

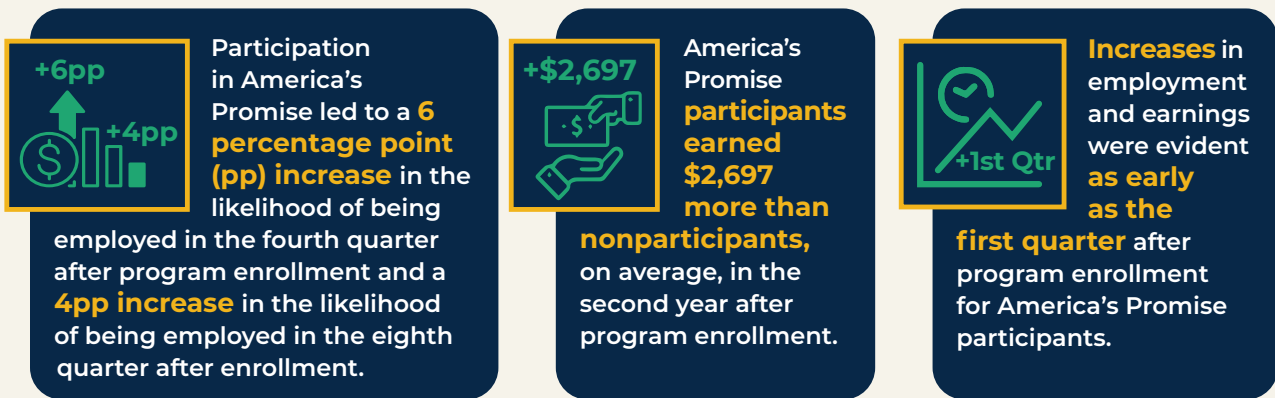
Employment Research Brief

Ariella Spitzer, Brittany English, Breyon Williams, Daniel Thal, Chris Weiss, Jasmine Forde, Jeanne Bellotti, and Jillian Berk

The Impact of the America's Promise Sectoral Training Partnerships

Summary

- The America's Promise job-driven grants were designed to develop and expand regional partnerships to provide sectoral training programs that address the immediate needs of the regional labor market.
- The U.S. Department of Labor's (DOL) Chief Evaluation Office contracted with Mathematica and its partner, Social Policy Research Associates, to conduct an evaluation of the America's Promise grants including an implementation study and an impact study
- The impact study estimated the impact of participation in an America's Promise program relative to a comparison group of similar people who received light-touch employment services. The effects were estimated between 2020 and 2022 which was a time heavily impacted by the COVID-19 pandemic. Key findings were:



The America's Promise Grants

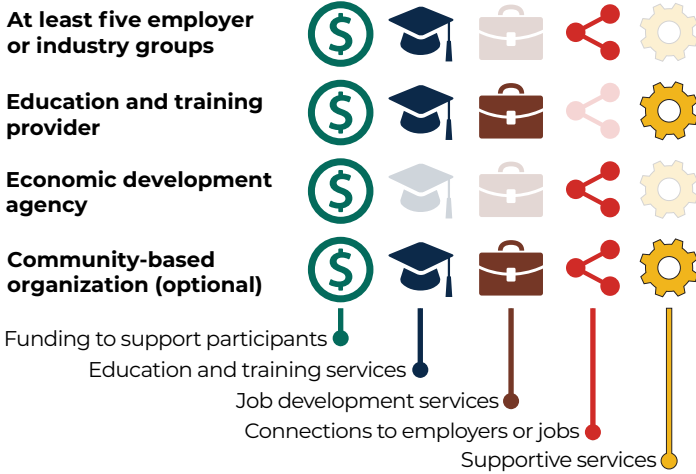
In 2016, DOL's Division of Strategic Investment awarded more than \$111 million to 23 grantees for the America's Promise Job-Driven Training Grant program (America's Promise). The America's Promise grants represent a continuation of DOL's commitment to supporting sector-based strategies and regional partnerships that meet employers'

needs and prepare American workers for middle- and high-skilled jobs. These four-year grants¹ sought to create or expand regional partnerships to (1) identify the employment needs of industry sectors that typically rely on the H-1B visa program to hire skilled foreign workers and (2) implement sector-based training strategies and career pathways to prepare a domestic workforce for middle- to high-skilled jobs in those sectors (DOL 2016).

¹Twenty of the 23 of the grantees received extensions of up to 12 months on the grant period.

Grantees and their partnerships. The most common organizations to lead partnerships were community colleges (nine grantees) and local workforce development agencies (seven grantees). The remaining partnerships were led by nonprofit organizations (four grantees), a four-year college or university (one grantee), a higher education administrative entity (one grantee), and a state workforce agency (one grantee). The average grantee reported 42 partner organizations within its network of partnerships.

Required partners and their contributions



Sectoral training programs. Coordinating with their partners, the grantees identified target industries and implemented trainings to create a pipeline of workers to address regional labor market needs. To that end, the grants sought to help prepare job seekers for locally in-demand and high-growth employment. Target industries were selected in partnership with employers based on regional demand. Most grantees provided education and training in three primary industries: advanced manufacturing, information technology (IT), and health care. Among the 23 America’s Promise partnerships, 13 partnerships focused on multiple industries while 10 focused on a single industry.



Recruiting and enrolling participants. The America’s Promise programs focused on people who were unemployed, underemployed, or incumbent workers. America’s Promise partnerships developed screening processes for recruiting, aligned with ensuring participants’ success in education and training programs for middle- to high-skilled jobs. For example, all partnerships required participants to have at least a high school diploma. Some partnerships or programs also required participants to achieve certain scores on intake assessments or to complete an interview. Primary recruitment methods included referrals from education and training providers, workforce partners, or employers.

Characteristics of America’s Promise participants

- Ethnicity:**
- Hispanic: 15%
 - Black, non-Hispanic: 28%
 - White, non-Hispanic: 48%
 - Other race, non-Hispanic: 8%

- Ages:**
- 18-29: 49% | 30-49: 35% | 50 +: 15%

- Gender:** Female: 48% | Male: 51%

- Disability status:** Had a disability: 4%

- Education:**
- Any postsecondary education: 49%

- Employment:**
- Employed at program enrollment: 47%

Total participants:
29,231

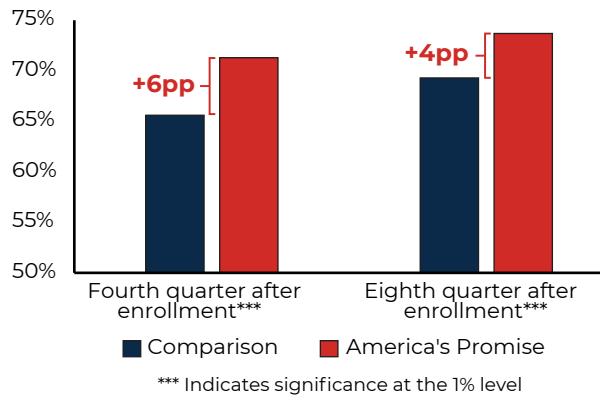


Program services. The America’s Promise program connected participants with education- and work-based learning opportunities. All partnerships provided free training, which they offered through classroom training, distance learning, and competency-based programs, and work-based training, such as apprenticeships, on-the-job training, paid work experience, and paid internships. All partnerships offered short-term or accelerated training programs that were at least partially classroom-based. Eighteen programs also offered long-term, intensive training. Twenty grantees also included some incumbent worker trainings. In addition, all grantees provided supportive services such as case management, job placement, and necessary wraparound supportive services.

Effectiveness of the America's Promise programs

The America's Promise programs were designed to improve the employment and earnings of participants by preparing them for a regionally in-demand industry. To understand whether the program achieved its goals, the America's Promise impact evaluation measured program completion, credential attainment, and the effect of program participation on employment and earnings in the two years following program entry. This section presents the key results of the impact study.

Enrollment



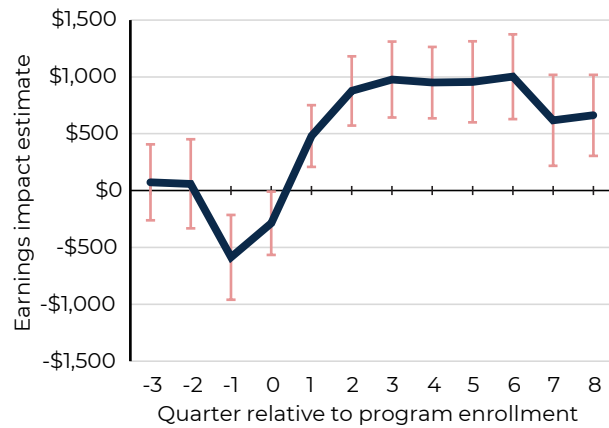
Employment. The America's Promise program had strong positive impacts on employment. These impacts emerged in the first quarter after program enrollment and continued through the eighth quarter following program enrollment. There was a **6 percentage point increase** in employment in **quarter 4**, one year following enrollment, relative to an average employment rate of 66 percent in the comparison group. In **quarter 8** following enrollment, the impact of participation dropped slightly to a **4 percentage point increase** in employment, relative to an employment rate for the comparison group of 69 percent.

The COVID-19 Context:



The COVID-19 pandemic occurred during the period covered by the impact study (the first quarter of 2020 through the second quarter of 2022). The U.S. unemployment rate sharply rose following the onset of the pandemic (March 2020), increasing from 3.8 percent in the first quarter of 2020 to 13 percent in the second quarter of 2020, according to the Bureau of Labor Statistics. Therefore, the key findings must be interpreted in the context of the COVID-19 pandemic.

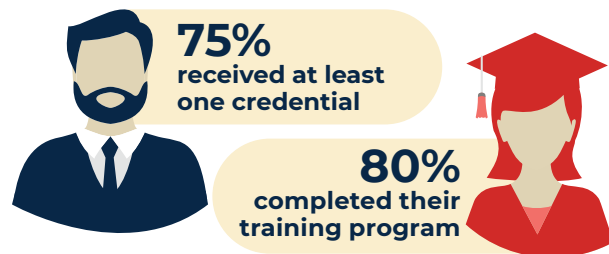
Earnings



Note: Red bars represent the 95 percent confidence intervals

Earnings. America's Promise also had strong positive impacts on earnings in the two years following enrollment. Earnings impacts emerged as early as the first quarter following enrollment and rose through the third quarter following enrollment. This immediate increase is consistent with program features such as short trainings and work-based learning opportunities. Overall, America's Promise participants earned an estimated **\$2,697 more** in the **second year** after enrollment as a result of the program.

Occupational training and certification. Most participants completed their training program (80 percent) and received at least one credential through the America's Promise program (75 percent). The most common credential was occupational certifications or certificates (56 percent of participants).



The America's Promise impact study

The America's Promise impact study compared the employment rate and earnings of America's Promise participants to a group of people with similar characteristics and employment histories who did not participate in America's Promise but who received light-touch employment services through the Wagner-Peyser program. Like America's Promise participants, people enrolled in Wagner-Peyser sought out services to help them enter employment or increase their earnings, although the services received are less intensive than those received through America's Promise. The study calculated the difference in the employment rate and average earnings between America's Promise and Wagner-Peyser participants. The study used program data from DOL's Workforce Integrated Performance System and employment and earnings data from the National Directory of New Hires database to match America's Promise participants to a similar group of Wagner-Peyser participants. For additional details on the methods, see Spitzer et al. (2023).

Due to limitations in data availability, the impact study is limited to participants who first enrolled in program year 2019 (July 2019–June 2020) and received services in one of nine states (representing 12 of the 23 partnerships). The study measured employment and earnings outcomes for these participants starting in the fourth quarter of 2019. Overall, the impact study included 4,402 participants. These America's Promise participants are largely similar to the greater pool of America's Promise participants.

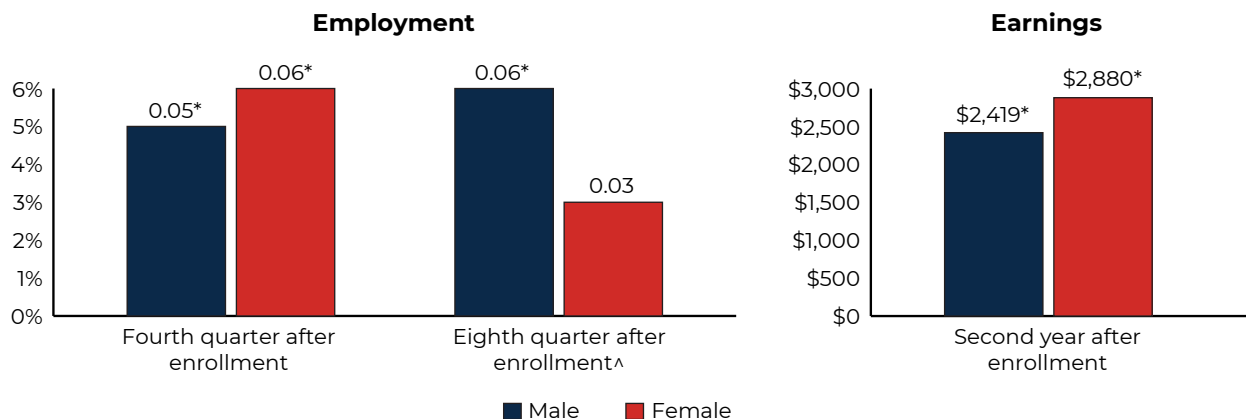
Who benefits from participating in America's Promise?

To further understand the effects of America's Promise training programs and for whom, we estimated the impact of America's Promise participation separately for different participant groups.

Gender. Employment effects were relatively similar across genders. This finding is consistent

with the finding from Spitzer et al. (2022) that female America's Promise participants were not disproportionately affected by the COVID-19 pandemic, despite women in the general population experiencing larger job loss. Male participants experienced higher employment effects in the eighth quarter following enrollment, whereas female participants experienced a slightly higher effect on earnings.

Effect of participating in America's Promise by Gender



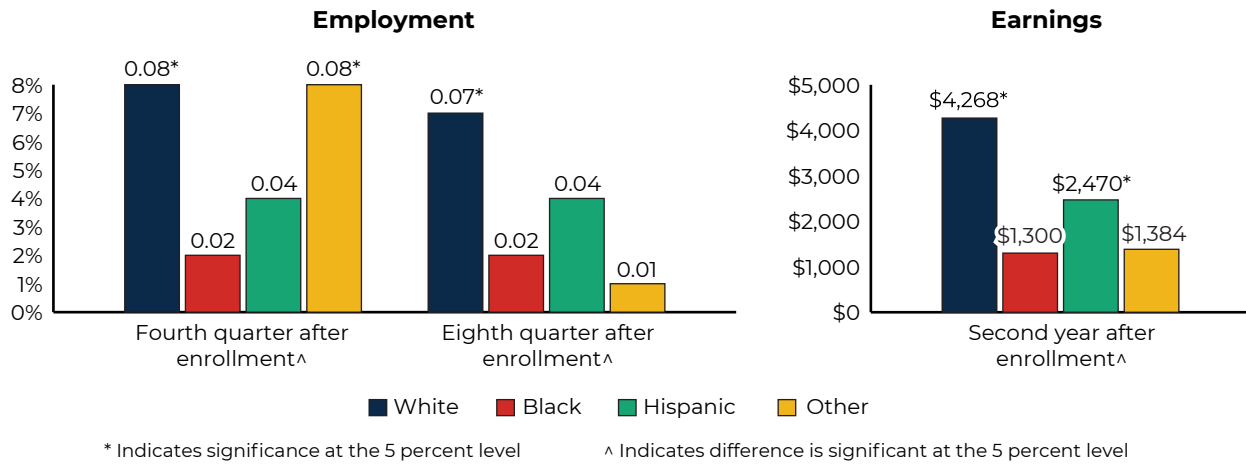
* Indicates significance at the 5 percent level

^ Indicates difference is significant at the 5 percent level

Race and ethnicity. White participants experienced larger employment and earnings impacts than other races and ethnicities. For example, the impact of participation on earnings in the second year following enrollment was \$4,268 for white participants, more than three times the impact on Black participants and participants of other races. This result

is unlikely to be driven by the industry composition by race, because Black and White participants were similarly represented in health care and advanced manufacturing. This raises concerns about equity in sectoral training program impacts which could be addressed in future research.

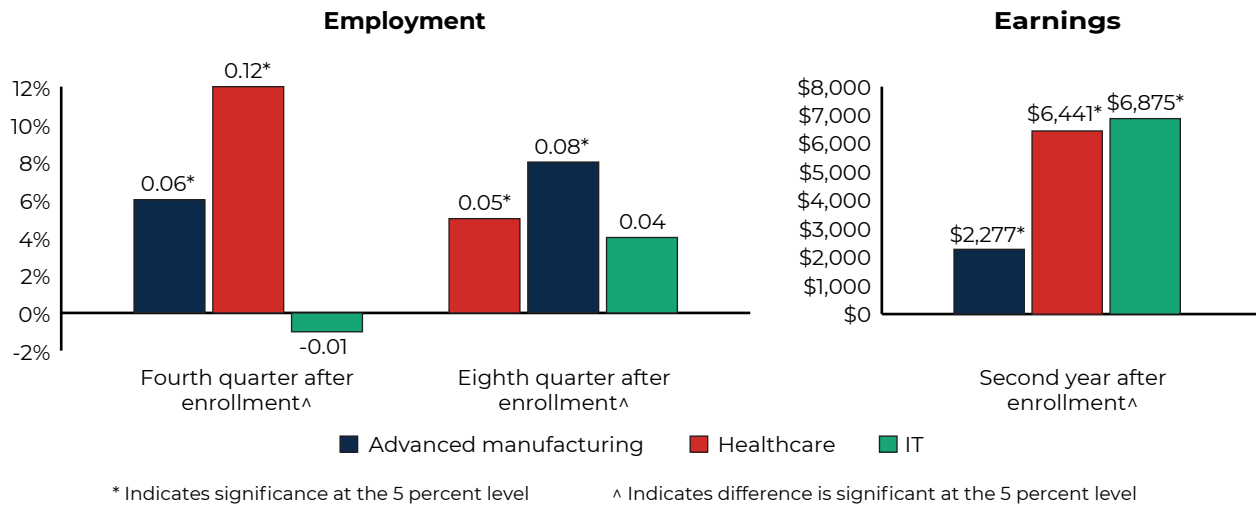
Effect of participating in America’s Promise by Race and Ethnicity



Industry focus. Participants who trained in advanced manufacturing and health care occupations experienced the largest employment impacts, relative to those in IT. In contrast, the impact estimates on employment for participants in IT were small and not statistically significant. Participants in health care

training programs and IT both earned over \$6,000 more than the comparison group in the second year following enrollment. This is considered to be a large impact in the context of employment service interventions, for which impact estimates are generally less than \$1,000 annually (Shiferaw and Thal 2022).

Effect of participating in America’s Promise by Industry Focus



Lessons from the America's Promise evaluations

The study findings provide strong support for the effectiveness of the America's Promise programs in increasing employment and earnings. These findings, combined with those from an implementation study of the America's Promise program (English et al. 2022), bolster our understanding of the ability of sectoral training programs to set unemployed or underemployed people on a pathway to higher earnings.

Lessons for program design

Although the America's Promise impact evaluation was not design to determine which element or combination of elements were the most important

to program success, it provides clear evidence that the set of services programs offered were effective in improving participants' employment and earnings. The magnitude of the impact estimates is larger than for most impact estimates for employment services (Card et al. 2018; Shiferaw and Thal 2022). The impacts found in this study are closer to some recent estimates of the impact of sectoral training programs (Katz et al. 2022). However, other recent evaluations of sectoral training programs have not found positive impacts, suggesting that program design elements and participants served are important in determining success, even within sectoral training programs (Peck et al. 2021). This suggests that future programs might also consider implementing and testing potentially promising elements of America's Promise programs.

.....
Successful programs shared four key program elements that allowed them to meet their participants' needs (English et al. 2022):



Partnerships with strong employer involvement. Programs were most successful when partnership staff worked close with employer partners to ensure that training programs met the employer's needs, provided work-based learning opportunities, and offered employment opportunities for participants.



Training in middle- to high-skilled jobs. Occupational training programs in target industries prepared participants for occupations that required a specialized skill set and paid at least a living wage.



Work-based learning. In addition to classroom-based trainings, most programs provided participants with the opportunity to learn in a workplace. This gave participants practical experience in their target occupation and allowed them to develop relationships with potential employers.



Wraparound services. To ensure participants could successfully complete trainings, programs provided a range of supportive services. These included services such as child care, transportation, mental health services, technology assistance, and food assistance.

Where do we go from here?

The America's Promise grants represent a continuation of DOL's commitment to supporting sector-based strategies and regional partnerships that meet employers' needs and prepare American workers for middle- and high-skilled jobs. The America's Promise model was built on lessons from previous grants and was designed to maximize

participants' employment and earnings. The results of this evaluation contribute to the growing evidence base on the potential of sector-based strategies and support DOL's commitment to continued learning and program improvement. Lessons from this evaluation could inform DOL's ongoing efforts and program design at other agencies and organizations.

The results of the America's Promise evaluation also present additional areas for exploration in future research. First, this study estimated impacts during a unique economic environment caused by the COVID-19 pandemic. Although the estimates provide important evidence of the role programs like America's Promise can play during economic downturns, it is unclear if they reflect the effect of America's Promise on cohorts in other program years. This study also focused on the two years following program enrollment. Additional research is needed to inform the long-term impacts of America's Promise programs. Finally, although this evaluation presents impact estimates for the full set of America's Promise services, it provides limited information on the elements of the America's Promise program that were most crucial for generating impacts. Additional research focusing on specific program elements could therefore help uncover more about the mechanisms behind the America's Promise impacts.

References

Card, David, Jochen Kluge, and Andrea Weber. "What Works? A Meta-Analysis of Recent Active Labor Market Program Evaluations." *Journal of the European Economic Association*, vol. 16, no. 3, 2018, pp. 894–931.

Katz, L. F., J. Roth, R. Hendra, and K. Schaberg. "Why do sectoral employment programs work? Lessons from WorkAdvance." *Journal of Labor Economics*, 40(S1), 2022, 249–S291.

Peck, Laura R., Deena Schwartz, Julie Strawn, Christopher C. Weiss, Randall Juras, Siobhan Mills de la Rosa, Nathan Greenstein, et al. "A Meta-Analysis of 46 Career Pathways Impact Evaluations." Report submitted to the U.S. Department of Labor, Chief Evaluation Office. Rockville, MD. Abt Associates, 2021.

Shiferaw, Leah, and Dan Thal. "Digging Deeper into What Works: What Services Improve Labor Market Outcomes, and for Whom?" OPRE Report #2022-161. Office of Planning, Research, and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services, 2022.

Spitzer, A., J. Berk, and A. Marks-Anglin. "Experiences of America's Promise Participants During the "COVID-19 Recession: Examining Gender Differences in Labor Market and Training Program Outcomes." *Mathematica Issue Brief*, May 2022. https://www.dol.gov/sites/dolgov/files/OASP/evaluation/pdf/AmericasPromise/Experiences_of_Americas_Promise_Participants_During_the_Shecession_Examining_Gender_Differences.pdf

U.S. Department of Labor (DOL). "Notice of Availability of Funds and Funding Opportunity Announcement for: America's Promise Job Driven Grant Program." August 2016. <https://www.dol.gov/partnerships/dolgov/files/ETA/grants/pdfs/FOA-ETA-16-12.pdf>

U.S. Bureau of Labor Statistics. "Unemployment rises in 2020, as the Country Battles the COVID-19 Pandemic." June 2021. <https://www.bls.gov/opub/mlr/2021/article/unemployment-rises-in-2020-as-the-country-battles-the-covid-19-pandemic.htm#:~:text=June%202021-Unemployment%20rises%20in%202020%2C%20as%20the%20country%20battles%20the%20COVID,on%20the%20U.S.%20labor%20market.>

Full reports:

English, B., L. Ochoa, A. Krantz, L. Rosenberg, S. Zelenack, E. Bart, J. Bellotti, et al. "Creating and Expanding Regional Workforce Partnerships for Skilled H1-B Industries and Occupations: Implementation of America's Promise Job-Driven Training Grants." Report submitted to the U.S. Department of Labor, Chief Evaluation Office. Washington, DC. Mathematica, 2022.

Spitzer, Ariella, Brittany English, Breyon Williams, Daniel Thal, Arielle Marks-Anglin, Chris Weiss, Jeanne Bellotti, Jillian Berk. "America's Promise Job-Driven Training Grants Impact Evaluation." Report submitted to the U.S. Department of Labor, Chief Evaluation Office. Washington, DC. Mathematica, 2023.

Both reports available at: <https://www.dol.gov/agencies/oasp/evaluation/currentstudies/America-Promise-Job-Driven-Grant-Program-Evaluation>.

This project was funded, either wholly or in part, with Federal funds from the U.S. Department of Labor's Chief Evaluation Office under Contracts #DOLQ129633249/1605DC-17-U-00035 and #1605DC-18-A-0020/1605C2-23-F-00007. This report was prepared for the U.S. Department of Labor (DOL), Chief Evaluation Office (CEO). The views expressed are those of the authors and should not be attributed to DOL, nor does mention of trade names, commercial products, or organizations imply endorsement of same by the U.S. Government.

