

# What Works to Help Job Seekers?

# Rigorous evaluation found individualized staff assistance effective, but training needs improvement

The Adult and Dislocated Worker programs, currently authorized by the Workforce Innovation and Opportunity Act (WIOA), together serve about 7 million people annually at a combined cost of \$1.8 billion. The programs, which originated under the Workforce Investment Act of 1998 (WIA), provide job training, individualized staff assistance from employment counselors in job search and career and service planning (called intensive services under WIA), and a wide range of information and tools accessible with little staff assistance (called core services under WIA). Starting in 2008, the U.S. Department of Labor, Employment and Training Administration sponsored a rigorous, national evaluation of job training and individualized staff assistance under the Adult and Dislocated Worker programs. This brief discusses the study's key findings on the effectiveness of these services relative to core services.

To learn more about the WIA Gold Standard Evaluation and access Mathematica's research on federal job training programs, visit our website: mathematica-mpr.com.

### MATHEMATICA Policy Research



WIA Adult and Dislocated Worker Programs Gold Standard Evaluation

### INDIVIDUALIZED STAFF ASSISTANCE WAS COST-EFFECTIVE

Job seekers offered individualized staff assistance through the Adult and Dislocated Worker programs experienced the following benefits:

- They earned about \$7,100 (or 20 percent) more over the 30 months after they were found eligible for the services. This earnings increase occurred partly because the services led to more of these job seekers finding jobs, and partly because the jobs they found had higher wage rates than the jobs for those *not* offered individualized staff assistance.
- They were more likely to have jobs that offered benefits such as health insurance.

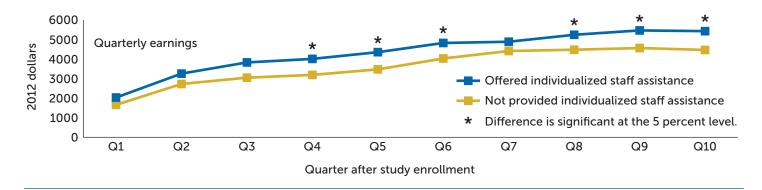
A benefit-cost analysis found that these services were a good investment: job seekers benefitted because their earnings increased, and taxpayers benefitted because the increased taxes paid on the increased earnings were higher than the cost of the services.

## EVIDENCE, ALTHOUGH INCONCLUSIVE, SUGGESTS THAT TRAINING WAS NOT EFFECTIVE

By 30 months after enrollment in the study, training funded by the Adult and Dislocated Worker programs had not led to an increase in employment or earnings. This was not conclusive

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#### Individualized staff assistance led to higher earnings



evidence about the impacts of training, however, because (1) the Adult and Dislocated Worker programs offered funding for training to only a minority of their customers and (2) many study participants received funding from other sources.

Training funds were limited at the time of the study. In 2012—during study enrollment—funding from the programs was the lowest it had been in more than a decade. The findings might have differed if more training funds had been available.

### TRAINING DID NOT ALWAYS LEAD TO A JOB

The study found that study participants did not always complete their training program and receive a credential. In the study group that was offered services unaffected by the study, 79 percent of those who enrolled in a training program completed it, and about 75 percent of those who completed a training program obtained a credential.

The training received by study participants did not always lead to a job that matched their training. Only half of job seekers who enrolled in training reported that they found a job because of their training. Only about two of

every five people who enrolled in training for a specific occupation found a job in that same occupation.

### POLICYMAKERS SHOULD CONTINUE PROVIDING STAFF ASSISTANCE BUT LOOK TO IMPROVE TRAINING TO BETTER HELP JOB SEEKERS

Although found to be effective, individualized staff assistance on its own is not enough to reverse the long-term employment and earnings challenges of program participants. By the end of the study period, the average annual household income of job seekers who could receive individualized staff assistance but not WIA-funded training was only about \$30,000, and many still relied on public assistance. They may have needed additional services to increase their skills and find employment that will allow them to be self-sufficient.

WIOA made important enhancements to training—requiring closer alignment of training with employers' needs and identifying training that will lead to jobs with promising career paths. Evidence from other studies suggests that these enhancements will increase the effectiveness of training.

#### **USING GOLD STANDARD RESEARCH METHODS**

The study took place in more than 200 American Job Centers in 28 randomly-selected local workforce areas across the country, resulting in study findings that can be generalized to job seekers served nationwide. The study used a randomized controlled trial to estimate the impact of intensive services and training. From November 2011 to April 2013, the study randomly assigned more than 34,000 job seekers to one of three groups that varied by the services offered. Data on study participants came from a self-administered baseline form, two follow-up surveys at 15 and 30 months after study enrollment, and administrative records. The study team also conducted two rounds of site visits to these local areas to learn about their implementation of the programs.

We thank the many staff and customers from the local areas in the study for their time and participation.

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