Economic Impacts From the WorkAdvance Demonstration

Career Pathways Meeting

Rick Hendra
Agenda

- WorkAdvance model
- WorkAdvance evaluation
- Implementation findings
- Economic impact findings
- Summary
WorkAdvance model was built on evidence from two promising strategies:

- **Sector strategies**
  - Intensive screening
  - Career readiness services

- **Career advancement strategies**
  - Occupational skills training leading to a credential
  - Job development and placement
  - Retention and advancement services
WorkAdvance evaluation

 Implemented June 2011-June 2013
 Randomized controlled trial
 2,564 study participants

<table>
<thead>
<tr>
<th>Per Scholars</th>
<th>St. Nicks Alliance</th>
<th>Madison Strategies Group</th>
<th>Towards Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bronx, NY</td>
<td>Brooklyn, NY</td>
<td>Tulsa, OK</td>
<td>Northeast Ohio</td>
</tr>
<tr>
<td>Information technology</td>
<td>Environmental remediation</td>
<td>Transportation + manufacturing</td>
<td>Health care + manufacturing</td>
</tr>
</tbody>
</table>
Key implementation findings

It took time for the providers – and more time for the providers new to sector programs – to fully implement all of the model components

Madison Strategies and Towards Employment initially implemented a “placement-first” track (place first, train later)

Pre-specified random assignment cohort as a confirmatory subgroup
WorkAdvance increased employment in the targeted sector at all providers.

- Per Scholas: 40.7***
- St. Nicks Alliance: 11.9***
- Madison Strategies Group: 16.5***
- Towards Employment: 16.4***
Per Scholas’ (IT) program produced large and growing earnings impacts through Year 3.

### Full sample

- **Year 1**: $150
- **Year 2**: $3,744
- **Year 3**: $4,829

### By cohort

- **Year 3, early cohort**: $7,123
- **Year 3, late cohort**: $1,074

**Note**: $ values are in full sample and by cohort.
St. Nicks Alliance (Env. Remediation) had little to no effect on earnings.
Madison Strategies Group’s (Transport./Manufacturing) program increased earnings for the late cohort in Year 3.

### Full sample

<table>
<thead>
<tr>
<th>Year</th>
<th>WorkAdvance group</th>
<th>Control group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1</td>
<td>$328</td>
<td>$328</td>
</tr>
<tr>
<td>Year 2</td>
<td>$1,818*</td>
<td>$1,818*</td>
</tr>
<tr>
<td>Year 3</td>
<td>$1,371</td>
<td>$1,371</td>
</tr>
</tbody>
</table>

### By cohort

- Year 3, early cohort: $801
- Year 3, late cohort: $3,603**
Towards Employment’s (Healthcare/Manufacturing) earnings impacts faded in Year 3

<table>
<thead>
<tr>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>WorkAdvance group</td>
<td>$12</td>
<td>$1,627*</td>
</tr>
<tr>
<td>Control group</td>
<td>$12</td>
<td>$802</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year 3, early cohort</th>
<th>Year 3, late cohort</th>
</tr>
</thead>
<tbody>
<tr>
<td>WorkAdvance group</td>
<td>$2,313</td>
</tr>
<tr>
<td>Control group</td>
<td>$2,313</td>
</tr>
</tbody>
</table>

* indicates statistical significance.
WorkAdvance helped the semi-attached and long-term unemployed increase their earnings

<table>
<thead>
<tr>
<th>Year 3 earnings ($)</th>
<th>Pooled sample</th>
<th>Fully attached</th>
<th>Semi-attached</th>
<th>Long-term unemployed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Control group</td>
<td>$1,864 ***</td>
<td>-$327</td>
<td>$3,112 ***</td>
<td>$1,932 *</td>
</tr>
<tr>
<td>WorkAdvance group</td>
<td>$1,932 *</td>
<td></td>
<td>$3,112 ***</td>
<td></td>
</tr>
</tbody>
</table>
Summary

Sector programs can have economic impacts that last beyond two years

But provider maturity and experience with sector programs matter, and not all programs will have impacts

- Learning curve
  - Must be nimble and adapt to labor market shifts

Need to focus on program improvement (feels like the field has shown these “can” work but how do we make them work more consistently?)

Future report will present Year 5 findings and a cost-benefit analysis