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| TRAINING AND EMPLOYMENT NOTICE | NO. 19- 11 |
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TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE LIAISONS
STATE UNEMPLOYMENT INSURANCE DIRECTORS
STATE AND LOCAL WORKFORCE INVESTMENT BOARDS
STATE ONE-STOP CENTER SYSTEM LEADS

FROM: JANE OATES /s/
Assistant Secretary
Employment and Training Administration

SUBJECT: Release and Availability of Employment and Training Administration (ETA)
Occasional Paper: *Implementation and Early Training Outcomes of the High
Growth Job Training Initiative (HGJTI): Final Report*

1. **Purpose.** To announce the release and availability of ETA Occasional Paper: *Implementation and Early Training Outcomes of the High Growth Job Training Initiative (HGJTI): Final Report.*

2. **Background.** The HGJTI was an initiative conducted by ETA from July 2001 through January 2007, to prepare workers to take advantage of new and increasing job opportunities in high growth, high demand, and economically vital sectors of the American economy. The HGJTI encouraged market-driven, demand-focused partnerships between employers and the public sector, which included the workforce investment system, community colleges, and economic development agencies. From 2001-2007, ETA awarded 161 HGJTI grants to support development of industry-driven solutions to meet workforce challenges identified by employers. The grantee experiences described in the report provide a rich source of information about the promise and the challenges of industry-focused training and capacity-building models that were intended to expand the skilled workforce needed by high-growth and high-demand economic sectors.

3. **Publication Description.** The Urban Institute, with its partners Johns Hopkins University and Capital Research Corporation, conducted the national evaluation of HGJTI. This evaluation included two major components: (1) an implementation analysis; and (2) an analysis of early outcomes and impacts of training in five grant programs. The first report on the implementation of 20 early HGJTI grants was released in June 2007. A second report, released in 2008, presented a more in-depth implementation analysis based on site visits to six grantees. This report updates the findings from the earlier implementation reports based on site visits to three more grantees and provides results of an analysis of the early outcomes and impacts of job training in five grant-funded programs.

Despite the importance of the initiative, ETA initially chose not to build any type of evaluation into this initiative. ETA later decided to pursue an analysis of training outcomes. As a result, the final analysis contained in this report uses Non-experimental analytic methods—propensity score matching and regression discontinuity design methods—to estimate the early impacts of the training on earnings outcomes for trainees. Since, the non-experimental impact evaluation was added after the grants were implemented, several challenges were encountered:

- The number of participants in each site was fixed, and for the most part, the numbers enrolled were too small to provide adequate sample sizes to assure reasonable statistical power.
- The creation of comparison groups after the fact also proved a challenge because the comparison groups selected were not ideal but the best available under the circumstances.
- Data on program participants and comparison groups were not collected consistently across sites, and too few variables for participants and comparison group members were available to ensure that the participants and comparison group members could be matched on all the variables likely to affect participation and earnings.
- Only the early training impacts, most often for two post-program quarters, could be examined, which did not allow any longer-term follow-up on which to evaluate the training.

The report documents the national initiative, describes the structure and implementation of projects across nine grantees, and provides estimates of early outcomes and impacts of the job training provided by five of the grantees.

Key conclusions from the implementation analysis of the selected grantee indicate:

- Occupational training was generally considered to be critical by employers and administrators in the various partnering organizations, but establishing such training is not easy and requires careful attention to cultivating partnerships with businesses. Unless employers believe that the training is of high quality and meets their needs, they will not partner in these efforts in any substantive way.
- In meeting the future labor needs of high-demand industries, considering untapped labor sources is important. Emphasizing recruitment of particular populations, such as high school students, women interested in on-traditional jobs, and lower skill level incumbent workers, can help to meet employer-identified skill needs. These groups of workers may need targeted training.
- Changing the current workforce development system model to focus on particular sectors can be extremely difficult when trying to engage employers, education and training providers, and other partners. Cross-system collaboration can be

improved by carefully identifying partnering challenges upfront and reconciling differences of opinion in the training design and curriculum prior to program implementation.

- The HGJTI funds provided grantees an opportunity to help promote and expand awareness of demand-drive skills training needs and expand the capacity of some training providers and systems.

To better understand the impacts of the HGJTI-funded training, five sites were selected to conduct a non-experimental impact analysis.

- The findings provided no consistent evidence of the impacts of HGJTI-funded training. However, descriptively, all of the five sites showed small to modest improvements in employment and earnings from the two years prior to entering into the program to the time of in-program measurement (most often, six months after program entry).
- The non-experimental analysis results showed some consistency in the direction of the earnings impact (positive or negative) within sites but were often characterized by poor matches and lack of statistical significance in part due to small sample sizes, or a wide dispersion in the estimates.

4. Inquiries. To view an abstract of these publication, as well as to download the executive summary and full report, visit the ETA Occasional Paper Series Web site at: <http://wdr.doleta.gov/research/keyword.cfm>.