Improving the Odds of Success: What Research Says about Youth Workforce Training

Burt S. Barnow
George Washington University

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Topics Covered

- 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

<table>
<thead>
<tr>
<th></th>
<th>Dropout</th>
<th>HS Graduate</th>
<th>Some College</th>
<th>BA+</th>
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</thead>
<tbody>
<tr>
<td>Employment/population ratio</td>
<td>46.6%</td>
<td>63.7%</td>
<td>75.0%</td>
<td>88.1%</td>
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<tr>
<td>20-24, 2014</td>
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<tr>
<td>Unemployment rate</td>
<td>25.3%</td>
<td>18.9%</td>
<td>12.2%</td>
<td>6.7%</td>
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<td>20-24, 2014</td>
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<tr>
<td>Mean earnings</td>
<td>$8,942</td>
<td>$18,422</td>
<td>$16,509</td>
<td>$32,509</td>
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<tr>
<td>18-24, 2013, excludes zero earners</td>
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General Record of Employment and Training Programs for Youth Shows Limited Success

- 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

- 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

- 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
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
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.
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)

- **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)

- 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?

- 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

- 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

- 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
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

- 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

- Integrated Basic Education Skills Training (I-BEST) is an initiative of Washington state with the goal of assisting students with limited skills pursue vocational education in community colleges.
- Key feature of the program is teaching basic skills in a vocational context and having two teachers in the classroom.
- I-BEST programs include supportive services, strong mentoring, tutoring, and advising.
- Early evaluations of I-BEST found I-BEST students completed training more often and earned more credits than a 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.
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