



Identifying Evidence-Based Jobs Programs

New Mexico Family Impact Seminar

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Coalition for Evidence-Based Policy
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Coalition for Evidence-Based Policy

- A nonprofit, nonpartisan organization.
- Mission: To increase government effectiveness through rigorous evidence about “what works.”
- Coalition has no affiliation with any programs or program models – thus serves as an objective, independent resource on evidence-based programs.
- Funded independently, by national philanthropic foundations (e.g., MacArthur, William T. Grant).

In an external review, based on not-for-attribution interviews with federal officials:

“The Coalition ... was given credit by multiple interviewees for OMB’s establishment of a requirement that many discretionary domestic programs be subject to rigorous evaluation ... [and] for certain pieces of legislation carrying similar requirements. As one interviewee stated, ‘The Coalition played a central role in securing this Administration’s commitment to high standards of evidence.’ And another interviewee stated, ‘The push for strong evidence would not have happened as quickly and widely and with so relatively little controversy without the Coalition.’”

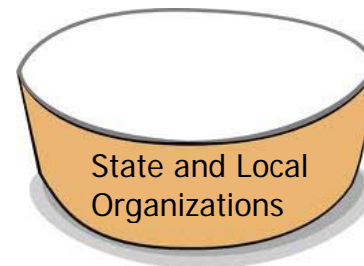
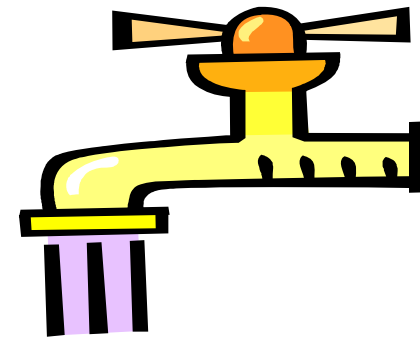
(March 2011)



1. Rationale for Evidence-Based Policy

Problem: U.S. Social Programs Often Do Not Produce the Desired Results

- Most federal and state social programs do not award funds based on evidence of effectiveness.
- Instead, most programs use a “faucet” approach to allocate funding.



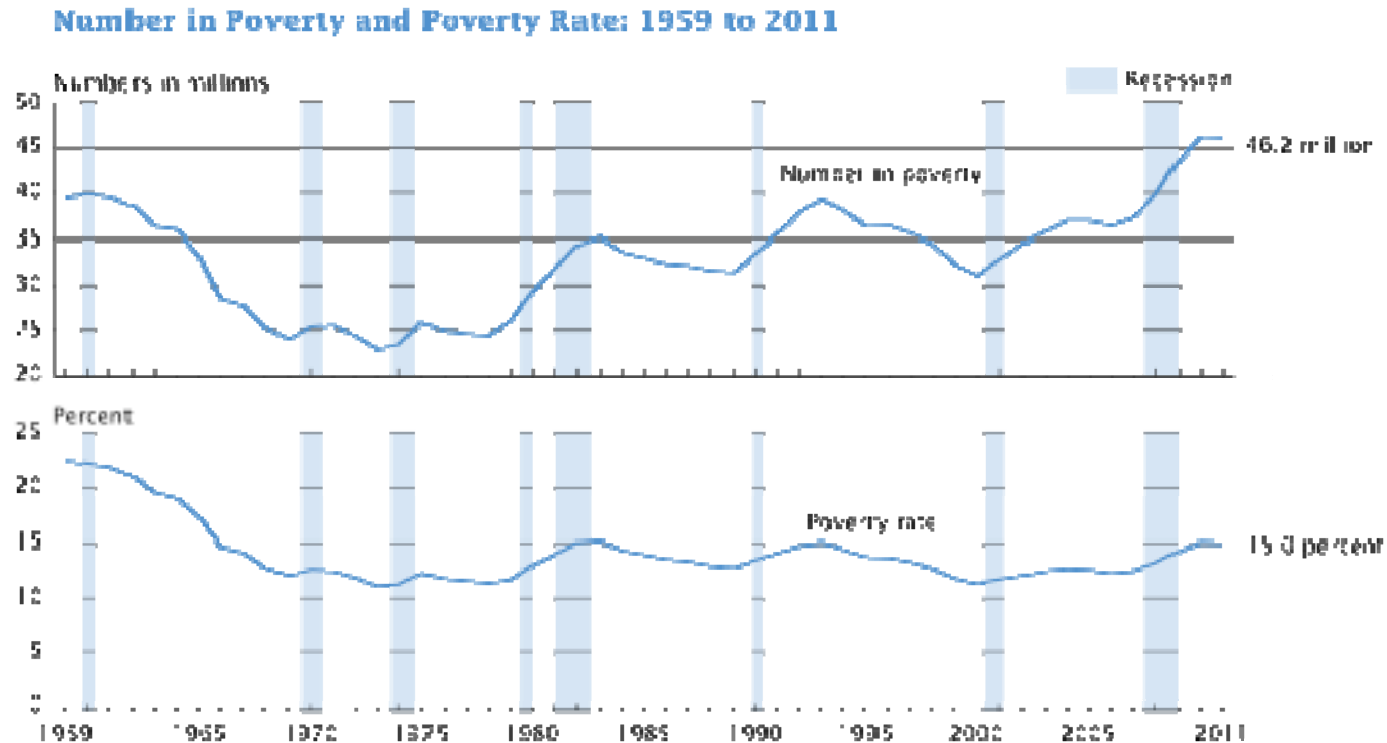
Problem: U.S. Social Programs Often Do Not Produce the Desired Results

- Of the 11 whole federal programs rigorously evaluated over 1995-2011 (e.g., Head Start, Job Training Partnership Act), 10 produced small or no positive effects.
- Only 1 program – Early Head Start (a sister program to Head Start, for younger children) – was found to produce meaningful, though modest, positive effects.

Isabel V. Sawhill and Jon Baron. "Federal Programs for Youth: More of the Same Won't Work." Youth Today, May 1, 2010.

Meanwhile, we've made little progress in addressing important U.S. social problems

- No overall progress in reducing U.S. poverty since mid-1970s (rate today is 15%).

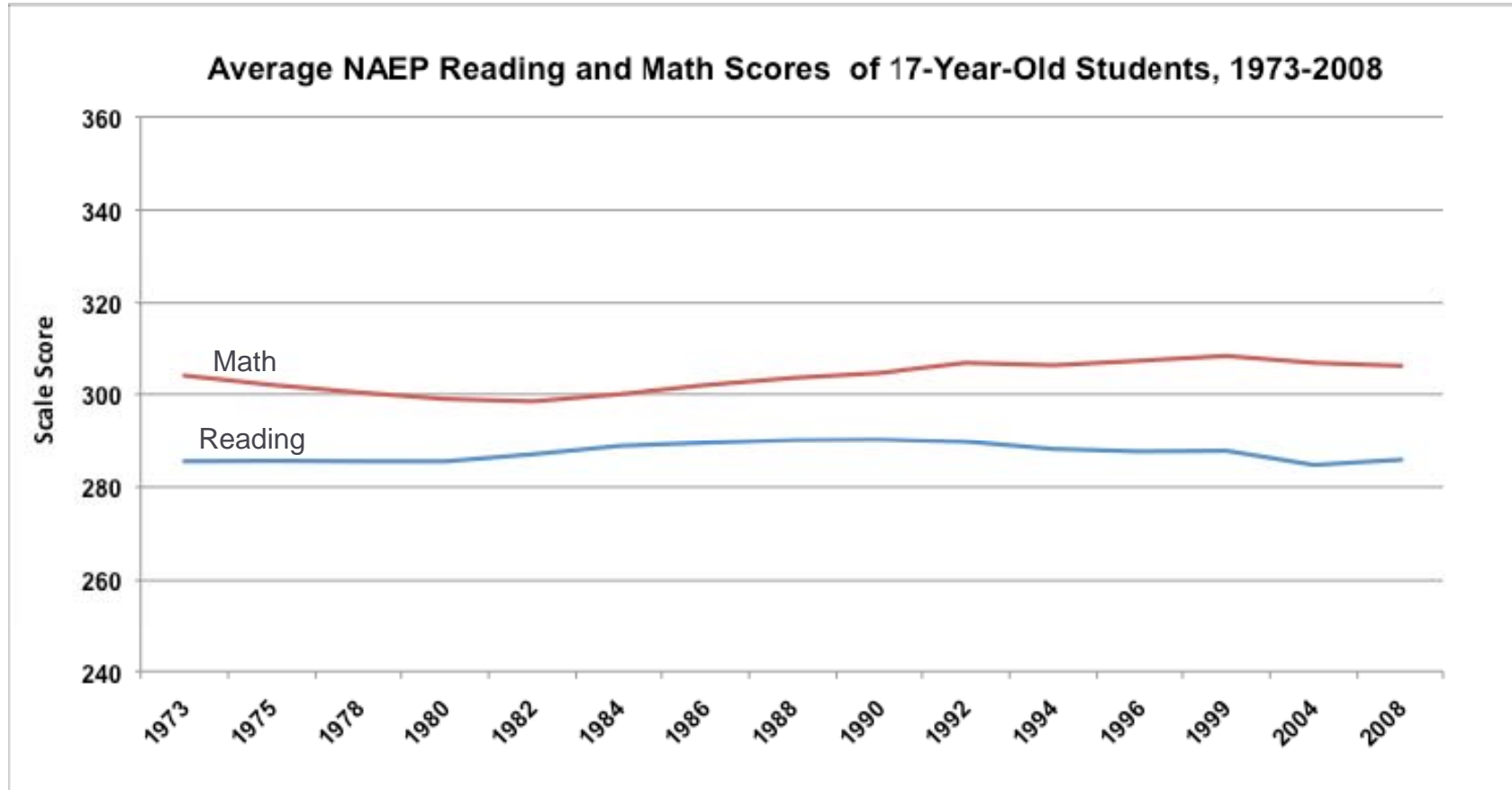


Source: U.S. Census Bureau, Current Population Survey, 1960 to 2012 Annual Social and Economic Supplements.

Little progress

- U.S. high school graduation rate peaked in early 1970s.
- Reading and math achievement of 17 year-olds – the end product of our K-12 education system – is virtually unchanged over the past 40 years.

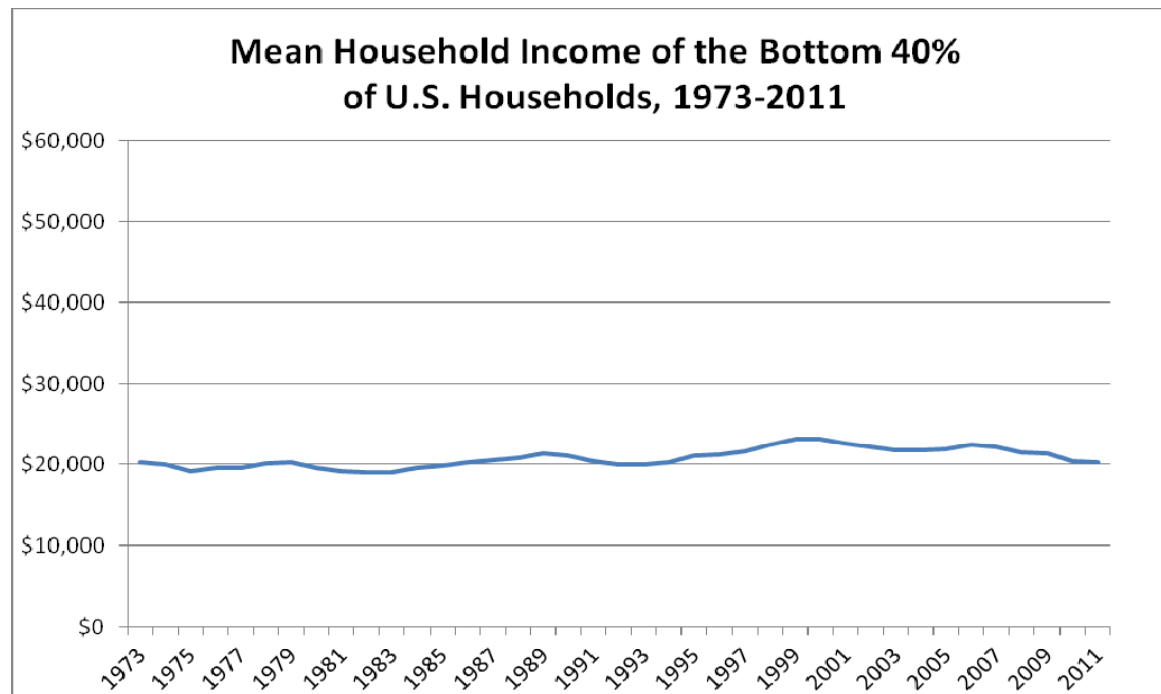
Little progress



Source: U.S. Department of Education, Institute of Education Sciences, National Center for Education Statistics, National Assessment of Educational Progress (NAEP), various years, 1973–2008 Long-Term Trend Reading and Math Assessments.

Little progress

- Average yearly income of the bottom 40% of U.S. households has changed little since 1973, after adjusting for inflation (now at \$20,200).



Source: U.S. Census Bureau, Current Population Survey, 1973 to 2011.

Example:

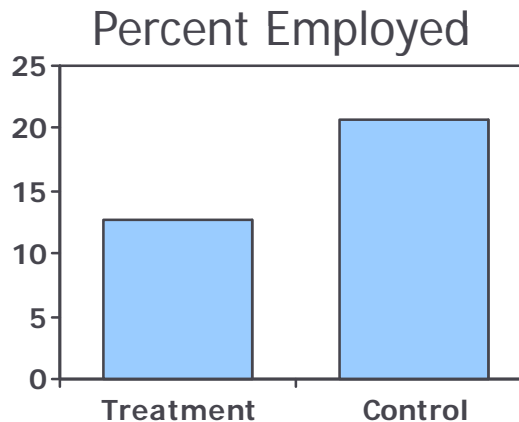
- Vouchers for disadvantaged workers, to subsidize their employment

*Gary Burtless. "Are Targeted Wage Subsidies Harmful? Evidence from a Wage Voucher Experiment." **Industrial and Labor Relations Review**, 1985, vol. 39, no. 1, pp. 105-114.*

Rigorous evaluations have identified interventions that are ineffective/harmful:

- Vouchers for disadvantaged workers, to subsidize their employment

Well-conducted randomized trial found large negative effects on employment.



Gary Burtless. "Are Targeted Wage Subsidies Harmful? Evidence from a Wage Voucher Experiment." Industrial and Labor Relations Review, 1985, vol. 39, no. 1, pp. 105-114.

Rigorous evaluations have identified a few highly-effective social interventions:

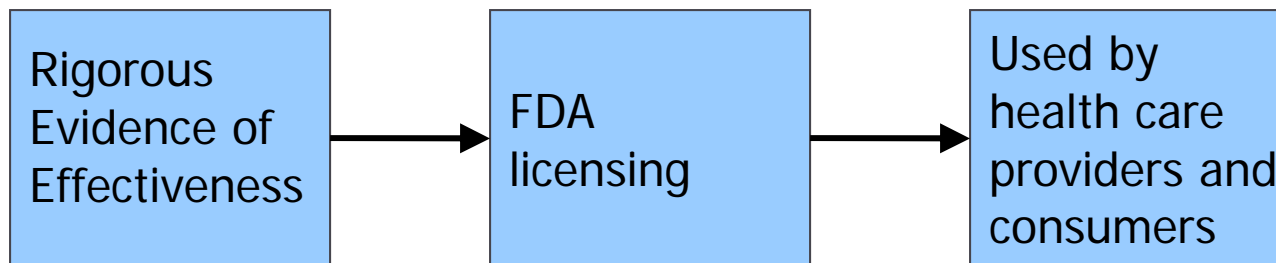
- Career Academies

At 11-12 year follow-up, produced a sustained increase in earnings of \$2,200 per year.

Kemple, J. and C. Willner. "Career Academies: Long-Term Impacts on Labor Market Outcomes, Educational Attainment, and Transitions to Adulthood." MDRC, June 2008.

In the field of medicine ...

- A drug or medical device backed by strong evidence is put into widespread use because the system rewards strong evidence.



- In social policy, by contrast, scientific evidence plays little role in allocating resources.

Evidence-based policy seeks to incorporate two main reforms into social programs:

1. Increased funding for rigorous evaluations, to grow the number of research-proven interventions.
2. Strong incentives & assistance for program grantees to adopt the research-proven interventions.

Newly-Enacted Federal Evidence-Based Initiatives

- Trade Adjustment Assistance Community College and Career Training Grants Program, to fund development and scale-up of evidence-based education and career training programs for dislocated workers (DOL, \$2 billion over 2011-2014);
- Workforce Innovation Fund, to fund development & scale-up of evidence-based strategies to improve education/workforce outcomes of U.S. workers (DOL, \$50 million in FY12);
- Investing in Innovation Fund, to fund development & scale-up of evidence-based K-12 educational strategies (DoEd, \$650 million in 2009 Recovery Act, \$150 million in FY12);

Newly-Enacted Initiatives (cont.)

- Evidence-Based Home Visitation Program for at-risk families with young children (HHS, \$1.5 billion over 2010-2014);
- Evidence-Based Teen Pregnancy Prevention program (HHS, \$105 million in FY12);
- Social Innovation Fund, to support public/private investment in evidence-based programs in low-income communities (CNCS, \$50 million in FY12);

2. What Kinds of Evidence Are Needed to Increase Government Effectiveness?

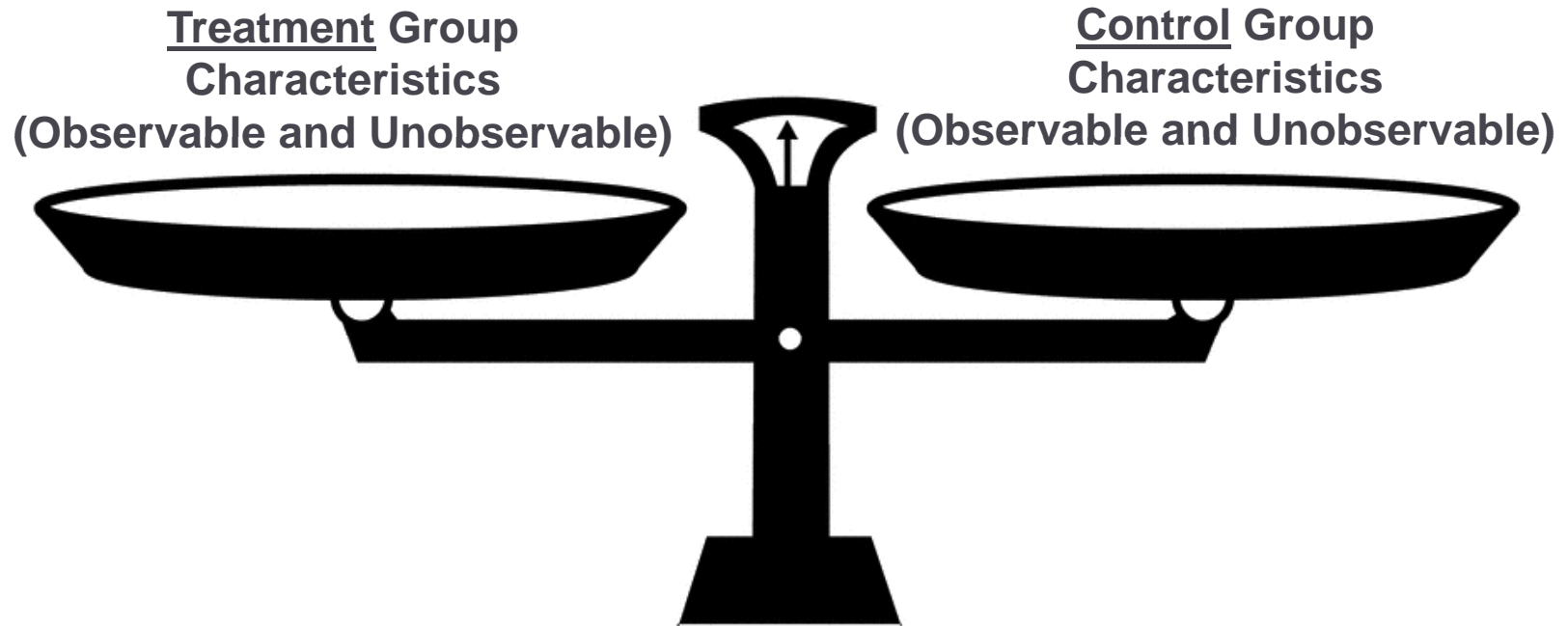
We believe many types of research/evaluation are needed:

- Implementation studies.
- Well-matched comparison-group studies, and small randomized trials (RCTs), to identify promising programs that merit more rigorous evaluation.
- We generally advocate large demonstration projects that use RCT methods only when program has been shown (i) well-implemented, and (ii) highly promising.

But a Central Theme of Our Work, Consistent With A Recent National Academies Recommendation

... is that evidence of effectiveness generally “cannot be considered definitive” unless ultimately confirmed in well-conducted RCTs, “even if based on the next strongest designs.”

The Unique Advantage of Random Assignment: Equivalence



Second-Best When Random Assignment Is Not Possible:

- Studies that compare program participants to an *observably-equivalent* group of non-participants.
- Often called well-matched “comparison-group” or “quasi-experimental” studies.

Central Ingredient Needed for Rigor:

Equivalence

Less Rigorous Study Designs Include:

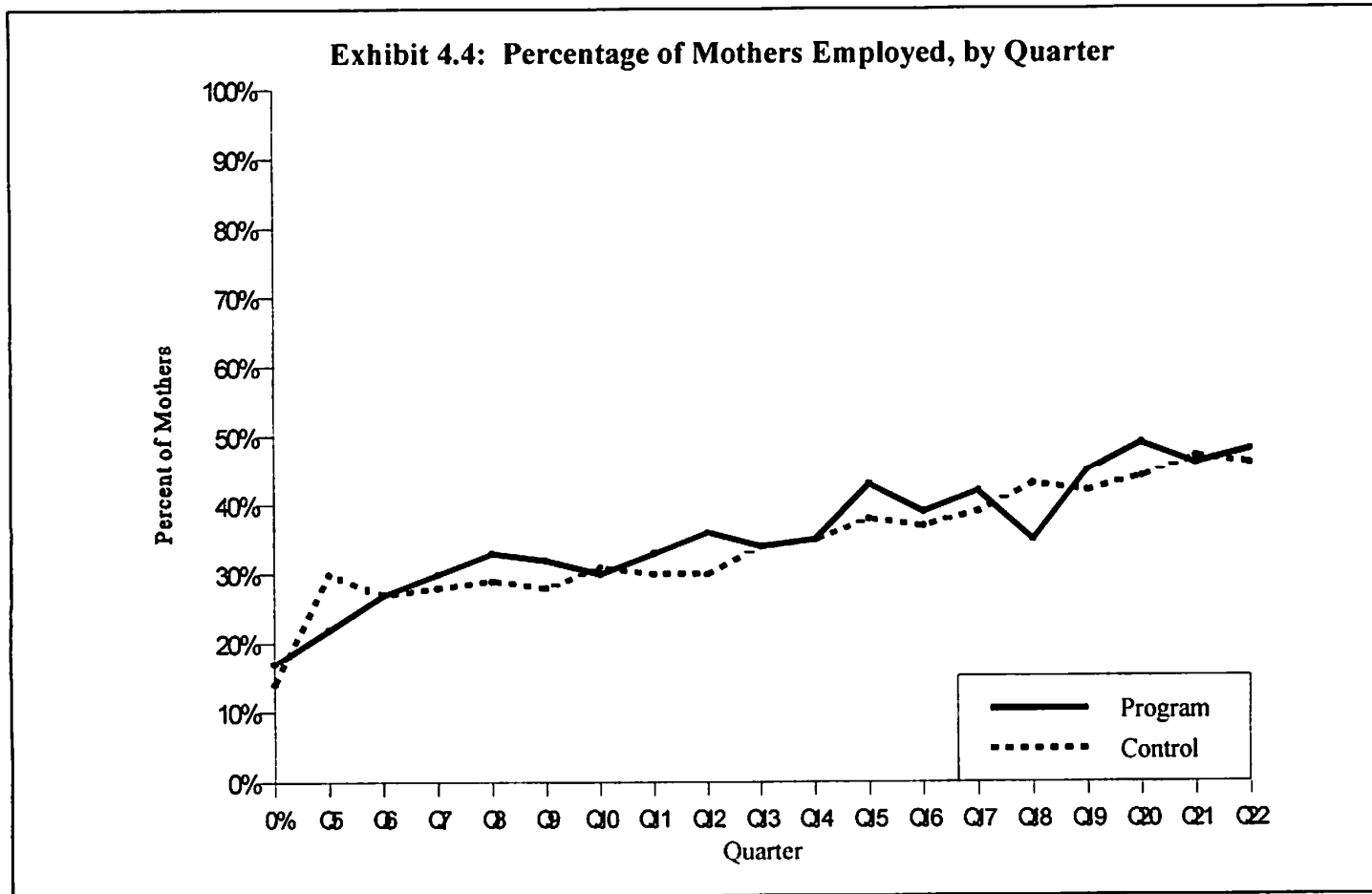
- Randomized trials with key limitations (e.g., small samples, only short-term follow-up);
- Comparison-group studies in which the groups are *not equivalent* in key characteristics;
- Pre-post studies; and
- Outcome metrics (without reference to a control or comparison group).

Such designs can be valuable for identifying promising interventions that merit more rigorous evaluation, BUT:

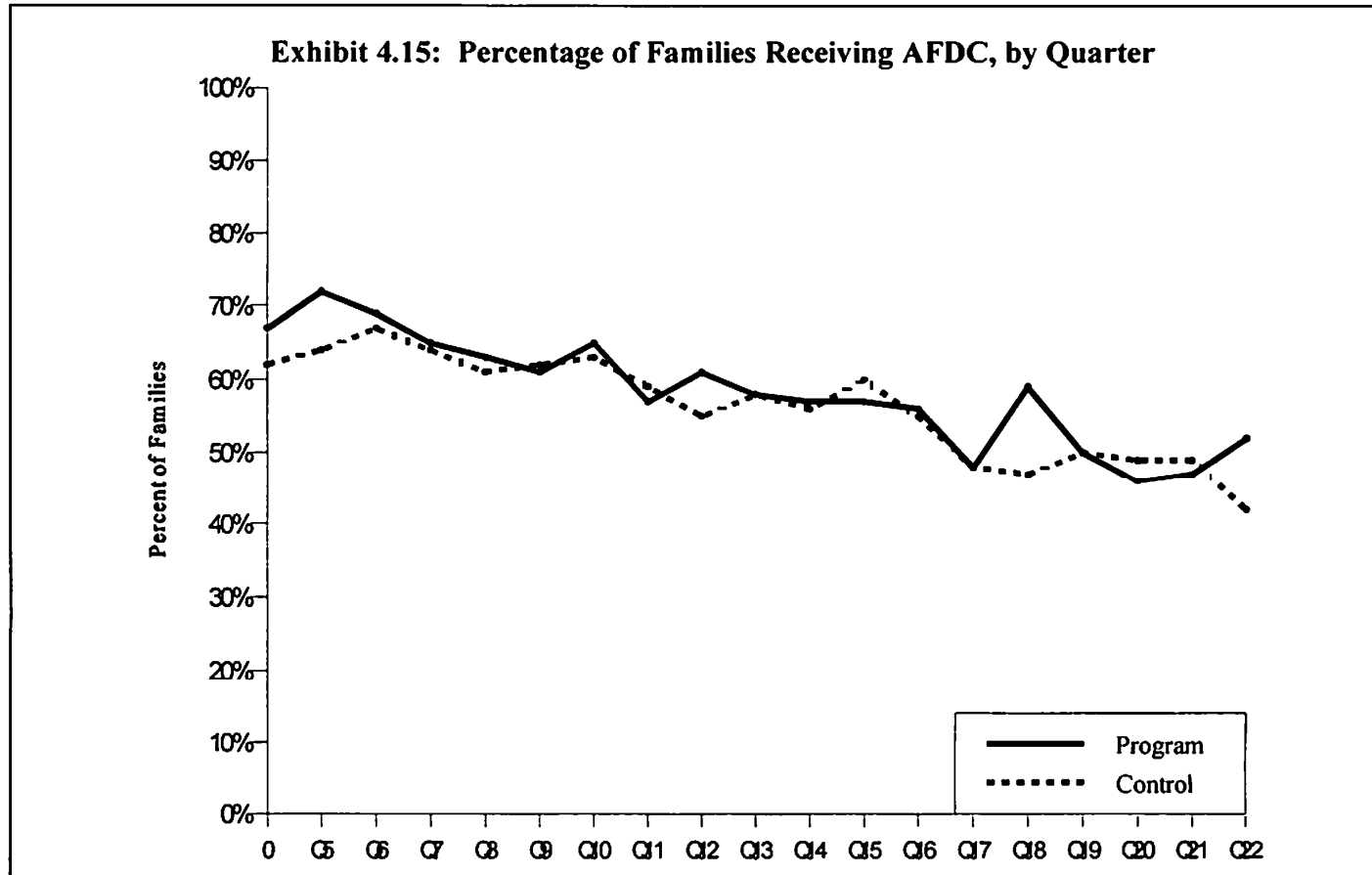
Too Often, Promising Findings in Less Rigorous Studies Are Not Confirmed in Subsequent, More Definitive RCTs

- In medicine: 50-80% of interventions found promising in phase II (nonrandomized studies or small efficacy trials) are found ineffective in phase III (sizable RCTs).
- In K-12 education: Of ~115 interventions evaluated in large, convincing RCTs funded by Institute of Education Sciences 2003-2012, 90%+ had weak or no effects.
- Similar pattern occurs in other areas (e.g., welfare/employment, crime, development assistance)

Comprehensive Child Development Program: Impact on Mothers' Employment Rate



Impact on Family Welfare Receipt



3. What Rigorous Evaluations Have Taught Us About “What Works” in Workforce Development Policy

As in other fields (e.g., medicine, education), many findings of small or no positive effects:

- Summer Training & Employment Program (DOL, 1992)
- summer jobs & academic classes to disadvantaged 14-15 year olds.
- UI Reemployment Bonus Experiments (DOL, 1994) –
cash bonus to UI claimants for getting quickly reemployed.
- Job Training Partnership Act (DOL, 1996) - workforce training for adults and youth. Randomized evaluation of 16 sites that volunteered for the study.

Small or no positive effects:

- New Chance Demonstration (DOL, 1997), providing employment, parenting, job training, education services to teenage welfare mothers.
- Center for Employment Training replication (DOL, 2005) - training in work-like setting for out-of-school youth.
- Job Corps (DOL, 2006) - academic & vocational training for disadvantaged youths age 16-24.

Small or no positive effects:

- Quantum Opportunity Program (DOL, 2006) - intensive youth development including mentoring, tutoring.
- Growing America Through Entrepreneurship – GATE (DOL, 2009) – training and assistance for individuals interested in starting their own business.
- Individual Training Accounts (DOL, 2011) – tested relative effectiveness of three approaches to funding job training for unemployed adults (e.g., with or without intensive counseling).

Programs with strong evidence of sizable effects:

- Career Academies in high-poverty high schools
 - At 11-12 year follow-up, produced a sustained increase in earnings of \$2200 per year.
- H&R Block College Financial Aid Application Assistance –
 - 4 years later, increased college enrollment for low & moderate income students by 29%, versus a control group.

Programs with promising evidence:

- UI Self-Employment Demonstration (DOL, 1999) - Provided UI claimants with training/counseling to start a business. At 2.5 year follow-up:
 - Massachusetts: 60% (\$5,940) increase in annual earnings & 33% increase in time spent working.
 - Washington state: 17% increase in time spent working and 78% increase in likelihood of having an open business. No impact on overall earnings.

Programs with promising evidence:

- UI Job Search Assistance Demonstration (DOL, 2000)
 - mandatory job search to promote rapid re-employment among UI claimants facing long spells of unemployment. At 2.5 year follow-up:
 - DC program: 11% increase in earnings (\$2000) over 2½ years, and net savings to gov't of \$431 per claimant (e.g., in reduced UI benefits).
 - Florida program: Few significant effects (possibly because mandate was not vigorously enforced).

Programs with promising evidence:

- Per Scholas (PPV, 2010) – “sectoral” employment program in NY City, provides IT job training to unemployed, disadvantaged workers. In 2nd year after random assignment:
 - Increased earnings by 32%, or \$4,700.
 - Increased months employed by 20% (i.e., 1.4 months).

Concluding Thoughts

- Faithfully scaling up workforce programs backed by strongest evidence (e.g., Career Academies) provides the best bet for improving workforce outcomes.
- For promising programs lacking strong evidence, federal evidence-based programs may be a good funding source to expand implementation and strengthen evidence.
- Increasing in-state capacity to conduct rigorous evaluations, particularly low-cost ones, could expand menu of available evidence-based programs.

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