



# WORKADVANCE IMPACT FINDINGS

**Northeast Ohio Regional Workforce  
Development Forum  
June 1, 2016  
Gayle Hamilton  
MDRC**

## What is WorkAdvance?

- A workforce development program that uses a *sectoral approach* to improve employment and earnings outcomes for low-wage workers via training and placement into jobs within high-demand sectors that have *strong career pathways*

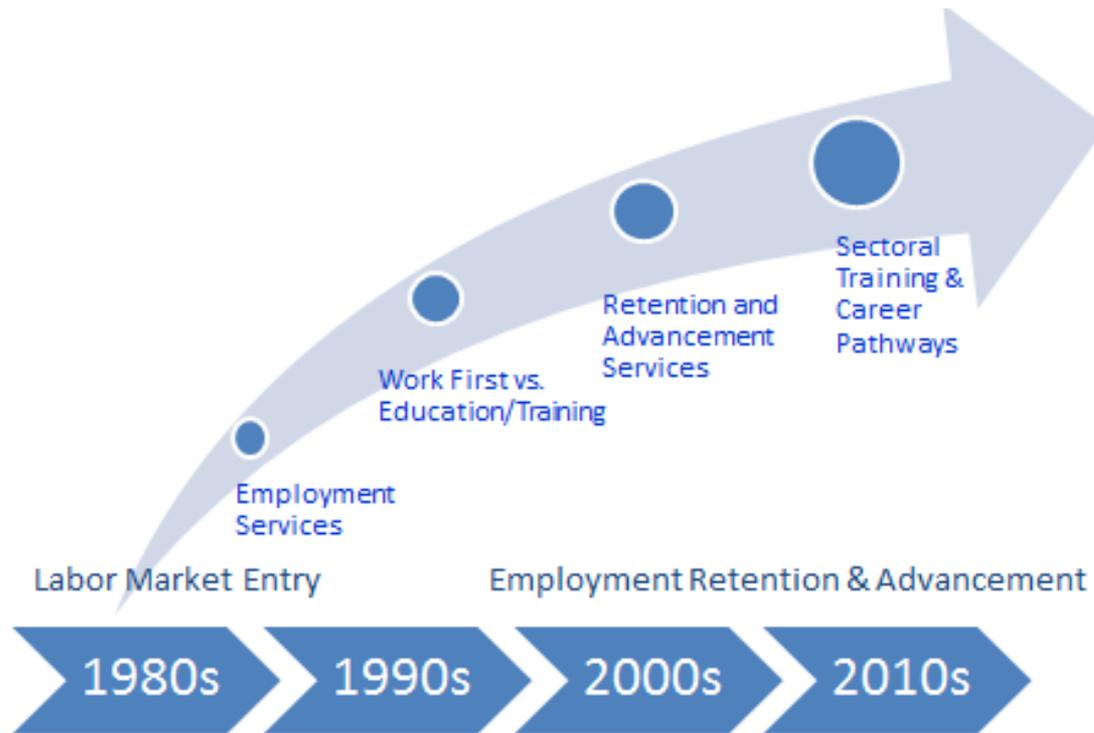
## How were its effects determined?

- Random assignment test in four sites across the country
- Studied program implementation, as well as program's effects on training participation, employment, earnings, and other outcomes

## WORKADVANCE FUNDERS AND PARTNERS

- Corporation for National and Community Service (Social Innovation Fund)
- The Fund for Our Economic Future
- A broad array of additional local funding partners
  
- Collaboration of Mayor's Fund (MF) of NYC in partnership with the New York City Center for Economic Opportunity (CEO) and MDRC
  - MF (lead) – not-for-profit facilitating public-private partnerships
  - CEO – piloting innovative strategies
  - MDRC – non-profit social policy research organization

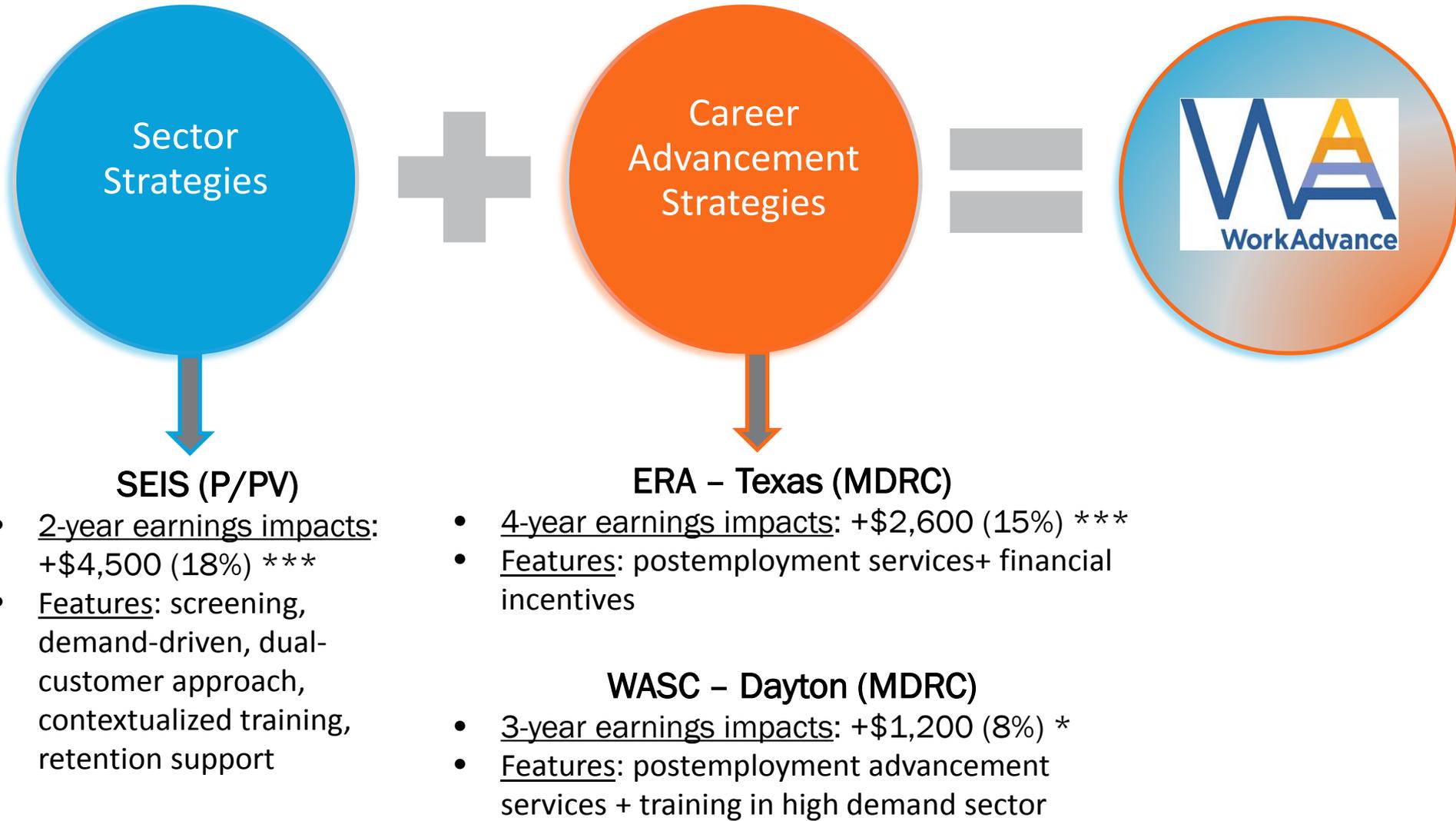
# HAS A DEEP LINEAGE IN THIRTY YEARS OF RANDOM ASSIGNMENT STUDIES THAT HAVE POINTED TOWARDS A NEED FOR SKILLS DEVELOPMENT IN ORDER FOR PEOPLE TO ADVANCE



For more information see:

<https://www.kansascityfed.org/~//media/files/publicat/community/workforce/transformingworkforcedevelopment/bookbychapter/ch18-improve-edu-training-low-income.pdf>

# BUILT ON EVIDENCE FROM RANDOM ASSIGNMENT STUDIES OF TWO PROMISING STRATEGIES



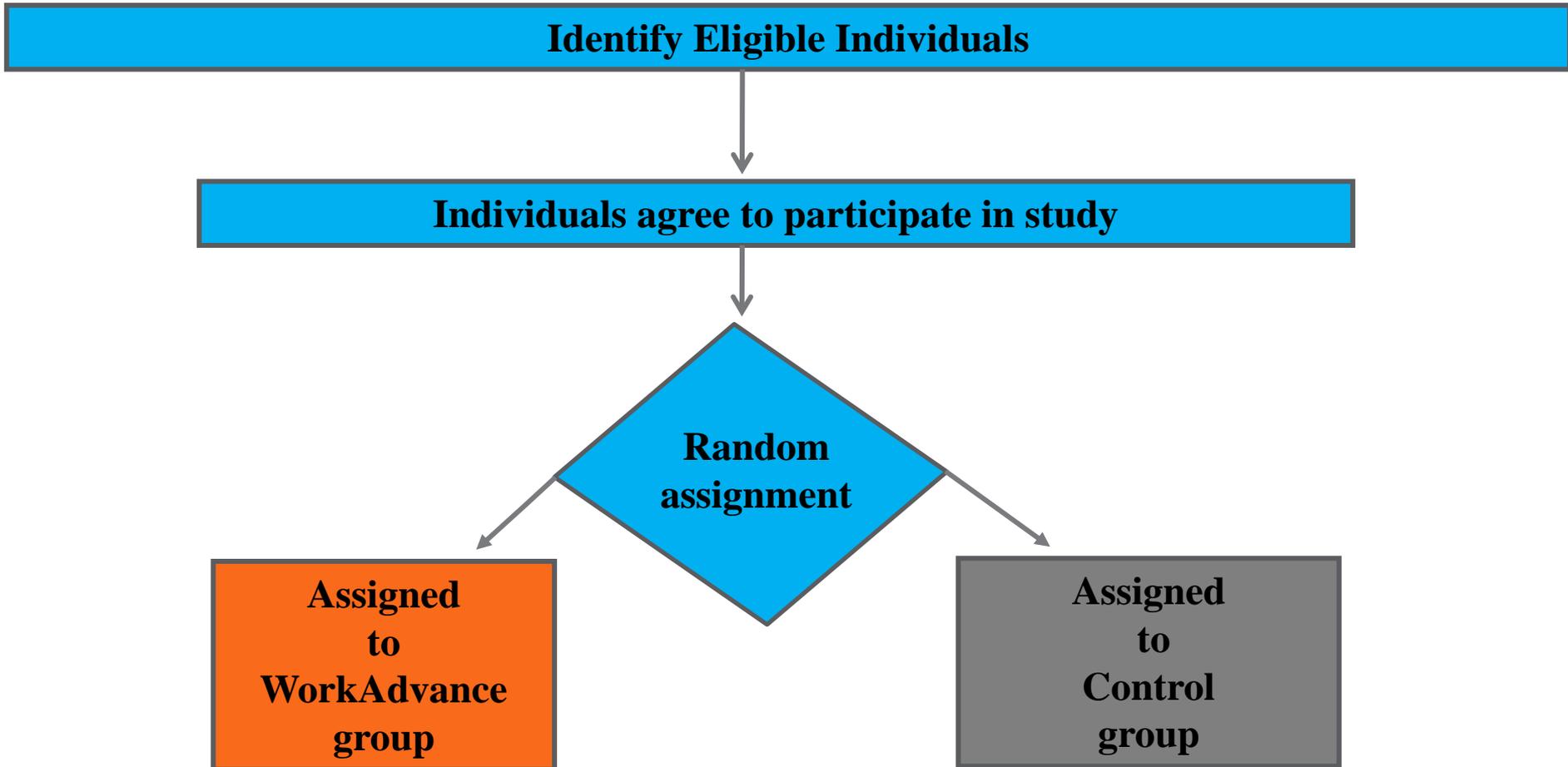
# WORKADVANCE MODEL: DUAL-CUSTOMER APPROACH THAT SEEKS SYNERGIES THROUGH ALIGNMENT



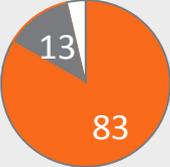
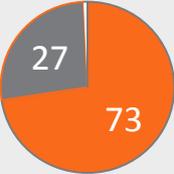
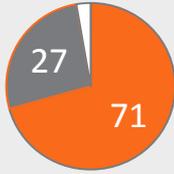
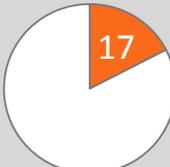
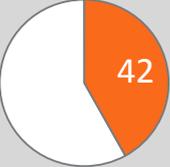
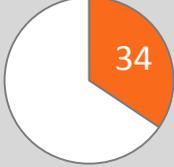
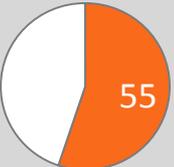
# PROVIDERS VARIED ACROSS MANY DIMENSIONS

|                            | Per Scholas  | St. Nicks Alliance  | Madison Strategies Group   | Towards Employment  |
|----------------------------|--|---|--|---|
| <b>Location</b>            | New York City  | New York City   | Tulsa  | Northeast Ohio  |
| <b>Sector(s)</b>           | <b>Information technology</b><br> | <b>Environmental remediation</b><br> | <b>Transportation</b><br><br>And (later)<br><b>Manufacturing</b><br> | <b>Health care</b><br><br>and<br><b>Manufacturing</b><br> |
| <b>Starting experience</b> | By far the most relevant experience (13 years sectoral training in IT)   | Traditional workforce development (Had trained in env. remediation)   | New to providing services in Tulsa   | Had trained in Health Care; new to Manufacturing and sectoral training  |
| <b>Approach</b>            | 1. Train → Place   | 1. Train → Place  | 1. Place<br>2. Train → Place   | 1. Place<br>2. Train → Place  |

# DESIGN FOR THE IMPACT ANALYSIS



# STUDY INTAKE (RANDOM ASSIGNMENT) OCCURRED BETWEEN JUNE 2011 AND JUNE 2013

|  | Per Scholas  | St. Nicks Alliance  | Madison Strategies Group  | Towards Employment    |
|--|---|--|--|--|
| Sample size                                  | 690   | 479  | 697  | 698  |
| Gender and age                               |  31          |  35                 |  35                       |  35  |
| Some college or more                         | 63%   | 44%  | 58%  | 57%  |
| Employment<br>-Current<br>-Ever, not current |              |                     |                           |   |
| Receiving SNAP                               |            |                   |                         |   |

SOURCE: MDRC calculations from WorkAdvance baseline information form.

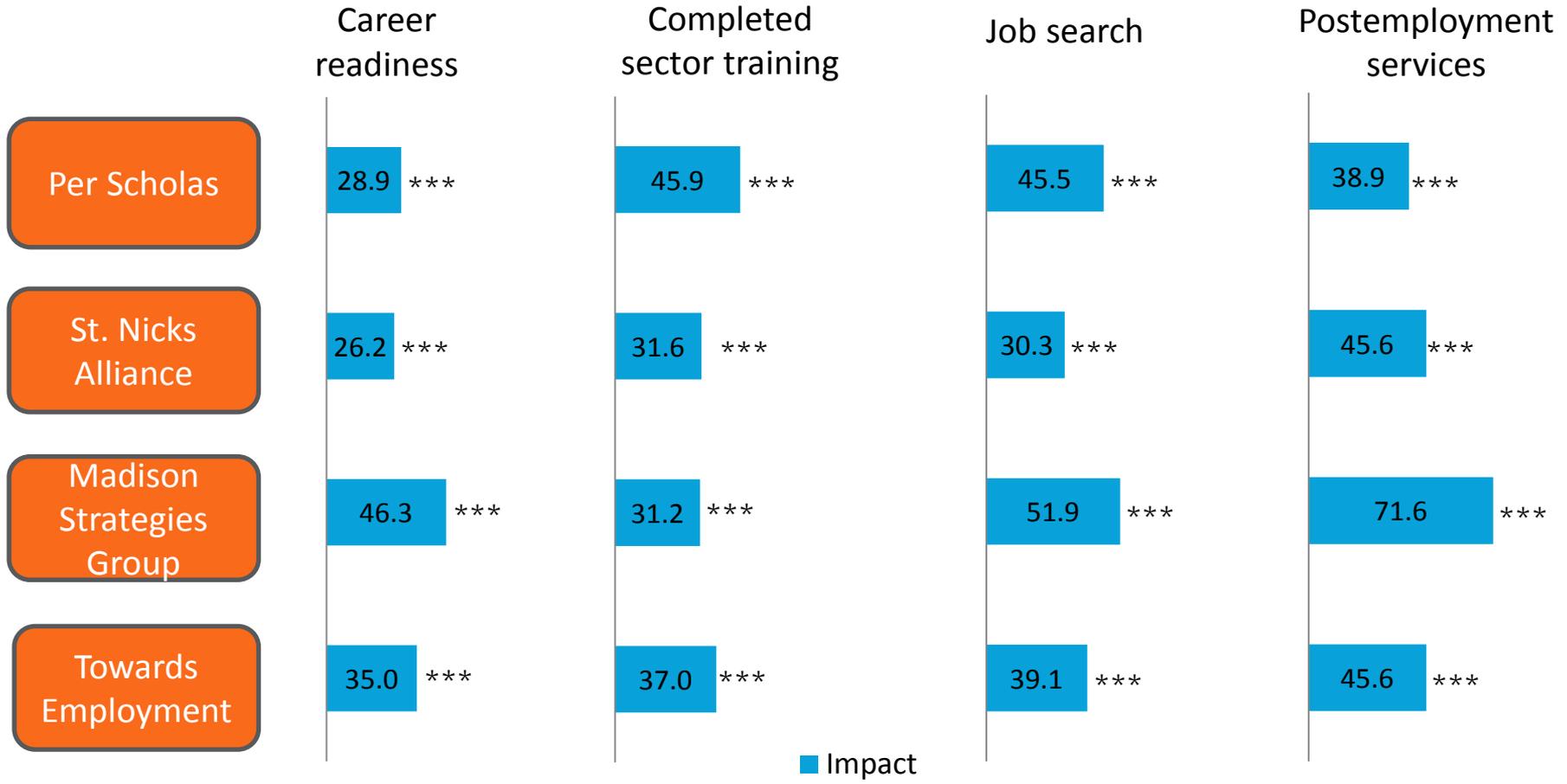
## KEY IMPLEMENTATION FINDINGS

- Providers' prior sectoral training experience, institutional collaborations, and having relationships with local employers strongly influenced implementation.
- Not an easy model to run; took time for providers who were new to the model to develop strong services.
- Ultimately the engagement of program enrollees in key program components was high across all providers.

# DATA SOURCES FOR EFFECTIVENESS FINDINGS

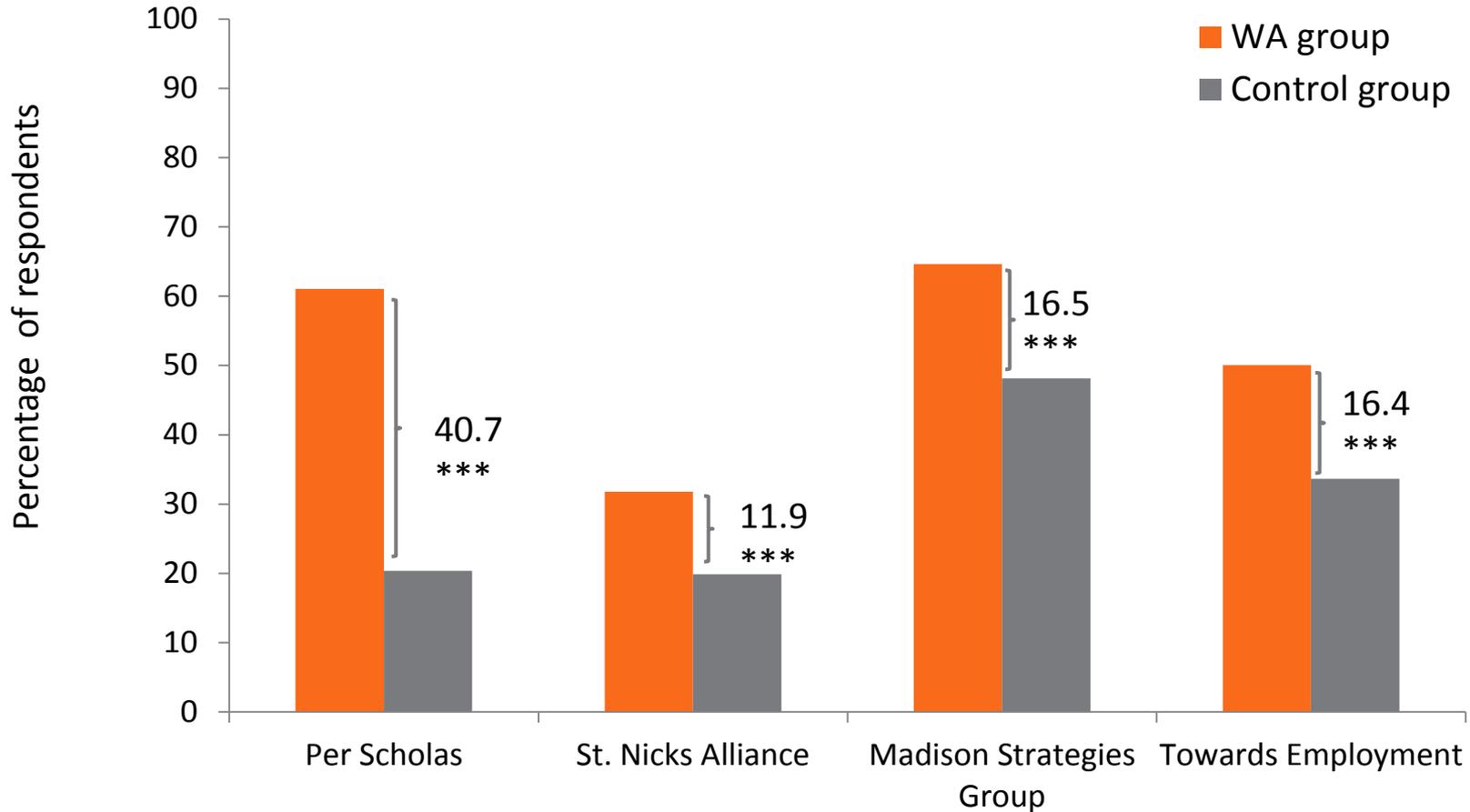


# WORKADVANCE PRODUCED LARGE AND STATISTICALLY SIGNIFICANT INCREASES IN PARTICIPATION IN KEY WA COMPONENT ACTIVITIES AT ALL PROVIDERS



Numbers shown in slide are impacts for the WorkAdvance group.  
 Statistical significance levels are indicated as follows: \*\*\* = 1 percent; \*\* = 5 percent; \* = 10 percent.  
 SOURCE: MDRC calculations from the Year 2 Survey.

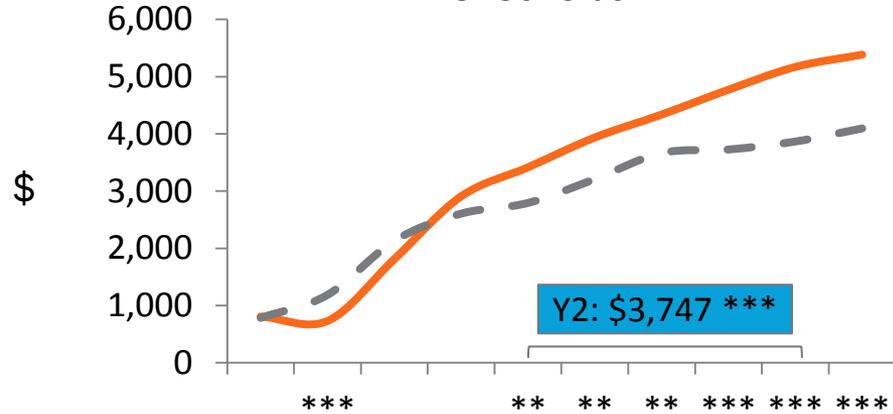
# WORKADVANCE INCREASED EMPLOYMENT IN THE TARGETED SECTOR AT ALL PROVIDERS



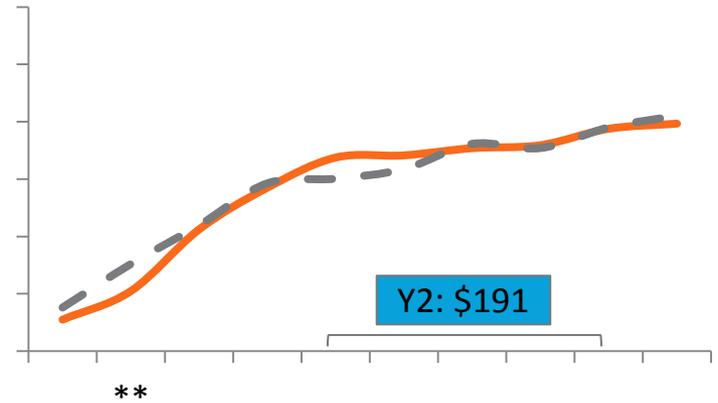
Statistical significance levels are indicated as follows: \*\*\* = 1 percent; \*\* = 5 percent; \* = 10 percent.  
 SOURCE: MDRC calculations from responses to the WorkAdvance Year 2 Survey.

# WORKADVANCE INCREASED UI EARNINGS IN YEAR 2 AT THREE PROVIDERS

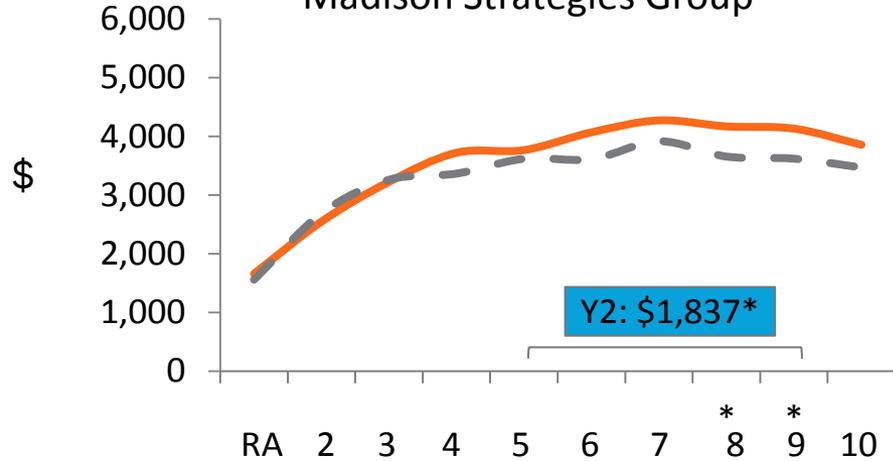
Per Scholas



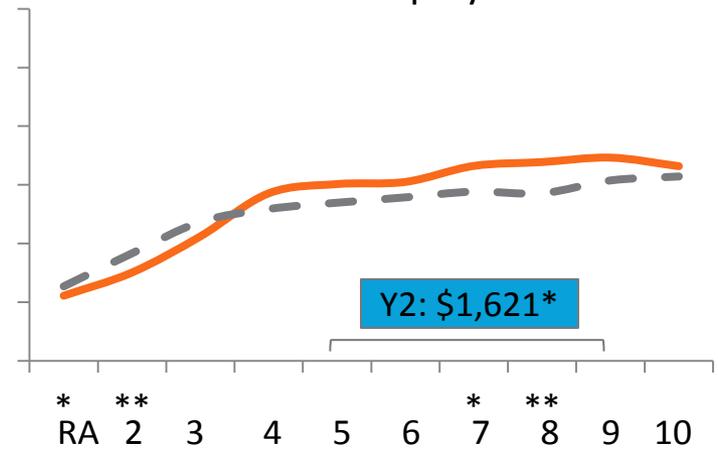
St. Nicks Alliance



Madison Strategies Group



Towards Employment

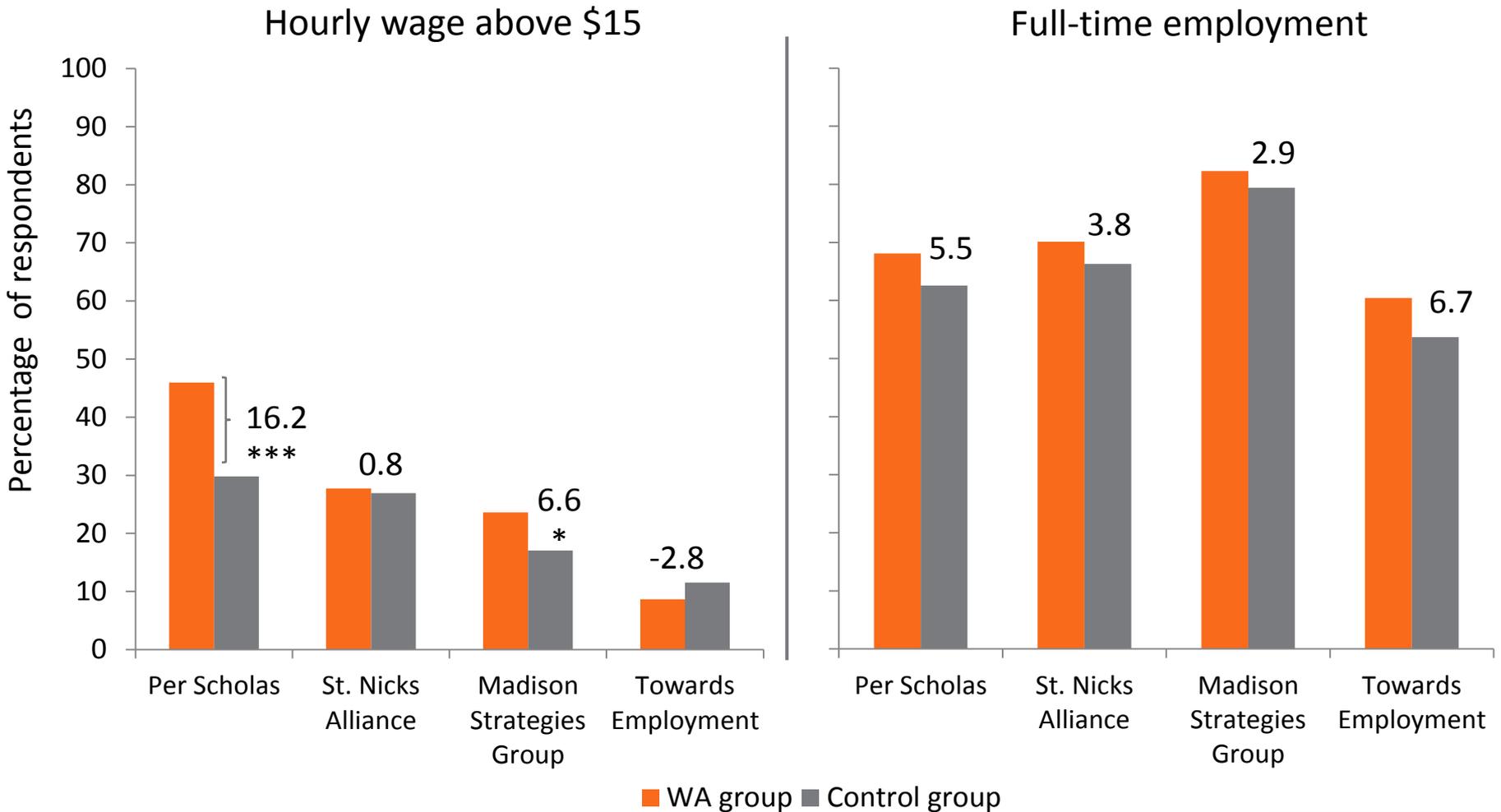


— WA group    - - Control group

Statistical significance levels are indicated as follows: \*\*\* = 1 percent; \*\* = 5 percent; \* = 10 percent.

SOURCES: MDRC calculations from UI administrative records provided by New York State Department of Labor, Ohio Department of Job and Family Services, and Oklahoma Employment Security Commission.

# WORKADVANCE INCREASED HOURLY WAGES ABOVE \$15 AT TWO PROVIDERS



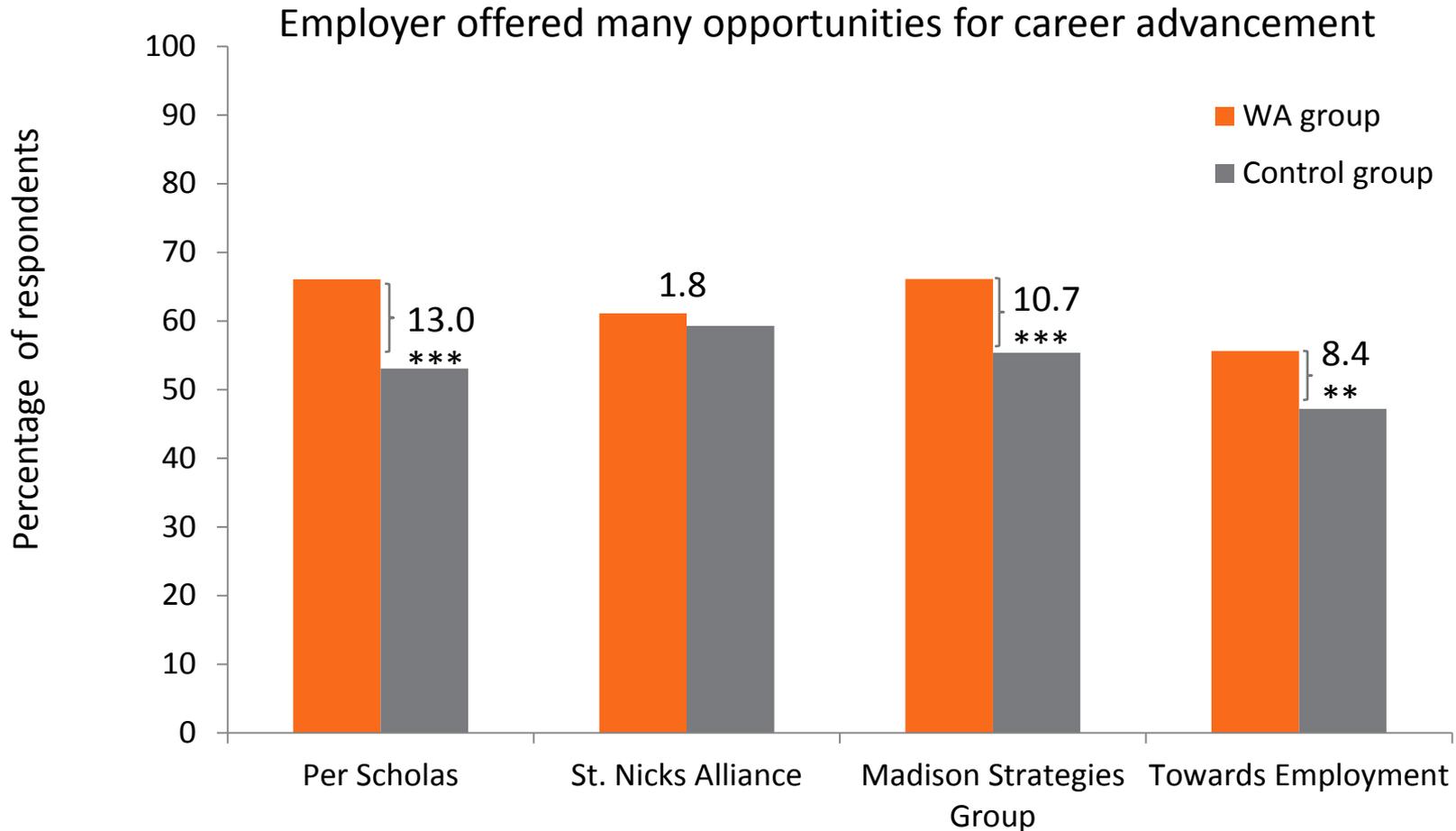
Statistical significance levels are indicated as follows: \*\*\* = 1 percent; \*\* = 5 percent; \* = 10 percent.  
 SOURCE: MDRC calculations from the Year 2 Survey.

# WORKADVANCE PRODUCED IMPACTS ON AT LEAST SOME JOB CHARACTERISTICS AT THREE PROVIDERS

| Outcome   | Per Scholas | St. Nicks Alliance | Madison Strategies Group | Towards Employment |
|---|-------------|--------------------|--------------------------|--------------------|
| Job satisfaction                                    | ***         |                    | **                       |                    |
| Employer-provided health insurance                  |             |                    | **                       |                    |
| Hourly wage above \$12 and offered health insurance |             |                    | **                       |                    |
| Regular work schedule                               | **          |                    |                          | *                  |
| Regular permanent job                               | *           |                    |                          | **                 |
| Work for “temp” agency                              | **<br>(+)   |                    | **<br>(-)                |                    |

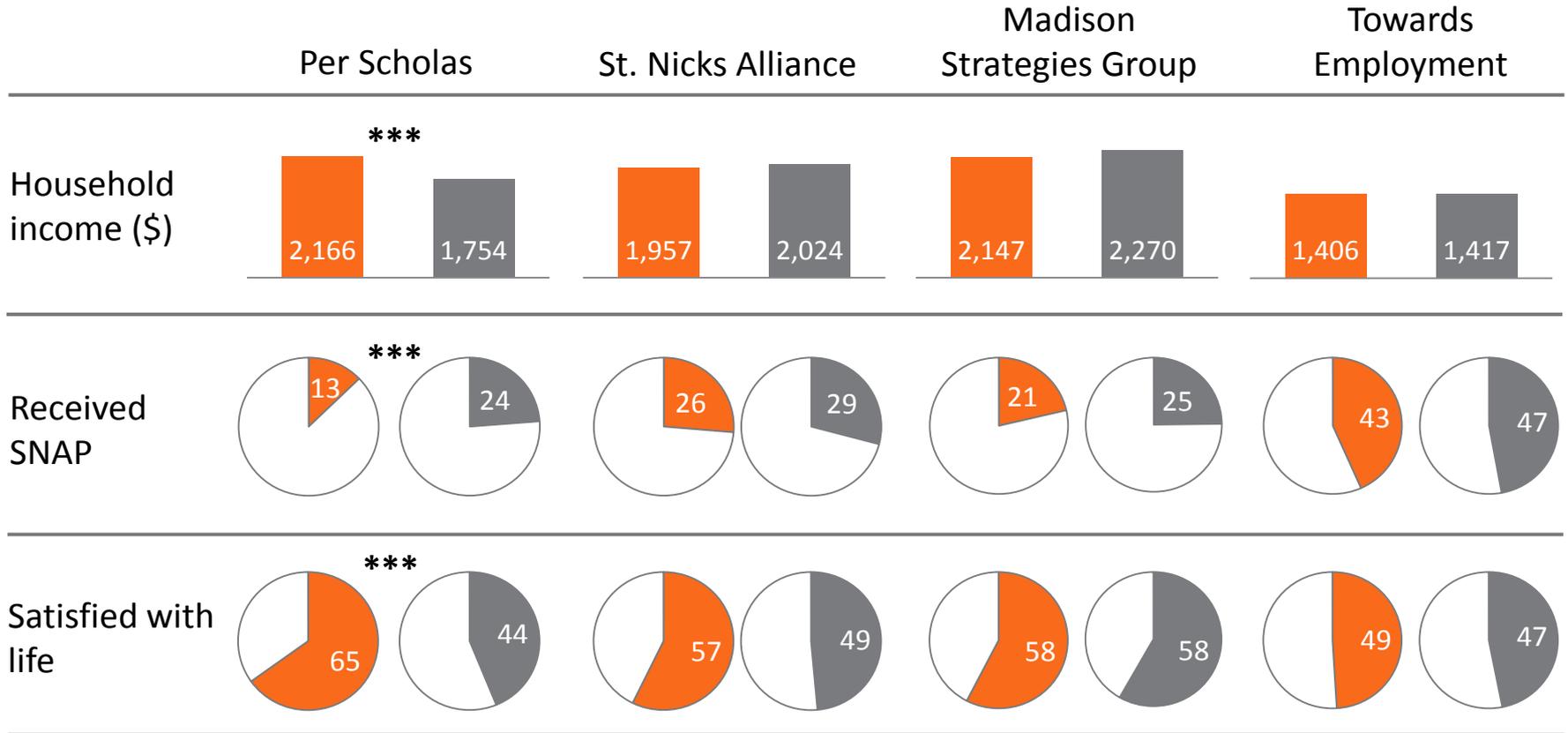
Statistical significance levels are indicated as follows: \*\*\* = 1 percent; \*\* = 5 percent; \* = 10 percent.  
 SOURCE: MDRC calculations from the Year 2 Survey.

# WORKADVANCE HELPED RESPONDENTS GET JOBS WITH ADVANCEMENT OPPORTUNITIES AT THREE PROVIDERS



Statistical significance levels are indicated as follows: \*\*\* = 1 percent; \*\* = 5 percent; \* = 10 percent.  
SOURCE: MDRC calculations from the Year 2 Survey.

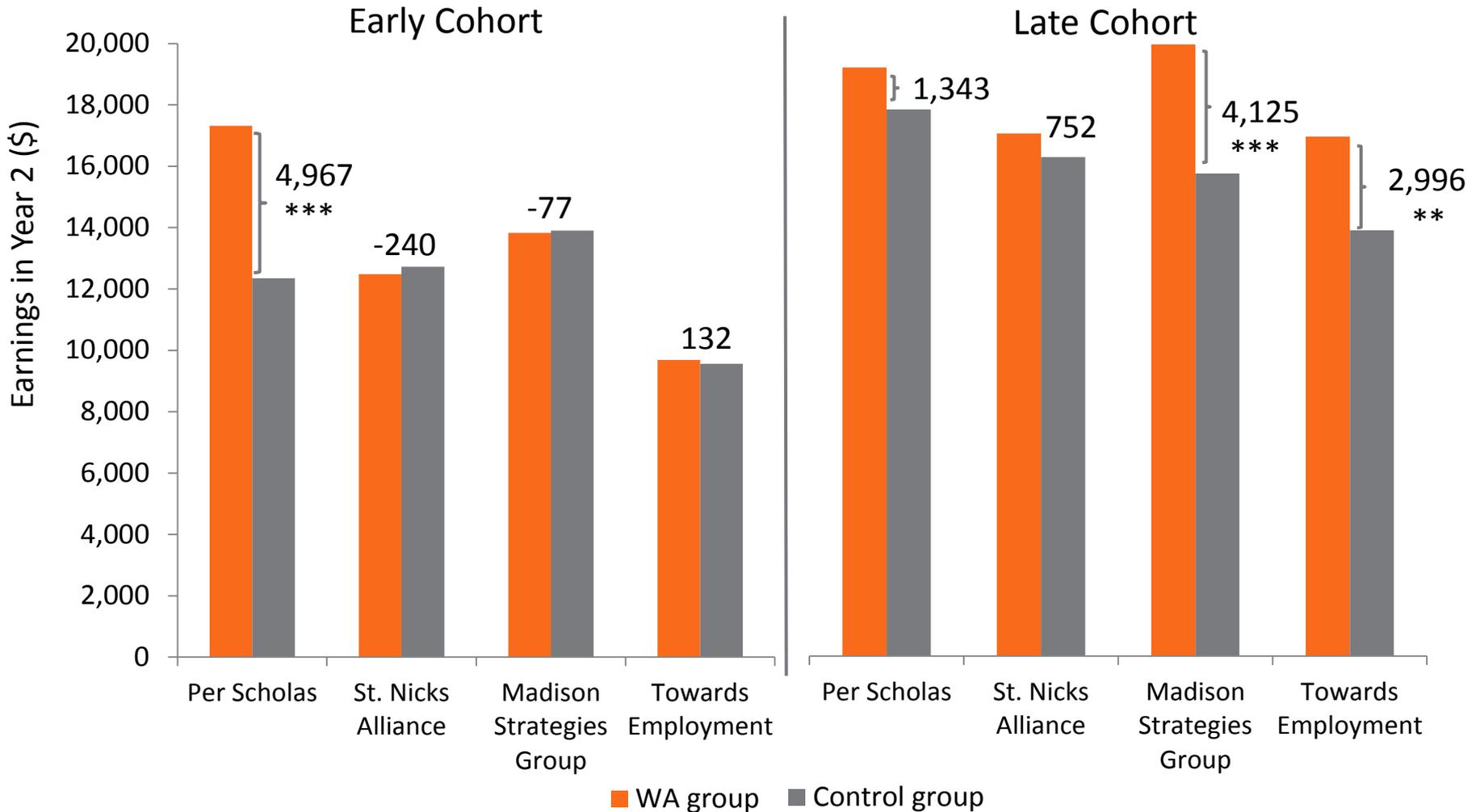
# THE WORKADVANCE PROGRAM AT PER SCHOLAS INCREASED INCOME, WHILE DECREASING USE OF PUBLIC ASSISTANCE



*The program at Per Scholas also reduced UI benefits and improved the overall (self reported) financial situation of respondents.*

Statistical significance levels are indicated as follows: \*\*\* = 1 percent; \*\* = 5 percent; \* = 10 percent.  
 SOURCE: MDRC calculations from the Year 2 Survey.

IMPACTS ARE STRONGER FOR THE LATE COHORT THAN FOR THE EARLY COHORT AT THE TWO PROVIDERS WHO STARTED WITH SOME PEOPLE IN A PLACEMENT-FIRST TRACK. MATURATION MAY BE A FACTOR.



Statistical significance levels are indicated as follows: \*\*\* = 1 percent; \*\* = 5 percent; \* = 10 percent.

SOURCES: MDRC calculations from UI administrative records provided by New York State Department of Labor, Ohio Department of Job and Family Services, and Oklahoma Employment Security Commission.

# CONCLUSIONS

Sectoral programs can be effective in promoting increased earnings among low-income individuals.

- Results for one site (Per Scholas) show the potential large impact that well-run sector programs can have.
- Results for two sites (Madison Strategies Group and Towards Employment) show that it takes time for impacts to emerge for providers new to a sectoral approach.
- Results for one site (St. Nicks Alliance) show that this strategy is not going to work for every sector and at every provider: The targeted sectors (and occupations) and the extent to which organizations' services are demand-driven matter.
- Need longer-term follow-up to see the direction and size of long-run effects.