

# Workforce Investment Act Title I-B Adult Program

## Program Details

All customers age 18 and older who walk into a WorkSource Center are eligible for core services through the federal Workforce Investment Act (WIA) Title I-B Adult program—from skill assessments to job search and placement assistance.

These core services include:

- Skill assessment.
- Labor market information.
- Consumer reports on training programs.
- Information on job openings.

Core services tend to be self-service and do not require participants to meet certain eligibility requirements. Instead, they are part of the primary offerings at Washington’s WorkSource Centers, helping a wide variety of job-seekers find their way back into employment.

*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.*

For some, particularly those unable to land a job through the above core services, the WIA Adult program provides intensive services. These services include:

- More intensive assessments.
- Individual counseling.
- Career planning.
- Short-term pre-vocational services.

Over half of the program participants (approximately 55 percent) also participated in job training where training costs are supported by the WIA Adult Program. For this 2013 report, researchers studied the results of 3,270 participants who left the WIA Adult program during the most recent reporting year.<sup>1</sup>

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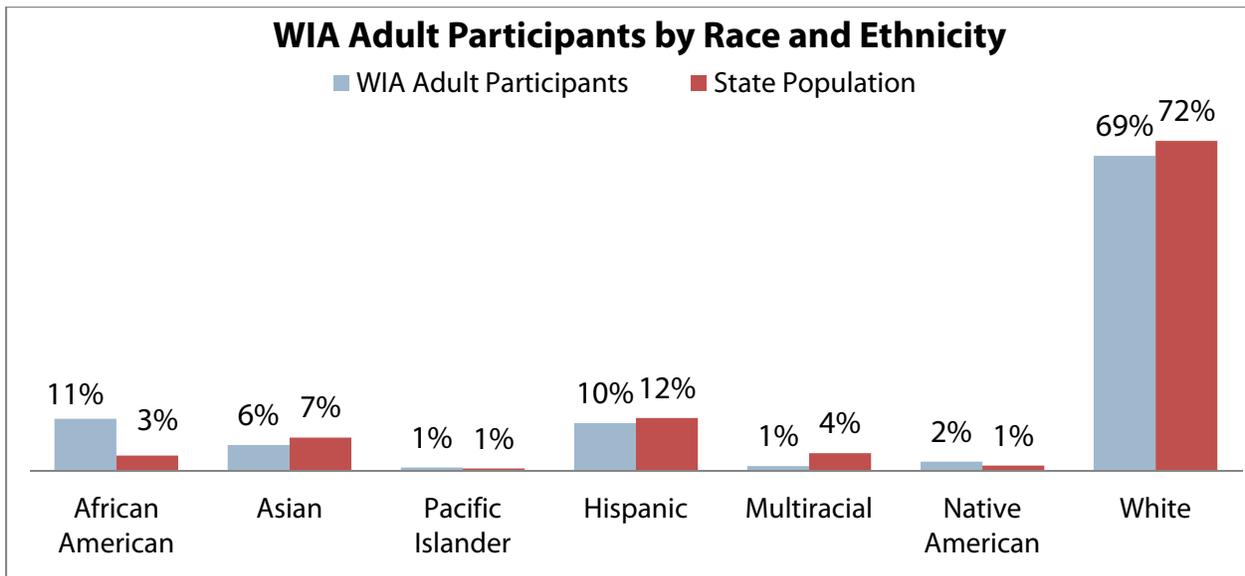
<sup>1</sup> The 2013 Workforce Training Results reports are based on data observed in 2011-12 for individuals exiting programs during 2010-11.

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## Participant Profile

Participants in the WIA Adult program were more likely to be a racial or ethnic minority than the general population in Washington, largely due to the overrepresentation of African Americans in the program.<sup>2</sup> Among program participants, 10 percent were Hispanic (versus 12 percent in the general population), 11 percent were African American (versus 3 percent in the general population), and 2 percent were Native American (versus 1 percent in the general population). The percentage of Asians participating in the WIA Adult program (6 percent) was slightly lower than their representation in the overall state population (7 percent), whereas the representation among white participants was 69 percent, 3 percentage points below their proportion of the state population.



Source: WIA Standardized Record Data (WIASRD) and 2011 U.S. Census Data from the American Community Survey.

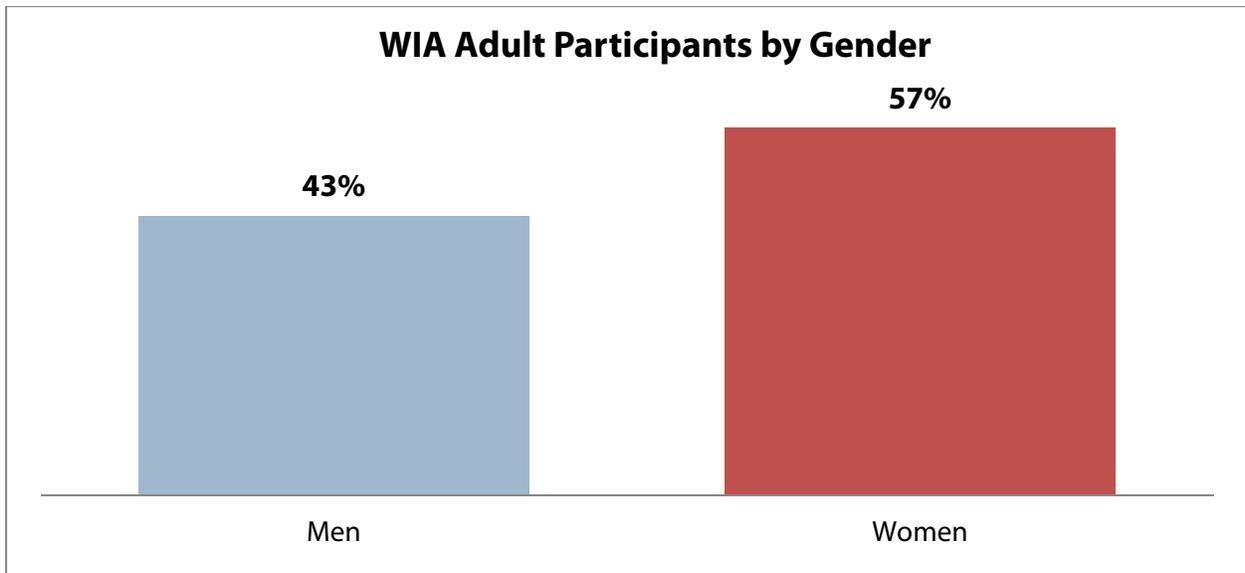
<sup>2</sup> In this report, unless otherwise stated, racial and ethnic minority groups are mutually exclusive; that is, an individual belongs to one group only. The groups include the following: Hispanics of any race (also referred to as Hispanics); non-Hispanic African Americans (also referred to as 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.

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A higher percentage of women than men participated in the WIA Adult program (57 percent versus 43 percent). This rate is similar to last year (56 versus 44 percent).



Source: WIASRD and Office of Financial Management.

Upon enrollment, 11 percent of the participants had neither a high school diploma nor a GED, 34 percent had a high school diploma as their highest credential, 16 percent had a GED, and 38 percent had previously attended college.<sup>3</sup> Ten percent had limited English proficiency and 48 percent received public assistance while enrolled in the program.<sup>4</sup>

The median age of participants when leaving the program was 37. One quarter of the participants were age 28 or below when leaving the program and one quarter were over 48 years of age at program exit.

## Tracking WIA Adult 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.

<sup>3</sup> According to the 2010 U.S. Census Bureau estimates from the American Community Survey, Table S1501, of those ages 25-64 in Washington, 34 percent have the equivalent of a high school diploma or less, and 66 percent have at least attended college.

<sup>4</sup> Public assistance recipients includes 47 percent who received cash assistance from state or local General Assistance, Refugee Cash Assistance, or Supplemental Security Income; 9 percent who received Temporary Aid for Needy Families (TANF) assistance; and 8 percent who received both types of assistance.

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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?

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

The 2013 Workforce Training Results includes information obtained from Employment Security Department wage files in Washington, Idaho, and Oregon, and federal employment records for 2011-12. 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 a more detailed analysis as to whether the participant and the public received a return on their investment in the program.

*Turn to page 20 for the Net Impact Study. Conducted every four years, this in-depth report adds extra value to 2013 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 Adult participants who left the program during the most recent reporting year. The median amount of time spent in the WIA Adult program by this cohort was 11 months—two more months than the prior program year. There is some

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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.

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variation, however, as one quarter of participants are enrolled less than five months and one quarter longer than 18 months.

An estimated 55 percent of these WIA Adult participants received training as part of their program. This means that 1,784 of those who left the WIA program received one or more types of training:

- Occupational skills training.
- Programs that combine workplace training with related instruction.
- Training programs operated by the private sector.
- Skill upgrading and retraining.
- Entrepreneurial training.
- Job readiness training.
- Customized training.
- On-the-Job Training.<sup>6</sup>

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 Adult program:

- 5 percent received an associate's degree.
- 12 percent received an occupational skills license.
- 23 percent received an occupational skills certificate/credential.
- 1 percent received another type of credential.

Taken together, 40 percent of all participants, or 66 percent of those participants who received training, earned a credential. Most participants who received training through the WIA Adult program attended a state community or technical college to advance their education and skill levels.

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<sup>6</sup> Some 5 percent of participants received On-the-Job training. This refers to training provided by an employer to a paid participant engaged in productive work that (a) provides knowledge or skills essential to the performance of the job; (b) provides reimbursement to the employer or up to 50 percent of the wage of the participant; and (c) is limited to the period of time required for a participant to become proficient in the occupation.

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## 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>7</sup> The study looks at employment and earnings three calendar quarters after the participant left the WIA program. The chart below shows the employment and earnings of participants who left the program during the most recent reporting year. Some 67 percent of WIA Adult participants were employed. Of those who were working, 61 percent were employed full time. The median hourly wage of those working was \$13.33, more than \$4 per hour higher than Washington's minimum wage of \$9.04 an hour in 2012. The median annual earnings among program participants was \$22,262, about \$800 less than in the prior program year.

### Employment and Earnings for WIA Adult Participants, 2013

Performance Measure	Results
Employment Rate* (State Records)	67%
Full Time Employment**	61%
Median Quarterly Hours	442 hours
Median Hourly Wage***	\$13.33
Median Annualized Earnings***	\$22,262

\* 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 2012 dollars in order to account for inflation.

### Earnings of WIA Adult 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 2012, the federal poverty level for one person was \$11,170 per year.<sup>8</sup>

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<sup>7</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>8</sup> Poverty levels from 2012 were used in this edition of Workforce Training Results to measure the results of workforce programs on participants observed in 2011-12. 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.

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In 2013, WIA Adult participants were able to support a median of 3.8 people at the poverty level—meaning they could support themselves and a little less than two other people. They could support themselves at the 200 percent of poverty level.

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

Performance Measure	2006	2008	2010	2011	2012	2013
Number of people supported at poverty level	3.7 people	3.9 people	3.9 people	3.9 people	4.2 people	3.8 people
Number of people supported at 200 percent poverty	0.9 people	1.1 people	1.1 people	1.0 people	1.2 people	1.0 people

### WIA Adult Participants Receiving Benefits from Employers

Performance Measure	2006	2008	2010*	2011	2012*	2013*
Self-Reported Medical Benefits from Employer	61%	62%	N/A	63%	N/A	N/A
Self-Reported Retirement Benefits from Employer	35%	35%	N/A	32%	N/A	N/A

*\*Due to budget limitations, the Workforce Board's Participant Survey was not conducted for the 2010, 2012, or 2013 reports.*

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

### Employment and Earnings Trends for WIA Adult Participants

Performance Measure	2006	2008	2010	2011	2012	2013
Employment Rate (Self-Reported)	82%	84%	N/A	74%	N/A	N/A
Employment Rate* (State Records)	69%	74%	66%	65%	62%	67%
Full Time Employment**	58%	62%	59%	60%	63%	61%
Median Quarterly Hours	440	452	439	435	452	442
Median Hourly Wage***	\$12.90	\$13.24	\$13.42	\$13.64	\$13.42	\$13.33
Median Annualized Earnings***	\$21,657	\$22,593	\$22,689	\$22,413	\$23,553	\$22,262

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

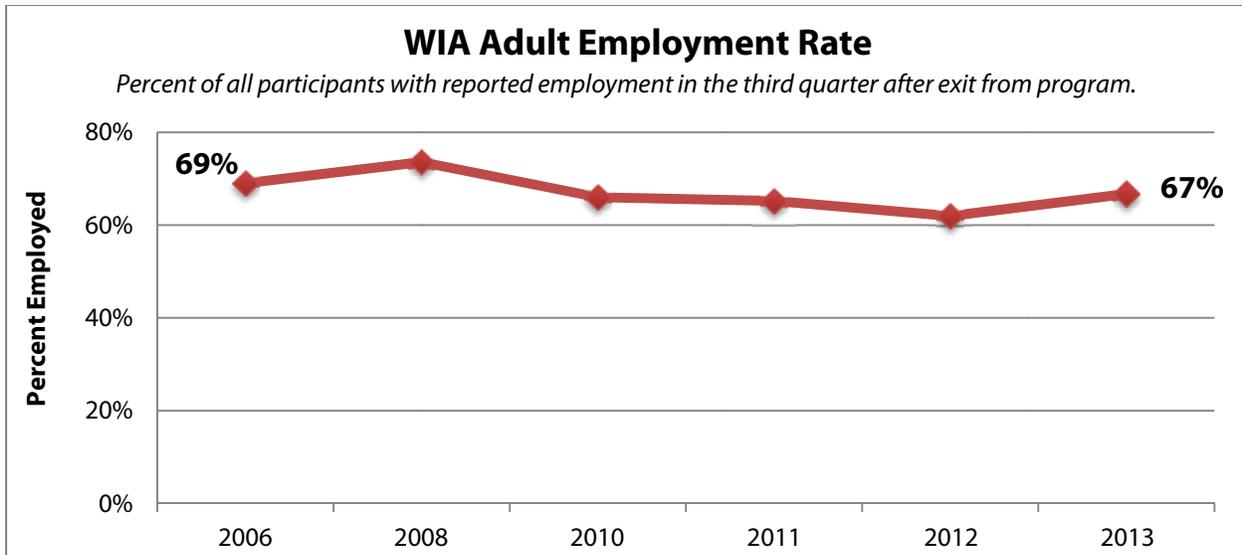
\*\*Full-time employment averages 30 or more hours per week.

\*\*\*Earnings/wages expressed in first quarter 2012 dollars in order to account for inflation.

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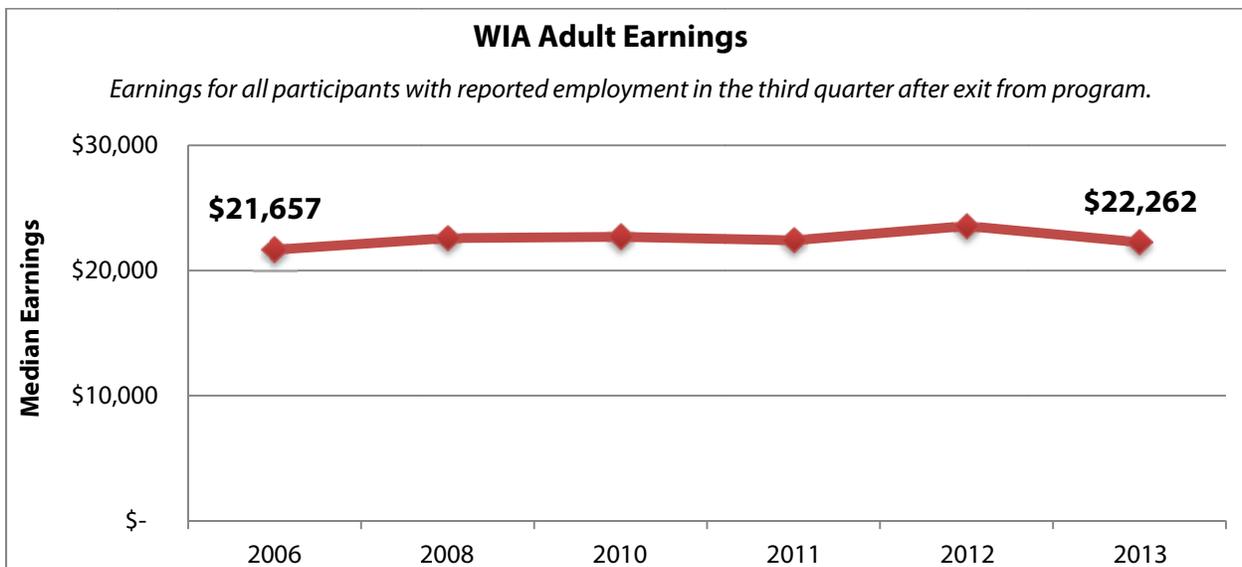
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Source: Workforce Training Results 2006-13 reports. Rate does not include self-employment, employment outside the Northwest or military service and thus understates total employment by approximately 10 percent.

Since 2006, WIA Adult participants have had median annual earnings between \$21,657 and \$23,553. In 2013, participants had median annual earnings of \$22,262, down over \$1,000 from 2012. The employment rate increased 5 percentage points from last year’s report to this year. Additionally, full-time employment increased 12 percentage points in the last year.



Source: Workforce Training Results 2006-13 reports. This chart shows annualized earnings in 2012 first quarter dollars to account for inflation.

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## WIA Adult Participant Employment by Industry

The majority of employed WIA Adult program participants held jobs in three main areas:

- Services (62 percent)
- Retail trade (10 percent)
- Manufacturing industries (9 percent)

Employment in services remained the same, retail trade increased 1 percentage point, and manufacturing increased 1 percentage point.

<b>Industry Group</b>	
62.1%	Services
9.5%	Retail Trade
9.2%	Manufacturing
4.8%	Transportation and Warehousing and Utilities
4.2%	Wholesale Trade
2.9%	Construction
2.9%	Financial Activities
2.0%	Public Administration
1.4%	Natural Resources and Mining
1.0%	Information
<b>Breakout of the Services Industry</b>	
31.2%	Health Care
9.1%	Administrative and Support and Waste Management and Remediation Services
6.4%	Social Assistance
5.4%	All Other Services
3.9%	Education Services
2.4%	Accommodation and Food Services
2.2%	Professional, Scientific, and Technical Services
1.5%	Arts, Entertainment, and Recreation

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

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## Relationship of Training to Employment

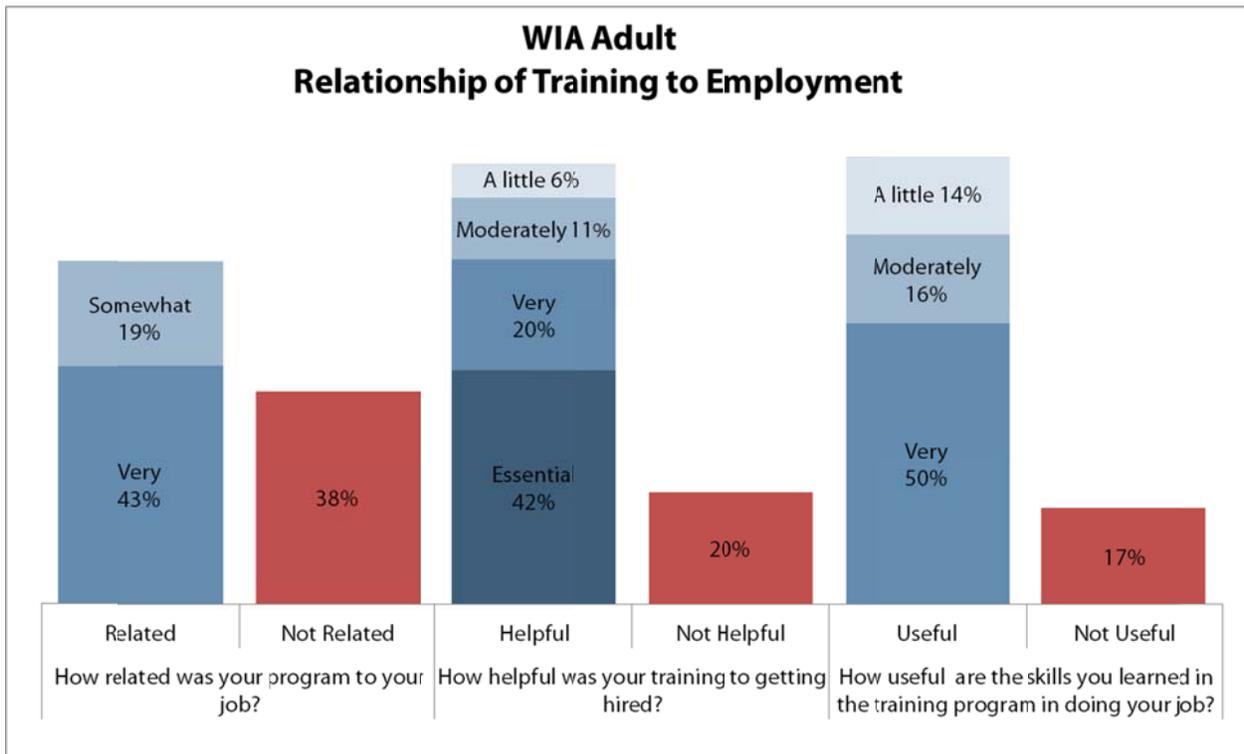
In 2011, the Workforce Board surveyed WIA participants who had left their program in 2009-10. The survey provided data on employment and participant satisfaction with the training. The survey was conducted by telephone and was completed by 492 participants.

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, 43 percent said their training was “very related” to their job. A further 19 percent reported the training was “somewhat related” to their job. In 2008, the same rate of employed participants reported their training was related to their job.



Source: Workforce Board’s Participant Satisfaction Survey 2011.

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Participants interviewed in 2011 also indicated the training was helpful to them in getting their job. Of those participants, 42 percent indicated their training was an “essential requirement,” another 20 percent indicated it was “very important,” 11 percent reported it was “moderately important,” and 6 percent said it was “a little useful.” Some 20 percent indicated their training was “not important at all” to getting their job.

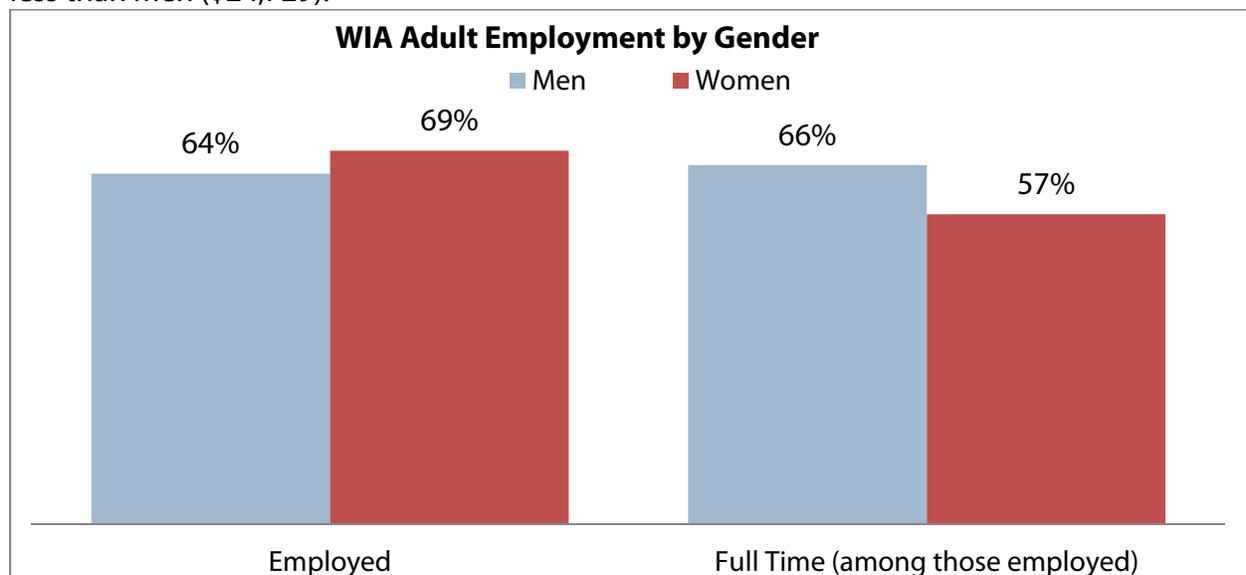
Most participants said the skills they learned in their training program were useful in doing their job. Half of participants indicated the skills were “very useful,” 16 percent said “moderately useful,” and 14 percent “a little useful.” Only 17 percent of participants who were employed indicated the 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 small percentage of participants answer negatively to both. Just 14 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

Wage and employment results can vary by gender, race and ethnicity, and disability. The next chart shows the percentage of men and women WIA Adult participants who were reported to be employed. Also broken out is what percentage of those working held full-time jobs.

During the third quarter after leaving the program, women participants were 5 percentage points more likely to be employed than men. Women were employed full time at a lower rate than men (57 percent versus 66 percent). Among those employed, the hourly wage rate for women (\$12.81) was 91 percent of men (\$14.15), a slight increase from the ratio from last year’s report (88 percent). The median annual earnings of women (\$20,936) were substantially less than men (\$24,729).



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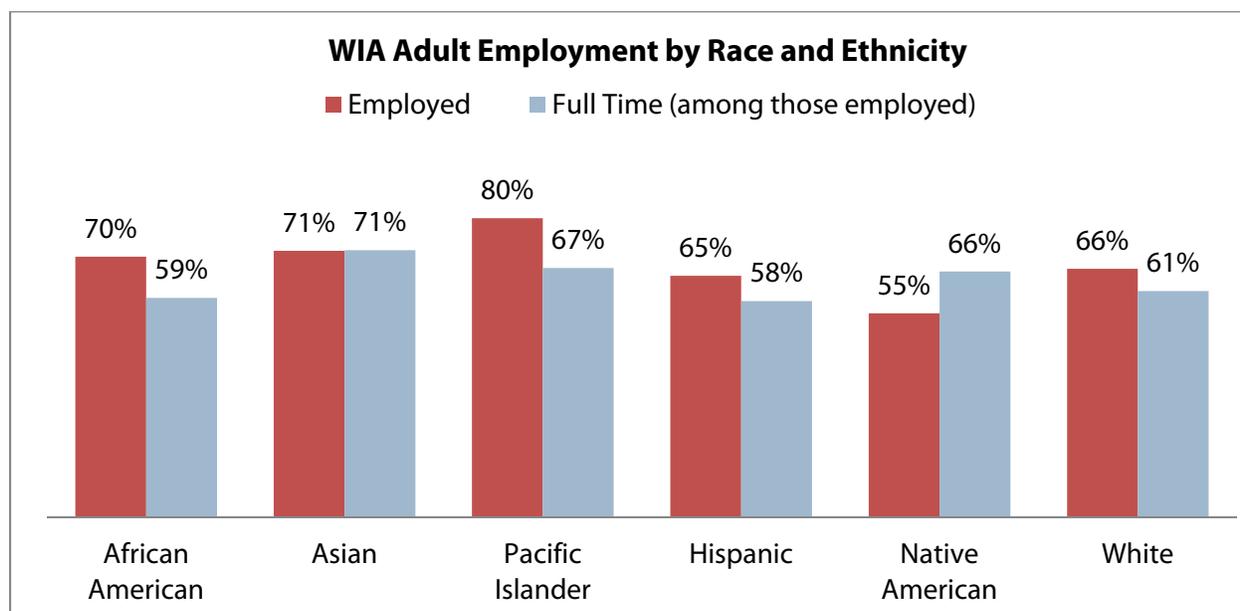
Source: Matches with Employment Security Department data and WIASRD.

### Race/Ethnicity Plays Role

Participants from racial and ethnic minority backgrounds were generally more likely to be employed than white participants. Pacific Islanders had the highest employment rate at 80 percent, followed by Asians at 71 percent, African Americans at 70 percent, whites at 66 percent, Hispanics at 65 percent, and Native Americans at 55 percent. For full time employment, Asians had the highest rate at 71 percent, followed by Pacific Islanders at 67 percent, Native Americans at 66 percent, whites at 61 percent, African Americans with 59 percent Hispanics at 58 percent.

Asian participants had the highest median hourly wage at \$13.93. All other groups had lower hourly wages, including whites (\$13.72), Native Americans (\$13.16), Pacific Islanders (\$12.94), African Americans (\$12.46), and Hispanics (\$12.39).

Among program participants Asians had the highest median annual earnings at \$25,670; followed by Pacific Islanders (\$25,247), Native Americans (\$24,967), whites (\$22,278), African Americans (\$21,737), and Hispanics (\$20,111).



Source: Matches with Employment Security Department data and WIASRD.

### Disability Impacts Employment, Earnings

Administrative records show 7 percent of the WIA Adult participants included in this study reported having a disability.<sup>9</sup> These participants were less likely to have employment reported to a state’s Employment Security Department (54 percent compared to 68 percent for those

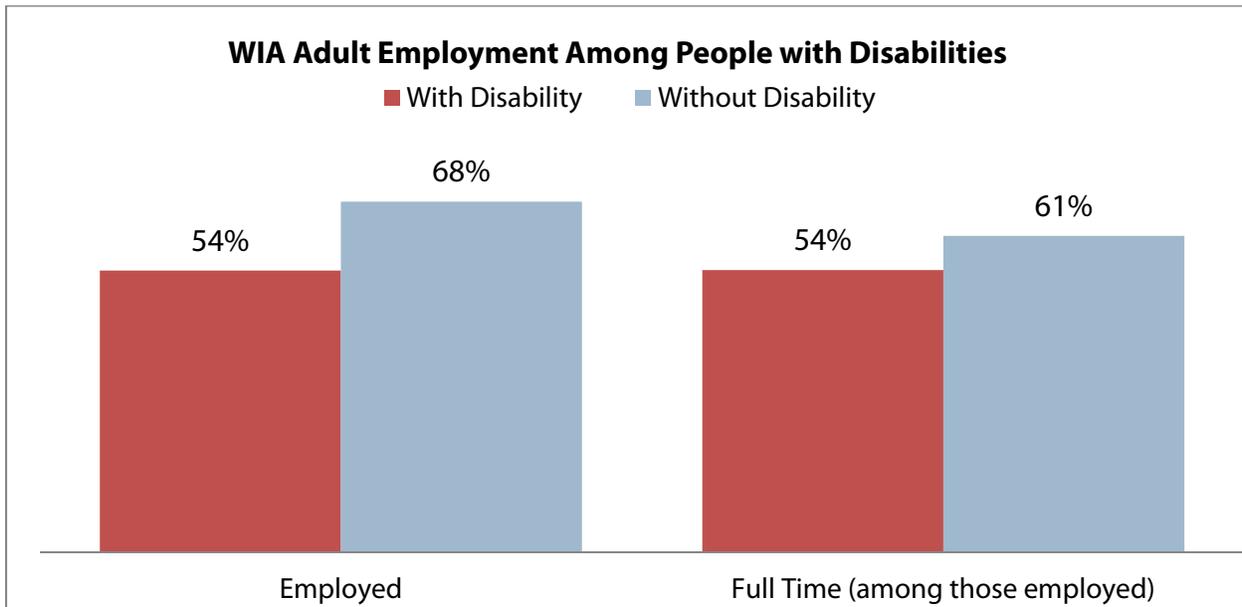
<sup>9</sup> In accordance with the Americans with Disabilities Act of 1990 a disability is defined as “a physical or mental impairment that substantially limits one or more of the person’s major life activities.”

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without a disability). Only 54 percent of the employed people who were disabled were employed in full-time jobs versus 61 percent among those without a disability. The median wage of participants who had a disability (\$12.33) was 92 percent of those without a disability (\$13.35). This is a decrease over last year when participants with disabilities made 95 percent of those without a disability. Median annual earnings of those with disabilities were 86 percent of those without a disability (\$19,282 compared to \$22,470).



Source: Matches with Employment Security Department data and WIASRD.

### 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.

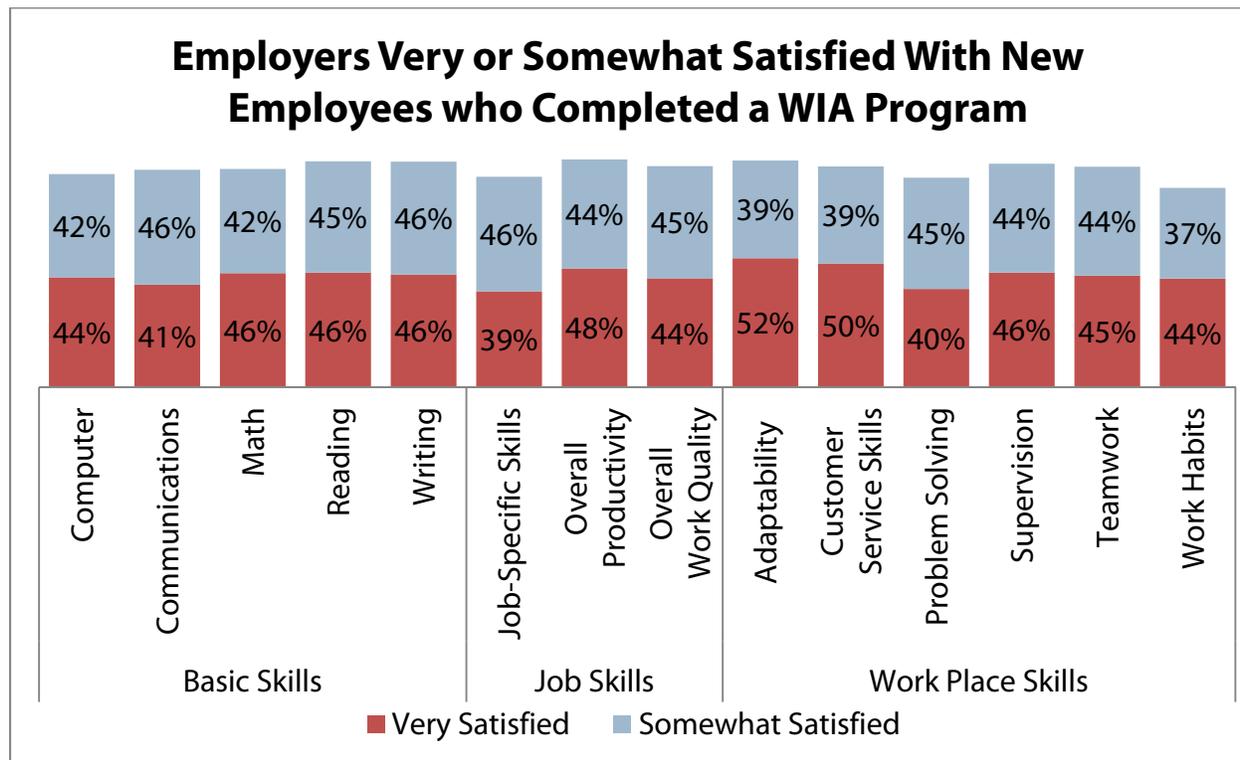
Employer satisfaction is broken down into three categories: Basic Skills, Job Skills and Work Place Skills. Basic skills refer to reading, writing, math, communication and computer skills. Job skills refer to skills specific to the job, as well as overall work quality and productivity. Work place skills 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,

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customer service, problem solving or critical thinking skills, and having positive work habits and attitudes.

In 2012, between 39 and 52 percent of employers were very satisfied with the new employees' skills, depending on the skill type. Virtually all the remaining employers were somewhat satisfied.



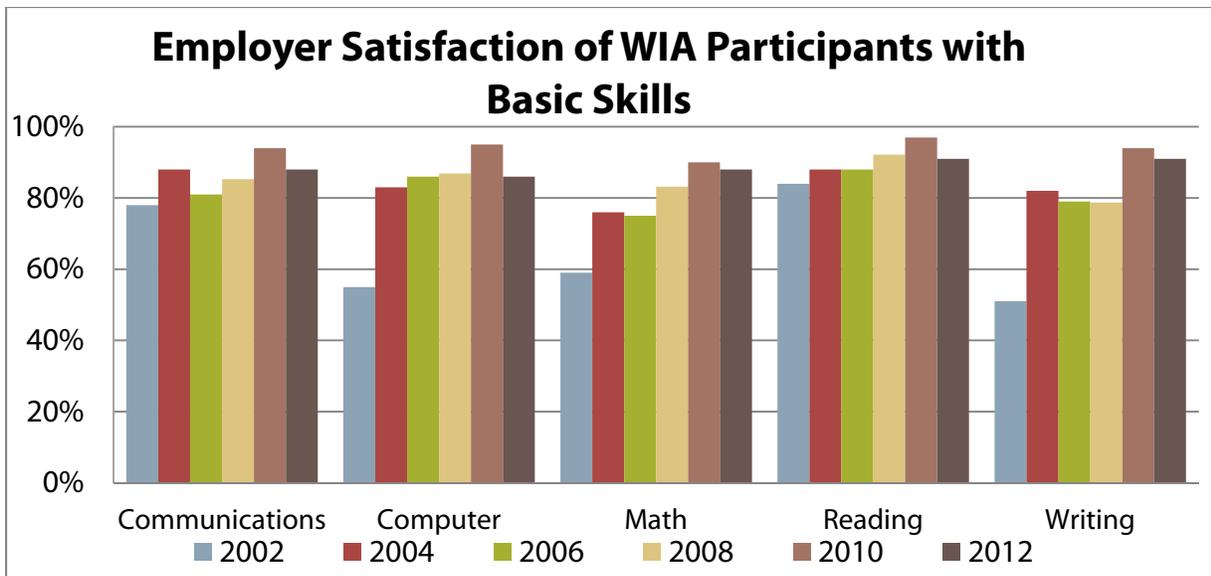
Source: Workforce Board Employer Survey conducted in 2012.

Overall, the levels of employer satisfaction reported in the Workforce Board's 2012 Employer Survey are slightly 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. During the past decade there has generally been an upward trend in employer satisfaction.

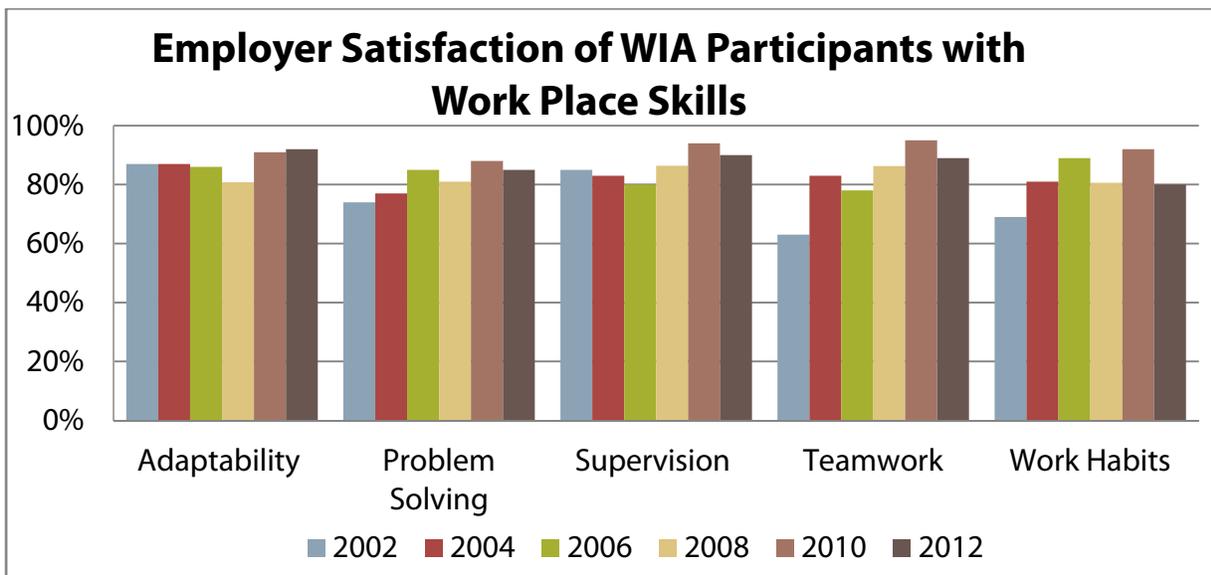
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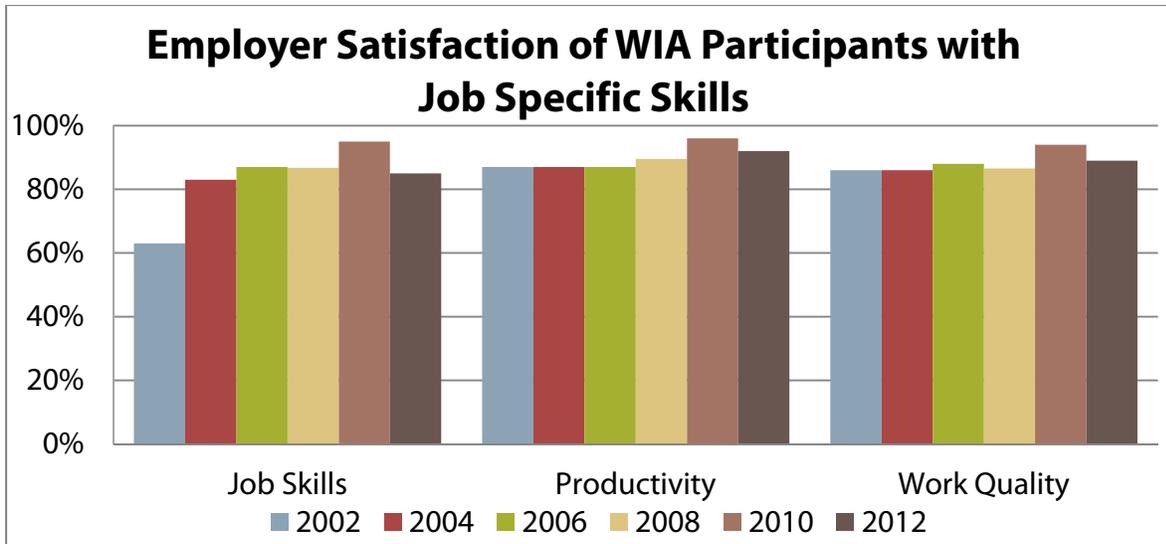
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Source: Workforce Board's biennial Employer Surveys from 2002 through 2012.



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### Participant Survey

Most participants enroll in the WIA Adult program for employment-related reasons. Based on Participant Survey results, 79 percent of adults entered the program to learn skills for a new job, 70 percent enrolled to get job search assistance, and 51 percent enrolled for on-the-job training. Participants also indicated that they enrolled to improve basic skills (math 20 percent, reading 17 percent, and English speaking 13 percent).

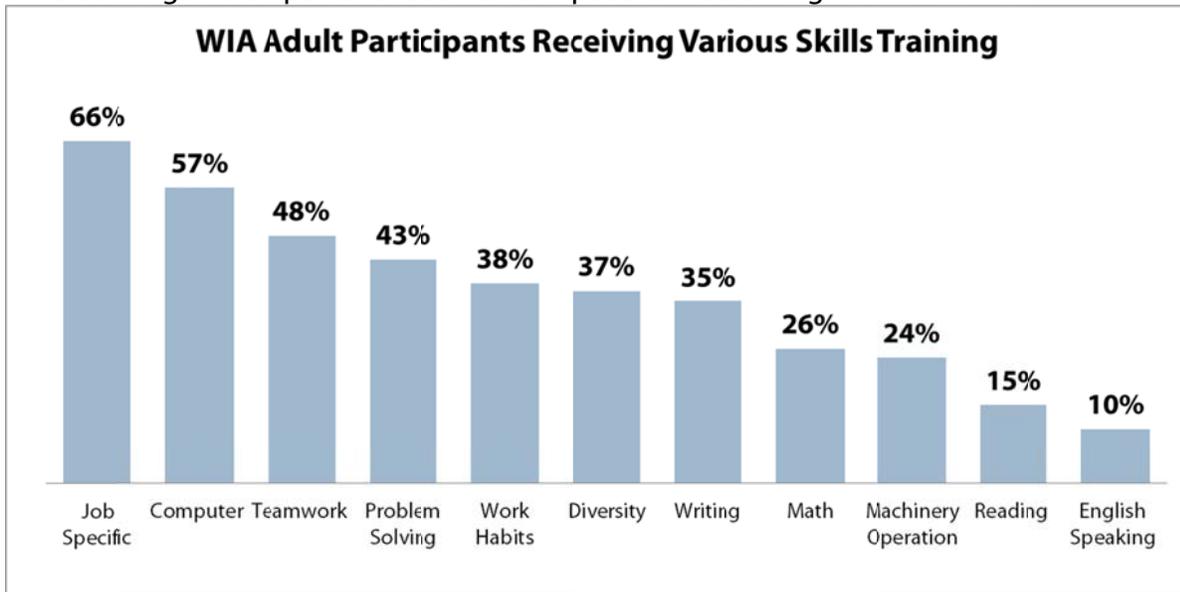
Some 58 percent of WIA Adult participants reported receiving some type of training as part of their program. As in the previous study, the most common types of training were in computer and job-specific skills, among those who received training, 66 percent received job specific

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skills training and 57 percent received computer skills training.



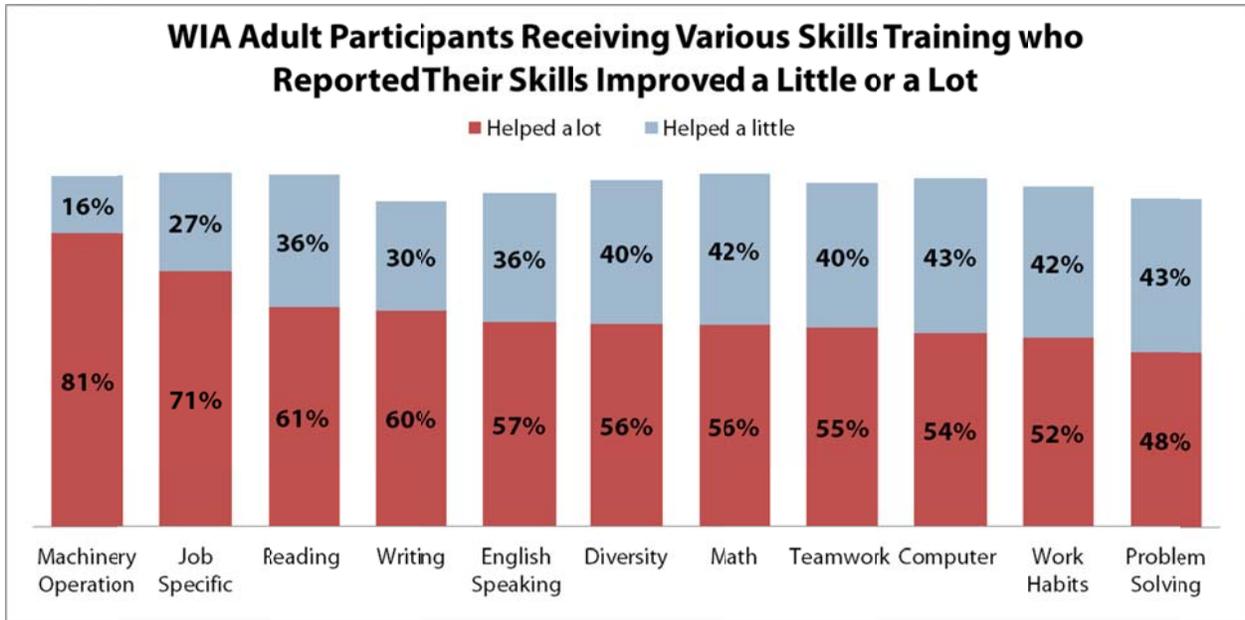
Source: Workforce Board's Participant Satisfaction Survey 2011.

The large majority of WIA Adult participants who received training felt it improved their skills. Similar to the 2008 survey, the percentage reporting their skills improved “a lot” was highest for occupational training; particularly machinery operation and job-specific skills.

Compared to the previous survey, participants reported much higher levels of “a lot” of improvement in basic skills; writing increased 14 percentage points, while math increased 16 percentage points. Overall, participants were much more likely to respond that the training helped “a lot” versus helped “a little.”

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Source: Workforce Board's Participant Satisfaction Survey 2011.

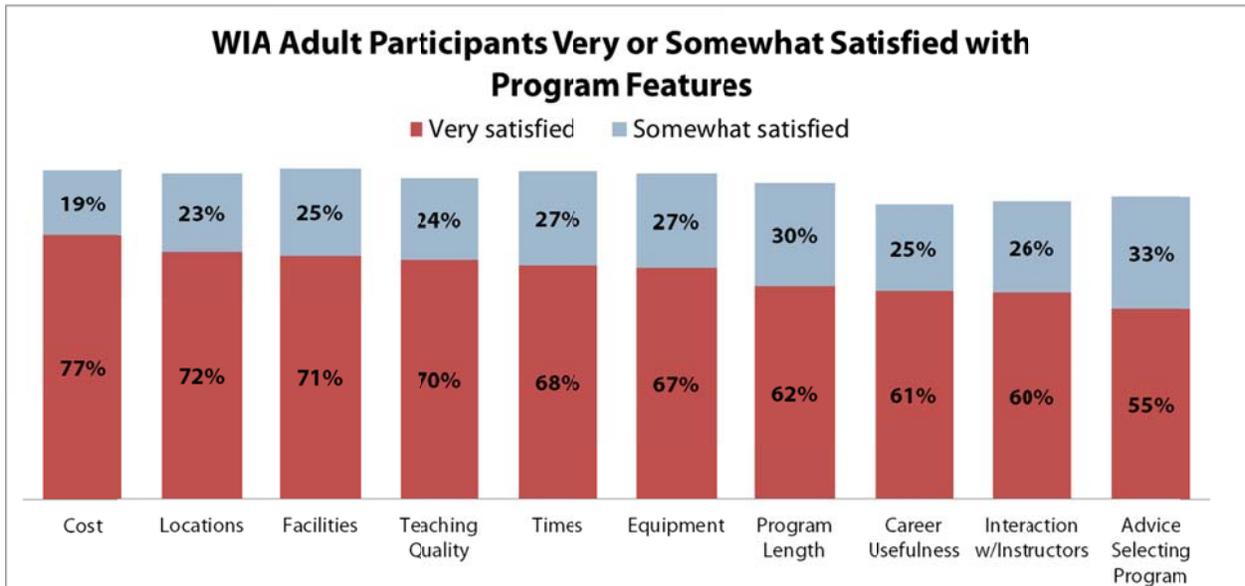
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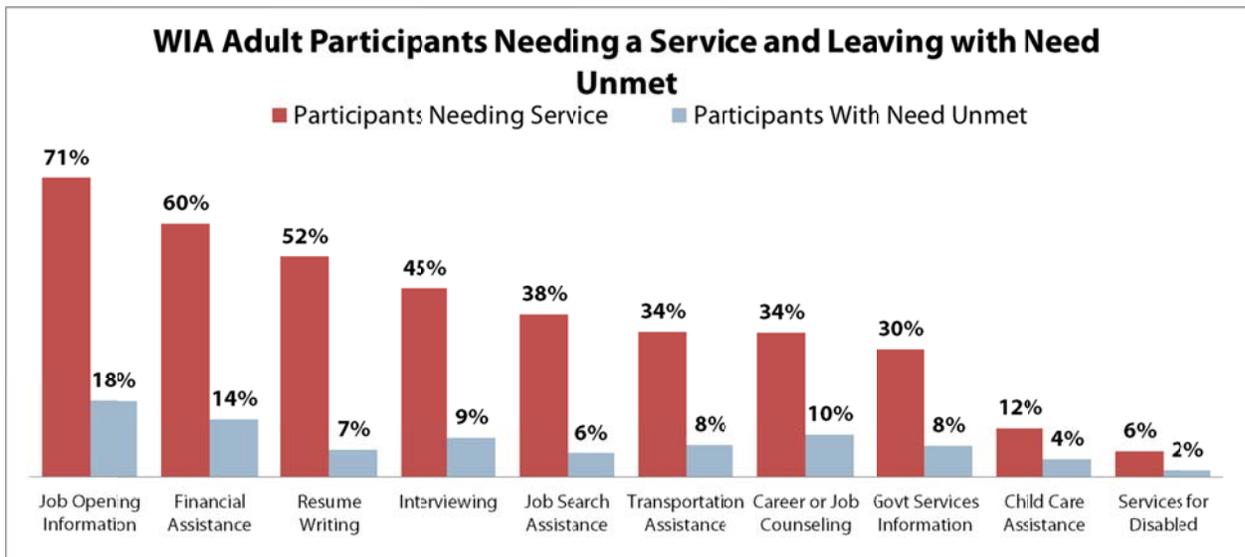
## Participant Satisfaction

Some 90 percent of participants reported they were satisfied with the overall quality of the program. Also, 86 percent said their educational objectives were met; higher levels than the last survey. Participants tended to be “very satisfied” with various features of the program including program cost, location, and facilities. Participants were less likely to indicate “a lot” of satisfaction with advice on selecting programs or interaction with instructors.



Source: Workforce Board's Participant Satisfaction Survey 2011.

Similar to previous surveys, WIA Adult participants frequently reported needing information on job openings and financial assistance. Most participants needing services received them.



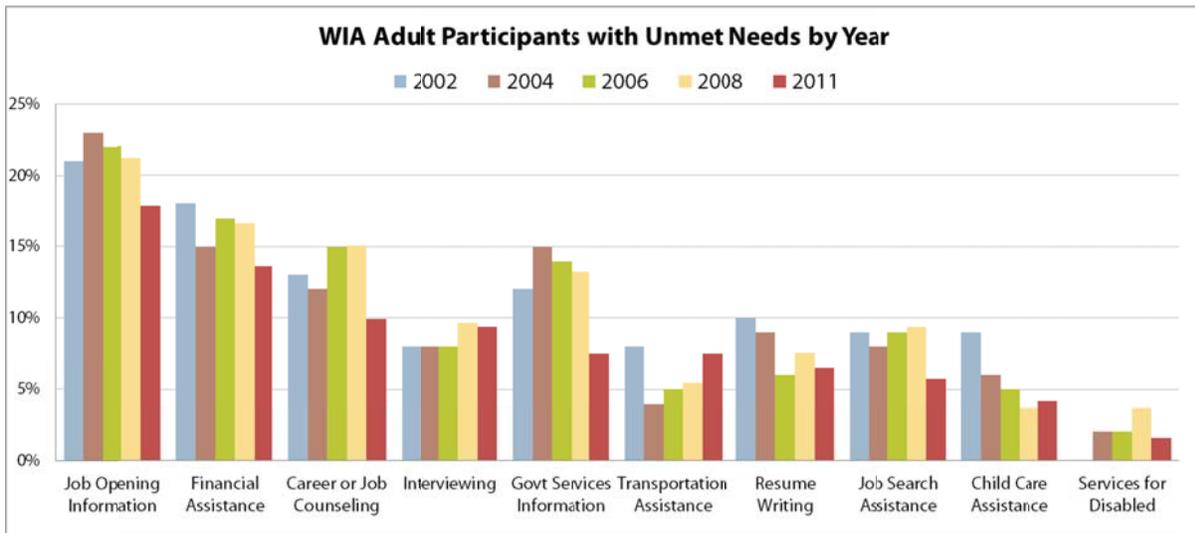
Source: Workforce Board's Participant Satisfaction Survey 2011.

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The largest unmet need<sup>10</sup> was for information about job openings. This is not a new problem. Although the percentage reporting leaving the program with this need unmet has decreased in the past decade, it is still quite high. WIA Adult participants reporting unmet needs have declined in nearly every category since the previous survey, and in fact since 2002. An exception is the percentage leaving with an unmet need for transportation assistance, which has doubled from a low of 4 percent in 2004 to 8 percent this year.



Source: Participant Satisfaction Surveys 2002-2011.

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

Every four years the Workforce Board conducts a net impact analysis 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 Adult program were compared to individuals who had similar demographic characteristics, but who did not participate in any of the programs

*The WIA Title I-B Adult program has positive net impacts on employment, wages, hours worked, and earnings. Participation increases lifetime earnings.*

<sup>10</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.

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included in the 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 Adult training 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.

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

The analysis also separates out WIA Adult participants who received job training, in addition to other WIA services. Roughly 55 percent of WIA adult participants received some type of formal training or education while the rest received core or intensive services only. (See program details at beginning of chapter for explanation of the range of services.)

In the table below, the WIA Adult participant employment rate in the short-term was 12.8 percentage points higher than the rate of those in the comparison group. WIA participants who received training achieved an employment rate that was 15.4 percentage points higher than their comparison group.

Similarly, the average annualized earnings of WIA participants who found jobs is higher (by the amounts listed below) than those non-participants who were employed.

WIA Adult	All WIA Adult Participants		Received Training	
	Short-term <sup>^</sup>	Long-term <sup>^</sup>	Short-term <sup>^</sup>	Long-term <sup>^</sup>
Net Employment Impact*	12.8 percentage points	10.8 percentage points	15.4 percentage points	13.2 percentage points
Net Hourly Wage Impact**	\$1.76	\$1.71	\$3.01	\$3.10
Net Hours Employed per Quarter Impact	73.6	43.6	91.2	56.6
Net Annualized Earnings Impact**	\$7,299	\$4,458	\$10,595	\$7,441

<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 2012 dollars, represent the average difference between WIA Adult participants who got jobs and those in the control group who were employed.

As can be seen above, WIA Adult program participants experienced gains in employment, hourly wages, hours worked per quarter and net annualized earnings, when compared to the control group. Gains tended to be somewhat more pronounced in the short-term than the long-term but were evident several years after completing the program.

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## 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 costs and support payments borne by the state and the foregone earnings borne by 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. 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 2012 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 WIA Adult Programs

Benefit/Cost	First 2.5 years		Lifetime (until 65)		Sum of Costs and Benefits
	Participant	Public	Participant	Public	
<b>Benefits</b>					
Earnings	\$9,368	\$0	\$42,367	\$0	
Fringe Benefits	\$2,343	\$0	\$10,592	\$0	
Taxes	-\$1,597	\$1,597	-\$7,224	\$7,224	
Transfers					
UI	-\$208	\$208	\$434	-\$434	
<b>Costs</b>					
Foregone net earnings	-\$2,399	-\$379	-\$2,399	-\$379	
Program costs	\$0	-\$5,642	\$0	-\$5,642	
Benefits	\$9,905	\$1,805	\$46,170	\$6,790	
Costs	-\$2,399	-\$6,021	-\$2,399	-\$6,021	
<b>Total (Net)</b>	<b>\$7,506</b>	<b>-\$4,216</b>	<b>\$43,771</b>	<b>\$769</b>	<b>\$44,540</b>

*Note: Benefits and costs are expressed in 2012 first quarter dollars.*

For each participant in WIA Adult programs, the public (taxpayer) cost is \$5,642 over the length of their enrollment, and the participant cost is \$2,399 in foregone earnings while enrolled. During the first two and one-half years after leaving the program, the average participant will gain \$9,368 in earnings. During the course of working life to age 65, they will gain about \$39,969 in net earnings (earnings minus foregone earnings) and about \$10,592 in employee benefits. These are net gains compared to the earnings of similar individuals who

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did not participate in a workforce program. Including program costs and the net impacts on taxes and unemployment insurance benefits, the total net benefit per participant is \$43,771.

Projected participant benefits to age 65 outweigh public costs for WIA Adult services and training by a ratio of \$8 to \$1, or \$43,771 to \$5,642.

From the time of leaving the program to age 65, the public is forecast to gain almost \$7,224 per participant in net additional social security, Medicare, federal income, and state sales taxes; the public, however, is expected to pay out \$434 per participant in total UI benefits. The estimated lifetime net benefit to taxpayers is \$769 per participant.

Projected taxpayer net benefits to age 65 outweigh public costs invested in WIA Adult services by a ratio of \$1.20 to \$1, or \$6,790 to \$5,642.

### **Summary and Areas for Improvement**

The WIA program for disadvantaged adults provides a wide variety of services to participants such as career counseling, job search assistance, and vocational training. Services depend on what participants need to find suitable employment. Approximately 55 percent of participants reviewed in this study received vocational training.

Employment results are beginning to recover from the effects of the Great Recession. Some 67 percent of participants were in reported employment. Only 14 percent of the participants report that their program was neither helpful in finding a job or related to their employment. A large majority of participants report that their program helped improve their skills a lot, and the results for reading and math have especially increased in recent years. Participants report being very satisfied with their program.

The program has strong net impacts on participants' employment and earnings. The strongest net impacts are for those who receive vocational training. This suggests the importance of continuing to provide vocational training to a majority of program participants.

An area that could be stronger is providing participants with information on job openings. Although better than in the past, 18 percent of participants left their program with an unmet need 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.

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