



# Workforce Training and Education Coordinating Board

## 2014 Workforce Training Results

### Workforce Investment Act Title I-B Program for Dislocated Workers

#### Program Details

The Workforce Investment Act (WIA) Dislocated Worker program provides employment and training services to meet dislocated workers' needs; establishes early intervention for workers and firms facing substantial layoffs; and fosters labor, management, and community partnerships with government to address worker dislocation. In general, dislocated workers are individuals who lost jobs due to plant closures, or company downsizing, and are unlikely to return to their industry or occupation.

Every year, the Workforce Board measures the performance of key workforce programs. In this report, you'll find out more about the program and who is served, the metrics used to measure performance and how the program performed.

Dislocated workers are eligible for "core services" that include:

- Skills assessment.
- Labor market information.
- Consumer reports on training programs.
- Job search and placement assistance.

Intensive services and training are available for eligible dislocated workers unable to land a suitable job through the above core services. These services include:

- More intensive assessments.
- Counseling.
- Pre-vocational and vocational training.

For this 2014 study, program records were obtained on 3,475 individuals who left the program during the most recent reporting year.<sup>1</sup> Employment-related information was

<sup>1</sup>The 2014 Workforce Training Results reports are based on data observed as recently as 2012-2013 for individuals exiting programs during 2011-12.

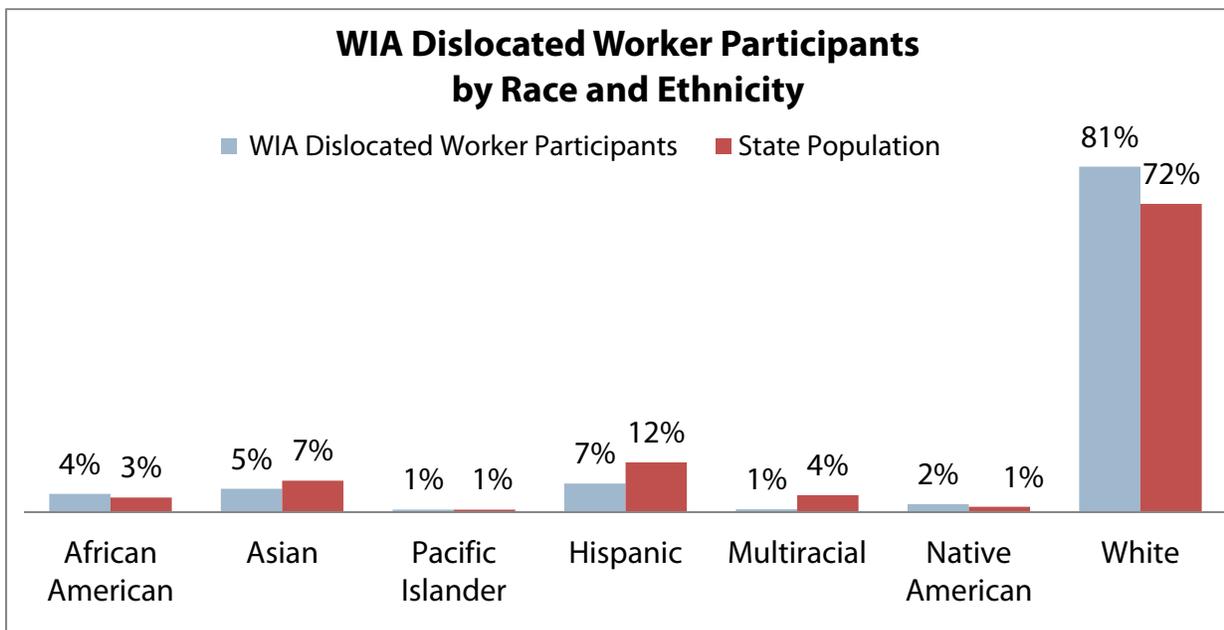


obtained through a match with the Employment Security Department (ESD) wage files from Washington, Idaho, and Oregon, and federal employment records.<sup>2</sup>

The typical participant was enrolled in the program for 16 months. There was, however, considerable variation in the amount of time participants spent in the program. One quarter of participants were enrolled for seven months or less, while another quarter were enrolled for over 27 months.

## Participant Profile

Participants roughly mirrored the state’s racial-ethnic population distribution with whites represented slightly above the state population estimate, and Hispanics and participants of more than one race slightly lower.<sup>3</sup> An estimated 81 percent of participants were white.



Source: WIA standardized record data (WIASRD) and 2011 U.S. Census Data from the American Community Survey.

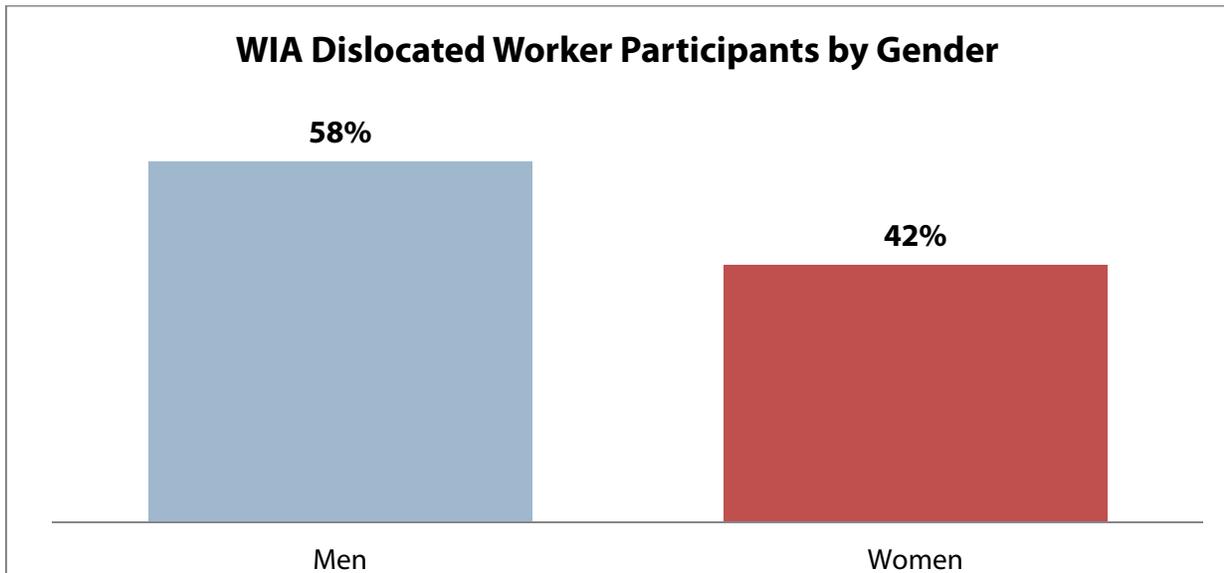
The median age at program registration was 45, with one quarter age 52 and older and one quarter under age 36.

<sup>2</sup> The employer survey includes employers who hired a participant who completed at least one of the three WIA Title I-B programs: Adult, Dislocated Worker, or Youth.

<sup>3</sup> In this report, unless otherwise stated, racial and ethnic minority groups are mutually exclusive; that is, an individual belongs to one group only. The groups include the following: Hispanics of any race (also referred to as Hispanics); non-Hispanic African Americans (also referred to as African Americans); non-Hispanic Asians (also referred to as Asians); non-Hispanic Pacific Islanders (also referred to as Pacific Islanders); non-Hispanic Native Americans and Alaskan Natives (also referred to as Native Americans); non-Hispanic multiracial (also referred to as multiracial); and non-Hispanic whites (also referred to as whites). According to the 2011 U.S. Census Bureau estimates for Washington from the American Community Survey, 72 percent are white; 3 percent are African American; 1 percent are Native American; 7 percent are Asian; 1 percent are Pacific Islander; 4 percent are multiracial; and 12 percent are Hispanic.



Women represented 42 percent of dislocated workers, down two percentage points from the program last year.



Source: WIA standardized record data (WIASRD).

At the time participants enrolled,

- 45 percent had not previously attended college.
- 35 percent had some college or an associate's degree.
- 19 percent had a bachelor's degree or higher.<sup>4</sup>

### Tracking WIA Dislocated Worker Progress

The Workforce Board routinely measures the performance of our state's largest workforce programs. As a customer-focused advocate for Washington's workers and employers, the Workforce Board strives to provide performance accountability, verifying whether worker education and training programs provide a return on investment for participants and taxpayers.

The Workforce Training Results report seeks to answer five core questions:

- Did participants get the skills they needed?
- Did participants get a job and how much were they paid?
- Were employers satisfied with the preparation workers received?
- Has the program made a difference in the participant's success?
- Did participants and the public receive a return on their investment?

<sup>4</sup> Do not add to 100 percent due to rounding.



## **Data Comes From State Wage Files, Employer Survey**

The 2014 Workforce Training Results includes information obtained from Employment Security Department wage files in Washington, Idaho, and Oregon, and federal employment records for 2012-13. Information on employer satisfaction among firms that hired new employees who recently completed a WIA program was assessed through the Workforce Board's 2012 Employer Survey.<sup>5</sup>

## **Net Impact Study Adds More Insight into Program Performance**

In addition, the report includes a comprehensive Net Impact Study. Conducted every four years, this study provides a head-to-head comparison of participants and non-participants to help answer a central question: How much of a workforce participant's success in obtaining a job, or a higher wage, is due to the workforce program? By comparing program participants with similar individuals who did not participate in a workforce training program, the Net Impact Study indicates whether employment and earnings gains are due to the workforce program, or if workers could have made this progress on their own. This research also allows for detailed analysis as to whether the participant and the public received a return on their investment in the program.

Turn to page 19 for the Net Impact Study. Conducted every four years, this in-depth report adds extra value to 2014 Workforce Training Results. The study provides a side-by-side comparison of participants vs. similar non-participants, answering the question of whether the program is making a difference.

## **Did Participants Get the Skills They Needed?**

The study follows the progress of all WIA Dislocated Worker participants who left the program during the most recent reporting year.

As a measure of whether participants got the skills they needed, this study tracks the credentials and degrees earned by participants. Among those leaving the WIA Dislocated Worker program:

- 13 percent received an associate's degree.
- Less than one percent received a bachelor's degree
- 8 percent received a license.
- 31 percent received a certificate.
- Less than one percent received another type of credential.

Taken together, 53 percent of all participants received a recognized credential; this is 76 percent of participants who received training.

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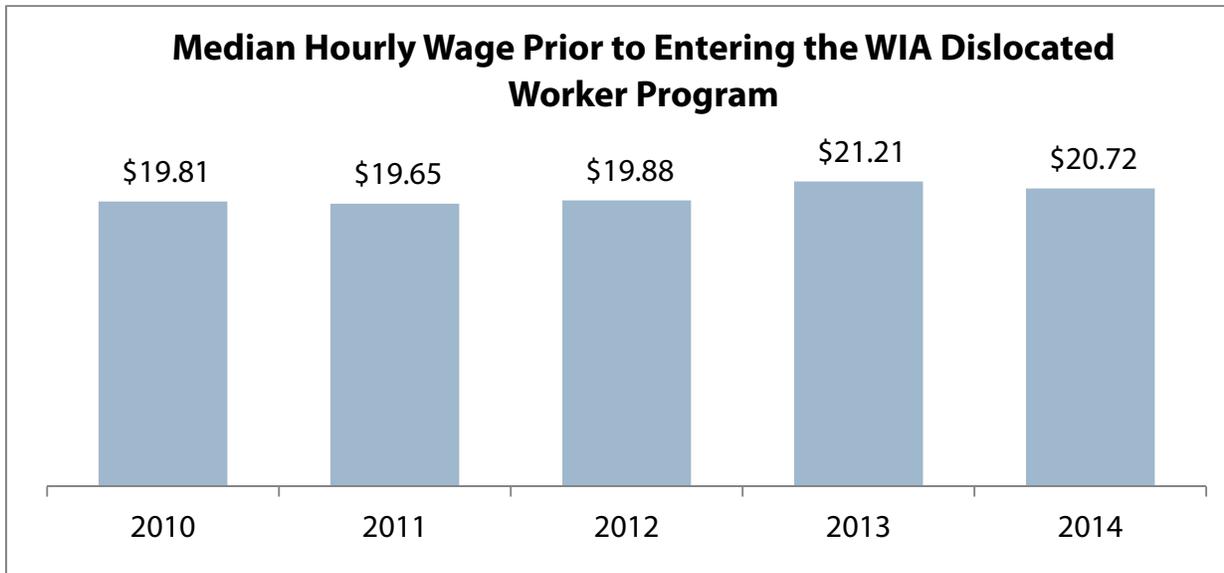
<sup>5</sup> The Employer Survey includes employers who hired a participant who completed at least one of the three WIA programs: Adult, Dislocated Worker, or Youth.



## Did Participants Have a Job and How Much Were They Paid?

To find out whether participants had jobs and how much they earned, participant records were matched with Employment Security Department wage files from Washington and neighboring states.<sup>6</sup> The study looks at employment and earnings three calendar quarters after the participant left the WIA program.

At the time of program entry, 2014 WIA Dislocated Worker participants had slightly lower wages than those enrolled during the prior program year.



Source: Matches with Employment Security Department data.

The chart below shows the employment and earnings of participants who left the program during the 2011-12 program year. Record matches found 67 percent had reported employment the third quarter after leaving the program. The median hourly wage was \$18.05, and median annualized earnings were \$34,504.<sup>7</sup> The typical (median) hourly wage replacement rate was 87 percent.<sup>8</sup>

<sup>6</sup> These files contain quarterly earnings and hours worked information on those individuals with employment reported for unemployment insurance (UI) benefits purposes (approximately 90 percent of in-state employment, with self-employment, active duty military, and those working for religious nonprofit organizations being the major groups of employers not included).

<sup>7</sup> Annual earnings are calculated as third quarter earnings multiplied by four. Quarterly earnings are the result of hourly wage rates and the number of hours worked in a calendar quarter. All wages and earnings are stated in first quarter 2013 dollars.

<sup>8</sup> Median wage replacement rate calculated using third quarter prior to registration compared to the third quarter post-program. (The median replacement rate was hourly post-wage (\$18.05)/pre-wage (\$20.72) = 87.1 percent.)



## Employment and Earnings for WIA Dislocated Workers, 2014

Performance Measure	Results
Employment Rate* (State Records)	67%
Full Time Employment**	73%
Median Quarterly Hours	484 hours
Median Hourly Wage***	\$18.05
Median Annualized Earnings***	\$34,504

\* These figures apply to those with employment reported to state employment agencies six to nine months after leaving the program. Rate does not include self-employment, employment outside the Northwest or military service and thus understates total employment by approximately 10 percent.

\*\* Full-time employment averages 30 or more hours per week.

\*\*\* Earnings/wages expressed in first quarter 2013 dollars in order to account for inflation.

The median hourly wage of WIA Dislocated workers is relatively high at \$18.05, but there is considerable variation in wages. While one quarter of dislocated workers had a median hourly wage of over \$24.51 after program exit, another quarter had median hourly wages below \$13.64.

Distribution of Hourly Wages 3rd Quarter After Leaving	
Quartile	Hourly Wage
Highest	\$24.52 and up
Third	\$18.05-24.51
Second	\$13.64-18.04
Lowest	Below \$13.63

Source: Employment Security Department data matches.

### Earnings of WIA Dislocated Worker Participants

To better gauge the financial effectiveness of Washington's workforce programs, it helps to frame income levels. One common yardstick is the federal poverty level. In 2013, the federal poverty level for one person was \$11,490 per year.<sup>9</sup>

<sup>9</sup> Poverty levels from 2013 were used in this edition of Workforce Training Results to measure the results of workforce programs on participants observed in 2012-13. The federal poverty level is determined by the Department of Health and Human Services. The level varies according to family size. The number is adjusted for inflation and reported annually in the form of poverty guidelines. Public assistance programs typically define eligibility income limits as some percentage of the federal poverty level.



WIA Dislocated Worker participants were able to support a median of 6.7 people at the poverty level—meaning they could support themselves and almost six other people. At the 200 percent of poverty level, they could support themselves and one and a half other people.

### Number of People Supported at Poverty Level by Participant Income

Performance Measure	2010	2011	2012	2013	2014
Number of people supported at poverty level	6.3 people	5.9 people	6.9 people	6.7 people	6.7 people
Number of people supported at 200 percent poverty	2.2 people	2.0 people	2.5 people	2.4 people	2.4 people

The following table shows employment and earnings information over the course of five study periods.

### Employment and Earnings Trends for WIA Dislocated Workers

Performance Measure	2010	2011	2012	2013	2014
Employment Rate (Self-Reported)	N/A	74%	N/A	N/A	N/A
Employment Rate* (State Records)	77%	71%	69%	65%	67%
Full Time Employment**	73%	68%	56%	73%	73%
Median Quarterly Hours	484	480	491	488	484
Median Hourly Wage***	\$17.09	\$16.78	\$17.72	\$18.26	\$18.05
Median Annualized Earnings***	\$32,938	\$31,153	\$35,058	\$34,294	\$34,504

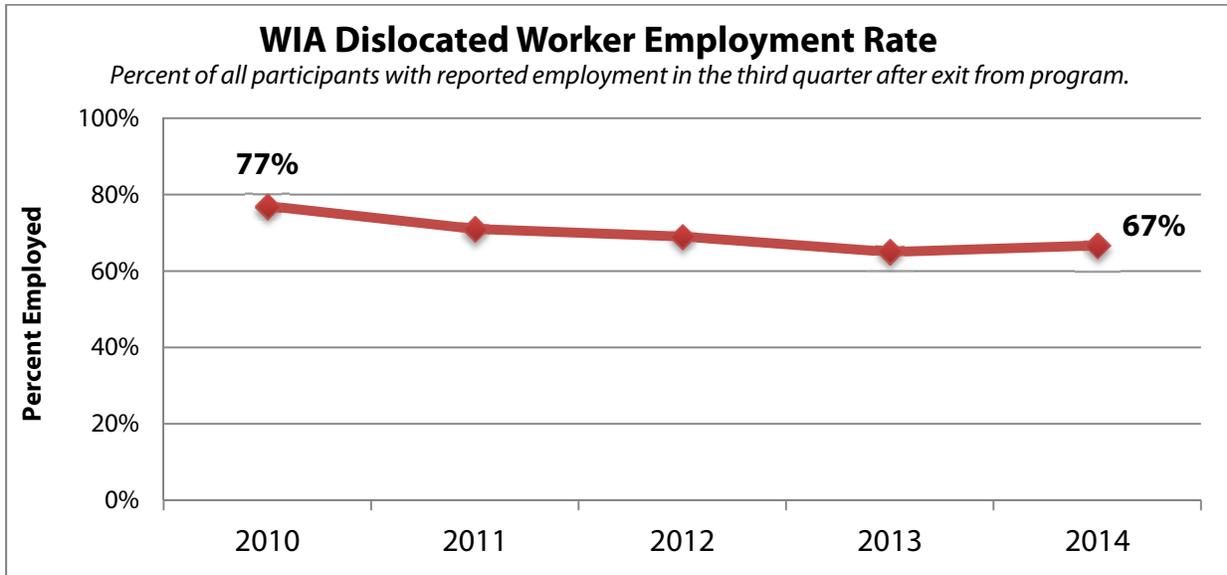
\*These figures apply to those with employment reported to the state's Employment Security Department six to nine months after leaving program, and are not limited to those who completed a program. Rate does not include self-employment, employment outside the Northwest or military service and thus understates total employment by approximately 10 percent.

\*\*Full-time employment averages 30 or more hours per week.

\*\*\*Earnings/wages expressed in first quarter 2013 dollars in order to account for inflation.

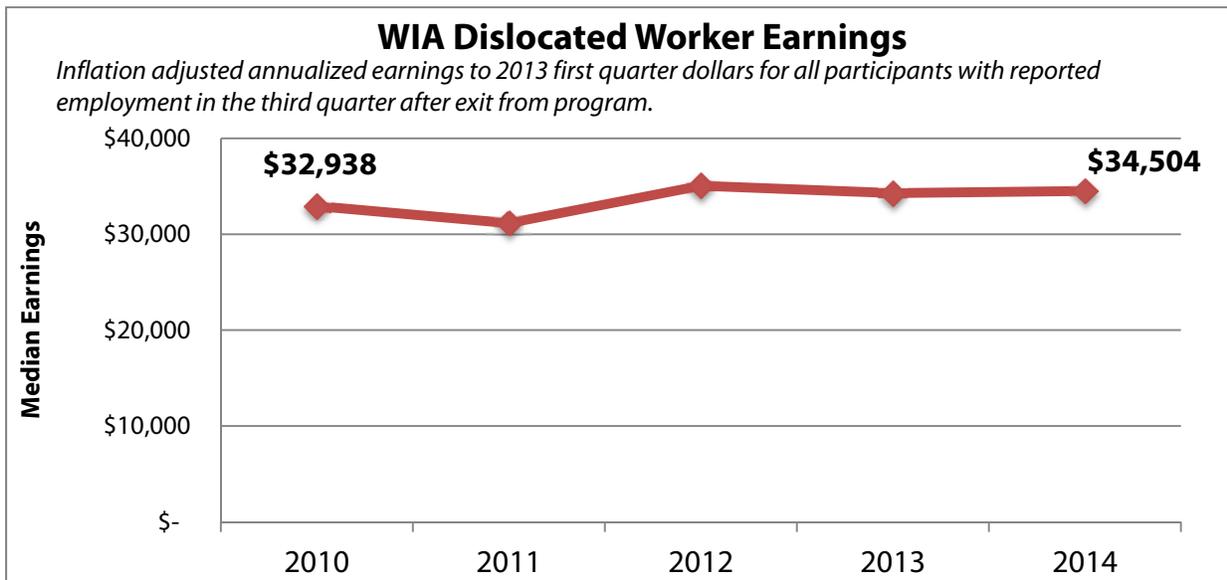


A survey conducted in 2011 of WIA Dislocated Worker participants revealed that 68 percent received medical benefits, and 42 percent received retirement benefits.



Source: Workforce Training Results 2010-14 reports. Rate does not include self-employment, employment outside the Northwest or military service and thus understates total employment by approximately 10 percent.

The employment rate among participants has decreased 10 percentage points since 2010. However, the employment rate is up 2 percentage points since the 2013 report. Median annual earnings have stayed flat on the past three reports.



Source: Workforce Training Results 2010-14 reports. This chart shows annualized earnings in 2013 first quarter dollars to account for inflation.



## WIA Dislocated Workers Find New Jobs in New Fields

Prior to program participation, 34 percent of participants were working in services, 24 percent were employed in manufacturing, 10 percent in construction and eight percent in retail trade. After training, 43 percent were employed in services, a nine percentage point increase. There was a decrease of six percentage points for WIA Dislocated Worker participants working in the Manufacturing industry. The percentage of those working in construction also declined.

Industry	Pre-Program Employment	Post-Program Employment
Services	34%	43%
Manufacturing	24%	18%
Retail Trade	8%	8%
Construction	10%	7%
Transportation and Warehousing and Utilities	3%	7%
Financial Activities	7%	5%
Public Administration	4%	5%
Wholesale Trade	5%	5%
Natural Resources and Mining	2%	2%
Information	3%	1%
<b>Breakout of Services</b>		
Health Care	4%	12%
Administrative and Support and Waste Management and Remediation Services	8%	11%
Professional, Scientific, and Technical Services	7%	8%
Education Services	3%	4%
All Other Services	7%	4%
Social Assistance	2%	3%
Leisure and Hospitality	4%	2%
<b>Breakout of Manufacturing</b>		
All Other Manufacturing	10%	5%
Aerospace	1%	5%
Wood & Paper Products	7%	4%
Fabricated Metal Products	2%	2%
Food & Beverage	1%	1%
Computer & Electronic Products	2%	1%

Source: Matches with Employment Security Department data in third quarter after exiting program. Industry groups based on North American Industry Classification System codes.

Among the four key industries in which program participants were employed after program exit, many went to work in new industries—with the service sector the primary destination of many, especially health care.





Source: Matches with Employment Security Department data seven to nine months prior to entering and likewise after exiting program.

## Relationship of Training to Employment

In 2011, the Workforce Board surveyed WIA Dislocated Worker participants who had left their program in 2009-10. The survey provided data on employment and participant satisfaction with the training. The survey was conducted by telephone and was completed by 545 participants.

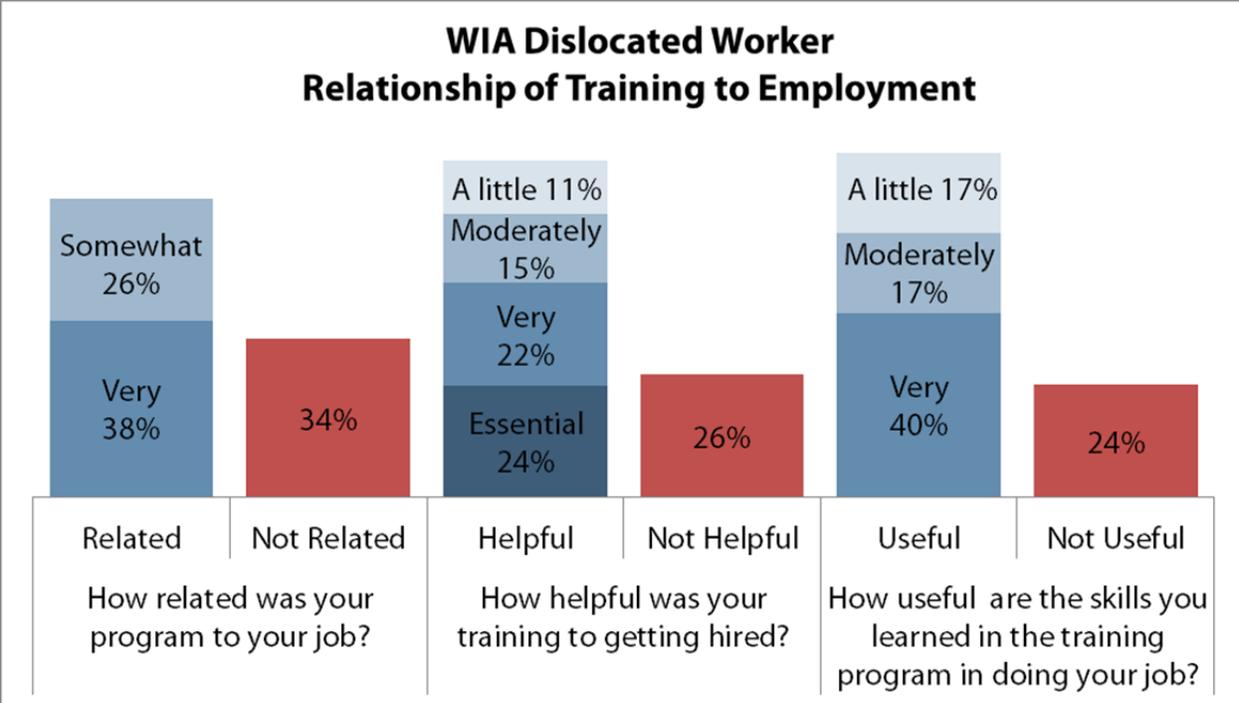
To measure the extent to which a participant's education program and training related to employment, we asked participants three questions:

1. How related was the program to their job?
2. How important was the training in getting hired?
3. Are the skills they learned useful in their job?

Asking about the relationship between training and employment in different ways can produce more complete information. For example, some participants said their training was not related to their job, but nevertheless found the skills acquired were useful on the job.

Among participants employed six to nine months after leaving a program, 38 percent said their training was "very related" to their job. A further 26 percent reported the training was "somewhat related" to their job. In 2008, similar rates of employed participants reported their training was related to their job.





Source: Workforce Board's Participant Satisfaction Survey 2011.

Participants also indicated the training was helpful to them in getting their job. Of those participants, 24 percent indicated their training was an “essential requirement,” another 22 percent indicated it was “very important,” and 15 percent reported it was “moderately important.” Eleven percent said the training was “a little helpful.” The remaining 26 percent indicated their training was “not important at all” to getting their job.

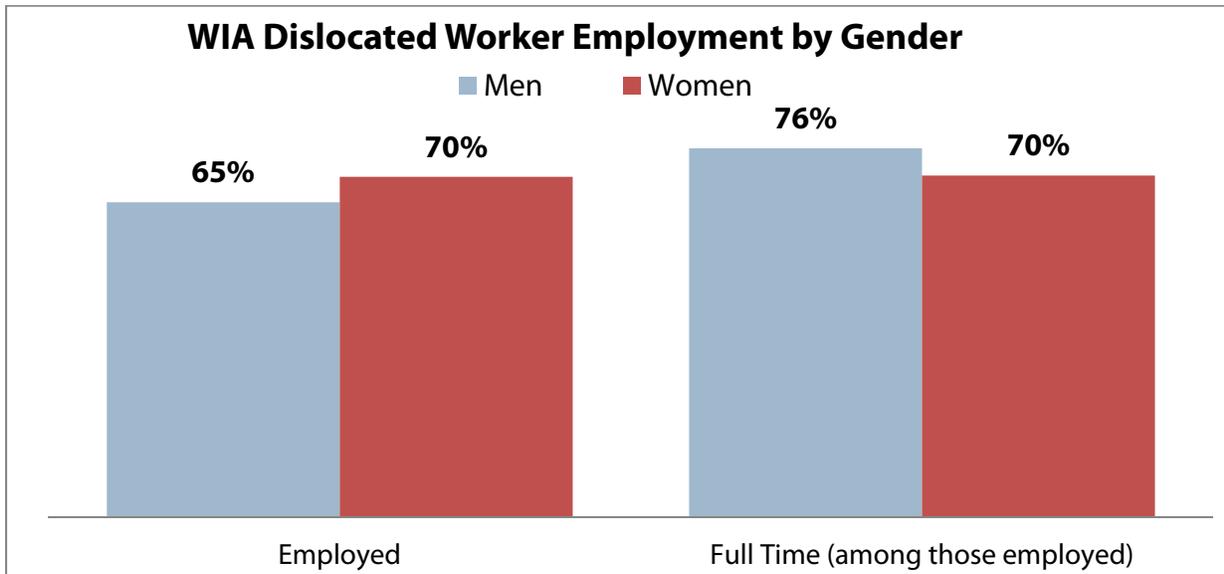
Most participants said the skills they learned in their training program were useful in doing their job. Some 40 percent of participants indicated the skills were “very useful,” 17 percent said “moderately useful,” and 17 percent “a little useful.” Some 24 percent of participants who were employed indicated the skills were “not useful at all.”

When combining two of the questions about the program’s relationship to the job and about whether the skills acquired were helpful, a certain percentage of participants answered negatively to both. Some 18 percent of participants employed the third quarter after exit said the training they received was *neither* helpful in their job nor related to the job they obtained.



## Wages and Employment Results Vary by Population

Wages and employment results can vary by gender, race and ethnicity, and disability. During the third quarter after exit, women were more likely than men to be working (70 percent versus 65 percent). However, men were more likely to be working full time (76 percent versus 70 percent). The median hourly wage for women was 83 percent of men (\$16.23 compared to \$19.52). Women had median annual earnings comprising 78 percent of men's (\$29,671 compared to \$38,054).



Source: Employment Security Department and WIASRD

## Race/Ethnicity Plays Role

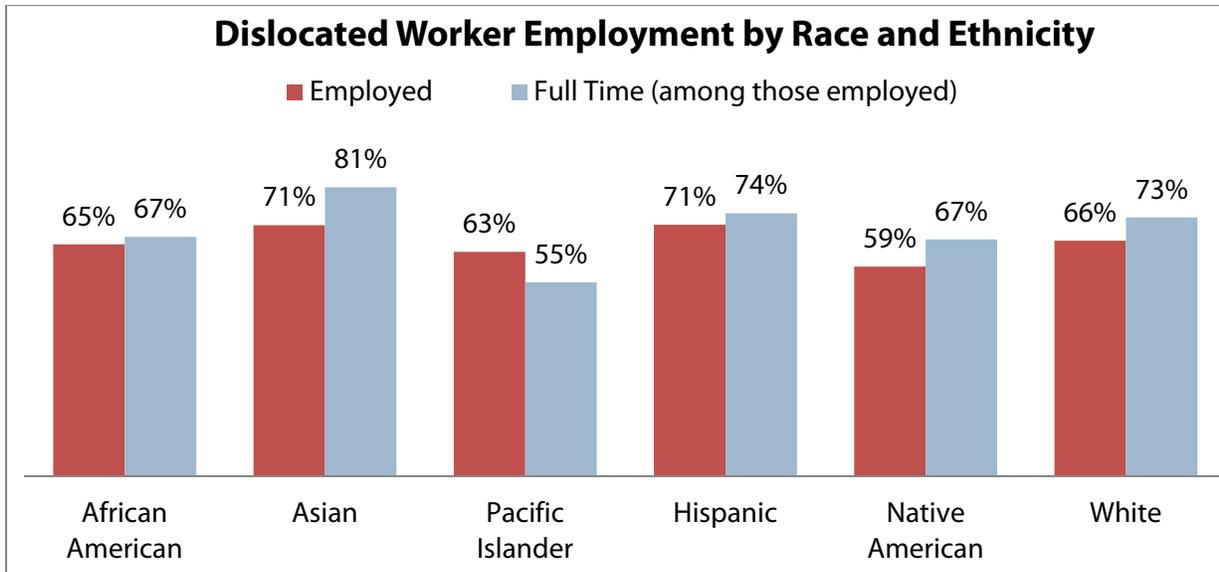
Hispanics and Asians have the highest employment rate at 71 percent, followed by whites (66 percent), African Americans (65 percent), Pacific Islanders (63 percent), and Native Americans (59 percent). Program participant's full time employment also varies by race/ethnicity.

Asians also had the highest full time employment at 81 percent, followed by Hispanics (74 percent), whites (73 percent), African Americans (67 percent), Native Americans (67 percent), and Pacific Islanders (55 percent).

There is also variation among median hourly wages. Whites had the highest median hourly wage at \$18.27, followed by Native Americans (\$17.89), African Americans (\$17.15), Pacific Islanders (\$16.99), Hispanics (\$16.58), and Asians (\$16.50).

African Americans (\$31,609), Native Americans (\$31,610), and Pacific Islanders (\$31,565) had very similar median annual earnings. Whites (\$34,878) and Asians (\$34,125) earned more per year and Hispanics (\$30,942) earned less.

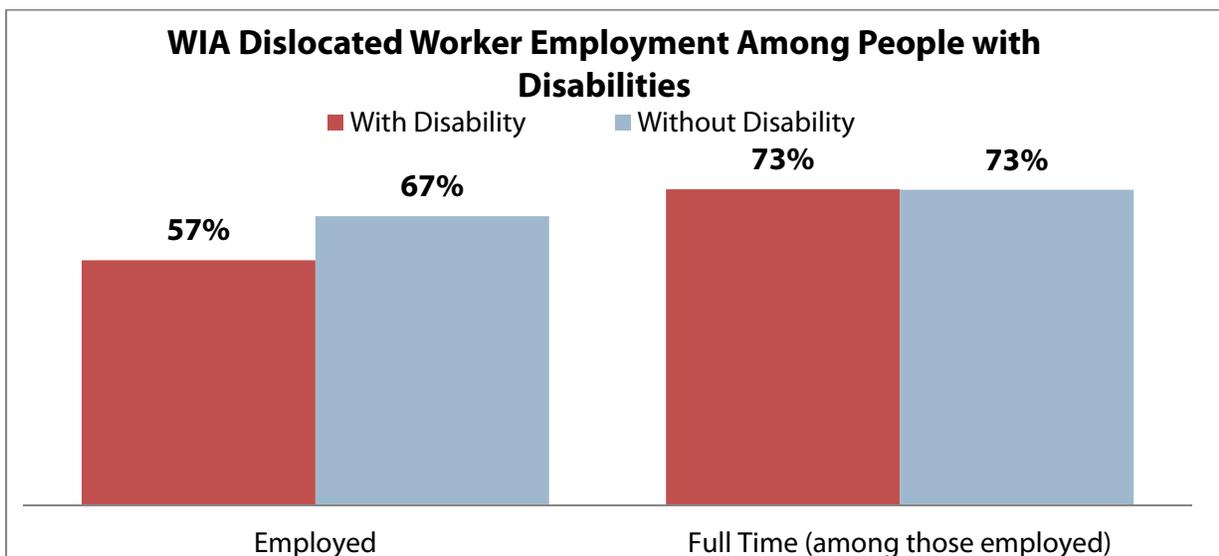




Source: Employment Security Department and WIASRD

### Disability Impacts Employment, Earnings

Employment and earnings also varied by disability status. Administrative records suggest 4 percent of the participants included in this study had a disability.<sup>10</sup> Dislocated workers with disabilities were less likely to be employed (57 percent versus 67 percent for those without a disability), and are just as likely to be working full time (73 percent versus 73 percent). Their median hourly wages were the same as those with no reported disability (\$17.72 versus \$18.10). Median annual earnings among dislocated workers with a disability were 95 percent of those without a disability (\$32,858 versus \$34,524).



Source: Employment Security Department and WIASRD

<sup>10</sup> In accordance with the Americans with Disabilities Act of 1990, a disability is defined as a “physical or mental impairment that substantially limits one or more of the person’s major life activities.”

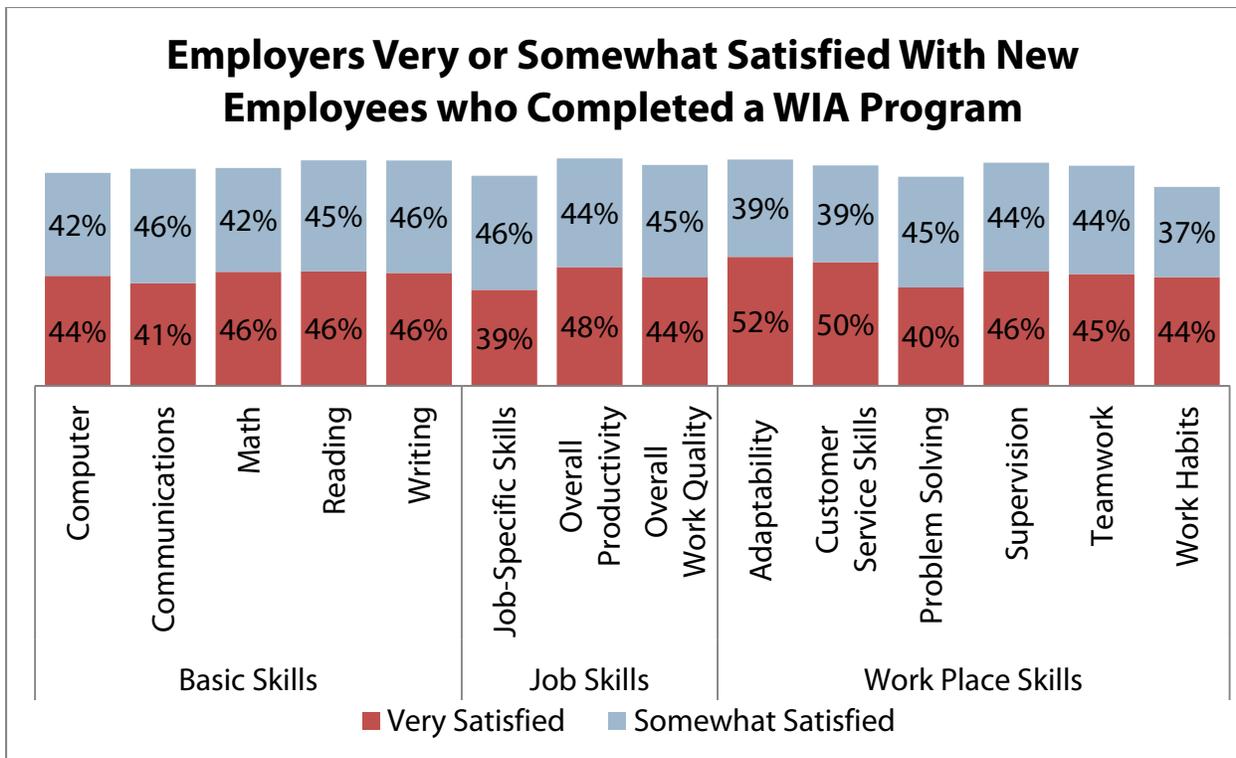


## Were Employers Satisfied with the Preparation Workers Received?

The Workforce Board’s Employer Survey, administered during 2012, asked firms to evaluate new employees who had recently completed a WIA program. All three WIA Title I programs (Adult, Dislocated Worker, and Youth) were grouped together because there are relatively few participants in each category and employers would find it difficult to distinguish one from another. This section presents findings on employer satisfaction with new employees who completed *any type* of WIA program. Some 89 percent of employers said they were either “somewhat satisfied” or “very satisfied” with the overall work quality of these new employees.

Employer satisfaction is broken down into three categories: Basic Skills, Job Skills and Work Place Skills. Basic skills refer to reading, writing, math, communication and computer skills. Job skills refer to skills specific to the job, as well as overall work quality and productivity. Work place skills refer to the skills necessary to get along in the workplace such as the ability to accept supervision, the ability to adapt to changes in duties and responsibilities, teamwork, customer service, problem solving or critical thinking skills, and having positive work habits and attitudes.

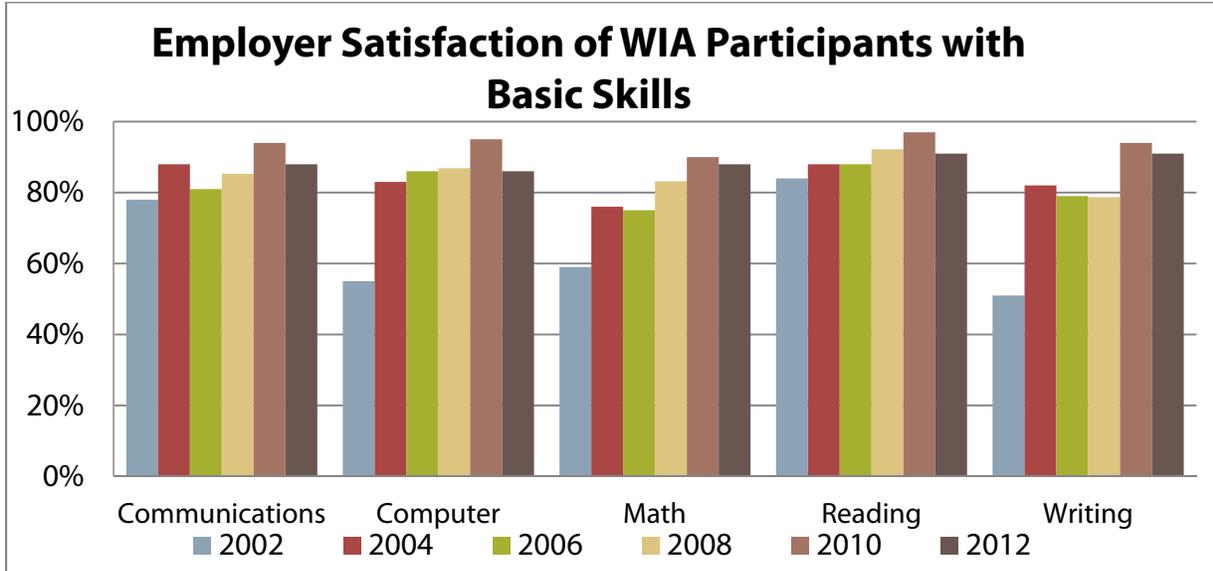
In 2012, employers report highest overall satisfaction in the basic skills category with reading, and writing. For job skills, their highest overall satisfaction was with overall productivity. Among work place skills, employers were most satisfied with WIA participant’s adaptability.



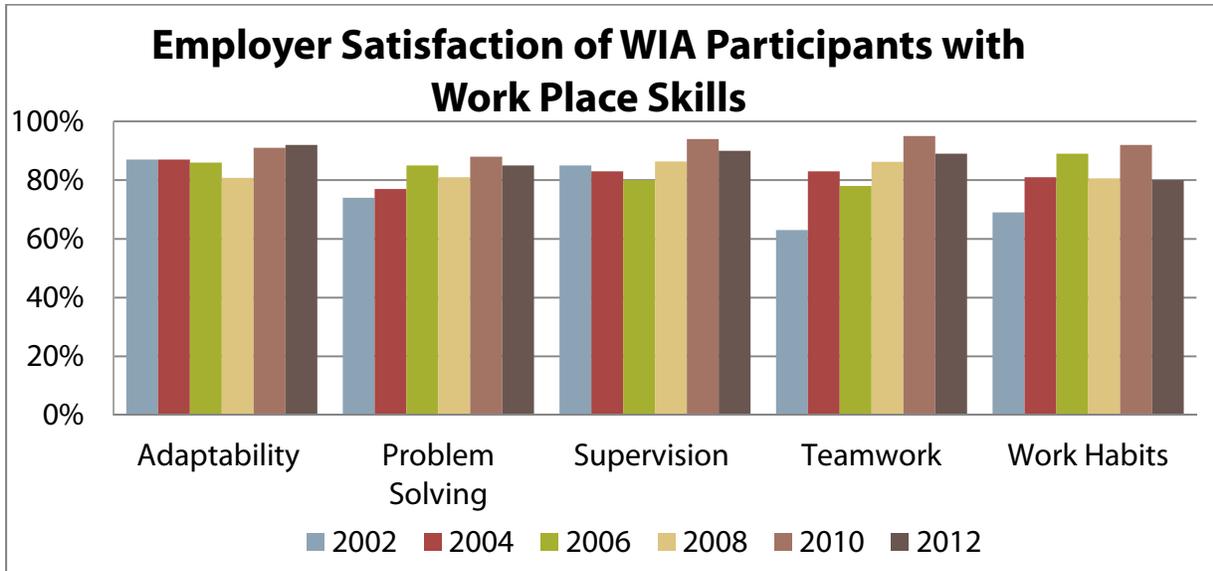
Source: Workforce Board Employer Survey conducted in 2012.



Overall, the levels of employer satisfaction reported in the Workforce Board’s 2012 Employer Survey are lower than on the previous survey, conducted in 2010. The following three charts show the trends in satisfaction of employers with new employees who recently completed WIA program.

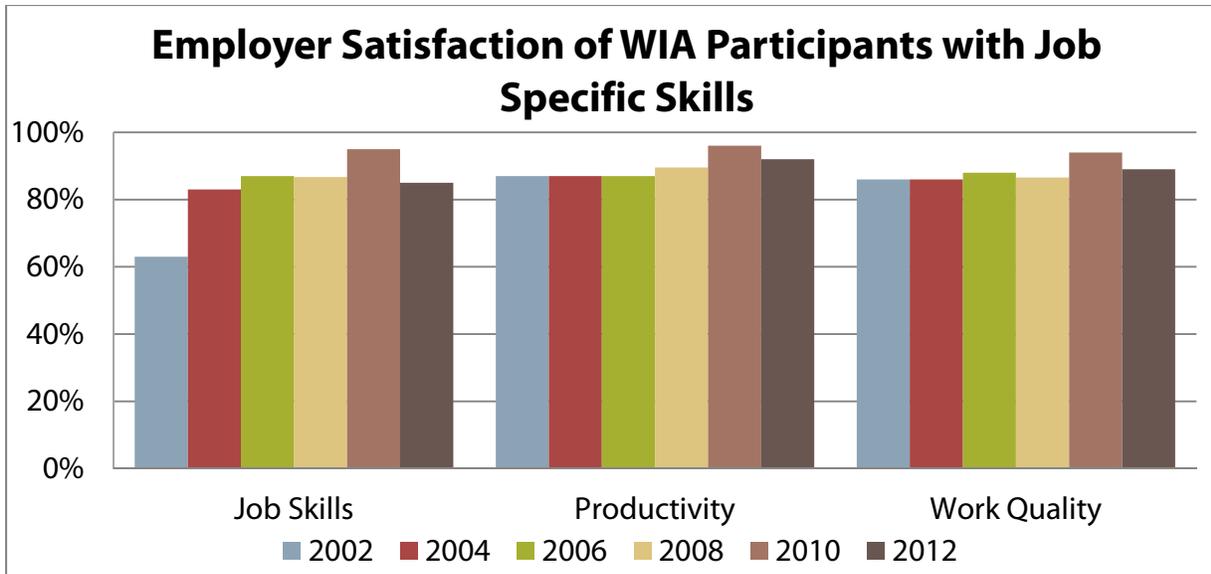


Source: Workforce Board’s biennial Employer Surveys from 2002 through 2012.



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Source: Workforce Board's biennial Employer Surveys from 2002 through 2012.

### Participant Survey

Most participants enroll in the WIA Dislocated Worker program for employment-related reasons. Based on Participant Survey results, 82 percent of adults entered the program to learn skills for a new job, 65 percent enrolled to get job search assistance, and 38 percent enrolled for on-the-job training. Participants also indicated that they enrolled to finish a degree or a certificate (51 percent).

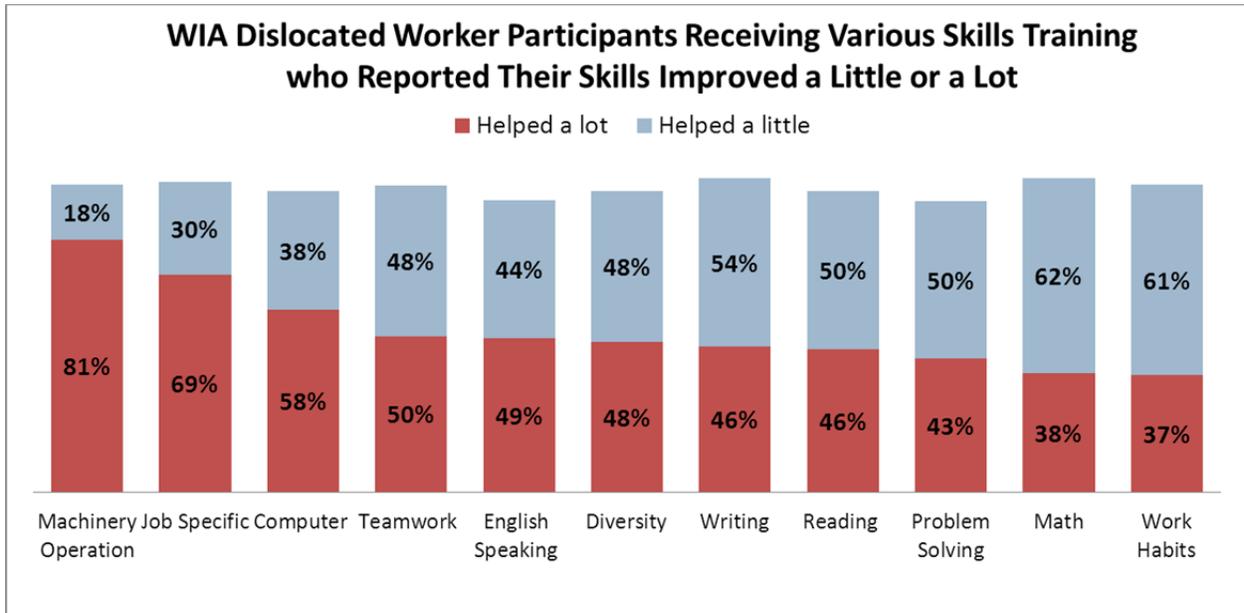
Some 64 percent of WIA Dislocated Workers reported receiving some type of training as part of their program. As in the previous study, by far the most common types of training were in computer and job-specific skills.



Source: Workforce Board's Participant Satisfaction Survey 2011.



The vast majority of WIA Dislocated Workers who received training felt it improved their skills. The percentage reporting their skills improved “a lot” was highest for occupational training, particularly machinery operation and computer skills.



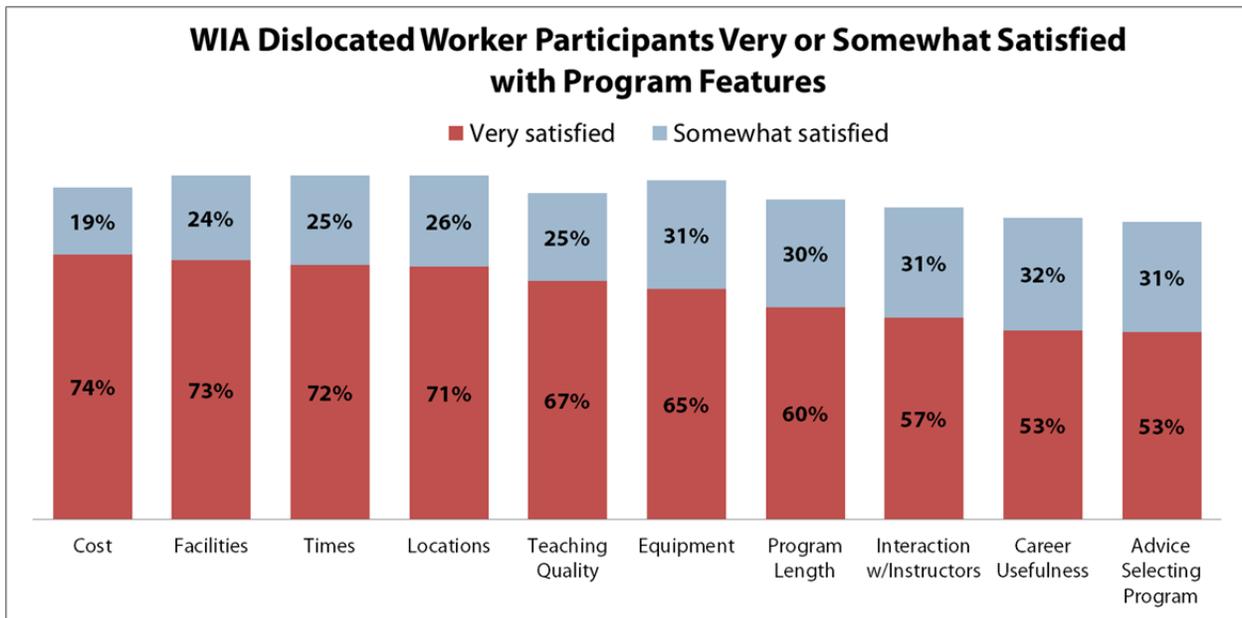
Source: Workforce Board’s Participant Satisfaction Survey 2011.

### Participant Satisfaction

Survey results indicate participants were generally satisfied with the program. Some 88 percent of participants reported they were satisfied with the overall quality of the program. Eighty-three percent said their educational objectives had been met. These were similar levels of satisfaction as reported in the last survey.

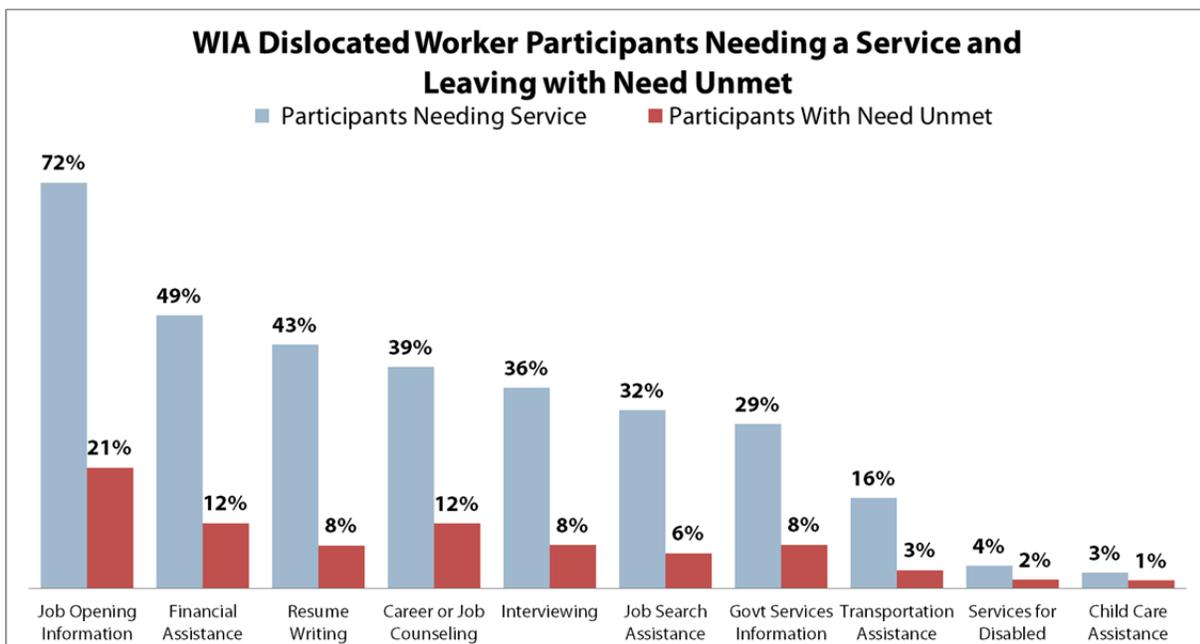
Participants tended to be “very satisfied” with various features of the program including program cost, location, facilities, and times. Participants were less likely to indicate “a lot” of satisfaction with advice provided on selecting programs and career usefulness.





Source: Workforce Board's Participant Satisfaction Survey 2011.

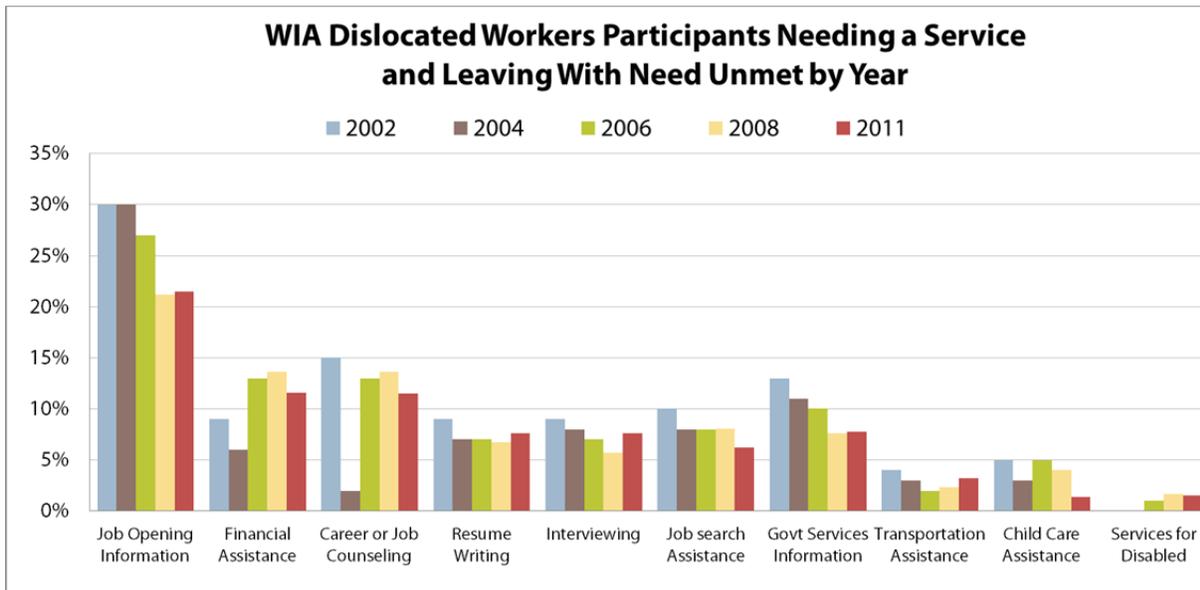
Similar to previous surveys, WIA Dislocated Workers most frequently reported needing information on job openings. (Nearly three out of every four participants needed job opening information.) However, one out of every five participants left without that need met. Nearly 50 percent of participants required financial assistance, and many participants also indicated that they needed help with resume writing and job counseling.



Source: Workforce Board's Participant Satisfaction Survey 2011.



Most of the participants needing support services received them. The largest unmet need<sup>11</sup> was for information about job openings. Both this year and in 2008, 21 percent of participants left with an unmet need in this area. This is down from a high of 30 percent in 2002 and 2004. WIA Dislocated Worker participants reporting unmet needs declined in most categories since the previous survey.



Source: Workforce Board's Participant Satisfaction Surveys 2002-2011.

### Net Impact - Did the Program Make a Difference in Participant Success?

Every four years the Workforce Board conducts net impact and cost-benefit analyses of workforce development programs. This detailed study compares participants and non-participants. The net impact part of this study attempts to measure whether the program made a difference in the participant's success.

Washington is the only state to periodically conduct rigorous net impact evaluations of its workforce programs.

The net impact analysis was conducted by the W.E. Upjohn Institute for Employment Research (Upjohn), a national leader in evaluating training programs. To do the analysis, Upjohn studied program participants to see what results they achieved and compared these results with a control group.

Individuals who participated in a WIA Dislocated Worker program were compared to individuals who had similar demographic characteristics, but who did not participate in any of

*The WIA Dislocated Worker program has strong, positive net impacts on long-term employment, hourly wage, hours worked, and earnings. Participation increases lifetime earnings of dislocated workers.*

<sup>11</sup> Unmet need refers to cases where the student reports that either they did not receive the required service or what was provided did not meet their needs.



the programs included in this study. The comparison group members were selected from among those who registered with WorkSource, Washington’s one-stop career center system. The most recent net impact analyses examined experiences of participants who left the WIA Dislocated Worker program through 2009. The short-term impact (Program Year 2007-08) was observed in 2008-09, while the long-term impact (Program Year 2005-06) was observed from 2006-07 through 2008-09.

The analysis also separates out WIA Dislocated Worker participants who received job training, in addition to other WIA services. Roughly 76 percent of WIA Dislocated Worker participants received some type of formal training or education while the rest received only core or intensive services.

In the table below, the employment rate in the short-term for WIA Dislocated Worker participants was 10.1 percentage points higher than the comparison group’s employment rate. Also, long-term average earnings of WIA Dislocated Worker participants who found jobs are higher than for employed non-participants. A wide range of training is provided to WIA participants who qualify, including occupational skills training, skill upgrading and retraining, on-the-job training, and Adult Basic Education when delivered in combination with career and technical education.

### Impact on Employment and Earnings: Participants vs. Control Group

WIA Dislocated Worker Program	All WIA Dislocated Worker Participants		WIA Dislocated Worker Training Recipients	
	Short-term <sup>^</sup>	Long-term <sup>^</sup>	Short-term <sup>^</sup>	Long-term <sup>^</sup>
Net Employment Impact*	10.1 percentage points	4.7 percentage points	10.2 percentage points	5.0 percentage points
Net Hourly Wage Impact**	No significant positive impacts	\$1.52	No significant positive impacts	\$2.03
Net Hours Employed per Quarter Impact	42.4	28.4	41.7	29.7
Net Annualized Earnings Impact**	No significant positive impacts	\$3,582	No significant positive impacts	\$4,818

<sup>^</sup>Short-term is three quarters after program exit; Long-term is average across three years since program exit.

\*Percentages listed are employment percentage points above those of the control group of non-participants.

\*\*Wages and earnings, expressed in first quarter 2013 dollars, represent the average difference between WIA Dislocated Worker participants who got jobs and those in the control group who were employed.

As can be seen above, WIA Dislocated Worker Program participants saw significantly higher employment and hours worked when compared to the control group. Long-term impacts for



annualized earnings were significant among all WIA Dislocated Worker participants and for those who received training. The long-term impacts were stronger for workers who received training in addition to other WIA services.

## Benefits and Costs

The cost-benefit analysis estimates the value of the net impact on earnings, employee benefits (estimated at 25 percent of earnings), UI benefits, and certain taxes. Program costs include both direct program costs and support payments borne by the state and the foregone earnings borne by program participants. Benefits and costs are calculated for both the observed period of time and based upon a statistical model that estimated the benefits and costs out to age 65. In order to compare benefits and costs in terms of net present values, post-program benefits and costs are discounted by 3 percent per year and all figures are stated in 2013 Q1 dollars. The benefits and costs presented here are based on impacts estimated for participants leaving programs in 2005-2006 (observed from 2006-07 through 2008-09), because a longer-term follow-up is required for this analysis.

### Participant and Public Benefits and Costs per Participant in the WIA Dislocated Worker Program

Benefit/Cost	First 2.5 years		Lifetime (until 65)		Sum of Costs and Benefits
	Participant	Public	Participant	Public	
<b>Benefits</b>					
Earnings	\$9,309	\$0	\$53,233	\$0	
Fringe Benefits	\$2,328	\$0	\$13,308	\$0	
Taxes	-\$2,441	\$2,441	-\$13,963	\$13,963	
Transfers					
UI	-\$760	\$760	\$1,703	-\$1,703	
<b>Costs</b>					
Foregone net earnings	-\$13,802	-\$3,665	-\$13,802	-\$3,665	
Program costs	\$0	-\$6,203	\$0	-\$6,203	
Benefits	\$8,435	\$3,202	\$54,282	\$12,260	
Costs	-\$13,802	-\$9,868	-\$13,802	-\$9,868	
<b>Total (Net)</b>	<b>-\$5,367</b>	<b>-\$6,667</b>	<b>\$40,479</b>	<b>\$2,392</b>	<b>\$42,871</b>

Note: Benefits and costs are expressed in 2013 first quarter dollars.

For each participant in the program, the public (taxpayer) program cost is \$6,203 over the length of their enrollment, and the participant cost is about \$13,802 in foregone earnings. During the course of working life to age 65, the average participant will gain \$39,431 in net earnings (earnings minus foregone earnings) and \$13,308 in employee benefits. These are net



gains compared to the earnings of similar individuals who did not receive services or training. Including program costs and the net impacts on taxes and unemployment insurance benefits, the total net benefit per participant is \$40,479.

Projected participant benefits to age 65 outweigh public costs invested in the WIA Dislocated Worker program by a ratio of about \$7 to 1, or \$40,479 to \$6,203.

From the time of leaving the program to age 65, the public is forecasted to gain about \$13,800 per participant in net additional Social Security, Medicare, federal income, and state sales taxes. However, the public is forecasted to spend \$1,703 in total UI benefits. The estimated lifetime net benefit to taxpayers is \$2,392 per participant.

Projected taxpayer net benefits to age 65 outweigh public costs invested in WIA Dislocated Worker services by a ratio of \$2 to 1, or \$12,260 to \$6,203.

## **Summary and Areas for Improvement**

The WIA Dislocated Worker program helps individuals who lost their jobs gain new employment and this evaluation takes place during the worst economic times since the Great Depression. It is in this context that the report finds only 67 percent of the participants had reported employment, and 18 percent of those who were employed said their job was not related to their program and their program did not help them get their job.

Compared to similar individuals who did not participate in a workforce development program, WIA Dislocated Worker participants were much better off after going through the program. The evaluation finds the program had strong positive net impacts on employment rates and earnings. The results were especially strong for participants who received vocational training. The report finds that approximately 76 percent of recent participants received training, of whom 76 percent received a credential—a very high rate of credential attainment that would be desirable to continue.

The participants reported a high level of satisfaction with the program. Some 88 percent were satisfied with the overall quality of the program. One area that could be stronger is providing information on job openings. Some 18 percent of participants say they left the program with an unmet need for job opening information. This does, however, represent a substantial improvement over the past decade. The 2002 and 2004 reports found 30 percent of participants had unmet needs for job opening information.

The Workforce Development Councils indicate that they will continue to work with partners to provide job seekers with information on job openings: educating job seekers on the value of online tools; utilizing resource rooms, job clubs, workshops, and one-on-one meetings with WorkSource counselors; developing social media resources; and following up with participants one year after exit.

