

Improving the Odds of Success: What Research Says About Youth Workforce Training

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Policymakers can use research findings to guide decisions about how workforce training can improve the job prospects of youth and help ensure the success of Wisconsin's economy. Based on 40 years of evaluation experience, Barnow offers several strategies for increasing the odds that youth training programs will be effective and an efficient investment of taxpayer dollars. To train youth for jobs, employers need to be part of the woodwork. Employers can provide youth with on-the-job training and ensure that training meets the demand for jobs, now and in the future. Training is more effective when youth learn both hard and soft skills, and when remedial and occupational skills are taught together in the same classroom. Completing training can be challenging especially for low-skill and low-income youth. Youth who face financial challenges can benefit from a stipend that is tied to high performance expectations. Holding youth to high expectations works well when matched with high support from program and professional staff.

Youth with limited education and experience in the labor force face difficult odds for success in work and family life. An aging society presents increased employment opportunities as older workers retire. Yet youth need the education, vocational skills, and soft skills to earn decent wages in the jobs that a sound economy demands. Without a steady income, young people are less willing to commit to marriage and the family life that a strong society requires.¹ Because tomorrow's jobs increasingly call for postsecondary education, policymakers are focusing on youth between the ages of 17 and 24 who are the prime age for entering the workforce. Decades of research on the effectiveness of workforce training can provide guidance for policymakers interested in improving the job prospects of youth and ensuring the success of Wisconsin's economy.

This chapter is based on my experience evaluating and managing workforce training programs for more than 40 years. I begin by identifying barriers that successful workforce training programs need to overcome. Then, drawing from program successes and failures across many studies, I offer five strategies for improving the odds that workforce training for youth will be effective and an efficient investment of taxpayer dollars.

What are the Barriers to Successful Workforce Training?

Publicly funded workforce training programs in the United States began on the heels of the Great Depression. The success of youth employment and training programs depends upon knowing what barriers need to be overcome in youth, training institutions, and firms.²

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Youth entering the workforce may lack basic academic skills in reading, math, and writing.³ Others may lack communication skills such as how to speak to their boss, ways to interact with co-workers, and what it takes to manage conflict. Some have not learned professional behaviors such as showing up, being on time, dressing appropriately, and completing assignments.⁴ Some youth face financial challenges in paying for training, and others experience time challenges in balancing the demands of school with the responsibilities of parenting.⁵

Training institutions face challenges in working with both employers and students. Training providers may find it challenging to reconcile their views of workers with those held by employers. Training providers feel rewarded if they are able to qualify workers for rewarding positions, whereas employers feel rewarded if they have qualified workers to make their firms run smoothly. Effective trainers are open to learning what the needs of industry are, how to speak the language of employers, and what hard and soft skills workers need to succeed on the job.⁶ In addition to connecting with employers, training providers face increasing pressure to quickly move students through training, while still equipping them with essential occupational and employability skills. Resource constraints squeeze the time available for advising students, providing support services, and responding to special needs such as financial aid and remedial education.⁷

Firms are often wary of working with government and with other firms. However, providing training to industry sectors, which include several firms, requires collaboration. Firms that compete with each other may believe that having their own training program helps them beat the competition, making them reluctant to share curriculum decisions with their rivals.⁸ Firms also are reluctant to provide on-the-job training or apprenticeships for fear of “poaching”—paying wages to train an employee who is hired away by another firm.⁹

What Does it Take for Youth Workforce Training to Succeed?

Training programs for youth need to be carefully planned and implemented. The most recent evaluation of one of the early U.S. workforce training laws, the Job Partnership Act that targeted disadvantaged youth and adults, was conducted in 1996. Programs for disadvantaged adults had positive impacts on earnings, with benefits to the nation that exceeded the cost. Surprisingly, the programs for disadvantaged youth were ineffective.¹⁰ Since the time of this evaluation, some promising youth programs and practices have emerged. Based on my experience evaluating workforce training programs, I provide five take-away messages about what it takes to effectively train youth for workforce success.

(1) Publicly Funded Workforce Training Programs Need Solid Engagement from Employers

When the ultimate goal is to place people in jobs, employers need to be “part of the woodwork” of workforce training.¹¹ Without employer engagement, programs will not be successful.¹² Despite many ways that employers can be involved, too often engagement is simply recruiting them to serve on advisory committee. As training

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programs are being developed, employers can serve valuable roles in identifying emerging occupations and local employment opportunities. They can help design curriculum, serve as instructors or guest presenters, and/or donate equipment and materials to use in training. To help ensure the success of workforce training, employers can provide paid on-site internships and apprenticeships, and commit up-front to hire program graduates.¹³

Training providers often involve employers as advisers, but they could involve employers as clients through customized and sector-based training. Customized training is designed for a single employer, whereas sector-based training meets the needs of a group of employers that hire people in the same occupation or industry.

Customized Training. Training providers can work with individual firms to provide training for their existing workers or to fill new positions. What sets customized training apart from other workforce training is the close consultation with employers to ensure trainees emerge with the skills and competencies needed for a specific job.¹⁴ In return for this individualized training, the federal Workforce Innovation and Opportunity Act (WIOA) requires employers to commit to hire program graduates and to pay “a significant portion” of the training costs.¹⁵

States often offer customized trainings to new or expanding businesses to influence location decisions. Though states may be reluctant to offer customized training, studies show the investment pays off. For creating jobs, customized training incentives have proven to be 10 to 16 times more effective per dollar of investment than tax incentives (see Bartik chapter in the 2009 Family Impact Seminar briefing report, *Growing the State Economy*, at <http://wisfamilyimpact.org>).

For the investment that trainers make in customized training to pay off, firms must make an upfront commitment to hire the trainees. Even though firms are initially reluctant to commit to hire graduates, firms who have done so find that the benefits far outweigh the costs. Training costs are subsidized by government, and customized training provides a high-performance workforce that is productive from day one and long into the future.¹⁶

Sector-Based Training. Working across multiple firms in an industry sector or a cluster of occupations offers the advantage of creating more job opportunities. Three mature sectoral programs were evaluated using a rigorous treatment/control design. **Jewish Vocational Service-Boston** is a nonprofit organization that provides 20 to 22 weeks of training for disadvantaged participants including refugees, immigrants, and welfare recipients. **Per Scholas** is a New York City organization that provides 15 weeks of training for low-income people on the repair and maintenance of computers, printers, and copiers. A third nationally acclaimed model is the **Wisconsin Regional Training Partnership** (WRTP) located in Milwaukee. WRTP is an association of employers and unions that provide two to eight weeks of training in construction, manufacturing, lead abatement/hazardous materials, and commercial driver’s licenses.¹⁷ WRTP is a membership organization with funding from public, philanthropic, and private investors. For example, the construction industry contributes two cents per hour worked to a workforce development and diversity fund (see the 2011 Wisconsin

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Family Impact Seminar Briefing Report, *Positioning Wisconsin for the Jobs of the Future*, at <http://wisfamilyimpact.org>).

The majority of participants in these sector-based programs had a minimum of a high school education or GED, and most had limited labor market success. Roughly, 30% were under age 24, and about one in five had been convicted of a felony. All three programs taught vocational skills, offered employability training, and provided support services. Two provided internship programs for participants to gain on-the-job experience.

Participants in sector-based training targeted to specific occupations or industries resulted in large employment and earnings gains.

In a rigorous evaluation conducted two years later, sector-based workforce training targeted to specific occupations or industries resulted in large employment and earnings gains. For the 12-month period beginning one year after random assignment, those assigned to the sector-based training earned \$4,000 more than those assigned to the control group. Young and old, men and women, African Americans and Latinos, welfare recipients, and ex-prisoners all saw large impacts on earnings.¹⁸

(2) Publicly Funded Workforce Training Programs Need to Connect Trainees with Employers and Employment

Employment is not only the outcome of workforce training, but a means to providing employees with on-the-job experience that is likely to yield future benefits. Several approaches exist for integrating work experiences into the training such as apprenticeships, class projects conducted for employers, internships, job shadowing, visits to local employers, and so forth. (For a summary of the evidence on apprenticeships, see the companion article by Robert Lerman in this briefing report.)

One basic premise of workforce training is that it should be accompanied by strong student support and connections to employment. Career Pathways is an emerging workforce development model that integrates some of the innovative instructional approaches and support services of the last few decades.¹⁹ Career Pathways lay out a series of clearly stated and sequenced steps for building one's credentials. The Pathways are designed to be manageable for low-skill, low-income individuals who may have family and work commitments. The first step, which typically takes one year, often consists of 12 credits—the number of credits that some research suggests is an important “tipping point” for earning at least one marketable credential and for persisting in postsecondary education.²⁰ Each step on the career ladder prepares students to sequentially move toward earning additional credits and degrees that lead to middle-skill and high-skill jobs that pay higher wages.²¹ Career ladders vary in who they target, for what credentials, and which occupations. Their effectiveness has not yet been scientifically tested.²²

(3) Publicly Funded Workforce Training Programs Need to Pay Serious Attention to Soft Skills Training

Employers say training in occupational skills is not enough. To be effective on the job, workers also need employability skills, sometimes referred to as soft

skills.²³ Soft skills include critical thinking, individual responsibility, integrity, professionalism, self-management, sociability, teamwork, and so forth.^{24,25} Employers report that it takes longer to fill their job openings because many applicants lack these vital soft skills.²⁶

Several workforce training programs have been successful in teaching soft skills, exemplified here by promising evidence from a rigorous evaluation of Year Up. Year Up is a nonprofit organization that makes a serious commitment to teaching hard and “harder” (soft) skills combined with work experience, college credit, and support services. Year Up was founded in 2000 by Gerald Chertavian, a successful Wall Street entrepreneur dedicated to providing training and work experience for low-income 18-to 24-year olds (<http://www.yearup.org>).²⁷ Participants receive an initial six months of training for jobs in information technology, investment operations, and quality assurance along with important soft skills such as attendance, workplace behavior, and punctuality. These fields pay well and offer opportunities for career advancement. Students spend the next six months in internships in top companies located in 14 cities across the country. The program is funded, in large part, by corporate partners along with private foundations, individual contributions, and public funds.²⁸

The Year Up screening process is highly selective, requiring a minimum of a high school diploma or GED and the desire to succeed. Students learn technical skills specific to their career track. In addition, all receive basic training on operating systems and computer software for word processing, spreadsheets, and presentations. Students take classes in verbal communication and business writing, including composing and proofreading emails, memos, and reports.²⁹ Students are also taught business etiquette such as table manners, thank-you note composition, and appropriate dress and body language.³⁰ All students have access to program and professional staff to discuss training or personal issues.³¹

Year Up uses behavioral incentives to teach professional skills. Students receive a weekly stipend during the training and internship that is tied to a performance contract with rigorous requirements for every aspect of the job—showing up, being on time, dressing professionally, completing assignments, etc. If students occasionally fail to meet the requirements, they lose part of their stipend. If students repeatedly fail to fulfill requirements, they are expected to “fire themselves” and leave the program. Students who do not meet the program’s expectations are not allowed to graduate, and the employers are not required to pay.³²

In a rigorous evaluation after one year in the program, Year Up participants reported remarkable earnings gains compared to a control group. Their salaries were higher and their annual earnings were 30% more than equally qualified peers who did not participate in the program.³³

The program has brought undeniable success to its participants and overwhelming approval from employers. On the employers’ side, virtually all (95%) internship managers reported that the Year Up interns met or exceeded their expectations, which is a resounding endorsement of their grasp of hard and soft skills. Also,

The Year Up program ties performance requirements to training stipends, which are reduced if requirements are not met.

within four months of graduation, 85% of participants were either employed or attending college full time.³⁴

(4) Publicly Funded Workforce Training Programs That Integrate Remedial and Occupational Skills Motivate Trainees with Basic Skills Deficits

Research shows limited returns to workforce training that focuses on remedial education alone. Conventional wisdom says that students need to learn basic skills in math, reading, and writing before they learn occupational skills. However, this approach results in high dropout rates.³⁵ In fact, for adults in federally funded basic skills programs, only one-third of those who had planned to pursue postsecondary education actually ended up doing so. A more effective approach is focusing on “learning by doing” that teaches basic classroom and occupational skills at the same time.³⁶

One successful model is Washington State’s I-BEST (Integrated Basic Education and Skills Training), which is currently being taught in 35 of the state’s community and technical colleges. I-BEST aims to accelerate the progress of low-skilled adults through a series of certificates and credentials.³⁷ Its signature innovation is putting two instructors in each classroom (at least half of the time), with one focusing on basic remedial skills and the other on occupational skills; this approach provides motivation for students to increase their academic skills because they are taught in a meaningful context. The program offers courses in a wide variety of fields including nursing and allied health, computer technology, and skilled trades such as automotive repair. Students receive a number of supports including proactive advising, assistance with financial aid, and the “bundling” of the curriculum into short, manageable modules.³⁸

The signature innovation of I-BEST is two classroom instructors—one focused on basic remedial skills and one on occupational skills.

I-Best was evaluated using three research designs, all showing similar results. Students who participated in I-BEST earned substantially more college credits, were much more likely to earn an award (usually a certificate), and were moderately more likely to gain basic skills. No impacts were found for wages or hours worked, perhaps because students left the program just when the Great Recession began. Given the historic labor-market advantage of credentials, time will tell whether I-Best students earn more during better economic conditions.³⁹

The Accelerating Opportunity (AO) initiative, launched in 2011, is working to bring the I-BEST model of combined teaching of basic and occupational skills to scale. AO is now being implemented and evaluated in 40 colleges in Illinois, Kansas, Kentucky, and North Carolina.⁴⁰ In addition, the Health and Human Services (HHS)-sponsored Pathways for Advancing Careers and Education (PACE) demonstration is rigorously testing I-BEST and other career pathways approaches with nine providers, including Madison Area Technical College.

(5) Publicly Funded Workforce Training Needs to Provide Support Services as Part of the Program Mix

Not all trainees require support services but for those who do, they may mean the difference between success and failure. Even the best training program can fail if trainees do not have support in surmounting barriers to success, whether social or emotional, family or financial.⁴¹ Training providers can offer several types of assistance: personal (specialized advising, coaching, case management), instructional (tutoring, study groups, time management), social (learning communities, peer and alumni mentors), supportive (child care, transportation, substance abuse, domestic violence, mental health), and financial (assistance completing financial aid forms, grants, scholarships).⁴²

No research study has explicitly examined the importance of support services. Yet their value is indicated in the successful Year Up model, which is guided by high expectations and high support. Students are told that “the most respect we can pay you is to expect a lot from you.”⁴³ The low-income young people in Year Up often face significant barriers such as criminal convictions, children to care for, or trouble learning English. These young people may lack a support network for dealing with issues such as depression, post-traumatic stress disorder, self-medication, and sexual abuse. Year Up program staff consistently emphasize the high expectations of the private sector while, at the same time, providing high support from social workers and clinical psychologists. According to CEO Gerald Chertavian, “Without this support in place when a crisis inevitably occurs, few students would be able to complete the program.”⁴⁴

Findings from an implementation study of the Accelerating Opportunities Program revealed that a dedicated support person, sometimes called a navigator, was instrumental in linking students to on-campus and off-campus support services. Concerns were expressed that the quality of services declined when coordinators and instructors took on this responsibility, rather than hiring a navigator.⁴⁵

Conclusion

Workforce training may improve the odds that youth will transition into a successful family life. Workforce training that takes current research into account provides youth with the opportunity to learn marketable skills that can lead to careers that pay well. When young people secure careers that allow them to become self-sufficient, the benefits spill over to their personal and family life.⁴⁶ Psychological well-being increases, relationships become stronger, and parenting improves. Investments in workforce training for youth cost money, but it is difficult to put a price tag on strong families that raise the next generation of workers and citizens.

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Training Administration. He has co-edited 2 books and published 84 scientific papers and reports on workforce development programs, innovative strategies to promote self-sufficiency for low-income families, helping foster youth transition into the labor market, performance management, program evaluation, labor economics, etc. He has conducted many evaluation studies of Department of Labor programs. He chaired the Performance Committee of the Maryland Governor's Investment Board, and has served on 10 National Academy of Sciences (NAS) committees, one of the highest awards bestowed on researchers. Dr. Barnow received his Ph.D. in economics from the University of Wisconsin-Madison.

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