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ABSTRACT

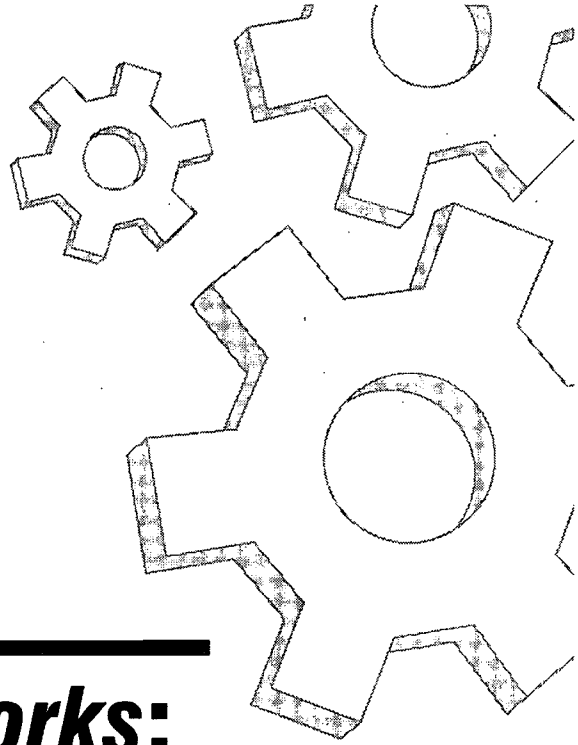
The federal policy shift from skills training and toward work first strategies has come about, in part, from a misconception that "training does not work." A more comprehensive look at existing research reveals the documented effectiveness of skills training. A growing number of studies have shown skills training can increase earnings; improve access to employer-paid benefits; and increase steady work. In addition, a closer reading of the often-referenced major evaluations reveals they documented effective outcomes for training, but those results have been overlooked. The evaluations have identified numerous programs in which pre-employment training significantly improved employment outcomes for low-income adults. Such results have often been missed or misinterpreted because occupational training was not distinguished from other types of education; the most successful programs made substantial use of training, but that fact was overshadowed by their additional emphasis on employment; and the evaluations did not focus on individual effective practices. To create more effective welfare and workforce development policies, policymakers should acknowledge outcome studies other than government-sponsored national evaluations; sponsor national evaluations focusing specifically on occupational skills training; consult or sponsor new "effective practice" studies focusing on individual model programs; and talk to local experts from the field. (Appendixes include descriptions of studies featured in the paper and 39 endnotes.) (YLB)

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Skills Training *Works*:

EXAMINING THE EVIDENCE

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September 2002



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The Workforce Alliance (TWA) is a national coalition of experienced leaders from the field of workforce development—*local training providers* (community-based organizations, community colleges, unions), *local business leaders*, and *local public officials*—who advise policymakers on “what works” in preparing people for jobs. TWA advocates for more effective federal policies that will help more workers get the skills they need to advance, and help more American businesses get the skilled workers they need to compete in today’s economy. The Workforce Alliance is based in Washington, D.C.

Chicago Jobs Council (CJC) is a city-wide coalition of community-based training organizations, advocacy groups, businesses and individuals working to ensure access to employment and career advancement opportunities for individuals living in poverty. Through advocacy, applied research and public education, CJC helps to improve public policies and programs designed to move people into the workforce. Chicago Jobs Council is based in Chicago, Illinois.

Women Employed Institute is an affiliate of Women Employed, a 30-year-old organization dedicated to women’s economic advancement. It is a nationally recognized leader in promoting equal opportunity and fair workplace practices, expanding access to high-quality workforce development and educational programs, and developing strategies to enable low-income women to advance to self-sufficiency. Women Employed Institute is based in Chicago, Illinois.

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EXECUTIVE SUMMARY

In spite of public consensus that education and training lead to economic advancement, recent federal policies have made it harder for low-income Americans to get the education and training they need to succeed in today's economy.

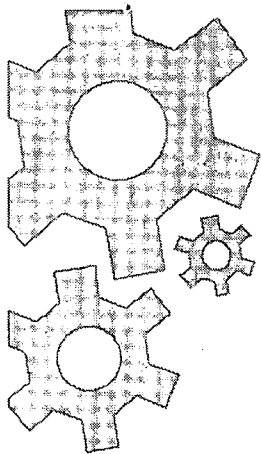
A number of recent federal policies, like the 1996 law that established the *Temporary Assistance for Needy Families (TANF)* welfare program, have in different ways adopted a "work first" approach that encourages or requires low-income adults to find employment immediately, rather than allowing them first to develop skills that might lead to better jobs with family-sustaining wages and benefits, and opportunities for steady work and advancement.

This policy shift away from skills training and toward work first strategies has come about, in part, from a misconception that "training does not work."

Many policymakers have heard that government-sponsored research—such as the *National Job Training Partnership Act (JTPA) Study*, the *Greater Avenues to Independence (GAIN) Evaluation* and the *National Evaluation of Welfare-to-Work Strategies (NEWWS)*—shows that low-income adults who receive training do no better in the job market than people who do not receive such services, or who receive only the less expensive job search assistance typical of many work first strategies.

In fact, a more comprehensive look at the existing research reveals the documented effectiveness of skills training. A growing number of studies have shown that:

- **Skills training can increase earnings.** Recent studies of training programs serving low-income adults have documented annual earnings impacts of anywhere from 10 percent to 156 percent beyond what similar job seekers had been able to gain without training or with job search services only. Many of these increases were the result of access to jobs with higher hourly wages, as well as increases in the number of work hours available to them.
- **Skills training can improve access to employer-paid benefits.** Several studies have shown that low-income participants in skills training stand a better chance of getting jobs with benefits



(e.g., employer-provided healthcare, retirement plans and paid leave) than do non-participants, or than they themselves were able to access prior to training.

- **Skills training can increase steady work.** According to several studies, training graduates worked more regularly than they had prior to receiving training, or more consistently than individuals who did not receive training.

In addition, a closer reading of the often-referenced major evaluations reveals they also documented effective outcomes for training, but those results have been overlooked.

Far from dismissing training, the often-cited evaluations identified numerous programs in which pre-employment training significantly improved employment outcomes for low-income adults. Unfortunately, such results have often been missed or misinterpreted because:

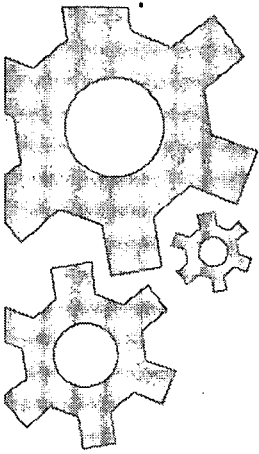
- **Occupational training was not distinguished from other types of education.** The evaluations did not distinguish between occupational training and other types of education (e.g., literacy or GED classes) that were not designed to achieve immediate employment outcomes. As a result, different approaches were lumped together under the same “education-focused” category, thereby obscuring the employment emphases and gains attributable to occupational training strategies.
- **The most successful programs actually made substantial use of training, but that fact was overshadowed by their additional emphasis on employment.** The most successful evaluated welfare-to-work strategies used occupational training as one of a “mix” of services available to welfare recipients. But because such mixed strategies also emphasized employment, some work first proponents interpreted their success as an argument against training-based approaches—even though training was a key element to the “mixed” strategies’ success.
- **The evaluations did not focus on individual “effective practices.”** These evaluations sometimes measured the average impact of a number of individual training programs that were likely quite different in the particular strategies they used (e.g., curricula, connection to employers and targeted industries) to move people into local jobs. As a result, although there were some dramatically different outcomes across the surveyed programs, these evaluations were not set up to identify what specific practices qualitatively distinguished the effective training programs from the ineffective ones. Furthermore, good outcomes were averaged with poor outcomes, thereby producing a conclusion of negligible impact.

To create more effective welfare and workforce development policies, policymakers should develop a broader base of information about what works in helping low-income Americans succeed in today's job market.

Policymakers are right to inquire about what works as they develop policies to help low-income Americans become economically self-sufficient. To that end, beyond continuing to make use of government-sponsored national evaluations as one means to assess policy options, they should:

- **Acknowledge other outcome studies.** Many smaller-scale evaluations have yielded impressive findings on earnings gains, benefit receipt and employment stability.
- **Sponsor new national evaluations that specifically focus on occupational skills training.** National evaluations should isolate the effects of skills training, distinguish between education and training, and identify practice issues that influence program success.
- **Consult or sponsor new “effective practice” studies that focus on individual model programs.** The lessons learned from this literature move beyond identifying what programs work, to revealing why they work and how they might be replicated.
- **Talk to local experts from the field.** Local employers, training providers and public officials can share important perspectives about what works in particular local areas to help workers and businesses meet their skills needs.





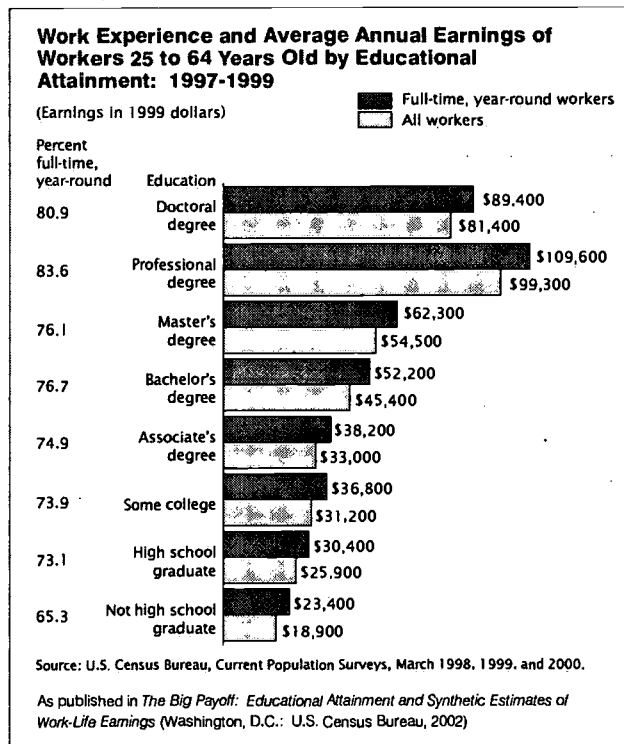
Why is training not central to Washington's agenda for low-income Americans?

Welfare reform and other federal policies directed toward low-income Americans can prompt some heated debate among policymakers in Washington, D.C. But those public disagreements have obscured an area of emerging common ground among leaders from both sides of the political aisle: a primary goal of such federal policies should be to help low-income Americans become less reliant on public assistance by increasing their access to jobs with wages and benefits that can support a family.

The American public has long supported such a goal. What's more, there is clear popular consensus about what the federal government should be doing to pursue that goal: *investing in work-connected education and training that will help low-income adults succeed in today's labor market.*¹ Americans recognize that to get a decent job in today's economy, one must first develop the 21st century skills valued by employers.

Decade after decade, the U.S. Census bears out the common sense fact that those Americans who increase their skill levels ultimately earn more income.²

But it is on this point that some federal policymakers have recently distanced themselves from the public consensus. Over the past several years, federal policies for low-income Americans have taken an *anti-training* stance, led by "work first" proponents who believe that the path to economic self-sufficiency is best pursued by getting low-income adults into jobs as quickly as possible, rather than allowing them to first develop occupational skills that can help them land a skilled position. The work first approach underpinned the 1996 welfare reform law that created the *Temporary Assistance for Needy Families* program, and it has been evident in local implementations of the federal *Workforce Investment Act* of 1998.



reform law that created the *Temporary Assistance for Needy Families* program, and it has been evident in local implementations of the federal *Workforce Investment Act* of 1998.

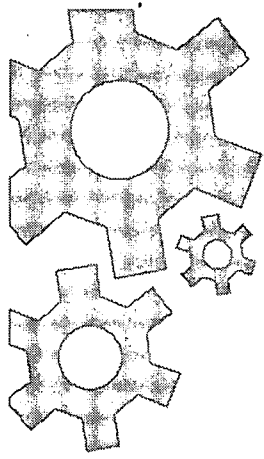
Differing interpretations of the research on skills training

When asked why they favor quick placement strategies over skill-building for low-income Americans, advocates of work first often respond that the research has shown that federally-supported training programs have not been effective in getting people into jobs or onto career paths. In fact, they say, several major evaluations of federal workforce development and welfare-to-work programs demonstrate that low-income adults who receive training do no better in accessing employment or increasing earnings than do low-income adults who do not receive such services, or who, otherwise, receive less expensive job search assistance that helps them to move into any job as quickly as possible.

Federal policymakers are right to look to research to help them make informed decisions about how to invest federal dollars in proven, effective strategies that will help low-income Americans succeed in the economy. However, when it comes to *occupational skills training*—i.e., training that provides job-specific technical skills to prepare an individual for entry or advancement within a targeted occupation—many Washington policymakers and opinion-makers do not have a full picture of what is working, and what is not, in local labor markets throughout the country. This is the case for several reasons:

- **The findings of often-cited major evaluations have been misinterpreted as arguing against training**, when in fact these studies provide substantial evidence of the effective use of skill-building to advance low-income adults' economic prospects.
- **Little attention has been paid to the numerous state- or program-level outcome studies** that have shown significant, training-generated employment and earnings gains for low-income adults that outpace those of other workforce attachment strategies.
- **The growing literature on “effective practices” within the workforce development field is not yet well known.** This literature documents how well-designed occupational skills training programs can bring substantial benefits not only to low-income job seekers, but also to local industries desperate for skilled workers.

The following offers some snapshots of the evidence missing from the Washington debate about whether or not training works. While not claiming that skills training works in all circumstances for all low-income workers, this paper seeks to raise awareness of the wealth of information that is already out there about effective local skill-building strategies. Policymakers are encouraged to consult this broader base of research, and successful workforce development practitioners themselves, to find out what really has worked in helping poor families ascend the economic ladder.



Studies showing the benefits of skills training

There are a number of studies documenting how occupational training has helped low-income adults significantly improve their employment and earnings in the labor market. Some of these studies are “before-and-after” comparisons of trainees’ employment prospects prior to and after training. Others are “head-to-head” comparisons measuring the achievements of job training participants against those of other low-income adults who did not receive services, or who received only job search assistance. A quick scan of some of these studies shows that skills training can increase earnings, improve access to jobs with employer-provided benefits, and increase steady work.

1. Skills training can increase earnings.

A number of studies show that skills training can increase low-income adults’ earnings by increasing their access to skilled occupations with higher wages, or to jobs with more hours or lower turnover.

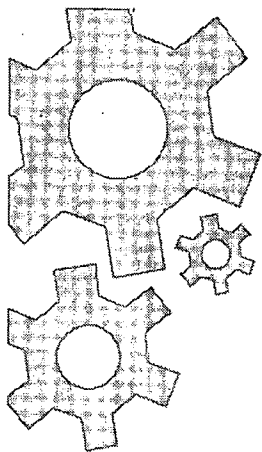
- **Project QUEST:** A 1996 Massachusetts Institute of Technology study of Project QUEST—which works with local community colleges to develop a number of industry-specific occupational training programs for low-income San Antonio residents—estimated that graduates’ wages increased by between 23 percent and 40 percent an hour compared to what they earned on their last job before entering the program. Project QUEST participants also increased the number of hours they worked per week, contributing to an estimated increase in earnings of between \$4,923 and \$7,457 a year.³
- **Center for Employment Training (CET):** In a 1993 study, clients of the San Jose-based Center for Employment Training (CET)—which trained low-income, primarily Latino job seekers for skilled jobs in local “demand” industries—enjoyed, over their first two and a half years after graduation, 45 percent greater earnings than similar local job seekers not enrolled in the program. These earnings gains came from both increased hourly wages and increased hours worked per week. CET graduates who, in addition to job training, had also received a high school diploma or GED continued to enjoy income gains a full five years after leaving CET.⁴
- **Sectoral Employment Programs⁵:** Low-income adults participating in six industry-specific “sectoral” training and employment programs studied by the Aspen Institute enjoyed substantial earnings increases relative to their earnings prior to engagement in the program. For those participants who were new to the industry and who reported earnings before and after the

program, average earnings increased from \$7,895 to \$20,184 after 2 years—a 156 percent increase. This increase was partly attributable to participants entering skilled, higher wage jobs. Wages in this group's primary job post-training were on average 47 percent higher than those commanded before completing the occupational training programs.⁶

An ongoing study by Public/Private Ventures is looking at more recently established sector-specific employment and training programs. While younger, in general, than the programs featured in the Aspen study, some of the sites examined by Public/Private Ventures were already showing positive impacts on the earnings of their graduates—raising participants' hourly wages at placement, on average, 21 percent over what they had earned before enrollment.⁷

Examples of these studied sectoral programs include Garment Industry Development Corporation/UNITE in New York City (needle trades); Focus HOPE in Detroit (metalworking); Jane Addams Resource Corporation in Chicago (metalworking); Paraprofessional Healthcare Institute/Cooperative Home Care Associates in the South Bronx; Project QUEST in San Antonio (healthcare and business services); Training, Inc. in Newark (information technology); WIRE-Net in Cleveland (metalworking); and Good Faith Fund in Arkansas (healthcare).

- **Wisconsin Regional Training Partnership/Milwaukee Jobs Initiative:** As part of the Annie E. Casey Foundation's Jobs Initiative, the Wisconsin Regional Training Partnership—a non-profit association of more than 100 unions and employers—provided occupation-specific training in manufacturing to low-income Milwaukee residents. Average post-placement wages for training participants were 33 percent higher than their average wages prior to enrollment in training.⁸
- **Portland JOBS Program:** As documented in the recent *National Evaluation of Welfare to Work Strategies* (NEWWS), welfare recipients enrolled in the Portland JOBS program—which assigned about half of its participants to education and training activities—earned nearly 25 percent more over a five year period than comparable individuals who were not enrolled in program services. As such, Portland's program demonstrated the greatest earnings impacts among the 11 welfare-to-work programs surveyed by NEWWS. It was also the only program in the NEWWS evaluation that increased the proportion of high school non-graduates who received a trade license or certificate, or a post-secondary education credential, in addition to a GED.⁹



- **Washington's WorkFirst Program:** A 2001 study of Washington state's "WorkFirst Program" found that welfare recipients who completed "Pre-Employment Training"—a 12-week occupational training program that prepared people for specific jobs—earned an estimated \$864 more per quarter (the equivalent of \$3,456 more per year) than they would have without such training. By contrast, those WorkFirst clients who only engaged in job search activities, or who participated in a 12-week unpaid "work experience" placement, saw no substantial earnings gains.¹⁰
- **Baltimore Options Program:** In a 1995 study of four public welfare-to-work strategies, the Baltimore Options program, which allowed participants to attend education and training as an initial activity, showed greater long-term earnings impacts than the other three programs, which referred almost all participants to job search as a first activity. In the program's fifth year, Baltimore Options participants earned 9.8 percent more than did Baltimore welfare recipients who had not been part of the program.¹¹
- **Colorado Works Program:** A 2001 study of various strategies implemented under the Colorado Works welfare-to-work program found that occupational skills training graduates were the only participants to experience "sizable earnings growth" in the year after exit from the program, compared to recipients of all other provided services (e.g., job search, immediate subsidized or unsubsidized employment, work experience, or GED-only education).¹²
- **Minnesota's Pathways Program:** A two-year study by the National Results Council documented that welfare recipients who graduated from the "Pathways" program—a customized training program developed in partnership with local businesses and community technical colleges—earned 19 percent higher hourly wages and 28 percent more weekly income, than did those Minnesotans served by the Work in Progress (WIP) program, which provided only job search and supportive services. Even when controlling for potential differences between the two client groups, the University of Minnesota determined that Pathways training helped graduates command at least \$1.00 per hour more upon initial entry into the workforce. Furthermore, after one year, only 29 percent of Pathways graduates were still receiving some form of public assistance to supplement their incomes, as compared to 47 percent of WIP clients.¹³
- **CalWORKS Community College Program:** A 2002 study of California's college-based education programs for welfare recipients revealed the substantial impact that post-secondary education and training had on annual earnings. CalWORKS vocational students employed year-round in their last year in college saw their median annual earnings increase by 78 percent

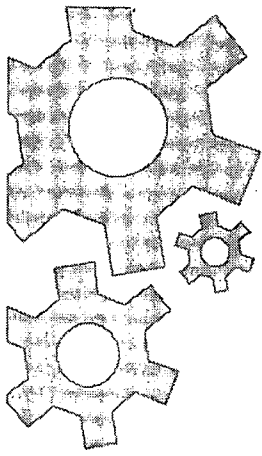
in the year after they left college. Evidence presented in the same study about earnings growth for welfare recipients was also impressive. Welfare recipients enrolled in California colleges' vocational programs in the mid-1990s saw their median annual earnings increase by 40 percent between their first and third years out of college.¹⁴

- **Maine's Parents as Scholars Program:** While not an occupational training program *per se*, Maine's Parents as Scholars (PaS) program demonstrates the role that post-secondary education can play within a long-term employment strategy for welfare-to-work clients. In an effort to maintain educational opportunities for its TANF recipients after the passage of federal welfare reform, Maine established PaS to support the household needs of qualified welfare recipients while they completed a two- or four-year degree, and thereafter provided them with job search and placement assistance. A 2002 study found that PaS graduates increased their wages from a median \$8.00 per hour before college to \$11.71 per hour immediately after college—a 46 percent increase. By comparison, welfare leavers in Maine without a post-secondary degree earned a median wage of \$7.50 per hour.¹⁵

2. Skills training can improve access to jobs with employer-paid benefits.

Access to health insurance and other employer-paid benefits is another important component of low-income individuals' ability to achieve self-sufficiency. Such benefits not only increase workers' real compensation, but also provide a safety net that helps low-income employees stay employed longer, because they do not need to leave a job to access public benefits to help them through an emergency.¹⁶ A number of studies have shown how training has increased low-income adults' prospects of finding jobs with such benefits.

- **Annie E. Casey Foundation Jobs Initiative:** Analyses of barriers, training and service interventions, and employment outcomes conducted to date by Abt Associates, Inc. for the Evaluation of the Annie E. Casey Foundation Jobs Initiative have demonstrated that vocational training was associated with increased access to jobs offering employer-sponsored health-care benefits. In fact, 89 percent of participants who were offered vocational training found jobs that provided employer-sponsored benefits—14 percentage points higher than the rate for participants who were placed directly into jobs without first being offered vocational training.¹⁷
- **Portland JOBS Program:** Two years after placement, 49 percent of Portland's program participants were working in jobs that provided health insurance—six percentage points higher



than the benefits rate for the best scoring job search program in the NEWWS study.¹⁸ Greater initial access to health insurance in the immediate years after placement was likely an important factor in keeping these workers employed.

- **Aspen Institute Sectoral Study:** Among Aspen Institute study participants who were new to the industry for which they were trained, 77 percent had jobs with health benefits after 24 months. By contrast, only 36 percent of these participants could find jobs that provided access to health insurance before they had been trained for skilled occupations. Furthermore, 58 percent of sectoral training participants had secured employer-sponsored retirement benefits, compared to 17 percent prior to training.¹⁹
- **Maine's Parents as Scholars Program:** Approximately 71 percent of graduates of Maine's Parents as Scholars program take advantage of employer-sponsored health insurance. By contrast, only 56 percent of all welfare leavers without a post-secondary degree in Maine are even offered such insurance. A similar pattern holds true for other benefits—61 percent of Parents as Scholars participants receive paid sick leave compared to 37 percent of recipients who left welfare without a post-secondary degree.²⁰

3. Skills training can increase access to steady work.

Participants in work first programs tend to get and lose jobs quickly.²¹ Work first clients initially work sooner and for more hours per week than do low-income adults enrolled in full- or part-time training programs. However, over time, work first clients tend to cycle in and out of employment more than training recipients, who stand a better chance of obtaining higher-paying jobs with benefits that help them stay employed. A number of studies have shown how training recipients enjoy better prospects for steady employment relative to other low-income job seekers.

- **CalWORKS Community College Program:** CalWORKS clients exiting college-based vocational education in 1999-2000 worked more steadily in the year after they left college than they did in the year before college exit, increasing their four-quarter work records from 54 percent to 67 percent. There is evidence that trained welfare recipients work more steadily during the years after college exit. Among welfare recipients enrolled in vocational programs at California colleges in the mid-1990s, the proportion working in all four quarters increased from 66 percent to 77 percent between their first and third years out of college.²²

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- **Aspen Institute Sectoral Study:** Among sectoral training participants who were new to their occupations, 69 percent were working year-round a full two years after completing their training, compared to only 16 percent before training.²³
 - **Portland JOBS Program:** The Portland JOBS program—which provided substantial initial access to education and training—increased employment stability more than the 10 other welfare-to-work programs with which it was compared in the NEWWS evaluation. NEWWS defined employment stability as being employed for at least 75 percent of the quarters in the third, fourth and fifth years after completing the program. By this definition, employment stability among Portland's participants exceeded that among low-income individuals who did not receive program services by 7.5 percentage points.²⁴
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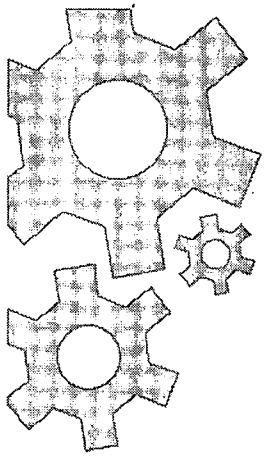
These studies are just a sample of the evidence documenting skills training's effectiveness in helping low-income adults enter skilled jobs that offer better pay, benefits and stability than they could have found without such training, or with only job search assistance. Again, the research confirms the common sense notion that "skills pay," and that those who want to succeed in the job market improve their chances considerably by enrolling in quality education or training programs that will give them the occupational skills demanded by employers.

At times, national policymakers from both ends of the political spectrum have affirmed this concept. For example, in 1995 the U.S. Department of Labor under President Clinton released its own evaluation of skills training strategies, entitled *What's Working (and what's not)*. Then-Secretary of Labor Robert Reich summarized the report's conclusions when he stated:

"Education and training—while not, on their own, a full remedy to the declining real wages of working Americans—should be a key part of any solution. The accumulated evidence clearly shows that many education and training programs do produce sizable benefits for their participants, and these benefits are often greater than the costs invested to produce them."²⁵

More recently, in June 2001, at the U.S. Department of Labor's "Summit on the 21st Century Workforce," President George W. Bush similarly touted the need for the federal government to invest in the skills of America's workers:

"Our responsibilities are clear: we should try to make it easier for people to find good jobs by giving them the education and training they need to succeed. ... As you well know, a successful working life usually begins with a good education. This has always been true. But it's even more true as our economy changes."²⁶



Why do we have policies based on the idea that “training doesn’t work”?

As illustrated above, a wide range of studies has shown that occupational skills training works for low-income adults and their families. The American public agrees with that conclusion, and national policymakers have also spoken out in its support. Why, then, have recent federal welfare and workforce development policies taken such a pronounced step away from expanding training options for low-income adults, and toward work first strategies?

Some of the answer is political. But another factor has been policymakers' understanding of a few major studies of employment and training programs for low-income individuals and welfare recipients, including:

- **the National Job Training Partnership Act (JTPA) Study**,²⁷ funded by the U.S. Department of Labor and released in the early 1990s;
- **the California Greater Avenues to Independence (GAIN) Evaluation**,²⁸ sponsored by the California Department of Social Services and the U.S. Department of Health and Human Services, released in 1994; and
- **the National Evaluation of Welfare-to-Work Strategies (NEWWS)**,²⁹ funded by the U.S. Department of Health and Human Services and the U.S. Department of Education, released in December 2001.

These studies have been interpreted to show that low-income job seekers who received “training” under federal welfare or workforce development programs have fared no better in accessing jobs or increasing earnings than similar individuals who did not receive such training services, or who received only job search assistance. Such was the conclusion that the Bush Administration's Department of Health and Human Services implied in its November 2001 press release about the recently completed NEWWS evaluation:

“The National Evaluation of Welfare-to-Work Strategies is a comprehensive study ... [that] compared the effects of two strategies to assist welfare recipients make the move to self-sufficiency: 1) programs that emphasize short-term job search assistance and encourage people to find employment quickly ... ; and 2) programs that emphasize basic education and skill-building activities. ... The study found that the basic education and skill-building approach, which is more expensive to administer,

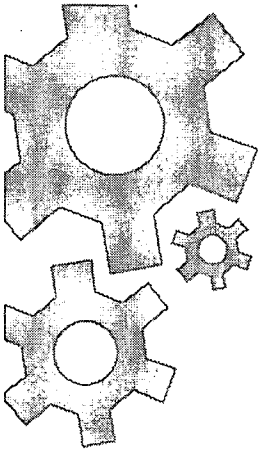
did not produce added economic benefits for clients. Moreover, the early employment approach moved welfare recipients into jobs more quickly than did the training approach and was less expensive to operate.”³⁰

But the quick assessment allowed by a press release—while useful for those who want to use such studies to bolster a political argument—does not provide a full picture of just what major evaluations like NEWWS have actually shown about the effectiveness of skill-building activities. In fact, in some cases the researchers themselves have felt compelled to publicly challenge those who have used their studies to argue that training does not work. For example, principals from the *Manpower Demonstration Research Corporation* (which conducted the JTPA, GAIN and NEWWS studies) have argued, in the *Washington Post* and elsewhere, that their welfare-to-work studies are being misinterpreted by work first proponents:

“While well-run job search programs are a key component of success, the research that has been done on the subject warns against taking this idea to its extreme. The concept of skill-enhancement was not wrong; it's just not for everyone, and it was being done in a way that was too far removed from the labor market. The most successful programs our organization has studied have used balanced approaches that emphasized the importance of getting a job quickly, but understood that some recipients need more than just a resume and a push.”³¹ (August 1998)

“... the pendulum has swung too far. TANF's focus on employment is well-placed, but does not encourage states to maximize the payoff that education and training can have.”³² (April 2002)

Rather than dismissing education and training, the studies in fact revealed that the most successful strategies employed education and training as one of several strategic options to help low-income adults enter and advance within the labor market.



What do these major evaluations tell us about skills training?

A number of factors explain how people could have misread the JTPA, GAIN and NEWWS studies to conclude that work first strategies hold more promise than skills-building programs:

1. These major studies were never intended to assess occupational training specifically.

Many readers interpreted these studies as direct comparisons of job training and job search, but they were not. Rather, the studies looked at programs utilizing a variety of approaches, including job training, job search, work experience, basic education and various combinations thereof. Researchers, however, often tried to categorize programs as either “employment-focused” or “education-focused.”

Such categorizations created an unnecessary and in many cases incorrect dichotomy between “education” strategies and “employment” goals. But they also obscured some important differences among strategies within each of the categories. For example, in the NEWWS study, the education-focused sites primarily provided adult basic education (e.g., basic literacy, ESL or GED classes)—a set of services that are often designed without specific employment objectives. As such, they would be expected to have different impacts on employment and earnings from occupational skills training, which is expressly designed to prepare an individual to perform the tasks required on a specific job. (In fact, in a separate and less visible study, the NEWWS researchers did discover impressive earnings impacts when training and higher education were isolated: high school non-graduates who participated in basic education followed by post-secondary training or education earned 47 percent more over three years than those who participated in basic education alone).³³

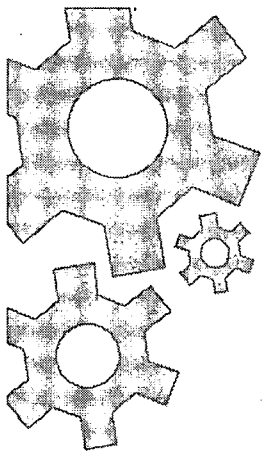
When studies failed to distinguish between occupational training and other education services, they effectively averaged employment outcomes across all such education-focused programs. These blended results, in which adult basic education’s lower employment outcomes weighed heavily, thus prevented a clear assessment of the particular employment-related effectiveness of occupational skills training.

2. The most successful “employment-focused” programs actually made substantial use of education and training.

In a number of studies, the most successful welfare-to-work programs offered substantial education and training opportunities as part of a mix of services immediately available to individual clients, based on their specific needs. Yet such “mixed” strategies were more likely to be categorized as “employment-focused,” because of their orientation toward moving clients into jobs, regardless of the fact that they made frequent use of education and training to help clients prepare for the labor market.

- For example, in the GAIN study, the most successful site—Riverside County—was touted as a model work first strategy. Yet, much of Riverside’s success was attributable to the fact that 60 percent of its participants received education and training as part of their plan for entering the job market—a practice that made the program look quite different from what is now characterized as “work first.”³⁴ Interestingly, after the GAIN evaluation, the Riverside program changed, and many fewer people attended education and training. Subsequently, the NEWWS evaluation showed that the newer Riverside program was much less effective than the older model that employed a mixed strategy of both employment and training services.³⁵
- Similarly, NEWWS researchers placed Portland JOBS—the study’s most successful site—into their broad “employment-focused” category, sending a signal to some that Portland emphasized quick job placement to the exclusion of skills development for its clients. However, like Riverside, Portland also provided significant pre-employment education and training opportunities to participants—including occupational training, often developed in partnership with local community colleges.³⁶ The combination of basic education and training typically lasted about a year, and allowed Portland’s JOBS clients to enter skilled jobs with wages, benefits and stability that put the program significantly ahead of the other sites in the NEWWS evaluation.³⁷ However, toward the end of the NEWWS Evaluation, Portland’s program had to change considerably to meet the mandates of welfare reform. Program staff was urged to place fewer people into education and training, and to compress the duration of such assignments.³⁸

Both the GAIN and NEWWS evaluations thus demonstrated that welfare programs that provide participants with a mix of service options, *including education and training*, are more effective than programs that provide only job search services. Yet, these studies continue to be cited by work first proponents as proof of the strengths of their strategy and of the deficits of “education” approaches.



3. The major studies tended to average out results across a wide range of training programs, rather than identifying the effective practices that set high performers apart.

The JTPA study looked at 16 sites—all of which differed in terms of the contexts in which they operated, the particular strategies they employed, and, ultimately, the outcomes of their efforts. The estimated impacts of training on participant earnings varied a great deal across the sites—so much so that when low performing sites were averaged out with high performing sites, the overall impact of training was considered negligible.

However, the “negligible” outcome hid the fact that two-thirds of the JTPA sites showed training participants achieving higher earnings than non-participants, with more than a third of the sites achieving annual earnings increases of more than \$1,000 for women, and more than \$2000 for men. (The top sites showed increases of \$2,628 for women and \$5,310 for men). Yet, because the other third of the training programs actually had negative impacts on earnings, the gains of the successful programs were lost in the overall conclusion.³⁹

Clearly, the JTPA results confirmed that not every training program is effective. But the data also showed that some training programs were extremely effective in raising participants' incomes. Unfortunately, since the JTPA evaluation was not designed to assess the particular practices or strategies (e.g., curricula, targeted occupations or industries, nature of relationships with local employers, assessment or screening criteria, or program leadership) that led to programs' success, the study left readers with little sense of what *really worked* at those sites. Hence, the study not only led to the incorrect conclusion by some that nothing was working—when clearly some training programs worked well—but also yielded little information about *why* some training programs worked better than others.



Recommendations for better informed federal policy

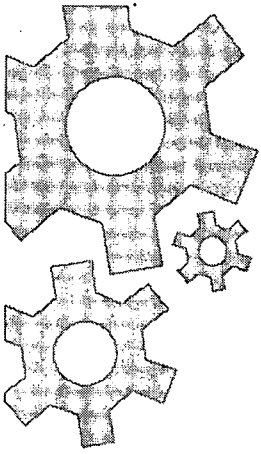
National policymakers should invest federal dollars in proven strategies that have shown real results in helping low-income Americans to enter and advance in the labor market. But to do so, policymakers need a fuller, more detailed picture of the workforce development field than can be offered by a few major evaluations that, in the end, were never intended to document effective practices—particularly those effective practices that have made use of industry-connected occupational skills training strategies.

Furthermore, a closer analysis of these major evaluations reveals that the “either-or” choice framed by the Washington debate over welfare reform—i.e., between “employment-focused” and “education-focused” approaches—is a false dichotomy not borne out by the *actual practice* of the most successful welfare-to-work programs. Rather than being either 100 percent “training-” or “work-” focused, the best strategies have often drawn flexibly from a mix of these two approaches, and in many cases *make education and training an immediately available option* for job seekers who have been assessed to need new skills to match the particular demands of their local labor markets.

Such are the nuances from the research that need to be clarified before national policymakers can create truly informed federal welfare and workforce development policies. To that end, we offer the following recommendations to help build the federal government’s knowledge about “what works” in helping low-income Americans move toward economic self-sufficiency:

1. Acknowledge other outcome studies beyond the often-referenced major evaluations.

While major evaluations, such as JTPA, GAIN and NEWWS, receive the lion’s share of attention from policymakers because of their scale and visibility, a number of smaller-scale state- or program-level studies have focused on one or several programs, and have revealed impressive outcomes and important lessons for the field. (A number of those studies are referenced in the first section of this paper.) Many of these outcome studies have focused on the effects of occupational skills training that is employer-linked and designed to respond to emerging needs within particular industries, or that addresses the challenges faced by specific populations of job seekers and low-income workers. Policymakers should become familiar with the detailed lessons that such focused studies can provide, and should use these lessons to complement what they learn from generalized results of major evaluations.



2. Request national evaluations that focus on occupational skills training.

As one prong in a multi-pronged strategy for learning about the effectiveness of skills training, the federal government should continue to fund large-scale evaluations. However, to determine what particular role skills training might play in future federal policy, policymakers should commission research that actually studies the impacts of work-connected occupational skills training in a manner not attempted by earlier major evaluations. Such studies should be structured so as to:

- **Isolate the effects of skills training.** Experimental studies should look at skills training independent of other service components, making it possible to discern what particular effect skills training has relative to other services.
- **Distinguish among different types of education and training, not all of which are necessarily geared toward immediate employability.** In particular, studies should clearly delineate occupational training strategies, which aim to place graduates in specific jobs, from more general “adult basic education” approaches that are intended to raise basic skills, but may or may not have been designed to have specific employment outcomes.
- **Identify the practice issues that influence program success.** Design evaluations so that they yield lessons for practitioners and policymakers, going beyond identifying *which* programs are effective to probing *why* they are effective.

3. Consult or sponsor new studies on the “effective practices” of model programs.

There is a growing body of research emerging from the workforce development field that federal policymakers should use to begin expanding their understanding of what works in preparing low-income adults for today’s labor market. Such studies have been conceived with a different methodological intent than the large-scale, control group evaluations more typically commissioned by the federal government. As such, they offer a different type of data that can be used, in conjunction with national evaluations, to not only figure out *where* and to *what extent* things are working, but also *why* such strategies are successful in the first place, and *how* they can be adapted to assist job seekers and businesses in other parts of the country.

These model programs offer important lessons about:

- Creating strong linkages between training and job development;

- Targeting quality occupations in local industries with a demand for skilled labor;
- Offering a flexible array of services that includes, but is not limited to, occupational skills training; and
- Maintaining a dual focus on serving the needs of both job seekers and local employers in a manner that produces a “win-win” for both parties.

However, this effective practice research is still relatively limited in scope—in terms of geography, the range of analyzed industries, and the types of practitioner bases—because it has been developed primarily with the support of private sources, such as foundations. Federal funding for this type of in-depth, program-level research has been limited to date. Members of Congress, in particular, should be seeking more such studies, so they can learn about the effective practices currently being developed and implemented by business leaders, training providers and local public agencies within their own states or districts.

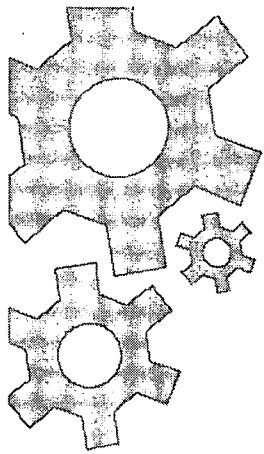
“Effective Practice” Research

To read more about innovations in skill-building for low-income workers, see the Appendix of this document. There you will find references to studies that have analyzed model training programs, including:

- City College of San Francisco (San Francisco, Calif.)
- Consortium for Worker Education (New York, N.Y.)
- Cooperative Home Care Associates/Paraprofessional Health-care Institute (Bronx, N.Y.)
- Las Vegas HERE 226 Culinary Union Training Center (Las Vegas, Nev.)
- Cuyahoga Community College (Cleveland, Ohio)
- Focus HOPE (Detroit, Mich.)
- Garment Industry Development Corporation (New York, N.Y.)
- Good Faith Fund (Pine Bluff, Ark.)
- Jane Addams Resource Corporation (Chicago, Ill.)
- Jewish Vocational Services (San Francisco, Calif.)
- LaGuardia Community College (Queens, N.Y.)
- Macomb Community College (North Macomb County, Mich.)
- Mission College (Santa Clara, Calif.)
- New York 1199 SEIU Employment Training and Job Security Program (New York, N.Y.)
- Philadelphia Hospital and Health Care - District 1199C Training and Upgrading Fund (Philadelphia, Pa.)
- Project QUEST (San Antonio, Texas)
- Seattle Jobs Initiative/Mayor’s Office of Economic Development (Seattle, Wash.)
- SFWorks/San Francisco Chamber of Commerce (San Francisco, Calif.)
- Shoreline Community College (Seattle, Wash.)
- STRIVE (New York, N.Y. and nation-wide)
- Training, Inc. (Newark, N.J. and nation-wide)
- Wildcat Service Corporation (New York, N.Y.)
- WIRE-Net (Cleveland, Ohio)
- Wisconsin Regional Training Partnership/Milwaukee Jobs Initiative (Milwaukee, Wis.)

4. Talk to the local “experts” from the field.

Research designed and conducted from Washington is a necessary element of establishing a knowledge base for federal policymakers. But if national officials—and particularly Members of Congress, who represent states and districts that vary dramatically in terms of local workforce needs—are going to have a clear picture of what is working and what is not in job training, they must talk with those on the ground, in their own districts and in others like them, who are dealing every day with local labor market challenges.



The Workforce Alliance is one of several national organizations with connections to such real-world experts from the workforce development field: local business leaders; local training providers and local public officials working together to meet the needs of local employers and job seekers. These stakeholders are keenly interested in making the best use of limited public dollars, and they recognize that well-designed skills training strategies provide one of the most effective uses of federal resources. Their hard-won lessons, learned in the trenches of local labor markets, could likewise add to policymakers' understanding of what works in helping low-income Americans join and add value to the American workforce.



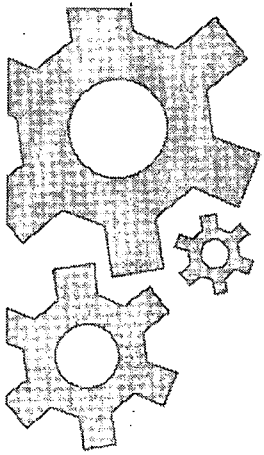
If “skills training works,” what policies should follow?

If federal policymakers heed the recommendations of this report, their consultations with new research and other available information about the effectiveness of skills training should yield some new directions in federal policy.

The Workforce Alliance (TWA) is a national organization founded expressly to advocate for improved federal policies that invest in “what works”—as documented both by research and by the experiences of local leaders from across the country—in order to help workers gain the skills they need to advance, and to help American businesses find the skilled workers they need to compete in today’s economy. To that end, in consultation with its network of leaders from the field of workforce development, the Alliance has developed the following **four principles of policy reform** to guide the necessary improvement of our nation’s welfare, job training and higher education programs:

- 1. Increase our nation’s investment in the skills of its workforce.** To meet the growing demand for skills by employers, we must make a greater federal investment in worker education and training at all levels of the labor market. We also need more effective public incentives to encourage employer investments in the upgrading of less-skilled employees.
- 2. Expand access to education and training for all workers.** We must change federal policies that have reduced skills training opportunities for low-income job seekers, and make publicly-supported education and training programs accessible to a broader range of working adults.
- 3. Measure policies by their success in developing self-sufficient workers.** Federal policies should identify as their primary goal moving all workers toward some level of employment-based economic self-sufficiency. The attainment of this long-term goal (versus welfare caseload reduction or short-term workforce attachment) should be the standard by which public welfare and workforce systems are funded, measured and assessed.
- 4. Promote and reward local innovation.** Local leaders should not be restricted by federal mandates (e.g., “work first”) that interfere with already successful strategies that prepare people to enter skilled jobs within local industries. Federal policies should define program beneficiaries and outcomes, but then allow local leaders the flexibility to develop their own methods to pursue those goals.

Guided by these principles, the Workforce Alliance has developed a number of specific recommendations for reform of individual welfare, job training and higher education policies. Those recommendations can be found at TWA’s website: www.workforcealliance.org.



APPENDIX

STUDIES FEATURED IN THE PAPER

Annie E. Casey Foundation Jobs Initiative

For its Jobs Initiative, initiated in 1996, the Annie E. Casey Foundation selected six sites in six cities to examine the outcomes of various labor market intervention strategies, which included an array of employment services for disadvantaged job seekers. The six cities with sites are: Philadelphia, Milwaukee, Seattle, St. Louis, New Orleans and Denver.
(www.aecf.org)

The Aspen Institute's Sectoral Employment Development Learning Project (SEDLP)

This 4.5-year project, completed in 2001, was an intensive learning evaluation of the outcomes, strategies and industry relationships of six leading sectoral programs. The six sectoral programs included: Asian Neighborhood Design in San Francisco (woodworking); Garment Industry Development Corporation in New York City (needle trades); Focus: HOPE in Detroit (precision machining and metalworking); Jane Addams Resource Corporation in Chicago (metalworking); Paraprofessional Healthcare in the South Bronx (healthcare); and Project QUEST in San Antonio (multiple industries, including healthcare and financial services). The project produced a series of research reports that highlighted the labor market outcomes of low-income participants of these projects both prior to receiving training, and one and two years following training. In its Sector Policy Papers, SEDLP benchmarked these participant findings against other studies of workforce development demonstration efforts. In addition, the project also produced separate monographs with in-depth analysis of each of the six programs.
(www.aspenwsi.org)

Credentials Count: How California's Community Colleges Help Parents Move from Welfare to Self-Sufficiency

This 2002 report, prepared by the California Community

Colleges Chancellor's Office for the Center for Law and Social Policy, provides an overview of the programs and services that California offers to public assistance recipients who are enrolled in college through the state's welfare-to-work program, CalWORKS. The report presents economic outcomes for two cohorts of students—one group that exited college in 1999-2000, and an earlier pre-CalWORKs Aid to Families with Dependent Children (AFDC) group that exited college in 1996-97. The study further breaks down results to show impacts for vocational education students.
(www.clasp.org)

The California Greater Avenues to Independence (GAIN) Evaluation

This study examined outcomes for 33,000 people who entered California's welfare programs in six counties between 1988 and 1990. Manpower Demonstration Research Corporation (MDRC) conducted this experimental study, which compared control and treatment groups. The GAIN results were very influential in the 1996 welfare reform act, which strongly emphasized work first over skills training. The study released reports after three and five years of follow-up. The GAIN study reported particularly large impacts in one county, Riverside, which provided mixed initial services (some participants were assigned to job search, others to education and training) with a very strong employment focus.
(www.mdrc.org)

Evaluation of the Colorado Works Program

In this third annual report on Colorado's TANF program, released in 2001, Berkeley Policy Associates evaluated two aspects of the state's program: diversion assistance, which offers lump-sum payments to families, rather than enrolling them in monthly cash assistance; and work activity participation for recipients of basic cash assistance. The report provides outcomes for the diversion program that include employment rates and rates of return for assistance. The report's analysis of work activities includes findings on work activity participation and earnings. The study concludes that occupational skills training programs had positive impacts on participants' earnings, and that this type of work activity was the only one that produced

sizable earnings growth for participants a year after exit from Colorado Works.
(www.state.co.us/gov_dir/audit_dir/2002/2002perf/1260Pt1.pdf)

Five Years After: The Long-Term Effects of Welfare-to-Work Programs

This 1995 study by Daniel Friedlander and Gary Burtless compared the impacts of four different welfare-to-work programs on AFDC head of households' earnings, benefits receipt and patterns of employment. The Baltimore OPTIONS program had, as its focus, getting participants into better paying jobs. It made substantial use of education and training, and utilized an individualized approach that did not automatically assign participants to job search as an initial activity. The San Diego SWIM program also made use of education and training, but only after participants had followed a prescribed sequence of activities that began with job search followed by three months of unpaid work experience. The other two programs studied, the Arkansas WORK and Virginia ESP programs, were heavily job search focused, with little investment in education or training.

Five years of follow-up demonstrated that Baltimore and San Diego, both of which utilized training, produced substantial increased total earnings. Baltimore demonstrated the most sustained earnings impacts throughout the five years—impacts for San Diego, Arkansas and Virginia had fallen considerably by the fifth year.

Minority Female Single Parent Demonstration: Fifth Year Impacts of CET

Between 1982 and 1988, four projects were selected by the Rockefeller Foundation to be part of the Minority Female Single Parent Demonstration, a random experimental evaluation. The projects were: the Atlanta Urban League; Opportunities Industrialization Center in Providence, Rhode Island; Wider Opportunities for Women in Washington, D.C.; and Center for Employment and Training (CET) in San Jose, California. This 1993 study of the fifth-year outcomes of CET participants by Amy Zambrowski and Anne Gordon is a follow-up to the initial evaluation, which found that CET had the most promising outcomes. Through the demonstration, CET provided 962 low-income single

mothers with a mix of services, such as basic education, job skills training, counseling, child care, job placement assistance and other support services. The study details job characteristics, educational attainment, impacts on earnings and employment, public assistance receipt, and other income sources, and includes a cost-benefit analysis.

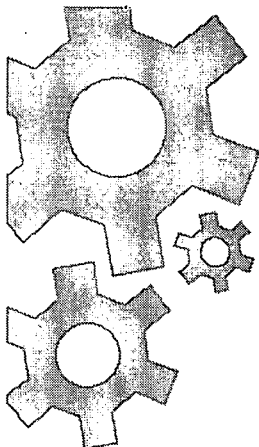
The National Evaluation of Welfare to Work Strategies (NEWWS)

The NEWWS Study, conducted by MDRC, evaluated 11 welfare programs in seven sites around the country: Riverside, California; Atlanta; Detroit; Grand Rapids, Michigan; Columbus, Ohio; Portland, Oregon; and Oklahoma City. In the report, *How Effective are Different Welfare-to-Work Approaches*, researchers evaluated four "employment-focused" and seven "education-focused" programs. Of the four employment-focused programs, one of these, Portland, used a strategy of mixed initial services, assigning some participants to education and training and others to job search. The other three assigned participants almost exclusively to job search activities initially. Over 40,000 single parents who entered these programs between 1991 and 1994 were randomly assigned either to control groups or program groups. Researchers followed up with these individuals for five years to determine program impacts on employment and earnings, welfare receipt and welfare payments, and effects on family circumstance and child well-being.

(www.mdrc.org)

A companion report, *Improving Basic Skills: The Effects of Adult Education on Welfare-to-Work Programs*, also produced by MDRC, gathered data from the NEWWS sites specifically related to adult education, and assessed the impact of varying degrees of participation in adult education on education and labor market outcomes. One of the study's findings was that those participants who obtained a GED credential and then participated in post-secondary education or training experienced substantial gains in terms of employment, earnings and self-sufficiency.

(www.mdrc.org)



The National Job Training Partnership Act (JTPA) Study

The National JTPA study was a large-scale, experimentally-designed study commissioned by the U.S. Department of Labor and conducted from November 1987 to September 1989. Manpower Demonstration Research Corporation was the lead contractor hired to implement and monitor the experiment and Abt Associates led the effort to design the study, collect the required data and conduct the analyses. The study included 16 volunteer sites from around the country and approximately 16,000 participants; randomly assigned to treatment and control groups, whose progress was followed for 30 months. Participants were both eligible adults and out-of-school youth. Findings were based on survey data, administrative records, and data from both welfare agencies and the unemployment insurance offices. For the purpose of this paper, content is drawn from *Does Training For the Disadvantaged Work?: Evidence from the National JTPA Study* written by Larry L. Orr, Howard S. Bloom, Stephen H. Bell, Fred Doolittle, Winston Lin and George Cave, and published by The Urban Institute in 1996.

Parents as Scholars: Education Works

Maine Equal Justice Partners evaluated Maine's Parent's as Scholars program in 2002 on behalf of The Alliance for Family Success. Its report presents an overview of Maine's state-funded TANF initiative that provides cash assistance for household needs and support services to parents who are public assistance recipients while they pursue a post-secondary degree program. The report presents findings to demonstrate the positive impacts of such an investment on participants' wages, employer-provided benefits, welfare receipt, academic achievement and self-esteem. (www.mejp.org/PaSeduworks.htm)

Project QUEST: A Report to the Ford Foundation

This 1996 study of the San Antonio, Texas-based Project QUEST, conducted by Paul Osterman and Brenda A. Lautsch for the Ford Foundation, involved extensive interviews and focus groups with clients (enrollees, graduates and dropouts), employers, staff and faculty, and commu-

nity members. In addition to providing outcomes related to earnings, wage gains, and benefit receipt, the study includes a descriptive analysis of impacts on community institutions, an exploration of effective program components, and a cost/benefit analysis.

(http://www.cpn.org/sections/topics/work/stories-studies/quest_report1.html)

Sectoral Employment Initiative

Gearing Up is the first interim report of the Sectoral Employment Initiative conducted by Public/Private Ventures and funded through the Charles Stewart Mott Foundation. In 1998, ten organizations were selected as part of a demonstration project to develop and implement sectoral employment strategies. The organizations agreed to be evaluated to determine the potential of extending the sectoral strategy to organizations not currently using it. Leading programs in the study include: *Training, Inc.* in Newark (information technology); *WIRE-Net* in Cleveland (metalworking); *Good Faith Fund* in Arkansas (healthcare); and *Project QUEST* in San Antonio (new initiative in healthcare). Although the sites are diverse, most participants served had at least a high school diploma or GED, and many had steady full-time employment in the past but had been unemployed sometime recently. The study provides details on participants and program strategies, progress on strategies for systemic change and observations on progress to date.

(www.ppv.org)

Washington State WorkFirst Study

Conducted by Washington State University and the University of Washington, this non-experimental five-year study began in 1999. The study examines administrative records of and conducts regular interviews with 3,000 welfare recipients in Washington State. Interim findings indicate increased earnings related to participation in training.

(www.wa.gov/WORKFIRST/about/research.htm)

Ways to Work: Off of Welfare and Out of Poverty

In 2001, the National Results Council conducted this head-to-head comparison of two welfare-to-work strategies: work first and customized training. The report describes

two programs serving the Minneapolis/St. Paul area: the work first Work in Progress Program and the customized training program, Pathways, which provides job training opportunities such as nursing assistant, manufacturing and computer technician programs. The report compares the two programs' impacts on wages, weekly earnings and public assistance receipt.

(www.nationalresultscouncil.org/Ways2Work.pdf)

EFFECTIVE PRACTICE STUDIES

The following are just a few of a growing number of studies of effective practice in workforce development. For more examples of innovative training strategies being used around the country, see the Profiles section of the Workforce Alliance's website (www.workforcealliance.org).

Asian Neighborhood Design: A Case Study of a Sectoral Employment Development Approach

This case study describes the work of San Francisco's Asian Neighborhood Design, a community development corporation that has developed expertise in carpentry and construction, and uses this expertise to train low-income adults for living-wage jobs, and to create jobs in the inner-city. The report was released in 2000 by the Aspen Institute as part of its Sectoral Employment Development Learning Project.

(www.aspenwsi.org/Publications/ANDCCaseStudy.pdf)

The Best of Both

In this report, produced by Public/Private Ventures in 2002, the authors introduce existing and emerging partnerships between community colleges and non-profits that provide low-income adults with the skills training and supports they need to enter well-paying employment in a field with a career ladder. Some of the effective partnerships featured in this report are Mission College and Glide Community Church in San Francisco; City College of San Francisco and Jewish Vocational Services, also in San Francisco; and Cuyahoga Community College and Westside Industrial Retention and Expansion Network in Cleveland.

(www.ppv.org)

The Cooperative Home Care Associates: A Case Study of a Sectoral Employment Development Approach

The South Bronx's Cooperative Home Care Associates is the feature of this case study, which examines how this worker-owned business creates better jobs in the health-care industry for low-income women. In addition to an extensive presentation of the home health industry generally, and in New York specifically, the case study examines the program's strategy and outcomes. It also lays out the ways in which CHCA and its linked national healthcare employment and advocacy organization, Paraprofessional Healthcare Institute (PHI), have intervened in the industry and influenced change for entry-level healthcare workers. The report was released in 2002 by the Aspen Institute as part of its Sectoral Employment Development Learning Project.

(www.aspenwsi.org/Publications/CHACCaseStudy.pdf)

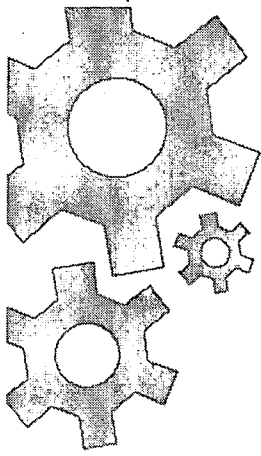
The Employer Workforce Development Initiative: Partnering with Communities to Create a Workforce for the New Millennium

Jobs for the Future prepared this briefing paper in 1998 to introduce the concept of "labor market intermediaries." The report describes three functions of labor market intermediaries, which include organizing and representing employer interests, brokering services to support low-income workers and job seekers, and providing education, training and support services to workers and job seekers directly. Among the intermediaries that the report features are the Seattle Jobs Initiative, and Center for Employment Training.

(www.jff.org/resources/publications/pubsbytopic.html#workforce)

Focus: HOPE: A Case Study of a Sectoral Employment Development Approach

This case study looks at Focus: HOPE, a community-based civil rights organization in Detroit that has become a major player in Detroit's manufacturing industry. Focus: HOPE has developed a range of industry-tied training to help low-income community members move into all levels of automobile manufacturing—from entry-level positions to engineering occupations. The report was released in 2000



by the Aspen Institute as part of its Sectoral Employment Development Learning Project.
(www.aspenwsi.org/Publications/FHOrder.htm)

From Promising Practices to Promising Futures: Job Training in Information Technology for Disadvantaged Adults

Funded by the Ford Foundation, this report prepared by the Bay Area Video Coalition presents promising practices in preparing disadvantaged adults for careers in the information technology sector. Profiled organizations include New Community Corporation in Newark, Per Scholas in the Bronx, Bay Area Video Coalition in San Francisco and WIRE-Net in Cleveland.

(www.bavc.org/about/publications/pdf/report.pdf)

Garment Industry Development Corporation: A Case Study of a Sectoral Employment Development Approach

The subject of this case study is New York City's Garment Industry Development Corporation (GIDC), a non-profit that works with incumbent and dislocated workers, as well as employers in the industry. GIDC provides training opportunities for workers and business assistance services to employers, with the ultimate aim of improving job quality and increasing economic opportunity for all workers in the industry. The report was released in 1999 by the Aspen Institute as part of its Sectoral Employment Development Learning Project.

(www.aspenwsi.org/Publications/GIDCCaseStudy.pdf)

Hard Work on Soft Skills

This 2001 report by Public/Private Ventures highlights successful training programs that effectively integrate hard- and soft-skills training—providing participants with both the occupational skills needed to obtain high-wage, skilled work, and the interpersonal and coping skills needed to thrive in the culture of their new workplace. Two programs that are featured prominently in the report are San Francisco-based Op-Net, which prepares low-income young people for careers in the Web Design field, and Training, Inc. in Boston, which works primarily with women on wel-

fare to prepare them for clerical careers.
(www.ppv.org)

High Road Partnerships Report

The Working for America Institute of the AFL-CIO prepared this report to document effective workforce development practices initiated by existing and emerging partnerships between labor, employers, community groups and government. These partnerships place a heavy emphasis on preparing new workers and retraining incumbent workers, so that they can obtain progressively higher-skilled, higher-wage jobs. In addition, these partnerships focus on improving business operations and industry competitiveness—activities that are designed to have spin-off effects for workers. Featured partnerships included the Consortium for Worker Education in New York City; HERE 226 Culinary Union Training Center in Las Vegas; Garment Industry Development Corporation in New York City; Hospital League - 1199 SEIU Employment, Training and Job Security Program in New York City; Philadelphia Hospital and Health Care - District 1199C Training and Upgrading Fund; Wisconsin Regional Training Partnership; and the Worker Center in Seattle.

(www.workingforamerica.org/documents/HighRoadReport/highroadreport.htm)

Jane Addams Resource Corporation: A Case Study of a Sectoral Employment Development Approach

This case study describes the work, achievements and challenges faced by the Jane Addams Resource Corporation (JARC), a community-based organization in Chicago. JARC works with employers in the metalworking industry to help them to create good job opportunities for the city's low-income residents. The report was released in 2000 by the Aspen Institute as part of its Sectoral Employment Development Learning Project.

(www.aspenwsi.org/Publications/JARCCaseStudy.pdf)

Improving Low-Income Job Seekers' Employment Prospects: The Role of Labor Market Intermediaries

In 1999, Jobs for the Future published this report to discuss the role of third parties in connecting low-income job

seekers to the workforce, and employers to qualified applicants to fill their job vacancies. This project makes the case for "labor market intermediaries" by discussing current labor market challenges, proposing a set of characteristics for effective intermediaries and recommending an approach for expanding this effective workforce development practice. The successful intermediaries highlighted in this report and in its associated case studies include Project QUEST in San Antonio, the Greater Cleveland Growth Association, San Francisco Hotels Partnership Project, Center for Training & Employer Services at Macomb Community College outside Detroit, and Wildcat Service Corporation's Private Industry Partnership in New York City.

(www.jff.org/resources/publications/pubsbytopic.html#workforce)

Making Connections

The community-based program STRIVE is the subject of this 1999 Johns Hopkins Institute for Policy Studies report. The report looks at the organization's history, program model, outcomes and lessons learned for working with young people to help them to achieve economic independence. It also introduces one of STRIVE's more recent program initiatives, the ASAP program, which provides industry-specific skills training to graduates returning to STRIVE to advance their careers.

(www.strivenational.org)

Project Quest: A Case Study of a Sectoral Employment Development Approach

This case study provides a detailed account of the work of Project QUEST to create training opportunities for low-income residents of San Antonio, Texas. It presents the accomplishments and challenges of the program as it works to affect multiple industry sectors simultaneously. The report was released in 2001 by the Aspen Institute as part of its Sectoral Employment Development Learning Project.

(www.aspenwsi.org/Publicattons/PQCaseStudy.pdf)

San Francisco Works: Towards an Employer-Led Approach to Welfare Reform and Workforce Development

This case study, prepared by MDRC in 2000, details the history and experiences of San Francisco Works (SFWorks)—a non-profit organization dedicated to helping the business community to generate and sustain effective welfare-to-work initiatives. The report describes the innovative ways in which SFWorks partnered with employers and community-based organizations to design, pilot, revise and help take to scale a number of job training initiatives aimed at helping public assistance recipients leave welfare for sustainable employment.

(www.mdrc.org)

We're Educators, You're Semi-Conductors

The objective of this 2000 Public/Private Ventures report is to illustrate how strategic partnerships between employers and community colleges can meet dual needs. They can address shortages of skilled labor faced by employers, while simultaneously helping incumbent workers and job seekers to gain the skills that they need to progress up a job ladder. The partnerships reviewed in this study are: Sequins, International, and LaGuardia Community College in Queens, New York; Daimler-Chrysler and Macomb Community College in North Macomb County, Michigan; Intel and Mission College in Santa Clara, California; and Boeing and Shoreline Community College in Seattle, Washington.

(www.ppv.org)



ENDNOTES

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- ² United States Census Bureau, *The Big Payoff: Educational Attainment and Synthetic Estimates of Work-Life Earnings* [report online] (Washington, D.C.: U.S. Census Bureau, 2002, accessed 12 August 2002); available at <http://www.census.gov/prod/2002pubs/p23-210.pdf>; Internet; and United States Census Bureau, "Earnings in 1999 by Educational Attainment for People 18 Years Old and Over by Age, Race and Hispanic Origin," Table 9 [report online] (Washington, D.C.: U.S. Census Bureau, 2000, accessed 12 August 2002); available at <http://www.census.gov/population/socdemo/education/p20-536/ab09.pdf>; Internet.
- ³ Paul Osterman and Brenda A. Lautsch, *Project QUEST: A Report to the Ford Foundation* (Boston: Massachusetts Institute of Technology Sloan School of Management, 1996).
- ⁴ Amy Zambrowski and Ann Gordon, *Evaluation of the Minority Female Single Parent Demonstration: Fifth Year Impacts at CET* (Princeton: Mathematica Policy Research, 1993).
- ⁵ Peggy Clark and others, *Jobs and the Urban Poor* (Washington, D.C.: The Aspen Institute, 1995). In this report, a Sectoral Initiative was first defined as a distinct employment model that targets a particular occupation within an industry; intervenes by becoming a valued actor within the industry that employs that occupation; exists for the primary purpose of assisting low-income people to obtain decent employment; and creates, over time, systemic change within that occupation's labor market.
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- ¹⁵ Rebekah J. Smith and others, *Parents As Scholars: Education Works* (Augusta, Maine: Maine Equal Justice Partners, 2002), 1.
- ¹⁶ Julie Strawn and Karin Martinson, *Steady Work and Better Jobs: How to Help Low-Income Parents Sustain Employment and Advance in the Workforce* (New York: Manpower Demonstration Research Corporation, 2000), 16. Strawn and Martinson cite two studies to support this: Rangarajan and others, *Employment Experience of Welfare Participants Who Find Jobs: Is Targeting Possible?* (Princeton, N.J.: Mathematica, 1998); and Vartanian and Gleason, *Income and Job Market Outcomes After Welfare*, Working Paper (Washington D.C.: Joint Center for Policy Research, 1999).
- ¹⁷ Anne St. George and others, *Employment Placement and Retention in the AECF Jobs Initiative: 2001 Statistical Report on the Annie E. Casey Foundation's Jobs Initiative* (Cambridge: Abt Associates Inc., for the Annie E. Casey Foundation, 2001); and Scott Herbert and others, *Breaking Through: Overcoming Barriers to Family-Sustaining Employment* (Cambridge: Abt Associates Inc., for the Annie E. Casey Foundation, 2002).
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