

The Workforce Investment Act in Vermont

Participant Outcomes: 2001 through 2009

Prepared for:

The Vermont Department of Labor

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The Social Science Research Center at Saint Michael's College was established in 1987 to provide opportunities for faculty and students to engage cooperatively in inter-disciplinary research within the social sciences. Research services are offered to government, businesses and nonprofit institutions.

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Introduction

Since 2001, the Center for Social Science Research (SSRC) at Saint Michael's College has been evaluating the post program work experience of participants of the Workforce Investment Act (WIA) for the Vermont Department of Labor (VDOL). This report documents the outcomes of WIA participants who exited from the program between July 1st, 2008 and June 30th, 2009, but does so within the context of the experience of all participants who have left the program from its beginning at the turn of the last decade.¹ Participant follow-up surveys conducted by the SSRC in concert with an extensive array of programmatic and earnings data maintained by the VDOL serves as the study's database.

Labor markets, whether expanding or contracting, are always in a state of flux. Even when the government announced in September of 2011 that there was no job growth in August, people still found new jobs, balanced by others who either lost or left their former positions. As recently as January of 2008, Vermont's unemployment rate hovered around 4%, a level considered to be at full employment, but within just over a year later the rate would rise to 7.3%, negatively impacting many of the outcomes that will be highlighted in the following pages.² However, no matter what the state of the labor market, the skill levels of the American workforce need continual upgrading as a way of responding to rapid technological change, competitive trade pressures and shifting patterns of consumer demand. All groups in society have been affected by these economic trends, but this is especially true for WIA's participants who largely reside at the lower ends of the job market. Deindustrialization, stagnant real earnings, reoccurring recessions, the growth of the contingent labor force, and rising poverty levels and income inequality have all been unwelcome byproducts of our economy over the last four decades, and have made the need for government remedial action all the more important.

Since the 1960's, the federal government has responded to these challenging labor market trends with a series of employment and training programs, the most recent being the Workforce Investment Act or WIA, which was passed in 1998. WIA, like its predecessors (e.g., MDTA passed in 1962, CETA in 1973 and JTPA in 1982) seeks to enhance the earnings potential of the economically disadvantaged and people harmed by the loss of long-term jobs through the provision of job training and placement services. At the same time, the government expected that WIA would also stimulate economic development and help meet the employment needs of the businesses community. Regional Workforce Investment Boards (WIBs), chaired by a member of the business community were established to achieve these objectives. In Vermont, the Workforce Development Council (WDC) acts as the state WIB. The Council develops policies to

¹ There is a significant time lag time involved in the follow-up studies. In order to include at least three quarters of wage reporting records for each participant, nearly a year and one-half must pass after program termination before the information becomes available.

² The unemployment rate at the national level reached 9.4% in May of 2009. U.S. Department of Labor. <http://www.bls.gov/opub/ted/2009/jun/wk2/art02.htm>

coordinate and improve the effectiveness of the education and training institutions within the state. WIA is currently the largest workforce development program.³

In a number of respects, WIA was designed to be a different type of training program than its predecessors. WIA's services, for example, are available to all members of the public, not just targeted groups of the disadvantaged or those that meet certain income eligibility standards, as was the case under CETA and JTPA. Local "One-Stop Career Centers" were established to consolidate the array of services offered by WIA and other federally funded workforce development programs at one location.⁴ Furthermore, under the enabling legislation, participants would be able to make their own choices of what types of training to pursue through "individual training accounts" (ITAs) which could be used at any state certified training site. At the time the program was implanted, a work-first approach was a principle stressed at the national level. Lastly, along with enhanced interagency coordination, the architects of WIA wanted to improve program evaluation.⁵

⁶ With this last objective in mind, the Vermont Department of Labor contracted with the Center for Social Science Research at Saint Michael's College (1) to document the types of employment outcomes experienced by former WIA participants, (2) to supplement the U.S. Department of Labor's performance standards, and (3) to complete the federally mandated participant satisfaction survey.

Over the last decade of the SSRC-VDOL participant follow-up studies, the year-to-year similarities in outcomes have often been more striking than the differences. One program outcome that has changed little since 2001 is the relatively high level of support for WIA from both its youth and adults participants. That said, the findings from the current study, which covers the period between July 1, 2008 to June 30, 2009, while still encouraging, show clear signs of the impact of the downturn in the economy. For example, post program employment, wages and hours worked per week each fell modestly from prior years as did quarterly earnings. In the most recent survey year, we recorded the highest percent of former participants who told our interviewers that they were making less on their current job than before WIA. As we have seen in prior follow-up studies, the best predictor of post program employment is the stability of the employment situation prior to program entrance; those with greater pre-program earnings have considerably higher employment rates after WIA. However, at the same time, the vast majority of program participants do find jobs, but employment rates tend to drop off as they move farther away in time from WIA. As has been the case in the past, dislocated workers experienced losses in earnings from pre-program levels, but they do maintain much higher employment rates than other members of the sample.

³ According to the U.S. Department of Labor, WIA served over 2 million people with a \$3 billion budget in 2007.

⁴ Sixteen federally funded employment and training programs from four separate federal agencies provide their services through these One-Stop Career Centers.

⁵ Performance measures under JTPA relied heavily on information gleaned from post program participant surveys. WIA also conducts client and employer satisfaction surveys, but the program, at the national level, relies extensively on the UI quarterly earnings data for measures on post program employment, employment retention and earnings.

⁶ To date, no national experimental control group study of WIA has been completed.

The jobs participants do find are largely ones they hope to stay with, especially among the 61% who found work in jobs that were related to their training. Additionally, those who were in training related jobs were far more likely to feel that they could not have gotten their jobs without the help of the program. Training related placements are important, but in the most recent survey year, the percentages, like other program outcomes, were slightly down from earlier years.

The study begins, like its predecessors, by first identifying some of the limitations of the analysis. This is followed by a review of the sampling frame, response rate and response bias. The characteristics of the sample and the client composition of the various training programs funded through WIA are addressed next. The study's major outcomes are then presented. The narrative ends with a summary of the key data findings and a consideration of some unanswered questions and policy issues that flow from the analyses.

Caveats

The conclusions reached in this report must be understood in the context of the study's methodological limitations and the goals of the research. First, the study's database relies on information collected from WIA intake forms, program activity files, federal quarterly wage reporting records, and telephone interviews conducted with former participants during the first quarter after program termination. The interviews were quite brief, generally lasting no more than five to eight minutes. Only the most basic information on post-program earnings and employment at the time of the follow-up contact was captured. The perspective of other stakeholders, such as state administrators, local program staff, and employers, are not considered, nor is the program's cost effectiveness.

Second, individual training programs are treated as a "black box" in the nomenclature of research methodology. We know who used the training programs and we have some knowledge about a graduate's status after they leave the program. No attempt was made to observe, or to assess, the way that any of the training programs operate. Thus, much of what goes on within the various programs funded by WIA is not the subject matter of this report.

Third, no control group was used to measure program impact. The study is unable to say what would have happened to participants in the absence of the program. This would be a counterfactual question; one cannot verify or falsify a conclusion that does not happen. Without a control group, program success becomes more of a normative question.⁷

⁷ The most reliable way to measure program impact is through random control group studies. Yet, studies of this sort still face serious methodological limitations. For example, some members of the treatment group may drop out of the study and receive no "treatment," while others in the control group may find ways to receive similar or the same treatment in other programs or at different sites. It's also a challenge to select a sample that's representative of the country as a whole. Non-experimental approaches where the outcomes of program participants are compared with comparable individuals who do not enter the program

Outcomes can be evaluated, however, in light of a program's predetermined goals, one's own sense about what "good" and "bad" outcomes look like, or the findings from earlier years. While the results from non-experimental design studies lack a measure of scientific precision, they still provide administrators with unique insights and a rough measure of program effectiveness.

The prior program experience of participants is at times used in this study to provide some measure of "control" for assessing performance. Yet, one must be careful in interpreting the findings from pre-post program comparisons. Unusually low earnings for many program participants often characterize the period immediately prior to program participation. Indeed, low or no pre-program earnings are a key reason why many participants enter the program in the first place.⁸ If participant earnings rise after the program, they may simply reach a level consistent with their pre-program capabilities, rather than demonstrating occupational upgrading. To lessen this problem, post program earnings are compared to the baseline of the second and third quarters before the program as opposed to the prior quarter alone. In part, because of problems of this sort, the U.S. Department of Labor discontinued using pre-post earnings comparisons in WIA as a performance measure.

The Sample

As noted above, information on the study's sample came from records on file from the Vermont Department of Labor and from a telephone follow-up survey conducted by the SSRC. The Vermont Department of Labor provided the SSRC detailed data on the characteristics of each participant, their

This study examines the labor market experience of both the 3,482 participants who terminated from WIA between 2001 and 2009 and a subset of 255 participants who left the program between 2008 and 2009, the year of the most recent follow-up period.

WIA activity records and their quarterly earnings from the UI wage reporting system before and after the program. Information of this sort was available for all members of the sample and was combined with a more limited data set collected by the SSRC from

have received a lot of attention from researchers who evaluate the impact of training programs. These studies assume, however, that there are not important unmeasured human capital characteristics in either the treatment or comparison groups that might explain the program outcomes. To what extent problems of this sort impact the findings from "matching" studies is subject to some debate within the community of program evaluation researchers.

⁸ Dislocated workers, who may have received buyouts and severance payments prior to the program, enter WIA not based upon low pre-quarterly income, but simply due to their status of having lost a long-term job. Furthermore, unlike earlier training programs, WIA does not exclude participants with higher pre-program earnings. Participants with stronger employment likelihood are expected to receive fewer training services and less costly interventions.

the post program survey of participants. This survey focused on participant perceptions of their WIA experience and the characteristics of the jobs they held after leaving the program.

Contact Rate on the Follow-up Survey

Among the 255 people who exited from the Vermont WIA program between July 1, 2008 and June 30, 2009, 62% were contacted and interviewed. This is the same contact percentage as the year before and is in-line with the response rates from earlier studies.⁹

While the focus of the study is on the experience of this group of more recent former WIA participants, outcomes are also presented for the entire group of 3,482 former participants who terminated from WIA between July 1st 2001 through June 30th 2009.¹⁰ Included in this larger group are 1,418 people who participated in youth programs, 233 older youth, 766 dislocated workers, and 1065 “other adults.” The latter category represents a heterogeneous grouping of people including welfare recipients, veterans, ex-offenders, people with physical and learning disabilities and some with limited work histories. Since the beginning of the follow-up studies, dislocated workers have always been the easiest to locate and interview; on average, 78% of the dislocated are interviewed each year, while older youth have been the most difficult with an average contact rate of 52%. The overall response rate reflects the transient nature of some members of the sample in concert with a methodology that relies on land based telephone numbers.¹¹ Participant electronic records include, for the most part, landline telephone numbers for the participant and a contact number of a friend or relative. Cell phone numbers are not regularly collected, which reduces the potential response rates, especially for younger adults who are no longer living with their parents.¹² In light of the

⁹ Several steps were undertaken to achieve a high contact rate. First, all participants were sent a letter from the Vermont Department of Labor explaining the purpose of the follow-up survey and asking for their cooperation. An 800 number was included in the letter to enable former participants without home phones to call for an interview. No limit was placed on the number of phone calls made to any member of the sample (20 to 25 attempted calls to people with known phone numbers, and their contact numbers, were not unusual). When we were unable to reach a participant, calls were made to other contact numbers, usually friends or relatives, asking for their help in reaching program participants. In the event that a phone was never answered, we left an 800 number asking former participants to call back for an interview. When people couldn't be reached through the phone numbers listed at intake, case managers were contacted and asked for suggestions on how we might reach these “lost” members of the sample. A small number of participants who were contacted, refused to be interviewed or were unable to complete the interview. As in earlier years, the lack of landlines, and unlisted and disconnected phone numbers reduced the contact rate. Calling hours were varied by time and day in order to reach people who had unusual schedules.

¹⁰ 63% of these participants were interviewed between 2001 and 2009.

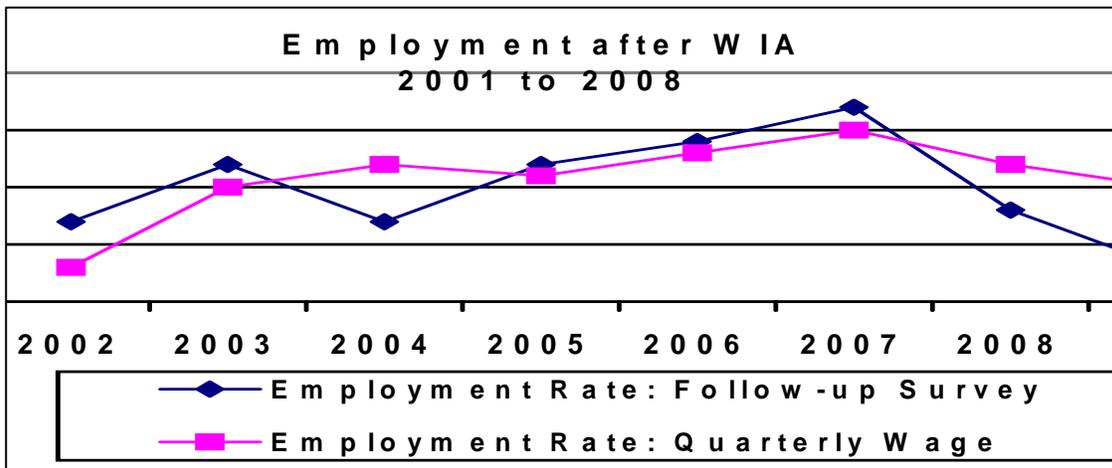
¹¹ This type of response bias suggests that when the findings rely on participant follow-up interviews, and not all do (e.g., employment and earnings data are also available for the great majority of program graduates through the U.I. wage reporting system), outcomes will likely be more favorable or positive than if the entire population had been interviewed.

¹² In 2008, the U.S. Centers for Disease Control and Prevention (CDC) estimated that one out of six Americans rely on cell phones only. (see: <http://www.cdc.gov/nchs/data/nhis/earlyrelease/wireless200812.htm>)

shifting nature of landline-cell phone use, the VDOL should consider adding cell phone numbers to the electronic records it maintains.

Sample Characteristics

One of the more notable changes in this year’s sample of 255 was its unusually small size. The year before, for example, 545 participants exited from the program.¹³ It’s possible that additional monies from the stimulus bill provided more extensive training opportunities and consequently participants remained in the program for longer periods of time leading to fewer program terminations between 2008 and 2009 than in earlier years. But it’s also possible that case managers, in response to high unemployment rates, resisted exiting participants without strong employment possibilities. The extent to which case managers are “gaming” the system to meet federal performance guidelines is not clear.



As noted earlier, WIA’s population can be divided broadly into the four groups discussed above; each with its own set of employment barriers, skill levels, and labor market experiences. The percentage of each of these four groups in the total WIA population, as can be seen in the chart, has remained similar over the years, although there are minor year-to-year variations.

As one might expect, the programmatic goals for each of the major WIA groups differ, and are reflected in the types of services offered. For youth, the acquisition of social and job readiness skills, along with stronger school attachment are key program goals. Most of the youth participated in summer employment opportunities and work experience programs. In contrast, employment through skill enhancement and labor market services

¹³ Sample sizes over time have been: 2001 to 2002 (n= 604), 2002 to 2003 (n=704), 2003 to 2004 (n=467), 2004 to 2005 (n=328), 2005 to 2006 (n=310), 2006 to 2007 (n=438), 2007 to 2008 (n=376), 2008 to 2009 (n=255)

is the overriding objective of the programs designed for older youth, dislocated workers, and “other adults.” A range of programs are available for these participants including occupational skills acquired in a classroom setting (OS), on-the-job training (OJT), work experience (WE), and intensive

Since the beginning of WIA, seven out of ten dislocated workers and “other adults” in Vermont have received either occupational skills training or OJT. Over one-half of older youth entered a work experience program, while younger youth were most likely to participate in a summer employment experience.

services which include labor market search techniques, resume preparation, interviewing techniques, job counseling, skills assessment, and support services such as money for job related expenses.¹⁴ Core services, which are largely self-directed activities such as job search, are available for all WIA participants as well as anyone who registers for employment services, including unemployment insurance, with the Vermont Department of Labor. Most of those who use “core services” never become officially enrolled in WIA in Vermont.

Since the beginning of the program most adults and older youth have received either a sequence of services or entered a specific training program. In the most recent year, this training was most often vocational, and offered in a classroom setting (74% of “other adults” and 62% of dislocated workers participated in occupational skills training). Twelve percent of “other adults” and 33% of dislocated workers participated in an OJT program. Work experience was a common option for older youth (27%), although most entered a classroom training program (45%). Intensive services alone was not a common option. This is a change from earlier years.

	Other Adults	Dislocated Workers	Older Youth	Younger Youth
Core services	4%	2%	0%	1%
Intensive services	13%	10%	25%	12%

¹⁴ As originally envisioned, WIA would offer a hierarchy of services. All participants would receive at least core services, followed for some by intensive services (career counseling, assessment, short term case management) and finally, specific training (e.g., OJT, OS, WE) for those who might not succeed on their own in finding a job without more costly and longer-term interventions.

Table I Training Options 2001 to 2009				
	Other Adults	Dislocated Workers	Older Youth	Younger Youth
Work experience	16%	1%	58%	49%
Pre-vocational Training	10%	27%	6%	3%
Summer employment Opportunities	0%	0%	22%	71%
Occupational skills	51%	60%	18%	1%
OJT	17%	14%	5%	1%

Table II Training Options 2008 to 2009				
	Adults	Dislocated Worker	Older Youth	Younger Youth
Core services	0%	0%	0%	0%
Intensive services	5%	5%	45%	15%
Work experience	12%	0%	73%	65%
Prevocational training	4%	7%	0%	0%
Summer Employment Opportunities	0%	0%	27%	66%
Occupational Skills	74%	62%	45%	5%
OJT	12%	33%	9%	2%

The specific areas of training offered are listed in the following table. One program that stands out in terms of the number of participants is truck driving training (CDL training);

since 2001, 402 WIA participants have enrolled in a program in this field. Other common training programs included computer related training (n=188), training in various health care fields (n=117) and engineering (n=42). Since the beginning of WIA, the gender composition of the training programs largely reflects traditional gender roles. For example, nearly all the truck driver trainees have been males (91%), while most of the health care trainees were females (87%). Plumbing and electrical trainees were all males, while secretarial-bookkeeping trainees were largely females (86%).

	2001 to 2008		2008 to 2009	
	Males	Females	Males	Females
Computer related training	14%	25%	7%	17%
Education related	1%	6%	2%	9%
Engineering related	7%	2%	4%	0%
Electrical	4%	0%	2%	0%
Plumbing	4%	0%	0%	0%
Truck driving	60%	14%	78%	11%
Medical assistants	3%	37%	0%	49%
Secretarial and book keeping	1%	11%	0%	14%
Machine operation	1%	1%	4%	0%
OJT computer related	6%	5%	2%	0%
OJT medical	0%	0%	0%	0%
OJT machine operator	0%	0%	0%	0%

As noted above, truck driver training for the CDL license is the most common type of training under WIA in Vermont. This is also the case nationally. However, the percentage is even higher in Vermont, as approximately just over one out of three males who enter WIA are trained to be truck drivers. While this heavy reliance on a single training area can be understood in the context of reported shortages of skilled truck drivers, it still raises a number of questions. Why has WIA training evolved in this narrow way, especially in light of the early design of the program which stressed a greater range of

training options than was offered under JTPA?¹⁵ To what extent is WIA simply fulfilling an unmet industry need, or has an industry emerged, in this case CDL training, in response to the need of case managers to find training placements for their clients? Is this type of training consistent with the desires of WIA participants themselves (the assessments of the program are quite positive)? Are there potential pitfalls for spending such a high percent of WIA's scarce training dollars in one area? In the following pages, the study's database provides some answers to these questions.

The very different demographic composition of each of the four groups of WIA participants is important since it shapes the types of services offered to each group and their likely outcomes. Overall, the demographic profiles of each group have changed little since 2001. By national standards these characteristics would look unusual, but they do reflect the state's unique population profile.^{16 17} During the most recent evaluation year, 2008 to 2009, nearly all the younger youth were white (93%), disproportionately male (69%) and still in school (77%). Almost two-thirds had learning differences, some had problems with the criminal justice system (32%) and only 5% were identified as having limited English abilities. These statistics are similar to ones found in earlier years.

Older youth are typically out of school, and in 2008-2009 only 18% were in school. In this past year's sample all older youth were white and many had learning disabilities (49%). Like younger youth, many older youth had some involvement with the criminal justice system (18%) and most had limited work experience (64%) and some type of disability (86%). One of the older youth had English speaking limitations. All these statistics were lower than ones recorded in the prior year.

Within the WIA population, dislocated workers have the strongest attachment to the labor market; between 2008 and 2009, their job tenure averaged almost 8 years on their last jobs, and these jobs paid hourly earnings of just over \$16.00. Many of these dislocated workers had earned degrees beyond high school (31%), and during this past year there were slightly more females (57%) than males (43%) in this group, nearly all were white (97%).¹⁸ Generally, these were not people who had learning or other disabilities, problems with substance abuse or connections with the criminal justice system. Indeed, relying on government assistance of any sort may have very well been a new experience for this group of participants. Many of the dislocated workers were older (49% were 44

¹⁵ As originally envisioned, WIA participants were to receive an individual training account (ITA) which would act as a voucher; participants would be able to make their own choices in the type of training they would pursue. Vermont never had a true voucher system, and training choices made by participants have been "guided" by case managers.

¹⁶ In 2006, according to the American Community Survey from the Bureau of the Census, 96% of Vermont's population was White, non-Hispanic in comparison to 67% nationwide. Depending on the year and methods of rounding, Vermont and Maine alternate as the "Whitest" state in the nation. Another example of Vermont's unique demographic profile from the 2006 American Community Survey reveals that only 5% of Vermonters spoke a language other than English in comparison to 20% nationally.

¹⁷ For more information on Vermont's unique population profile see: Chapter 1, *Vermont in Transition: A Summary of Social, Economic, and Environmental Trend*, Bolduc and Kessel. Council on the Future of Vermont.

¹⁸ The gender composition of this group varies from year to year depending upon the types of plant closing and workforce reductions that occur in a particular year.

years of age or more), and would face the myriad of problems that older workers face when they seek employment after involuntary job separations. Except for the gender composition, the demographic background of the dislocated workers closely parallels earlier years.

The fourth group within the WIA population is “other adults” who generally do not enter the program in response to a layoff from a long-term job or a plant closing. Their skill levels and labor force attachment were considerably lower than dislocated workers. In the most recent follow-up year, the sample of “other adults” included significant numbers of people who were receiving welfare (15%), were either current or past offenders (15%), and had lower levels of educational attainment (12% had not completed high school, although 12% were college graduates). Nearly one-half (55%) lacked significant work experience, and those who had earnings before the program were paid on average, just over \$12.30 per hour. Roughly one-half were males (55%), and many of the “other adults” were somewhat younger (57% were between 23 and 44 years old). While identified as “other adults” throughout the report, in comparison to the other three groups, they stand out in terms of their heterogeneity.

In a number of ways, the socio-demographic characteristics of this groups of “other adults” resembles those who participated in JTPA, which, as mentioned earlier, was designed specifically to respond to the problems of disadvantaged and marginalized people; it was seen as a second chance program. In contrast, WIA’s services are available to any job seekers, so it’s interesting that the profiles of these two different programs are so similar.¹⁹

Findings

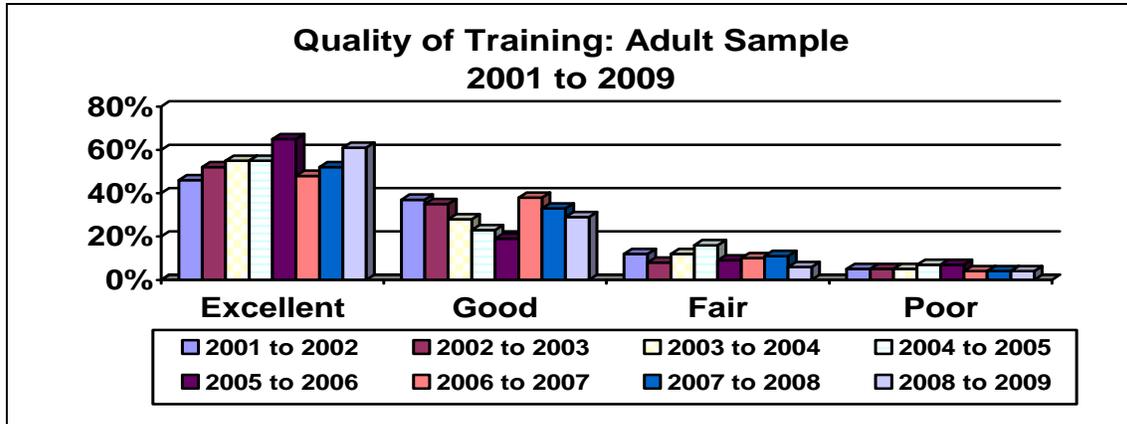
Training programs can be evaluated from a number of perspectives, including that of program staff, administrators, employers and participants. In this study, the focus is squarely on the latter. Participant perceptions about the quality of training received are reviewed first. The study then documents the post program employment and earnings experience of participants, relying both on qualitatively richer survey data and the more complete U.I. quarterly wage reporting system. While these two data sources are very different, the conclusions reached from each overlap closely.

As has been the case in past follow-up studies, the vast majority of WIA participants in the most recent study rated their experience positively. Over the years, approval ratings have ranged from 80% to 90%.

¹⁹ JTPA also offered services to dislocated workers under its Title III provision. There would be no reason to expect a divergence between the types of dislocated workers found in WIA and Title III of the JTPA program.

Client Satisfaction

Vermont's WIA funded training programs are well regarded by participants. When adult participants who terminated from WIA between 2008 and 2009 were asked in the follow-up survey to give an overall rating of the quality of the training they received 90% said that it was either excellent or good; the remaining 10% chose fair or poor. The positive approval rating this year was the second highest recorded since 2001, although the year to year variations are rather modest from a programmatic perspective.²⁰



Another perspective on client satisfaction comes from the responses to a series of questions based upon the American Customer Satisfaction Index that the U.S. Department of Labor requires all WIA program participants to complete at the time of a follow-up contact. The questions include:²¹

- *How satisfied were participants with the services provided?*
- *Did the program match participant expectations?*
- *How close to the ideal were the services received from the perspective of program participants?*

²⁰ The ratings of the quality of training ratings do vary statistically from year to year.

²¹ These 3 questions, paraphrased above, come from the American Customer Satisfaction Index (ACSI), which is produced in partnership with The University of Michigan Business School, the American Society for Quality, and the consulting firm, the CFI Group.

Each of these questions asks respondents to view their experiences from different perspectives. The responses, however, were so highly correlated that the respondents may simply be telling the interviewers whether or not they liked the program and found it helpful, regardless of the question's underlying context or wording.²² While there is considerable overlap in the way people respond to these three questions, "overall satisfaction" with the services of VDOL is consistently rated more highly each year than are the two other "satisfaction" questions. Perhaps this should not be surprising as one can still be satisfied with a "free" program even if it was not an ideal one or didn't quite meet prior expectations.

TABLE IV ASSESSMENT OF WIA 2001 TO 2009*			
	Satisfaction with VDOL services	Expectations met	Closeness to ideal services
Year terminated	Mean	Mean	Mean
2001 to 2002	8.30%	7.66%	7.73%
2002 to 2003	8.05%	7.71%	7.56%
2003 to 2004	8.19%	7.36%	7.77%
2004 to 2005	8.30%	7.70%	7.68%
2005 to 2006	8.46%	8.22%	8.34%
2006 to 2007	8.36%	8.00%	8.18%
2007 to 2008	8.48%	8.14%	7.95%
2008 to 2009	8.92%	8.43%	8.31%
* Based upon a 10-point scale where 10 is the highest rating and 1 is the lowest rating. Differences over time for each question is statistically significant.			

In looking at the responses over time, a number of trends emerge:

- Each year dislocated workers, older youth, and "other adults" rate their program experience highly, just above an "8" on a 10 point scale (where 1 is the lowest and 10 is the highest rating). The ratings from these groups are higher than they are for younger youth.²³
- Similar to past years, there were only a few statistical differences recorded between the specific demographic groups. The ones that stood out include employment status at the time of the follow-up contact, gender, and age. For example, those who were working at the time of follow-up rated their WIA experience more positively than those who were not (those who were working at the time of the follow-up contact recorded an 8.58 in "overall satisfaction" versus an 8.02 level for those who were not working). Additionally, females were slightly more satisfied than males with their "overall experience" (8.67 for females vs. 8.30 for males). And older participants, those over 44,

²² Pearson correlation statistics averaged about .69.

²³ Whether or not WIA was actually less successful with youth in comparison to other members of the population is not as clear as the numbers suggest. Our survey experiences suggest that younger members in most studies tend to be more critical of events and institutions than others.

were less likely to say that the services they received were close to the ideal.

- The rating levels seem to be trending upwards since 2002. Fourth, ratings do vary by the type of services received; those who received occupational skills training and OJT rated WIA more highly than those who had participated in less intensive programs such as work experience, prevocational training and intensive services.
- While there are differences in the satisfaction ratings between local offices, they are not statistically significant.

**TABLE V
PARTICIPANT ASSESSMENT OF WIA
BY DEMOGRAPHIC CHARACTERISTICS
2001 TO 2009***

			Satisfaction with VDOL services	Expectations met	Closeness to ideal services
Gender	Male	Mean	8.20	7.78	7.75
	Female	Mean	8.48	7.87	8.03
Welfare	Yes	Mean	8.40	8.10	8.00
	No	Mean	8.30	7.78	7.85
Lack of significant work experience	Yes	Mean	8.50	7.99	8.09
	No	Mean	8.45	7.86	7.89
Limited English	Yes	Mean	8.28	7.99	7.80
	No	Mean	8.31	7.81	7.87
Offender	Yes	Mean	8.18	7.88	7.80
	No	Mean	8.33	7.80	7.88
Employed	Yes	Mean	8.49	8.00	8.03
	No	Mean	7.98	7.47	7.54
Sample	Adults	Mean	8.46	7.94	8.01
	Dislocated Worker	Mean	8.42	7.80	7.72
	Older Youth	Mean	8.69	8.07	8.40
	Younger Youth	Mean	8.07	7.69	7.78
Age profile	Under 19 yrs	Mean	8.07	7.69	7.79
	19 to 22 yrs	Mean	8.65	8.09	8.34
	23 to 44 yrs	Mean	8.42	7.94	8.00
	Over 44 yrs	Mean	8.43	7.75	7.65

**TABLE V
PARTICIPANT ASSESSMENT OF WIA
BY DEMOGRAPHIC CHARACTERISTICS
2001 TO 2009***

			Satisfaction with VDOL services	Expectations met	Closeness to ideal services
Education levels	under 12 yrs	Mean	8.18	7.76	7.88
	12 yrs	Mean	8.45	7.87	7.92
	Some college	Mean	8.29	7.72	7.65
	College graduate	Mean	8.55	8.13	7.89
office	Barre-Montpelier	Mean	8.28	7.77	7.86
	Bennington	Mean	8.55	7.84	7.88
	Brattleboro	Mean	8.19	7.52	7.91
	Burlington	Mean	8.19	7.88	7.73
	Middlebury	Mean	8.48	7.72	8.00
	Morrisville-Stowe	Mean	8.07	7.43	7.68
	Newport	Mean	8.30	7.81	8.01
	Rutland	Mean	8.35	7.94	8.14
	St. Albans	Mean	8.43	8.03	8.05
	St. Johnsbury	Mean	8.52	7.78	7.96
	Springfield	Mean	8.32	7.76	7.69
	White River Junction	Mean	8.23	8.01	7.81

* Based upon a 10-point scale where 10 is the highest rating and 1 is the lowest rating.

To gain additional insights into the WIA “process,” respondents were asked to rate the various non-training components of the program such as the value of the assessment process and job search assistance (of course, not all respondents received all of the possible services that are available). All members of the sample should have participated in an assessment process when they first entered the program, although not all respondents remembered doing so. Among the 62% who did remember this essential program component in the latest follow-up year, nearly 80% felt that the service was either excellent or good (another 12% were neutral). Furthermore, almost 49% felt that the assessment process helped them decide about the type of training or jobs they would pursue, a percentage that is largely inline with rates recorded since the start of the program

As noted above, thirty-eight percent of the respondents didn’t remember going through an assessment process when they entered the program, a slightly higher percent than was found the year before. As noted in last year’s study, it’s difficult to know what to make of

this statistic. It might be that the assessment process is so seamless with whatever training people receive afterwards that it doesn't stand out as a separate component. Another possibility is that people may remember their conversations with their case managers or their testing, but may not realize that these activities were part of the actual assessment process.²⁴ Yet, the assessment process may not be sufficiently thorough to make a mark in people's minds. Knowing which of these explanations is more reflective of the reality experienced by participants is an important question for program administrators to consider.

<p style="text-align: center;">TABLE VI THE ASSESSMENT PROCESS 2001 TO 2009*</p>			
Year Terminated	Remembered Assessment	Did Not Remember Assessment	Assessment Helpful
2001 to 2002	66%	34%	66%
2002 to 2003	63%	37%	64%
2003 to 2004	71%	29%	60%
2004 to 2005	84%	16%	77%
2005 to 2006	75%	25%	77%
2006 to 2007	66%	34%	73%
2007 to 2008	70%	30%	69%
2008 to 2009	62%	38%	77%
* Differences over time for each question are statistically significant.			

²⁴ The assessment question was asked in a way that should have prompted peoples' memories of the process. Specifically, *“Do you recall participating in an assessment of your employment and training needs....This would have included things such as aptitude testing, an inventory of your interests, exploration of your career goals, and establishing a plan to achieve to achieve these goals.”*

Since 2001, the SSRC has been tracking the proportion of adult respondents who remembered receiving non-training services such as job search which two-thirds remember receiving, resume preparation (48% remember receiving), interviewing help (40%

Nearly 80% of the respondents felt that the assessment component of WIA was valuable. However, almost 40% of the respondents didn't remember going through an assessment process and their ratings are not considered.

remember receiving), career planning (53% remember receiving), and financial support from other agencies (57% remember receiving). There are no discernable trends over time in the proportion of participants who remembered receiving these services. The perceived value of these individual components did vary with help in preparing a resume and finding financial assistance being the two most highly rated components (“very helpful” and “helpful”: 70% and 81% respectively), followed by assistance in interviewing (“very helpful” and “helpful”: 67%), and career planning (“very helpful” and “helpful”: 63%).²⁵ It’s interesting to note that when respondents are asked to assess the value of the individual components of WIA, the ratings tend to be lower than they are when the program as a whole is assessed.

Employment Rates after WIA

Without a public service employment component, WIA cannot create new jobs by itself. However, by providing funds for training in areas that have job openings, enhancing job search skills, offering occupational counseling, and helping participants navigate the job market, employment and earnings among WIA participants should rise. This assumes that the conditions in local labor markets are receptive to new entrants.²⁶

The latest batch of former participants was interviewed during a period of rising unemployment, with rates hovering around 6% to 7%. While these rates are high by Vermont standards, they are well below national levels. Part of the reason Vermont’s unemployment rate remained well under national levels is that the state never experienced the proliferation of subprime loans seen elsewhere and as a consequence, the widespread foreclosure rates that were the hallmark of the past recession.²⁷ In one sense, Vermont’s traditional low unemployment rates offer employment and training programs a fertile ground from which to operate. Yet at the same time, the number of jobs created

²⁵ Respondents were presented with a 5-point scale to rate these specific WIA services. If respondents selected either a 4 or 5, the services are reported above as being “helpful.” An additional 15% to 22% selected the third category. If this third category was added to the “helpful” categories listed above, the “helpful” percentages of course would be higher.

²⁶ If the number of people trained in a particular field is small enough, local labor market conditions may not have a measurable impact on program outcomes.

²⁷ In 2009, the unemployment rate averaged 9.3%. U.S. Department of Labor.
http://www.bls.gov/cps/prev_yrs.htm

annually has been quite modest in recent years. Indeed, between 2008 and 2009, the time frame of the most recent study, Vermont lost just over 10,000 jobs.²⁸



As noted earlier, two different sources provided information on post program employment. The first source was from the telephone follow-up surveys, and the second was from the federal U.I. quarterly wage reporting system. While the former provides a more comprehensive picture of

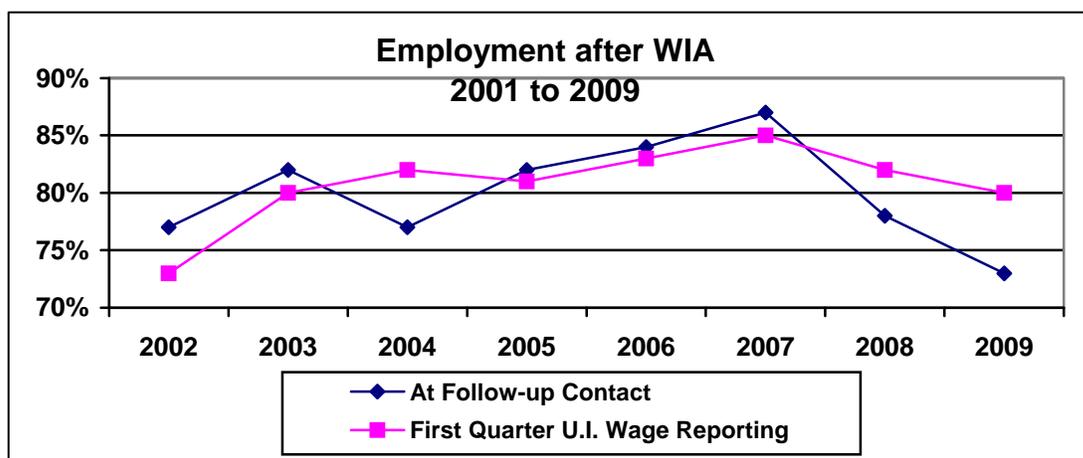
Almost eight out of ten former participants were working in the first quarter after leaving WIA, a lower rate than recorded in the prior three years. The highest employment rates recorded were for dislocated workers, while the lowest were for older youth.

the post program employment experience at the time of the follow-up contact, response rate difficulties make this data source somewhat problematic. In contrast, the U.I. quarterly wage records have employment information on a much higher percent of the former participants.²⁹ But, unlike the follow-up survey, no information is available on hours worked per week, hourly earnings, or subjective assessments of the quality of the jobs themselves.³⁰

²⁸ See Vermont Department of Labor, Economic and Labor Market Information, <http://www.vtlni.info/indareanaics.cfm>

²⁹ The quarterly wage reporting system does not record for example employment and earnings from the self-employed, federal jobs including the military and those who work “under the table.” Ninety-four percent of all jobs in the US are thought to be covered by the UI wage reporting system. See “An Overview of WIA,” Blank, Heald, and Fagnoni, p. 64. *The Workforce Investment Act*. Besharov and Cottingham, editors.

³⁰ In a major experimental design study of the JTPA program, Kornfeld and Bloom found program impact was “roughly the same... for four of the five study target groups” independent of post program survey data or UI wage reporting records. See, “Measuring Program Impacts on Earnings and Employment: Do UI Wage Reports from Employers Agree with Surveys of Individuals?” Kornfeld and Bloom. U.S. Department Labor contract number 99-6-0803-77-068-01.



At the time of the follow-up contact, most former participants were employed (73%).³¹ However, this is the lowest rate recorded since the Vermont based SSRC follow-up studies began in 2001. Unlike in earlier years, the employment rate derived from the follow-up surveys was lower than the rate resulting from the U.I. quarterly wage reporting records, which in the first quarter after WIA was 80%. In earlier years these two series corresponded closely, although one might expect to see a lower rate in the survey data than the quarterly wage reporting system. If someone had any earnings in a quarter after WIA, they were recorded as being employed even if they spent much or even most of the time not working, while the follow-up survey records employment at the time of the interview only.³²

As one might expect, employment rates vary between the different segments of the sample. Since 2001, first post program quarter employment rates based on the U.I. wage reporting records were highest for dislocated workers (86%), followed by “other adults” (79%) and older youth (67%). Overall, employment rates between 2001 and 2009 have varied

Employment rates between different demographic groups within the sample varied in predictable ways. Surprisingly, post program employment rates in the first quarter after WIA did not vary significantly by geographic location.

only modestly on an annual basis for dislocated workers, ranging between 80% to 93%, while employment rates for “other adults” have been more uneven, ranging between 66% to 85%.³³ For older youth, employment rates during the first quarter after WIA have

³¹ It’s important to remember that the overall employment figure may reflect a positive bias associated with the characteristics of the contacted sample (i.e., we were more successful in reaching people who were more stable and with higher levels of education).

³² The first quarter after the program is based upon a calendar quarter. If a person terminates from WIA in February, for example, first quarter measurements will not begin until April of that year.

³³ All employment rates in this paragraph are from the U.I. quarterly wage reporting system.

ranged from a low of 46% in 2008 to 2009 to a high of 75% between 2002 and 2003. In each of these cases, employment rates closely follow the general state of the Vermont economy.

A number of statistically significant employment differences emerged by age, disability status (including learning disabilities), offender status, substance abuse status, pre-program work history and welfare status. These differences, which can be seen in the table below, are all consistent with prior expectations. For example, the post program employment rates in the first quarter are lower for welfare recipients (75%), those with substance abuse problems (69%) and those who lacked significant work history (69%). Yet at the same time, no statistically significant employment differences emerged in the first quarter by race, English language capability, gender or surprisingly, by education.

Table VII Employment in the 1st Quarter after WIA By Demographic Characteristics 2008 to 2009		
		1st quarter earnings reported
Gender	Male	82%
	Female	78%
Education levels	under 12 yrs	76%
	12 yrs	81%
	Some college or technical school	82%
	College graduate	80%
Age Profile*	19 to 22 yrs	71%
	23 to 44 yrs	83%
	Over 44 yrs	80%
Race	Nonwhite	83%
	White	80%
Disability*	Yes	72%
	No	83%
Welfare	Yes	75%
	No	81%
Offender	Yes	75%
	No	81%
Lack of significant	Yes	69%

Table VII Employment in the 1st Quarter after WIA By Demographic Characteristics 2008 to 2009		
		1st quarter earnings reported
work experience*	No	84%
Substance abuse*	Yes	69%
	No	81%
Year Terminated from WIA*	July 1 2001 to June 30 2002	73%
	July 1 2002 to June 30 2003	79%
	July 1 2003 to June 30 2004	82%
	July 1 2004 to June 30 2005	81%
	July 1 2005 to June 30 2006	83%
	July 1 2006 to June 30 2007	85%
	July 1 2007 to June 30 2008	82%
	July 1 2008 to June 30 2009	80%

- Statistically significant at the .05 level

Employment rates by gender, as has been true in the past, differed in an unexpected way. For dislocated workers, males and females enter the program with very similar employment rates; after all, both groups had to have been working on long-term jobs before WIA to enter as dislocated workers. After leaving the program, females have slightly higher employment rates than their male counterparts during each of the subsequent nine quarters. These differences might reflect earlier retirements for males than females, although the average age of 45 years was the same for males and females. It is also possible that a higher rate of self-employment for males might explain the employment differences since their earnings would be missing in the U.I. quarterly wage records. A third possibility is that the gender employment differences simply reflect the well documented labor market problems facing older males with more limited education.³⁴ The types of jobs being credited for those with lower educational levels have traditionally been in sectors with more female workers, such as in health care. Manufacturing and construction, areas with many male workers, have in recent years offered far fewer employment opportunities than other sectors of the economy.

The gender employment situation is reversed for “other adult;” female employment rates are consistently lower than their male counterparts (their average age profiles are the

³⁴ See: “Mixed News for Older Workers,” By Nayla Kazzi, David Madland. Center for American Progress. http://www.americanprogress.org/issues/2009/09/older_worker.html

same at 36 years). This pattern is the same for older youth, although the gender gap is much larger for this group. For example, among older youth, 61% of the males were employed nine quarters after leaving WIA in comparison to only 48% for females. In the first quarter after WIA, 72% of male older youth were employed at least some time during the first quarter after WIA in comparison to only 61% for females. These gender differences among older youth might reflect either contrasting child rearing responsibilities or dissimilar patterns of educational enrollment (females are more likely today to continue their education than are their male counterparts).³⁵

	Other Adults		Dislocated Worker	
	Males	Females	Males	Females
1st quarter earnings reported	83%	75%	83%	88%
2nd quarter earnings reported	76%	72%	83%	87%
3rd quarter earnings reported	76%	69%	80%	85%
4th quarter earnings reported	74%	67%	81%	85%
5th quarter earnings reported	71%	66%	81%	86%
6th quarter earnings reported	69%	65%	81%	85%
7th quarter earnings reported	66%	64%	78%	85%
8th quarter earnings reported	52%	61%	75%	81%
9th quarter earnings reported	61%	58%	74%	82%

Since 2001, post program employment rates in the first quarter after WIA have not varied significantly by geographical location. For example, between 2008 and 2009, labor markets with higher unemployment rates like in Newport recorded a first quarter post program employment rate of 78% that was close to those in areas with much lower unemployment rates such as Burlington (82%) or White River Junction (83%). Simply looking at the range in local area unemployment rates would lead one to expect to see a larger variation in first quarter post program employment rates of former WIA

³⁵ According to William Bennett in article entitled *Why Boys are in Trouble*, “In 1970, men earned 60% of all college degrees. In 1980, the figure fell to 50%, by 2006 it was 43%. Women now surpass men in college degrees by almost three to two. Women’s earnings grew 44% in real dollars from 1970 to 2007, compared with 6% growth for men.” See: http://www.cnn.com/2011/10/04/opinion/bennett-men-in-trouble/index.html?hpt=hp_c1

participants, which ranged from a high of 85% in the Springfield labor market to a low of 74% in Morrisville-Stowe and Bennington. In most of the labor markets, employment rates for program graduates fall modestly over time, yet at the same time, these differences become more pronounced.

**TABLE IX
EMPLOYMENT AFTER WIA
BY LABOR MARKET AREAS
2001 to 2009**

		2008 to 2009		2001 to 2008	
	<i>Unemployment rate 2009</i>	1st quarter earnings reported	2 nd quarter earnings reported	1st quarter earnings reported	2nd quarter earnings reported
Barre-Montpelier	4.9%	80%	76%	76%	75%
Bennington	4.6%	74%	70%	71%	69%
Brattleboro	4.4%	82%	70%	67%	65%
Burlington	3.9%	82%	81%	78%	76%
Middlebury	4.3%	83%	78%	79%	81%
Morrisville-Stowe	5.0%	74%	73%	76%	72%
Newport	6.1%	78%	70%	68%	67%
Rutland	4.4%	77%	76%	77%	76%
St. Albans (Swanton- Enosburg)	5.2%	83%	82%	79%	82%
St. Johnsbury	4.3%	83%	80%	74%	80%
Springfield	4.2%	85%	84%	80%	78%
White River Junction- (Hartford)	2.5%	83%	77%	76%	73%

While WIA services are open to all Vermonters, the program still enrolls a number of groups who face significant employment barriers. The table below shows post-program employment rates for some of the potentially more “difficult to serve” groups (i.e., offenders, welfare recipients, clients with disabilities, and younger adult participants without a high school degree, and people over 55 years of age).

TABLE X
EMPLOYMENT RATES AMONG “DIFFICULT TO SERVE” CLIENTS IN WIA
First Quarter after the program

	55 and older	Offenders	Welfare recipients	People with disabilities	No high school and 19 to 25 yrs of age
2001	76%	50%	67%	61%	60%
2002	73%	76%	68%	77%	64%
2003	78%	57%	42%	71%	50%
2004	78%	69%	79%	80%	67%
2005	84%	64%	92%	81%	72%
2006	77%	88%	75%	82%	60%
2007	89%	73%	64%	67%	50%
2008	86%	67%	55%	46%	33%
2009	65%	100%	83%	67%	*
WIA average 2001 to 2009	78%	69%	69%	74%	59%

*No data is reported due to the limited number of observation in 2009.

The data in the table above reveals the labor market problems experienced by younger adults, 19 to 25 years of age, who have yet to graduate from high school. Over the time period of WIA, only 59% of these participants were working in the first quarter after WIA. It’s possible that some of the less well educated older youth entered an education program after WIA, which might account for the relatively low post program employment rate. Another possibility is that among all WIA participants, this group is the most likely to be working “under the table.”

One unusual finding that emerges from the table above is the sharp drop in employment rates between 2008 and 2009 for older participants (55 and older). The vast majority of these participants are dislocated workers, whose first quarter employment rates have been fairly high since 2001, averaging just under 80%. During the period between 2008 – 2009, employment rates for these older workers declined to 65%. This may reflect not only the impact of the recession, but the longer term problems that older, less well educated people have been experiencing in the labor market. It’s also interesting to note that the only other time lower employment rates were recorded for this group of older workers was during the 2002 recession.

Since the beginning of the follow-up studies, the best predictor of future employment has been a participant’s pre-program work experience.

In each of the annual follow-up studies, the

best predictor of employment after the program has been a participant’s pre-program employment experience. For example, nearly 40% of “other adults” earned less than \$500 during the second and third quarters before the program and within this group only 72% were employed some time during the first quarter after the program. In contrast, among those “other adults” who earned more than \$500 in the 2nd and 3rd quarter before WIA 84% were employed in the 1st quarter after the program. Perhaps even more striking, 5 quarters after WIA, the respective employment rates had fallen considerably for the pre-program low wage earners to 56% versus 76% for the group that had earned over \$500 before the program. Similar employment relationships were found with older youth and dislocated workers, although in the latter case only 8% of this group recorded such low earnings

Table XI
Employment before WIA and Post Program Employment
2001 to 2009

			Post Program Earnings Reported					
			1 st Quarter		3 rd Quarter		5 th Quarter	
			No	Yes	No	Yes	No	Yes
Other adults	Earnings before WIA 2nd and 3rd Quarters	Less than \$500 (n=415)	28%	72%	35%	65%	44%	56%
		Greater than \$500 (n=650)	16%	84%	21%	79%	24%	76%
Dislocated Workers	Earnings before WIA 2nd and 3rd Quarters	Less than \$500 (n=54)	15%	85%	20%	80%	24%	76%
		Greater than \$500 (n=712)	14%	86%	18%	82%	16%	84%
Older Youth	Earnings before WIA 2nd and 3rd Quarters	Less than \$500 (n=111)	43%	57%	46%	54%	40%	60%
		Greater than \$500 (n=122)	24%	76%	25%	75%	32%	68%

Since 2001 employment rates in the first quarter after WIA have been highest for OJT participants (91%), followed by people who terminated from an occupational skills training program (83%), prevocational training (76%), work experience (69%) and services (74%). Nine quarters after WIA, the employment gap between people who terminated from different programs narrowed significantly with the highest rate for participants from prevocational training (72%) followed by OJT (61%) to a low of 52% for those who exited from a work experience program. Interestingly, those who had

participated in services nine quarters afterwards had an employment rate of 62%. Does this suggest that the skills and experiences of the people who enter WIA are as important as the type of training received?

Within OJT and OS training, the highest employment rates in the first quarter after WIA were in training programs for plumbers (OS: 100%), computer related (OJT: 98%), electrical (OS: 92%), machine training operators (OS: 91%), truck drivers (OS: 85%), secretarial and booking (OS: 83%), engineering (OS: 83%), educational aids (OS: 83%), computer related (OS: 84%), and various medical aids (OS: 82%).

When we examine the outcomes from the different training programs, it's difficult to isolate the unique contributions of a training program itself from the personal attributes, skills and work experiences that participants bring to the program. Part of the challenge is that the least and most skilled within WIA tend not to enter the same training programs. Further complicating this issue is that there may be unique attributes beyond the program that can explain outcomes (e.g., motivation) for which we lack measures.

Employment Retention

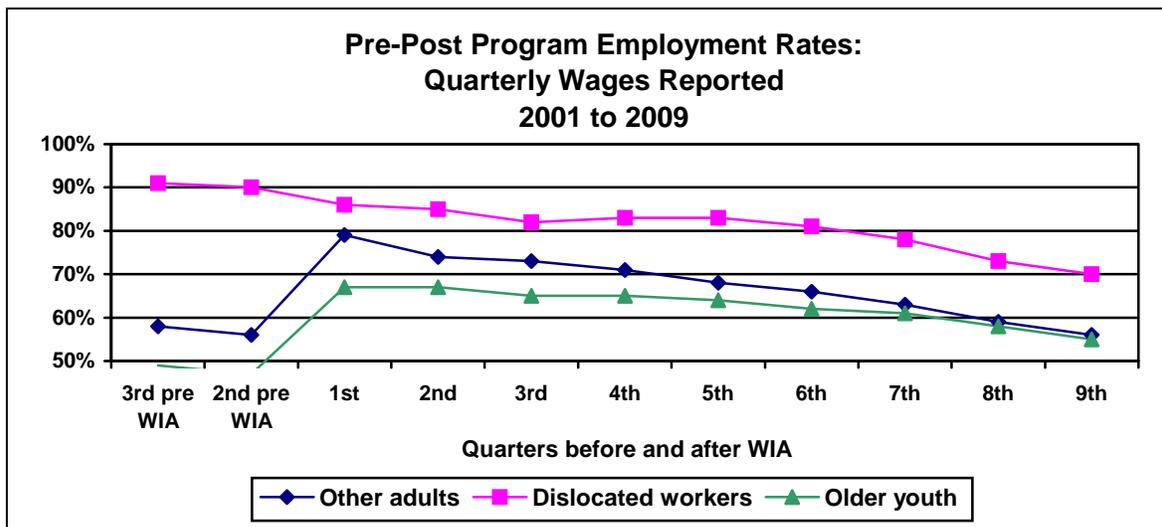
Critics of government sponsored employment and training programs have long questioned the lasting impact of programs like WIA.³⁶ Some have argued that program staff, acting as an advocate for their clients and providing necessary supportive services, help people get back into the labor market sooner than they would on their own, but once the support ends, their labor market problems may once again reemerge. The U.I. quarterly wage reporting system enables us to track both pre program earnings in the 2nd and 3rd quarter before WIA and, for those participants who terminated from the program prior to July 2008, up to 9 quarters after WIA. Excluding younger youth for whom earnings are less significant, nine post program quarters are available for 2,064 members of the sample. For those who terminated from WIA more recently, fewer post program quarterly earnings records are available. At a minimum, however, five quarters of earnings information is available for all members of the sample.

Employment in the 1st quarter after WIA is a reliable predictor of future employment. Not working in the 1st quarter lowers but doesn't negate the probability of future employment. Just over one-third of these non-first quarter workers will have earnings recorded in future quarters.

³⁶ For a recent example, see "What Job 'Training' Teaches? Bad Work Habits," James Bovard, Wall Street Journal, September 13, 2011.
http://online.wsj.com/article/SB10001424053111904332804576538361788872004.html?mod=googlenews_wsj

The chart below tracks the post program employment rates from the second and third quarters before WIA to nine quarters after the program.³⁷ Several conclusions can be drawn from the trends displayed in this chart. First, as has been shown in the past, employment rates for all groups decline over time. However, for “other adults” and older youth, employment rates still remain higher nine quarters after WIA than rates recorded in the 2nd and 3rd quarter before the program. Second, although employment rates for dislocated workers also decline over time and from pre-program levels, they remain well above the rates for the other two groups throughout the nine quarters. Dislocated workers who do not show up as being employed in any quarter (no earnings are reported in the wage reporting system) may be retired as they are considerably older than the other groups in the sample or they may also be self-employed or working “under the table;” and under these conditions, no employment would be recorded.³⁸

In looking at the employment rates in each quarter after WIA, it’s important to remember that without a control group, we cannot determine what might have happened to this group of former participants without the program. While employment rates seem to decline over time, they still might be higher (or lower) than what would have been the case in the absence of the program.



Employment retention is one of the measures that the U.S. Department of Labor has included in WIA’s performance standards. It is defined by the U.S. Department of Labor as the percent of participants who have earnings recorded both in the first and the third quarter after WIA. The table below expands on this concept and presents the percent of participants who were employed in the first and the next eight quarters after the program.

³⁷ It’s important to remember that the sample size begins to decline after the first five quarters.

³⁸ There is some evidence that many dislocated workers eventually do open their own businesses after a layoff. See, “Worker Readjustment to G.E. Layoffs,” Kessel and Maher. Center for Social Science Research at Saint Michael’s College for the VDOL (1991).

The table also tracks, quarter by quarter, the percent of people who did not have earnings recorded in the first quarter after WIA, but who found jobs in subsequent quarters. Several conclusions, many of them consistent with the material presented earlier, can be drawn from the analysis. First, “retention” rates are highest for dislocated workers and fall only modestly for this subgroup of the WIA population during the next eight quarters after the base or first quarter. Second, “retention” rates also fall over time for both older youth and “other adults.” Lastly, not working in the first quarter after WIA does not mean that former participants will fail to find work in the subsequent quarters. About one-third of these former participants will have earnings recorded in future quarters. Employment rates, however, will remain well below the rate for those who find jobs in the first quarter, but they do increase modestly in subsequent quarters.

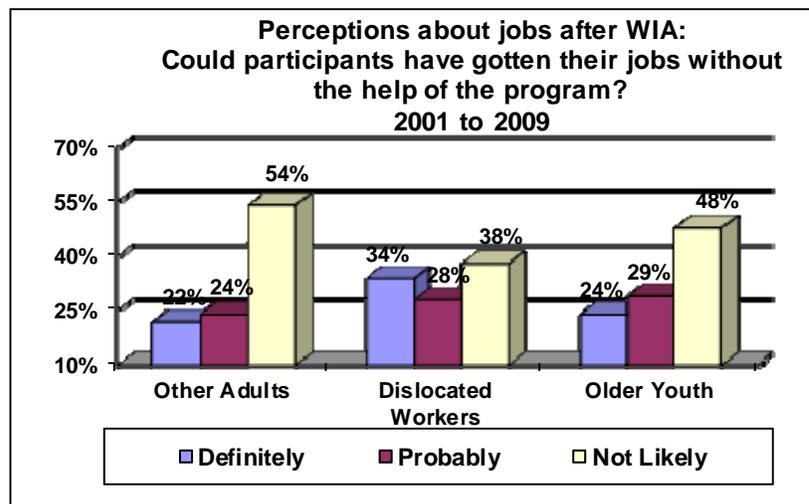
**TABLE XII
EMPLOYMENT RETENTION
2001 TO 2009**

Status during first quarter after WIA	“Other Adults”		Dislocated Workers		Older Youth	
	Employed	Not Employed	Employed	Not Employed	Employed	Not Employed
Number	842	222	655	111	156	77
Percent employed in the second through ninth quarters after WIA who were either employed or not employed during the first quarter after the program (e.g., out of the 842 “other adults” who were employed during quarter one, 87% were employed in the 2 nd quarter and 79% were employed in the fifth quarter. Of the 222 “other adults” who did not have recorded earnings in the first quarter, 23% were employed sometime during the 2 nd quarter and 28% by the 5 th quarter).						
Second	87%	23%	95%	21%	87%	25%
Third	85%	28%	92%	24%	81%	34%
Fourth	81%	33%	92%	32%	80%	36%
Fifth	79%	28%	92%	32%	78%	38%
Sixth	77%	31%	91%	35%	75%	37%
Seventh	73%	33%	88%	36%	75%	37%
Eighth	69%	34%	84%	37%	74%	33%
Ninth	67%	33%	85%	35%	70%	32%

A mixture of unemployment and employment seems to be the norm for nearly one-fifth of the WIA population, while 52% of the older youth, 77% of the dislocated workers, and 63% of “other adults” had wages reported during each of these first 3 quarters after the program. Just 14% of the population failed to record any earnings during the first 3 post-program quarters. The results from the most recent study, from 2008 to 2009, largely reflect the findings from the longer 2001 to 2008 period.

Table XIII Employment Status First Three Quarters after WIA				
		Employed during some period	Employed in each quarter	Not employed in any quarter
2001 to 2008	Other Adults	23%	63%	14%
	Dislocated Worker	12%	77%	10%
	Older Youth	28%	52%	20%
2008 to 2009	Other Adults	19%	65%	16%
	Dislocated Worker	11%	76%	13%
	Older Youth	55%	18%	27%

Since 2001, family (21%) and health problems (26%) accounted for the bulk of people who were out of the labor force (not working and not seeking employment) at the time of the follow-up interviews. These people are more likely to be females (62%), while 39% were identified in the program intake process as having a “lack of significant work history.” This is another example of the challenges that WIA faces in trying to help participants who enter the program with a lack of significant work history.

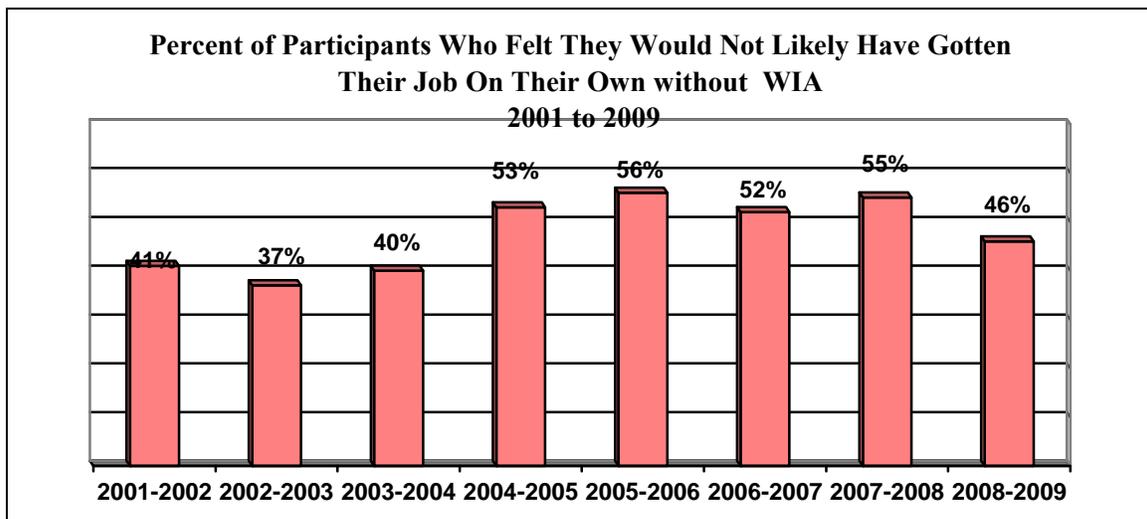


Most of the former participants who were not working at the time of the follow-up contact were seeking employment during the most recent year 2008-2009. The unemployment rate in the most recent year among former WIA participants was 22%, the highest rate recorded since the follow-up studies began in 2001, and considerably higher than the rate of 17% found the year before. This statistic is another sign of the deteriorating economic conditions during the time of the most recent study.

Helping Participants Find Jobs

We have no way of knowing how many of the former participants would have found jobs on their own without receiving the services and training offered through WIA, although it

stands to reason that many would have done so. We do know that since 2001 that among those who had earnings less than \$50 in the 2nd quarter before the program, 21%, 42%, and 24% of “other adults,” older youth and dislocated workers respectively felt that they would “definitely” have been able to get the jobs they held at follow-up “without the help of the program,” (The other choices were “not likely” and “probably”). These statistics are difficult to interpret; one cannot be certain that participants gave the program its due credit. Even though some participants felt that they could have gotten their jobs without the help of WIA, this does not mean that the program did not impact them in some way. For example, earlier research suggests that training programs shorten the transition periods between unemployment and employment. The percent of participants who felt that they would not likely have gotten their jobs after WIA on their own without the help of the program was 46% during the period of 2008 and 2009. This rate is in the middle of the rates recorded since 2001. Whether the nearly 50% who said that they would “not likely” have been able to get their jobs after WIA on their own would be considered successful depends clearly on one’s expectations.



The response to the question of whether participants could have gotten their jobs without WIA varied considerably between the different services received or training programs. Between 2001 and 2009, trainees who entered an OJT program were the least likely to feel that they could have gotten their job on their own without the program (62%), followed by occupational skills (49%), work experience (40%), prevocational training (24%) and services (20%). In the latter case, 46% felt that they *definitely* could have gotten their jobs without the help of the program.

Training Related Jobs

Since the beginning of the follow-up studies, the data has strongly supported the notion that finding training related jobs is an important indicator of program success. For example, nearly two-thirds of those who participated in an occupational skills program since 2001 and who did not find a training related job after the program felt that they *definitely* could have gotten their jobs they held at follow-up contact without the help of

the program. For those who were working in a training related field, only 11% thought they *definitely* could have gotten their job on their own without the help of the program. Certainly these differences are striking.

In the most recent survey year 61% of the employed respondents were in jobs that they identified as being related to the training they received while in the program. This rate is considerably lower than rates recorded over the

Finding a training related job significantly increases the odds that the job found would not be one that the participant could have gotten on their own without WIA. Respondents are also more likely to view their jobs as one that they want to stay with if it was training related.

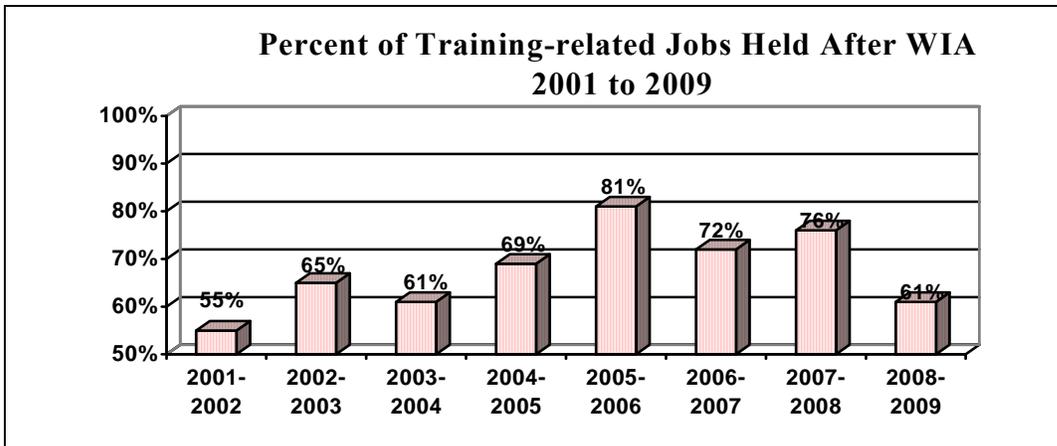
last few years. It also helps explain why more respondents this past year felt that they could have gotten their jobs after the program “without the help of the program.” Once again, this statistic might reflect the impact of the economic downturn; program participants cannot be as selective in an economy with fewer job opportunities. It’s interesting to note that the only other time that training related placements were this low was during the recession that began at the beginning of the past decade.

While it’s harder to find jobs during any economic downturn, the VDOL facing an additional challenge to make certain that there are sufficient job opportunities in the areas where people are being trained. It is not easy for case managers to suddenly change their recommendations for training areas, but close cooperation and consultation with the staff in the Montpelier Labor Market Information Office might cut down on potentially misplaced training opportunities.

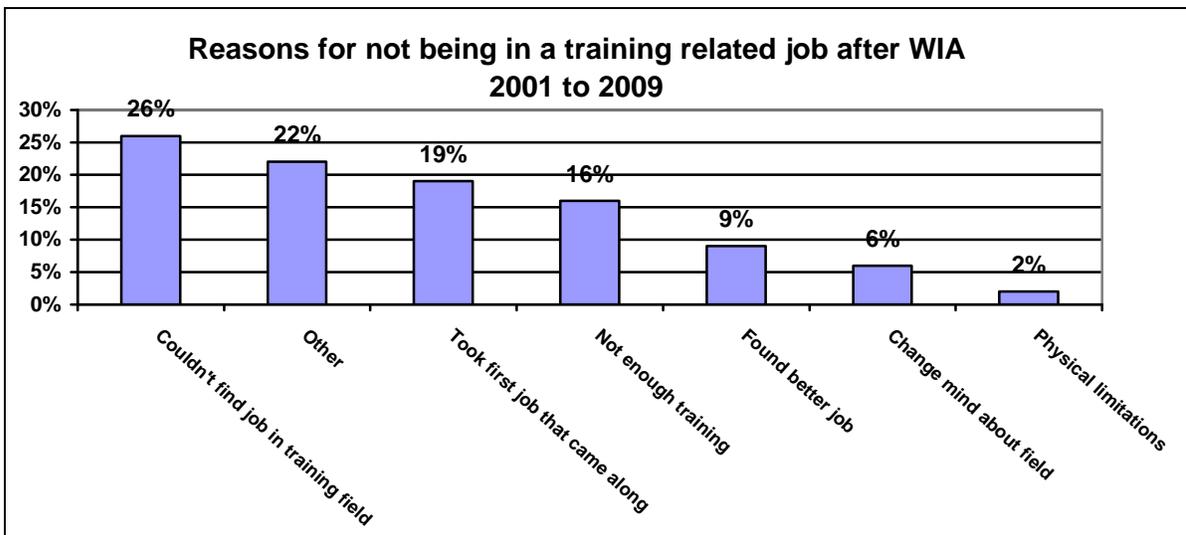
The percent of training related jobs held at the time of contact between 2001 and 2009 has been highest for those in OJT (82%), followed by occupational skills (69%) and Work Experience (65%). Not surprisingly, other training programs such as pre-vocational training generated far fewer training related placements (53%).³⁹

Over the last few years, certain occupational skills training programs generated high training related placements, such as for plumbers, electricians, truck drivers, and medical assistants (90%, 83%, 77%, and 75% respectively). One striking finding was that out of the 87 people who were trained in computers under occupational skills, only 52% ended up at the time of the follow-up contact in training related jobs vs. a 100% record for the 33 OJT computer trainees. Accounting for this gap is not entirely clear without knowing more about the specific nature of occupational skills computer training. But, OJT does represent an actual job placement, and if the participant remains employed after the funding ends, almost by definition, they would be in a training related job.

³⁹ The question about training related jobs was not asked of participants who only received core or intensive services.



Respondents who were not in training related jobs at the time of the follow-up contact (33% were not between 2001 and 2009) were asked why they took a job outside their area of training. Just over one-quarter claimed that there were no jobs in the field that they were trained for, while nearly one-fifth simply took another job that came along before they could find a training related job. While participants may say that there are no jobs available in the training related field, there may be jobs available, but not always for people with some of the employment barriers and challenges that WIA participants may bring to the workplace (e.g., offenders, substance abuse problems, literacy problems, and unstable work histories).



As noted earlier, the impact of WIA is lessened considerably when participants fail to enter training related jobs. For example, among those who were in a **non-training** related job after leaving an OJT or OS program, only 11% felt that they needed the help of the program to get their job. This compares to the much higher rate, 62%, for those in **training related** jobs who exit from OS or OJT. Additionally, 84% of the respondents who were in training related jobs felt that they “wanted to stay with their current job” as opposed to viewing it as “a temporary one until a better one could be found.” The statistic

falls to 61% for those in non-training related positions. These findings suggest that when a person finds a job in a non-training related field, it is often a job they could have gotten on their own, and one that they do not see as having long-term possibilities. Training dollars may not be well spent when placements occur in non-training jobs. In many cases, less expensive options, such as intensive services, might accomplish similar objectives.

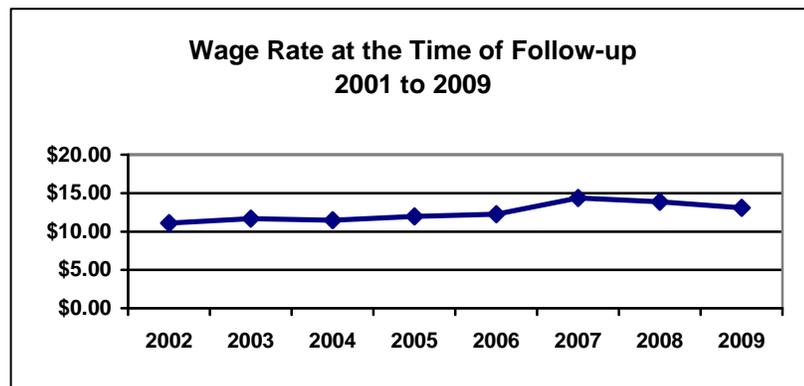
Job Quality

The employment outcomes clearly show the signs of the impact of the recession. This will also be evident in this next section. Although most respondents are finding jobs after WIA, they are less likely to be in training related fields. Of course, as stated earlier, we have no way of knowing what would have happened to participants in the absence of the program. Questions also remain about the quality of the jobs that were found; are they better paying jobs than the ones held before the program? Are former participants making a “livable wage?” These and other questions are addressed in this next section. We start by looking at data from the follow-up survey on hourly earnings, hours worked per week, and perceptions of job quality. The analysis then turns to quarterly earnings from the U.I. wage reporting system. The section ends with an examination of pre-post program changes in earnings.

Hourly Earnings

People who terminated from WIA between 2008 and 2009 were earning on average \$13.09 per hour at the time of the follow-up contact, 6% lower than the prior year and 10% less the level reached in 2007.⁴⁰

Average post program wages had been rising each year through 2007, but have declined for the last two years, undoubtedly a consequence of the recession. Overall, nominal hourly



earnings have risen considerably since 2001, when wages averaged just over \$11.00 per hour. As one might expect, average hourly earnings between 2008 and 2009 were highest for the better educated (for those with college degrees, hourly earnings averaged \$21.34) and lowest for people with less than 12 years of education (\$10.16).⁴¹ For the first time in the follow-up studies, the hourly earnings of dislocated workers (\$12.84) were lower than for “other adults” at \$13.56, although these differences were not statistically different.

⁴⁰ Hourly and quarterly earnings figures in this section exclude the earnings of participants in the younger youth program.

⁴¹ The figures for the college educated and for those with less than 12 years of education were based upon extremely small samples, 7 in each category, and therefore not very reliable.

As one might expect, hourly earnings at follow-up contact also varied considerably by the type of training received and whether the subsequent jobs were training related. While the training program undoubtedly matters, (e.g., if done successfully, the training will open doors that would otherwise be closed), the characteristics of the people who enter the training program are perhaps just as important in determining earnings outcomes. In a statistical sense, it's difficult to distinguish between the unique impact of the program from the human capital characteristics that people bring into the program. Those who enter the most skilled intensive programs are also the ones who bring the highest level of human capital with them. For example, the highest paid jobs after WIA were for people who had been trained in engineering and computer related fields (largely male, with more education) and the lowest paid fields were cosmetology and bookkeeping (largely females with less education). Nevertheless, the training still matters; as was shown earlier, those who find training related jobs earn more than their counterparts in the training program who are not in training related job at the time of the follow-up contact. For example, those who terminated from the truck driving program into training related jobs earned \$13.30 at the time of the follow-up contact vs. \$11.72 for those trainees who did not enter training related jobs. Among those trained as medical assistants, those in training related jobs earned \$14.84 versus \$10.96 for those in non-training related jobs.

The growth in part-time employment in the most recent survey year provides another sign of

Seven out of ten former participants are in jobs they hope to stay with. They do not see their jobs as temporary, a job to hold until a better one comes along.

the recession. In the past, former participants, on average, were working 40 hours per week, but in this past year, the average had fallen to 36 hours. In this past year we also found that dislocated workers, for the first time, were working fewer hours per week than “other adults” (34.90 hours per week vs. 38.35). This unexpected finding likely reflects not only the recession but also the gender composition of the dislocated workers where, unlike in earlier years, the majority were females (56%).⁴² Overall, as they have since 2001, women were working fewer hours than males (33.5 hours per week in comparison to 39.1).

Participant Perceptions of Job Quality

Since 2001, we have been asking participants whether the jobs they held at the time of the follow-up contact was one they “Answers to this question provide us with a measure of job satisfaction or job quality. In the most recent year, nearly 80% of the respondents viewed their jobs as ones they hoped to stay with, a percent that is in line with rates recorded in earlier years. The responses to this question did not vary significantly between dislocated workers and “other adults,” nor did it vary by year of termination. Not

⁴² From 2001 to 2008, the majority of dislocated workers have been males (56%).

coincidentally, the percentage of jobs offering health insurance between 2008 and 2009 was 68%, slightly lower than the rate recorded in the prior year (72%). The percent of respondents with job related health insurance has not varied statistically since 2001.

TABLE XV PARTICIPANT PERCEPTIONS OF JOB QUALITY 2001 to 2009					
Program Year	How Participants Regard their current job		Job provides health insurance		
	Job to stay with	Temporary job until better one can be found	Yes	No	Uncertain
2001 to 2002	70%	30%	69%	29%	2%
2002 to 2003	75%	25%	67%	31%	3%
2003 to 2004	69%	31%	68%	29%	3%
2004 to 2005	72%	28%	63%	30%	8%
2005 to 2006	80%	20%	73%	23%	5%
2006 to 2007	74%	26%	71%	25%	4%
2007 to 2008	83%	17%	72%	25%	3%
2008 to 2009	77%	23%	68%	26%	7%

Quarterly Earnings

Among the 80% of the sample who had at least one job during the first quarter after WIA, quarterly earnings averaged \$5,683 for those who exited from the program between 2008 and 2009. This is slightly less than the average first quarterly earnings recorded the year before. As with the case with hourly earnings, since 2001 quarterly earnings for those who have had a least one job have been highest for dislocated workers (\$6,510), followed by “other adults” (\$4,787) and older youth (\$2,829). As expected, quarterly earnings also varied significantly between

Quarterly earnings begin to rise from the level recorded in the first quarter after the program for “other adults,” dislocated workers and older youth for those who remain employed. But the change is modest and may reflect little more than some of the less work ready participants dropping out of the workforce and, as a consequence, raising the average level of quarterly earnings.

different segments of the sample. For example, since 2001 males have been earning, on a quarterly basis, approximately \$1,300 to \$1,500 more than females and this gap remains throughout the nine quarters after WIA. One might wonder whether this earnings gap which we see in the labor market as a whole reflects, at least in part, the different types of training options offered to or chosen by male and female participants.

There were a number of other demographic differences. For example, people who had been collecting welfare at the time they entered the program earned approximately \$1,700 per quarter less than others in the sample (excluding those without jobs in a quarter). One of the most important differences in earnings outcomes is the pre-program work experience. Those who lacked significant work history earned, on average, just over \$1,427 less in the first quarter after WIA than other members of the sample. If you included people with zero earnings in the first quarter after the program, this gap in earnings increased to over \$2,300.

In the last few years, Vermont has seen a modest rise in its immigration population, and with it, an increase in the number of limited-English speaking WIA participants. Between 2001 and 2009, 82 adults with limited English speaking ability, nearly all of who were immigrants, enrolled in WIA.⁴³ Their quarterly earnings were significantly lower by about \$900 than other members of the adult population. However, if dislocated workers are excluded from the comparison then one half of the difference in the earnings gap disappears.

Over time, average quarterly earnings begin to rise from the level recorded in the first quarter after the program for “other adults,” dislocated workers and older youth. But the change is modest and may reflect little more than some of the less work ready former participants dropping out of the workforce and, as a consequence, raising the average level of earnings.⁴⁴ Indeed, when the statistics include those who have zero earnings in any quarter, the average earnings begin to fall over the nine quarters after WIA.

⁴³ There was an additional 62 limited English speaking younger youth who had enrolled in the program since 2001.

⁴⁴ All earnings are reported in nominal, not real or inflation adjusted terms. Thus, over time, earnings might rise simply due to the inflation that has occurred since 2001.

**TABLE XVI
 QUARTERLY EARNINGS BEFORE AND AFTER WIA
 (EXCLUDES PEOPLE WITH ZERO EARNINGS)
 2001 TO 2009**

	Other Adults	Dislocated Worker	Older Youth
Pre Program			
Earnings prior 3rd quarter	\$3,987	\$8,323	\$1,916
Earnings prior 2nd quarter	\$3,546	\$8,500	\$2,094
Post Program			
First Quarter	\$4,787	\$6,511	\$2,829
Second Quarter	\$5,067	\$6,652	\$2,885
Third Quarter	\$5,224	\$6,878	\$2,998
Fourth Quarter	\$5,440	\$7,020	\$3,117
Fifth Quarter	\$5,318	\$7,279	\$3,299
Sixth Quarter	\$5,388	\$7,368	\$3,357
Seventh Quarter	\$5,253	\$7,404	\$3,340
Eight Quarter	\$5,507	\$7,441	\$3,314
Ninth Quarter	\$5,573	\$7,588	\$3,635

**TABLE XVII
 QUARTERLY EARNINGS BEFORE AND AFTER WIA
 (INCLUDES PEOPLE WITH ZERO EARNINGS)
 2001 TO 2009**

	Other Adults	Dislocated Worker	Older Youth
Pre Program			
Earnings prior 3rd quarter	\$2,336	\$7,595	\$962
Earnings prior 2nd quarter	\$2,008	\$7,746	\$1,096
Post Program			
First Quarter	\$3,789	\$5,567	\$1,096
Second Quarter	\$3,748	\$5,627	\$1,894
Third Quarter	\$3,821	\$5,648	\$1,919
Fourth Quarter	\$3,866	\$5,810	\$1,956
Fifth Quarter	\$3,640	\$6,053	\$2,033
Sixth Quarter	\$3,634	\$6,092	\$2,097
Seventh Quarter	\$3,403	\$5,977	\$2,080
Eight Quarter	\$3,385	\$5,770	\$2,003
Ninth Quarter	\$3,348	\$5,877	\$2,112

While quarterly earnings rise modestly over the nine quarters after the program (excluding those with no earnings), the level of earnings is still a concern, whether one includes those who had earnings or not. However, data limitations constrain our ability to reach conclusions about the adequacy of the income earned. We have no way of knowing what access to additional income former WIA participants may have. The earnings of a spouse, another household member, unreported income, and non-wage income can supplement the reported quarterly earnings. We also lack information on the household structure (e.g., how many children or other family members need support) to determine whether the reported quarterly earnings are sufficient to meet statewide budget adequacy

standards. If we examine “other adults,” including both those who had and those who did not have reported earnings, and who exited from WIA between 2008 and 2009, the average annual earnings levels would be \$16,663, which is below the poverty level for a three-person household of \$18,310 in 2009.⁴⁵ If we limit the analysis to only those “other adults” who had earnings in each of the four quarters after WIA, then average earnings does rise well above poverty levels for a family of three by reaching \$23,820.

Neither data source used in the study provides information on job tenure, but the level of earnings recorded after WIA suggests that interrupted periods of employment rather than simply low hourly wages may explain the level of quarterly earnings. From the follow-up data we know that, on average, people were working close to full time jobs. If people worked full time for the quarter, or 468 hours, their hourly earnings would average just over \$9.00 per hour, far less than the hourly wages reported from the follow-up interviews (\$13.09 from 2008 to 2009). Thus, job turnover and periods of unemployment to some extent likely explain the level of quarterly earnings.

Pre- Post Program Changes in Earnings

Training programs should enhance the earnings capacity of its participants by offering them new or expanded career options. To the extent that wage rates reflect productivity, wage gains from pre-program levels represent an indirect measure of occupational upgrading. The analysis that follows assumes that a participant’s pre-program experience can be used as a basis to gain insights into program impact. But as pointed out earlier, without a control group one cannot be certain that any changes seen can be tied to the program alone. Earlier research has shown that the period just prior to program participation may represent a transitory drop in a person’s normal earnings profile. Gains recorded after the program may simply reflect a participant’s typical, rather than enhanced earnings level. This problem may be reduced by focusing on the 2nd and 3rd quarter before the program rather than the first quarter.

At the time of our follow-up contact, each of our adult respondents was asked whether they were making more or less money after WIA than before. Since 2001, approximately one-half of the “other adults” and older youth told our interviewers that they were making more after than before the program, while 61% of the dislocated workers said that they were earning less.⁴⁶ In the most recent year, nearly one-half of all former participants told our interviewers that they were making less on their current job than before than on their jobs before the program. This is the highest level we have recorded since 2001, and once again, likely reflect the impact of the recession.

⁴⁵ The U.S. Department of Health and Human Services. THE 2009 HHS POVERTY GUIDELINES <http://aspe.hhs.gov/poverty/09poverty.shtml>

⁴⁶ The other choices include “about the same,” “less than before,” and “no job before the program.”

Table XVIII						
Participant Perceptions about Pre-Post Program Changes in Earnings						
			Adults	Dislocated Worker	Older Youth	Total
2001 to 2008	Compare earnings	More than before program	48.3%	20.0%	55.7%	35.5%
		About the same	23.3%	18.9%	22.9%	21.2%
		Less than before program	24.6%	60.7%	12.9%	40.7%
		No job before program	3.8%	.4%	8.6%	2.6%
	Total		100.0%	100.0%	100.0%	100.0%
2008 to 2009	Compare earnings	More than before program	40.6%	22.0%		29.7%
		About the same	18.8%	19.5%	100.0%	20.3%
		Less than before program	37.5%	58.5%		48.6%
		No job before program	3.1%			1.4%
	Total		100.0%	100.0%	100.0%	100.0%
Total	Compare earnings	More than before program	47.8%	20.2%	54.9%	35.1%
		About the same	22.9%	19.0%	23.9%	21.1%
		Less than before program	25.5%	60.5%	12.7%	41.3%
		No job before program	3.8%	.4%	8.5%	2.5%
	Total		100.0%	100.0%	100.0%	100.0%

From the follow-up surveys, we know that since 2001 dislocated workers have experienced pre-post program declines in hourly earnings of approximately 12% while “other adults” have seen their hourly earnings rise from pre-program levels by an average of 23%. In the most recent follow-up year, pre-post program hourly earnings increased by a smaller amount for adults (11%) and fell slightly more for dislocated workers (16%).

Table XIX Pre-Post WIA Change in Hourly Earnings		
		Mean
2001 to 2008	Adults	24%
	Dislocated Worker	-14%
	Older Youth	35%
2008 to 2009		
	Dislocated Worker	-14%
	Older Youth	*

*Too few observations

The other way we can examine pre-post program changes in earnings is with the U.I. quarterly wage reporting statistics. If we examine only people with recorded earnings during each quarter, both before and after WIA, we see that “other adults” and older youth experience increases in quarterly earnings from pre-program levels (2nd and 3rd quarters before to after WIA). For dislocated workers, quarterly earnings remain less than pre-program levels throughout the nine quarters after WIA.

Comparing 2nd and 3rd quarter earnings before (for those who had pre-program earnings) and after WIA from 2001 to 2009 shows declines for dislocated workers of \$5,272 and gains for older youth of \$2,101 and \$2,060 for “other adults.”

In the most recent follow-up year, dislocated workers

experienced declines of \$6,096 (including people that had no earnings either both before and after WIA) from the 2nd and 3rd quarters before WIA to the 2nd and 3rd quarters after the program.⁴⁷ These are the largest declines for this group of participants that we have recorded since 2001. Unlike dislocated workers, “other adults” from 2008 to 2009 experienced gains in the 2nd and 3rd quarters of \$2,163 from pre-program levels (again, these averages include participants who did not have earnings recorded before the program). If we exclude people from the sample who did not have pre-program earnings, losses, not gains are recorded of nearly \$1,000 between the 2nd and 3rd quarter pre and post program.

⁴⁷ Reported quarterly gains or losses reported by the state to the federal government will differ from these statistics. WIA reporting methodology excludes people who exit from the program with health problems or who are institutionalized, and excludes sample members from the calculations who have no reported quarterly earnings in the first quarter after exiting from the program.

TABLE XX
CHANGE IN QUARTERLY EARNINGS
2ND AND 3RD QUARTER BEFORE WIA TO 2ND AND 3RD AFTER WIA
2001 TO 2009

		Including participants with zero pre-program earnings	Excluding participants with zero pre-program earnings
Adults	July 1 2001 to June 30 2002	\$1,963	-\$149
	July 1 2002 to June 30 2003	\$2,529	\$671
	July 1 2003 to June 30 2004	\$2,775	-\$1,227
	July 1 2004 to June 30 2005	\$3,465	\$1,195
	July 1 2005 to June 30 2006	\$3,634	\$439
	July 1 2006 to June 30 2007	\$4,864	\$3,104
	July 1 2007 to June 30 2008	\$4,341	\$3,024
	July 1 2008 to June 30 2009	\$2,163	-\$965
Dislocated Worker	July 1 2001 to June 30 2002	-\$2,787	-\$5,237
	July 1 2002 to June 30 2003	-\$4,682	-\$6,311
	July 1 2003 to June 30 2004	-\$6,087	-\$7,265
	July 1 2004 to June 30 2005	-\$5,885	-\$6,571
	July 1 2005 to June 30 2006	-\$3,365	-\$4,377
	July 1 2006 to June 30 2007	-\$1,995	-\$3,268
	July 1 2007 to June 30 2008	-\$1,053	-\$3,962
	July 1 2008 to June 30 2009	-\$6,096	-\$7,062
Older Youth	July 1 2001 to June 30 2002	\$926	\$337
	July 1 2002 to June 30 2003	\$2,455	\$1,664
	July 1 2003 to June 30 2004	\$2,094	\$1,712
	July 1 2004 to June 30 2005	\$2,469	\$3,630

TABLE XX CHANGE IN QUARTERLY EARNINGS 2ND AND 3RD QUARTER BEFORE WIA TO 2ND AND 3RD AFTER WIA 2001 TO 2009			
		Including participants with zero pre-program earnings	Excluding participants with zero pre-program earnings
	July 1 2005 to June 30 2006	\$2,783	\$963
	July 1 2006 to June 30 2007	\$2,831	\$2,908
	July 1 2007 to June 30 2008	-\$50	-\$1,781
	July 1 2008 to June 30 2009	-\$3,183	-\$5,511

The change in 2nd and 3rd pre-post quarterly earnings by the type of training or service received shows large differences in outcomes. One clear result is that OJT training is associated with the largest gains in quarterly earnings for older youth and “other adults.” All programmatic efforts for dislocated workers were associated with declines in pre-post program quarterly earnings.⁴⁸

⁴⁸ Training services might have been provided under the Trade Adjustment Act.

TABLE XXI
CHANGE IN QUARTERLY EARNINGS
2ND AND 3RD QUARTER BEFORE AFTER WIA
BY SERVICES RECEIVED
2001 TO 2009

		Includes participants with zero pre-program earnings	Excludes participants with zero earnings
		Mean	Mean
Other Adults	Services	\$1,924	\$539
	WE	\$1,837	\$710
	Prevocational Training	\$337	-\$585
	Occupational skills	\$3,212	\$1,722
	OJT	\$7,379	\$6,790
Dislocated Worker	Services	-\$4,609	-\$6,672
	WE	\$-920	-\$1,564
	Prevocational Training	-\$4,868	-\$5,251
	Occupational skills	-\$5,153	-\$5,938
	OJT	-\$243	-\$1,746
Older Youth	Services	\$1,825	\$1,340
	WE	\$1,651	\$1,240
	Prevocational Training	-\$2	-\$326
	Occupational skills	\$4,344	\$4,537
	OJT	\$5,548	\$6,169
Subtotal	Services	\$464	-\$1,353
	WE	\$1,671	\$838
	Prevocational Training	-\$2,803	-\$3,831
	Occupational skills	-\$424	-\$2,003
	OJT	\$4,972	\$3,268

As has been the case in earlier years, the pre-post earning reductions seem to be negatively correlated with the skill content of the program, the higher the level (e.g., specialized computer training, engineering related training), the larger the reductions. For example, those dislocated workers who participated in engineering related training experienced declines in earnings, on average, of \$9,223 (2nd and 3rd quarter before and after WIA). Similar declines were associated with dislocated workers who were trained in the computer related fields

(\$5,111). In contrast, there were 118 dislocated workers who were trained as truck drivers, a lower skilled

Changes in quarterly earnings in specific training areas reflect the skills and educational levels that people bring into the programs. The most skilled, usually dislocated workers, often experience declines in pre-post quarterly earnings. Those with lower skill levels experience gains.

field in comparison to some of the other areas that dislocated workers were trained in, experienced smaller declines of \$2,486. What seems to be most important factor in predicting changes in earnings is the skill and educational backgrounds of the participants rather than the training program itself. People who enter higher-level training programs had relatively higher earnings before WIA. The training programs offered may not be sufficiently intensive or of a long enough duration to enable these higher earners to regain their financial status. It would be of some interest to determine whether these types of declines are larger for people who decided to remain in Vermont rather than seek work outside the state.

The results for older youth and “other adults” in terms of changes in earnings differed from dislocated workers. The plumbing and electrical skills training programs, offered to 45 members of the “other adult” sample experienced relatively large earnings gains of \$9,494 and \$3,732 respectively from 2nd and 3rd quarters before the program. Part of their success involves the unusual nature of their training, which involved a longer-term apprenticeship program. Truck driving training, the most common field of training, was associated with gains of \$2,465 for “other adults.” Another notable success was for OJT computer related training where graduates experienced 2nd and 3rd quarter gains of \$12,806 from pre-program levels. Although this gain is impressive, the number of trainees was small (n=29) in comparison to the truck driving programs (n=278).

Younger Youth

In many ways, youth programs are more difficult to assess than those targeted for adults and older youth. Many of the expected outcomes are not easily measured in a telephone survey. Collecting reliable data, for example, on whether respondents show up for work on time and adapt to employer expectations, both possible goals of a youth employment program, are impossible to ascertain during a brief phone conversation with a program

participant.⁴⁹ Whether one has a job is easy to measure, but unlike most training programs, immediate employment is not a goal for in-school participants (between 2001 and 2008, 80% of the younger youth were in-school, almost all were full-time students).

This section on younger youth outcomes focuses primarily on how the program was viewed by its participants.

The profile of younger youth reveals a population that is much more at risk for economic and social problems than their adult counterparts in WIA. Many of the youth have learning differences, and a significant percent have dropped out of school and have problems with substance abuse.

In a number of respects, the characteristics of the youth sample are unlike other WIA participants beyond the obvious difference of age. While youth are almost entirely white and predominantly male like their older cohorts, they are more likely to have learning disabilities (between 2001 and 2009, approximately two-thirds had learning disabilities) and involvement in the criminal justice system (22%). Increasingly, younger youth have been identified as being “at risk.” In part, this reflects a change in the way that case managers classify younger youth. Initially, “at risk” identified youth who were in danger of dropping out of school. By 2006, this classification suggests that these younger youth are “at risk” to experience a variety of other social problems. Another notable change in the youth profile is the reversal of a long-term decline in the percentage of youth that are in school, from a high of 86% between 2001 and 2002 to a low of 69% between 2006 and 2007 followed by an increase to 77% in the most recent follow-up year.

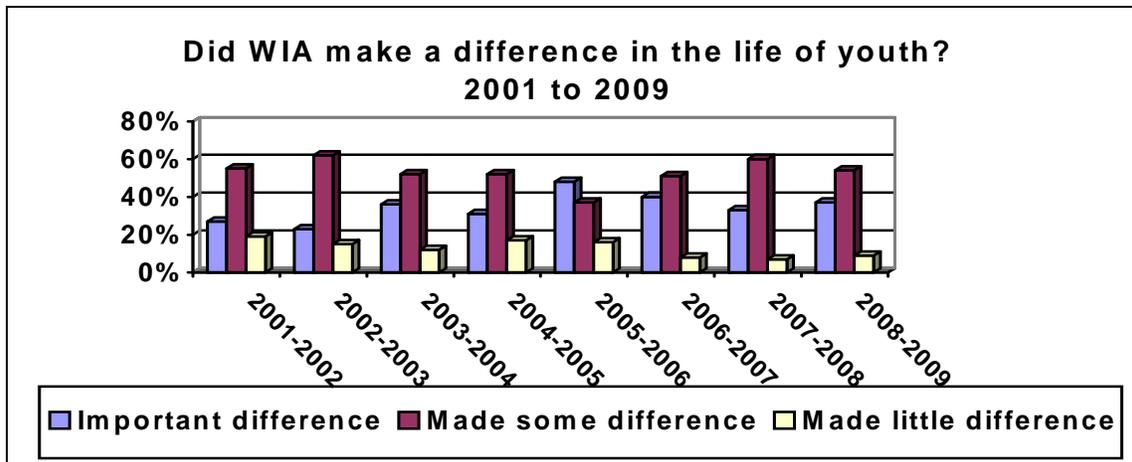
TABLE XXII CHARACTERISTICS OF YOUNGER YOUTH SAMPLE 2001 TO 2009			
		Time period	
		2001 to 2008	2008 to 2009
		Column N %	Column N %
Gender	Male	63%	69%
	Female	37%	31%
Race	Native American	1%	0%
	Asian	1%	3%
	Black	4%	4%
	White	94%	93%

⁴⁹ Since 2001, younger youth have participated largely in summer youth employment opportunity programs, work experience and pre-vocational training. Some also participated in multiple programs.

**TABLE XXII
CHARACTERISTICS OF YOUNGER YOUTH SAMPLE
2001 TO 2009**

		Time period	
		2001 to 2008	2008 to 2009
		Column N %	Column N %
Limited English	Yes	4%	5%
Offender	Yes	22%	32%
In school	Yes	80%	77%
Learning Disabilities	Yes	66%	60%
Substance abuse	Yes	16%	31%
Disability	Yes	74%	73%
Feelings about school	Really like school	18%	10%
	Generally like school	30%	48%
	Ok, but can be hard to deal with	41%	26%
	Don't like school	10%	16%

Like other members of the sample, younger youth were largely satisfied with the quality of the training they received while in WIA. In the most recent follow-up year, 83% of the younger youth rated their training as either excellent or good, a slightly higher rate than during the 2001 to 2008 period (78%). These percentages also parallel the way respondents answered a question about the extent to which the program made a difference in their lives. Only 9% of these former participants between 2008 and 2009 felt that the program made no difference in their lives; most, 54%, felt that it made “some difference” in their lives. The remaining 37% felt that WIA made an important difference.



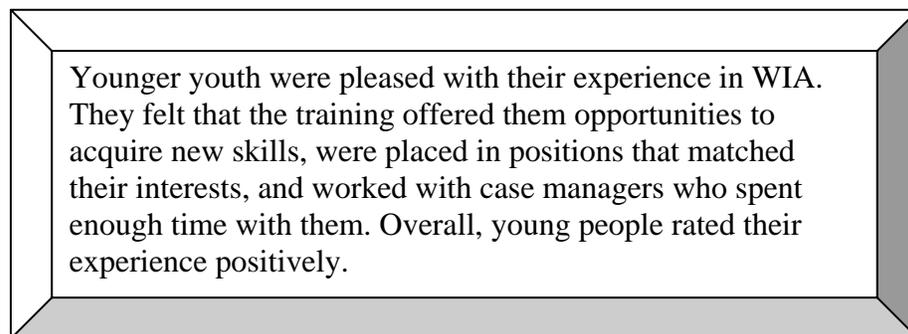
The vast majority of youth who exited WIA between 2008 and 2009 felt that their case managers found training opportunities “that matched their interests” (86%) and spent “enough amount of time” with them (94%). This rate was the highest recorded since the follow-up studies began.

Critics of youth programs have questioned the quality of training people receive while in WIA. But according to our young respondents their training was useful. Not one younger respondent between 2008 and 2009 claimed that there were “no skills” offered in their training or summer employment opportunity programs. Most felt that they learned “new skills” (84%) or were in positions that offered skills “similar” to ones they already had (16%). These statistics are higher than were recorded in earlier years. Over the entire period, only 70% felt that they learned new skills.

Most of the youth we talked with were in school at the time of the interviews (or on summer break).

Among the youth who were out of

school from 2008 to 2009, 50% were employed, working on average almost 42 hours per week.



Younger youth were pleased with their experience in WIA. They felt that the training offered them opportunities to acquire new skills, were placed in positions that matched their interests, and worked with case managers who spent enough time with them. Overall, young people rated their experience positively.

In-school youth was asked how they felt about school. In the most recent follow-up year, 16% told our interviewers that they did not like school, a rate that is higher than recorded in prior years. In contrast, almost 60% said that liked school. We have no way of knowing whether WIA will enhance the likelihood that these younger members of the sample will remain in school until graduation, especially among the 16% who might be most at risk to dropout. To the extent that members of the sample leave school, there is a likelihood that they will show up in future WIA samples, but this time in the adult population.

All participants enter an assessment process when they enroll in WIA. In the most recent year, 81% of the youth remembered this part of the program (a rate that corresponds to rates recorded in earlier years), and the vast majority (85%) felt that this component was either excellent or good. As was the case in the prior year, only 30% remembered some of the specific goals that were established during this process. This is a lower rate than the rates recorded over the entire period (e.g., 44% between 2001 to 2008). Among those who remembered their goals, work readiness was the key goal for many of the youth participants. Like many of the questions about WIA that require recall, it’s not easy to evaluate this finding. Is it possible that the goals of WIA were clearly articulated at the time that younger people began participating in the program, but were simply forgotten

by the time of the follow-up contact. Retention of information for both the young and for adults is often a challenge. It is also possible that the goal setting process was not emphasized and reinforced sufficiently. We are unable to determine the validity of either of these explanations, but the relatively low percentage does raise an important question given the nature of expected youth outcomes.

Along with an employment experience, youth were also expected to participate in a number of support or ancillary services in WIA. We asked each respondent whether they had received services such as tutoring, volunteering in the community, or mentoring by an adult in the community. As in prior years, some participants did remember receiving such services, but many did not.

**TABLE XXIII
SERVICES RECEIVED
BY YOUTH PARTICIPANTS**

		Time period	
		2001 to 2008	2008 to 2009
		Column N %	Column N %
Recall assessment	Yes	80%	81%
	No	20%	19%
Remember goals	Yes	44%	30%
	No	56%	70%
Basic skills goal	Yes	59%	75%
	No	41%	25%
Occupational skills	Yes	69%	67%
	No	31%	33%
Received tutoring	Yes	25%	33%
	No	75%	67%
Volunteered in community	Yes	42%	67%
	No	58%	33%
Received mentoring	Yes	31%	35%
	No	69%	65%
Received counseling	Yes	22%	21%
	No	78%	79%
Referred to other agencies	Yes	17%	27%
	No	83%	73%
Job matched interest	Yes	86%	86%
	No	14%	14%

**TABLE XXIII
SERVICES RECEIVED
BY YOUTH PARTICIPANTS**

		Time period	
		2001 to 2008	2008 to 2009
		Column N %	Column N %
Case manager spent enough time	Enough time	84%	94%
	Too much time	1%	0%
	Too little time	15%	6%
Types of skills learned	New skills	69%	84%
	Skills similar to older ones	24%	16%
	No skills required	7%	0%

The interpretation of the statistics above is somewhat problematic. The percentages might be biased upwards. While we tried to make it clear that we were asking about WIA sponsored tutoring or WIA sponsored volunteering, respondents may not have kept this distinction in mind when they answered questions about various services they might have received. When asked about volunteering in the community, respondents may have responded affirmatively (67% said they did), even though the volunteer work was sponsored not by WIA, but by a school or religious group.⁵⁰ Whether these percentages are as high as program managers would like to see is not clear, but they are the types of key services that could have a long term, positive impact on the lives of younger youth.

The case managers play a key role in the WIA process. In our conversations with former participants, the helpfulness and empathy shown by various case managers were often singled out for praise. However, one aspect that received less support was the response to the question of whether case managers had contacted individuals after they left WIA. Mutual feedback between participant and case manager is an important element in the success of the program, particularly as it relates to retention in school or on a job. Since 2001, 36% of former younger participants said that their case managers had contacted them since termination, nearly the same rate in the most recent year's study. The rates were much higher for "other adults" at 69%, and dislocated workers (66%). These contact rates for youth seem low; after all, why shouldn't all former participants be contacted? But it's important to remember that some younger people may not remember that a follow-up contact was actually made. Also, many of these younger sample members are simply hard to locate. At times, our interviewers had to call up to 25 times to reach a person. Frequently, no working phone numbers were available. While we have been able to reach a majority of former participants, would case managers be able to

⁵⁰ Of course, a goal of WIA is to encourage partnership relationships with other institutions and agencies to provide a full range of services.

devote the same amount of time searching for and calling former participants, especially during non-work hours, as we did?

Summary and Conclusions

This study was designed to respond to a set of questions which include:

- Are the services offered by WIA seen by its participants as being useful and effective?
- How has the recession impacted participant outcomes?
- What patterns of employment and earnings emerge after WIA?
- Does training matter?
- Are the jobs held after the program considered desirable by former participants?
- Can WIA take “credit” for the jobs that are found?
- What segments of the WIA population are least successful?

Since there was no control group employed in the study, we are unable to determine whether the program’s services are cost effective, or what its net impact was since we have no way to know what would have happened to participants in the absence of the program. Therefore the outcomes recorded have to be considered in their historical and programmatic context. It’s also important to recognize that no study that relies solely on an empirical perspective can provide answers to all of the questions raised in the analysis. Yet, at the same time, program performance can be enhanced to the extent that administrators have a clearer understanding of what happens to participants once they leave the program and what questions remain unanswered.

Key data findings, unanswered questions, and policy issues that follow from this study include:

- The VDOL-SSRC WIA database has grown now to include 3,482 Vermonters who have participated in the program since 2001, of which 1,418 have been younger youth, 233 older youth, 766 dislocated workers, and 1065 have been “other adults.” Out of this total, 255 exited from WIA between July 1, 2008 and June 30, 2009, the most recent follow-up period. Since 2001, the socio-economic characteristics of each of the annual samples have remained fairly similar. One notable difference in the most recent study has been its small size of only 255 participants. In the past, the number of people exiting from the program annually has been considerably larger than this number. It’s possible that stimulus funding provided more extensive training opportunities and consequently participants remained in the program for longer periods of time leading to fewer program terminations between 2008 and 2009. But could case managers, in response to rising unemployment rates, have resisted exiting participants without strong employment possibilities? Whether or not case managers are “gaming” the system to meet federal performance guidelines

is not clear. It's important to know which explanation, stimulus funding vs. gaming the system, carries more weight since the validity of post program performance measures are reduced to the extent that case managers are keeping people in the system even if they are receiving no real services.

- The study's database is comprised of information from a number of sources such as program activity records, intake forms, quarterly wage U.I. reporting records, and data collected from telephone follow-up interviews. The follow-up interviews are especially important because they provide the study with a rich qualitative dimension that is missing from the other data sources. But at the same time, these very surveys are limited only to the people we are able to talk with after the program. On average, just over 60% of former program participants are contacted each year. Very few people choose not to speak with our interviewers once contacted. But two factors in particular constrain the study's contact rate; the first one is simply that many former participants and their contacts lack working phone numbers. Additionally, cell phone numbers are generally not available. This limitation becomes especially troublesome in the case of younger adults who nationally have given up landlines in favor of cell phones. Little can be done about disconnected phones, but the VDOL should consider adding cell phone numbers to the personal information that is collected at the time that people enter and exit from the program. It would also be helpful if case managers from the local offices provided us with more information on how to reach difficult to find people.
- As noted earlier, we have no way of determining what would have happened to participants in the absence of WIA. Labor markets are fluid institutions; people are continually losing and finding jobs with or without government support or intervention. One way to strengthen the study's conclusions would be to include a comparison group. One way to do this would be to compare the outcomes of WIA participants with a sample of people who received only Wagner-Peyser labor market exchange services, but who also had both similar prior work experiences and demographic characteristics.
- The positive participant assessment of WIA services has been one of the most consistent findings in the annual follow-up studies. Each year, over 80% of the respondents rate WIA positively from a variety of perspectives. In the most recent year, for example, youth and adults alike, felt the program met their expectations (8.43 on a ten point scale), were satisfied with the services offered (8.92 on a ten point scale), entered training programs that participants felt were either excellent or good (90%) and felt that their training programs offered them new skills (84%). Hardly anyone selected the category, "no skills involved." These very high evaluations of WIA differed little by geographic location within Vermont or by demographic characteristics. Not surprisingly,

however, program evaluations were most positive for people that found jobs after WIA, especially if it was training related.

While participants' appraisals overall of WIA have been, and continue to be, very strong, when respondents are asked about specific non-training components, for example, interviewing techniques or career planning, evaluations tend to be lower. Additionally, while all participants are expected to participate in an assessment process when they enter the program, nearly 40% of the sample had trouble remembering that they had gone through such a process. While this might be little more than a problem of recall, it could also reflect the extent or intensity of this important service. This problem was particularly noticeable when younger youth were asked about the specific goals that were established when they entered the program; most could not list the goals that were established. Do these findings reflect memory problems or something programmatically important?

➤ With the onset of the recession, most program outcomes fell from rates recorded in earlier years. Some examples: the post program follow-up contact employment rate at 70% was the lowest recorded since the beginning of WIA. Training related job placements also fell to 61% in the most recent study, a rate well below the percentages found over the last few years (76% the year before). The last time training related placements were this low was during the recession at the beginning of the last decade.

The decline in training related placements might also explain the following unexpected finding, that the percentage of former participants who that felt that they would not have been able to get their jobs without the help of the program declined this year to 46% from 55% in the prior year's study. This is lowest rate recorded since 2003 to 2004. If there are not enough training related jobs available in the labor market, people will end up finding more jobs on their own and they may naturally feel that they got their jobs without the help of WIA. No one should be surprised that it's harder to find jobs during an economic downturn. Programs like WIA face an additional challenge during difficult economic times: how to identify training areas where there will be sufficient job opportunities at the end of the program. This raises the question of the extent to which WIA training opportunities can reflect cyclical changes in labor demand?

Adults in the 2008 to 2009 sample were earning on average \$13.09 per hour at the time of the follow-up contact, 6% lower than the prior year and 10% less than the level reached in 2007 (not adjusted for unflation). Along with hourly earnings, gains in quarterly earnings for "other adults" from pre-program levels were also lower from the levels documented in prior years. We also recorded the highest percent of "other adults" who told our interviewers that they were now making less on their current job than before WIA (38% felt this way between 2008 to 2009 vs. 25% in earlier years). Finally, average hours worked per week has also fell from earlier years. There is little question that the conditions in the labor market

impacted program outcomes during the economically challenging years of 2008 and 2009.

- Since WIA's beginning, we have recorded post program employment rates that decline as we move farther away from program termination, especially for older youth and "other adults." These rates tend to drop in percentage terms from the mid 80's in the first quarter after program termination down to the low 60's eight quarters later. In contrast, employment rates for dislocated workers remain higher and without the declines we see in other segments of the sample. Because of the short-term nature of the SSRC follow-up interviews, we have no way of knowing what might account for the decline in the longer-term employment of older youth and "other adults." One explanation might be a measurement problem, that people over time begin working in sectors not covered by the federal wage U.I. reporting system. It's also possible however that the problems that led to enrollment in WIA in the first place begin to reemerge as the distance in time lengthens from the date of program exit. Knowing which one of these explanations along with others which might explain the declining employment rates over time is important.
- Next year's survey instrument contains a number of direct measures of job satisfaction. Up to this point in time, we have relied on only indirect measures of post program job satisfaction. One such measure is the percentage of jobs that participant hope to remain with as opposed to a job that is viewed as a "temporary one until a better one can be found." In the most recent survey, 77% hoped to remain on the jobs they held at the time of the follow-up contact, which is in line with earlier percentages. By its self, this statistics seems reasonably high. Furthermore, just under 70% of these jobs offered health insurance, again similar to rates found in earlier years.
- Training matters. Training holds out the possibility for occupational upgrading and access to career ladders that will lead to economic independence. Simply finding participants a job, any job, after WIA will do little to respond to the labor market problems that led participants to enroll in the program in the first place. Our data has consistently shown that those who find training related jobs are much more likely than those not in training related jobs to feel that they could not have gotten their job on their own without the help of the program and they are more likely to feel that their jobs are ones they hope to stay with. Finally, participants who were in training related jobs earned more than their counterparts from the same training program who failed to find training related placements. While we are not using a control group, these participant impressions still give us some confidence that the program can take "credit" for many of the jobs found after the program.

Each year we question why more people don't end up in training related jobs. Certainly the limited job prospects at the time of the most recent survey negatively impacted the number of training related jobs available. Some of the respondents did tell our interviewers that there were no jobs in the field they were trained for or that they needed additional training to succeed. It's hard to know what to make of these claims. Even if these statements reflect the actual experience of respondents, there may be an underlying dimension that they may not fully understand. Some participants, especially those in the category of "other adults" and older youth enter WIA with multiple labor market barriers, such as poor work histories, low educational attainment, substance abuse problems, childcare constraints and criminal records. People with problems of this sort, no matter how well trained, may not reach the top of the hiring queue when jobs open up in training related areas. To the extent that this explains why some participants fail to find training-related jobs, one possible way to overcome hiring barriers is to combine classroom training with OJT contracts. This is an expensive option, however.

➤ Increasingly, WIA training in Vermont means occupational skills training. As WIA was originally conceived, participants were to be offered vouchers they could use to purchase training at any agency or institution that had received state WIA certification. In Vermont, a more "hands on" approach has been followed. Case managers after conversation with participants recommend specific training programs and make payments directly to the training providers. Vermont's approach has resulted in filling some important industry workforce gaps. But at the same time, has this approach unnecessarily narrowed the types of training opportunities offered to participants? For most men, WIA training has meant truck driver or CDL training. For women, WIA training has most often meant preparation to enter one of the medical assistant areas. On the whole, fewer women are entering non-traditional training fields than in earlier years.

The question of why WIA classroom training has evolved as it has is not clear. To what extent is WIA simply fulfilling unmet industry needs? Are there other occupational areas that have similar unmet needs? Has an industry emerged, CDL training for example, to fulfill the need of workforce programs to find suitable training areas? Do the occupations that people are being trained for offer real opportunities for upwards mobility and employment stability? Are there potential pitfalls in spending such a high percent of scarce training dollars in just a few areas?

➤ Over the years three groups of WIA participants seem to face the greatest employment challenges after exiting from the program. These are participants who lacked "significant work history" before the program, those with disabilities and high school dropouts between the ages of 19 to 25. For example, only 69% of those who lacked significant work experience before WIA recorded any earnings in the first quarter after the program in comparison to 80% for the sample as a whole. Among those 19 to 21 without a high school degree, only 33% had recorded earnings during this period, and lastly, among those with disabilities, only 72% had any earnings recorded in the first quarter after WIA. These findings

suggest that more intensive services may be in order for these segments of the WIA population, although it is also possible that some of these participants may not have been ready at this point in their lives to participate fully in an employment and training program.

Dislocated workers, as they have in the past, are the most likely to say that they are earnings less after the program than before (59% of dislocated workers felt this way in the most recent year which is similar to rates recorded earlier). And the data from the quarterly wage reporting system supports their views. In the most recent survey year, dislocated workers experienced declines in second and third quarterly earnings from the comparable period before the program of just over \$6,000, an amount higher than we have recorded in earlier years and again, another possible sign of the recession's impact. Dislocated workers are unable to make up this short fall during the subsequent nine quarters after the program. For people like dislocated workers with longer term tenures in earlier jobs it creates a real challenge to offer training programs that will be sufficiently intensive, an expensive option, for this group of participants to regain their earlier economic status.

In contrast to dislocated workers, "other adults" and older youth experience gains in quarterly earnings after WIA from pre-program levels. This finding is true whether you include or exclude participants with zero earnings before the program. Even though earnings are higher after WIA, many participants will still record earnings that would place them either below or just above the poverty level for a family of three with one working adult.

➤ One of the paradoxes associated with employment and training programs is that those who enter a program with the least skills and most unstable work histories will exit, as noted above, with a lower probability of employment. But, when these participants do find work, they will often be the ones who will display the largest gains in earnings. Performance guidelines should recognize this situation; if not, cream skimming, (i.e., trying to enroll only the most highly skilled into the program), will likely emerge. In 2006, the U.S. Department of Labor removed pre-post program earnings gains as a measure in its performance evaluation system. Instead, total post program earnings are emphasized. This may mask the positive outcomes of pre-post earnings gains experienced by some of WIA's least skilled participants.

Incentives matter and it's important that WIA's performance standards do not discourage local case managers from enrolling those who lower probabilities of finding post program employment or those, like dislocated workers, who are the most likely to be employed after WIA but will also, on average, experience the largest declines in pre-post program earnings.

