

TRAINING AND EMPLOYMENT NOTICE	NO. 19-16
	DATE November 22, 2016

TO: COMPREHENSIVE AMERICAN JOB CENTER MANAGERS
 AFFILIATE AMERICAN JOB CENTER MANAGERS
 DEPARTMENT OF LABOR EMPLOYMENT AND TRAINING
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 YOUTHBUILD GRANTEES

FROM: PORTIA WU 
 Assistant Secretary

SUBJECT: Release and Availability of a New Research Report: *Building a Future: Interim Impact Findings from the YouthBuild Evaluation*

1. **Purpose.** Since 2011, the Employment and Training Administration (ETA) has overseen an impact evaluation of the Federally-funded YouthBuild program. This Training and Employment Notice (TEN) announces the release and availability of the evaluation's first report presenting interim impact findings: *Building a Future: Interim Impact Findings from the YouthBuild Evaluation*.
2. **Background.** YouthBuild is a program for 16- to 24-year olds who have dropped out of high school; are at risk of failing to reach key educational milestones; and face additional barriers to success, including involvement with the juvenile or adult justice and/or foster care systems, having a disability, having an incarcerated parent, being low-income, or part of a migrant family. The program is a nonresidential, community-based alternative education program that provides a mix of academics, vocational training, leadership development, community service, and other activities to young people facing an array of challenges to educational and employment success.

YouthBuild distinguishes itself from other programs serving young people through, among other things, the stipend it pays to participants and through a culture that emphasizes youth development and leadership, capitalizing on participants' strengths and empowering participants to take responsibility for their lives. Participants in YouthBuild programs learn valuable skills as they build or rehabilitate housing for low-income or homeless individuals and families in their communities.

- YouthBuild Evaluation Description.** The evaluation was launched in 2010 and uses a random assignment design to examine the impacts of YouthBuild as implemented by 75 programs operating nationwide. The evaluation has three major components: an implementation analysis, an impact analysis, and a cost-effectiveness analysis, each of which seeks to answer specific research questions. Programs awarded Federal YouthBuild funding in 2011 by the Department of Labor and the Corporation for National and Community Service (CNCS), and the youth they recruited to their programs, are participating in the evaluation. For the evaluation, eligible program applicants were assigned at random either to a program group, which was eligible for YouthBuild, or to a control group, which was not eligible for YouthBuild. Youth in the control group were excluded from enrolling in YouthBuild for two years but were able to receive alternative services provided in their communities. The evaluation will compare outcomes of all those assigned to the program group with the outcomes of all those assigned to the control group, irrespective of whether the program group members actually participate in YouthBuild.

YouthBuild begins with Mental Toughness Orientation (MTO), designed to determine young people's willingness to change, to gauge their interest and motivation, to build teamwork while they get to know one another, and to introduce them to the specifics of the YouthBuild program. MTO also serves as an additional form of screening. A significant challenge for the evaluation team and participating sites was exactly where in the process to conduct random assignment. Ultimately, most programs (81 percent of programs, representing 75 percent of study participants) opted to conduct random assignment before MTO or during its first few days. This decision limited the exposure to the program for control group members but included the likelihood that some members of the program group would drop out of YouthBuild during MTO or immediately thereafter. And in fact, a quarter of the program group participated only in the YouthBuild application process and/or MTO.

Participants in the study were contacted by the evaluation team three times during the evaluation to learn about their experiences and progress in the labor force. Administrative data from the National Student Clearinghouse and the National Directory of New Hires were also collected for measuring program impacts on post-secondary enrollment and workforce participation.

- Publication Description.** The impact analysis results presented in this report provide a rigorous assessment of YouthBuild's effects 30 months after random assignment into the study. The report describes the YouthBuild program, the design of the evaluation, the characteristics of the programs and youth participating in the study, and initial impact findings on participation in YouthBuild.
- Key Evaluation Findings.** This report presents the effects of the program 30 months after young people applied to participate in YouthBuild. The findings show that participation in YouthBuild led to a number of positive effects on the participants, including a notable increase in the rate at which they earned alternative high school credentials and a small, positive effect on college enrollment, despite the fact that more than half of participating

youth had completed 10th grade or less when enrolled into the evaluation. YouthBuild also led to a small, positive effect on wages and earnings. The interim impact findings include:

- **YouthBuild increased participation in education and training, even though a high percentage of young people in the control group sought out and participated in education and training activities.** Despite a high rate of control group participation in education and training activities, young people in the program group were more likely than their control group counterparts to have participated in education and training, especially GED preparation, vocational training, and a variety of youth-development activities. For example, 75 percent of the program group reported participating in an education-related activity during the first 12 months, compared with 57 percent of the control group.
- **YouthBuild increased GED receipt and enrollment in two-year colleges.** Most young people who entered the program had not completed high school, and a central goal of the program is to help these young people earn high school equivalency degrees. The program had a sizable effect on GED receipt. By 30 months, about 18 percent of the young people in the control group reported earning GEDs, compared with 31 percent of the program group, an increase of 14 percentage points. This estimated effect includes all young people in the program group, not accounting for the fact that 25 percent of those assigned to the program group never participated in YouthBuild (see explanation above). Getting a GED by itself may increase college attendance, but many YouthBuild programs explicitly focus on helping young people make the transition to postsecondary education. By 30 months, 22 percent of the young people in the program group reported enrolling in a two-year community college at some point since they entered the study, compared with 17 percent of the control group.
- **YouthBuild increased participation in vocational training and led to a small increase in the receipt of training certificates.** Vocational training, primarily in construction, is another central part of the YouthBuild model. YouthBuild increased participation in vocational training both during the program period and afterward. Twelve months after random assignment, approximately 71 percent of the program group reported having participated in job or training related services (versus 39 percent of the control group), consistent with the finding that approximately 25 percent of those assigned to the program group did not participate in YouthBuild. By month 30, about 31 percent of the young people in the program group reported having participated in job-skills training through a vocational or trade school, compared with 20 percent of the control group. Very few young people reported obtaining vocational certificates by month 30, however 4 percent of the program group obtained certificates compared to 2 percent of the control group.
- **YouthBuild increased civic engagement, particularly volunteering, but had few effects on other measures of youth development or attitudes.** YouthBuild has been a leader in integrating youth development into its programs by promoting leadership and community service. In addition, the programs receiving CNCS funding strongly emphasize community service. At 30 months, members of the YouthBuild group were more likely than members of the control group to report that they had volunteered or been involved in politics or local community activities. The largest impact occurred on

volunteering. Fifty-four percent of the program group reported volunteering, compared with only 31 percent of the control group.

- **YouthBuild led to a small increase in employment rates during Year 2, and a small increase in wages and earnings at 30 months.** At the time of the 30-month survey, young people in the program group reported earning higher wages. The program led to an increase of 3 percentage points in the proportion of young people who reported earning at least \$10 per hour at their current jobs. These higher hourly wages also translated into higher weekly earnings. Data from the unemployment insurance system present a fuller picture. During the first year, while young people were participating in YouthBuild, the program led to a reduction in employment and earnings relative to the control group (whose members were less likely to be enrolled in a program and thus were more available to work). However, by Year 2, there was no difference in earnings between the two groups, still the program group had somewhat higher employment rates.

6. **The Evaluation Report Timeline.** In January 2015, ETA released the evaluation's Implementation Report, which presents a qualitative examination of the YouthBuild program's structure, implementation, and services. The evaluation's final impact report, presenting labor market, educational achievement, and personal development impacts 48 months after random assignment, is scheduled to be released in early 2018. That report will also present findings of the cost-effectiveness analysis.
7. **Inquiries.** For more information about this study or this report, contact Eileen Pederson, Contract Officer's Representative, Office of Policy Development and Research, ETA, at (202) 693-3647 or pederson.eileen@dol.gov. To view an abstract of this publication and to download this report or the evaluation's implementation report, visit the ETA Research Publication Database Web site at: <http://wdr.doleta.gov/research/keyword.cfm>.