖ Employed program participants earned about 79 cents an hour more than employed controls in their most recent job.
- ❖ Program participants were significantly more likely than controls to work in jobs that offered benefits; participants spent an average of 11 months in these jobs—about 1.5 months longer than controls.

Hours, Wages and Benefits

Figure 4: Hourly Wage in Primary Job by Month for Employed Treatments and Controls



Further Findings

- All three sites saw positive impacts, though they differed
 - ❖ Wide range in the size and timing of impacts from site to site
- Also saw positive impacts for many sub-populations, though many were specific to sites
 - ❖ African Americans, Men, Women, Youth, Latino, Formerly Incarcerated
- Full discussion of site by site and sub-population findings in the final report

Interesting preliminary findings

- A+ certification may be contributing to positive impacts at Per Scholas
 - ❖ Program participants were significantly more likely to earn A+ certification: 55% vs. 9%
 - ❖ Those with A+ earned significantly more, were more likely to work, worked more hours and had higher hourly wages
- Access to union jobs may be contributing to impacts at WRTP
 - ❖ Program participants were more likely to have ever worked a unionized job: 38% - 28%
 - ❖ Unionized workers earned significantly more, worked more months and had significantly higher wages

Interesting preliminary findings

- Youth at JVS-Boston do particularly well
 - ❖ 98% of youth were women
 - ❖ Earned significantly more than controls in second year
 - ❖ Wages were not higher, but program participant youth worked significantly more than controls—three months and 600 more hours in the second year

Recommendations

1. Invest in job training that is industry-focused or employer-linked.
2. Create flexible guidelines that enable programs to build on local knowledge and experience.
3. Invest in programs that integrate a range of trainings and supports.
4. Streamline funding regulations to support programs that serve people based on common career interests.
5. Measure longer-term outcomes and reward programs that achieve longer-term success for participants.