The Sectoral Employment Development Learning Project

Closing the Gap: How Sectoral Workforce Development Programs Benefit the Working Poor

SEDLP Research Report No. 2

The Aspen Institute

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ABOUT THIS PROJECT

Launched in April 1997, the Sectoral Employment Development Learning Project (SEDLP) was created to document and evaluate selected sectoral programs in quantitative and qualitative terms, and to disseminate the findings to interested policy makers and practitioners. The project, which is expected to be completed by December 2001, has three components: the Sectoral Study Series, which takes an in-depth look at six individual sectoral training programs; the Participant Study, a longitudinal survey of program participants; and the Program Monitoring Profile, a statistical profile of the participating programs.

The goal of a sector intervention is to open paths to economic advancement to low-income individuals. Sectoral interventions do this by targeting a particular industry in which the employment opportunities for low-wage individuals could be expanded or improved. Sector programs are characterized by their depth of industry knowledge and by their engagement within that specific industry. At the same time, sector projects have deep roots in the low-income communities they serve. Therefore, their understanding of the particular needs and challenges that individuals in these communities face affects the design of the services offered.

Finally, sector projects aim to create changes that will have an impact beyond the individual participants the program serves. For example, programs may seek to create new paths into a high-wage industry for low-income workers, or may aim to improve the job quality and chances for advancement in an industry that employs many working poor individuals. Sector programs may engage a range of strategies to accomplish their mission, such as employment training; operating a business; providing consulting services to the industry; and engaging in policy advocacy work. Implementing a sector program often requires strong partnerships between several organizations. These may include employer associations, community-based organizations, labor unions, community colleges and local government offices.

Sectoral Participant Characteristics

SEDLP's first phase of survey research has revealed much about who participates in the six participating sectoral programs. Most participants are of prime working age, with the average age of survey respondents being 34. Nearly all respondents (96%) have had some previous work experience and on average, participants reported 12.3 years in the labor market. Participant work histories, however, were interrupted and marked by long periods of unemployment. Respondents are clearly economically disadvantaged, with average and median annual earnings of $8,941 and $4,742 respectively. The majority of participants have at least a high school degree or GED, with only 28 percent lacking that credential. Sixty-five percent of respondents are women, 92 percent are members of minority racial or ethnic groups, and 38 percent are immigrants.

Participating Sectoral Training Programs

The six programs included in the SEDLP program employ a range of strategies and work in a variety of industries. They are:

Asian Neighborhood Design, (San Francisco, Calif.) is a community development corporation that provides training in cabinetry, carpentry and other construction trades. Founded in 1973, it runs a specialty furniture and wood products manufacturing company, Specialty Mill Products, that provides a work-oriented training environment and transitional employment opportunities for trainees. AND trainees are disadvantaged and hard-to-employ individuals who live in the Bay area. The average length of training is 15 weeks.

Garment Industry Development Corporation, (New York, N.Y.) is a nonprofit institution established in 1984 and supported collaboratively by union, industry and government entities. GIDC provides training for employed and unemployed individuals in a range of occupations in the garment industry, and provides technical assistance and marketing services to garment industry firms. Trainees are primarily Chinese and Latina women. It has a variety of full-time and part-time training programs that range from 10 days to 12 weeks.

Focus:HOPE, (Detroit, Mich.) is a civil- and human-rights organization founded in 1968 in the aftermath of the 1967 Detroit riots. Focus: HOPE offers precision machining and metalworking training to inner-city youth and young adults. It also operates businesses that provide hands-on learning for students and produce parts and services for the automobile and related industries. Core training at Focus: HOPE is 26 weeks.

Jane Addams Resource Corporation, (Chicago, Ill.) is a community development organization formed in 1984 to retain and grow local industry, provide community residents with educational services and offer job training in the metalworking industry for both incumbent and unemployed workers. JARC provides assistance to small- and medium-size metalworking manufacturing businesses in modernization and human resource management. Training is six to eight weeks.

Paraprofessional Healthcare Institute, (Bronx, N.Y.) is a sectoral employment advocacy organization that supports the training of low-income women of color in paraprofessional health care skills. It links them with Cooperative Home Care Associates (CHCA), an employee-owned agency founded in 1985 and designed to provide full-time employment, with benefits, for home health aides. PHI training is four to five weeks.

Project QUEST, (San Antonio, Texas) is a nonprofit organization established in 1992 and developed through a community organizing effort. It engages employers, community colleges and others in coalitions to develop training projects that prepare low-income individuals for good jobs in a range of selected industries, including health care and business services. Project QUEST training requires between one and four semesters to complete.

EXECUTIVE SUMMARY

A primary goal of the Sectoral Employment Development Learning Project (SEDLP) is to address the question of whether sectoral approaches work. The short answer to this question, based on compelling results from a survey of training program participants conducted one year after the end of training, is yes. Participant outcomes, summarized and presented in this report, show trainees made significant strides in the labor market, reporting higher annual earnings and earnings per hour; higher employment rates; increased hours of work; and improved job satisfaction and job quality in a span of only one year after completing the training program.

This report takes an in-depth look at the findings from a longitudinal survey of participants in six sectoral employment training programs. The survey is part of the investigation of sectoral strategies being undertaken by the SEDLP. This document examines what participants report about their earnings, employment situation and experiences with the training programs one year after completing the program.

Sectoral employment programs seek to improve job opportunities for low-income individuals within a specific industry sector. Sectoral programs identify an occupation or set of occupations within the targeted sector and employ a set of strategies that addresses issues on the supply and demand sides of the labor market. All SEDLP programs train participants as part of their sectoral strategy.

Before taking a closer look at what participants report, one year after completing training, we offer some brief background on this on-going research effort.

The SEDLP Participant Study

A key component of the SEDLP is the Participant Study, a three-year longitudinal survey designed to document the experiences of sectoral program participants with respect to training, employment, retention and advancement. The study uses a reflexive control design in which employment and earnings outcomes of participants are measured before and after they receive program services. The difference in their status is used as an estimate of program effects. The study collects information on participants at four points in time:

- Baseline: Roughly at the start of training[1]
- Ninety days after the end of training[2]
- One year after training completion
- Two years after training completion

[1] Most participant baseline interviews were conducted within two months of the start of training. In cases where training was long, interviews were conducted in the middle or toward the end of the training.
[2] Programs were asked to complete a one-page form on each participant within 90 days after training was expected to end.

The baseline, 1-year and 2-year surveys involve in-depth telephone interviews with participants, while the 90-day post-training documentation is a participant status update provided by each participant's training program. Thus, respondents' employment and earnings outcomes are measured at three points after they receive program intervention.

Key Findings from the Baseline Survey

The baseline survey was conducted before participants entered a training program, or, for longer-term training programs, two months before the participant was scheduled to complete training. Findings from the baseline survey were published in two documents in 2000: *SEDLP Research Brief No. 1: Key Findings from the Baselines Survey of Participants* and *SEDLP Research Report No. 1: Methodology and Findings from the Baseline Survey of Participants*.[3] Based on that research, we know that participants in sectoral programs are indeed low-income. The average and median annual earnings of those who worked in the year before training began were $12,295 and $8,580, respectively. If respondents with no earnings are included, the average annual and median earnings drop to $8,941 and $4,742, respectively. Despite these low earnings, many respondents had long work histories, although long spells of unemployment were also common. Only four percent of respondents had no previous work experience. Additional information about participants' characteristics, previous labor market experience and barriers to employment is available in the research brief and full report.

SEDLP Sample

Of the 732 respondents interviewed at baseline, 543 completed the survey administered a year later. The overall response rate for the second wave of the survey was 74 percent, which is quite high for a survey of a low-income population, especially one year after the initial interview.[4] The characteristics of the 543 respondents who completed the one-year follow-up interview are very similar to the population interviewed in the first wave,[5] suggesting that the subset of participants who completed the second wave of the survey represents the original sample quite well and that over time, changes in this group's employment and financial situations reflect, to a large extent, the changes that all survey participants are likely to have experienced.[6]

Readers of this report should also note that the SEDLP survey sample includes two types of program participants: (1) non-incumbent workers – individuals who are unemployed or underemployed and are looking to the sector program to help them access a higher quality job than they have been able to find on their own; and (2) incumbent workers – individuals who are currently employed and are looking for assistance to advance within the industry sector in which they are working. In a separate section of this report we highlight the outcomes for the non-incumbent workers, who make up 77 percent of the SEDLP sample, because of the particularly striking improvements they experienced, and because this population tends to be the focus of other outcome studies, as well as policy discussions today.

[3] Both publications are available by contacting the Aspen Institute's Economic Opportunities Program or by downloading from the EOP Web site at http:www.aspeninst.org/eop/eop_sedlp.asp.

[4] For more on response rates in telephone surveys conducted with a low-income population, see *Methods for Obtaining High Response Rates in Telephone Surveys*, by David Cantor and Patricia Cunningham of Westat, August 2000.

[5] For details on the comparison between the sample that responded to the baseline interview and the sample that responded to the second interview, please see the Technical Note at the end of this document.

[6] Response rate of subgroups of trainees, namely non-incumbent worker trainees and incumbent workers, was the same as the overall sample response rate.

Key Findings About Respondents' Earnings

Respondents' earnings showed dramatic improvement because of increases in both hours worked during the year and earnings per hour. Overall, participants reported an average increase of $7,203 in their annual earnings just one year after training. Non-incumbent workers increased their earnings by $9,048. Among respondents who were employed both before and after training, median annual individual earnings increased by 64 percent, from $8,580 to $14,040. Twenty-one percent of survey participants moved out of poverty on the basis of earnings alone in the 12 months following training. When participants of incumbent worker training programs are excluded, this figure rises to 27 percent.

For the sample as a whole, the number of hours that participants worked increased by an average of 601 hours per year, but this change is attributable entirely to increases among non-incumbent participants. Non-incumbent participants worked an average of 805 more hours during the year after training than during the baseline year. Among incumbent workers, average hours worked per year actually decreased slightly, yet remained at a full-time level of 1,949 hours per year, while annual earnings rose slightly, increasing by $786. Thus their increase in hourly earnings more than compensated for the reduced number of hours worked. Among all participants, average earnings per hour at their main job increased by 20 percent ($1.72 per hour) during the year after training, compared to the previous year

Key Findings About the Employment Status of Respondents

In the year following training, more participants reported having worked during the year. In the baseline survey, 74 percent reported having worked at some point during the year. In the year following training, 94 percent reported having worked at some point. Therefore, the durational employment rate increased by 20 percent. In the year after training, 59 percent of employed respondents (301) worked year-round at their job(s), compared to 32 percent of employed respondents (172) who worked all year at their job(s) during the year before the start of training. Among employed respondents, 87 percent reported holding at least one job in the sector for which they received training.

Key Findings About Job Quality

The improvements in participants' earnings per hour indicate they found higher quality jobs after training, but other factors about the job and participants' satisfaction with the job also indicate that job quality improved. In general, participants had access to a better benefits package through their post-training employment. When asked about their main job, the job that is their primary source of earnings during the year, 78 percent reported they had access to employer-provided health insurance in the year after training, compared to 50 percent in the baseline year. Similarly, in the year after training, 73 percent of jobs provided paid vacation, compared to 44 percent before training.

Furthermore, participants reported reasonably high satisfaction with their jobs. Eighty-nine percent said they were either satisfied or very satisfied with the quality of the main job they held during the 12 months after training. Among those who were employed both at the time of the baseline interview and at the time of the follow-up interview, 80 percent stated that their main job after training was better than the previous job.

Key Findings About the Training Experience

Respondents' training completion rates were quite high, as was the percentage of respondents who reported using their training on the job: Eighty-seven percent reported they completed their training, and 82 percent said they used the skills or knowledge learned in the program on the job. One year after training, 60 percent of all respondents (70 percent when incumbent workers are excluded) reported that the training they received in the program helped them get a new job. By way of comparison, of those who had a previous training experience, 41 percent said this previous training led to a job, and 55 percent said they used the skills or knowledge from that other training on the job. Among those who did not complete the training program, the reason cited most frequently was a health problem involving either themselves or a family member.

In some instances the training program seemed to inspire participants to pursue additional skills development opportunities. Thirty-six percent of respondents said they enrolled in other training or education courses after attending training in the sectoral program. Among them, 70 percent said their experience in the sectoral program encouraged them to take another course.

A Word about the Study Design

This study does not have an experimental design or a comparison group. Therefore, it is not possible to directly attribute changes in participants' economic situations to their participation in the training program. However, substantial and consistent before-and-after differences among participants, especially across programs that employ similar interventions in different locations, provide evidence that the programs have an effect on those they serve. Moreover, repeated measurements of outcomes over time make the findings insightful and indicative of at least "gross effects" of program intervention.[7]

An exhaustive sample selection approach was used to ensure that the cohort of participants selected for the study is representative of program participants.[8] All enrollees were selected on a sequential basis during the initial data collection period. The time frame for collecting baseline and follow-up data was based on the overall project timeline. The only exception in implementing the sampling design was the case of Project QUEST, which is a relatively lengthy program. It was not possible to select all enrollees because that would have required a longer follow-up period than is available. As such, based on reported information from program staff, all enrollees scheduled to graduate within a given time period that would allow for follow-up contact within the project timeline were selected.

This report provides additional detail about training outcomes 12 months after completion. Another follow-up report and research brief from this project, expected to be available in January 2002, will look at participants' outcomes two years after training completion and the longer-term impact of the training on the lives of these participants.

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[7] For more thorough discussion of the methodology used in this study, refer to the *SEDLP Research Report No. 1: Methodology and Findings from the Baseline Survey of Participants.* This report is available through the Aspen Institute's Economic Opportunities Program (EOP) or can be downloaded in pdf form from the EOP Web site at http://www.aspeninst.org/eop/eop_sedlp.asp.

[8] The Institute for Social and Economic Development (ISED), based in Iowa, provided technical assistance in designing the sampling methodology for this survey.

OUTCOMES FOR UNDEREMPLOYED AND UNEMPLOYED (NON-INCUMBENT) WORKERS

The Sector Employment Development Learning Project sample includes two types of program participants: (1) non-incumbent workers–individuals who are unemployed or underemployed and are looking to the sector program to help them obtain a higher quality job than what they have been able to find on their own; and (2) incumbent workers–individuals who are currently employed and are looking for assistance to advance within the industry sector in which they are working.[9] Because of the striking improvements experienced by non-incumbent workers (who make up 77 percent of the SEDLP sample), and because they frequently are the focus of policy discussions, we highlight outcomes for them here.

Earnings

Increased hours worked and increased earnings per hour combined to produce striking improvements in annual earnings for participants.

Overall, participants reported an average annual earnings increase of $9,048. This figure includes the responses of those who had zero earnings either before or after training. Among respondents who were employed both before and after training (those with positive earnings), mean annual individual earnings increased by 94 percent, from $7,895 to $15,315. Median annual individual earnings increased by 124 percent, from $5,785 to $12,939. Twenty-seven percent of survey participants moved out of poverty on the basis of earnings alone in the 12 months following training. Looking at the respondents' main job, the job that represented the primary source of earned income during the year, average earnings per hour increased by $2.11, or 28 percent, from $7.54 to $9.65 during the year after training.

Individuals who completed training, and even those who did not, experienced earnings gains. Among the 86 percent (356) who completed training, the average increase in annual earnings was $9,509. Non-completers (60 respondents) experienced an average increase in earnings of $6,325.[10] Despite the strong performance of non-completers, completers' earnings gains were an average of 50 percent higher, or $3,184.

Earnings gains experienced by non-completers partly reflect the strength of the economy and the tight labor market during this time period and partly the fact that many non-completers received a significant amount of training before leaving the program. While non-completers were not directly asked how much training they received, open-ended responses to a question about the reason for non-completion clearly indicate that at least 40 percent of non-completers (23 individuals) completed a significant portion of the training program. Moreover, two non-completers who left training to pursue employment indicated that the sectoral program helped them find their job. Therefore the earnings gains experienced by non-completers may also be partly attributable to their participation in the sector program.

Employment

Participants increased their employment by an average of 804 hours, or 46 percent of a full-time work year.[11]

The increase in employment can be attributed to a substantial portion of the sample moving closer to or achieving full-time, year-round employment. Before training, individuals who worked held employment for an average of 30.1 weeks. After training, employed participants worked an average of 43.2 weeks. When asked about the number of hours worked per week, respondents reported working an average of 37.5 hours per week at their main job during the year after training. Before training, employed respondents reported working an average of 32.3 hours per week at their main job. In the year after training,

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[9] All six SEDLP programs provide services to unemployed and underemployed workers. Two programs, the Jane Addams Resource Corporation and the Garment Industry Development Corporation, provide services to incumbent workers.

[10] Change in earnings is reported for all respondents, including those with zero earnings during the year before or after training.

[11] The U.S. Bureau of Labor Statistics defined a full-time work year as working at least 35 hours per week for 50 weeks per year, or 1,750 hours.

56 percent of employed respondents (217) worked year-round at their job(s), as compared to 16 percent of employed respondents (62) who worked all year at their job(s) during the year before the start of training.

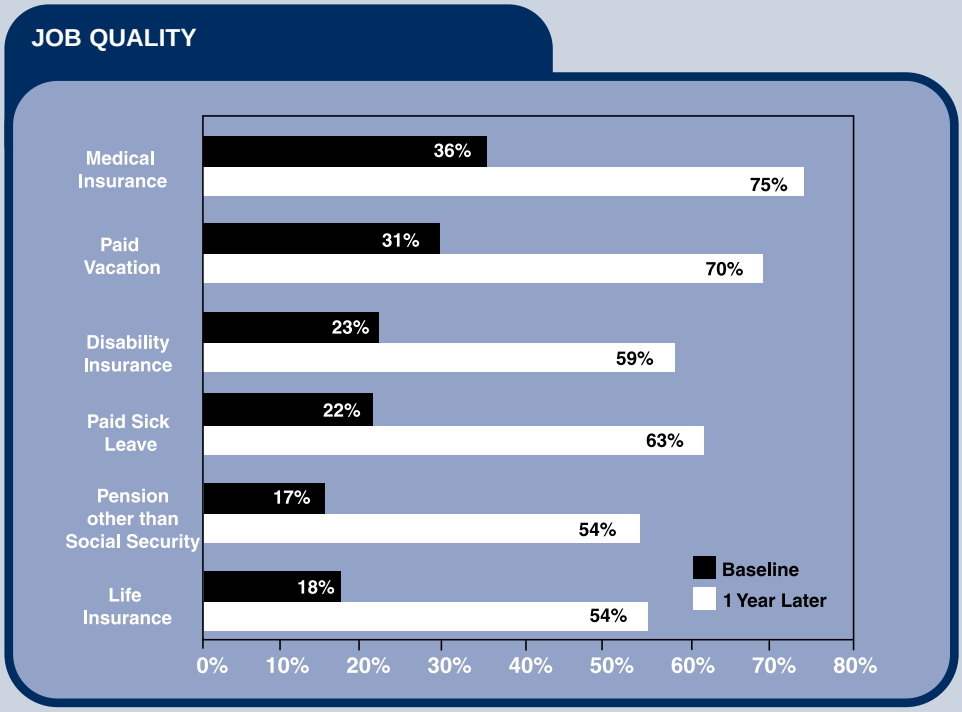
While almost all participants had some success in finding employment in the year following training, a substantial minority still reported sustained periods of time during which they were unemployed or were unable to participate in the labor market. In the year before training, 67 percent of respondents reported working at some point during the year. In the year following training, this response rose to 93 percent. Therefore, the durational employment rate improved by 20 percent. However, among those who worked, 44 percent were unable to work year-round. For this group, the average time out of work was 20 weeks, and the median was 15 weeks.

In the year following training, 84 percent of employed respondents (327) held at least one job in the sector for which they received training. Among them, 79 percent (257) were still working at a job in the sector at the time of the follow-up interview.

Job Satisfaction and Job Quality

In the year following training, participants reported significant improvements in the availability of benefits through their employment.

Among employed respondents, 89 percent reported that they were either satisfied or very satisfied with the quality of the main job they held during 12 months after the end of training. Moreover, participants reported substantial improvements in the benefits connected to their jobs. The following chart shows the percentage of participants reporting access to specified benefits through their job, both during the year before training (the baseline year) and one year after training completion.



PERSONAL EARNINGS AND INCOME

Key Findings About Respondents' Earnings

- Overall, participants reported an average increase of $7,203 in their annual earnings just one year after training. Non-incumbent workers increased their earnings by $9,048.
- Among respondents who were employed both before and after training, median annual individual earnings increased by 64 percent, from $8,580 to $14,040.
- Twenty-one percent of survey participants moved out of poverty on the basis of earnings alone in the 12 months following training. When participants of incumbent worker training programs are excluded, this figure rises to 27 percent.
- Respondents' average earnings per hour at their main job increased by 20 percent ($1.72 per hour) during the year after training, compared to the previous year.

One year after training, survey respondents reported dramatic improvements in their annual earnings. Substantial increases in both earnings per hour and the number of hours worked during the year underlie this gain. For a significant minority of participants, the earnings gains were such that they moved out of poverty on the basis of personal earnings alone, assuming the participant was the sole earner in his or her family.

Annual Earnings

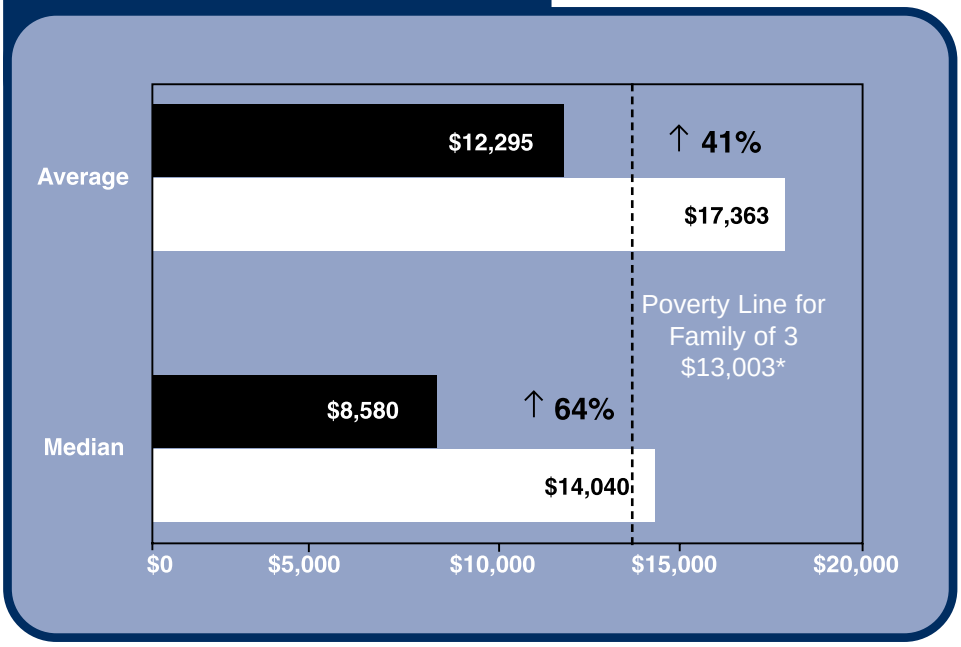
In the first wave of the survey, respondents who had worked in the past 12 months earned an average of $12,295 at their jobs and/or businesses, and their median annual earnings were $8,580.[12] During the year after training, employed respondents reported an average of $17,363 in annual personal earnings. Their median annual personal earnings were $14,040.[13] These "snapshot" figures reveal participants saw an 41-percent increase ($5,068) in average earnings and a 64-percent increase ($5,460) in median earnings in only one year (Figure 1).[14]

Participants of all programs reported increases in their annual earnings over the period (Figure 2). These increases ranged from 9 percent for GIDC respondents to 217 percent for Project QUEST respondents. More modest gains in earnings for GIDC and JARC respondents were expected because many were are already employed at the time of the baseline survey. In addition, the goals of the programs are different. GIDC, for example, trains displaced sewing machine operators to be more productive garment workers as part of its program to improve the competitive status of New York City's garment industry and thereby retain quality garment industry jobs. For many of these individuals, largely immigrant women, retaining a union job—or a job with comparable wages and benefits -- prevents their economic situation from eroding.[15] Focus: HOPE, on the other hand, provides intensive, long-term training to prepare unemployed individuals for high-wage jobs in the machining industry.[16]

[12] Of SEDLP respondents who were working during the year before the Wave 1 interviews (539), 96 percent (515) reported their personal earnings.

[13] Of 510 respondents who worked in the past 12 months, 497 (97 percent) reported their total personal earnings for that year.

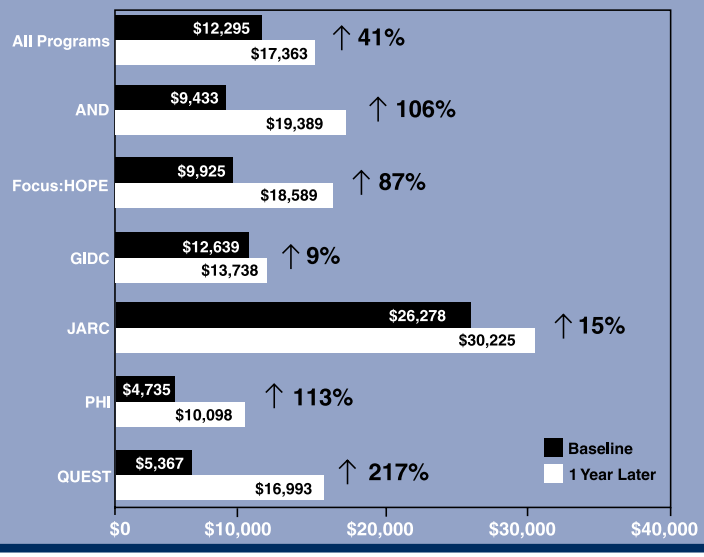
Figure 1: **ANNUAL EARNINGS**



*Source: 1998 U.S. Census Poverty Threshold (http://www.census.gov/hhes/poverty/threshold/thresh98.html)

Figure 2: **EARNINGS BY PROGRAM**

Change in average individual earnings by program for participants who worked at the same point during the year prior to survey.



[14] Gains in earnings for employed respondents were even more pronounced when incumbent worker trainees are excluded from the sample. During the year before training, the average and median annual earnings of employed non-incumbent worker trainees were $7,895 and $5,785. In the year following training, the average and median annual earnings of employed non-incumbent worker trainees were $15,315 and $12,939. The average annual earnings of these respondents increased by 94 percent and their median level of earnings increased by 124 percent.

[15] For more information on GIDC's strategy and goals, see Maureen Conway, The Garment Industry Development Corporation: A Case Study of a Sectoral Employment Development Approach, The Aspen Institute, 1999.

[16] For more information on Focus: HOPE's strategy, see Jeffery Thompson, et. al., Focus:HOPE: A Case Study of a Sectoral Employment Development Approach, The Aspen Institute, 2000.

When one includes individuals with zero earnings in one or both years and limits the analysis to individuals who provided complete earnings information in both surveys, the calculation of the change in earnings shows that, on average, respondents experienced an increase of $7,203 in their annual earnings.[17] The longitudinal analysis reveals that annual earnings for 77 percent of respondents increased in the year following training. Three percent experienced no change in earnings and 20 percent experienced a drop in their personal earnings in the year after training. On average, annual earnings of incumbent workers increased by $786, whereas non-incumbent worker trainees increased their annual earnings by $9,048.[18]

Annual earnings of respondents who completed the training program rose by $7,468 and earnings of those who did not complete the training increased by $5,429.[19] Thus, completers experienced gains in earnings that were on average, $2,039 or 38 percent higher than non-completers. The strong gains in earnings by non-completers can partly be explained by the tight labor market during this time period and partly by the fact that many non-completers received a significant amount of training before leaving the program. While non-completers where not directly asked how much training they received, open ended responses to a question about the reason for non-completion clearly indicate that at least 36 percent of non-completers (25 individuals) completed a significant proportion of the training program. Moreover, two non-completers who left training to pursue employment indicated that the sectoral program helped them find their job. Thus the earnings gains experienced by non-completers may also be partly attributable to their participation in the sector program.

Table 1 shows the change in annual earnings of subgroups of respondents with different barriers to employment. In general, individuals with a GED or a high school diploma and those with English language capability experienced higher earnings improvements than those without. Conversely, participants who had limited work history or had been receiving welfare showed greater earnings gains than those who did not. The difference is that welfare recipients and those with limited work histories worked greater numbers of hours.

[17] Change in annual earnings of respondents is reported for 515 respondents.
[18] Among incumbent workers in the sample, 115 reported their annual personal earnings in both waves of the survey. Among non-incumbent worker trainees, 400 reported their annual personal earnings in both waves of the survey. Respondents whose change in annual personal earnings is reported include those with zero earnings in Wave 1 and/or Wave 2.
[19] Among those who completed training (473 respondents), 448 reported their earnings in both waves of the survey. Among those who did not complete training (70 respondents), 67 respondents reported their earnings in both waves of the survey.

Table 1: Change in Respondents' Annual Earnings From Wave 1 to Wave 2: Respondents Facing Selected Barriers to Employment

	SEDLP		
Barriers to Employment	**Women**	**Men**	**All Respondents**
Receiving cash welfare[20]	$9,442 (n=125)	$11,683 (n=13)	$9,653 (n=138)
No cash welfare	$6,204 (n=218)	$6,447 (n=159)	$6,306 (n=377)
No high school diploma or GED certificate	$3,631 (n=93)	$5,515 (n=33)	$4,125 (n=126)
High school diploma or GED certificate	$8,779 (n=250)	$7,157 (n=139)	$8,200 (n=389)
Worked fewer than 13 weeks in past 12 months	$10,174 (n=162)	$11,721 (n=39)	$10,474 (n=201)
Worked 13 weeks or more in past 12 months	$4,886 (n=181)	$5,412 (n=133)	$5,109 (n=314)
Limited English speaking ability	$2,189 (n=118)	$2,211 (n=33)	$2,194 (n=151)
English speaking ability	$10,108 (n=225)	$7,942 (n=139)	$9,281 (n=364)

Hourly Earnings

Participants experienced gains in earnings, not just because they became employed or worked more hours during the year, but also because they were working at jobs that offered better pay. In comparing the average hourly earnings of employed individuals in the baseline and post-training samples, the average hourly earnings of employed respondents during the year after training were 20 percent ($1.72 per hour) higher, rising from $8.63 per hour during the year before the start of training to $10.35 per hour during the year after training (Figure 3).[21]

Hourly wages of respondents in all programs showed improvement, ranging from 15 cents for GIDC respondents to $4.03 for Project QUEST respondents. The 20-percent increase in the average hourly wage of respondents during a one-year period is quite striking compared to the wage growth workers have experienced on a national scale. A recent Economic Policy Institute (EPI) study reports that from 1995 to 1999, a period of low unemployment and productivity growth for the economy as a whole, the median hourly wage for low-wage workers, adjusted for inflation, grew by 9.3 percent.[22] Wage growth for all workers during this period was somewhat lower, 6.4 percent.[23]

[20] Cash welfare is measured as receiving Aid to Families with Dependent Children (AFDC), General Assistance or other cash welfare.

[21] Hourly earnings figures are based on data about participants' "main job," the job that provided the majority of the participant's earned income during the year. Of 539 respondents who were employed at some point during the 12 months before the baseline interviews, 526 reported their hourly earnings at the main jobs (reported hours worked per week, weeks worked per year and annual earnings at that job). Of 510 respondents who worked during the 12 months after training, 500 reported their earnings per hour at their main jobs.

[22] Mishel, Lawrence, Jared Bernstein, and John Schmitt. The State of Working America 2000-01 (Ithaca, NY: Cornell University Press, 2001), 5. This figure is for workers in the lowest 10th percentile of wage earners.

[23] Ibid.

Figure 3: **HOURLY EARNINGS OF EMPLOYED RESPONDENTS AT THEIR MAIN JOBS**

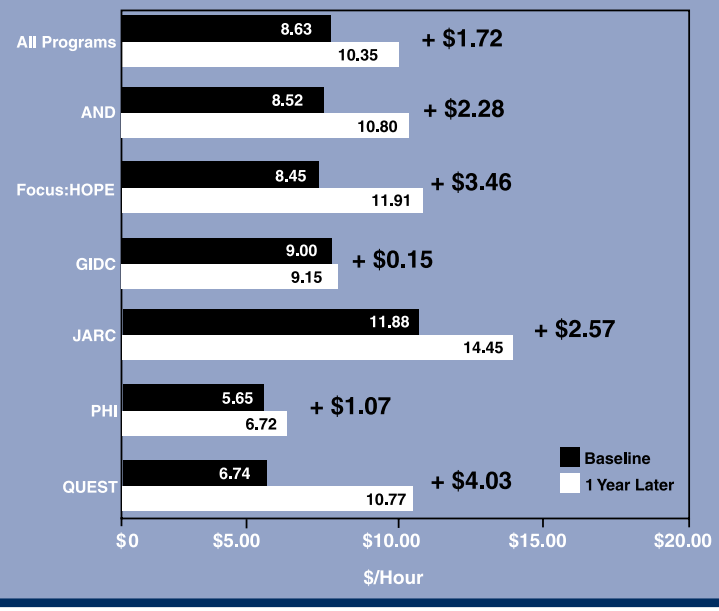


Figure 4: **CHANGE IN EARNINGS PER HOUR**

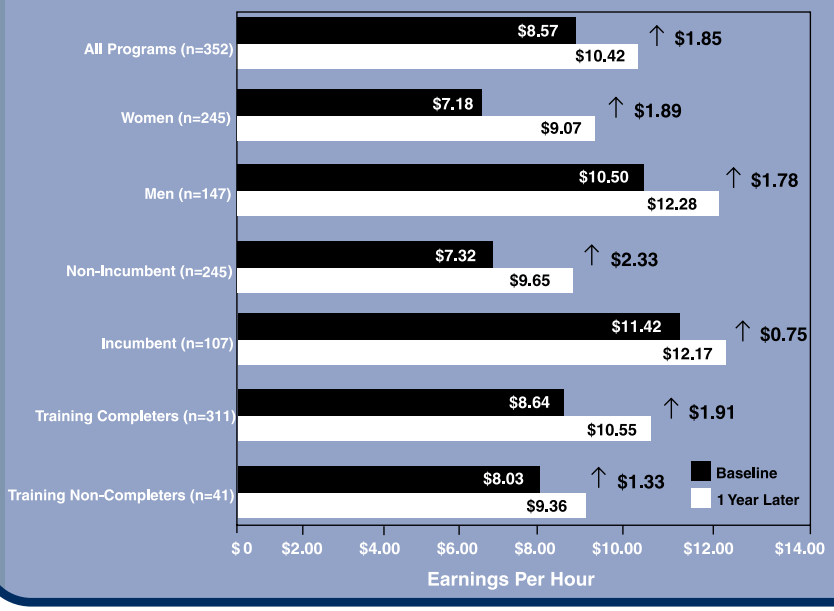


Figure 4 shows information on average increases in hourly earnings for respondents who were working during the year before and during the year after training, and who reported their annual earnings and total hours worked during both years. This longitudinal analysis shows an even greater increase in hourly earnings than did the snapshot comparison, which compared only the averages for the baseline and one-year follow-up sample. Overall, 71 percent of participants increased their rate of hourly earnings; the rate remained the same for 3 percent; and 26 percent experienced a decrease in hourly earnings.

Participants' Poverty Status

For a significant number of participants, the increase in annual earnings was large enough that, on the basis of earnings alone, these participants moved out of poverty. As shown in Table 2, 21 percent more respondents (27 percent more once incumbent workers are excluded) reported annual personal earnings above the poverty line in the year following training.[24]

Table 2: Poverty Status Based on Personal Earnings Alone*

	Full SEDLP Sample		Excluding Incumbent Workers	
Percent of Respondents Who Would Live in Poverty Based on Personal Earnings	**Baseline**	**One Year After Training**	**Baseline**	**One Year After Training**
Percent living below the poverty threshold	77%	56%	89%	62%
Percent living below 150 percent of poverty threshold	87%	74%	95%	79%

*Assumes respondent's earnings represent the sole source of household income.

[24] These calculations use 1998 U.S. Census Bureau poverty threshold figures, adjusted for family size.

Household Income

Respondents receive personal income from sources other than their jobs and businesses. Table 3 shows some of the other sources of income respondents reported—including public assistance programs—for both survey periods, and the average amount of income received from these sources. Note that these figures do not show changes over time for respondents, but are pictures of each sample as a whole.

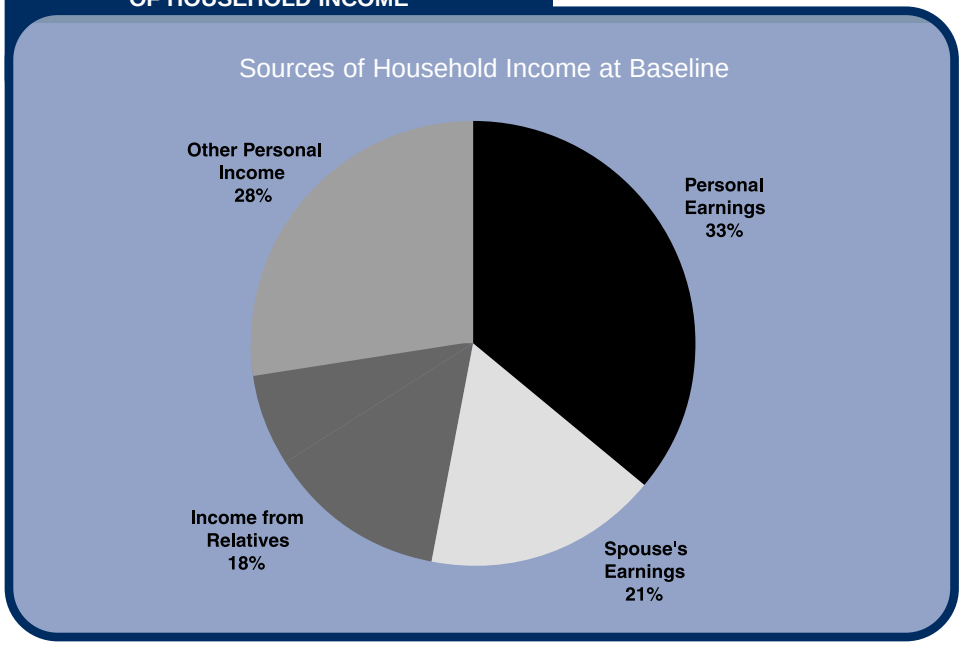
Table 3: Percent of Participants Receiving Non-Wage Sources of Income

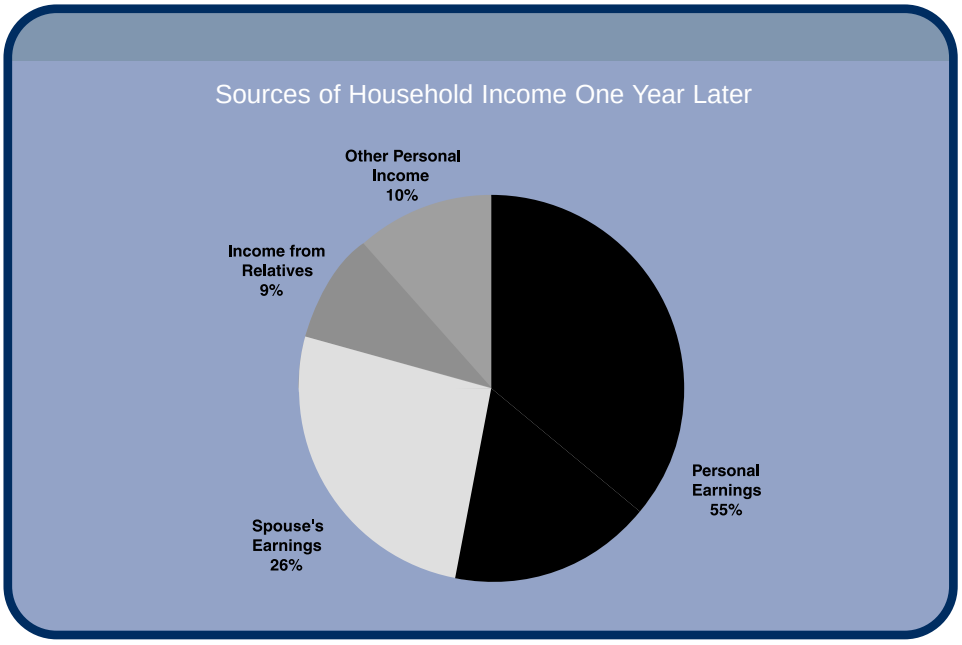
	Baseline		One Year After Training	
Other Sources of Personal Income During the Previous Year	**% Receiving Income From Source**	**Avg. Annual Amount Received**	**% Receiving Income from Source**	**Avg. Annual Amount Received**
Food stamps, WIC, other food supplement programs	37%	$2,226	25%	$1,657
Cash benefits such as AFDC, ADC, or TANF	21%	$3,514	12%	$2,610
Stipends from any government program (such as a Pell grant)	19%	$2,468	4%	$1,470
Child care subsidy	16%	$3,182	7%	$3,282
Public housing assistance	14%	$4,424	13%	N/A
Unemployment insurance	13%	$3,117	8%	$3,738
Money from Earned Income Tax Credit (EITC)	10%	$1,743	13%	$1,608
Alimony or child support	10%	$2,234	8%	$3,501
State General Assistance (home relief, general relief, etc.)	5%	$2,573	3%	$2,677

This data shows that among the post-training sample there was less reliance on public assistance. The percentage of participants receiving benefits from programs such as AFDC/TANF and food stamps decreased, and the average amount of benefits that respondents received from these sources declined during this one-year period.

At baseline, 59 percent of respondents (431) reported all components of their household incomes.[25] The average and median household incomes of these respondents were $27,586 and $19,142, respectively. During the year following training, 318 respondents (59 percent of Wave 2 respondents) reported all components of their household incomes, and the average and median levels of incomes of these respondents were $31,486 and $24,210, respectively. What is interesting to note is the change in the contribution of personal earnings to the total household incomes of respondents during these two years. During the year before the start of training, on average, about a third of the respondents' total household income came from their personal earnings (34 percent). In the following year, respondents' contribution of personal earnings to their total household incomes increased to 55 percent.[26] Figure 5 shows the contribution of different sources to the total household incomes of participants in the two years covered by the two waves of the survey:

Figure 5: **CHANGE IN THE COMPOSITION OF HOUSEHOLD INCOME**





[25] Both at baseline and one year following training, it was not possible to compute the total household income of all participants in the survey because not all respondents reported all components of their household income. Thus, household income figures reported for both years are valid for only part of the sample and are not necessarily indicative of incomes of all survey participants.

[26] The change in the contribution of personal earnings to total household income was higher for non-incumbent worker trainees who had a lower employment rate and annual earnings during the year before the start of training. On average, the share of personal earnings in total household income of these trainees increased from 21 percent in the year before training to 53 percent during the year after training.

EMPLOYMENT AND EXPERIENCE IN THE JOB MARKET

Key Findings About the Employment Status of Respondents

- Ninety-five percent of respondents who completed training reported having worked at some point during the year after training.
- Employed respondents (excluding incumbent workers) worked an average of 805 more hours during the year after training than during the baseline year.
- In the year after training, 59 percent of employed respondents (301) worked year-round at their job(s), compared to 32 percent who worked all year at their job(s) in the year before the start of training.
- In the year following training, 87 percent of employed respondents (444) held at least one job in the sector for which they received training. Among them, 79 percent (352) were still working at a job in the sector at the time of the follow-up interview.

Employment status of respondents one year after training shows significant improvement, compared to the year before training started. A higher proportion of respondents worked during the year after training, compared to the year before. At the same time, those who were employed reported working more hours per week and more weeks during the year at their main jobs.[27]

Employment

During the 12 months following training, 94 percent of participants (510) reported working at some point during the year, compared to 74 percent who reported working at some point during the 12 months before the baseline interviews.[28] Employed respondents, on average, worked 43.7 weeks (43.2 weeks excluding incumbent workers) during the year after training. During the year before training, employed respondents worked an average of 34.9 weeks (30.1 weeks when incumbent workers are excluded). There was some difference in the employment experience of respondents who completed the training when compared with those who did not complete their training, but both groups had higher employment rates. Among those who completed training, 95 percent reported working at some point during the 12 months after training, whereas 89 percent of non-completers reported working at some point in the 12 months following training. The improved employment experience of the non-completers may be partly explained by the strong economy, or by the fact that many non-completers received a significant amount of training before leaving the program.

Overall, respondents worked an average of 601 more hours during the 12 months after training.[29] Incumbent workers, on average, worked 67 fewer hours in the 12 months after training. Other trainees worked 805 hours more in the year following the completion of training than in the year before the baseline survey.[30]

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[27] Main job is defined as the respondent's main source of earnings in the past 12 months.

[28] For non-incumbent worker trainees, employment rate was 67 percent in the year before training and 93 percent during the year after training

[29] Longitudinal change in total hours worked is reported for 529 respondents who reported their hours of work in both years (including those who did not work).

[30] Among incumbent workers, 124 respondents reported their hours of work in both waves of the survey. Among other trainees, 405 respondents reported their hours of work in Wave 1 and Wave 2 of the survey.

Table 4: Average Change in Total Hours Worked

	AND	FH	GIDC	JARC	PHI	PQ	All Programs
Change in hours worked	781	720	(9)	(87)	1,108	1,043	601

Those who completed the training, on average, worked somewhat more than non-completers. Respondents who completed the training worked 610 more hours, and those who did not complete the training worked an average 541 more hours during the year after training.[31]

Employment Patterns

The work patterns of employed respondents in the year before training showed that the typical respondent was working full time for part of the year, and the average number of jobs per employed respondent was 1.5. A closer examination of the behavior of multiple job holders, who represented 39 percent of employed participants, revealed that 67 percent of these individuals were moving from one job to another, or "job-hopping," while 44 percent were holding multiple jobs at one time, or income "patching." Eleven percent employed both strategies.

In the year following training, individuals continued to hold multiple jobs, with the average number of jobs per employed individual remaining at 1.5. Roughly the same number of individuals, 37 percent, held multiple jobs, but the emphasis shifted toward hopping (moving from one job to the next), rather than patching, (simultaneously holding more than one job in order to accumulate sufficient income). Eighty-two percent of multiple job holders engaged in hopping and only 26 percent engaged in patching.

Interestingly, in the year following training, job-hopping became a more productive way for participants to advance in the labor market than it had been before training. Individuals who were only job-hopping during the year after training reported that the wage rate of their most recent job averaged $2.45 more than that of the first job they held after training. In contrast, during the year before the baseline survey, job-hoppers' average change in hourly wages was only 90 cents. The number of job-hoppers who improved their hourly earnings by job-hopping rose only slightly. In the year following training, 69 percent managed to increase their hourly wage. Eight percent made lateral moves with no change in their hourly wage, and 23 percent had lower earnings per hour. In the baseline year, 58 percent of job-hoppers were able to increase their hourly wage, while 9 percent made lateral moves with no change in their hourly wage and 33 percent had lower earnings per hour at their latest job.

Year-round work also became more prevalent after training. In the year before the start of training, 23 percent of all respondents and 32 percent of employed respondents (172) worked year-round at their job(s). In the year after training, 55 percent of all respondents and 59 percent of employed respondents (301) were working all year at their job(s).

[31] Among those who completed training (473 respondents), 461 reported their hours of work in both waves of the survey. Among those who did not complete training (70 respondents), 68 reported their hours of work in both waves of the survey.

Another difference in employment patterns described by the two surveys is that in the year after training, participants worked more weeks per year at their main job—that is, the job that is their primary source of income. Table 5 shows the number of hours and weeks per year that participants worked at their main jobs, both before and after training.

Table 5: Average Hours and Weeks Worked at Main Job During the Past Year

	Wave 1		Wave 2[32]	
All Employed Respondents in the Past Year	**SEDLP Sample**	**SEDLP Sample Minus Incumbent Workers**	**SEDLP Sample**	**SEDLP Sample Minus Incumbent Workers**
Weeks worked	28.9	23.3	37.3	36.1
Hours worked per week	35.5	32.3	38.7	37.5

The increase in the number of weeks worked at the main job is likely to bode well for individuals (especially non-incumbent worker trainees) looking to their jobs to provide important benefits such as health insurance, pension or paid sick and vacation time.

Unemployment

During the year before the start of training 77 percent of all respondents (89 percent of respondents excluding incumbent workers) experienced some period of unemployment. In the year after training, however, only 45 percent of all respondents (48 percent of respondents excluding incumbent workers) reported some period of unemployment[33] (Figure 6).

Furthermore, the lengths of time respondents were unemployed also decreased substantially during the year after training. Among all respondents who were unemployed for some period of time, the average length of time unemployed fell by 9.9 weeks, from 34.2 weeks to 24.3 weeks during the year. This change is largely because of the change experienced by those respondents who were not participating in an incumbent worker-training program. These respondents were unemployed for 24.3 weeks during the year after training, compared to 36 weeks the previous year. For them, the average length of time unemployed decreased by 33 percent, or 11.7 weeks.

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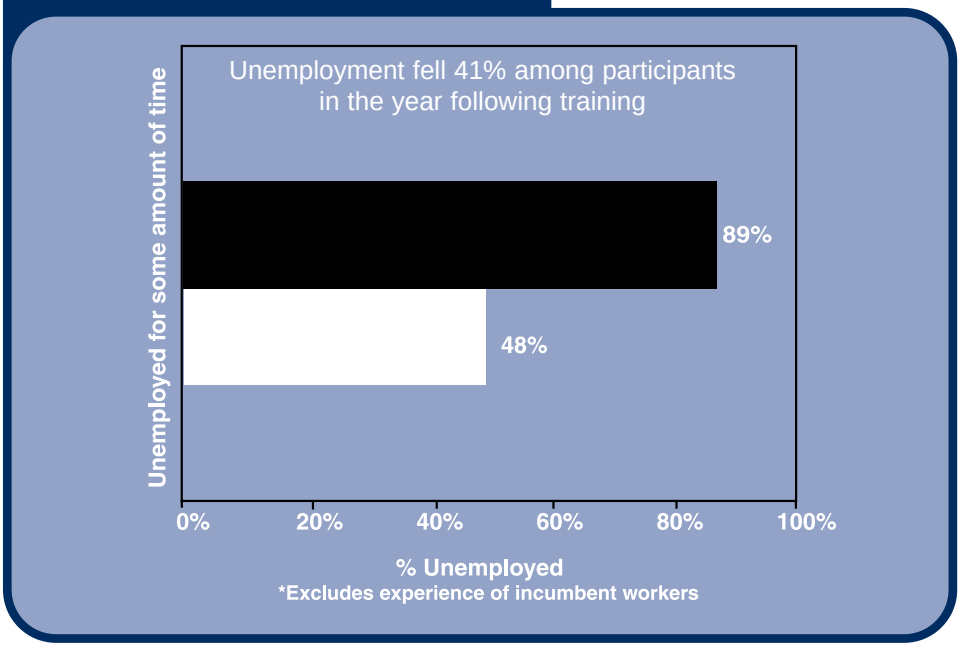
Employment in the Sector

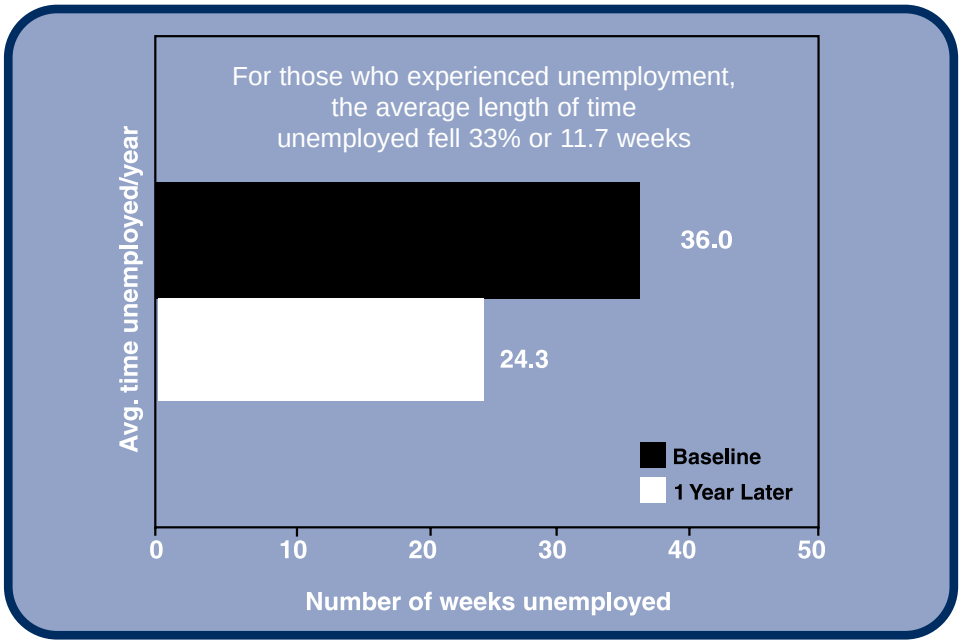
One important question that can be answered by data collected one year after training is whether participants worked at jobs within the industry for which they were trained, and if they continued to stay in those jobs and reap some of the benefits that come with building on one's work experience within a given industry. Survey results show that during the year following training, the majority of employed respondents

[32] Of 510 respondents who were employed at some point during the 12 months before the Wave 2 interviews, 509 respondents reported their weeks and hours of work at their main jobs.

[33] Among 732 respondents interviewed at baseline, 560 reported being unemployed for some time. Among 543 respondents interviewed in Wave 2, 242 respondents reported being unemployed for some period in the 12 months before the interview. The total number of respondents in the baseline sample, excluding JARC and GIDC incumbent workers, is 563. Of these respondents, 501 were unemployed at some point in the past year. The total number of respondents in the Wave 2 sample, excluding JARC and GIDC incumbent workers, is 416. Of these respondents, 199 were unemployed at some point in the past year.

Figure 6: **UNEMPLOYMENT***





were working in the sector for which they received training. Among the 510 respondents employed at some point during the year after training, 87 percent (444) held at least one job in the sector for which they were trained.[34]

Table 6: Respondents With Jobs in the Sector for Which They Received Training

SEDLP Respondents Who Were Employed At Some Point in the 12 Months After Training							
	AND n=56	**FH n=99**	**GIDC n=93**	**JARC n=70**	**PHI n=107**	**PQ n=85**	**ALL Programs n=510**
Percent with job(s) in sector	68%	85%	88%	99%	88%	91%	87%
Number of respondents	38	84	82	69	94	77	444

Among respondents who completed training and had worked during the year after training (448), 90 percent worked in at least one job in the sector for which they received training. Only 66 percent of respondents who did not complete training, on the other hand, were working in the sector for which they received some training. Seventy-nine percent of those who had a job in the sector (352) were still working at a job in the sector at the time of the Wave 2 interviews. These respondents reported greater than average gains in hours of work, earnings and earnings per hour, supporting the hypothesis that there are benefits associated with continuity in work experience within an industry (Table 7).

Another question that arises when examining respondents' employment within the industry is whether it pays for workers to stay with one employer rather than change employers. The change in earnings, hours of work and earnings per hour of respondents who were still employed in the industry for which they were trained at the time of the one-year follow-up survey, but had moved from job to job within the sector, was compared to those who stayed with one employer. The results show that the former group reported stronger gains in earnings compared to the latter.

Table 7: Changing Jobs in the Sector vs. Maintaining One Job

Respondents Who Were Still Working in the Sector at the Time of Wave 2 Interviews	**Did Not Leave a Sector Job n=268**	**Did Leave Sector Job(s) n=84**	**All n=352**
Change in hours worked from Wave 1 to Wave 2	769 (n=263)	729 (n=84)	759 (n=347)
Change in annual earnings from Wave 1 to Wave 2	$8,845 (n=255)	$10,560 (n=82)	$9,262 (n=337)
Change in earnings per hour from Wave 1 to Wave 2	$2.27 (n=180)	$2.78 (n=66)	$2.40 (n=246)

[34] Among 444 respondents with jobs in the sector, 117 were incumbent workers and 327 were non-incumbent worker trainees.

JOB SATISFACTION AND JOB QUALITY

Key Findings on Job Satisfaction and Job Quality

- Eighty-nine percent of respondents said they were either satisfied or very satisfied with the quality of the main job they held during the 12 months following training.
- Eighty percent felt their main job after training was better than their previous jobs.
- Seventy-eight percent of the main jobs participants held in the year after training provided access to health insurance, compared to 50 percent before training.
- Seventy-three percent of jobs provided paid vacation, compared to 44 percent before training.

Sectoral program respondents generally reported important increases in job satisfaction and job quality along with increases in employment and earnings. The improvement in the benefits that respondents' main jobs provided during the year following training is extremely significant, both compared with their earlier jobs and with what workers are offered at the national level.

At the time of the one-year follow-up survey, respondents who had a different job than when they started training (164) were asked how their current job compared with their job before they started training. Many respondents ranked their current job better than their old job both overall and on the basis of these characteristics: pay; opportunities for advancement; health benefits; work schedule; hours worked; level of responsibility; flexibility to attend to personal or family needs and emergencies; and treatment by supervisor or co-workers (Figure 7).

An important criterion for a "good" job is the benefits package, especially health insurance; vacation and sick pay; and retirement benefits. Survey results show a significant improvement in the quality of the jobs that respondents held during the year after training, compared to the year before. A greater percentage of respondents had access to different benefits through their main job during the year after training as opposed to what their main job offered in the year before training (Figure 8).

In the year following training 78 percent of respondents had access to health insurance through their main job, compared to 50 percent before training started. By way of comparison, in 1998, 62.9 percent of all private-sector workers had employer-provided health insurance. Among the bottom fifth, only 29.6 percent had employer-provided health insurance.[35] Further, 49.2 percent of private sector workers in America had employer-provided pension plans in 1999.[36] Among the bottom fifth, the rate was only 17.9 percent.[37] Sectoral training participants, on the other hand, reported that 56 percent of jobs they held after training provided pension plans other than Social Security. Thus, the quality of jobs held by sectoral program trainees is high compared to what jobs in general offer working Americans.

[35] Mishel, Lawrence, Jared Bernstein, and John Schmitt, The State of Working America 2000-01 (Ithaca, NY: Cornell University Press, 2001), 6.
[36] Ibid.
[37] Ibid.

Figure 7: **JOB SATISFACTION: CURRENT VS. PREVIOUS JOB**

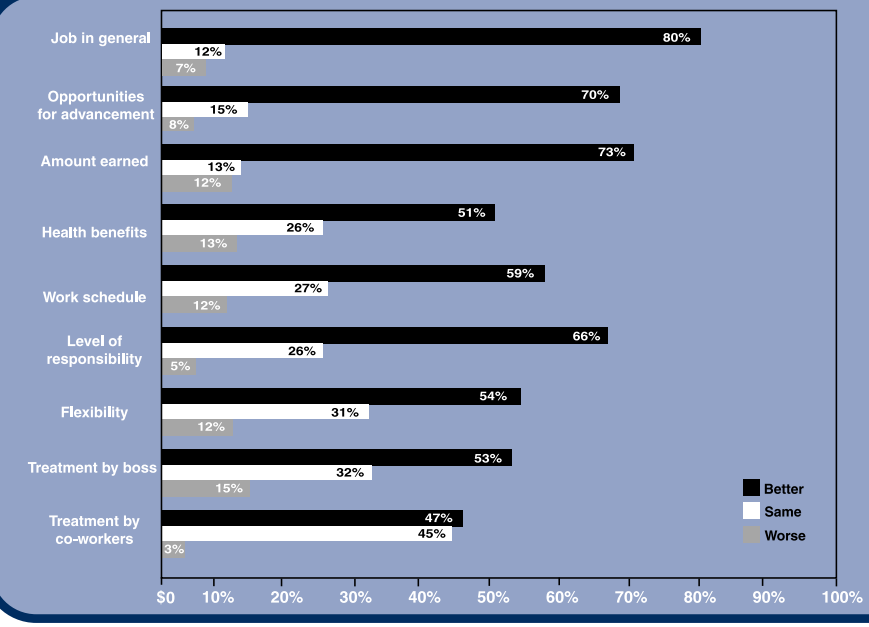
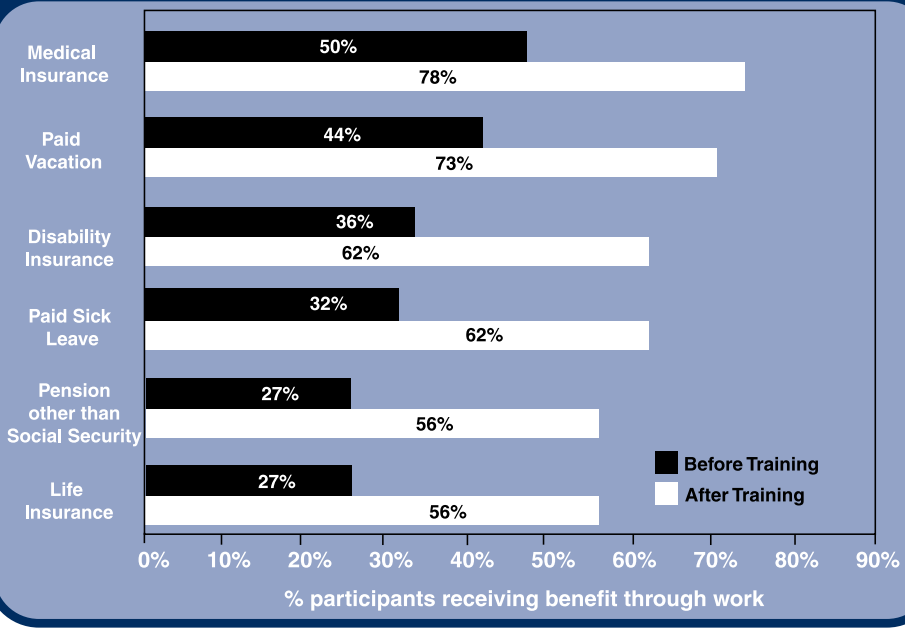


Figure 8: **JOB QUALITY**



PARTICIPANTS' TRAINING EXPERIENCE

Key Findings About the Training Experience

- Eighty-seven of respondents reported completing their training.
- Of those who did not complete, a health problem involving themselves or a family member was the most frequently cited reason.
- One year after training, 60 percent of all respondents (70 percent when incumbent workers are excluded) reported the training they received helped them get a new job.
- Eighty-two percent reported using the skills or knowledge learned in the program on the job.
- Of those who had a previous training experience, 44 percent said that this prior training led to a job, and 56 percent said they used the skills or knowledge from that other training on the job.
- Thirty-six percent reported enrolling in other training or education courses after attending training in the sectoral program. Among them, 70 percent said their experience in the program motivated them to take another course.

Sectoral program respondents reported very high training graduation rates and many were able to get a new job with the help of the training they received in the program. In addition, respondents were able to use their training on the job. Respondents also reported that the training they received in the program improved their soft skills as well as their hard skills. Overall, respondents' training experience in the sectoral program was more useful in the job market than their previous training experience. In addition, many were encouraged to pursue further training and education because of their experience in the sectoral training program.

Training Completion

At the time training was expected to end, 72 percent of respondents completed training. However, one year later, 87 percent of respondents reported they completed their training in the program (Figure 9). Completion rates ranged from 78 percent for Project QUEST participants to 94 percent for GIDC trainees. Longer training programs seem to have lower completion rates, although trainees may return later to complete the program.

For example, at Project QUEST, where training can take up to 18 months to complete, it is not unusual for some students, especially those facing personal or family problems, to put training on hold for some time. When Project QUEST respondents who had not completed their training were asked to explain why they hadn't finished, 37 percent (seven of 19 participants) said they were determined to go back to the program and complete it very soon. Thus completion rates could increase further over time.

Figure 9: **TRAINING COMPLETION RATES**

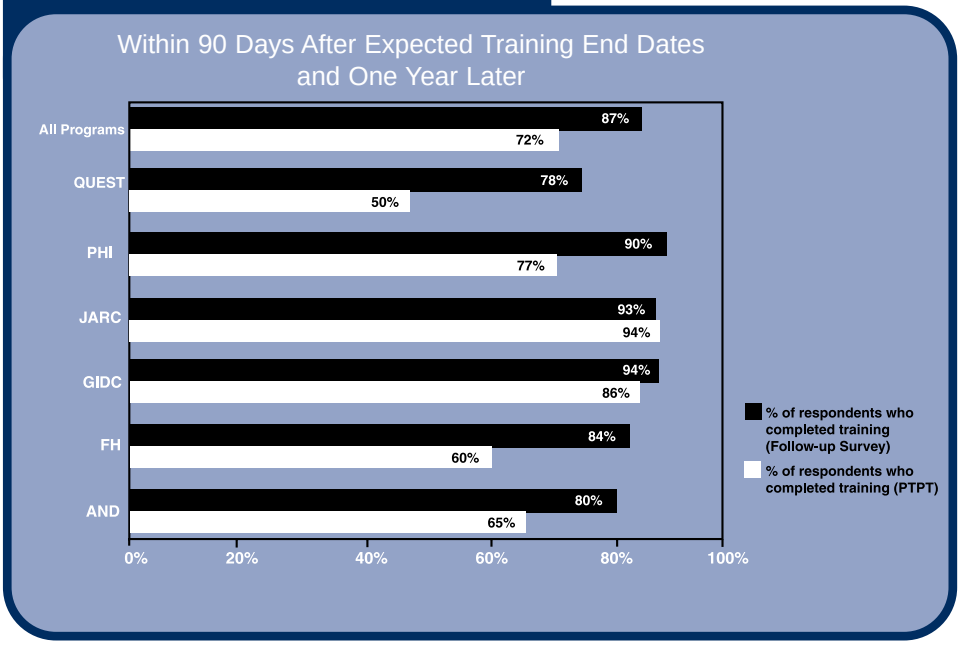


Table 8: Why Participants Did Not Complete Training

Reason for Not Completing	Percent
Started new job	17%
Medical reasons	14%
Didn't meet requirements	14%
Family health issues	12%
Course scheduling/class availability	10%
Financial reasons	10%
Undisclosed personal reasons	9%
Child care issues	7%
Discouraged with program/classes	6%
Transportation	4%
Language barrier	3%
Going to college	1%
Incarceration	1%

Table 8 displays a breakdown of the different reasons participants gave for why they did not complete the training program. As shown in the table, these reasons add up to more than 100 percent because several participants offered more than one reason. However, when double counting is excluded, 25 percent of participants had a personal medical reason or family health issue that prevented them from completing the training, making health issues the No. 1 cause of non-completion. Starting work or not meeting the requirements of the training program were other common reasons for non-comple-

tion. In response to an open-ended question, more than one-third of respondents indicated they made substantial progress in the training course before they had to leave, and several indicated they hoped to complete the training in the future.

Job Placement

An important indicator that a training program actually works is if the training leads participants to jobs. Survey results show that many respondents were able to secure jobs with the help of the training they received in the sectoral programs. In the one-year follow-up survey, respondents were asked if the training they received in the program helped them get a new job. Sixty percent of all respondents (70 percent when incumbent workers are excluded) reported the training they received in the program helped them get a new job. Therefore, training had a positive outcome for many of the participants.

Table 9: Respondents Who Got a New Job With the Help of Training

One Year After Baseline	AND	FH	GIDC*	JARC**	PHI	PQ	All Programs
Percent who got a new job with the help of training	72%	72%	26%	35%	73%	84%	60%

*Thirty-three percent of GIDC's trainees in the Super Sewers Program and 20 percent of their incumbent worker trainees reported that the training they received in the program helped them get a new job.
**All JARC participants in the Unemployed Training Program and 30 percent of their incumbent workers reported that the program training helped them get a new job.

Improvement in Skills and Use of Skills Learned on the Job

Findings from the one-year follow-up survey of respondents also suggest that the training was effective in developing and improving trainees' skills. Participants were able to develop their hard skills and improve their job performance, opening up possibilities of promotion and advancement. For example, one year after training:

- Eighty-six percent said the training they received in the program helped them work faster or more efficiently.
- Eighty-two percent said the training helped them to take on more responsibilities.
- Eighty-seven percent said the training helped them do more or different tasks.
- Sixty-two percent said the training helped them get promoted or advance in their career.
- Sixty-four percent said the training helped them earn more money.

Participants' responses also suggest that the soft skills training these programs incorporate into their course work results in better performance and improved relations in the workplace. Not all programs have separate classes for teaching soft skills, but even those that do not tend to provide training in a simulated work environment that emphasizes the expectations and norms of the workplace. Seventy-two percent of respondents stated the training they received in the program helped them receive appropriate treatment from either their boss or co-workers.

For training to have a real impact, the participant must get an opportunity to use the skills learned on a job, and this seems to be the case for many of the participants of the sectoral training programs. Eighty-two percent of respondents stated they have used the skills or knowledge they learned in the program on the job.

Table 10: Use of Skills or Knowledge Learned on a Job

Training Experience	AND	FH	GIDC	JARC	PHI	PQ	All Programs
Percent who used skills or knowledge learned in the sectoral program on the job	75%	74%	69%	90%	91%	94%	82%

Comparing Training Experiences

Many sectoral training program participants are not new to training. In fact, 34 percent of baseline survey respondents had enrolled in other training courses before attending training in the sectoral program. Table 11 displays some of the differences trainees reported between their sectoral experience and their experience in other training programs. This table reflects only the responses of the 192 respondents who stated that they participated in another training program before coming to the sectoral program.

Table 11: Training Experience: Comparison

Previous Training Program	Sectoral Training Program
82 percent completed training	87 percent completed training
44 percent reported training led to a job	57 percent (68 percent without incumbent workers) reported training led to a job
56 percent used their training on the job	87 percent used their training on the job
26 percent said they received assistance from the program that helped them keep their jobs	54 percent said the program helped by following up with them over the phone to ask about their job search or problems at work 41 percent said the program helped by working with them and their supervisor to resolve any work-related problems

The sectoral training also appears to have encouraged a substantial number of respondents to pursue further training and education. Thirty-six percent of respondents (197) reported they have enrolled in other training or education courses since attending training in the sectoral program. Among them, 70 percent said their experience in the sectoral program motivated them to take another course. Here is a look at those who enrolled in other training and education courses:

- Thirty-five percent of respondents (69) enrolled in college. Among these, 22 were from Focus: HOPE and 18 were from Project QUEST.
- Twenty-five percent of respondents (50) enrolled in another class in the sectoral training program. More than half (27) were from GIDC.
- Eight percent (15) reported they have enrolled in English as Second Language (ESL) training. These were mostly GIDC respondents (11). GIDC does not offer ESL.
- Five percent (10) enrolled in GED courses. The majority of these participants were from PHI (8).
- Twenty-two percent (44) enrolled in a vocational training program.
- Twenty percent (40) enrolled in some other educational or training program.

In addition, 78 percent of all respondents (422) said they were planning to enroll in other training or education courses in the future. Among them, 71 percent (299 respondents) said their experience in the sectoral training program motivated them to think about taking other training or education courses.

CONCLUSION

One year after training completion, participant outcomes are extremely positive. They demonstrate that trainees made significant strides in the labor market. Survey respondents reported substantial gains in annual personal earnings and earnings per hour; higher employment rates; increased work hours; and improved job satisfaction and job quality in a span of only one year after enrolling in the training program.

In addition, the overwhelming majority of participants found employment related to the training they received, and report using this training on the job. These findings do not suggest that the training program was responsible for all of the gains that the trainees made during this one-year period. However, the strength of the outcomes suggests that a growing economy is unlikely to be the sole reason behind the gains these respondents have made in the job market, and makes a compelling case for attributing at least part of their success to the effectiveness of the training programs.

Despite these substantial improvements in economic status, a significant number of respondents still do not earn enough to lift themselves and their families out of poverty. While significant gains were made, many respondents have quite a distance to go before they will achieve economic self-sufficiency. As we track the labor market experiences of these respondents over time, we will see if they are able to build on the progress they have made thus far. In addition, we hope to learn more about what supports and services respondents find helpful, and what barriers they continue to face as they seek to move forward in today's economy.

Results of the two-year follow-up survey of these participants, which will be presented in forthcoming publications scheduled to be available in January 2002, will shed more light on these issues and provide more information on how participants fare over time in the job market and in their respective industries.

TECHNICAL NOTE: COMPARISON OF CHARACTERISTICS OF WAVE 2 RESPONDENTS AND WAVE 1 RESPONDENTS[38]

The characteristics of survey respondents interviewed at Wave 1and those who completed the Wave 2 survey were compared on a number of indicators collected in the Wave 1 survey. These indicators include:

- Gender
- Race
- Age
- Education level
- Living with a spouse or partner
- Number of children
- Percent of incumbent workers in the sample
- Barriers to employment
- Employment status
- Annual personal earnings of respondents

Results of the comparison show the two groups are very similar in all respects. This suggests that respondents interviewed in the Wave 2 survey represent the original group quite well and that over time, changes in this group's employment and financial situations largely reflect the changes that all participants in the Wave 1 survey are likely to have experienced.

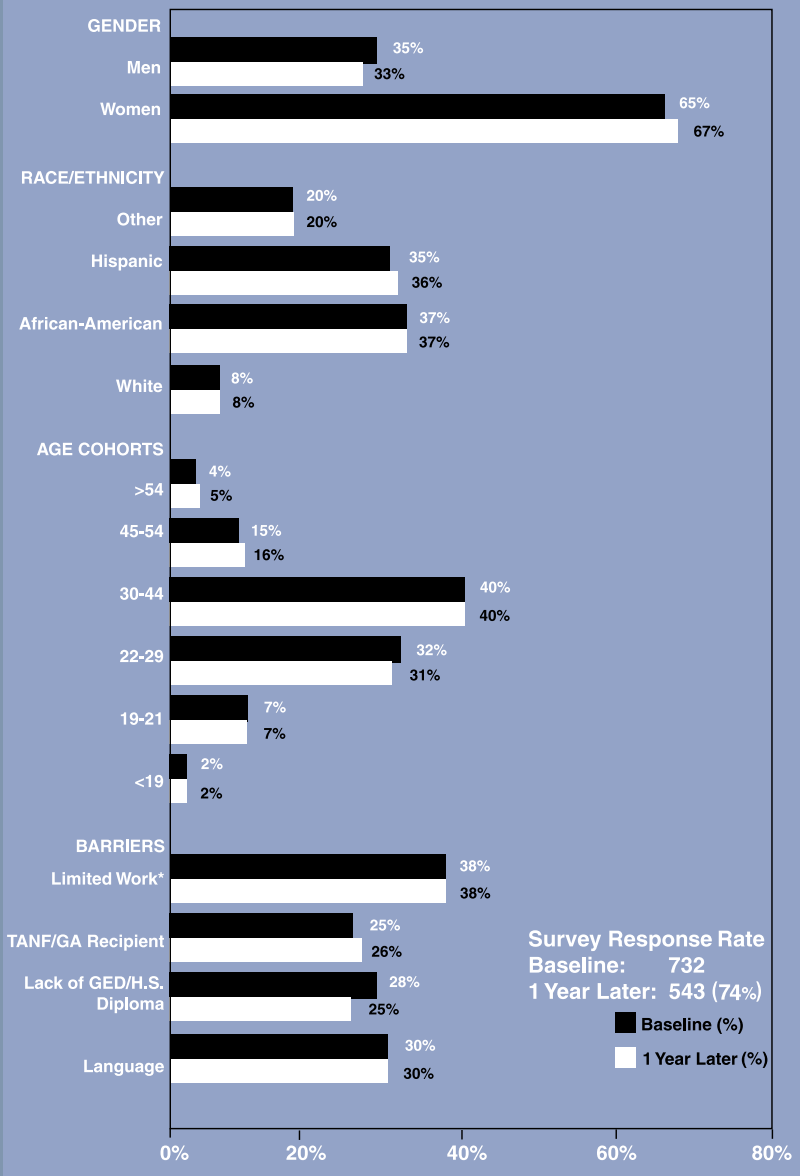
Much like the baseline sample participants, the majority of Wave 2 respondents consist of women, and the racial/ethnic composition of these sample members closely matches that of all Wave 1 respondents (Figure 10). The age distribution of Wave 2 participants also closely resembles the age distribution of all respondents in the Wave 1 survey. The number of sample members with select barriers to employment is roughly the same across both groups, except in the case of those with an education barrier. A slightly smaller percentage of respondents in Wave 2 are made up of individuals who had not received any academic diploma or degree (including a GED) by the time of the Wave 1 interview. On average, the highest grade level respondents reported completing in both surveys was Grade 12, as shown in the following table:

Table 12: Education Level of Participants

Highest Grade Completed at Wave 1	SEDLP Sample (Wave 1)	SEDLP Sample (Wave 2)
Below Grade 12	35%	33%
Grade 12	33%	34%
Above Grade 12	32%	34%
Average Grade	12	12

[38] In this section we refer to the baseline survey, conducted two months before training completion, as Wave 1, and the survey conducted one year following training completion as Wave 2.

Figure 10: **RESPONDENT CHARACTERISTICS: BASELINE & YEAR ONE**



Among respondents in the second wave of the survey, roughly the same percentage was living with a spouse or partner as in Wave 1. The household composition of Wave 2 respondents at the baseline is almost identical to the household composition of all baseline survey respondents. A slightly smaller portion of Wave 2 participants, however, consists of participants who did not live with children in their household at Wave 1.

Table 13: Respondents' Household Composition

Lived with a Spouse or Partner at Wave 1	**SEDLP Sample (Wave 1)**	**SEDLP Sample (Wave 2)**
Yes	38%	39%
No	62%	61%
Number of Children at Wave 1	**SEDLP Sample (Wave 1)**	**SEDLP Sample (Wave 2)**
0	35%	32%
1	25%	27%
2-3	34%	35%
More than 3	6%	6%
Mean	1.3	1.4
Number of People in Household at Wave 1	**SEDLP Sample (Wave 1)**	**SEDLP Sample (Wave 2)**
1	8%	8%
2	18%	18%
3-4	53%	52%
More than 4	22%	22%
Mean	3.5	3.6

Incumbent workers made up 23 percent of the overall sample in Wave 1 and they continued to make up 23 percent of the sample in Wave 2.

Looking at the employment status of respondents in the two waves at baseline, it is clear that their past year's employment situation is comparable across both groups.

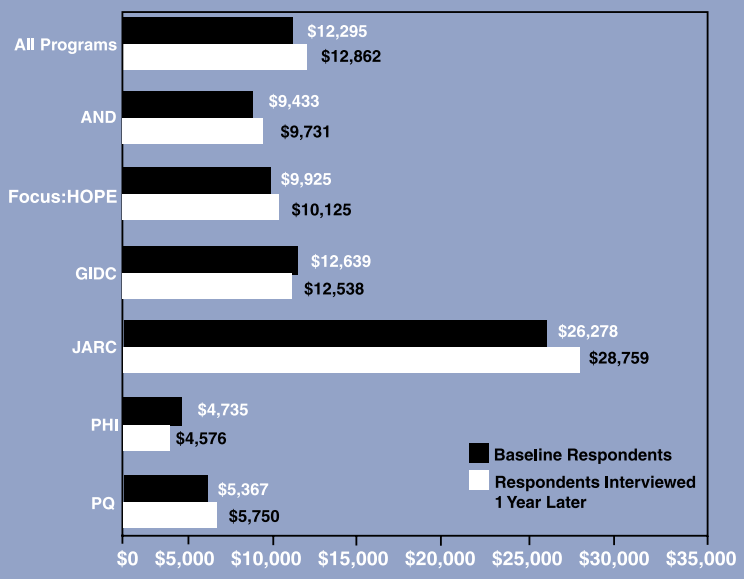
Table 14: Respondents' Employment Status During Past 12 Months

Employment Status of Respondents in the Past 12 months (Wave 1)	**SEDLP Sample (Wave 1) 732 Respondents**	**SEDLP Sample (Wave 2) 543 Respondents**
Employed by someone else	66%	64%
Self-employed	4%	4%
Both employed and self-employed	4%	4%
Unemployed	26%	27%

Annual personal earnings of participants who worked during the year before the Wave 1 interviews are comparable both overall and on a program-by-program basis for the two groups (Figure 11). There is only a marginal difference ($567) in annual earnings of respondents during the year leading up to the baseline interviews between the two groups.

Figure 11: **AVERAGE PARTICIPANT EARNINGS BEFORE TRAINING**

Respondents to the baseline survey and to the 1 year follow up survey have similar profile in terms of earnings prior to training.



One concern about Wave 1 respondents who were not interviewed in Wave 2 was whether the majority of them are training program dropouts. Findings from the data collected immediately after the training completion dates show, in fact, that among Wave 1 respondents who were not interviewed in the second wave of the survey (189 Wave 1 respondents), 64 percent (120) completed training according to the anticipated schedule.[39] Even though the training completion rate for Wave 2 respondents was somewhat higher than the completion rate for non-respondents, Wave 2 non-respondents are not mainly made up of dropouts from the training programs.

[39] Information on training completion was collected when Post Training/Placement Tools (PTPTs) were filled out and at the time of Wave 2 interviews. Data on the completion rate of non-respondents in Wave 2 are from PTPTs.

Table 15: Program Completion According to Anticipated Schedule

Did the Participant Complete the Training Course According to the Anticipated Schedule?	Wave 1 Respondents Not Interviewed in Wave 2	Wave 1 Respondents Interviewed in Wave 2	Wave 1 Respondents
Yes	64%	75%	72%
No	35%	24%	27%
Missing	1%	1%	1%
Number of respondents	189	543	732

This research report summarizes findings from the one-year follow-up survey of participants in the sectoral training programs. Copies of Sectoral Employment Development Learning Project (SEDLP) publications, including the present document, are available at our Web site as well as in print format. Other available and forthcoming SEDLP publications include:

- The Sectoral Studies Series: In-depth case studies of each of the six SEDLP participant programs
- SEDLP Research Brief No. 1: Key Findings from the Baseline Survey of Participants
- SEDLP Research Report No. 1: Methodology and Findings from the Baseline Survey of Participants
- SEDLP Research Brief No. 3: Key Findings from the Two-Year Follow-Up Survey of Participants
- SEDLP Research Report No. 3: Two-Year Follow-Up Report from the SEDLP Participant Study
- Jobs and the Urban Poor: Privately Initiated Sector Strategies

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