What Works Best in Job Training and Reemployment

Jacob Alex Klerman, Senior Fellow, Abt Associates
Plan for Talk

• Job Training

• Reemployment Services

Citations (and URLs) for studies cited at end of slide deck
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### Job Training Evaluations are Depressing

<table>
<thead>
<tr>
<th>Study</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abt/OPRE HPOG 2.0 review (Judkins, et al., 2021)</td>
<td>• Some short-term impacts (10 of 23)</td>
</tr>
<tr>
<td></td>
<td>• Few longer-term impacts (3 of 14/16)</td>
</tr>
<tr>
<td>Abt/DOL meta-analysis (Peck et al, 2021)</td>
<td>• Small increase in short-term employment (~6 percentage points)</td>
</tr>
<tr>
<td></td>
<td>• Small increase in short-term earnings (~6%)</td>
</tr>
<tr>
<td></td>
<td>• Trivial increase in intermediate or long-term earnings (~1%)</td>
</tr>
<tr>
<td>OPRE Pathways meta-analysis (Streke &amp; Rotz, 2022)</td>
<td>• Small increase in earnings (~8%)</td>
</tr>
<tr>
<td>DOL WIA evaluation (Fortson et al., 2017)</td>
<td>• No detected impact on earnings</td>
</tr>
</tbody>
</table>
• Career Pathways (CP) job training programs increased:
  – **educational progress** (e.g., completed some credential) by a large amount; ~ 155%, 28 percentage points
  – **overall employment** by a small amount; ~ 9%, 6 percentage points

Abt/DOL CP Meta-Analysis Results Representative
Abt/DOL CP Meta-Analysis Results Representative

• Career Pathways (CP) job training programs increased:
  – educational progress (e.g., completed some credential) by a large amount; ~ 155%, 28 percentage points
  – overall employment by a small amount; ~ 9%, 6 percentage points
  – short-term earnings by a very small amount; ~ 6%

• Did not meaningfully increase:
  – medium/long-term earnings; ~ 1%
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**How can this be? Huge impacts on credentials, but trivial impacts on earnings?**
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How can this be? Huge impacts on credentials, but trivial impacts on earnings?
Why are Evaluation Results So Weak?

- Samples are too small; so, miss small—and even moderate—impacts
  - And average impacts appear to be small
  - Actual samples << 1,000 (half to treatment, half to control)
  - Probably need to be >> 2,000
Why are Evaluation Results So Weak?

• Samples are too small; so, miss small—and even moderate—impacts

• Estimated impacts are relative to what study members would get anyway
  – US is a “training rich environment”; study members will get a lot of training even without the evaluated program
  – To have impacts, programs need to be big/intensive
Why are Evaluation Results So Weak?

• Samples are too small; so, miss small—and even moderate—impacts
• Estimated impacts are relative to what study members would get anyway
• Trainings are short (most common often include CNA, truck driver)
  – Net (of what would get without program) training length is even shorter
  – Plausible impact of a month of training is only 1-2%
    => moderate impacts will require long training
  – Not clear that trainees want/can afford longer trainings
  – Not clear that trainees have the academic pre-requisites for longer trainings
    (remediation is long, often unsuccessful)
3 Programs that Appear to Work

• **Per Scholas**
  (Greenberg & Schaberg, 2020)

• **Project QUEST**
  (Roeder & Elliot, 2019)

• **Year Up**
  (Fein and Dastrup, 2022)
3 Programs that Appear to Work

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- Long-Term (> 5 year) Impacts >> 20% 
  (>> $1,000/quarter; $4,000/year)

- Funding outside federal workforce system
Why? Some Conjectures …

- **Per Scholas** (Greenberg & Schaberg, 2020)
- **Project QUEST** (Roeder & Elliot, 2019)
- **Year Up** (Fein and Dastrup, 2022)

- Strong screening on soft (and maybe academic) skills prior to program entry
  - And, focus on soft skills during the program
- Training for higher paying occupations and career trajectories
  - Impacts through higher hourly wage; not higher employment/hours
  - Relatedly …
- Training tends to be longer
  - Year Up: 6 month classroom, 6 month internship; stipends
  - PROJECT QUEST: >> 1 year (most LPN/LVN)
- Strong connections to employers
  - Year Up is de facto employer funded; induces sharp focus on what employers want/need
  - Per Scholas constantly refining offerings to employer demand
Plan for Talk

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Citations (and URLs) for studies cited at end of slide deck
• (voluntary)
  WIA Evaluation (“Intensive Services”): mixed evidence
  – From survey: strong evidence on earnings (~$4,000/year) and employment
  – From UI earnings records: weaker evidence (~$1,000 Year 2) and no evidence for employment
  – Some evidence that favorable impacts are concentrated in workers (mostly re/entrants) rather than for “displaced workers”

• (mandatory, for UI claimants)
  Reemployment and Eligibility Assessment (REA; now RESEA/Reemployment Services and Eligibility Assessment): strong evidence of moderate impacts
  – From UI earnings records: for UI weeks, employment, and earnings
  – Low intensity program; would not expect large impacts
  – Impacts concentrated shortly after service receipt
  – Impacts are much, much larger in Nevada; not clear why
## REA: Impacts by Outcome

<table>
<thead>
<tr>
<th>REA Studies</th>
<th>UI Weeks</th>
<th>Q2 Empl.</th>
<th>Q2 Earn.</th>
</tr>
</thead>
<tbody>
<tr>
<td>N. Studies</td>
<td>10</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>% w/ impact</td>
<td>70%</td>
<td>57%</td>
<td>71%</td>
</tr>
<tr>
<td>Avg impact</td>
<td>-0.98 weeks</td>
<td>2 p.p.</td>
<td>$209</td>
</tr>
</tbody>
</table>

Empl. – Employment  
Earn. – Earnings (2017 dollars)  
p.p. – percentage points
Abt REA Impact Study:
Impacts on Employment and Earnings
## Three Possible Causal Pathways

<table>
<thead>
<tr>
<th>Assistance</th>
<th>Job Search Assistance (e.g., workshops, specific job leads)</th>
<th>Reemployment (Services)</th>
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<td>Verification of ongoing eligibility (&quot;able and available&quot;, sufficiently intensive job search)</td>
<td>Eligibility Assessment</td>
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<td>Requirement to attend meeting (at which Assistance and Enforcement occurs)</td>
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*Abt/DOL REA Impact Study (Klerman, 2019) specifically designed to assess relative importance of these three causal pathways*
Klerman et al. (2019) on Causal Pathways

<table>
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<th>Assistance</th>
<th>Job Search Assistance (e.g., workshops, specific job leads)</th>
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<tr>
<td>Eligibility</td>
<td>Verification of ongoing eligibility (&quot;able and available&quot;, sufficiently intensive job search)</td>
<td>Little</td>
</tr>
<tr>
<td>Attendance</td>
<td>Requirement to attend meeting (at which Assistance and Enforcement occurs)</td>
<td>Most</td>
</tr>
</tbody>
</table>

Consistent with results of earlier (1980s and 1990s) literature
On REA Meeting Attendance Rates

• Impact of Attendance is large because:
  – Attendance rates are low, often \( \approx \frac{1}{2} \)
  – “Suspend until attend”

• Reasons for low attendance rates unclear, likely
  – Some never get/don’t understand scheduling notice/letter
  – Some choose not to attend (perhaps so as not to lose under the table employment)
On REA Meeting Attendance Rates

- Impact of Attendance is large because:
  - Attendance rates are low, often ~ ½
  - “Suspend until attend”
- Reasons for low attendance rates unclear, likely
  - Some never get/don’t understand scheduling notice/letter
  - Some choose not to attend (perhaps so as not to lose under the table employment)
- Programmatic initiatives to increase attendance
  - Better messaging (see graph to right; Darling, et al., 2017)
  - Virtual (not in-person) meetings
- Increase attendance rates will likely
  - Lower impact of “Attendance”
  - Maybe raise impact of “Assistance”

Email Notice and REA Completion

<table>
<thead>
<tr>
<th>Percentage of study participants</th>
<th>Email recipients</th>
<th>No email (business as usual)</th>
</tr>
</thead>
<tbody>
<tr>
<td>60%</td>
<td>56.7%</td>
<td>13.8%**</td>
</tr>
<tr>
<td>50%</td>
<td></td>
<td>42.9%</td>
</tr>
<tr>
<td>40%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0%</td>
<td></td>
<td></td>
</tr>
</tbody>
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  - Maybe raise impact of “Assistance”

- Likely larger impacts of “Eligibility”, if …
  - Enforcement were strict (caseworkers currently look the other way; making the case is bureaucratically hard)
  - If penalty was larger (not one week, but termination of benefits)
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Citations (and URLs) for studies cited at end of slide deck
Contacts

Jacob Alex Klerman
Jacob_Klerman@abtassoc.com
References: Job Training 1

- Abt/DHHS HPOG 2.0 appendix literature review

- Abt/DOL meta-analysis
• DHHS/Pathways meta-analysis

• DOL/WIA Evaluation
  – Fortson, K, et al. 2017. *Providing public workforce services to job seekers: 30-Month impact findings on the WIA Adult and Dislocated Worker programs.*
References: Job Training 3

• Per Scholas

• Project QUEST

• Year Up
References: Reemployment Services

- **REA meta-analysis**

- **Abt/DOL REA Evaluation**

- **Nevada REA Evaluations**

- **Michigan REA Messaging Study**
    https://research.upjohn.org/cgi/viewcontent.cgi?article=1079&context=externalpapers
Back Up Slides
### REA: Impacts on UI Weeks

<table>
<thead>
<tr>
<th>ID</th>
<th>Weeks of UI Benefit Receipt</th>
<th>WMD (95% CI)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minnesota (Benus et al., 2008; n=3,582; BSESS=1,846)</td>
<td>-0.73 (-1.68, 0.22)</td>
<td></td>
</tr>
<tr>
<td>North Dakota (Benus et al., 2008; n=670; BSESS=551)</td>
<td>-1.10 (-2.55, 0.35)</td>
<td></td>
</tr>
<tr>
<td>Illinois (Poe-Yamagata et al., 2011; n=3,112; BSESS=2,620)</td>
<td>-0.83 (-1.89, 0.23)</td>
<td></td>
</tr>
<tr>
<td>Florida (Michaelides &amp; Mueser, 2016; n=39,906; BSESS=38,665)</td>
<td>-0.47 (-0.61, -0.33)</td>
<td></td>
</tr>
<tr>
<td>Idaho (Michaelides &amp; Mueser, 2016; n=12,645; BSESS=8,482)</td>
<td>-0.43 (-0.63, -0.23)</td>
<td></td>
</tr>
<tr>
<td>Nevada (Michaelides &amp; Mueser, 2016; n=21,898; BSESS=11,751)</td>
<td>-1.71 (-1.96, -1.46)</td>
<td></td>
</tr>
<tr>
<td>Indiana (Klerman et al., 2019; n=32,130; BSESS=23,387)</td>
<td>-1.68 (-1.92, -1.43)</td>
<td></td>
</tr>
<tr>
<td>New York (Klerman et al., 2019; n=131,154; BSESS=100,669)</td>
<td>-1.45 (-1.57, -1.33)</td>
<td></td>
</tr>
<tr>
<td>Washington (Klerman et al., 2019; n=21,122; BSESS=20,938)</td>
<td>-0.80 (-1.02, -0.57)</td>
<td></td>
</tr>
<tr>
<td>Wisconsin (Klerman et al., 2019; n=16,116; BSESS=16,116)</td>
<td>-0.52 (-0.78, -0.26)</td>
<td></td>
</tr>
<tr>
<td>Overall</td>
<td></td>
<td>-0.98 (-1.36, -0.60)</td>
</tr>
</tbody>
</table>

**NOTE:** Weights are from random effects analysis.
REA: Impacts on Q2 Employment

- Florida (Michaelides & Mueser, 2016; n=39,906; BSESS=38,665)
  - WMD (95% CI): 0.02 (0.01, 0.03)
- Idaho (Michaelides & Mueser, 2016; n=12,645; BSESS=8,482)
  - WMD (95% CI): 0.02 (-0.00, 0.04)
- Nevada (Michaelides & Mueser, 2016; n=21,898; BSESS=11,751)
  - WMD (95% CI): 0.08 (0.06, 0.09)
- Indiana (Klerman et al., 2019; n=32,130; BSESS=23,387)
  - WMD (95% CI): 0.03 (0.01, 0.04)
- New York (Klerman et al., 2019; n=131,154; BSESS=100,669)
  - WMD (95% CI): 0.02 (0.02, 0.03)
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  - WMD (95% CI): 0.02 (0.01, 0.04)

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REA: Impacts on Q2 Earnings