

PY 2008 & PY 2009 WIATITLE IB COMMON MEASURES PERFORMANCE EXPECTATIONS: ATWO-CYCLE HISTORICAL PERSPECTIVE 1990-2007

Administrative Data Research and Evaluation (ADARE) Project

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RESEARCH BACKGROUND

Employment and Training Administration Training and Employment Guidance Letter (TEGL) 9-08 (January 2009) instructs that:

 States should use historical, annual performance information (PY 2005-2008) to inform projected levels of performance for PY 2009... The Department anticipates that states will submit proposed levels of performance that reflect continuous improvement and additional experience, and show increases over prior years' performance levels. However, it is recognized that performance levels may vary, up or down, based on economic factors that are beyond the state's control (bold font added).





THE RESEARCH QUESTION

 What impact should we expect the current recession to have on Workforce Investment Act (WIA) Title IB adult and dislocated worker performance?





DATA SOURCES

The JFI research described in this report used the Maryland Department of Labor, Licensing and Regulation:

- Job Training Partnership Act (JTPA) participant (PIP) file;
- JTPA transactions (PIT) file;
- Workforce Investment Act Standardized Record Data (WIASRD) file; and
- Maryland UI wage records file.





THE COMMON MEASURE DEFINITIONS

Entered Employment Rate (EER) =

with positive reported earnings in qtr t+1
exiting in qtr t and not employed at the date of participation

Employment Retention Rate (ERR) =

 # with positive reported earnings in qtr t+1, t+2, t+3
 # exiting in qtr t with positive reported earnings in qtr t+1

• Average Six-Month Earnings =

sum reported earnings in qtr t+2 and t+3

exiting in qtr t with positive reported earnings in qtr t+1, t+2, t+3

THE ECONOMIC BACKGROUND





PERFORMANCE PROFILES









REGRESSION ESTIMATES

$E_{t+1} = \alpha + \beta U_t + \theta(t-k) + \varepsilon_t$, E: Entered Employment Rates

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	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
Subjects	JTPA & WIA Adults	JTPA & WIA Dislocated Workers	JTPA Adults	JTPA Dislocated Workers	WIA Adults	WIA Dislocated Workers
Time Period	1989 qtr 42006 qtr 2	1989 qtr 42006 qtr 2	1989 qtr 32000 qtr 2	1990 qtr 1 2000 qtr 2	2000 qtr 32006 qtr 2	2000 qtr 3 2006 qtr 2
Unemploy- ment Rates	-4.38***	-4.07***	-5.53***	-3.14***	-8.43***	-4.01*
Obs.	67	67	44	42	24	24
***: significant at p=0.01 level (99% confidence level)						
**: significant at p=0.5 level (95% confidence level)						
*: significant at p=0.1 level (90% confidence level)						
baltimore						







NEXT RESEARCH STEPS

- Non-seasonally adjusted unemployment rate figures to test for possible sensitivity of our results to the unemployment rate definition chosen
- The impact since July 2006 when the Workforce Exchange management information system and WIA registration of all individuals receiving services delivered with Wagner-Peyser funding started
- Other demographic and service transaction variables and substate localities





CONCLUSION

- The performance-unemployment rate relationship from the JTPA decade of the 1990's is compelling
- Unlike the mild recession that followed early in the WIA era, we view the 1990's decade in Maryland as a precursor of the current cycle
- We suggest that the evidence presented here be taken into consideration in the pending negotiation of WIA performance goals for PY 2009 and in reviewing previously negotiated PY 2008 performance targets
- There are important differences between the JTPA and WIA programs

