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ABSTRACT

The Manpower Demonstration Research Corporation (MDRC) sees a strong connection between the dropout decision and unemployment in the teen years and beyond. It developed JOBSTART, a model of a project giving youths a chance to work and focusing on educational remediation, occupational training strategies, and support services to dropouts. To determine the project's feasibility in the current funding environment, MDRC began a one-year pilot phase to extensively study past research on the problem and to collect information on five current programs. The format of the case study is as follows: (1) an examination of the youth dropout situation; (2) examining prior research on dropouts; (3) highlighting of findings from three national studies on the implementation of the Job Training Partnership Act, a major Federal source of employment and training funds; and (4) describing in detail the five program approaches being studied, with emphasis on relevance to the JOBSTART model. The report concludes with a summary of lessons and observations from the pilot phase. (LHW)

JOBSTART

A New Demonstration for High School Dropouts

The Pilot Phase: A Case Study of Five Youth Training Programs

Michael Redmond

March 1985

Manpower Demonstration Research Corporation

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THE PILOT PHASE: A CASE STUDY OF FIVE YOUTH TRAINING PROGRAMS

JOBSTART--A New Demonstration for High School Dropouts

Michael Redmond

Manpower Demonstration
Research Corporation

March 1985

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TABLE OF CONTENTS

I. Introduction

Two related problems have attracted a good deal of public attention in recent years: the large number of young people dropping out of school -- about one million per year -- and high teenage unemployment. These problems are serious, and for certain segments of the population, particularly in urban areas, they show no signs of abating. In many large cities, for example, the official high school dropout rates approach and, in some cases, surpass 50 percent. The dropout levels are particularly high for minority groups.

The employment situation for minority youths is no better. Black teenage unemployment peaked at over 50 percent in 1981, and while the rate fell to 35 percent by the summer of 1984, it started to rise again in the fall. In fact, the rates for all minority groups usually run twice as high as those for white teenagers, and most analysts do not predict a change in this pattern without some policy intervention.

While these two problems are often examined independently, it is clear that a strong connection exists between the dropout decision and unemployment in the teenage years and beyond. Once youths drop out, they become disconnected, sometimes permanently, from the traditional outlets of opportunity in this country. Turned off by the regular public schools, isolated from the few training programs open to them, and too ill-equipped to compete successfully for good jobs, many youths resort to lives characterized by welfare dependency, idleness or infrequent employment and, far too often, crime.

The Manpower Demonstration Research Corporation (MDRC), a nonprofit

corporation created in 1974 to test new approaches for helping economically disadvantaged groups become self-sufficient, has been studying the problem of youth employment for a number of years. Beginning with its first demonstration, Supported Work, in 1974, it examined the effectiveness of a structured work experience for a group of very disadvantaged dropouts -- half of whom had been in trouble with the law. At the same time, between 1978 and 1981, MDRC tested in the Youth Incentive Entitlement Pilot Projects (known as Youth Entitlement), a program that guaranteed low-income youths part-time jobs as long as they continued to remain in or return to school. While that demonstration clearly indicated that low-income youths want to work if the jobs are available, both programs suggested that work experience alone -- while effective for the young in-school minority population in Youth Entitlement -- was not a sufficient intervention for school dropouts.

Little could also be ascertained from other previous studies about which type of approach might work best for dropouts. While programs do exist for this population, and some of them have been studied, very few have been subject to the rigorous testing that is usually necessary to determine their effectiveness. To help meet this need for more information -- and to assist a group with the poorest employment prospects of all youths -- MDRC began to develop a new intervention. It was MDRC's contention that commitments to redirect and expand resources for programs targeted to dropouts could be strengthened if society saw more evidence of successful program treatments.

To help youths who had dropped out of school -- and had no plans to return -- to move toward a future of steady employment, MDRC sought a model

that would give youths a chance to work. This model went beyond work experience to focus on educational remediation, occupational training strategies, and other support services that program operators consider important in serving dropouts. The result is the JOBSTART program, proposed for testing in a full-scale demonstration beginning in 1985. In order to define the parameters of that program model and to determine its feasibility in the current funding environment, MDRC began its work in a one-year pilot phase.

The pilot phase, which concluded in March 1985, focused on two major sets of activities. First, MDRC undertook an extensive study of past research on the nature and causes of the dropout problem and previous program strategies that had attempted to alleviate the employment and other difficulties of school dropouts. Concurrently, information was collected on the practices of programs that currently serve this population. The primary means of doing so was to examine in depth five youth training programs, in addition to establishing contact with a wide variety of other youth programs around the country. The five programs selected for close observation were chosen for several reasons: they exhibited some of the services and approaches suggested by the research as beneficial to dropouts; they were known for their ability to work well with this group; and they were operated by different types of organizations, allowing MDRC to examine the feasibility of alternative program settings.

The case study documents the approaches and structures of these five programs. In addition, it examines how the Job Training Partnership Act (JTPA), currently the major federal source of employment and training funds, has affected youth programs in terms of target groups served,

program designs and objectives, and other choices the programs have had to make in adjusting to new funding bases and a newly constrained operating environment. Given the prominence of JTPA as a resource for employment and training programs, it is important to understand both its opportunities and its limitations as a means of supporting local programs in the JOBSTART demonstration.

The format of the case study is as follows: First, the scope of the problem is described through an examination of the reasons why youths drop out of school and the consequences of this decision. Second, the evidence from prior research on program treatments for school dropouts is examined. Third, the findings from three national studies on the implementation of the JTPA system -- with special attention to the effects of this legislation on services to out-of-school youths -- are highlighted to provide a context for understanding the current operational modes of the five pilot-phase programs. Fourth, the program approaches at the five sites are described in detail, with a particular focus on the practitioners' perspective and how it is relevant to the JOBSTART model. The report concludes with a summary of lessons and observations from the pilot phase.

II. The Decision to Drop Out of School and Its Consequences

To answer the question of what program approach might work best for high school dropouts, one must first address the question of why these youths leave school. A better understanding of the underlying causes can help in the design of programs and services and perhaps improve a program's chance for success.

A. Historical Perspective

The fact that many youths never finish their formal education has only recently become a serious public concern and a sign of failure -- whether it is perceived as a failure of the youths themselves, the school system or society. Bachman et al. (1971) reported that in 1900 about 90 percent of all male students failed to receive high school diplomas. From that point through the early 1970s, this figure showed a gradual but steady decline. In 1920 the dropout rate was 80 percent[1]; in 1950, it reached a level lower than half, and Varner (1967) found a 30 percent national rate in 1965. Bachman et al. estimated a dropout rate of around 20 percent for males at the end of the 1960s -- and, throughout the 1970s and the early 1980s, the rate has remained fairly steady at about the 25 percent level for all dropouts. However, in large city school systems and for minority youths, reported dropout rates of 40 to 50 percent have become common, and some judge the rates to be even higher for minority groups in some cities.

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1 The term "dropout" is usually defined to include youths who leave school before completing the twelfth grade and/or graduating. The methods by which dropout rates are calculated vary. Therefore, comparisons of studies on the numbers of dropouts and dropout rates must be regarded cautiously.

The reason why the national rate -- although it is lower than it was a few generations ago -- is now a cause of serious and widespread concern lies in the changing demands of the labor market and employers. During the early part of this century, many jobs required only the most rudimentary of academic skills, and a high school degree was not needed for most employment. Today, fewer jobs can be obtained without the mastery of basic academic skills and at least a high school degree. An increasing share of the positions call for technical and specific skills that must be acquired in post-high school education and training.

Other factors have also intensified the demand for better educational levels. Until the 1960s, secondary education was viewed exclusively as a local issue, but the challenge of Sputnik to U.S. technological supremacy brought local educational policy to the attention of the nation. The federal government responded by devoting more resources to the teaching of mathematics and sciences. Additionally, in the 1960s, the public began to notice the many inequalities between the rich and the poor -- among them, disparities in educational opportunities, the improvement of which became one of the cornerstones of the War on Poverty. During the 1970s, the federal government funded many initiatives, including some dropout prevention programs and employment programs targeted to dropouts.

In the 1980s, many studies have addressed the failures of the public school system and have brought the quality of education to the forefront of public debate. Many reforms have since been suggested, among them a "return to the basics," more classroom time, merit increases and better salaries for teachers. The discussion, however, has largely ignored the dropout problem, and in fact the proposed reforms may be aggravating, not

alleviating, the poor educational position of marginal students (McDill et al., 1985). As reported in some states, proficiency tests and more demanding promotional standards have already started pushing some of the more marginal students out of school.

Thus, with educational reform pointed in the direction of assisting only the average or the better performing of this country's students, the dropout dilemma will continue unabated and in fact worsen in the 1980s unless states and communities start to take steps to resolve it.

B. Why Youths Leave School

Past research has examined the dropout problem from several different perspectives. Some studies ask youths themselves why they have left school. Russell Rumberger (1980) found that the youths offered a variety of reasons, but the main one seemed to be that they were discouraged and doing poorly. Young white males mentioned "not interested in school" as the main reason they dropped out, while young non-white males tended to cite economic reasons as well. Young women mentioned marriage and pregnancy most frequently.

Bachman et al. relied on a national longitudinal study of a representative sample of 2,000 adolescent boys who entered the tenth grade in the fall of 1966. These youths were interviewed four times over the following three and one-half years, with a final interview scheduled one year after their expected graduation. Through an analysis of the differences among the characteristics of three groups -- those who had dropped out of school, those who had graduated but had not gone on to post-secondary school, and those who continued their education -- several variables were found to

strongly correlate with the decision to drop out.

The most influential variable was the family's socioeconomic status (i.e., the occupation and educational levels of parents, number of rooms per person in the home, and the level and kind of their possessions). Another important factor was the boys' schooling experiences, their attitudes towards school and their academic performance. Being held back a grade at some point increased the chances that the youths would drop out of school, and in fact 40 percent did so, compared to only 10 percent of those who were not held back. Classroom grades and interest in school work were also closely related to the dropout decision.

Another study, relying on data from the National Longitudinal Surveys of 1979, 1980 and 1981, examined the school and labor market experiences of more than 12,000 youths aged 14-22 (Borus and Carpenter, 1984). As did Bachman et al., the authors were able to draw some conclusions on the relationship between individual characteristics and educational decisions, and their findings are notable for several reasons. The data were recent and comprehensive (e.g., including young women as well as young men), the independent effect of variables was isolated, and factors associated with a return-to-school decision were examined as well as those correlated with dropping out.

Borus and Carpenter found many of the same variables noted above to be positively associated with the decision to drop out. Family background was important, with the dropout probability increasing by 3 percentage points if the youths' fathers had not completed the twelfth grade. Family income below the poverty level also increased the probability of dropping out by 1.4 percentage points. For young women, having a child was the most

important factor, causing nearly a 6 percentage point increase, while being two or more years behind in grade level brought the probability up by 2 percentage points. Another key variable was unemployment at the time of the first interview.

Borus and Carpenter also isolated some characteristics that influenced the decision to stay in or return to school. While these findings do not directly bear on the JOBSTART population, the fact that youths with some positive goals for their futures were more likely to stay in school and that older youths were less likely to return were both of interest.

Many of the factors that Borus and Carpenter found associated with the dropout decision -- such as socioeconomic levels and family backgrounds -- are clearly beyond the capability of school systems or service programs to correct. However, those related to interest in school and success in grade performance can be addressed. Strategies to improve the immediate relevance of the curriculum to students, working to shape their aspirations, offering remediation to students who need this kind of assistance and effective programs to delay teen pregnancy all hold some promise, but there are no easy solutions to the problem of determining what will work best in keeping marginal youths in school.

C. The Economic Effects of Dropping Out

Unfortunately, too, while research has helped concerned policymakers to become more adept at predicting who will remain in school and who will drop out, it tells little about what to do for youths who have made the dropout decision. At the same time, statistics on income and employment are quite clear in depicting the gravity of the future job situations of

these youths. With the probability of living in poverty, for example, closely related to the level of educational attainment, many dropouts seemed destined to never get a fair start at a good job. Heads of households over 25 years of age with eight or fewer years of education are three times as likely to be below the poverty level as persons graduating from high school. High school dropouts are twice as likely as graduates to be living in poverty.

Statistics also illuminate the fact that the labor market position of dropouts has been deteriorating over time. In a recent paper, Sum et al. (1983) described their situation:

- During the 1965-69 period, high school graduates (those not enrolled in schools) were 30 percent more likely to be employed than their dropout counterparts. By 1980-82 high school graduates were 60 percent more likely than dropouts to be employed in the fall of the year both groups were scheduled to graduate. This difference cannot be explained by changes in the composition of the labor force (either in sex or race) over this period.

- Black dropouts fared even more poorly in these years. Between 1960-64 and 1980-82, the employment/population ratio for black school dropouts fell from 50 to 16 percent. At the same time, the employment/population ratio for all dropouts did not change greatly (decreasing slightly from 46 to 40 percent).

- The difference between the annual number of weeks worked by high school graduates and dropouts also grew wider between the mid-1960s and the end of the 1970s. In 1966 male graduates aged 18-19 worked 8 percent more weeks than dropouts. By 1979, this difference was 21 percent.

The authors also found that the income gap between young high school graduates and dropouts increased substantially over the past few decades. For males aged 18-24, the gap in mean annusl income between graduates and dropouts increased from 31 percent in 1961-64 to 54 percent during the 1975-79 period. For females, the change was from 64 to 77 percent. The

reasons for these disturbing statistics seem clear. Today's labor market has fewer job openings for those without technical skills and a solid grounding in reading, writing and communications.

Some analysts predict that the demographic shifts in the coming decade will help to resolve the unemployment difficulties of dropouts. With a smaller proportion of all youths entering the labor market, an anticipated and continued expansion of the economy, and little change in the labor force participation of other groups, they expect the employment rate for teens, young adults and minorities to increase.

In a recent paper (1984), the former Director of the U.S. Department of Labor's Youth Office, Robert Taggart, was cautious about this theory. While the overall size of the youth group will be smaller, he writes, its demographic composition is changing. In the coming decade, it will be even more heavily composed of minority groups, those who are most likely to have skill deficiencies and literacy problems. At the same time, employers will increasingly need workers with more than the basic academic competencies, even for entry-level jobs. Taggart predicts that the next decade will see a mismatch between supply and demand as "youths with inadequate basic skills remain unemployed or in dead-end jobs even while employers are unable to fill attractive career entry positions."

III. Findings From Prior Research

The studies quoted earlier found that few youths who had dropped out of school return to it. This is hardly surprising: their homes and environments do not usually change, and school systems do not often make special efforts to encourage them to return. Boyer (1983) found the following in his recent study of American schools: "Students who leave high school are usually forgotten by the institution. Once the file has been closed, it is very difficult for it to be reopened. Dropouts become outcasts, socially adrift, with little or no guidance and support."

Over the years, the federally-funded employment and training system has attempted to correct this situation. The Manpower Development Training Act of the 1960s, the Comprehensive Employment and Training Act of the 1970s (CETA), and today the Job Training Partnership Act (JTPA) have all included dropouts as one of their target groups. The programs have generated a good deal of operational knowledge, but little solid evidence on effectiveness of their various approaches. Much of the research under CETA was poorly designed or the programs so ineffectively implemented that the research results pose many problems of interpretation. With the exception of the Job Corps, on which there was both extensive study and favorable results, findings on past programs have not been helpful in identifying promising strategies. Nevertheless, the lessons from some of these studies and the general operating experiences from a number of programs have contributed heavily to JOBSTART's design.

First, as noted earlier, while many programs for dropouts have focused on work experience, both in public and private settings, a program of work experience alone is insufficient to ensure that school dropouts will

improve in their ability to obtain and keep regular employment. MDRC's National Supported Work Demonstration was a large-scale test of subsidized work experience in which participants and a control group were tracked for over three years (MDRC, 1980). Jobs were provided -- under conditions of peer support, close supervision and gradually increasing demands and responsibilities -- to high school dropouts and three other groups of the hard-to-employ: welfare mothers, ex-addicts and ex-offenders. And, although Supported Work did produce positive impacts for other groups, notably the welfare mothers, the strategy had no effect on the post-program employment and earnings for dropouts.

Results from the Youth Entitlement demonstration provide evidence on the inadequacy of an offer of part-time work as a way of attracting dropouts to return to school. Entitlement conditioned its jobs on school enrollment and even the guarantee of a job under these conditions was not sufficient to entice large numbers of youths back to traditional schools (Farkas et al., 1984). Moreover, a large proportion of those who did return dropped out again. Thus, although work experience in combination with school did have a positive effect on the long-term employment and earnings of a young minority in-school group, a part-time job was not an incentive for dropouts to either return to or to stay in the educational settings they had previously rejected. Researchers concluded that what was needed instead was an educational approach more closely allied to a work setting.

A second lesson is that low-cost, short-term interventions do not produce lasting improvements in employment and earnings. Public/Private Ventures, for example, conducted research on two brief pre-employment

training programs (P/PV, 1982). While the program models were appealing because they were inexpensive and accomplished their placement objectives, long-term follow-up data revealed that initial gains in employment and earnings did not hold up over time.

The research on the Job Corps (Mallar et al., 1982) points to a third and very important lesson on strategies for dropouts: Programs are most beneficial when they are comprehensive enough to include both educational and vocational training, and when they last long enough for the youths to achieve measurable and certifiable competencies, including the basic skills needed for jobs. With an annual budget of over $600 million representing 40,000 slots, Job Corps provides services in a mostly residential setting to 16- to 21-year-old youths with severe barriers to employment: 85 percent of the Job Corps recruits are school dropouts, and their average reading and mathematics levels are below a sixth-grade standard. Most of the youths, in addition, have criminal records.

In a program that can last up to two years, the Job Corps provides a weekly 40-hour mix of skills training, work and educational activities. In the first six months, a participant's time is split evenly between educational and pre-vocational training; occupational training is emphasized in the subsequent months. Educational remediation is provided through an individualized, self-paced instructional system which teaches youths entry vocational, world-of-work, life-coping and basic academic skills.

A five-year longitudinal evaluation of the Job Corps showed that participants averaged yearly earnings that were $600 above those of a comparison group. Enrollees were also more likely to be employed and have a GED certificate, less likely to depend on welfare or to take part in

criminal activity. In all, researchers estimated that the benefits to society of participating in Job Corps outweighed the costs by $3,350 per Corpsmember.

However, the Job Corps research leaves a number of unanswered questions and poses some problems of replication. It is unclear, for example, which factors contribute most to the program's effectiveness -- its specific components or its residential nature. A large proportion of the benefits, for example, come from reduced criminal activity. Moreover, the Jobs Corps has high attrition rates: only three entrants in ten complete the full program. Finally, both its budget -- approximately $15,000 per person-year -- and its residential setting make large-scale expansion unlikely in a period of fiscal constraint.

A fourth lesson from the research is that academic remediation is a valuable asset in programs for school dropouts. There is evidence from the Job Corps and other studies that a remedial approach using an individualized competency-based system can lead to improved scores on reading and mathematics tests. A group of Job Corps participants gained 1.5 and 1.0 grade levels in reading and math, respectively, after 90 hours of instruction. Other non-Job Corps programs have resulted in similar gains. However, it is not clear whether these gains hold up over time or whether they lead to better outcomes in the job market.

Sum's study of CETA programs found evidence that participants who entered programs with higher reading skills achieved greater employment success, as did participants with high school degrees. This provides additional justification for the use of remediation components, although their value, too, is not conclusive. Participants with higher reading

scores may have other qualities that foster success, or employers may choose to hire youths with high school degrees simply because they see the diploma as a sign of dependability. Hence, it is not known if employers would react positively to youths with the same level of skills but without the fo l degree.

A fifth lesson is a corollary of the second one: program retention is a key factor in predicting future labor market success. The Job Corps study and other CETA research cited by Sum et al. found a positive relationship between length of stay and positive employment and earnings impacts. The difficult issue is how programs can interest participants in staying for the time needed to resolve their problems. A self-selection process may also independently influence length of stay. Those who want to succeed are the participants who see the program through, and the program design may not have much influence on this factor.

Although the research leaves many open questions, it suggests some important general directions for future programs. First, while there is convincing evidence that work experience by itself is not an effective strategy, a more comprehensive approach -- including remediation and training -- may be more successful. Second, a program should attempt to retain participants for as long a period as possible. A related finding from the operational experience suggests that incentives, monetary and otherwise, help to keep youths enrolled for enough time to attain a meaningful level of improvement.

The JOBSTART model incorporates all of those positive findings in a program emphasizing remedial education, occupational skills training, and the appropriate support services supplied on an as-needed basis. The

program is also expected to include stipends and to last for up to a year. The next section of this case study considers the current funding environment within which this program must operate.

IV. The Transition From CETA to JTPA

During the 1970s, the CETA programs were a major source of employment services for dropouts. CETA was much criticized, however, for providing subsidized employment, work experience and other services rather than the skills training that many thought would lead to unsubsidized jobs. The program was also faulted for focusing too much on process -- who was served and how -- and too little on outcomes.

The 1980s brought the end of CETA and the beginning of JTPA. To its supporters, JTPA was designed to correct the CETA failings through strict limits on the use of subsidized work experience, services and stipends and a new emphasis on job placements. To its detractors, JTPA overcompensated for previous problems by focusing so intensively on placement rates that populations with many and complex barriers to employment, such as dropouts, were in danger of not receiving services.

Since the programs that work with dropouts are generally funded by federal employment and training dollars, it was important in structuring JOBSTART to understand fully both the advantages and drawbacks of the new legislation and the ways in which the transition to JTPA changed programs for dropouts. To some degree, a "shakedown" period is still under way, but the discussion that follows will highlight the significant developments that have taken place in the employment and training system in recent years.

- Funds allocated by the federal government to the employment and training system were sharply reduced.

In fiscal year 1981, the year of the last Carter budget, the federal allocation for CETA programs was $7.7 billion. In the first full JTPA year

(July 1983-June 1984), the federal allocation was $3.6 billion. These reductions mean that far fewer economically disadvantaged people have received employment and training services from federal programs.

Federal reductions have been felt strongly at the local level. For example, in fiscal year 1981 New York City received $270 million for the major training program under CETA (Title IIB) and for public service employment programs (Titles IID and VI), while in fiscal year 1984, it was given $47 million for the major title of JTPA. With limited resources, local program administrators have felt the pressure of two alternatives -- on the one hand, to continue short-term services to as many people as possible; or, on the other hand, to provide longer, more intensive services to fewer people. While such services cost more, they have a greater potential to benefit participants with multiple disadvantages.

- Public service employment (PSE) was eliminated and work experience discouraged.

PSE began under CETA as a response to the needs of the long-term "structurally unemployed." It was expanded widely during the recession of the mid-1970s to serve the "transitionally unemployed." The strategy was expensive because it paid wages at the prevailing public sector levels and offered assignments that could last for 18 months or longer. The program was also criticized for creating jobs that were not needed ("make-work") and for employing at public expense people who otherwise could be working in private jobs.

JTPA sharply curtailed the use of work experience, a short-term employment mechanism usually paying the minimum wage, by imposing limitations on program expenditures for wages. While not as expensive as PSE, work experi-

ence positions were generally viewed by the framers of JTPA as make-work that taught no skills and did not result in placements. JTPA's elimination of PSE and the financial disincentive to operate work experience have resulted in a lower cost per participant, allowing local program operators to stretch limited program dollars.

- Limits were placed on program resources for services and administration.

Under JTPA, expenditures for services and administration can add up to no more than 30 percent of the total budget, with administration capped at 15 percent. At a minimum, 70 percent of the funds must be spent on training. This contrasts with CETA where over 80 percent of program resources went to work experience, PSE, support services and administration. As a result, youth program support services in JTPA-funded youth programs have been cut back or eliminated by most program operators.

- Locally administered programs must achieve certain performance standards or face financial penalties.

In the view of CETA critics, too few participants found regular jobs after their program experience. While arguments could be posed that the most important performance standards are the employment and earnings of participants over time (as opposed to "quick-fix" strategies), the performance standards adopted in the JTPA regulations are immediate post-program placement rates and cost per placement. These have encouraged two practices: the targeting of services to populations who can be placed in jobs quickly -- many of whom might have been able to find jobs on their own -- and shorter-term programs, which are less expensive to run.

- The administrative system for JTPA reflects an increased role for the states and the private sector.

Under CETA, funds were distributed directly from Washington to local administrators (called "prime sponsors"), under the control of local governments. In JTPA, funds and administrative authority are directed to the state governments, which then disburse them to local "service delivery agents" (SDAs). Local authority for administration and planning in JTPA now jointly resides with units of government and the Private Industry Councils (PICs), composed of private sector business people and representatives of other important institutions.

Critics of the JTPA legislation claim that these new administrative arrangements have meant the loss of power to community-based organizations. They point out that the services these organizations tended to provide under CETA (work experience, PSE and counseling) are de-emphasized or eliminated by JTPA.

- A minimal proportion of JTPA funding, 40 percent, is to be devoted to services for disadvantaged youths.

Preliminary reports indicate that a majority of SDAs are experiencing difficulty in adhering to this requirement (Walker et al., 1985; Walker et al., 1984; Cook et al., 1984). Several reasons are cited. First, many SDAs elected to eliminate separate youth programs in the expectation that youths would be served in general training programs. In a number of localities, this has not materialized. Youths have specialized needs that cannot be adequately addressed in programs open to all JTPA-eligible populations. Second, program administrators are less inclined to serve youths with multiple problems in a system driven by performance standards and placement rates. Third, JTPA programs may be less attractive to youths without the opportunity to earn wages in work experience positions and

without the provision of support services that are helpful in assisting them to overcome other employment barriers.

The Walker and Cook reports, and another study by Larry Bailis (1984), provide further documentation on the thrust of these changes. Walker and Cook both based their reports on information from structured interviews with a good sized sample of policy planners for SDAs and the states. The Bailis study for the National Youth Employment Coalition is a survey of 314 community-based organizations, attempting to learn whether -- and if so, how -- they survived the transition.

The studies found that JTPA was in fact a very different program from CETA. In many instances, the states and the SDAs had had predictable reactions to the new legislative provisions. Work experience was expensive to operate, so few were using it. Service dollars were limited, so stipends were either eliminated or significantly reduced. Many SDAs encouraged "performance based contracts" (in which contractors are paid on a per unit basis for placements achieved) because under these contracts, all costs could be charged to the training category. This partially solved the problem of funding services, but necessitated high placement rates.

Some preliminary observations in the Walker and Cook studies found that while SDAs planned to continue services to the most disadvantaged populations, administrators and planners indicated in interviews that these plans were not always being followed. Some PIC chairpersons and SDA administrators interviewed expressed views that the legislation made it difficult to work with groups such as school dropouts. Another factor inhibiting service to these groups was the substantial reduction in the use of stipends under JTPA. On the one hand, some welcomed this change because

they believed that prospective enrollees would be more motivated; in other words, those who truly want the training. On the other hand, other administrators were concerned that many who would benefit from the programs were not encouraged to participate.

The Bailis study confirmed these trends and described the situation faced by community-based organizations. Between 1980 and 1984, roughly one in four of the groups lost all CETA/JTPA funding, and the average funding for their efforts to provide services to disadvantaged youths decreased by 35 percent. The survey indicated that nearly half of these organizations believed that their SDAs were giving lower priority to serving disadvantaged and out-of-school youths than CETA prime sponsors had done in the past. Finally, nearly half of the community-based organizations with JTPA funds reported that performance standards were forcing them to serve people with more skills and fewer barriers to employment.

In brief, the JTPA system poses clear challenges to programs attempting to serve dropouts. Inherent in the system, however, are also some opportunities, such as the 40 percent target for youths and the overall emphasis on training, which can be used to advantage. One of the goals of the JOBSTART demonstration is to facilitate an understanding of these opportunities and to encourage their use.

V. The Case Study

As originally formulated, JOBSTART was to be a combination of comprehensive education and training activities targeted to the school dropout population -- in effect, an attempt to implement the key features of the Job Corps in a non-residential setting. After a review of the relevant research, MDRC concluded that while a comprehensive program was the most promising approach, many questions remained. First, before the details of a program model were defined, it would be essential to learn more, through direct observation in program settings, about the kinds of methods and procedures that programs for dropouts were currently using. Second, as the previous discussion has indicated, the transition to JTPA created a number of difficulties that had to be studied in more depth before long-term programs could be operated for at-risk groups.

To help address these issues, MDRC made plans to examine closely the operations of small groups of programs in a pilot phase. The aim was to find out more about how these programs had made the transition from CETA to JTPA, and more generally, to examine their operational practices: i.e., their assessment of youths' skills levels and training needs, their use of concurrent or sequential education and training components, participants' length of stay in the programs, and the use of incentive systems and support services.

To carry out this study, MDRC identified five programs serving dropouts, all of which conformed in some respects to the general approaches that prior research had recommended. However, to study a variety of program practices, the case study programs were diverse -- in objectives, segments of the population targeted, mix of services, nature of the

managing organization and resources. Three relied on JTPA funding, and all had to adapt to the new JTPA environment. This study was to be supplemented with more general observations of other programs around the country and with discussions with program operators and officials from SDAs and PICs to learn more about the feasibility of funding the JOBSTART approach.

This case study does not propose to reach general conclusions about what kinds of approaches are most effective in serving dropouts. The full-scale JOBSTART demonstration will try to do so. However, the knowledge gained from working with these five programs has been useful to MDRC because, in combination with the research review and more limited observation of a large number of programs throughout the country, it has formed the basis of the JOBSTART model. The information gathered in the pilot phase may be useful as well to others who work in a number of capacities with the dropout population.

EdCo Youth Alternative
Boston, Massachusetts

A. Program History

The EdCo Youth Alternative began in 1977 as Triple E -- which stood for EdCo Education and Employment. Then, as now, it was part of the Education Collaborative of Greater Boston, a nonprofit organization that works with school districts in the Boston metropolitan area to promote innovative approaches to education and target resources to the underserved, including youths from poverty backgrounds. EdCo's goal has not changed since its inception: to enroll school dropouts in a program combining education and work, leading to a high school diploma and gainful employment. The program has, however, undergone significant shifts in funding, size, nature of jobs held by participants, and relationship between the academic and work components. In part, these changes resulted from the transition from CETA to JTPA.

Triple E, funded mostly from CETA Public Service Employment and work experience contracts -- including Youth Entitlement -- enrolled youths who had dropped out of school, offering them a program combining individualized instruction in basic academic areas, career education and subsidized jobs. The strong reputation of the Education Collaborative paved the way for an unusual program feature: once youths enrolled in Triple E, they were re-enrolled in the school from which they had dropped out, even though they attended classes at the Triple E site. If they earned a diploma while they were in the program, it was issued by the local school system.

In 1981-82, with severe cutbacks in CETA funding, Triple E was consolidated with another Education Collaborative work and education

program into one location under the name of the EdCo Youth Alternative. For the first time, all private sector jobs provided by the program were unsubsidized, and staff and students found that employers were more demanding when they were paying the entire wage. Some students left the program because of the new pressures.

In 1982-83, the transition year from CETA to JTPA, EdCo took a second large budget cut as total funding for the Boston SDA was reduced. EdCo consequently reduced support service staff and full-time counselor positions, and eliminated a job developer position. Two teaching positions were reduced to half-time, and the number of participants served annually was cut from 156 to 120. Staff morale was low, but fortunately for EdCo, the SDA had decided to make services to out-of-school youths a priority and had selected EdCo as a program to deliver them. Since that year, the program model has been fairly stable, although JTPA funding has continued to decline.

B. Objectives, Participants and Approach

One of EdCo's major objectives is for students to obtain a high school degree. However, since many students enter the program with only a few high school credits and are already in their late teens, staff recognize that not all students will accumulate enough credits for a degree. Thus, a secondary objective is to rekindle the youths' interest in learning so that they will continue in a GED program even if they leave EdCo.

EdCo's second objective is to give students private sector work experience and to place them in jobs. As EdCo's major funding source, JTPA heavily influences the program's stress on job placement. While staff do

not single out either education or job placement as the primary program objective -- they insist that both are important -- they agree that academic skills improvement will probably lead to better jobs.

Given these goals, EdCo has more than one standard for success. High school graduation is one; another is placement in a full-time job. Students who leave the program without a degree but with a job are recorded as successful participants. EdCo also reports to the SDA the number of students who advance a grade or achieve academic credit during the year. Students are tested at the beginning and end of a year.

The program now has 60 slots at any one time, a number determined by what the program counselors consider a desirable teacher/student ratio and maximum class size. (Each teacher also has a counseling caseload of 15 students.) Because students can remain enrolled for several years, the average number of new students each fall is only about 20, with another 30 or so students enrolled during the school year to maintain a stable slot level. Average length of stay in EdCo is about 18 months.

To be eligible for EdCo, students must be school dropouts, meet JTPA requirements for age (16-21 years) and income (from families on welfare or below 70 percent of the lower living standard) and be Boston residents. At enrollment, they must test above the fifth grade level in math and English.

Most students are 16 or 17 when they enroll. Over half never went beyond eighth or ninth grade before they dropped out. Those who did attend high school often earned very few credits. During the 1983-84 school year, there were slightly more black (49 percent) than white (45 percent) students and somewhat more females (56 percent) than males (44 percent). Most students still live at home, and staff estimate that 10 percent are

single parents, a smaller proportion than in previous years. Staff say that about half the students have some type of a criminal background or have been in contact with the juvenile justice system. Half are from families on public assistance and a third live in public housing.

The EdCo day is divided into two parts, school and work. The school day begins at 8:30 a.m., and students attend four classes, each 45 minutes long, until 11:30 a.m. Class size is small, between 10 and 15 students. Since EdCo awards Boston Public School diplomas, the courses and standards are largely determined by the school system. Boston operates on a "points" system; that is, a student earns five points for a full-year course with a passing grade. Students need 105 points to graduate, 53 of these in prescribed areas: 20 in English, 10 each in social sciences, mathematics and sciences and three in health. The other courses are electives. In addition, EdCo students earn 10 points for every year that they work while they are in the program.

Students take at least one English course and usually a math course. The social science, other science and elective courses vary from year to year, depending on the skills and interests of the teaching staff. American history is required for graduation. There is minimal equipment for physical science courses; there are no chemistry or biology labs. While EdCo's resources do not measure up to those of the best Boston high schools, staff believe that students still get an education that compares favorably with the one they can get in the rest of the school system.

EdCo operates on a regular fall-to-spring schedule, with a summer term for making up or repeating work. Students must meet not just the academic standards of the school system but attendance and tardiness standards as

well. The school door is locked precisely at 8:30 a.m. Repeated absences or tardiness result in course failure or expulsion.

Instructional techniques are fairly traditional. As opposed to a highly individualized competency-based approach to learning, most EdCo teachers use lecture and group discussion formats, although some individualized approaches are used in the remedial English classes. The school does not have any computers. To earn diplomas, most students must attend school for an allotted period -- often several years -- just as students do in regular public school. EdCo staff believe that this allows time for the students to mature and for staff to work with them on academic and personal counseling. They also believe that the EdCo learning environment is superior to the one which these students left when they dropped out.

EdCo teachers are young. Most did not have much teaching experience before coming to EdCo. In recent years, turnover has been a problem; currently, only one teacher has been on the staff for more than two years. While the teachers say that they enjoy EdCo, the salaries are low. The director has found that attracting good minority teachers is especially difficult. Despite these problems, EdCo was able to replace three teachers for the fall 1984 term.

EdCo students devote their afternoons to their jobs. Students have to show some motivation by looking for unsubsidized, regular part-time jobs on their own, but generally EdCo places students. Most EdCo students have never had regular employment before entering the program, but are able to keep jobs once they are placed. To help students make the transition to working, EdCo also offers a class in "world of work" and job-finding techniques that students without jobs must attend. Most jobs are typical

teenage part-time employment -- food service work, sales clerking and the like -- but staff note that they concentrate on better quality positions. (The average wage in EdCo jobs exceeds $4.00 an hour.)

The job developer has been at EdCo for several years. She identifies and helps to place students in 50 to 75 jobs a year. While this was a difficult task at first, she maintains that it is possible to find this number of part-time opportunities in any good-sized city. Almost all of the jobs held by EdCo students are located downtown, rather than in the neighborhoods where the students live.

The job developer also makes special efforts to develop regular jobs for students leaving the program either because they graduate or because they decide they are not suited to EdCo. She tries to locate full-time jobs at good hourly wages and with some benefits, and has been able to arrange placements of this sort for many graduates.

As noted earlier, with funding losses over the past few years, EdCo had to eliminate its full-time counseling position and currently, in addition to other duties, each teacher carries a counseling caseload of 15 students. The job developer, too, has this caseload. While the teachers have no specific training for this task, the director believes they are able to handle most problems. According to staff, expertise is less important than the caring relationship teachers develop with students over the program's long enrollment period. Teachers can seek advice about particularly difficult student problems at biweekly staff meetings. (Staff also meet biweekly to discuss students' academic and work experiences.)

C. Outcomes and Performance

Is EdCo successful with its approach? By local JTPA standards it is. The Boston SDA requires its youth contractors to place 50 percent of their youths in part-time employment ("in-service employment") while they are in a program. They also must place 50 percent into jobs after their program stay, although unlike other SDAs this one does not require that placements be full-time or above the minimum wage. Another 35 percent of the participants must have "other positive terminations" (e.g., continued schooling or enrollment in a training program).

Over the past few years, EdCo has attained performance measures well above these requirements. Since by definition EdCo youths work while they are enrolled, there is no problem in meeting the in-program requirement. More significantly, during the 1983-84 school year, EdCo placed 69 percent of youths in post-program jobs. Another 19 percent had other positive terminations, for a total of 88 percent. The 88 percent rate represents an improvement over the past few years: up from 78 percent in 1982-83, and 65 percent in 1981-82.

The SDA also requires that EdCo students satisfy academic requirements. The only standard specified is improvement in reading scores: 60 percent of EdCo's students must achieve a gain of at least one grade level during the year. In 1983-84, EdCo students on average increased 1.6 grade levels. A second academic performance standard, not required by the SDA but very important to EdCo, is a high school diploma. During the last few years, about a dozen or so students each year have earned enough credits for this. While EdCo staff realize that a Boston high school degree may have limited economic value, youths who earn the diploma are convinced that

they have earned a credential more valuable than a GED and one they would not have achieved without EdCo.

EdCo students are a disadvantaged group; they come from poor families, and many have been dependent on welfare for long stretches of time. Yet by enrolling in EdCo, they demonstrate a certain amount of motivation: Unlike most other programs for dropouts, which are relatively brief, completing EdCo requires a two- to three-year commitment. Only about 60 of the nearly 3,000 students who drop out of public schools each year in Boston enroll in EdCo, and the waiting list is not very long. Furthermore, academic levels of EdCo students tend to be higher than those found in other programs for dropouts. Among the 22 new students who enrolled in fall 1983, the average reading grade equivalency score was 10.6, the average math score 8.9 and the average language score 9.2.

D. The Transition From CETA to JTPA

At one time, EdCo operated in three sites and served more than 300 participants a year. It now operates out of one building, and its current JTPA contract calls for an 80-slot program. While EdCo took funding reductions under JTPA, the largest occurred earlier, with the end of CETA. This forced the program's consolidation, the layoff in staff, and the change from a subsidized to an unsubsidized work program. Under JTPA, EdCo's more modest income, although reduced once, has been generally more stable. In 1983-84, EdCo received $150,000 from JTPA to run the nine-month CETA/JTPA transition program. For the next full year of activities (1984-85), EdCo's grant was increased to $195,000, but this represents a smaller allocation for each participant.

The SDA holds EdCo in high esteem, and has made EdCo's required work approach mandatory for all the out-of-school youth programs it sponsors. However, the combined effects of smaller federal appropriations for JTPA programs generally and the relatively favorable economic conditions in Massachusetts that reduced the state's grant have limited JTPA funding to the Boston SDA, and EdCo has felt the impact of these cuts. Fortunately for EdCo and other Boston out-of-school youth programs, the SDA/PIC agreement ensures that despite the reductions and pressures to serve more employable populations, such programs will continue to receive support.

Over the past few years, EdCo has attempted to diversify its funding base with some success. During 1983-84, the program was awarded a one-year grant of $100,000 from the Massachusetts Executive Office of Economic Affairs to serve 20 youths referred from the juvenile and criminal justice systems. In 1984-85, for the first time, the Boston Public Schools will contribute $35,000 to EdCo to support the education of its former dropouts. However, since fundraising is a slow process, EdCo continues to rely primarily on the JTPA system for support.

E. Summary

The EdCo approach appears viable in assisting those high school dropouts who are motivated enough to re-enter a school program. Youths attend classes with strict attendance standards, earn academic credit, improve their academic skills as measured by standardized tests and work steadily in unsubsidized part-time employment. Only a minority of students remain in the program long enough to earn a diploma, but a large majority leave with jobs and more mature attitudes towards work and life in general.

While these former dropouts may not be the ones with the most severe barriers to employment, they do have many academic and life difficulties. EdCo staff and the SDA believe the program does an effective job with them.

EdCo has survived the transition from CETA to more modest JTPA funding for two reasons. First, the SDA and PIC decided to continue programs for out-of-school youths and allowed JTPA funds to be used for academic remediation. The SDA's performance standards did not discourage long-term strategies nor did they encourage selecting the most qualified applicants to obtain high placement rates.

Second, EdCo was able to help its participants find unsubsidized jobs, as required in this new funding environment. In addition to providing work experience, the part-time jobs have become even more important as a source of support for students who can no longer rely on CETA stipends.

EdCo's objective to have participants earn a diploma from the Boston school system not only motivates some students, but also has a direct influence on the program's educational approach. It requires students to spend a specific amount of time in school and take a particular set of subjects to earn their degrees. Classes use a group, rather than an individualized, method of teaching and learning. Even though most students do not remain in EdCo long enough to earn a diploma, staff believe this remediation approach still benefits those who leave early.

As important as the remediation and work components are to the program, staff think that counseling and a nurturing atmosphere are equally critical. Nevertheless, counseling and support services at EdCo have also felt the impact of funding cutbacks. Staff appear satisfied, however, with the arrangement whereby teachers have assumed counseling responsibilities.

BHRAGS
Brooklyn, New York

A. Program History

BHRAGS is a 22-year-old community-based organization operating in several of the poorest neighborhoods in Brooklyn. Its name is the acronym derived from "Brooklyn's Haitian Ralph and Good Shepherd" -- Haitian, Ralph and Good Shepherd being the three main community centers in which BHRAGS programs are offered. BHRAGS was formed in 1963 by a community activist priest and sisters in a local church who saw the need for a broadly focused social service organization to serve the residents of Brownsville, and later, the surrounding communities of East New York, East Flatbush and Crown Heights.

Until World War II, these were stable Italian, Irish and Jewish working-class neighborhoods. After the war, Brownsville, like many other city neighborhoods, saw the exodus of these groups, who were replaced by newer immigrants, primarily blacks from the South and Puerto Ricans. In a few decades, the working-class neighborhood became a center of poverty as the city's economy changed. The deteriorating neighborhoods are characterized by crime, and their residents are often dependent on welfare.

By the early 1960s, the existing social services were judged inadequate to cope with the extent of problems in the neighborhood. The founders of BHRAGS responded with a broad multi-service organization modeled on the traditional settlement house.

The first two centers -- Ralph (located on Ralph Avenue) and Good Shepherd -- were opened in 1963. By 1968, the growing number of Haitians in East Flatbush prompted the establishment of the Haitian Center. With

continued expansion, two additional social service centers were opened to serve other impoverished Brooklyn communities. Since 1969 BHRAGS has been incorporated as a voluntary, not-for-profit, nonsectarian institution with its own board of directors.

The list of current BHRAGS programs is diverse and impressive. It includes adult education, started in 1967, targeted to the many functionally illiterate residents; English as a Second Language classes for Haitians, Hispanics and Asians; and a Homemaker Health Aid program, which trains women in health care skills for home programs delivered to the elderly. (Originally a small pilot program, it has graduated over 1,000 women.) BHRAGS also runs a variety of senior citizen programs which provide other home care services for the elderly.

Since its inception, BHRAGS has been interested in the many problems facing neighborhood youths. Program service areas suffer the highest illiteracy, dropout and unemployment rates in the city. Youth crime and drug dependency are also very serious problems.

BHRAGS first became involved in a formal employment program for high school dropouts in 1979. With CETA funding, BHRAGS began a small subsidized work experience program. It was based in the Haitian Center and served mostly black youths aged 16 to 21. Youths were encouraged to enroll in evening adult basic education courses offered through BHRAGS.

BHRAGS ran the work experience program until 1983 when the New York City SDA began its JTPA program. As in Boston, the New York JTPA program continued a commitment to serve out-of-school youths, but had many new requirements. While JTPA legislation discouraged the use of work experience by requiring participant wages to come out of service dollars, the New

York City SDA went further and virtually eliminated the use of work experience for youth programs except for special populations such as the retarded. Youths supported by JTPA resources now had to be enrolled in occupational training programs, either in classrooms or on the job. Educational services also were eliminated from the SDA JTPA grant.

Furthermore, in reaction to JTPA performance standards, the SDA established demanding placement standards for all contractors. Youth program contractors are required to place a minimum of 60 percent of all enrollees in jobs, and at least 80 percent are required to have a "positive termination," which includes employment, return to school or continuation in training. Requirements governing placements are quite stringent, considerably more so than in EdCo: Wages for jobs in which participants are placed must be at least 120 percent of the minimum wage, must be in occupations related to their training, be full-time and last at least 90 days.

In keeping with the new placement standards, the SDA set new minimum eligibility requirements for JTPA-sponsored training programs. For example, to enter clerical training programs applicant youths have to test at least at the seventh grade level and have some familiarity with the keyboard. Higher-level skill occupations have more rigorous entry criteria. Finally, to compensate for the limited service and administration dollars for programs authorized under JTPA, the SDA required that programs have at least $500,000 of funding. This reduced the number of contracts the SDA would have to administer. Contracts would now be larger in size but fewer in number.

The New York City SDA did make some provisions to allow youths with

poor academic skills to receive employment and training services. Five million dollars of New York City tax levy funds are being targeted to long-term education/work experience programs for 500 dropouts who read below the seventh grade level. A housing rehabilitation effort modeled on the Ventures in Community Improvement demonstration is being undertaken in partnership with the New York City housing development agency, and all New York City residents are eligible for testing, assessment and direct placement in jobs. However, the thrust of the New York City SDA programs for out-of-school youths calls for occupational training for that part of the population who can meet the minimum entry criteria.

In 1983 BHRAGS was awarded a 21-month contract for over $600,000 to provide occupational training in a classroom setting for 94 new enrollments each year. In receiving such a contract, BHRAGS was the exception, not the rule, for community-based organizations in the CETA to JTPA transition in New York. Many community-based organizations which applied for new contracts were not awarded them, and others did not bother to apply because of the JTPA restrictions.

But the JTPA contract has not guaranteed stability to BHRAGS. As will be discussed, BHRAGS has had a difficult transition from the more process-oriented CETA work experience program to the more performance-oriented JTPA classroom training program.

B. Program Components

1. Project Reading Stepladder

As the national survey of community-based organizations has indicated (Bailis, 1984), increased placement and minimum entry standards have forced

these organizations and other JTPA contractors to serve more skilled participants. For community-based organizations this often has forced a choice between ignoring their traditional clients, the neediest groups, and finding new resources that will enable them to supplement the services offered in their JTPA program, thus allowing for continued help to the lower-skilled. BHRAGS chose this latter course of action, establishing a first-step component to precede enrollment in the JTPA skills training program for youths who read below the eighth grade level.

Youths in this program, Project Reading Stepladder (PRS), work on improving their reading and computation skills enough to meet the entry requirements for skills training. The PRS approach is described as "individualized competency-based." Youths receive an individualized treatment geared to their current level of ability, they learn material at their own pace, and the material builds on what they have already mastered. The program, supported by funds raised from private foundations, opened its doors in December 1983.

PRS works with youths who test above the fifth but below the eighth grade level. BHRAGS administers diagnostic tests (TABE and ABLE) to pinpoint areas of weakness and to determine grade level at entry. Once enrolled, youths are instructed in reading, writing and math skills. Reading skills are developed through comprehension exercises and reading out loud in a group. Newspapers and periodicals are integrated into the class materials to build the students' awareness of the world around them. Writing exercises encourage students to express their ideas and think constructively. Math skills are taught in a completely individualized method, which requires students to pass mastery tests before moving to the

next level.

PRS students spend about five classroom hours per day in remediation activities and are assigned homework twice weekly. In addition, they spend 45 minutes to an hour each day in the computer lab, which provides tests and drills on reading comprehension, language and math skills, using an individualized competency-based format. BHRAGS has eight terminals linked to a time share system of the State University of New York at Stony Brook. The software includes a full range of courses on academic subjects and on so-called functional competencies -- topics such as health and nutrition, consumer skills and personal finance. The software is geared to abilities ranging from first grade to college entrance preparation. The computer lab is also used for the GED preparation course.

Each PRS cycle lasts six months. BHRAGS staff believe this is enough time to bring the skill levels of the majority of PRS students to the eighth grade level. After the first cycle, BHRAGS staff reported that participants achieved a mean grade gain of 1.7. PRS is staffed by a teacher and two teaching assistants. Class size is limited to 25 students, allowing for a fairly low student-teacher ratio. The computer lab also has a full-time resource person.

PRS has had some dropout and attendance problems. Staff estimate that 20 percent of the students leave (mostly in the first six to eight weeks), often for reasons having little to do with the program, such as parental pressure to get a job or their own parenting responsibilities. Students who drop out in one cycle are allowed to re-enroll in the next. There are no strict attendance standards for remaining in PRS as there are in EdCo. Staff encourage students without severe admonition, believing that strict

standards would not be followed and would only result in terminations.

PRS has been well received in the community and apparently has responded to a real need. There was an active waiting list of 40 applicants during the summer of 1984. A new grant will allow PRS to launch a "lower-rung" program for individuals reading below the fifth grade level. Support from the original foundation is expected to continue and possibly expand. Finally, the Board of Education has contributed support for three teachers plus materials.

2. Occupational Training

BHRAGS offers three different occupational skills training courses, each lasting 21 weeks: clerical skills, bookkeeping and security science. The clerical skills and bookkeeping courses are offered at the Haitian Center site. The security science training is conducted by John Jay College (in Manhattan), which refers eligible students to BHRAGS.

The selection of these three courses was in part based on an assessment of areas where there is likely to be employment growth. Another consideration was the fact that these areas require little start-up capital. All eligible youths can enroll in the clerical and bookkeeping courses. The security science course is limited to older youths (aged 21) without criminal records.

Of 63 participants enrolled in the skills training classes in August 1984, 35 came through PRS. The other participants were walk-ins responding to BHRAGS' community recruitment or word-of-mouth reputation, or to referral by the SDA.

Before they are admitted to the program, BHRAGS requires applicants to appear for several interviews, entrance tests and eligibility determina-

tion. The intent is not to exclude youths who have the requisite JTPA eligibility and academic skills, but to screen out those who are not motivated enough to complete the enrollment procedures.

Despite efforts to seek new sources of enrollment, BHRAGS has experienced problems in recruiting and enrolling sufficient numbers of youths to meet its contracted goals. During the October 1983 to June 1984 period, when BHRAGS was required by its contract to enroll 94 participants, enrollment was 76. In contrast, enrollment for the BHRAGS CETA work experience contract had never posed problems. Dropout rates for remediation and training in BHRAGS have also been higher than anticipated.

BHRAGS staff offer several explanations for the difficulty. First, they are convinced that the JTPA entry requirements severely limit the pool of eligibles. Second, they cite the absence of a financial incentive under JTPA. While work experience programs paid the minimum wage, the SDA allows needs-based payments of only $30 a week to cover transportation and lunch. Finally, BHRAGS has had some difficulty in placing youths in permanent employment at the conclusion of the training, and this could discourage potential applicants.

BHRAGS staff members themselves are dissatisfied with the quality of the clerical and bookkeeping skills courses. The latter course does not give youths enough training to become bookkeepers; it teaches them only some skills they will need in the field. Similarly, many youths emerge from the clerical skills course typing 35-45 words per minute, qualifying them only for low-level clerical positions.

BHRAGS has had some difficulty placing youths in these two programs in jobs. This could endanger the BHRAGS JTPA contract, since the New York

City SDA judges its contractors on short-term performance measures, such as placement rates.

While the program's placement record may, of course, reflect an inability of participants to perform more highly skilled work at the conclusion of their stay in the program, there may also be problems with its job development efforts. The difficulty is not, however, one of insufficient resources: BHRAGS employs four full-time job developers. But staff have identified at least one other obstacle: resistance on the part of some youths to working in Manhattan, where most of the city's employment growth occurs. Job developers have concentrated on opportunities in Brooklyn -- even though they are much more limited -- because some participants wish to remain in their neighborhoods when they go to work.

BHRAGS staff are very pleased with the progress of the security science course. Program completers receive up to six hours of college credits. Sixteen BHRAGS participants completed the first cycle of the training, and all were placed by the John Jay College job developers in full-time positions that paid well above the minimum wage. Most of the jobs had opportunities for advancement.

C. The Transition From CETA to JTPA

In the year since BHRAGS initiated its JTPA program, senior staff have reassessed their practices to bring them more in line with what they think the organization must do to survive. Recruitment in general has become more vigorous, particularly outside of East Flatbush and Brownsville. The Haitian Center seems to have made marked changes in enrollment practices over the course of the year. Program staff acknowledge that the perform-

ance standards have forced them to "cream" their applicant population in order to meet JTPA standards. The most recent group of occupational skills trainees seemed better prepared and had more previous work experience. BHRAGS now concentrates on enrolling older youths (19-21) rather than younger (16-18), because employers are more likely to hire from this group, who are presumably more stable.

The program director acknowledges that creaming practices run counter to the traditional BHRAGS philosophy, but he believes that BHRAGS needs to take on a higher calibre of participants. This has meant "sacrificing those marginal youngsters who need too much remediation" or who "can't cut it."

D. Summary

BHRAGS was created to serve the neediest members of the community. Under CETA, BHRAGS was able to fulfill this mission through administration of a work experience program for high school dropouts. The evaluations of work experience cited earlier in this report would suggest that the program probably did not result in long-term permanent employment for participants. However, it did provide temporary employment and a chance for participants to gain general work skills.

The JTPA program has had a major impact on BHRAGS. Some of this has been positive. First, there is some evidence that well designed classroom training programs, such as those implemented under JTPA, tend to result in higher wages and more permanent employment than work experience. Second, the minimum entry criteria imposed by the SDA have prompted BHRAGS to create a literacy improvement program, supported by private foundations.

Ever since the project started, Project Reading Stepladder slots have been in demand. The BHRAGS community can potentially benefit from the creation of these two new programs.

Nevertheless, BHRAGS has so far found the parameters and requirements of the JTPA program -- few dollars available for services, minimal support payments (and only during the JTPA-funded training component), and rigorous performance standards -- highly problematic. Over the course of the last year, BHRAGS enrollments have been below the planned level, dropout rates have been higher than expected, and placements have been below the SDA standards of quantity and quality.

Such problems are due in part to BHRAGS' inexperience with running training programs, and over time the staff can probably become more skilled and efficient in this area. If there had been a longer program history, for example, job developers would have had a bank of previous worksites to which they could have referred youths. However, it appears that some significant portion of the problem is caused not just by inexperience but by the inherent difficulties of using JTPA standards in working with the target group BHRAGS was intended to serve. Thus, while many youths in the program still fall into its original target group, BHRAGS has chosen to expand its recruitment efforts to a more employable group in order to survive in the current environment.

Bank Street Basic Skills Academy/Jobs for the Future
New York, New York

The Basic Skills Academy and Jobs for the Future are both part of the Bank Street College of Education's Division of School and Community Services, located on the Upper West Side of Manhattan. Both programs are targeted to unemployed youths in New York City, particularly those who are economically disadvantaged. Although the two programs function independently, each with its own set of objectives and operating procedures, they also work together, providing a sequence of education and training components designed to help high school dropouts pass the GED, enroll in an occupational skills training course (ideally in a high-tech field), and find good jobs.

A. Program Components

1. Basic Skills Academy

The Bank Street College Basic Skills Academy (BSA) started as a pilot project in 1980 funded through a grant from the U.S. Department of Education. This signaled a new direction for Bank Street, which had previously focused on elementary education. The purpose of BSA has been consistent from the start: to provide academic remediation to young high school dropouts, enabling them to enter pre-GED training and eventually pass the GED exam.

While neither BSA nor Jobs for the Future received CETA funding, or JTPA funding for program operations during the case study period, their experience points out the difficulty of mounting new programs in the 1980s, regardless of funding source. Despite these difficulties, BSA has been

able to maintain stable program operations, in part because the program has convinced the New York City Board of Education to help support teaching staff and defray the cost of materials.

In 1980, BSA's pilot phase, the program had 30 participants. Subsequently, BSA greatly expanded operations: during 1981 it enrolled 150 youths. However, in June 1982 federal funding ended and BSA was forced to cut back enrollment and staff. Small private foundation funds and volunteer staff enabled the program to continue, but on a smaller scale. In 1982 only 40 participants were enrolled, and the program was reduced to two full-time, permanent staff persons. However, late in 1982 BSA was able to secure additional funds through a large grant from The Ford Foundation (which also provided funds for the Jobs for the Future Program) and once again expanded operations. In September 1983, the Board of Education granted funds for three teachers under the Auxiliary Services for High Schools, and from 1983 to mid-1984 BSA enrolled over 220 youths.

BSA's evening pre-GED and GED program now operates as an open-entry, open-exit program with a service capacity of 175 students. Over the course of the coming year, BSA estimates that more than 400 students will enroll. The current evening teaching staff consists of seven part-time teachers (three funded by Auxiliary Services and four funded by Adult Basic Education Division), two tutors from the Columbia University Literacy Initiative Work/Study program, two non-resident trainees from Bennington College and one BSA graduate paid at minimum wage. The full-time administrative staff has increased accordingly: a director, an educational advisor for the evening pre-GED and GED program who also acts as a curriculum coordinator, and an advisor/counselor who divides his time between BSA and JFF. The BSA

budget for 1983-84 was $140,116. The budget projection for 1984-85 is $325,000, with funds allocated for additional program components.

BSA is targeted to high school dropouts between the ages of 17 and 21. However, demand from older young adults has encouraged the program to open its doors to those over 21; about 175 of the 400 students served in 1984-85 will be from this group. BSA's central location in Manhattan allows it to draw students from the entire city. All students are from lower-income backgrounds, though the program has no income cutoff. The vast majority of students are black (62 percent) or Hispanic (36 percent), with more young women than males. Most of the women are single parents, many of whom live with their mothers or grandmothers. An evening class schedule makes it easier for them to attend.

BSA attempts to improve the skill levels of participants to a minimum of eighth grade in reading and math, the level at which students can begin preparing for the GED in most programs. Until recently, applicants had to score at least at a sixth grade level on a screening test to enter BSA. The rationale was that students below this level are functionally illiterate or have learning disabilities, and need a more individualized and intensive approach than Bank Street can provide. Applicants who tested below the required level were referred to another Manhattan program which specializes in working with functionally illiterate young adults. Once these students reached the sixth grade level, they were referred back to BSA.

The increase in teaching support from the Board of Education has enabled BSA to alter its intake policy. It now accepts students whose reading level is as low as the second grade, allowing them to remain in the

program as long as it takes to achieve the GED preparation entry level.

Another important reason why BSA was able to lower entry requirements is that it now uses a new individualized open-entry and exit competency-based curriculum, which staff believe will allow them to work more easily with students of all abilities. While BSA has always used a competency-based approach with materials assembled by its own staff, the new curriculum, called the Comprehensive Competencies Program (CCP), brought additional materials and structure to the BSA teaching approach.

CCP was developed by the Remediation and Training Institute of Washington, D.C. where Robert Taggart, formerly head of the Office of Youth Programs in the Carter Administration, is President. Covering a broad variety of subjects, the curriculum was designed for programs whose participants have a wide range of skill levels, abilities, interests and available time -- as typically found in many community-based organizations and remediation programs. Participants begin work in the academic or functional subject area in which they need to improve their skills. Each successive level within a particular subject builds upon the previous one, and participants do not move on to a new level until they have mastered the one they are working on.

As the name suggests, CCP aims to be comprehensive; itsmic subjects include reading and language skills, mathematics, writing, social studies and science. In addition, the curriculum covers what are called "basic functional competencies": world of work (e.g., career choice, job search), coping skills (e.g., independent living, money management), consumer economics, health and community resources. The academic skills material in CCP is based on that covered in the Job Corps, and the function-

al skills material grows out of the approach of the Adult Performance Level project. Both programs have been evaluated extensively and seem to improve skills.

CCP consists of a series of reading exercises followed by tests. Students work independently in the subjects where they need to develop additional skills. The curriculum is available in paper-and-pencil format and includes a full range of supplementary, computer-assisted programs. Both draw on what the CCP developers have judged the best existing materials. An essential part of the program is the CCP Management Information System, which uses an optical reader to grade tests and track student progress, and allows for larger group analysis of progress. This feature is a great time saver for teachers, and benefits students by providing immediate feedback on how they are doing. CCP encourages group activity to supplement the exercises, but its primary focus is on individualized learning. For lower-level students who have a greater need for peer support, staff use a combination of group and individual instruction.

The proponents of CCP cite several other advantages to this curriculum. First, lessons and test are designed for completion within the normal class period, allowing for immediate feedback and positive reinforcement. Second, the units and levels are laid out in a way to help the student track longer-term progress. Third, material use can be maximized: Since work is individualized, it is not necessary for a teacher to have on hand as many copies of a given piece of material as there are students in a class. Finally, the curriculum frees teachers to be more effective by enabling them to concentrate their attention where needed. This is

important for many community-based organizations, which pay low salaries and have difficulty attracting technically proficient teachers.

CCP has been well received by training organizations around the country. The Opportunities Industrialization Centers has made CCP the core of its academic remediation activities in several of its centers. The Alternative School Network of Chicago, a group of 20 community-based schools, has adopted CCP as the basic curriculum for academic and functional skills areas. Several SDAs have adopted it as well. CCP has not been "proved" effective or more effective than other methods through a rigorous evaluation, but its lesson plans and materials are derived from programs that have been shown to be effective. Moreover, CCP seems to be fulfilling the basic need of community-based organizations and other training organizations for a remediation curriculum that is responsive to the many constraints they face and that can be integrated into their existing activities.

Using CCP, BSA has achieved a strong performance record. Between October 1983 and August 1984, over 60 participants were able to improve their skills enough to qualify for the Jobs for the Future Program. And out of 80 participants who took the GED exam, 68 passed.

2. Jobs for the Future

Jobs for the Future, a training orientation and referral service, was developed because many BSA graduates who had passed the GED test still had difficulty in getting jobs, or in being admitted to training programs. In 1982, Bank Street staff designed a program that would serve as a link between community-based organizations and training programs or the job market for participants who had completed their GEDs. In late 1982, The

Ford Foundation funded a five-month study to explore this possibility.

As a result of the investigation, the Bank Street staff concluded that what was needed was not another training program, but rather, a "bridge" program -- one that would help minority youths improve their chances of being accepted into these training programs, succeeding in the training and finding jobs. The new program would teach employability skills required for acceptance into training and, through the Bank Street Basic Skills Academy, improve any academic skills a particular training program required.

The new initiative, by then known as Jobs for the Future, secured an agreement with the New York City Private Industry Council, which sponsors JTPA-funded training programs, to refer youths to programs it sponsored in the fields of computer maintenance, security alarm repair and customer service for the New York Telephone Company. This agreement also benefited the PIC, which faced the problem of too many ill-prepared applicants. A similar agreement was reached with the Communication Workers of America for a communications technician program.

During the same investigation period, JFF staff consulted with representatives of 27 community-based organizations, mostly from Manhattan's West Side. Learning that they too had difficulty getting participants enrolled in good training programs, JFF decided to serve as a conduit between all types of youth service programs and training programs. With the support from The Ford Foundation and other sources, JFF launched a 16-month pilot program in May 1983.

JFF consists of a two-week orientation, followed by ongoing informal follow-up for as long as the participant needs it. The program is targeted

to youths between the ages of 18 and 25. This older group was selected because JFF staff believe that youths under 18 are less certain of career goals. Also, employers are reluctant to hire younger teens because they do not believe the younger group will be as reliable or interested in long-term work. The average age of JFF participants has been about 22.

JFF's second eligibility requirement is that participants meet the JTPA income eligibility requirements (an income below 70 percent of the lower living standard or receipt of public assistance). Although JFF is not JTPA-funded, the training programs into which participants will be referred usually are. The final eligibility requirement is possession of a GED or high school diploma (though this will occasionally be waived), since those are often prerequisites for training programs.

JFF has recruited applicants through a large number of community-based organizations in Manhattan and the rest of the city. The largest source of applicants is Bank Street itself; there have been personal recruitment efforts from JFF and BSA staff and from current and former students.

Once recruited, youths undergo a multi-stage application process. The most important step is a JFF assessment of level of interest, motivation and ability to overcome any barriers to completion of training. Two barriers often encountered are needs for child care and income support while in JFF and the training program. JFF provides no stipend, and New York City JTPA programs are limited to a $30 per week support payment.

JFF has had great success in attracting applicants. In one three-month period in late 1983, 429 youths made appointments to meet with staff. However, JFF's entrance requirements and natural self-selection result in a high attrition rate. Of the 429 youths, 291 actually went through the

interview process and only 186 entered JFF.

Of those who participated in JFF during its first year, slightly more were male (54 percent) than female (46 percent). The average age was 22. Seventy five percent of participants were black and 15 percent Hispanic.

JFF schedules 35-40 participants at a time for its two-week orientation session. The expectation is that about 25 youths will actually appear. The orientation has two objectives: assisting youths to understand what acceptance into a training program requires, and identifying and helping to solve problems that might hinder their success. JFF structures its program to parallel the schedule and demands of the training programs, and to conform with demands posed by the PIC assessments, which determine entry into the best skill training programs. For example, the schedule of the orientation sessions, 9:00 a.m. through 4:00 p.m., is the same as that of the PIC training programs. Skills stressed in the orientation are personal appearance, communications, promptness and attitude. If math or reading skills need to be improved, participants are referred to the Basic Skills Academy or tutorial programs. Participants are expected to attend all orientation sessions.

At the outset of orientation, youths sign a contract spelling out expectations for proper behavior in the program. These include rules of dress, punctuality and classroom behavior. The orientation sessions consist of lectures, group discussions, role-playing, videotape sessions and individual counseling. Lessons cover personal appearance, communication skills, test taking, interviewing skills, work habits and appropriate behavior.

At the end of the two weeks, JFF starts to refer youths to training

programs if they are available. The New York PIC programs reputedly provide the best skills training in New York, so JFF has attempted to place as many participants as possible in them. Other quality training providers are used as well. None of these programs automatically take in youths who have completed JFF, but JFF participants have had a fairly good acceptance rate. Of 186 students who entered JFF in the first year, 107 were accepted into training programs in computer maintenance, copier repair, communication technician work, banking, word processing and securities operation. The remaining 79 were either working with a remedial education program to improve their skill levels, waiting for a particular skill program to have an opening or no longer active in the program.

One issue that JFF staff have watched carefully is whether the youths referred to training programs from JFF differ from other trainees. If the demographic characteristics are the same, then it is questionable if JFF has had much of an impact. Early evidence suggests the JFF referrals are indeed different. In two training programs sponsored by Control Data and Xerox, JFF referrals were compared with non-JFF referrals. JFF youths were on average younger (22 vs. 30), more likely to be female (67 percent vs. 31 percent), less educated (mean grade attained of 11.2 vs. 12.9), and more likely to have a GED than a high school diploma. Given these differences, it is noteworthy that JFF-referred participants had higher completion rates in the training than the non-JFF youths and that the placement rates of the two groups were comparable.

B. Program Modifications

In 1983 and 1984, JFF made several modifications in its requirements

and services. For example, unless they are specificially required by the training program, JFF does not require minimum scores on standardized tests nor does it ask for high school degrees or GEDs at time of application. One reason for these more relaxed standards is that JFF has now decided to prepare participants for training programs sponsored by the New York City SDA as well as for those sponsored by the PIC, and the entry standards for the SDA programs are not as rigorous. Another reason JFF broadened its entry requirements was because it found that in some cases, the program was able to correct deficiencies in students who initially scored low in a particular area.

In the early stages of JFF, it appeared that women were having more difficulty being admitted to training programs than men. At the end of January 1984, 59 percent of the participants in orientation were males, but they accounted for 82 percent of those placed in training programs. One staff response to this problem was to establish a specific orientation curriculum for a group of women interested in a copier technician program. The 16 enrollees were given an intensive week of training to help them meet PIC requirements. The sessions included test-taking skills, interviewing techniques, hands-on experience with electrical equipment and discussions about women in non-traditional employment. The results of the experiment were positive: 10 of the 13 women referred to the program were accepted.

JFF also has expanded its use of remedial education. Math tutoring is provided to youths who are accepted into training but who still need additional help. It is offered two evenings a week by a volunteer with an engineering background. BSA remedial education is also offered to participants waiting to be referred to training or waiting for the program to

begin. In addition, JFF offers one-to-one tutoring for youths who cannot attend the evening BSA classes.

The final part of the program, and one that staff believe is crucial, is a counseling and advisory support system, available both during orientation and training, and after placement. JFF accepts referrals from community-based organizations only if the organization will continue to provide counseling and other support services while the youth takes part in JFF and the subsequent training. JFF staff also provide counseling, often helping youths to cope with criminal justice and welfare system difficulties. During orientation, they work with the participant to identify and anticipate barriers that may hinder performance in training.

Thus far, staff at JFF and the Bank Street College Division of School and Community Services have been very pleased with the program's achievements. One of the few difficulties the program faces is the gap that often occurs between the end of the two-week orientation and the start of training. JFF staff realize that some participants will drop out of the program before they are able to enroll in a training program if this gap is too lengthy. The addition of the SDA training programs has eased this problem by expanding the number of training opportunities, though the SDA programs typically are not the "high tech" opportunities JFF originally envisioned.

JFF and BSA recently applied for and were awarded a grant from New York State JTPA discretionary funding[1] that will support the replication of

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1 JTPA sets aside 8 percent of funds allocated to states to be used for coordination among education and training organizations and for direct educational and training services.

the JFF model in New York community-based organizations. JFF staff will train staff at these organizations on how to set up a program model. BHRAGS is one of the organizations to receive this training.

BSA is also expanding delivery of direct services. The CCP Learning Center has longer hours for students, and computer-assisted instruction is being integrated into the existing academic program. A new day program consisting of basic skills instruction and training in weatherization work is now available.

C. Summary

The staff at the Basic Skills Academy and Jobs for the Future are pleased with the accomplishments of these programs. The two programs function independently, one offering remediation and basic skills training, and the other providing job training preparation. At the same time, their services are available in a complementary sequence.

Because of their different objectives, BSA and JFF initially attract different target groups: BSA is targeted to youths under 21 (though many older than this do enroll) who want to obtain a GED, and JFF is targeted to youths 18-25 who are interested in training programs. BSA does not screen out applicants while JFF is more selective. Educational credentials and minimum academic skill levels have been de-emphasized at JFF since the beginning of the program, but it still enrolls a population that has been screened by self-selection and otherwise for motivation and possible barriers to success. Compared to participants in the EdCo and BHRAGS progrms, JFF youths are older and more educated. Many are dropouts who later earned their GEDs.

Support services are stressed at JFF as an essential for programs targeted to minority youths. JFF tries to identify all barriers to participation in training and subsequent employment.

BSA and JFF provide no stipends and JTPA programs offer only minimal financial support. However, BSA's evening hours permit employment during the day, and JFF tries to ensure that entering applicants do not have income needs that will hinder performance in training programs. This probably results in screening of some otherwise eligible and motivated applicants, but the program considers it a necessity.

BSA is very satisfied with the use of individualized competency-based approaches to remediation in general and with CCP in particular. The sequential approach to remediation and training is necessary at BSA/JFF because JFF is expected to work with youths who already have academic skills that are strong enough to warrant referral to training programs. Some youths have become discouraged and have dropped out in the interval between JFF and training, but JFF is attempting to cope with this problem by broadening the array of training assignments offered to youths.

Connelley Skill Learning Center
Pittsburgh, Pennsylvania

Connelley is a vocational school funded primarily through the Pittsburgh Public Schools, providing training in a variety of skill areas. It is open to any Pittsburgh resident who is at least 17 and a half years old. While Connelley does not have a history of attracting large numbers of dropouts nor of targeting recruitment to them, the program was chosen for this case study for a number of reasons.

First, Connelly's eligibility policy is somewhat unusual. While dropouts in most cities tend to be forgotten by the public school system, Connelley has always maintained an open-door enrollment policy, which includes this group.

The second reason is Connelley's comprehensive approach to training: The school supplements vocational training with remedial education. A third reason is Connelley's connection to the Pittsburgh SDA as a JTPA contractor. JTPA-eligible participants can enter either Connelley's regular vocational programs or special programs funded through JTPA. Finally, Connelley was selected because of the interest and enthusiasm for the program expressed by the Allegheny Conference on Community Development (ACCD), a business/intermediary group committed to developing a broad spectrum of educational and employment programs for Pittsburgh. During the pilot phase, ACCD worked closely with the SDA, the PIC and Connelley staff to make Connelley more responsive to the employment and educational needs of school dropouts. ACCD's involvement in Connelley provided an opportunity for MDRC to observe the type of public/private partnership encouraged by the current Administration for addressing pressing social and

economic problems.

A. Program Components

The Connelley Skill Learning Center is home to an array of training programs funded from a variety of sources. Connelley's budget is approximately $5 million. Roughly half of the funding comes from the Pittsburgh Board of Education. Supplementary funding sources include the Vocational Education Act, the Adult Education Act, a special state retraining program, and JTPA (primarily 8 percent discretionary funding).

This diversified funding base has enabled Connelley to organize its training into four major components, which collectively serve over 1,000 youths each year. The focus of this case study is on one of these four components, the 13th and 14th Year Program, which is funded through the Pittsburgh Board of Education. The name refers to the program's provision for post-high school vocational training lasting for either one or two years. The only requirements for admission are Pittsburgh residency and a minimum age of 17 and a half.

About 700 students are enrolled in the 13th and 14th Year Program every year, and roughly 10 percent are dropouts under 24 years old. Even though most students are high school graduates, Connelley staff indicate that they do not consider them a particularly advantaged group. Many have had brushes with the law, and many Oare from low-income backgrounds or families who have suffered long bouts of unemployment because of the local industrial decline.

Connelley offers training in over 20 occupations: among them, automotive mechanics, diesel technology, basic electronics, welding,

refrigeration repair, plumbing, carpentry, cabinetmaking, commercial art, graphic arts and bricklaying. Equipment is frequently "state of the art." The school's selection of occupational areas is determined with the advice of business advisory councils consisting of union and business representatives recruited by council members. Connelley teachers provide information on entry skill requirements and demand for particular fields.

Two training tracks are available: a one-year program, the more popular of the two, which awards a certificate of competency, and a two-year program, which awards a technical certificate.

The approach used in teaching vocational skills is competency-based. Skills learned in one course build upon what was learned in previous ones. The program also has "open-exit" characteristics: Students can leave at various points in the two years, having attained usable, transferrable skills even when they have not completed an entire year- or two-year course.

The demand for Connelley's programs has usually exceeded the number of openings. Referrals to Connelley come from many sources, including probation officers, the courts, public welfare agencies and city high schools. The employment and training system also refers students, but there have been fewer referrals under JTPA than under CETA, primarily because the number of JTPA-funded training programs at Connelley has declined from the level of CETA-supported programs.

The enrollment process involves several steps and is designed to achieve the best possible match between the potential participant and the skill area. Individuals who express interest in the program are first invited to file an application. A week or two later, they are asked to

attend a group orientation, where they are given an overview of the vocational offerings and hear a discussion of school and student responsibilities. Next, applicants are asked to return for an evaluation during which tests are administered to assess occupational interest and academic skills.

Anyone scoring below the fourth grade level on the reading tests is referred to the reading clinician, who determines if there are any learning disabilities. Applicants who score higher than fourth grade level can select the occupational training in which they are interested, though in some cases intake staff may recommend remediation before training. In the past, applicants had to wait for a cycle of classes to begin, but Connelley recently instituted an "open-entry" format whereby students enter classes at any time -- providing there are open slots -- not just at set entry points.

Once students begin training, teachers may recommend remediation classes. Although these classes are voluntary, many students choose to attend.

For students who combine remediation and training, their day is structured to allow them to continue vocational classes with the group of students with whom they began. The day starts with a theory class appropriate to the occupation the student is pursuing. Remediation classes are scheduled for the second period, a time when the rest of the class moves into "hands-on" skills training. Subsequently, remediation students return to a skills training class where they remain until the end of the regular school day. Remediation training is offered once again for an hour after school.

Instruction in the remediation classes is completely individualized

and designed to fit the requirements of the occupational area in which the student is enrolled. Connelley was recently awarded a $99,000 JTPA grant to install a computer-assisted intruction lab for the use of the remediation class, and currently, students have 18 terminals at their disposal. Classes are typically small (10-15 students). Staff estimate that for 13th and 14th Year students the average length of stay in the remediation class is three months.

The other three training components at Connelley, though considerably smaller, do enrich the overall skill offerings. The first of these consists of extensive medical training -- a large licensed practical nurse program, which trains 150-160 students, and capacity for roughly 65 students to be trained as surgical technicians or geriatric health care workers. The second component includes JTPA training programs: medical-clerical training (40 slots), training in data processing (25 slots), a pre-apprenticeship training program and a pre-training program in the clerical trades. The third component is Project Advantage, an intensive three-month training program for students with multiple disadvantages -- emo. onal, financial and/or educational. Training in low-level skills is provided in four areas: basic clerical (25 slots), power sewing (25 slots), maintenance (25 slots) and food service (40 slots).

B. Pittsburgh's Economy and Its Impact on Connelley

The Pittsburgh economy was particularly vulnerable to the recession of 1982 because of its reliance on heavy manufacturing, especially in the steel industry. The decline of manufacturing and skilled trades has in turn affected Connelley's performance. Placement rates are down. In

1981-82, 85 percent of program completers were placed in jobs within three months of graduation. Staff attribute this high rate, and similar rates in earlier years, to Connelley's reputation and the quality of its teachers, most of whom are skilled craftsmen, usually with a minimum of six yesrs work experience in their areas. Many belong to craft and industrial unions, which traditionally have provided Connelley graduates with good contacts in the labor market. However, in 1982-83, during the peak of the recession, the placement rate declined to 65 percent and held there for 1983-84. While this rate compares favorably to that of most other job training programs, staff were disappointed with these results and eager to help Connelley rebound.

Declining placement rates have had a spillover effect on application levels. People have been less eager to enroll in Connelley and invest one or two years in a training program if they are less likely to find a training-related job upon graduation. While waiting lists for the popular occupations in growth industries continue, demsnd to get into the declining occupations, such as drafting, welding, and machine shop, has dwindled. In the past, it had never been necessary for Connelley to institute a recruitment policy because the demand for places had always exceeded capacity. Now, however, Connelley must recruit in certain areas.

Along with a fall-off in the number of applicants, staff cite a decline in the applicants' abilities and attitudes. Teachers frequently complain that the newer students lack dexterity, communication skills, motivation and good attendance. One teacher reported that in the past, students had had very good skills: "They needed only a brush-up and they'd be gone. Now we're getting the bottom of the barrel in the whole program

and the teachers are complaining about students not being qualified or skilled."

As a result, there have been policy shifts designed to bolster enrollment levels and increase program retention. As mentioned earlier, rather than waiting for a new class cycle to begin, Connelley students can now enroll in a class almost immediately after application. This reduces the drop-off that occurs between application and the beginning of the training cycle. However, the open enrollment process means that students are working on many levels at the same time, making the teacher's task much more difficult.

A second change in policy concerns attendance and disciplinary standards. The teachers remark that in recent years they have become more lax to minimize attrition. Students who might have been asked to leave are now retained to help keep slots filled.

Also as new sectors of the local economy grow, Connelley has had to respond by shifting the emphasis in its offerings. This is a difficult adjustment and one that inevitably involves some lag time. Nevertheless, Connelley has been dropping or modifying the training areas that are becoming obsolete, while bolstering those where demand is increasing, such as word processing, electronics and computer operations.

C. The Transition From CETA to JTPA

Since most of Connelley's funding comes from the Pittsburgh Public Schools, federal job training programs have always been a peripheral to its offerings. Connelley's basic support from the school system for the 13th and 14th Year Program has remained relatively stable and the school is thus

not as vulnerable to fluctuations in federal funding as some of the other sites in this case study.

Supplementary federal funding support for Connelley began in the mid-1960s under the Manpower Development and Training Act. At its peak, federal funding reached over $4 million, but it gradually declined -- first under CETA and then under JTPA. The current JTPA funding level at Connelley is $425,000, which represents less than 10 percent of Connelley's $5 million budget.

The JTPA structure in Pittsburgh consists of one multi-jurisdictional PIC and two SDAs -- one representing the city and the other representing the rest of Allegheny County. JTPA's funding support for Connelley, however, comes not from these local SDAs but from the state, specifically the Governor's 8 percent discretionary funding.

The 8 percent funds support two training programs (data entry and medical-clerical), the pre-apprenticeship and pre-training programs, and the computer-assisted instruction in the learning laboratory, all described earlier. Also, these funds purchase individual training slots elsewhere in Connelley. Local JTPA funds are used only to pay needs-based payments (computed at the rate of $4/day) for JTPA participants. These payments are handled centrally by the SDA and go directly to the participants.

Although federal job training programs have never dominated Connelley, the transition from CETA to JTPA did exacerbate the problems that the erosion of the local economy brought to the school, contributing to its declining enrollment levels and lower placement rates. JTPA's most significant direct effect has been a substantial reduction in support services. Funding for on-site counselors, previously provided for Connelley's CETA

enrollees, has been discontinued under JTPA.

Concurrently, the need for counseling at the school has grown, since students now tend to have many more problems and more serious educational deficiencies. Without on-site counselors, teachers who lack both the training and the desire to become counselors have been asked to take on the responsibility. Many are reluctant to do so because they are already overextended with responsibilities for training, job development and placement.

In addition, staff at both the SDA and Connelley believe that needs-based payments are inadequate and cannot substitute for the more generous stipends that were available under CETA. Declining placement rates are not the only reason why people now hesitate to enroll in Connelley; they are also apprehensive about making a one- or two-year training commitment without some type of financial remuneration.

Dropouts' need for subsistence support to enter a training program, combined with the need for counseling support once they do so, has meant that many of these youths have been discouraged from enrolling in Connelley. In this, the school is not unique. The Pittsburgh SDA reports that youth and dropout participation in all JTPA-funded training programs is down. The SDA finds it difficult -- despite conscientious efforts to recruit young people -- to adhere to the requirement that 40 percent of JTPA funds be used for youths. This year, the [illegible]rement has been adjusted to 30 percent, but the shortfall continues, with only 25 percent of current JTPA funds used for youth services.

D. Future Directions

The Pittsburgh community is faced with a dilemma. The Pittsburgh Public Schools report that the dropout rate is escalating but the SDA and PIC are still unable to attract youths into JTPA programs. The situation is exacerbated by economic conditions in Pittsburgh where the recovery is lagging behind the rest of the nation and unskilled school dropouts find themselves competing with highly skilled displaced workers.

Because of widespread community concern about these issues, a planning team was created consisting of key officials from Connelley, the Pittsburgh SDA and the PIC, under the leadership and guidance of the Allegheny Conference on Community Development. The team was later broadened to include representatives from those community organizations that are most knowledgeable about dropouts. The mission of this planning team was to develop recommendations that would enable Connelley to better serve Pittsburgh's dropouts.

This process has been very productive. Its major outcomes include a multi-agency commitment to seeking solutions to the problem of dropout youths and the dedication of resources to strengthen and improve Connelley. More specifically, the team viewed a comprehensive approach, such as that embodied in JOBSTART, as a valuable strategy for restructuring Connelley's education and training for dropouts. The team developed a plan for Connelley to: 1) use JTPA funding to hire a full-time youth recruiter; 2) use Governor's 8 percent discretionary funding to hire a full-time youth coordinator and an on-site counselor; 3) develop a mentoring component under the leadership of the PIC; 4) use JTPA funds in combination with funds from the Allegheny Conference both to increase the amount of

needs-based payments and to provide incentive stipends to JTPA enrollees tied to attendance and performance; and 5) intensify job placement efforts by drawing on the reputation of the PIC. Members of the planning team hope that these changes will make Connelley a more suitable training center for attracting school dropouts, improving their academic and job skills, and placing them in jobs that will lead to long-term economic self-sufficiency.

Center for Employment Training
San Jose, California

The Center for Employment Training (CET) in San Jose, California is a very large community-based organization. The San Jose program is the oldest and largest of 30 federal CET programs in the Western states; 14 of these programs are centrally administered from the San Jose headquarters and 16 are administered independently. Like the Connelley Skill Learning Center, CET does not focus its training program exclusively on dropouts, but dropouts are a much larger percentage of its participants than of Connelley's.

During its 17-year history of service to people in poverty, particularly minorities and migrant workers, CET in San Jose has established an enviable record of training and placement. Its hallmark is an open-entry, open-exit training policy that does not exclude anyone on the basis of low academic skills.

CET has had to face budget cuts and program modifications resulting from reductions in federal training programs and new program requirements, including those of JTPA. However, successful fundraising has allowed the organization to weather these storms and continue training a broad range of individuals. In contrast to Connelley, CET has benefited greatly from an expanding local economy, and within that economy has been able to secure a niche for itself as a reliable provider of skilled labor.

The funding sources and activities of the San Jose program indicate its breadth. CET, which enrolled over 400 participants in 1983, consists of two sites located within a block of one another. One site, the "services center," offers clerical, maintenance and machine shop skills, and the other offers skills related to electronics. (San Jose is located

in California's Silicon Valley.) Each site is supervised by division managers, who in turn are supervised by the Director of Program Operations in the CET central administration. This director also has responsibility for several other CET training sites in Santa Clara County. The total budget for the two San Jose CET sites was more than $3.6 million for the July 1984-June 1985 period, with more than $1.6 million allocated to classroom training.

A major source of funding for CET is the Department of Labor Farmworker and Rural Employment Program (currently $500,000 -- reduced from a 1983-84 level of $1.5 million). These funds are used for training services provided by all the CET centers in Santa Clara County. Other funding sources include several special state programs targeted to workers who have exhausted their Unemployment Insurance, welfare recipients, Asian and South American refugees, migrant farmworker youths and laid-off auto workers.

A. History and Background

In its origins, CET resembles BHRAGS. The program began as an Hispanic community self-help group in San Jose, established by the pastor of a Catholic church, who continues to serve as chairman of its Board. In 1971, CET began expanding to other California communities with independently operated centers or ones administered centrally from the San Jose headquarters. CET was affiliated with the Opportunities Industrialization Centers of America until 1976, when it separated from OIC/A to establish its own Southwestern identity. The program is known for service to Hispanics, other minorities and dislocated farm workers and migrants.

Over the years CET has maintained a consistent objective: to help the

disadvantaged become self-sufficient through skills training and job placement. Many of the original CET Board members and staff are still with the organization.

CET's educational curriculum is competency-based, individualized and self-paced, resembling the approach used in BSA and Connelley. The Center extends this approach to training. The program strives to integrate all components -- skills training, education and counseling -- to support the goal of employment. Several aspects of the program are designed to facilitate this integration. The individualization of the educational curricula is designed to help the participant acquire the specific academic skills he or she will need in occupational training. Educational programs (including remediation, GED, high school degree and ESL) all are operated concurrently with training. Counseling activities are part of a human development component that aims to facilitate training and placement by helping participants improve self-esteem. These program components, and the way in which CET integrates them, are discussed in the following section.

B. The CET Program

1. Recruitment and Enrollment

CET is well known in Santa Clara County and so traditionally has not had to devote many resources to recruitment. Applicants are invited to an orientation session conducted weekly (once in English and once in Spanish). At this time, intake counselors review the program's offerings and expectations, including its strict attendance and behavior standards. Applicants who express interest in CET training at the orientation are given

appointments with an intake counselor for a more in-depth interview, which usually occurs within the week. The applicants are told how long they are likely to wait for an opening in the skills class they select, a length of time which depends partly on their eligibility for various CET contracts.

CET does not screen out applicants on any criterion other than JTPA income eligibility. However, intake staff do stress that participants must be motivated and "serious." Applicants are free to choose the skill area they wish to enroll in, but their decisions are sometimes influenced by the waiting period entailed for a particular opening. Sometimes participants choose a training program or skill area because it has a short waiting list. At other times applicants can be brought to the head of the queue because priority is given to those who fit into a particular target group that CET is seeking to enroll to meet the requirements of a particular funding source.

When a slot becomes available, applicants meet individually with a program support counselor for two hours to discuss their own objectives and CET resources. Next, the applicant is ready for a six-day pre-enrollment "skill sampling" period. This consists of an observation period of up to six hours for certain skill areas and a three-day period of class participation. If the applicant is sure of his or her choice at the end of this period, official enrollment follows. If not, further observation and skill sampling can occur, though this is usually not necessary.

Because CET is not specifically targeted to youths or to high school dropouts, its management information systems do not provide detailed characteristics on its young high school dropout population. What is known is that overall, in the 14 centrally administered CET centers, about 48

percent of the 853 trainees during the October to June 1984 period were between ages 16 and 21. During the same period about 60 percent of the trainees (both youths and adults) were high school dropouts. An overwhelming majority (95 percent) had incomes below the poverty level and were unemployed. Other characteristics of the trainee population were as follows: 59 percent were Mexican American, 14 percent white and 7 percent black; 25 percent were recipients of Aid to Families with Dependent Children; 58 percent were males and 42 percent were females.

2. Occupational Skills Training

The CET skill courses do not require a specific length of training nor do they have standard criteria for program exit. The level of skill that a trainee possesses upon leaving the program and the length of stay in training depend on a number of factors, including participants' own objectives for their training, their aptitude for the occupational skills and the labor market demand for trained workers. While CET instructors establish an intermediate competency level for determining when trainees are "job-ready," they also recognize that trainees may exceed this level and become qualified for better jobs, or fall short of this level (especially if they leave the program early) and settle for jobs requiring less skill. Job developers keep track of the differences in ability among the graduates in order to match them to suitable openings.

But despite its generally open-ended, open-exit competency-based approach, CET has established average and maximum lengths of stay for all skill areas. Electronics assembly courses average three months; the services skill courses (clerical and other similar courses) average six. Extensions beyond the maximum are allowed, but permission from the director

is required. In practice, most trainees do not ask to remain longer than the maximum time period.

Among the courses offered, the most popular with youths are training in machine shop work, shipping and receiving, and electronics repair. For all areas, training is conducted daily from 8:00 a.m. to 3:30 p.m. In the past, skills were always taught in two sequential phases -- a "feeder phase," covering the theory of a particular skill area and the academic skills relevant to it, and then a "hands-on" shop phase. Since 1984, however, CET has run these two phases concurrently, one-half day for each, in some of the skill areas. Depending on their ability and on the particular skill area, participants vary in their lengths of stay in the theory classes.

3. English as a Second Language

English as a Second Language (ESL) instruction is offered to students at the recommendation of instructors. About 30 percent of all participants in skills training are ESL students. ESL was once operated as a feeder class, but it was discovered that when enrollees were asked to wait before they entered skills training, they lost motivation. Consequently, ESL courses are now run concurrently with skills training for two hours a day. The courses emphasize the vocabulary that the participant needs in a particular skill area.

4. Educational Remediation

In the past year or so, CET began a special remediation program for high school dropouts requiring more education than that provided in the training-focused remediation. This extra remediation is open to youths 16 to 18, and is required for 16- and 17-year-olds without high school

degrees. The educational component is provided through the California "technical high schools" program, which allows vocational training centers serving dropouts to operate degree-granting remediation programs. The CET technical high school program is run and staffed by the County Board of Education, with the teacher outstationed at CET. On average, 25-30 students are enrolled in the technical high school at any one time.

The curriculum is standardized and based on courses taught in the county's regular schools, e.g., math, reading, social studies and science. The program runs two hours a day. Most of the entering students are so far behind in their high school credits that they cannot earn their diplomas while at CET. When they are ready to leave, they are therefore offered GED testing, which most pass. This approach resembles EdCo's treatment of students who are far from completing their degree requirements. The average reading grade level equivalency of the technical high school students at entry is 7.5. In six months, the teacher expects to raise these scores to ninth grade level, the level at which they can pass the GED test.

In addition to this training, CET also offers all interested adult participants (i.e., those over age 18) a course specifically geared to the GED test. Students are tested at entry; the average score is about seventh grade level. The instructor for this adult remediation course tries to bring students to the tenth grade level before they take the test. Classes are held two hours a day, five days a week, and instruction is individualized.

GED classes are viewed as more of an adjunct to the CET program than as an integral part of it. The GED teacher has reported that the skills

training instructors sometimes discourage students from enrolling in the class because it takes away time from the training. This represents an unresolved point of tension between different objectives. Most staff members want to move students as quickly as possible through skills training, but also acknowledge the value of the GED certificate.

5. Counseling

Each skills area has a staff unit consisting of the skills instructor, a support counselor and a job developer. The skills instructors are actually called instructor/counselors, and they have primary responsibility for tracking the progress of their trainees. The responsibility of the support counselor is to identify local resources available to trainees who need child care, transportation, housing, medical services and the like.

Support counselors have larger student caseloads than instructors, and thus may not have as much time to devote to individual student needs. Usually, then, it is the instructors who identify problems and bring them to the attention of the unit. Staff unit meetings are held weekly to discuss every student's progress. (In addition to serving as a forum to address problems, these meetings keep the job developers aware of students who are available for placement.) Once a trainee's problem is identified, the member of the staff unit who has the best relationship with the trainee is the one who offers assistance.

One instructor reported that younger students are generally harder to work with, more likely to quit the program and require more counseling. Those who have dropped out of high school and are unsure of future goals generally need a strong counseling relationship in order to make some progress in the training. The older trainees, many of whom are political

refugees, or displaced workers being retrained, usually have few serious motivation and performance problems.

6. Job Placement

CET trainees are instructed in job search skills as a part of the vocational skills curriculum. Vocational instructors help students to develop the information necessary for employment applications and to practice interview skills. Once a trainee is placed on "job referral status" by a skills instructor -- indicating that the trainee is ready to be placed -- the job developer may take the student out of class to go on interviews at any time. CET job developers usually match available trainees to job orders rather than seek out new jobs for each individual. CET has been successful in its placement efforts. The job market for program completers is very good, particularly in the electronics field. Overall CET placement rates are consistently in excess of 70 percent and entry wages in fiscal year 1982 averaged $4.87 per hour.

C. The Transition From CETA to JTPA

Since the shift from CETA to JTPA, CET has had lower funding and faces increasingly stringent performance standards. Nonetheless, the program has resisted changes in its no-screening policy. This is possible mainly because the organization's staff is talented and committed and its funding base large and diversified.

CETA funding for CET topped $2 million in fiscal year 1980, but JTPA funding was reduced to $1.3 million by fiscal year 1985. Cuts to CET's Migrant Farmworkers Program were even more substantial. Nevertheless, through concerted efforts to raise funds from state, federal and private

sources, the total CET budget in the Santa Clara County sites has remained near the $3 million mark for the last four years.

Some adjustments have been necessary. Central administration staff have been reduced. The "alumni counselor" function, which permitted follow-up, including home visits, for former trainees up to a year after placement, was eliminated. The support counseling staff was reduced from one counselor per skills unit to one per division. Division managers have taken on added counseling responsibilities, usually handling problems with trainees who have poor attendance and generally weak performance.

The new JTPA regulations have also affected several non-financial aspects of the program. At the outset of JTPA, the Santa Clara SDA required all contractors to set a 48 percent youth enrollment objective. (This was later reduced slightly.) By contrast, CET's youth percentage had been 35 percent before the onset of JTPA. CET had succeeded in reaching the 48 percent level, but only with difficulty and new intensive recruiting efforts. Staff report that the increased numbers of youths have led to greater need for counseling services, a change in the general tone of training classes, higher dropout rates and lower training-related placements. The last two changes are of concern to administrative staff, in part because 20 percent of the JTPA performance based contract is determined by training-related placements.

The loss of CETA stipends has had several consequences. Staff expect some youths to abbreviate their training because they have no financial incentive to remain in the program. Some staff members also believe that the loss of stipends has forced self-screening from CET programs, a tendency which runs counter to CET's own efforts to be as inclusive as

possible. One staff member believes that current enrollees are more likely to be youths with the resources to support themselves without stipends. Other staff members note that more enrollees are likely to work part-time while in training than was the case under CETA.

D. Summary

In many respects CET is a model program for economically disadvantaged persons interested in occupational training leading to employment. While dropouts with low academic skills are not CET's single target group, the "no-screening" policy allows them to enroll, and in fact, most CET participants are high school dropouts. The comprehensive approach to training -- along with integration of the training, educational and support services -- creates an environment in which dropouts can improve skills. A favorable local economy, identification of occupations in demand, and efforts to tie skill development to entry-level occupational standards have resulted in high placement rates.

CET's competency-based approach to remediation allows participants to pursue different objectives depending on needs and circumstances: diplomas, GEDs, and educational and occupational skills development. Educational remediation, occupational skills training, counseling and job development are all well integrated. Counselors, instructors and job developers work closely together to identify participants' barriers to employment and to assess skill levels so that they can recommend appropriate action.

The CETA to JTPA transition has produced some minor changes in CET's operations. Performance standards have been tightened, and funding has decreased, reflecting the overall decrease in JTPA funds to the county.

Funding constraints have to some degree reduced the level of support services. CET has been able to meet the new JTPA standard requiring a higher proportion of youth participants but remains concerned that enrollees will require more support services and have lower placement rates. So far, however, the program has resisted major changes in intake policy and training approach.

CET's large multi-source funding has enabled the program in San Jose to survive and continue its mission when other community-based organizations have not. The program has increased fundraising from new sources and now shifts recruitment from one particular target group to another, depending on contract requirements for various funding sources.

The fact that CET can no longer draw upon participant stipends raises the possibility that there will be some fall-off in recruitment or outcomes. However, for many youths, the likelihood of placement once they complete the program will undoubtedly remain an important incentive to stay involved.

VI. Summary of Case Study Observations

As the previous discussion indicates, MDRC was able to gather a great deal of information about operating strategies, problems and successes of the five case study sites. The following highlights some of the key findings about issues of concern to all programs that serve dropouts:

- Target Group

  Dropouts who enter training and remediation programs are not homogeneous in background, motivation or needs. The five programs in the case study each attracted and served a different segment of the population. For example, EdCo works with a younger population still interested in attending school and motivated to earn a high school degree while acquiring work experience. At the other extreme, Jobs For the Future targets an older group of youths, many of whom dropped out but later earned a GED and who are now ready to begin a career. The particular part of the dropout population served strongly influences the types of services offered, and conversely, the types of services offered will influence who is attracted to the program.

  Program goals influence entry standards. JFF's goals require that it work with a more employable group, while CET's policies allow it to work with all who are motivated to attend. Similarly, performance standards influence the entry standards, and consequently, who is served.

- Influence of JTPA

  In sites supported by JTPA funding, the effects of the transition were not uniform, but depended to a great degree on the objectives of the SDAs and PICs administering the programs. In Boston, the SDA and PIC jointly decided to reserve a portion of funds for out-of-school youth programs, allowed remediation activities and encouraged long-term treatments. While performance standards were established in conformance with the law, they are not so stringent as to limit the target groups or treatment.

  The situation in New York City was different. Although programs for out-of-school youths were a major priority, opportunities for remediation services from the SDA's JTPA funds are limited. Performance standards are quite rigorous, leading to correspondingly high minimum entry standards.

- Funding

Publicly supported training programs, like private business organizations, have learned that to survive it is important to have a diversified, flexible funding base. The national studies of the effects of JTPA implementation on youth programs found that many programs that existed solely on CETA funding did not survive into the JTPA era. Many that were able to secure JTPA funds, but had no other funding base, were locked into target populations and program models that these funds dictated. BHRAGS, on the other hand, was able to continue to serve participants with lower skills by securing private foundation funds for an up-front remediation component. CET, especially, has been able to maintain its level of services and philosophy of no barriers to program entry through its large and diversified funding base. When some of the funds from certain grants were cut, CET mounted a successful fundraising effort to replace them.

Public school systems would appear to be amenable to funding educational activities in programs for dropouts. EdCo was able to secure funding for educational programs from the Boston public school system. The New York City system provides teachers and materials for the Bank Street Academy. Connelley receives a large share of its operating funds from the Pittsburgh system.

Programs that are required by their SDA to implement high minimum entry standards for training have obtained funds from foundations and JTPA 8 percent discretionary sources to establish remediation components that allow services to youths with lower skills levels.

- Remediation

Because dropouts enter programs with differing skill levels, needs and interests, the individualized open-entry, open-exit, competency-based approach used in four of the five programs would seem to offer many advantages. The new CCP system appears to be one such model that has considerable merit.

The experiences of CET and Connelley support integrating the remediation with the skills component. It would appear that the concurrent approaches are more likely to keep participants interested in the program and to reinforce vocational skills training. However, such integration is not always possible. In certain situations, such as at BHRAGS and BSA, skill levels of participants must be raised before they are admitted into a training component.

Programs allowing for more than one positive outcome for

remediation are in a better position to respond to the different situations of participants. EdCo and CET are able to direct youths either to high school degrees or to GEDs, depending on which is appropriate.

- Support Services

Dropouts tend to enter training programs with a number of problems that can impede their success, and it seems crucial for programs to identify and deal with them. However, support services are often viewed as the most expendable part of programs and are cut back or eliminated when funds are lost. The case study programs attempt to deal with the extra-program needs of participants in several ways. For example, in addition to counseling participants directly, JFF requires community-based organizations which refer youths to the program to continue to provide support services. CET forms a support team from all components of the program in which the youth participates. In addition to any particular arrangements for support services, a caring attitude on the part of staff seems to be a very important part of these programs.

- Support Payments

No program in the case study offers the type of minimum wage support payments that were common in CETA. Many program staff found that these confused motivation and encouraged youths to remain in a program after they no longer needed it. However, program staff favor some type of support payment or income opportunity to allow youths to participate. The loss of such payments seems to be partly behind the difficulty BHRAGS and Connelley are having in attracting youths.

There is, however, no unanimity among the case study staff on the specific method of payment or amount needed for support payments. EdCo has been satisfied with the use of part-time employment, which provides income and teaches youths about the demands of work. Job Corps programs have used incentive payments which increase over time as youths remain in programs or achieve certain competencies. Since JTPA has virtually eliminated payments beyond small needs-based ones, it is necessary to identify other funding sources to provide them.

- Training and Job Placement

The capacity to guarantee a job to successful trainees is one of the most important qualities for a program to cultivate. Such a guarantee offers youths a prime reason to enroll and attend. On this point, the experience of CET and JFF can be contrasted to that of Connelley and BHRAGS. Placements are certainly helped if a program operates in a strong local

economy. Moreover, programs targeted to more skilled participants are likely to find it easier to place completers. But careful selection of occupations for training, comprehensive training strategies and good job development can also improve a program's placement record.

VII. Conclusion

MDRC began the JOBSTART demonstration with a belief that it was vitally important to identify program models that could move dropouts into the labor market and help them stay there. Past research suggested that such programs ought to provide comprehensive services and be sufficiently long to allow youths to upgrade their skills and surmount other major obstacles to employment. There remained, however, a number of questions about the feasibility of such an approach, especially in the current funding environment. The pilot phase -- involving observations of the five case study sites and conversations and meetings with representatives of other programs, SDAs and PICs -- has given MDRC a sound basis for concluding that it is indeed feasible to go forward with the demonstration.

First, the case study observations allowed MDRC to make a kind of "reality check" on the JOBSTART model. While the effectiveness of any particular operating program feature would naturally have to be established through evaluation, the observations suggest that features recommended for JOBSTART are not merely academic formulations, but have a valid place in operating programs.

For example, the observations indicate that supportive services cannot be considered an "extra" for this target group, but are critical to motivation and progress. They also suggest that individualized competency-based education is a promising approach, working better perhaps than more traditional methods of training. A third insight is that some form of financial or income support is highly desirable for this target group. A final observation is that while it is difficult to implement good skills training, it is worthwhile to try, because skills training is so central to

the needs of dropouts.

Beyond such specifics, the case study observations taken as a whole -- and in conjunction with MDRC's other discussions and observations during the pilot phase -- indicate that the JTPA environment does offer opportunities for working with dropouts. Program operators at the case study sites recognized the value of comprehensive services for school dropouts, and many of these services, including academic remediation and occupational skills training, can be supported with JTPA funding. While this report found the case study sites responding and adjusting to a number of pressures, the overall impression that emerged is one of programs that have managed to continue to provide meaningful services to this population. It is expected that as the JTPA system matures and stabilizes, more State Councils, PICs, and SDAs will become receptive and adept at capitalizing on the opportunities in JTPA for serving at-risk populations, including school dropouts, more effectively.

Pilot sites have found it advantageous to supplement their basic JTPA training funds with other, more flexible resources. Such supplements have helped support educational activities, lengthen training time, enrich services and offer financial support to participants. The case study sites obtained funds or in-kind services from foundations, the JTPA 8 percent discretionary source, and local, federal and state sources of support for education. Without such funds, they would have found it difficult to operate the programs they did. However, the fact that the programs were able to leverage such funding indicates that there continue to be resources available for serving at-risk populations.

Another reason to proceed with the JOBSTART model is the generally

positive reaction it elicited from many state Job Training Coordinating Councils, SDAs and PICs during the pilot phase. Also, MDRC has noted that in some states certain SDAs have already committed themselves to serving more at-risk groups. These kinds of responses signify an acknowledgment that, after more than a year of JTPA experience, groups like dropouts need to be served. The new employment and training system contains the provision for doing so and for special efforts to be made to ensure hard-to-employ groups are not overlooked. The JOBSTART approach provides an opportunity to move the system more decisively in this direction.

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