

**IMPROVING THE ODDS OF SUCCESS:
WHAT RESEARCH SAYS ABOUT YOUTH WORKFORCE
TRAINING**

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Topics Covered

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- Background on employment prospects for disadvantaged youth
- The general record of youth programs shows limited success
- Barriers to successful training for youth
- Elements for successful youth programs
 - ▣ Solid engagement by employers
 - ▣ Connecting youth with employment and employers
 - ▣ Providing participants with hard skills and soft skills
 - ▣ Linking academic and vocational skills training
 - ▣ Supportive services are a key part of the mix
- Conclusions

Youth with Less than College Education Are Not Doing Well in the Labor Market

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| | Dropout | HS Graduate | Some College | BA+ |
|---|---------|-------------|--------------|----------|
| Employment/ population ratio 20-24, 2014 | 46.6% | 63.7% | 75.0% | 88.1% |
| Unemployment rate 20-24, 2014 | 25.3% | 18.9% | 12.2% | 6.7% |
| Mean earnings 18-24, 2013, excludes zero earners | \$8,942 | \$18,422 | \$16,509 | \$32,509 |

General Record of Employment and Training Programs for Youth Shows Limited Success

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- Rigorous evaluation of Job Training Partnership Act showed positive impacts for adult programs but no impact for out-of-school youth programs
- Job Corps, most expensive program for poor youth, found earnings gains in early years, but faded by 5th year
- A few programs have shown promising findings, including Year Up, ChalleNGe, I-BEST, mentoring, and Career Academies
- We need to draw on lessons from successful programs for new efforts

Barriers to Successful Programs for Youth

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- ❑ Lack of basic skills in reading, math, and writing
- ❑ Difficulties in adapting to academic courses needed to advance
- ❑ Lack of knowledge about how to behave on the job, so-called “soft skills”
- ❑ Insufficient income to pay for transportation, child care, medical expenses, and other needs
- ❑ Time challenges due to parenting
- ❑ Difficulties with time management
- ❑ Many youth have barriers such as substance abuse or criminal backgrounds

Elements for Successful Programs:

General Points

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- We can learn from past programs to see what aspects are proven or promising
- Efforts can work on supply or demand side: focus here on supply side, but demand side efforts are sometimes successful
- Youth are more challenging than adults—young people not always as ready to learn as adults

Elements for Successful Programs: Engaging Employers

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- For nearly 40 years employment and training programs focused almost entirely on supply side
- Recognition around 2000 that training must be demand-driven: need to anticipate what employers want in workers and to provide workers that meet their needs
- Having employers on board is a good start, but far from enough engagement

Elements for Successful Programs: Engaging Employers (continued)

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- In successful *customized* and *sectoral* training programs, employers play major roles
 - ▣ Customized programs serve single employers and engage employers in key aspects of program, including eligibility criteria, curriculum, and standards for successful completion
 - ▣ Ideally, employers make commitment to hire or consider successful completers
 - ▣ Sectoral programs similar in nature but include multiple employers from industry or sector
 - ▣ In recent years intermediaries have emerged as a good way to connect employers and training programs

Elements for Successful Programs: Engaging Employers (continued)

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- Although not as much evidence as we would like, the evidence for approaches building on employer involvement is positive
 - On-the-job training (OJT) reimburses employers for informal training up to 6 months and has high impacts
 - Qualitative case studies of customized training showed satisfaction among employers, workers, and programs
 - Rigorous evaluations of Year Up and the Sector Employment Impact Study

Elements for Successful Programs: Engaging Employers (continued)

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- **Sectoral Employment Impact Study** – Public/Private Ventures (Maguire et al, 2007)
- **Sites**
 - ▣ **Wisconsin Regional Training Partnership** – Association of unions and employers focused on manufacturing, construction, health care
 - ▣ **Jewish Vocational Services-Boston** – Nonprofit serving disadvantaged populations, focused on medical billing and accounting
 - ▣ **Per Scholas** – NYC nonprofit that focused on training and recycling computers for redistribution to low-income people, focused on computer technician training

Elements for Successful Programs: Engaging Employers (continued)

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- Sectoral Employment Impact Study
 - 1,296 people randomly assigned and follow up survey conducted with 79% of treatment and 82% of control = 1,014 for impact analysis
 - Treatment group earnings 13-24 months after RA = \$17,673 compared to \$13,662 for controls a \$4,011 difference
 - Treatment group hours 13-24 months after RA = 1,380 on average compared to 1,130 for controls, a 250 hour difference
 - Difference in earnings as a result of more hours worked and higher wages for the treatment group

Employer-Based Training: Why Isn't It Used More?

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- High costs to recruit and engage employers combined with small number of trainees needed by individual employers
- Difficulty in financing curriculum development
- Institutional barriers to being responsive to employer needs
- Training programs may not know how to communicate with employers
- Firms are often wary of working with the government
- Firms are often wary of working with each other

Publicly Funded Workforce Training Programs Need to Connect Trainees with Employers and Employment

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- Vocational training is not enough—good programs for disadvantaged youth also need to connect trainees with work
- Approaches for linking training to work include
 - ▣ Internships
 - ▣ Job shadowing
 - ▣ Apprenticeships (covered in next session by Lerman)

Soft Skills and Vocational Skills Together: Year Up as an Example

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- Year Up is targeted on 18-24 year old low or moderate income high school graduates who are not employed nor full-time students
- Each local program enrolls 2 cohorts of 45 students twice/year for a 12-month experience
- In the first 6 months students take classes 4.5 days/week
 - ▣ Occupational classes focus on occupational fields like IT, finance, customer service, and quality assurance
 - ▣ Other classes cover business communication, writing, and critical thinking
- The next 6 months is spent in an internship with a major company

Soft Skills and Vocational Skills Together: Year Up (continued)

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- Other features of Year Up
 - ▣ Students taught about language of corporate America
 - ▣ Program includes advising and mentoring
 - ▣ Program includes soft skills/life skills
 - ▣ Students sign contract with rewards/sanctions, and those who do poorly “fire themselves” from program
 - ▣ Students receive weekly stipends \$150-\$190 in first phase and \$190-\$260 in internship
- Evaluation of Year Up showed earnings for those assigned to Year Up earned about \$3,500 more than control group (\$15,100 v. \$11,600) in second year after random assignment

Career Pathways as an Approach to Training and Employment

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- The career pathways approach has been adopted by the Departments of Labor, Education, and Health and Human Services to help entry-level workers navigate between education and training and employment
- Career pathways are characterized by three attributes:
 - Multiple entry points so workers can enter a field at the appropriate level for them
 - Multiple exit points from education and training to employment so workers can move up the career ladder at a pace appropriate to their resources and needs
 - Well-connected and transparent education/training and credentials to facilitate movement by workers and the ability for employers to know where to place workers
- Developing a career pathways system requires employers to work closely with education and training institutions so that education and training courses are linked to industry recognized credentials and careers—not a simple task!
- DHHS has funded rigorous evaluations of 9 career pathways demonstrations, but no results yet
- Source: CLASP presentation at <http://www.clasp.org/issues/postsecondary/pages/career-pathways-explained>

Soft Skills Training Is Important

- In addition to vocational skills, employers want to hire workers with so-called “soft skills” as well
- The work of the Secretary’s Commission on Achieving Necessary Skills (SCANS Commission) in 1991 highlighted the importance of soft skills in addition to specific occupational skills
- These skills include critical thinking, individual responsibility, integrity, self-management, teamwork, and similar skills needed to function on the job and in life
- Research suggests that individuals who grow up in poor families are less likely to acquire these skills at home
- Employers repeatedly stress the importance of such skills in surveys

Vocational Skills and Basic Skills: I-BEST and Accelerating Opportunity

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- Integrated Basic Education Skills Training (I-BEST) is initiative of Washington state with goal of assisting students with limited skills pursue vocational education in community colleges
- Key feature of program is teaching basic skills in vocational context and having two teachers in classroom
- I-BEST programs include supportive services, and strong mentoring, tutoring, and advising
- Early evaluations of I-BEST found I-BEST students completed training more often, and earned more credits than comparison group
- I-BEST is being replicated and evaluated in DHHS's PACE program and in Accelerating Opportunity supported by foundations

Supportive Services Are Important

- Studies that followed up welfare recipients who lose their jobs find that often it is not lack of vocational skills that ends a job, but lack of skills for coping with problems
- The programs cited above—Year Up, I-BEST, PACE career pathways, Accelerating Opportunity—all include supportive services and soft skills training to some extent
- Although we do not yet know the exact mix and extent of supportive skills needed, those involved in working with youth are convinced they are a crucial part of the mix

Conclusions

- Helping poor youth to become self-sustaining is not simple—solutions require many features
 - ▣ Employers must be a key part of programs
 - ▣ Employer involvement through customized or sectoral training programs has been very successful, as have apprenticeships and on-the-job training
 - ▣ Connecting training with work through approaches like internships and apprenticeship can be effective
 - ▣ Programs should include soft skills and supportive services as needed, provided in part by mentors and advisors
 - ▣ Most occupations require basic skills, and several encouraging models integrate basic skills and vocational skills