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The Effects of Customer Choice: First Findings from the Individual Training Account Experiment

Final Interim Report

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ABSTRACT

The Individual Training Account (ITA) experiment tested three approaches to the administration of training vouchers, or ITAs, for customers of Workforce Investment Act (WIA) programs. The first (Approach 1) was a highly structured approach in which customers could receive generous, customized ITA awards but were directed to training expected to yield a high return on the investment and in which counselors could reject customers' training selections. At the other end of the spectrum, Approach 3 was a "true voucher" approach in which customers were awarded a modest-value, fixed ITA and allowed to opt out of most counseling if they so desired. In the middle of the spectrum, the experiment tested Approach 2, which resembled the policies that workforce agencies were likely to adopt without the experiment. Customers assigned to this approach were awarded the same fixed ITA as under Approach 3 and were required to participate in counseling as they made their training decisions. This report presents preliminary findings from the evaluation of the ITA experiment. It concludes that local staff had difficulty being as directive as Approach 1 required but that Approaches 2 and 3 were implemented well. We conclude that the ITA approaches, as implemented, influenced customers' receipt of counseling and their likelihood of receiving an ITA but appeared to have had a limited impact on customers' training choices. A later report will present an analysis of the relative impacts of the ITA approaches on additional outcomes, including training completion, customer satisfaction, and customers' employment and earnings after training, as well as an analysis of the return on the investment in training.

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EXECUTIVE SUMMARY

A key goal of the Workforce Investment Act of 1998 (WIA) is to empower customers of the workforce investment system and give them meaningful choices about the types of services they receive. The requirement that local workforce investment areas use vouchers or individual training accounts (ITAs) to fund training is one of the most important ways in which WIA addresses this goal. Instead of having local staff decide who receives what kind of training from which providers, under WIA, customers can use ITAs to fund training programs of their choice from a wide selection of state-approved providers.

The ITA experiment was designed to provide federal, state, and local policymakers with information on the effectiveness of, and trade-offs inherent in, different approaches to managing customer choice in WIA training programs.[1] It tests three approaches that vary along the following dimensions: (1) the method used to determine each customer's spending, (2) whether counseling is required or voluntary, and (3) the ability of local staff to restrict customers' training choices. These approaches are:

- ***Approach 1 (Structured Customer Choice).*** This is the most directive of the three approaches. The counseling provided under this approach is intensive and mandatory. Counselors are expected to steer customers to training programs with the highest net benefits (benefits minus costs), and they can reject choices that do not fit this criterion. Once the appropriate course of training is selected, customers receive a customized ITA to meet their training costs up to a high maximum cap ($8,000 in most study sites).

- ***Approach 2 (Guided Customer Choice).*** This approach is similar to the approach that most local areas adopted on their own in the transition to WIA. Counseling is mandatory, but it is less intensive than under Approach 1. Counselors cannot reject customers' choices if they are on the state's list of approved providers. Customers receive a fixed ITA award ($3,000 in most study sites).

- ***Approach 3 (Maximum Customer Choice).*** This is the least structured of the approaches. Customers have voluntary access to counseling but are not

[1] This study is funded by the U.S. Department of Labor (DOL) and is being conducted by Mathematica Policy Research, Inc. (MPR) and its subcontractors, Social Policy Research Associates and Decision Information Resources.

required to participate in any activities. Customers receive a fixed ITA award, equal to the award under Approach 2, and can choose any program on the state's list of approved providers.

The ITA experiment uses an experimental design to explore how these different approaches affect customers, program staff, and training providers and generate different training choices, employment and earnings outcomes, and customer satisfaction. It will also explore the return-on-investment, for each approach.

As ITAs are offered to customers under all the tested approaches and there is no control group that is denied access to training, the ITA experiment cannot assess the overall effectiveness of offering ITAs. Instead, it examines the effects of different approaches to offering ITAs.

All three approaches were implemented in eight study sites located in or around Atlanta, Georgia; Bridgeport, Connecticut; Charlotte, North Carolina; North Cook County, Illinois; Jacksonville, Florida; and Phoenix, Arizona. (In Atlanta and Phoenix, the experiment was implemented by consortia of two local workforce investment areas.) Customers found eligible for training in these sites were enrolled in the experiment and randomly assigned to one of the three approaches. During the experiment's intake period (December 2001 to February 2004), about 8,000 WIA customers were enrolled in the experiment across the eight study sites.

This report presents preliminary evaluation findings. It describes how the ITA approaches operated across the eight study sites and presents estimates of the impacts of the three approaches on intermediate outcomes, including participation in counseling, training choices, and sites' expenditures on training. A later report will present an analysis of impacts on additional outcomes, including training completion, customers' employment and earnings after training, and customer satisfaction, as well as an analysis of the return on the investment in training.

IMPLEMENTATION OF THE ITA APPROACHES

The first broad set of questions addressed in this report relates to the overall feasibility of each ITA approach, challenges in making the approaches operational, and lessons learned about their implementation. Our examination of the implementation of the ITA approaches across the eight study sites led to the following conclusions.

Approach 1 Was Not Implemented as Planned

Contrary to the Approach 1 requirements, counselors were reluctant to be directive in their counseling. In general, counselors tended to defer to customer preferences, failed to steer Approach 1 customers to high-return training, and were reluctant to deny training to customers. This was true in all eight sites, for both dislocated worker and adult customers. Interviews with counselors suggest that they understood the Approach 1 requirements but did not buy into its philosophy and found being directive difficult.

Counselors were reluctant to be as directive as Approach 1 specified for four main reasons. First, it was counter to the collaborative way in which counselors usually worked with local customers. Second, many counselors believed that respecting customers' preferences increased the likelihood that they would complete training. Third, counselors felt that the local labor information on which they were to base their directive counseling was out of date or inadequate. Fourth, counselors felt uncomfortable prescribing a specific training strategy for customers in highly specialized fields, such as information technology.

Any local workforce investment area interested in adopting Approach 1 will probably face similar implementation challenges. Implementing this approach successfully is likely to require fundamental changes in counseling, including a move away from the collaborative style currently used. Alternatively, sites could move toward Approach 1 (but not replicate it) by imposing administrative restrictions on customers' training choices (for example, approving ITAs only for training for high-wage occupations in demand locally). Under this alternative approach, however, customers would not necessarily be directed to their highest-return occupation. Moreover, such policies could deny access to training to entire groups of people who might still benefit from participating in training.

Approach 2 Was Implemented as Planned

Our assessment was that Approach 2 was implemented as planned in all sites. Of the three approaches, Approach 2 was closest to the one used before the experiment in all sites and was the one counselors felt most comfortable implementing. This would not be a difficult approach for other sites to adopt—all the demonstration sites adopted a variant of this approach after the experiment.

Approach 3 Was Generally Implemented as Planned

With minor exceptions, counselors in all sites adhered to the requirements of Approach 3—that is, to offer help to customers but to provide assistance only when the customers requested it. Some counselors did provide some unrequested counseling at orientation or when customers came to pick up their ITA vouchers. However, this counseling was unstructured and minimal.

Before adopting Approach 3, site administrators would need to see evidence that customers fare well without additional counseling on their training choices. Site administrators, as well as counselors, were concerned that customers might make poor choices without counselor guidance under Approach 3. This could lead to poor employment outcomes for the customers and affect the site's ability to meet its performance standards.

Program Research Was Viewed as Helpful

The research team developed a set of paper forms and other tools to help support the activities required as part of each approach (Appendix A). The intent of these tools was to standardize the content and structure of ITA-related counseling across the study sites.

In all sites, the tools developed to help customers compare alternative training programs were viewed as particularly helpful. This was especially true for those customers who were "reverse referred"--customers who went to a training provider first to inquire about their programs and were referred by the provider to a One-Stop Center for funding. Both during and after the experiment, counselors were diligent in enforcing the experiment's program research requirements, reflecting the importance sites placed on this research. Although, in the experiment, program research tools were provided on a consistent basis to Approach 1 and 2 customers only, it may be useful to provide these tools to all customers, even if counseling is voluntary.

One Size Does Not Fit All in Counseling, but Tailoring to Customers' Needs Is Challenging

During the experiment, counselors were required to conduct the same activities with all customers assigned to a given approach, regardless of customers' specific needs. Site administrators and counselors argued that, while some counseling tools and activities are useful for some customers, requiring all customers to use all of them places unnecessary burden on both the counselors and the customers. After the experiment was over, sites adopted some of the experiment's tools but left their use to counselors' discretion.

Evidence from the experiment suggests, however, that tailoring approaches to the needs of the customers would be challenging. Evidence from Approach 3 suggests that, if customers were given the choice, they would not volunteer for a counseling activity regardless of their needs. Hence, tailoring the counseling requirements means that counselors must be able to judge if a customer needs to complete an activity and, if so, to require the customer to do so. Evidence from Approach 1 suggests that counselors may be unwilling to be this directive.

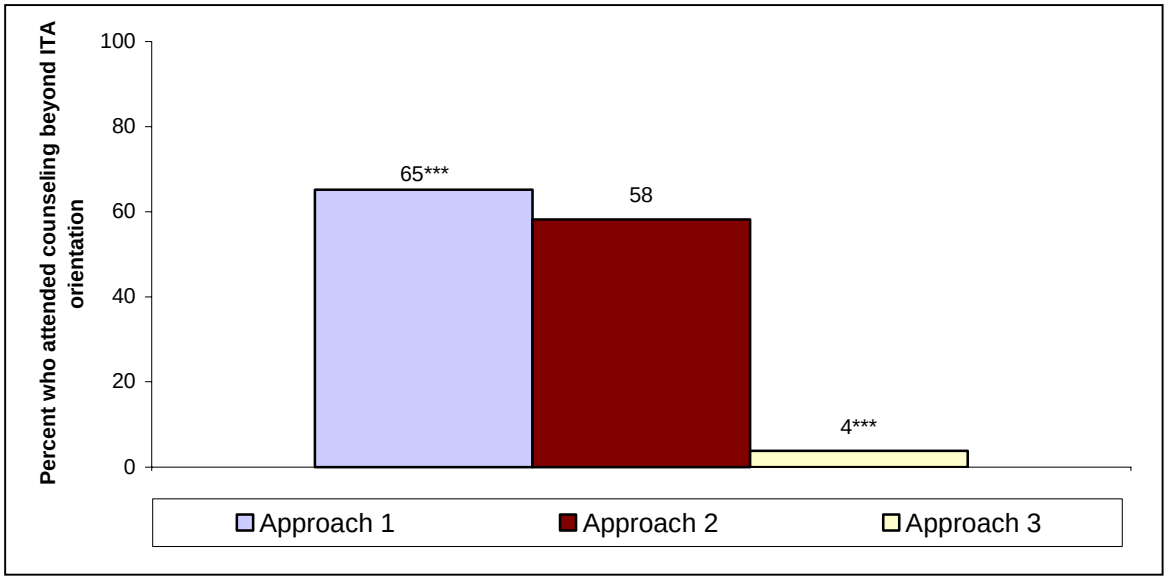
INTERMEDIATE IMPACTS OF THE ITA APPROACHES

The approaches tested in the ITA experiment were designed to be sufficiently different from one another that important customer outcomes could differ from approach to approach. In this report, we examined the impacts of the three approaches on some intermediate outcomes, including customers' participation in counseling, participation in training, and training choices, as well as sites' training expenditures. Our analysis led to the following conclusions.

When Counseling Is Voluntary, Customers Rarely Request It

When counseling was voluntary under Approach 3, only a small proportion of customers requested it. This was equally true for adults and dislocated workers and did not vary much across sites. Overall, only four percent of Approach 3 customers requested any counseling beyond the mandatory ITA orientation (Figure 1). In comparison, 65 percent of Approach 1 customers and 58 percent of Approach 2 customers participated in some counseling activities.

Figure 1. Participation in ITA Counseling Beyond Orientation



*** = Difference relative to Approach 2 is statistically significant at the .01 confidence level.

Counseling Requirements Discourage ITA-Funded Training

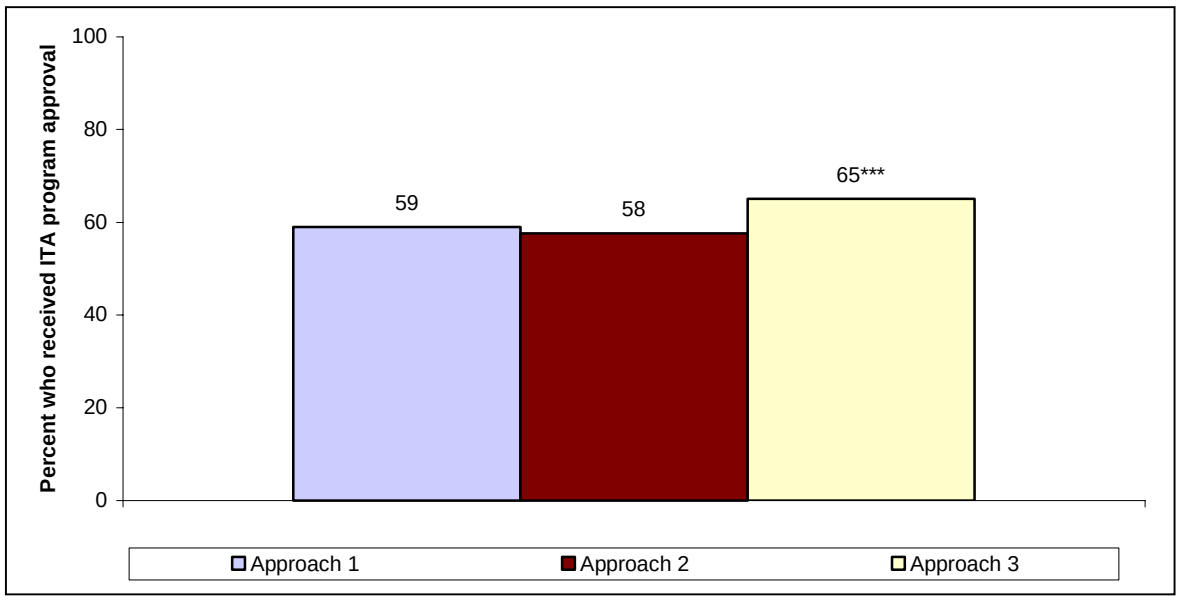
Customers under Approach 3 were significantly more likely to receive an ITA than customers under Approach 2. The impact of the approaches on the receipt of an ITA was about 7 percentage points: about 65 percent of all customers assigned to Approach 3 received an ITA, compared with 58 percent of customers assigned to Approach 2 (Figure 2). As customers under both approaches were offered the same fixed ITA, this difference can only be attributed to the differences in counseling requirements across approaches. This difference was found in all sites and for both adults and dislocated workers.

Much of this difference in training rates can be attributed to Approach 2 customers dropping out of the process between learning of their approach requirement and the ITA orientation. Only 67 percent of Approach 2 customers attended the ITA orientation, compared with 74 percent of Approach 3 customers (not shown). Therefore, it is the customers' knowledge of the additional counseling requirements even before orientation that discourages training under Approach 2.

Rates of ITA-Funded Training Were Similar Under Approaches 1 and 2

The rate at which customers received ITAs was remarkably similar across Approaches 1 and 2—overall, about 59 percent of customers received ITAs under Approach 1, compared with 58 percent under Approach 2 (Figure 2). The rates of initiation of ITA services were also similar—68 percent of Approach 1 customers attended an ITA orientation, compared with 67 percent of Approach 2 customers (not shown). These patterns were found for both adults and dislocated workers and in the majority of sites.

Figure 2. Participation in ITA-Funded Training by Approach



*** = Difference relative to Approach 2 is statistically significant at the .01 confidence level.

Two countervailing factors may have resulted in the lack of difference in the ITA training rates under Approaches 1 and 2. First, our evidence suggests that some customers learned about the potential for a higher ITA award under Approach 1 (although staff were not supposed to disclose the Approach 1 cap to customers), and this may have encouraged customers to apply for an ITA. Second, however, the additional counseling requirements under Approach 1 may have discouraged customers from participating in the process of obtaining an ITA. Our assessment is that any positive effect of the higher potential award offset the negative effect of the additional counseling. The ability of the counselors to veto customers' choices could also potentially have reduced training rates, but it is unlikely to have done so in practice, as counselors rarely, if ever, exercised their veto authority.

Site Expenditures on Training Were Highest Under Approach 1 and Lowest Under Approach 2

The approaches were designed so that the sites could spend the same total amount on training under each approach. The fixed cap limited expenditures in Approaches 2 and 3. Training expenditures under Approach 1 were to be limited by counselors directing customers to low-cost training and vetoing training choices that were not high return.

Counselors were not very effective in controlling training expenditures, however. Site expenditures on training per customer were about 70 percent higher under Approach 1 than under Approach 2. This was primarily because the average price of programs selected by Approach 1 customers was significantly higher than the average price of those selected by Approach 2 customers (Table 1). Meanwhile, rates of ITA-funded training were similar under the two approaches.

Table 1. Average Cost of ITA Approaches to Local Sites

	Approach 1	Approach 2	Approach 3
Average Price of Selected Programs	$4,764***	$3,430	$3,133
Average ITA Expenditures per Trainee	$4,731***	$2,849	$2,857
Training Rate (Percentage)	59.0	57.6	65.1***
Average Training Cost per ITA Customer	$2,791***	$1,641	$1,853***

*** = Difference relative to Approach 2 is statistically significant at the .01 confidence level.

Site expenditures on training per customer were about 13 percent higher under Approach 3 than under Approach 2. This difference was mainly due to the higher rate of receipt of ITAs by customers under Approach 3 and was not due to any difference in the average ITA award amount (Table 1).

These differences in costs between ITA approaches (shown in Table 1) do not include the costs of counseling and other administrative costs associated with the approach. Estimates of the full costs of administering each ITA approach, including both training and counseling costs, will be developed for the study's return-on-investment analysis. The results of these analyses will be presented in the final report.

Some Small Differences Occurred in Training Choices Across Approaches

We examined the differences in training choices across approaches along three dimensions: (1) the occupation for which training was designed, (2) the type of training provider, and (3) the duration of training. We found some small differences across each of these dimensions.

Occupation. The occupations customers chose across each approach were remarkably similar. However, some evidence suggests that Approach 1 customers were slightly less likely to choose some low-paying occupations and slightly more likely to choose some high-paying ones. Despite counselors' fears, customers under Approach 3 were not more likely to choose low-paying or high-turnover occupations, such as massage therapy or cosmetology. In practice, they chose occupations similar to those chosen by customers under Approaches 1 and 2.

Provider Type. Approach 3 customers were more likely to choose training at a community or technical college and somewhat less likely to choose training at private schools or four-year colleges. No statistically significant difference was found in the type of providers chosen by customers under Approaches 1 and 2.

Program Duration. Approach 1 customers chose programs with an average duration of eight months—one month longer than the average duration of programs chosen by

customers under Approaches 2 and 3. This difference is consistent with the higher price of programs selected by Approach 1 customers.

REMAINING QUESTIONS

This report examined the implementation of the approaches tested in the ITA experiment and differences across approaches in intermediate outcomes. Regarding implementation, our main conclusions are that Approach 1 was not implemented as planned (because counselors were reluctant to be directive), but that Approaches 2 and 3 were implemented well. With regard to intermediate outcomes, our analyses suggest that the ITA approaches (as implemented) influenced customers' receipt of counseling and their likelihood of receiving an ITA. However, the approaches do not appear to have had a large impact on customers' training choices.

We should withhold judgment on the approaches until we learn how customers fare after receiving their ITAs or choosing to forgo ITA-funded training. The customers who do not pursue training under Approaches 1 or 2 may find employment without it. On the other hand, the counseling requirements may have discouraged some of these customers from pursuing training that would have benefited them. In addition, customers who receive more counseling may be more likely to complete training and to find employment after training. Alternatively, we may find that counseling has little effect on training or employment outcomes. Finally, a higher ITA award may or may not lead Approach 1 customers to select higher-return training programs.

To explore these questions, we will use data from a survey of ITA study participants (currently in the field), as well as UI administrative data. In addition, we will use these data, along with data on the costs of counseling and training, to estimate the relative rates of return to WIA expenditures under each approach. The findings from this analysis, presented in our final report, will provide policymakers in local workforce investment areas across the country with more definitive evidence about the best approaches to administering ITAs.

CHAPTER I

INTRODUCTION

A key goal of the Workforce Investment Act of 1998 (WIA) is to empower customers of the workforce investment system to improve their employment opportunities by giving them meaningful choices about the types of services they receive. The requirement that workforce investment areas use vouchers or individual training accounts (ITAs) to fund training is one of the most important ways that WIA addresses this goal. With some restrictions, customers can use ITAs to fund training programs of their choice from a wide selection of state-approved providers. Previously, under the Job Training Partnership Act (JTPA), customers' training options were limited to programs that local areas chose to fund.

WIA provided states and local offices a great deal of flexibility in deciding how to implement ITAs. A key challenge the workforce investment boards face in making this decision is how to allocate limited training resources while preserving customer choice. At one extreme, local staff may play a central role in directing customers to training programs and be prescriptive in the programs they fund through ITAs. At the other extreme, local staff may play a minor role, providing an ITA with the same fixed amount to all customers, allowing the customers to choose their training independently, and providing counseling on the use of the ITA only on request.

The ITA experiment was designed to provide federal, state, and local policymakers and administrators with information on the trade-offs inherent in different approaches to managing customer choice.[1] It tests three approaches, which differ along three dimensions. The first is the method used to determine each customer's spending, given limited training resources. The methods vary from giving each customer a fixed ITA to allowing the

[1] This study is funded by the U.S. Department of Labor and is being conducted by Mathematica Policy Research, Inc. (MPR) and its subcontractors, Social Policy Research Associates and Decision Information Resources.

counselor to customize the amount of the ITA to the customer's needs.[2] The second is the counseling requirements. The models vary from requiring customers to complete highly structured activities to allowing them to opt out of most counseling if they choose to do so. The third dimension is the ability of the counselor to restrict the customer's choice of training programs. The approaches vary from steering customers to the highest-return training options and giving counselors the ability to reject customers' choices to allowing customers to choose any state-approved training.

The ITA experiment uses an experimental design to explore how these different approaches affect customers, program staff, and training providers, as well as how different approaches generate different training choices, employment and earnings outcomes, and customer satisfaction. The experiment will also examine the return-on-investment, for each approach.

As ITAs are offered to customers under all tested approaches and there is no control group that is denied access to training, the ITA experiment cannot assess the overall effectiveness of offering ITAs. Instead, it examines the effects of different approaches to offering ITAs.

All three ITA approaches were implemented in eight sites. All customers found eligible for training were randomly assigned to one of the three approaches. We collected information on each of these customers using a form completed before random assignment, data recorded by counselors and entered into the Study Tracking System (STS), and a follow-up survey conducted 15 months after random assignment. The survey was conducted 15 months after random assignment so as to reduce the potential for recall error while allowing sufficient time for most participants to have completed training at the time of the survey.[3] Information on the implementation of these approaches and their effects on One-Stop Center staff and providers was collected during three rounds of site visits.

This report, which presents preliminary findings from the ITA experiment, has three objectives. First, it describes important differences in the context for the experiment and the way the ITA approaches operated across our study sites. Second, it examines the experiences of the grantee staff, customers, and local providers with the three ITA approaches and the overall effect of implementation on the workforce development system. Finally, it presents estimates of the impacts of the three approaches on some intermediate outcomes, including customer participation in counseling services, receipt of training, choice of occupation, and choice of training program. The report also presents estimates of the impact of the approaches on WIA training costs. A later report will present an analysis of

[2] The term "counselor" is used throughout this report to refer to those local staff who worked individually with customers determined eligible for WIA-funded training to formulate their decisions about training. As we discuss in Chapter III, this term is not intended to convey specific professional qualifications of the staff who held those positions.

[3] Some ITA participants will still be participating in training at the time of the survey. This will be taken into account when interpreting the impact estimates at the 15-month follow up.

impacts on additional outcomes, including training completion, customers' employment and earnings after training, and customer satisfaction

This chapter begins by providing the policy context for the ITA experiment both before WIA (Section A) and after it (Section B). It then provides an overview of the three approaches (Section C), a conceptual framework for the evaluation (Section D), and an overview of the evaluation design (Section E). It concludes with a road map to the rest of the report.

A. EXPERIENCE WITH TRAINING VOUCHERS BEFORE WIA

To some extent, the establishment of ITAs under WIA reflects a trend that had already been ongoing for years at the local level. For example, in a 13-site study, D'Amico et al. (2001) found that almost all of the sites had already moved away from exclusive use of contracted training and toward individual referral methods before WIA. Furthermore, half of the sites had previous experiences with using vouchers for training.

Moreover, a few local training agencies experimented with training vouchers many years before WIA. For example, the Atlanta Regional Commission—one of our study sites—first used vouchers in 1991 to provide training services to about 13,000 dislocated Eastern Airlines workers when the company went bankrupt. Given the existing training infrastructure and the size of the dislocation, the commission could not handle the number of prospective trainees using the contracted class-size training approach that predominated under JTPA. Instead, it established a voucher system and allowed dislocated workers to choose whatever training they wanted. The commission found that many of the dislocated workers who were issued a voucher made poor training choices, selecting training for occupations that paid low wages or that had limited opportunities for career development. In response to this experience, the commission began to build its provider list and monitor provider performance, long before these responsibilities were officially established under WIA (D'Amico and Salzman 2004).

Local agencies that experimented with voucher programs under JTPA specifically designed programs that allowed for customer choice but still required counseling and constrained choices so that customers would make informed, appropriate choices. Barnow and Trutko (1999) found that eight of nine sites in their study that used vouchers under JTPA used this constrained choice voucher model. The local agency screened providers, limited occupational choices, provided assessment and counseling on appropriate training choices, and retained the agency's authority to reject a participant's training choice. Local administrators interviewed as part of the Barnow and Trutko study felt that a pure voucher model, without assessment or restrictions on training choices, would result in some participants making poor training choices and wasting resources. Many of the elements of this constrained choice voucher model are common under the emerging local ITA models. Local administrators in the sites Barnow and Trutko studied felt that the use of vouchers in their sites had little effect on customer outcomes or costs but that it improved the level of customer satisfaction.

The one exception to this constrained choice model in the Barnow and Trutko study was the model used by the Thumb Area Employment and Training Consortium in eastern Michigan. This model was closer to a pure training voucher model. Customers in this site could open a "tool chest," essentially a checking account against which customers could spend down resources to purchase education, training, and a wide range of support services. Customers could spend these resources at almost any public or private school in the local area, as well as at a range of retail stores (to purchase items such as work clothes). For each customer, the size of the account was set based on the customer's eligibility for programs run by the consortium.

In the mid-1990s, in anticipation of the possible enactment of training vouchers as part of new workforce development legislation, the U.S. Department of Labor (DOL) sponsored the Career Management Account (CMA) Demonstration to test the feasibility of providing training for dislocated workers through vouchers. The CMA Demonstration was conducted from 1995 to 1997 in 13 sites (Public Policy Associates 1999). Sites continued to operate their nonvoucher programs, but they designed and operated voucher programs for a subsample of their dislocated workers to use. Customers could choose their training program, but the local agencies required customers to participate in assessment and counseling to support their decisions. Local agencies felt that, if customers could choose whether or not to use these services, they would not invest adequate resources in planning their training strategy. Overall, the models local agencies developed resembled the constrained choice models identified in the Barnow and Trutko (1999) research on voucher programs under JTPA. The research on the CMA Demonstration concluded that voucher systems in general are likely to work just as well as a contracted-training system and lead to somewhat more satisfied customers and staff.

B. THE WORKFORCE INVESTMENT ACT

An important goal of WIA was to reform the workforce development system by putting the customers' needs before program and administrative needs. Three key principles of WIA are of particular relevance to the ITA experiment. First, WIA emphasized empowering customers by giving them training choices through ITAs, as well as information in consumer reports. Second, WIA increased the accountability of states, localities, and training providers. As ITAs give customers a choice of providers, it is expected that market forces will compel providers to be accountable for customers' outcomes. Third, states and localities have increased flexibility in setting policies, including ITA policies.

WIA Title I programs provide a wide range of services designed to help dislocated workers and adults (people age 18 or older who are not dislocated workers) increase their employment opportunities. WIA divides these services into three categories:

1. ***Core services*** are basic services intended to help people obtain and keep employment and include job search and placement assistance. Anyone can receive self-service and informational services that are part of core services without registering for WIA. Staff-assisted services require registration, however.

2. ***Intensive services*** generally include counseling, assessment, development of an individual employment plan, and short-term prevocational services. Intensive services are available only to registered WIA customers.

3. ***Training services*** include primarily occupational and work readiness training. Under the tiered service structure WIA established, training services are available only to registered customers who have completed minimum core and intensive service requirements established by the local workforce agency. DOL issued guidance in the preamble to its final WIA implementation regulations (p.49328) clarifying that, despite these sequential eligibility requirements, WIA did not require a work first philosophy (Office of the Federal Register 2000). Training is provided mainly through ITAs.

The use of ITAs was intended to transform the delivery of training services by empowering WIA customers to choose their training providers. Under WIA, instead of having counselors in local workforce agencies decide who receives what kind of training from which providers, customers can use their ITAs to make their own training choices.

At the same time, the ITA system recognized the need to maintain an appropriate role for local workforce agencies in the administration of ITAs. Therefore, WIA gave states and local areas a great deal of flexibility in setting the value and other parameters of ITAs and in deciding how much guidance and direction counselors provide to customers as they formulate their training decisions. In particular, WIA regulations allow states and local areas to restrict the type or duration of training selections they will fund. For example, training may be funded only for positions that relate to job opportunities in the local area or to the broader geographic area if the training customer is willing to relocate. States and local areas can also impose limits on the duration or costs of training, which can be based on individual circumstances or established across the board.

Customers' training selections also must be programs that are state approved and thus included in the state's Eligible Training Provider (ETP) list. To be included in this list, the state and local workforce areas must certify the program as meeting acceptable levels of performance.

States and local areas are also responsible for ensuring that the training choices customers make are supported by high-quality information. To help customers make effective training decisions, information on provider performance and other provider characteristics (for example, program costs and duration) is made available through Consumer Report Systems (CRS).

Although ITAs are the primary means of funding training activities under WIA, there are exceptions to the use of ITAs for funding training. For example, on-the-job training, customized training provided by an employer, or training provided by an organization designed to help special populations facing multiple barriers to employment are not funded using ITAs.

C. THE THREE TESTED ITA APPROACHES

The ITA experiment was designed to test the effectiveness of three distinct approaches to managing customer choice in the administration of ITAs (Table I.1). All three approaches allow customer choice but differ in the role the counselor plays.

Table I.1. Approaches Tested in the ITA Experiment

	Approach 1: Structured Customer Choice	Approach 2: Guided Customer Choice	Approach 3: Maximum Customer Choice
Award amount	Customized	Fixed	Fixed
Counseling	Mandatory, most intensive	Mandatory, moderate intensity	Voluntary
Can counselors reject customers' program choices?	Yes	No	No

These approaches are:

- ***Approach 1 (Structured Customer Choice).*** This is the most directive of the three approaches. Counseling provided under this approach is intensive and mandatory. Counselors are expected to steer customers to training programs with the highest net benefits (benefits minus costs), and they can reject choices that do not fit this criterion. Once the appropriate course of training is selected, customers receive a customized ITA to fully cover training costs.

- ***Approach 2 (Guided Customer Choice).*** This approach is similar to the approach that most local areas adopted in the transition to WIA. Counseling is mandatory, but it is less intensive than under Approach 1. Counselors cannot reject customers' choices if they are on the state-approved ETP list. Customers receive a fixed ITA award.

- ***Approach 3 (Maximum Customer Choice).*** This is the least structured of the approaches. Customers have voluntary access to counseling but are not required to participate in any activities. Customers receive a fixed ITA award, equal to the award under Approach 2, and can choose any program on the ETP list.

These approaches are described in more detail in Chapter II, along with the objectives that guided their design.

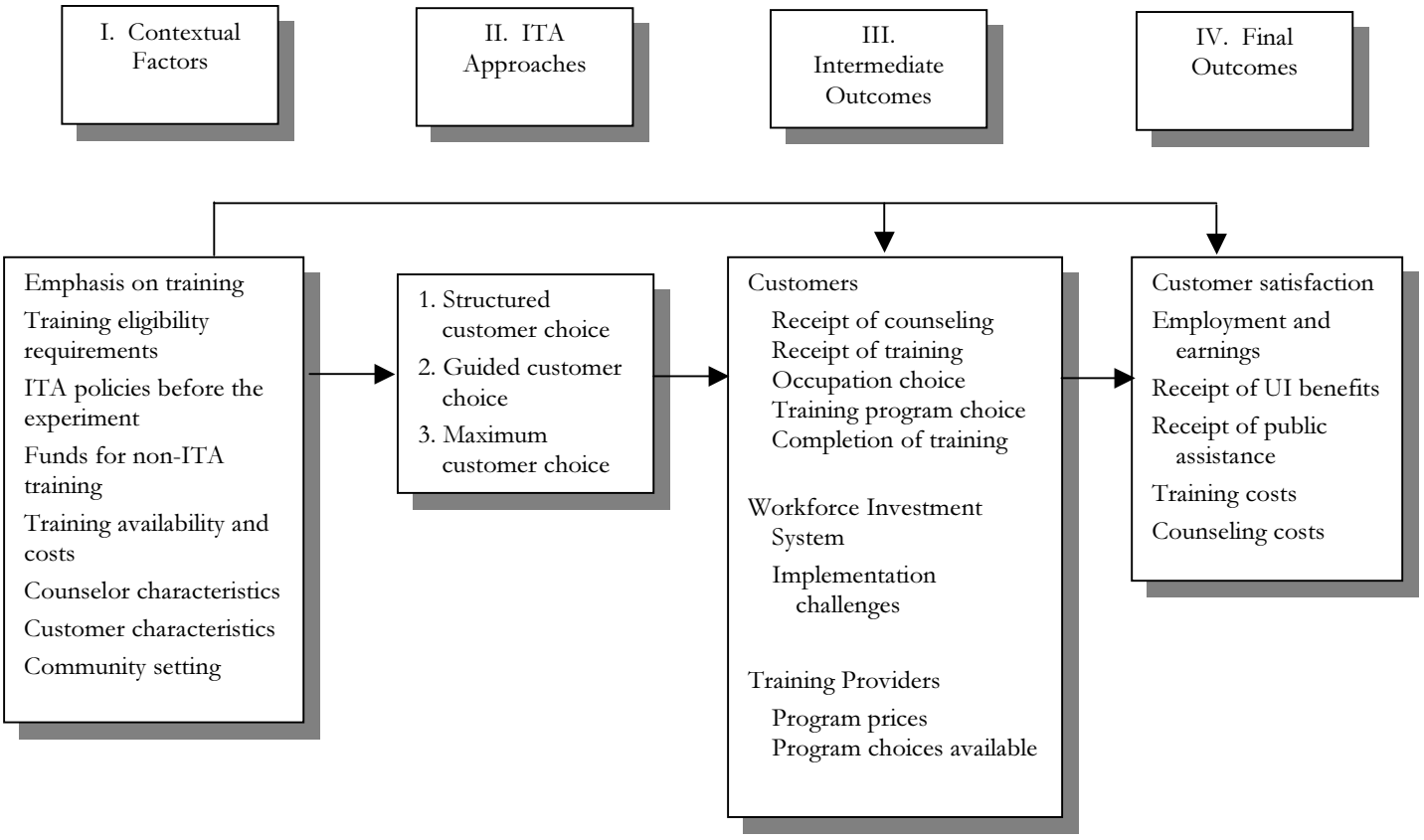
Counselors were trained in implementing all three ITA approaches and used structured procedures to deliver ITA-related services to customers assigned to the different approaches. Research staff closely monitored the implementation of the approaches and provided technical assistance to the sites throughout the implementation of the experiment.

D. A CONCEPTUAL FRAMEWORK FOR THE EVALUATION

The ITA experiment was designed to evaluate the effects of the three different ITA approaches on a wide range of outcomes. Figure I.1 summarizes the conceptual framework that guided the design of the evaluation. Column II in the figure represents the three approaches that are tested in the ITA experiment.

Contextual factors that may affect the implementation of the ITA approaches, the impact of the approaches, and the final outcomes directly are shown in column I of Figure I.1. These factors include the emphasis the local area places on training versus placing the customer in employment quickly; the requirements for being determined eligible for training; the availability of training programs and their costs; the availability of other funds for training; the characteristics of the customers (including whether they are dislocated workers and their demographic characteristics); the counselors' characteristics (such as their backgrounds and experience); and the socioeconomic characteristics of the community. These factors in the eight ITA sites are described more fully in Chapter III.

Figure I.1. Conceptual Framework: ITA Evaluation



The different ITA approaches are likely to affect three stakeholders: customers, the local workforce development system, and training providers. Column III of the conceptual framework summarizes the intermediate outcomes for each of these stakeholders. The intermediate outcomes on customers include:

- ***Receipt of Counseling.*** Counseling requirements are greatest under Approach 1, less under Approach 2, and minimal under Approach 3. The evaluation will explore the extent to which Approach 1 customers actually received more counseling than Approach 2 customers as required, as well as whether Approach 3 customers chose to receive counseling.

- ***Receipt of Training.*** The evaluation will explore the extent to which the ITA approaches affect the proportion of customers who receive training funded by an ITA. Restrictions on customer choice and additional counseling requirements may lead to fewer Approach 1 customers pursuing training. In addition, the lack of counseling requirements under Approach 3 may encourage customers to pursue training. Using the survey data, the evaluation will also examine the effects of the approaches on customers receiving training funded by sources other than ITAs.

- ***Occupation Choice.*** The evaluation will explore whether and how the approaches affected the customers' choices of occupations to train for. Under Approach 1, customers were directed to training in occupations with high returns. Under Approach 2, counselors were allowed to counsel those customers whom they felt were making poor occupational decisions or did not have a clear occupational goal in mind. However, such counseling was not required and, when provided, was not directed to occupations with high returns. Under Approach 3, customers had no occupational counseling requirements and should have received occupational counseling only if they requested it. As training for different occupations may cost different amounts, the approaches may also affect customers' occupation choices by providing different ITA amounts.

- ***Choice of Training Program.*** The training program chosen may be affected both by the counseling requirements and by whether the ITA award is fixed or customized. Under Approach 1, customers can choose a higher-cost training if the returns to the training are sufficiently high, but they are also directed only to high-return training. Under Approaches 2 and 3, customers are limited by a fixed ITA amount. Customers under Approach 3 need not be counseled on their choice of program. The evaluation will explore how the approaches affected the choice of training program.

- ***Completion of Training.*** Lack of counseling under Approach 3 may lead customers to not complete training because of unanticipated financial constraints or because the training program chosen did not turn out to meet

their expectations. Using the survey data, the evaluation will explore whether the different approaches affected the likelihood of training completion.

The ITA approaches may also affect the workforce development system (column III in Figure I.1). The evaluation will explore the challenges in implementing each approach, including the impact of each approach on the counselors and their workload. By affecting the likelihood of customers receiving training and the type of training program chosen, the approaches could affect the cost of training. In addition, training providers may also change the programs offered and the program prices in response to different ITA approaches (column III).

The final outcomes of interest are presented in column IV of the conceptual framework in Figure I.1. These outcomes include customers' satisfaction with their training choice and the process of receiving an ITA. They also include the types of jobs the customers obtain after training and the receipt of unemployment insurance (UI) and public assistance. Also of interest is the cost of counseling and training provided by the workforce development system.

Within this framework, the evaluation's objectives can be summarized in three broad research questions:

1. ***Can the ITA approaches be implemented?*** Are the three approaches in column II feasible? What challenges emerge in efforts to implement each approach? Does the success of the approach's implementation depend on contextual factors such as the availability of training programs and counselor and customer characteristics?

2. ***What are the impacts of each ITA approach?*** How do the approaches affect the intermediate outcomes (column III) and the final outcomes (column IV)? How do the impacts differ for different types of customers? Do the impacts depend on contextual factors (column I)?

3. ***How does the return on investment vary under each approach?*** What is the return on investment for WIA expenditures under each approach? How do the benefits of each approach in terms of outcomes for customers compare to the costs of counseling and training under each approach?

E. EVALUATION DESIGN[4]

To answer the three broad research questions, the three ITA approaches were tested side-by-side in each of eight study sites using a rigorous experimental design. All new customers determined eligible for training at the participating sites during the study's implementation period were randomly assigned to one of the three experimental approaches.

[4] For more information on the study design, see Perez-Johnson et al. (2000).

To eliminate any variation in outcomes due to specific counselors, counselors worked with customers assigned to all three approaches.

The use of random assignment ensures that customers assigned to the three approaches will have the same characteristics, on average. As a result, any observed differences in participant outcomes can be directly attributed to differences in the ITA approaches with a known degree of statistical precision.

DOL purposively selected six grantees to participate in the experiment. These grantees served customers in eight local workforce investment areas in or around Atlanta, Georgia; Bridgeport, Connecticut; Charlotte, North Carolina; North Cook County, Illinois; Jacksonville, Florida; and Phoenix, Arizona. Two pairs of local workforce investment areas—Phoenix and Maricopa County and Atlanta Regional Commission and Northeast Georgia—submitted joint applications.

Enrollment of ITA study participants began on a rolling basis between December 2001 (in Chicago) and August 2002 (in Bridgeport). Enrollment continued for about 18 months, ending in all sites by March 2004. In total, about 8,000 customers were enrolled in the experiment. These customers were not, however, evenly distributed across the sites (Table I.2). Atlanta and North Cook County were the largest sites, serving 18 and 23 percent of all customers respectively, while Northeast Georgia served only about 2 percent of all the customers. About one-third of these customers were assigned to each of the three approaches.

Table I.2. Distribution of Study Sample Across Sites

Site	Number of Customers	Percent of Total Sample
Phoenix, AZ	646	8.2
Maricopa County, AZ	673	8.5
Bridgeport, CT	1,033	13.0
Jacksonville, FL	779	9.8
Atlanta, GA	1,408	17.8
Northeast Region, GA	171	2.2
North Cook County, IL	1,809	22.8
Charlotte, NC	1,403	17.7
Total	**7,922**	**100.0**

1. Random Assignment Procedures

All customers who were determined eligible for WIA-funded training during the study intake period were informed about the experiment and asked to participate in the study. Consenting to random assignment was a condition for receipt of any WIA-funded training

services and support. Therefore, the few customers who refused to participate in the experiment were automatically disqualified from training services.

Before being randomly assigned, customers were asked to complete three forms: (1) a Participation Agreement that ensured they were informed about the study and its implications; (2) a Baseline Information Form that collected background information on the customer; and (3) a Contact Information Form to aid the evaluation team, if necessary, in locating the client for a follow-up interview.

MPR staff conducted the random assignment procedures generally within 48 hours of being notified by a site that a new customer was ready for random assignment. To ensure the integrity of random assignment, we followed three general rules: (1) *all* customers found eligible for training during the intake period for the evaluation were randomly assigned, (2) customers could be sent for random assignment only once, and (3) each customer participated in the approach to which they were assigned.

2. Evaluation Components

The evaluation of the ITA experiment comprises process, impact, and return-on-investment analyses. Each of these components will contribute important information to our understanding of the most effective method for administering ITAs.

Process Analysis. The process analysis has three main objectives: (1) addressing whether each approach is feasible; (2) providing qualitative information on the effects of the approaches on customers, workforce investment staff, and training providers; and (3) assessing qualitative cross-site differences in the implementation of the ITA approaches. Chapter IV of this report presents the findings from this analysis.

Impact Analysis. The impact analysis is designed to estimate the relative impacts of the ITA approaches on a range of outcomes. It is not designed to compare the impact of ITAs relative to no training. The use of random assignment implies a fairly straightforward approach to determining the relative impacts of the different ITA approaches—the impacts can be estimated by comparing the mean outcomes for people assigned to each approach. This report presents the impacts of the approaches on many intermediate outcomes and the cost of training (Chapter V).

Return-on-Investment Analysis. If the impact analysis shows significant differences in outcomes across the three ITA approaches, policymakers will need to determine which approach is the most cost-effective investment of public funds. The return-on-investment analysis will compare the outcomes from each approach to the costs of providing training and training-related counseling services. To compare the outcomes to the costs in the same metric, we will place a dollar value on each outcome. For example, we can measure the increase in productivity of the customer using his or her increase in earnings. This analysis will be presented in a later report.

3. Data Collection

The study uses data collected from four main sources:

1. ***Site Visits.*** Researchers conducted three rounds of in-depth visits to each local grantee: about three months after the start of random assignment (in 2002), in spring 2003, and in spring 2004. During each round of visits, we interviewed administrators from local workforce investment boards, ITA project managers, and local counselors. During the second round of visits, we also interviewed several ITA customers about their counseling and training experiences. During the third round of visits, we interviewed local training providers about the effect of the experiment on their client flow and procedures.

2. ***Study Tracking System (STS).*** The STS, a customized management information system, was designed for the ITA experiment. Using paper forms corresponding to data fields in the STS, local staff were asked to track participant intake information, participation in services, training status, training expenditures, and basic training outcomes.

3. ***Follow-Up Survey.*** A randomly selected sample of 4,800 ITA study participants are being interviewed approximately 15 months after random assignment.[5] The follow-up survey contains questions related to the customer's ITA counseling experience, satisfaction with counseling, participation in training and program selections, employment and earnings, and receipt of public assistance. These surveys will be completed in spring 2005.

4. ***Unemployment Insurance Data.*** To supplement information gathered through the STS and follow-up survey, we are working with states to collect data on receipt of UI benefits and UI-covered employment and wages for all study participants. These data will be collected for the full study sample from January 2000 through December 2004.

This report presents findings from the analysis of data collected during the site visits and from the STS.

F. ORGANIZATION OF REPORT

The report is organized in six chapters. Chapter II describes the three ITA approaches in detail. Chapter III describes each grantee and the contextual factors that may affect the implementation and impacts of the ITA approaches. Chapter IV then turns to findings from the process analysis on the administration of the three ITA approaches. Chapter V

[5] We had initially planned to survey all ITA study participants. However, participating local areas saw higher than anticipated customer flows during the experiment. Budget constraints prevented us from surveying all study participants. Instead, we randomly selected 4,800 persons to interview.

presents analysis of the impacts of the three approaches on customer's participation in counseling and training using data from the STS. We conclude in Chapter VI with an assessment of the findings to date and a discussion of the remaining questions.

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CHAPTER II

THE THREE ITA APPROACHES

WIA provided local workforce investment boards with flexibility on how to administer training funds through ITAs. To guide policymakers on the effects of diverse approaches, the ITA experiment tested three distinct approaches to administering ITAs. These approaches varied along three dimensions: (1) whether the award amount was fixed and the same for each customer or customized to the needs of the customer, (2) the amount and type of counseling required, and (3) the ability of the counselor to reject programs chosen by the customer.

This chapter describes the design of each of these three approaches and how we envisaged them to be implemented. (Chapter IV describes how the approaches were actually implemented in the sites.) We begin this chapter by describing the rationale for the selection of the three approaches (Section A). We then describe each approach and how the approach varies along each of the three dimensions described above (Sections B, C, and D). Although the three approaches were designed to be implemented in much the same way in each site, some tailoring of the approaches was required to meet the needs of individual sites. We describe this tailoring in Section E.

A. SELECTION OF APPROACHES TO TEST

Three broad objectives were used in selecting the three approaches to be tested in the ITA experiment. First, we wanted the approaches to generally represent the spectrum of voucher models that were emerging in the early days of WIA. Based on our examination of these emerging models, we developed a spectrum of ITA approaches that represent different balances between customer choice and counselor guidance in the formulation of training decisions.[1] In the middle of the spectrum, we specified the model that sites were most likely

[1] These models were identified from (1) a review of findings from the evaluation of the CMA demonstration (Public Policy Associates 1999); (2) site visits to two WIA early implementation states (Pennsylvania and Texas); and (3) site visits to One-Stop Centers in Phoenix, Arizona; Baltimore, Maryland; Lowell, Massachusetts; Marlette, Michigan; and Killeen, Texas.

to adopt without the experiment (Approach 2). Then, at one end of the spectrum, we specified an approach that placed greater emphasis on counselor guidance and somewhat less on customer choice (Approach 1). At the other end of the spectrum, we specified an ITA approach that reversed this emphasis and specified much less of a role for counselor guidance (Approach 3). The limit on the amount of the voucher also varied along this spectrum. Under Approach 1, the counselor could decide the amount of the ITA, while under the other approaches, the amount available to the customer was fixed.

The second objective in selecting the three approaches to test was to promote innovation in the use of vouchers. In the early days of WIA, most local agencies designed ITA models that looked similar to the constrained choice model identified by Barnow and Trutko (1999), and there was little deviation from this model. Due to the limited evidence on the effects of alternative approaches and their own limited experience with vouchers, states and local areas appeared reluctant to develop voucher models that provided substantial customer choice or, alternatively, restricted customer choice in notable ways. Therefore, to make the experiment as informative as possible, we selected approaches that, while feasible, pushed sites a bit beyond their comfort zone in the spectrum described above. We selected models that offered either greater customer choice or more intensive counseling than local workforce agencies were inclined to provide on their own. However, the models were still consistent with WIA and likely to be of interest to other sites implementing WIA.

Third, we selected the approaches so that they were different enough from one another that we would expect differences in customers' training choices and employment and earnings outcomes. Differences in the employment, earnings, and other outcomes for participants assigned to the three approaches would, in turn, affect their relative return on investment.

B. APPROACH 1: DIRECTED CUSTOMER CHOICE

Approach 1 was the most structured of the three ITA approaches to be tested. In this approach, counselors were to direct customers to "high-return" training programs—those expected to generate gains in the customer's lifetime earnings that are high relative to the cost of the training. Table II.1 summarizes the elements of this approach and the other two approaches.

1. ITA Award Structure

Under Approach 1, the amount of the ITA award was set at a different amount for each customer based on the program the customer chose and the counselor approved. The value of this customized ITA equaled the total cost of the program minus any other financial support that the customer was expected to receive (for example, from Pell grants).

Originally, we had proposed that there be no ceiling or "cap" on awards under Approach 1 so that counselors had complete flexibility to set awards to cover training expenditures they viewed as appropriate. However, administrators at the sites were uncomfortable with this approach. Instead, we set a cap for Approach 1 customers in each

Table II.1. Summary of the Individual Training Account Approaches

Approach 1: Structured Customer Choice	Approach 2: Guided Customer Choice	Approach 3: Maximum Customer Choice
Approach Philosophy		
Maximize return on local WIA training investments	Balance customer choice and counselor guidance	Maximize customer choice and flexibility over training decisions
ITA Structure		
ITA amounts are "customized" to the individual subject to an upper limit, or "cap."	Customers receive a fixed ITA amount that is much lower than the Approach 1 cap.	Same as Approach 2
Only counselors are aware of the cap on ITA expenditures.	Both customers and counselors are aware of the fixed ITA amount before choosing a training provider.	Same as Approach 2
ITAs cover direct training costs and other training-related expenses.	Same as Approach 1	Same as Approach 1
Required Counseling Activities		
After ITA orientation, customers must participate in weekly counseling sessions covering: - High-return training - High-wage occupations in demand - Training options in customer's selected occupation - Returns-to-training for prospective programs - Feasibility of customer's training selection	After ITA orientation, customers must participate in weekly counseling sessions covering: - Training options in customer's selected occupation - Feasibility of customer's training selection	After ITA orientation, customers are not required to participate in any additional activities, but counseling is available if requested.
Counselor's Role in Program Approval		
Direct customers to training selections on the ETP list that maximize return on investment	Guide customers to appropriate training strategies	Available as a resource to customers as they formulate a program selection
Approve only recommended programs after customers complete the required counseling activities	Approve customer's choice if: - Customer has completed the required counseling activities - Selection is on the ETP list - Selection appears feasible with ITA and other available resources	Approve customer's choice if: - Selection is on the ETP list

site that was high enough—and much higher than the cap under Approaches 2 and 3—to allow Approach 1 customers to be able to select relatively high-cost programs that were available locally and might yield high returns. Moreover, counselors were allowed to petition local managers to exceed this cap for individual Approach 1 customers. Counselors were instructed not to disclose this Approach 1 cap to customers but, rather, to tell them that their ITA awards would be customized based on their training needs.

Although the cap on Approach 1 was much higher than the cap on Approaches 2 and 3, the sites were asked to spend about the same amount in total on each approach. Because counselors could reject customer's choices under Approach 1, the expense of some higher awards could be offset by some smaller awards or by the counselor rejecting training choices altogether. In all approaches, ITAs covered only direct training costs, including tuition, fees, and other required expenses, such as books or tools. These customers could still receive assistance with other training-related needs (such as child care or transportation), but not through ITA funds.

2. Required Counseling Activities[2]

The research team developed a set of forms to be completed by ITA customers and other tools to help counselors carry out the activities required under each approach. The intent of these tools was to help standardize the content and structure of the ITA counseling activities across our study sites. The tools were developed based on discussions with local staff regarding the content of training-related counseling and forms the sites were using prior to the study. Appendix A contains all the forms and tools developed fro the ITA experiment.

To help Approach 1 customers identify appropriate training, counselors were to guide them through a structured sequence of eight training-related counseling activities. These activities were designed to help the customers and counselors identify high-return training strategies and help the counselor determine the appropriate ITA amount. These counseling activities were *mandatory* for Approach 1 customers.

Orientation. After customers were randomly assigned and notified of their assigned approach, all customers had to attend a mandatory orientation. A separate orientation was held for each approach and could be conducted individually or in a group. The Approach 1 orientation was intended to provide customers with a comprehensive review of the services that would help them choose the appropriate training program. Counselors were given a script for administering the orientation.

Selecting a High-Return Occupation. The second activity for Approach 1 customers was for them to identify one or two occupations that they were interested in, that were expected to produce high returns relative to the investment in training, and that were

[2]More information about the counseling requirements under each approach is provided in Perez-Johnson and Bellotti (2001).

appropriate given their skills and experience. To identify potentially high-return occupations, MPR provided counselors with two tools they could give to the customer:

1. ***Guide to High-Return Training.*** This handbook (Appendix A) introduces customers to the concept of high-return training, discusses the factors that may affect customers' chances of realizing expected gains from training, and explains how this concept can guide customers' exploration of training options. This guide was given to Approach 1 customers during the orientation. Counselors were asked to review the main points made in this guide at the end of the orientation or during the first counseling session.

2. ***List of High-Wage, High-Demand Occupations.*** This is a list of occupations that offer high wages and are considered in high demand in the local area. The grantee and MPR together developed this list. Approach 1 customers were allowed to choose occupations not on the list if the counselor believed the customer's choice represented an occupation with strong prospects for employment in the local area and the potential for relatively high wages.

MPR developed an Occupational Research Worksheet to help Approach 1 customers explore occupational options. Use of the worksheet was not mandatory, however. The worksheet guided customers in researching the education, skills, and experience needed to enter each occupation; the demand for the occupation in the local economy; the training providers that could provide training for the occupations; starting salaries and benefits; typical work schedules; and the potential for growth in each occupation.

Program Research. After the customer selected at least one high-wage occupation and two training programs on the ETP list to research, the customer was asked to research the training programs. Four tools were developed to help the customer conduct the research and analyze the benefits and costs of each program:

1. ***Program Research Form.*** This worksheet was designed to help customers research important features of prospective training programs. The customers were encouraged to collect this information during a visit to the program.

2. ***Training Costs Form.*** This worksheet was designed to help customers assess how a program's training costs compare to the resources they are likely to have to pay for training. Approach 1 customers had to complete this form for each prospective program.

3. ***Training Costs and Benefits Worksheet.*** This worksheet was designed to help counselors estimate the returns to training for each program that the customer researched. This form was designed for the counselor to complete. It guided the counselor through (1) estimating the costs of the training to the grantee, (2) the total earnings gains customers could expect to receive from training, and (3) the net present value of the returns to training.

4. ***Program Endorsement Worksheet.*** This worksheet was designed to help counselors consider financial and nonfinancial factors to determine whether to endorse specific training options. These factors include the net financial return from training, program appropriateness, probability of completing training, probability of finding employment, and other factors, such as the length of the course. Counselors were to endorse those programs they believed could yield a high return on investment for the Approach 1 participant.

Program Feasibility. After the customer selected a program and the counselor endorsed the selection, the counselor had to determine whether the customer had enough resources to be able to complete the program. Together, the counselor and customer completed two worksheets:

1. ***Income and Expenses Worksheet.*** This worksheet was designed to examine whether customers would be able to support themselves and any dependents while attending training.

2. ***Training Budget Worksheet.*** This worksheet was designed to help customers determine how their household's cash flow was likely to be affected by out-of-pocket costs for training.

After completing these exercises, counselors could disapprove previously endorsed programs that customers were unlikely to be able to complete because of financial constraints.

3. Approval of Program Choices

Unique to Approach 1, counselors could reject training selections not consistent with the philosophy of the approach. The approval of Approach 1 program selections was based on three conditions: (1) the selected program had to be considered high return and had to be endorsed by the counselor, (2) the customer had to be able to complete the training, and (3) the selected program had to be on the ETP list (as in all approaches). Counselors under this approach could reject a customer's training selection if it did not meet any one of these three conditions. Moreover, counselors determined the awards made to these customers. Thus, counselors had a high degree of control in directing customers to programs that promised the highest returns on investment.

C. APPROACH 2: GUIDED CUSTOMER CHOICE

Approach 2 was designed to broadly represent the approach that most local areas were implementing on their own under WIA. Relative to Approach 1, Approach 2 reduces the counseling requirements and the ability of the counselor to veto the customer's choice. Counselors were directed to help Approach 2 customers make an informed decision about training but, unlike under Approach 1, they were not required to be directive. Customers were limited by a fixed cap on the amount of ITA funds available to them.

1. ITA Award Structure

An important distinction between Approaches 1 and 2 was that Approach 2 customers receive a "fixed" ITA award, which limited the resources they could spend on training. This fixed ITA amount was established for each participating local area, and no exceptions from the fixed award were allowed. Approach 2 customers learned the amount of their fixed ITA award at the orientation at the start of their counseling. As with Approach 1 customers, fixed ITA awards could be used to pay for direct training costs only. If the customer chose a training program that cost less than the fixed ITA award, the workforce investment board retained the difference and used it for other customers.

2. Required Counseling

Counselors were directed to help Approach 2 customers identify training options that were appropriate (given their skills, interests, and background) and feasible (given the resources available to them). Customers were required to complete six activities, compared with the eight under Approach 1. The first counseling activity was the Approach 2 orientation. Like Approach 1 customers, Approach 2 customers had to participate in some counseling activities after the orientation. These included:

- Researching proposed programs using the Program Research Form
- Estimating the full costs of the training using the Training Costs Form
- Inventorying likely income sources and expenses for the household while the customer attended training (Income and Expenses Worksheet and Training Budget Worksheet).

Unlike in Approach 1, however, Approach 2 customers did not have to review the guide to high-return training; consider the list of high-wage, high-demand occupations; or estimate the return on their proposed training investment (although the customers were to be told that these services were available upon request). In addition, rather than the counselor using the Program Endorsement Worksheet in Approach 1, Approach 2 customers used a Training Options Comparison Worksheet. While the Program Endorsement Worksheet required the counselor to explicitly compare the cost and return to each training program, the Training Options Comparison Worksheet only provided open-ended questions designed to help counselors begin a conversation with the customers about their choice of program.

3. Approval of Program Choices

Counselors were instructed to approve Approach 2 program selections based on only two criteria: (1) the program had to be on the ETP list, and (2) the customer had to have satisfied the Approach 2 counseling requirements. While counselors could encourage customers to consider modest-cost programs that met their specific needs, Approach 2 customers had ultimate control over their program selections. If counselors disagreed with a

customer's selection, they could voice their opinions but were instructed to approve the program being requested if it met the above-specified criteria.

D. APPROACH 3: MAXIMUM CUSTOMER CHOICE

Approach 3 was designed to be the most flexible approach, intended to approximate a true voucher model.

1. ITA Award Structure

Approach 3 customers received the same fixed ITA award as Approach 2 customers and could use their ITA awards on any training program on the ETP list. Approach 3 customers were told the amount of the cap on the award at the orientation. As in the other approaches, ITA awards could only be used to pay for direct training expenses, and the local workforce investment board kept the difference between the cost of the training program and the ITA award.

2. Required Counseling Activities

Customers assigned to this approach had to attend a mandatory Approach 3 orientation at which they learned the full range of counseling services available to help them decide on training (that is, all services required of Approach 1 and Approach 2 customers) and their ITA award structure. Participation in any counseling services beyond this orientation was voluntary, however.

3. Approval of Program Choices

The only conditions for approval of Approach 3 customers' training selections were that (1) the customer had attended the mandatory orientation, and (2) the selection was on the ETP list. Hence, Approach 3 customers could submit and secure approval of their training selections with only minimal interaction with counselors.

E. TAILORING THE APPROACHES TO EACH SITE

The key features of each approach were identical in all eight sites. However, it was necessary to tailor the approaches to the specific needs of each site. The most important aspect of this tailoring was the setting of the caps for Approach 1 and Approaches 2 and 3. Other types of tailoring included developing a high-wage, high-demand occupation list and determining the customers who should be exempted from the experiment. This tailoring was minor and would be the type of tailoring that would be required if the approaches were implemented on a wider scale after the experiment.

1. ITA Caps

A key aspect of the ITA approaches is the fixed award under Approaches 2 and 3 and the cap on the customized amount under Approach 1.

Caps Used Before the Experiment. Before the experiment, all sites placed a maximum value or cap on the amount of the ITA award (Table II.2). The amount of the cap varied from $3,000 in Bridgeport to up to $8,900 for some customers in Jacksonville. In four sites—Phoenix, Atlanta, Northeast Georgia, and North Cook County—the amount of the cap varied with the length of training. Phoenix had two caps: one for programs that lasted less than six months and another one for longer programs. Northeast Georgia and North Cook County had a cap for the costs of the first year of training and another cap for an additional year of training.

Table II.2. ITA Caps Before and During the Experiment

		ITA Experiment Caps	
Site	Pre-Experiment Cap	Approach 1	Approaches 2 and 3
Phoenix, AZ	$3,000 for programs less than 6 months $4,000 for programs longer than 6 months	$8,000	$3,000
Maricopa County, AZ	$3,500	$8,000	$3,000
Bridgeport, CT	$3,000	$7,000	$3,000
Jacksonville, FL	Tiered according to entry-level wages for occupation selected: $4,600 if wages less than $8.78 per hour $5,800 if wages $8.79 to $14.44 per hour $8,900 if wages more than $14.44 per hour	$6,000	$3,000
Atlanta, GA	$5,000 first year $3,000 second year (if needed) Total possible funding: $8,000	$8,000	$5,000
Northeast Region, GA	$3,000 first year $2,000 second year (if needed) Total possible funding: $5,000	$8,000	$4,000
North Cook County, IL	$3,000 per year (for up to two years) Total possible funding: $6,000	$8,000	$3,000
Charlotte, NC	$4,000	$8,000	$4,000

Only one site—Jacksonville—tied the amount of the cap to the type of training received. To provide more funds to training that yielded a higher return, the cap on ITA awards varied in three tiers according to the expected entry-level wages for the occupation the customer was training for. The ITA cap was $4,600 if the entry-level wage was less than $8.78 per hour, $5,800 if the wage was between $8.79 and $14.44 per hour, and $8,900 if the wage was more than $14.44 per hour.

Cap for Approaches 2 and 3. Each site, with help from MPR, determined the fixed cap for Approaches 2 and 3. In setting the cap, two competing objectives were considered. The first was to set the cap high enough so that the grantee spent its entire training budget. This was important because sites that spend less than 80 percent of their WIA Title I funds may have the balance reallocated to other areas in the next fiscal year (WIA regulations, Section 667.150). The second objective was to not set the cap so high that the sites ran out of funds before the end of the fiscal year.

Most sites chose a cap for Approaches 2 and 3 of $3,000, with a little higher value set by Atlanta ($5,000), Northeast Georgia ($4,000), and Charlotte ($4,000). Jacksonville chose a significantly lower cap during the experiment than it had used previously. The other sites maintained their caps at about pre-experiment levels.

Approach 1 Cap. We set the Approach 1 cap so that it was not expected to be a binding constraint for most customers and was much higher than the Approach 2/3 cap in each site. In most sites, Approach 1 caps were set at $8,000; Bridgeport and Jacksonville had slightly lower caps. For all sites except Jacksonville, these caps were significantly higher than the cap used before the experiment. In Jacksonville, the Approach 1 cap was higher than all but the highest tier of the caps used before the experiment.

2. High-Wage, High-Demand Occupation Lists

Each site developed a High-Wage High-Demand Occupation List—a list of occupations for the local areas that were both in demand and offered relatively higher wages. Using local labor market information, some sites consulted with MPR to develop a wage cutoff for occupations to be included on the list based on the salary levels in the local area. For example, Atlanta included occupations in demand that paid more than $10 per hour. Sites were permitted to update the lists as local labor market conditions changed.

3. Customers Exempted from the Experiment

Customers eligible for training funds who were exempted from the experiment fell into two categories. First, some trainees used non-ITA funds, such as funds for on-the-job training, customized training, or contract training. Second, some customers were exempted from the ITA experiment in Atlanta and Northeast Georgia because they were already enrolled in a training program when they applied for WIA-funded financial assistance. Staff at the sites estimated that customers exempted from the experiment for this reason made up about 10 percent of all customers in Atlanta and 50 percent of all customers in Northeast Georgia.

CHAPTER III

LOCAL SETTINGS FOR THE EXPERIMENT

The ITA experiment did not take place in a laboratory, but in the real-world settings of One-Stop Centers in eight different sites. These settings had the potential to affect the ability of the sites to implement the approaches, as well as the impact of each approach. To provide context for the experiment's findings, this chapter describes the key characteristics of the sites during the experiment.

The chapter begins with a description of the eight sites (Section A). To provide context, it describes the characteristics of the communities in which the experiment took place (Section B). It then describes the sites' policies: their emphasis on training versus finding employment (Section C), their policies on determining eligibility for ITA training (Section D), and ITA policies affecting customers under all approaches (Section E). To provide additional context, Section F describes the ITA policies used in each site before the experiment. The availability of WIA training not funded by ITAs is described briefly in Section G. We then describe the local availability of training (Section H), the characteristics of the counselors (Section I), and finally the characteristics of the customers (Section J).

Although the eight ITA sites were similar to each other in many respects, we identified some differences that could affect the outcomes of the experiment:

- The emphasis placed on training (described in Section C)
- The amount of occupational counseling provided before being determined eligible for training and randomly assigned (Section D)
- The ITA policies used before the experiment (Section E)
- The availability of training programs (Section G)
- The proportion of the ITA study participants who were funded by the adult or dislocated funding stream (Section J)

Table III.1. Key Differences Across Study Sites in PY 2001

Site	Emphasis on Training	Extent of Occupational Counseling Before Random Assignment	ITA Policies Used Before the Experiment	Local Availability of Training Programs	Funding Stream Covering ITA Study Customers
Phoenix, AZ	Low	Frequently provided	Approximately Approach 2	Wide range	Majority dislocated workers
Maricopa County, AZ	Low	Frequently provided	Approximately Approach 2	Wide range	Majority dislocated workers
Bridgeport, CT	Medium	Sometimes provided	Between Approaches 2 and 3	Wide range	Majority adults
Jacksonville, FL	High	Rarely provided	Between Approaches 1 and 2	Wide range	Majority dislocated workers
Atlanta, GA	High	Rarely provided	Approximately Approach 2	Wide range	Majority dislocated workers
Northeast Region, GA	High	Rarely provided	Approximately Approach 2	Limited	Majority adults
North Cook County, IL	High	Rarely provided	Between Approaches 2 and 3	Wide range	Large majority dislocated workers
Charlotte, NC	Medium	Sometimes provided	Approximately Approach 2	Wide range	Majority dislocated workers

Table III.1 summarizes these differences, which are described along with other differences in more detail below.

A. THE ITA SITES

Six grantees were selected to participate in the ITA experiment. In fall 2000, DOL issued a request for proposals to participate in the experiment and chose the six grantees that were viewed as best able to implement the experiment and to issue a minimum of 550 ITAs during an 18-month period. Two grantees—one in Arizona and one in Georgia—each applied as a consortium of two local workforce investment areas. As the local workforce investment areas in each consortium were quite different in some important respects, this report treats each of the four local workforce investment areas covered by the two consortia as separate study sites. Thus, eight sites were in the experiment.

These eight sites are:

1. ***Phoenix, Arizona.*** The grantee is the Employment and Training Division of the Human Services Department in the City of Phoenix. (It applied in a consortium with Maricopa County, Arizona). The local workforce area covers

an area of about 1.3 million people. The local workface investment area has three full-service One-Stop Centers, which serve both adults and dislocated workers, and three affiliate centers that serve only adults.

2. ***Maricopa County, Arizona.*** This grantee is the Workforce Development Division of the Human Services Department of Maricopa County. Maricopa County completely surrounds Phoenix, and the Maricopa County local workforce investment area includes all areas in the county except Phoenix. It serves about 1.7 million people. Maricopa County has two full-service One-Stop Centers and two satellite offices in Avondale and Flagstaff.

3. ***Bridgeport, Connecticut.*** This grantee is the Southwestern Connecticut's Workforce Development Board, or The Workplace Inc. It serves a population of about 800,000 in 20 cities and towns, mostly in Fairfield County. It has one full-service One-Stop Center in Bridgeport and two satellite centers in Stamford and Ansonia.

4. ***Jacksonville, Florida.*** This grantee, WorkSource/First Coast Workforce Development, Inc., is the Workforce Development Board for Region VIII. This local workforce development board serves 1.2 million people in six counties: Duval, Clay, Baker, St. Johns, Putnam, and Nassau. Services are provided in seven full-service One-Stop Centers and two satellite offices. Three of the full-service One-Stop Centers are in Duval County; the other four are in Clay, Baker, St. Johns, and Putnam counties. The two satellite offices are in Duval and Nassau counties.

5. ***Atlanta, Georgia.*** This grantee is the Atlanta Regional Commission/Atlanta Regional Workforce Board. It applied to participate in the ITA experiment in a consortium with Northeast Georgia. It serves about 1.3 million people in seven counties in suburban Atlanta: Cherokee, Clayton, Douglas, Gwinnett, Henry, Fayette, and Rockdale. Services are provided in three full-service One-Stop Centers and four satellite offices in Clayton, Cherokee, Cobb, Gwinnett, and Douglas counties.

6. ***Northeast Georgia.*** This grantee is the Northeast Georgia Regional Development Center/Northeast Georgia Workforce Board. It is the smallest site—it serves about 400,000 people in 12 counties in mostly rural northeast Georgia. Services are provided at one full-service One-Stop Center, but customers can access WIA services at other affiliated sites around the area.

7. ***North Cook County, Illinois.*** This grantee is Workforce Development, Inc. It serves about 1.0 million people in the northern part of the county that surrounds Chicago. It provides services in two full-service One-Stop Centers (one in Arlington Heights and one in Evanston) and its central office in Park Ridge. Its central office mainly serves dislocated workers.

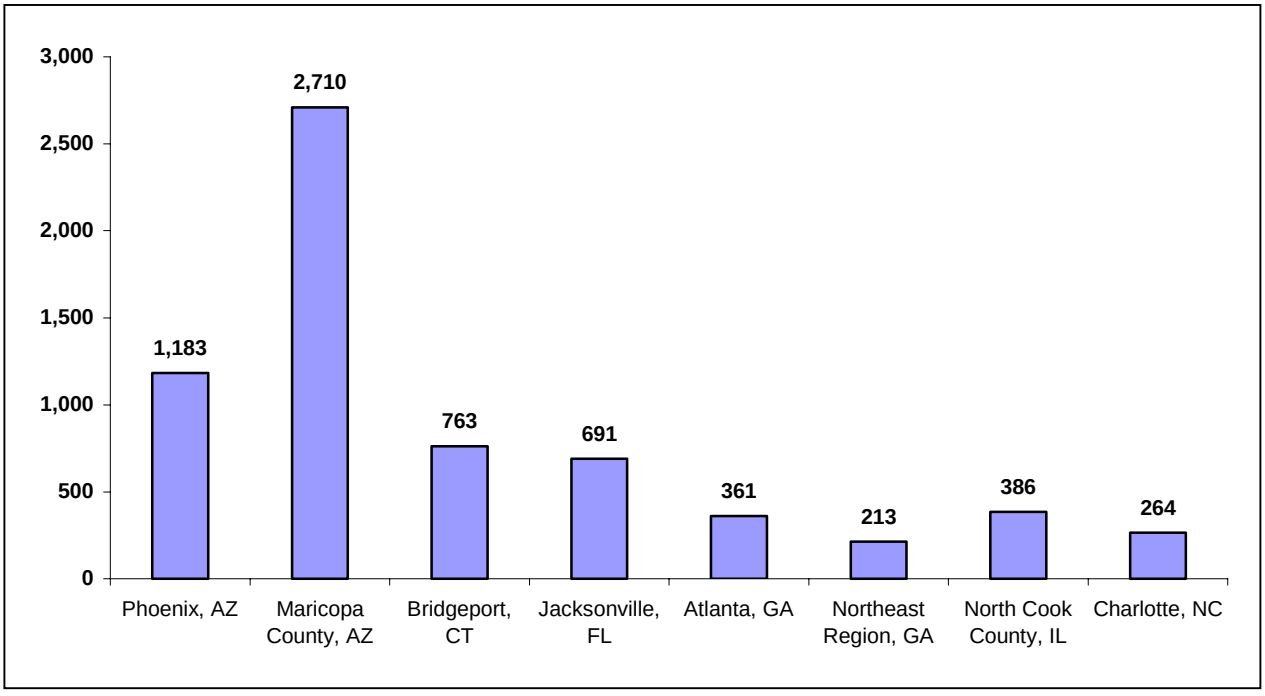
8. ***Charlotte, North Carolina.*** This grantee is the Charlotte-Mecklenberg Workforce Development Board. It serves about 700,000 people in Charlotte-Mecklenburg County. It operates four full-service One-Stop Centers: South

Boulevard Job Link (operated by Goodwill Industries), Uptown Job Link Center, Charlotte East Job Link Center, and Charlotte South Job Link Center.

The sites vary considerably in size (Figure III.1). The two sites in Arizona are by far the largest in the total number of adults and dislocated workers (including those who did not receive ITAs) who exited WIA in Program Year (PY) 2001. Phoenix serves more than 1,000 customers annually; Maricopa County serves nearly 3,000 customers annually. In contrast, Northeast Georgia and Charlotte both serve less than 300 customers annually.

As the grantees were selected purposively, they are not a representative sample of local workforce investment boards. Indeed, many of the sites are recognized leaders in the workforce development field. For example, both Phoenix and Atlanta had participated in the Career Management Account demonstration. Most of the local areas had also operated individual purchase or voucher-based models for training services for five or more years before implementation of the ITA experiment. Jacksonville, for example, had implemented a program of "scholarship accounts" for its training customers in 1995. Atlanta first used vouchers for training in 1991. North Cook County had abandoned the traditional JTPA approach of contracted training 10 years before the passage of WIA, relying instead on voucher-based training purchases for all its customers since 1988.

Figure III.1. Number of Adults and Dislocated Workers Who Exited WIA in PY 2001



Source: Workforce Investment Act Standardized Record Data for PY 2001.

B. COMMUNITY CHARACTERISTICS

The ITA sites vary in some key demographic and economic characteristics (Table III.2). Six of the eight sites in the experiment are located entirely within a Census metropolitan statistical area. The other two sites—Jacksonville and Northeast Georgia—include both metropolitan and nonmetropolitan areas. Poverty rates range from a low of 4 percent in North Cook County to highs of 15 percent in Northeast Georgia and 16 percent in Phoenix, and average earnings per employed individual range from just over $30,000 in Northeast Georgia to over $60,000 in Bridgeport. Not surprisingly, given the large geographic area some of the local workforce investment areas cover, these averages mask substantial intrasite diversity. For example, the Bridgeport site contains wealthy areas with low poverty rates, such as the city of Stamford, and areas of low average income and high poverty, such as the city of Bridgeport.

The experiment began in most sites in the first half of 2001—which coincided with the beginning of a national slowdown in the economy. This was exacerbated by the negative effects of the September 11 terrorist attacks. Thus, many sites had more customers during the experiment than they had originally expected.

Table III.2. Community Characteristics of Sites

Site	Metropolitan Status	Unemployment Rate			Poverty Rate	Average Earnings
		Jan 2002	Jan 2003	Jan 2004		
Phoenix, AZ	MSA	6.4%	5.6%	4.8%	16%	$36,294
Maricopa County, AZ	MSA	5.3%	4.6%	4.0%	9%	$39,597
Bridgeport, CT	MSA	4.7%	5.1%	4.9%	7%	$64,302
Jacksonville, FL	MSA: 4 counties Non MSA: 2 counties	5.6%	5.5%	4.9%	11%	$35,208
Atlanta, GA	MSA	4.2%	4.4%	3.9%	6%	$40,178
Northeast Region, GA	MSA: 5 counties Non MSA: 7 counties	4.7%	4.3%	4.0%	15%	$32,043
North Cook County, IL	MSA	6.2%	6.0%	5.6%	4%	$51,792
Charlotte, NC	MSA	5.6%	5.6%	5.5%	9%	$44,438
National		6.3%	6.5%	6.3%	12 %	$37,200

Source: Data are for the local workforce investment areas in the site. Poverty rates and earnings are from Census 2000. Seasonally adjusted unemployment rates for persons 16 and older from the Bureau of Labor Statistics, Local Area Unemployment Statistics.

MSA = Metropolitan Statistical Area.

Although unemployment rates remained fairly steady in all sites during the ITA experiment, all local areas except Northeast Georgia mentioned that the lengthy national recession had hurt the local economies and resulted in a substantial number of layoffs and ongoing need for WIA services during the period of the ITA experiment. For example, according to a manager in Phoenix, 47 local businesses closed or downsized in Phoenix in PY 2001 or PY 2002, affecting 46,000 employees. This led to expanding caseloads for counselors and an increase in counseling hiring in most sites.

Local area staff in nearly all sites listed the information technology field as one especially hard hit, but other suffering industries include aerospace, tourism and the airline industries, banking, and computer manufacturing. Some sites noted the additional problem that high-paying manufacturing and technical jobs were being replaced by low-wage service jobs, with many dislocated workers needing to take large pay cuts.

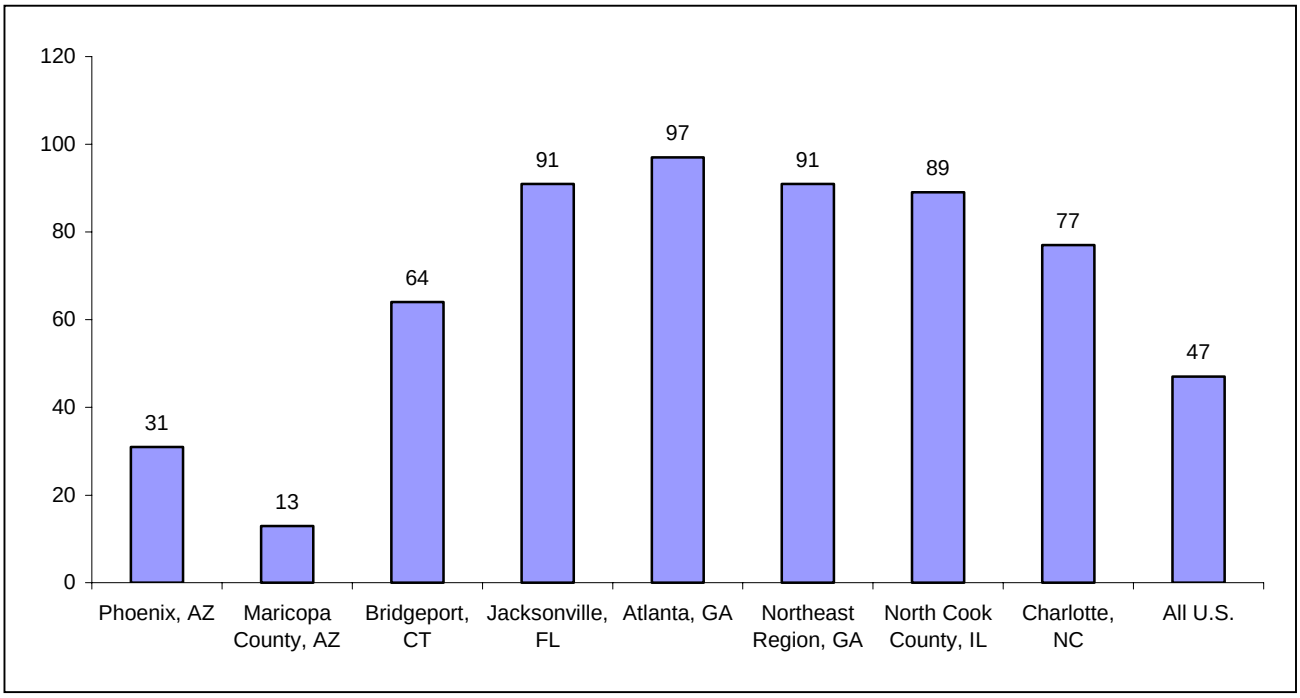
C. EMPHASIS ON TRAINING

Local workforce investment areas across the country vary in the emphasis they place on training (D'Amico 2002). Some areas have adopted a strong "work first" approach to WIA services—promoting employment first and resorting to training only if a customer does not find employment. Other areas encourage customers to receive training services. This variation is mirrored in our sites and could affect the impacts of the different approaches. The sites' emphasis on training was generally unaffected by the experiment.

Most, but not all, of the sites selected for the ITA experiment emphasized training. This emphasis preceded the experiment and probably reflects the requirement that, to be eligible to participate in the experiment, the ITA sites needed to issue many ITAs. In six of the eight sites, the percentage of all customers who exited WIA and received occupational training is well above the national average at the beginning of the experiment (PY 2001) of 47 percent (Figure III.2). In contrast, Phoenix and Maricopa County each provide training to less than one-third of their customers. These figures did not change substantially during the experiment.

Phoenix and Maricopa County are self-described work first sites and provide training to a relatively small proportion of WIA registrants. As described below, these sites conduct much more screening than the others to determine whether training is necessary. For example, in Maricopa County, all customers must participate in a comprehensive set of intensive services before counselors approve them for training. Similarly, Phoenix conducts a comprehensive assessment of customers that focuses on their employment history, educational background, and job specifics, as well as on basic educational skills. Access to training is limited to those believed to need it the most.

Figure III.2. Percent of Adult and Dislocated Workers Who Exited WIA in PY 2001 Who Received Occupational Training



Source: Workforce Investment Act Standardized Record Data for PY 2001.

At the other extreme, four sites—Atlanta, Northeast Georgia, North Cook County, and Jacksonville—provide training services. At these sites, nearly all WIA registrants received training services in PY 2001. Except for in Jacksonville, often the only intensive service provided is the development of an individual employment plan specifying that training is to be provided.

Even though Jacksonville provided training to nearly all its WIA registrants in PY 2001, it described itself as a work first site. It offered many core and intensive services. Customers had to present evidence of an unsuccessful job search and participate in multiple intensive services before being approved for training. However, just before the start of the ITA experiment, and during it, Jacksonville received funding through several new initiatives that focused on providing training for dislocated workers and, thus, increased its emphasis on training.

Charlotte and Bridgeport fall between these extremes. While the percentage of WIA registrants receiving training at these sites is well above the national average (Figure III.2), customers who receive training are first encouraged to use core and intensive services to find employment.

D. DETERMINATION OF ELIGIBILITY FOR ITA TRAINING

The study sites varied in the requirements for a customer to be determined "eligible for training" and, hence, randomly assigned. These differences are important because they may affect the characteristics of the customers in the study sample. This section describes these differences.

WIA requires that customers meet four main criteria before they are approved for training funds:

1. Be determined as "in need of training"
2. Have the skills and qualifications to complete the training
3. Have received at least one core and one intensive service
4. Be unable to obtain funding assistance to pay for training from other sources, such as Pell grants

States and local workforce investment boards are responsible for translating these criteria into practice. They can, for example, require that customers complete additional counseling (or multiple intensive services) prior to training.

We asked the study sites to continue to use the same requirements for training approval they used before the experiment, with two exceptions. The first exception was that we asked the sites to postpone most occupational counseling and assessment until after random assignment. This was to preserve the differences across approaches in the extent of occupation counseling, which would be reduced if all ITA customers had received extensive counseling before random assignment. The second exception was that sites could postpone until after random assignment determining whether funds other than ITAs (such as Pell grants and state scholarships) were available to pay for training. This was to allow the sites to continue to conduct this eligibility check just before program approval as they did before the experiment. Table III.3 summarizes the requirements for being determined eligible for training during the study in each of the sites. We discuss these requirements in more detail below.

1. In Need of Training

Most of the ITA sites defined "in need of training" as the inability to find work at a self-sufficiency wage or at a specified percentage (typically, 80 to 90 percent) of the wage received before dislocation. Bridgeport, however, had an assessment form that scored customers' "need" in terms of education and occupational skill deficits; when training funds were scarce, customers needed to score above a cutoff to be eligible to receive ITAs. Phoenix used a similar procedure to prioritize those who should receive training funds.

Table III.3. Criteria for Determining Eligibility for Training in PY 2001

Phoenix, AZ	Maricopa County, AZ	Bridgeport, CT	Jacksonville, FL	Atlanta, GA	Northeast Region, GA	North Cook County, IL	Charlotte, NC
Definition of Need for Training							
Unable to find employment offering self-sufficiency wages or 89 percent of predislocated wages	Unable to find employment offering self-sufficiency wages or 89 percent of predislocated wages	Scored high on assessment form[a]—depends on education and occupational skills deficits	Unable to find employment offering self-sufficiency wages or 80 percent of predislocated wages	Unable to find employment offering self-sufficiency wages or "reasonable" proportion of predislocated wages	Unable to find employment offering self-sufficiency wages or "reasonable" proportion of predislocated wages	Unable to find employment offering self-sufficiency wages or 89 percent of predislocated wages	Unable to find employment offering self-sufficiency wages
Assessments							
Basic skills Interest/aptitude assessments at counselor's discretion	Basic skills Interest/aptitude assessments required of all customers	Basic skills Interest/aptitudes if deemed necessary, but rarely used	Basic skills Interest/aptitudes assessment used before experiment but ceased during experiment	Basic skills Interest/aptitudes assessment if deemed necessary, but rarely used	Basic skills Interest/aptitudes assessment if deemed necessary, but rarely used	Basic skills Interest/aptitudes assessment if deemed necessary, but rarely used	Basic skills Interest/aptitudes assessment if deemed necessary
Occupational Counseling							
Frequently provided	Frequently provided	Sometimes provided	Rarely provided	Rarely provided	Rarely provided	Rarely provided	Sometimes provided
Required Attendance at Workshops							
Resume workshop Job readiness workshop	Vocational/career counseling	Career exploratory workshops	None	None	None	None	None, but must receive two intensive services
Documented Job Service/Job Club							
None	Participation in Job Club	None	Review of recent job search activities or two- to four-week supervised job search	None	None	Review of recent job search activities	Review of recent job search activities

Source: Exploratory site visits and communications with the study sites; Decker and Perez-Johnson (2004).

[a]The required score varied with the availability of training funds. When funds were plentiful, the requirement was dropped.

2. Having the Skills and Qualifications to Complete Training

Most customers take basic skills tests, such as the Test for Adult Basic Education (TABE), Adult Basic Learning Examination (ABLE), or the Nelson-Denny reading test, to show that they have the skill to complete the training. Those who are found to have skill deficits are referred to remedial education services, which they must complete satisfactorily before being allowed to proceed to occupational training.

3. Completion of Occupational Counseling and Assessment

In four sites—Atlanta, Northeast Georgia, Jacksonville, and North Cook County—occupational counseling prior to random assignment is provided at the counselor's discretion and often is minimal. Customers are sometimes given labor market information or directed toward websites such as O*NET. In all four sites, though, formal occupational assessments before random assignment were rare. In the two sites in Georgia, customers may have received some occupational counseling services from the Employment Services before coming to the One-Stop Center, although staff reported this was not common.

Bridgeport did not typically conduct formal occupational assessments as part of core or intensive services. It did expect customers to fully use services at these tiers before moving on to training, which can include workshops with titles such as "Career Exploration" and "Careers for Today." In addition, to help customers explore and select an occupational field, counselors often provided customers in intensive services with a resource guide entitled "Connecticut Career Paths," which contained information on myriad careers and identified occupations in demand.

Like Bridgeport, Charlotte also provided a modest amount of occupational counseling before random assignment. At this site, core and intensive services are provided by Employment Services staff or staff from Goodwill Industries, who may conduct career counseling and formal occupational tests to assess aptitude for, and interest in, various fields. Thus, although local policy did not require customers to receive these services before moving to WIA-funded training, customers may have received them before random assignment at the discretion of the Employment Services or Goodwill counselors.

Phoenix and Maricopa County stand out from the other sites in that extensive occupational counseling continued to be provided to customers before the determination of eligibility for training (and, hence, random assignment) during the experiment. In Phoenix, the Strong Interest Inventory and WorkKeys® skills assessment were used to help customers who were not sure what career field they wished to enter. Counselors also helped customers access information on occupations in demand and projected earnings from the O*NET websites. Customers were not approved for training unless they selected an occupational field that their counselor felt was a good fit with the customer's background, aptitudes, and skills. Similarly, in Maricopa County, before random assignment, each customer was required to undergo a variety of assessments to measure career aptitude and interest. Occupational counseling and labor market information were also typically provided before the decision was made to approve the customer for training.

4. Other Intensive-Service Requirements

During the experiment, four ITA sites—Phoenix, Maricopa County, Bridgeport, and Charlotte—required customers to receive more than one intensive service before being determined eligible for training. Phoenix, Maricopa County, and Bridgeport directed customers to job search or career exploratory workshops before determining training eligibility. Charlotte required customers to have received two intensive services. Maricopa County required participation in a Job Club; three other sites required a review of recent job searches.

E. ITA Policies Affecting Customers Under All Approaches

During the experiment, three key ITA policies varied across approaches: (1) the structure of the ITA award, (2) the counseling services required before an ITA was issued, and (3) the criteria counselors used to approve the training choice. In this section, we discuss other policies related to ITAs that affected customers after random assignment but did *not* vary by approach (Table III.4). For the most part, the policies were similar across sites.

- ***Implementation of the Consumer Report System (CRS).*** A key goal of WIA was to develop strong information systems about training programs to support customer choice. When the experiment began, all but one site had an operational online CRS. Each CRS contained basic program descriptions, including information about program location, duration, and cost. However, information on placement of students after training was not available on the CRS in any site. The CRS in Bridgeport was under construction at the beginning of the experiment.

- ***Implementation of the ETP List.*** The ETP list was fully developed and operational in all eight sites. Except in Bridgeport, information on the ETP list was linked electronically to information on the CRS.

- ***Duration of ITAs.*** All but two sites had a policy regarding the duration of the ITA. Three sites required that training be completed within two years; one site required that it be completed within four years. Phoenix did not fund four-year degrees; Maricopa County did not fund two-year degrees. However, all sites made exceptions to these policies in some circumstances.

- ***Allowable Uses of ITAs.*** In all sites, ITAs were used to cover tuition and fees, books, and other required supplies. In Jacksonville, they could also be used to cover uniforms and certification costs.

Table III.4. ITA Policies Affecting Customers Under All Approaches[a]

Phoenix, AZ	Maricopa County, AZ	Bridgeport, CT	Jacksonville, FL	Atlanta, GA	Northeast Region, GA	North Cook County, IL	Charlotte, NC
Implementation of the Consumer Report System (CRS)							
Operational Available to customers online Program information Placeholders for performance information	Operational Available to customers online Program information Placeholders for performance information	Under construction Not available to customers	Operational, but still being fine-tuned Available to customers online Program information Placeholders for performance information	Operational Available to customers online Program information Placeholders for performance information	Operational Available to customers online Program information Placeholders for performance information	Operational, but still being fine-tuned Available to customers online Program information Placeholders for performance information	Operational Available to customers online Program information, but missing for some providers Placeholders for performance information
Implementation of the ETP List							
Fully developed and operational Available online Links to CRS	Fully developed and operational Available online Links to CRS	Fully developed and operational Available online Links to CRS	Hard copy Web-based system under construction	Fully developed and operational Available online Links to CRS	Fully developed and operational Available online Links to CRS	Fully developed and operational Available online Links to CRS	Fully developed and operational Available online Links to CRS
Duration of ITAs							
Will not fund four-year degrees	Will not fund two-year degrees	None	Training must be completed within four years.	Training funds must be spent within two years.	Training must be completed within two years.	None	Training must be completed within two years.
Allowable Uses of ITAs							
Tuition and fees Books and other required supplies	Tuition and fees Books and other required supplies	Tuition and fees Books and other required supplies	Tuition and fees Books and other required supplies Uniforms Certifications	Tuition and fees Books and other required supplies	Tuition and fees Books and other required supplies	Tuition and fees Books and other required supplies	Tuition and fees Books and other required supplies

TABLE III.4 *(continued)*

Phoenix, AZ	Maricopa County, AZ	Bridgeport, CT	Jacksonville, FL	Atlanta, GA	Northeast Region, GA	North Cook County, IL	Charlotte, NC
Support Services							
Limited Child care, transportation, and support payments on a needs basis	Limited Child care, transportation, and support payments on a needs basis	Limited Child care, transportation, on a needs basis	Child care transportation, on a needs basis	Limited Child care, transportation, on a needs basis	Limited Child care, transportation, on a needs basis	None	Limited Transportation, on a needs basis
Monitoring and Followup							
Counselors follow up about every two weeks. Provider submits periodic attendance/grade reports.	Counselors follow up every month. Provider submits periodic attendance/grade reports.	Customers asked to meet periodically with counselors. Provider submits periodic attendance/grade reports.	Customers required to submit monthly attendance sheets and grade reports in person.	Customers required to maintain monthly contact with counselor and submit attendance and grade reports.	Providers required to submit periodic attendance and grade reports.	Customers required to maintain monthly contact with counselor and submit attendance and grade reports.	Counselors follow up with customers periodically to discuss their progress in training.
Payment System							
Customers receive paper voucher to take to provider. Provider invoices grantee directly.	Customers receive paper voucher to take to provider. Provider invoices grantee directly.	Customers receive paper voucher to take to provider. Provider invoices grantee directly.	Grantee issues a list of approved trainees to provider. Provider invoices grantee directly.	Customers receive paper voucher to take to provider. Provider invoices grantee directly.	Customers receive paper voucher to take to provider. Provider invoices grantee directly.	Customers receive paper voucher to take to provider. Provider invoices grantee directly.	Counselors submit paper voucher to providers or customers receive paper voucher to take to provider. Provider invoices grantee directly.

[a]At the beginning of the experiment.

Source: Exploratory site visits and communications with the study sites; Decker and Perez-Johnson (2004).

- ***Support Services.*** All sites, except North Cook County, had limited supportive services for customers receiving training who had documented financial need for them. In most sites, services included funding for child care and transportation. Except in Jacksonville, however, the sites did not publicize the availability of the assistance and offered it only to customers they thought might not complete training without it. Only two sites provided support services to more than 20 percent of all customers exiting WIA in PY 2001—Northeast Georgia (91 percent received services) and Jacksonville (71 percent received services).[1]

- ***Monitoring and Followup.*** In all sites except Northeast Georgia, counselors followed up with customers periodically while they were in training. In most sites, either the customer or the provider also needed to submit attendance and grade reports periodically.

- ***Payment System.*** ITA funds were not directly released to customers in any of the sites. Instead, customers typically received a paper voucher to submit to the provider, and the provider invoiced the local workforce investment board directly for the cost of the program.

F. ITA APPROACHES USED BEFORE THE EXPERIMENT

All sites used ITAs before the experiment, but no site used an approach that was the same as any of the experiment's three approaches. Understanding the approach used before the experiment is important because it could indicate the ease with which the site could implement the approaches.

Before the experiment, all sites used an approach that lay somewhere between Approach 1 and Approach 3 (Table III.5). Bridgeport and North Cook County used approaches closer to Approach 3: they used a fixed ITA award, required minimum counseling, and had limited requirements for program approval. Jacksonville's approach before the experiment was closer to Approach 1: it tied the ITA award to the expected return to training, required intensive counseling, and placed the most restrictions on program approval. The other sites used approaches similar to Approach 2, which appeared to be the approach used by most local workforce investment areas.

The ITA award was fixed in three sites. In four sites, the award could vary by the length of the program. The ITA award differed by the type of training program only in Jacksonville, where it was tied to the expected wage received after training, and even there it was fixed within the tiers.

[1] Data are from the Workforce Investment Act Standardized Record Data.

Table III.5. ITA Approaches Used Before the Experiment

Site	ITA Award	Required Counseling	Requirements for Program Approval
Phoenix, AZ	Varied by whether program lasts six months or longer	Occupational counseling Labor market research Research and comparison of training programs Evaluation of training feasibility	Completed counseling Demand occupation Feasible selection Choice on ETP list
Maricopa County, AZ	Fixed	Occupational counseling Labor market research Research and comparison of training programs Evaluation of training feasibility	Completed counseling Demand occupation Choice on ETP list
Bridgeport, CT	Fixed	Occupational counseling Research and comparison of training programs	Completed counseling Choice on ETP list
Jacksonville, FL	Tiered according to expected wage	Occupational counseling Labor market research Research and comparison of training programs Evaluation of training feasibility	Completed counseling Demand occupation Feasible selection Choice on ETP list
Atlanta, GA	Varied by whether training occurred for one or two years	Occupational counseling Labor market research Research and comparison of training programs	Completed counseling Demand occupation Feasible selection Choice on ETP list
Northeast Region, GA	Varied by whether training occurred for one or two years	Occupational counseling Labor market research Research and comparison of training programs	Completed counseling Feasible selection Choice on ETP list
North Cook County, IL	Varied by whether training occurred for one or two years	Research and comparison of training programs Evaluation of training feasibility	Completed counseling Choice on ETP list
Charlotte, NC	Fixed	Occupational counseling Labor market research (exploratory interviews with potential employers) Research and comparison of training programs	Completed counseling Demand occupation Feasible selection Choice on ETP list

After a customer was determined eligible for training, all sites required the customer to have additional counseling. This counseling involved:

- ***Occupational Counseling.*** All but one site conducted discussion of occupations. The amount of discussion depended on the customer's needs.

- ***Labor Market Research.*** Five sites required customers to research the labor market for the occupation they chose. Another site required the customer to conduct interviews with potential employers.

- ***Research and Comparison of Training Programs.*** All sites asked the customers to research training programs. This typically involved asking the customers to visit two or three training programs on the ETP list.

- ***Evaluation of Training Feasibility.*** Four sites required counselors to discuss whether the choice of training was financially feasible for the customer.

Before the experiment, all the sites required customers to complete the counseling requirements before issuing an ITA. In two sites—Bridgeport and North Cook County—the only other requirement was that the training provider be on the ETP list. The other six sites also required that it be financially feasible for the customer to complete the training and/or that the customer be training for an occupation "in demand" by employers. All eight sites developed lists of "demand" occupations using local labor market information. In general, the occupation needed to be on this list for it to be deemed in demand. However, in Atlanta and Northeast Georgia, customers were allowed to receive training in occupations not on this list if they could bring in justification (such as newspaper employment advertisements) that showed demand for the occupations. Counselors in Charlotte also made exceptions to approve training not on this list if the training would help the customer upgrade skills in an occupation in which he or she had considerable professional experience.

G. OTHER WIA TRAINING

Nearly all WIA customers receiving training at the eight sites are funded by ITAs. In four sites—Phoenix, Maricopa County, Bridgeport, and Charlotte—training is funded almost exclusively by ITAs. Atlanta has a few training programs not funded by ITAs, including a grant for registered-nurse training at a specific provider and a customized training program for incumbent workers at a local affiliate of CBS television. Georgia offers the Helping Outstanding Pupils Educationally (HOPE) scholarships and grants to all Georgia residents. This provides up to approximately $3,000 a year in funds to pay for tuition at any public university in Georgia. These scholarships and grants are used widely by WIA customers in Atlanta and Northeast Georgia, which significantly lowers the need for WIA training funds in these sites.

The only site with a substantial amount of non-ITA funded training was Jacksonville. During the experiment, about 20 percent of its training funds were allotted to incumbent worker training; the remaining 80 percent was for ITA-funded training. At the beginning of the experiment, the state of Florida also offered training to customers who were laid off because of the September 11, 2001, terrorist attacks.

H. AVAILABILITY OF TRAINING

The ITA experiment was designed to assess the effects of different approaches to managing customers' choice of training programs. Therefore, variation across sites in the number and type of training providers in the area that are on the ETP list and thus available for ITA customers may affect the results of the experiment. The number and type of training providers, as well as the programs they offer, vary in important ways by site.

1. Training Providers

The number of local providers on the ETP list varies considerably by site. Table III.6 shows the number of providers in the local area that are on the state-approved ETP list at the end of the experiment.[2] Phoenix/Maricopa County and North Cook County both have more than 100 approved providers. In contrast, Northeast Georgia has only two providers on the ETP list: Athens Technical College and the University of Georgia. However, customers that live in the southwestern part of the local area, close to metropolitan Atlanta, may be able to use approved providers in the Atlanta area.

Providers in all sites include private for-profit schools, community colleges, state or private universities, and nonprofit faith- or community-based organizations, such as the Urban League. The ETP lists in most sites included a combination of these provider options. In Jacksonville, however, public community and technical colleges were acknowledged to be the dominant provider option. The emphasis on the use of community colleges as the principal providers of training for WIA customers in the state of Florida has been highlighted in studies of WIA implementation (Barnow and King 2003; Berkeley Planning Associates 2003).

2. Training Programs

The total number of programs available to customers in all sites is large, varying from 280 in Northeast Georgia to more than 2,000 in North Cook County. However, some popular choices are not available in some sites. Table III.6 shows the availability of four popular programs available at the end of the experiment: (1) phlebotomy (taking blood), (2) Microsoft Certified Systems Engineer, (3) medical billing or coding, and (4) commercial vehicle operator. Neither Microsoft Certified Systems Engineer or medical billing/coding courses are available in Northeast Georgia. Only two commercial vehicle operator courses are available in Charlotte.

The prices of programs also vary considerably, both within and across sites. For example, commercial vehicle operation programs cost between $1,035 and nearly $5,730 in Phoenix/Maricopa County (Table III.6). Several factors can explain this variation. First, programs may include different numbers of courses and may be of different lengths. Some programs may be geared to people with considerable background in the area, while others

[2] No site reported any major changes in the availability of training during the experiment.

Table III.6. Training Options on ETP Lists, April 2004

Local Area[a]	Total Number of Vendors	Total Number of Programs	Numbers of Vendors with Programs in:				Range of Prices for: [b]			
			Phlebotomy	Microsoft Certified Systems Engineer	Medical Billing/ Coding	Commercial Vehicle Operator	Phlebotomy	Microsoft Certified Systems Engineer	Medical Billing/ Coding	Commercial Vehicle Operator
Phoenix and Maricopa County, AZ	109	805	1	11	5	4	$2,515	$1,938-11,045	$1,050-9,670	$1,035-5,730
Bridgeport, CT	52	352	2	3	6	2	$599-2,390	$8,750-12,999[c]	$1,897-3,855	$2,989-6,687
Jacksonville, FL[d]	33	NA	1	4	2	8	$1,230	$6,495-$9,800	$4,005-$9,475	$995-$5,995
Atlanta, GA	68	1,128	2	5	2	5	$1,292	$4,370-6,875	$1,650-4,500	$1,385-4,170
Northeast Region, GA	2	280	1	0	0	1	$535	NA	NA	$1840
North Cook County, IL	140	2,031	9	98	35	11	$654-1,399	$2,950-$7,600	$784-3,635	$2,985-4,395
Charlotte, NC[d]	67	441	3	7	1	2	$345-810	$1,040-8,000	$3,695	$2,500-2,745

Source: State ETP lists, April 2004.

NA = not available.

[a] In most sites, this is defined as the local workforce investment area. In Arizona, we combined Phoenix and Maricopa County. The Atlanta local area is defined as the counties in the Atlanta Regional Workforce Area and three other local workforce investment areas in metropolitan Atlanta. The Illinois local area is defined as within a 20-mile radius of the local workforce investment area headquarters.

[b] Price listed is total program cost, including tuition, fees, books, supplies and any other costs listed in the program description.

[c] One provider did not list its prices.

[d] This combines the state ETP list and the local workforce investment board ETP list.

may need to start with more basic instruction. Second, some computer-based instruction may be cheaper than the more traditional program with a key role for the instructor. Third, programs vary in whether they include the cost of licensing or certifications. Fourth, all else equal, programs at community colleges are usually cheaper than at proprietary schools because they are partly subsidized.

I. CHARACTERISTICS OF COUNSELORS

Throughout this report, we use the term "counselor" to refer to those local staff who work individually with WIA customers who are determined eligible for training and assist them as they formulate their training decisions. Use of this term is not intended to convey any specific educational or experience requirements for the position. Indeed, the background, experience, and training of the counselors could affect their ability to counsel ITA customers on their choice of occupations and training programs.

The ITA study sites were more similar than different in terms of the educational background of counselors. Many of the counselors did not have postsecondary degrees. In four sites—Phoenix, Maricopa County, Bridgeport, and Jacksonville—some counselors did not have a bachelor's degree. As over half of the customers had a bachelor's degree and nine percent had some postsecondary education (discussed in the next section), some customers were more educated than the counselors. Few counselors had specific training in vocational counseling and assessment.

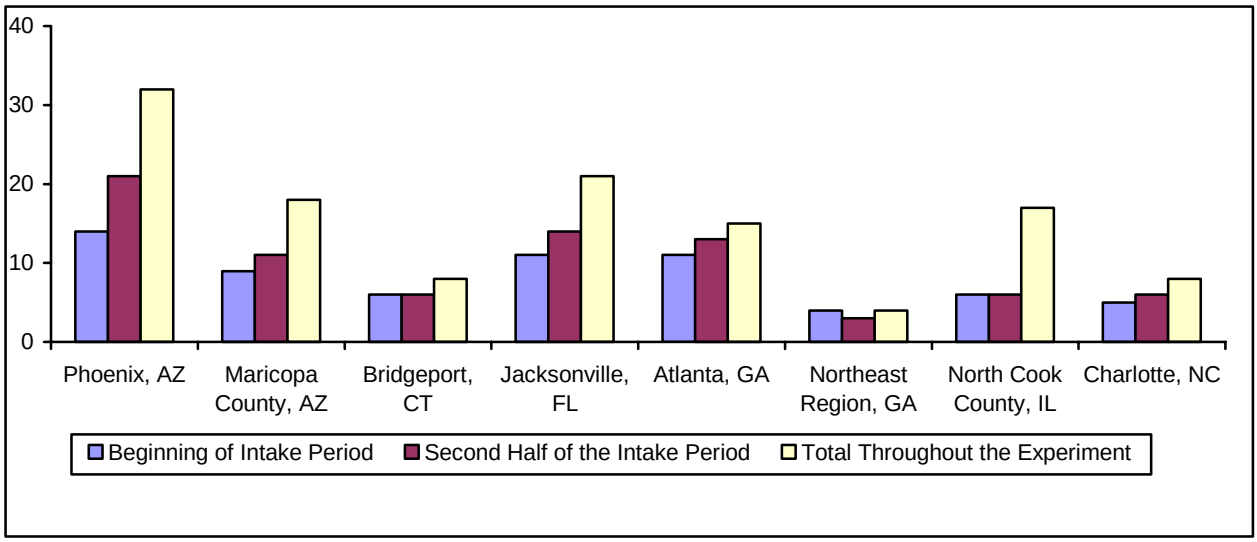
Most sites had both seasoned and less experienced counselors. New counselors were common during the intake period for the ITA experiment, for two reasons. First, most sites increased the number of counselors during the experiment because of increasing caseloads unrelated to the experiment. (No new counselors were hired just for the experiment.) Second, there was some turnover of counselors, with new counselors replacing ones who left. Figure III.3 shows the number of counselors at the beginning of the experiment, the number of counselors during the third round of site visits conducted between February and April 2003 (during the second half of the intake period), and the total number of counselors involved with ITA study customers during the experiment. Five sites increased the number of counselors during the experiment. In all sites except Northeast Georgia, the total number of counselors involved in the experiment was much higher than the number of counselors at the beginning of the experiment and in the second half of the experiment's intake period, suggesting a high turnover of counselors.

J. CUSTOMER CHARACTERISTICS

Customers come to the One-Stop Center with diverse needs, which might affect the choices they made during the ITA experiment and the outcomes of training. Table III.7 shows the characteristics of customers who participated in the ITA experiment. This information was reported on the Baseline Information Form just before they were found eligible for training and randomly assigned.

The diversity of customers in the ITA experiment, even within each site, was striking. While their average age was 41, some were as young as 18 and others as old as 81. Relatively

Figure III.3. Number of Counselors Who Worked with ITA Study Customers



Source: Communications with sites.

Note: The intake period varied by site: Phoenix (6/02 to 11/03), Maricopa County (5/02 to 12/03), Bridgeport (8/02 to 3/04), Jacksonville (5/02 to 12/03), Atlanta (5/02 to 6/03), Northeast Region, Georgia (5/02 to 4/03), Northern Cook County (12/01 to 9/03), and Charlotte (5/02 to 11/03).

few ITA study participants were older workers. This reflects the low participation of older workers in training programs overall. For example, only 5 percent of persons exiting from WIA programs who received training services in PY 2001 were 55 or older.[3] While nearly all study participants had more than 12 years of education, nine percent had less than 12 years of education. Another nine percent of the participants had some graduate education. Most were unemployed when they were randomly assigned; only about nine percent were employed. Of those unemployed, 12 percent had worked in the past month, but nearly 15 percent had not worked in the past year. While most (69 percent) had been laid off from their last job or the business had closed, 12 percent were fired or discharged, and 5 percent quit their last job. Only a tiny proportion had never worked (0.2 percent); 13 percent had spent 10 or more years at their last job.

Only two sites—Phoenix and Maricopa County—have about equal numbers of male and female ITA customers. Bridgeport, Jacksonville, Atlanta, and Charlotte have substantially more women than men; in Bridgeport, women outnumber men by nearly two to one. In Northeast Georgia and North Cook County, most ITA customers are male.

[3] Data from Workforce Investment Act Standardized Record Data for PY 2001.

Table III.7. Characteristics of ITA Study Participants, by Site

Characteristic	All Sites	Phoenix, AZ	Maricopa County, AZ	Bridgeport, CT	Jackson-ville, FL	Atlanta, GA	Northeast Region, GA	North Cook County, IL	Charlotte, NC
Gender									
Female	54	52	48	66	59	58	36	43	56
Male	46	49	52	34	41	42	64	57	44
Race: One race									
White	48	55	80	31	56	35	49	67	28
Black or African American	39	27	9	49	35	58	50	12	65
American Indian or Alaskan Native	1	4	2	2	1	1	0	0	1
Asian or Pacific Islander	6	5	5	1	2	4	1	15	3
Other	5	8	3	15	5	2	0	5	2
Two or More Races	1	1	0	2	0	1	0	1	0
Hispanic or Latino	10	30	17	22	6	3	1	7	3
Age									
18 to 40	52	45	33	68	57	55	59	42	57
41 to 60	46	52	64	31	41	43	40	55	42
61 or older	2	3	3	1	2	2	2	3	1
Average	41	42	45	36	39	40	39	43	40
Years of Regular Schooling									
Less than 12	10	21	5	28	10	5	22	4	3
12	38	38	35	46	50	33	45	26	44
13 to 15	27	30	36	19	26	33	21	23	30
16	16	7	14	5	11	20	8	27	18
More than 16	9	4	10	3	3	9	4	21	5
Employment Status at Enrollment									
Unemployed	91	93	98	75	80	92	99	99	90
Employed	9	7	2	25	20	8	1	1	10
Had never worked	0	1	0	0	0	0	0	0	0
Last Worked[a]									
Within the past month	12	16	9	7	22	11	28	9	11
More than one month ago but within past year	74	67	77	68	70	78	59	78	74
1 or 2 years ago	12	14	11	21	7	9	8	12	13
3 or 4 years ago	1	2	1	3	1	1	4	1	1
5 or more years ago	1	2	2	2	1	1	1	1	1
Reason Left Last Job[b]									
Discharged or fired	12	7	8	15	14	9	23	10	18
Laid off/business closed	69	63	77	49	64	75	50	79	62
Other reason	8	13	7	8	13	6	11	7	7
Quit	5	9	4	13	6	4	11	2	5
Temporary/seasonal job ended	7	8	4	15	4	6	5	3	8
Years Worked at Current/Most Recent Job									
Less than 1 year	34	39	26	53	33	28	37	28	36
1 to 5 years	45	35	43	35	43	52	49	48	47
6 to 9 years	8	8	15	5	8	8	6	10	6
10 or more years	13	17	17	7	16	13	8	14	11
Average	4	5	6	3	5	4	3	5	4

Table III.7 *(continued)*

Characteristic	All Sites	Phoenix, AZ	Maricopa County, AZ	Bridgeport, CT	Jackson-ville, FL	Atlanta, GA	Northeast Region, GA	North Cook County, IL	Charlotte, NC
Received Public Assistance at Enrollment	20	31	10	45	20	18	15	7	23
Sample Size	**7,922**	**646**	**673**	**1,033**	**779**	**1,408**	**171**	**1,809**	**1,403**

Source: Study Tracking System for the ITA experiment (data extract as of 5/17/04).

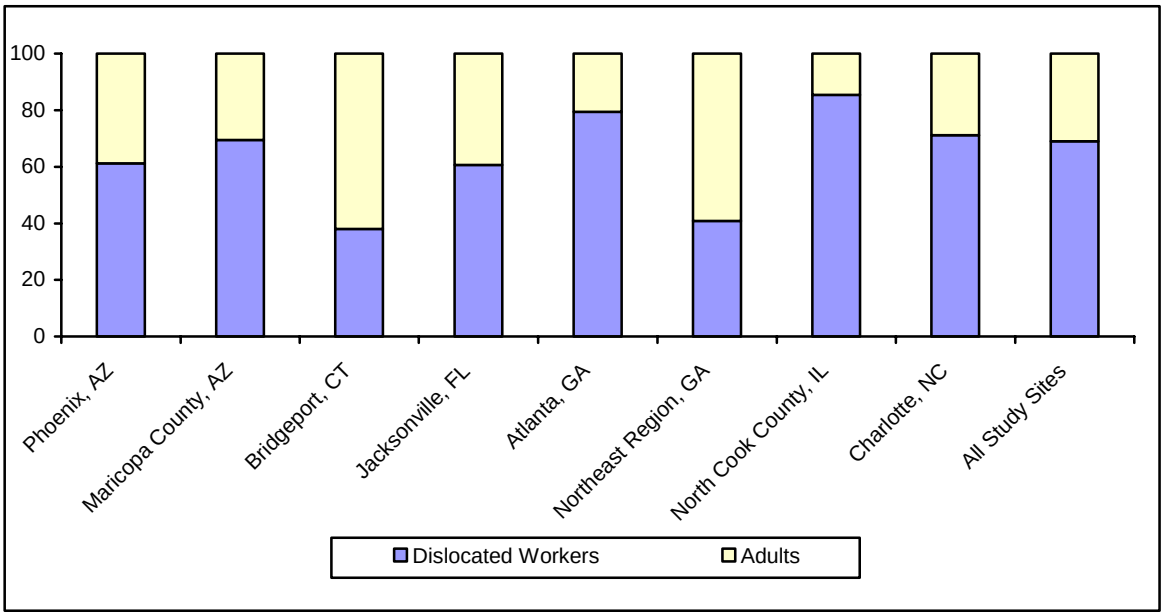
[a]For those not working at enrollment.

[b]For unemployed at enrollment.

Some variation in the race and ethnicity of ITA customers occurred across sites, reflecting the differences in the general population in the sites. In four sites—Bridgeport, Atlanta, Northeast Georgia, and Charlotte—about half or more of the ITA customers are African American. The Arizona and Bridgeport sites have a high proportion of Hispanic/Latino customers. North Cook County is the only site where a substantial proportion (15 percent) of the ITA customers are Asian.

Customers also differed by whether they were served through the adult or dislocated-worker funding stream (Figure III.4). As we discuss in Chapter IV, counselors noted that customers in these two groups tended to have different counseling requirements. Overall,

Figure III.4. Percentage of ITA Study Participants Who Are Dislocated Workers



Source: Study Tracking System for the ITA experiment (data extract as of 5/17/04)

about two-thirds of ITA study participants were dislocated workers. This is a somewhat higher proportion than in the United States as a whole, where only 54 percent of all customers receiving occupational training and exiting WIA in PY 2001 were dislocated workers (calculated from the Workforce Investment Act Standardized Record Data).

The percentage of dislocated workers varies significantly across sites. While on average across all sites, 69 percent of ITA customers are dislocated workers, more than 85 percent of ITA customers in North Cook County are dislocated. In contrast, in two sites—Bridgeport and Northeast Georgia—dislocated workers are in a minority, making up less than 41 percent of all ITA customers. Reflecting these differences, the ITA customers in Bridgeport (although surprisingly not in Northeast Georgia) are more likely to be employed or to have worked within the past month than in North Cook County. They are also less educated, on average, than the customers in North Cook County and are more likely to receive public assistance.

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CHAPTER IV

IMPLEMENTING THE ITA APPROACHES

Each site in the ITA experiment was asked to implement each of the three ITA approaches described in Chapter II. The ITA award structure, counseling requirements, and requirements for program approval were clearly defined, and each counselor was trained in all three approaches. This chapter draws on evidence collected through in-person interviews, focus groups, reviews of case files, and observations of counseling sessions to describe how the approaches were actually implemented in the real-world conditions of the One-Stop Centers and how they deviated from the planned approaches. It also provides qualitative evidence on the responses to the approaches from customers, counselors, and training providers.

The evidence presented in this chapter suggests that, while Approaches 2 and 3 were generally implemented as planned, Approach 1 was not. This was true in all sites. While counselors implemented each of the required Approach 1 activities and completed the necessary paperwork, they did not buy in to the approach's philosophy. They were rarely willing to be directive to customers, did not push customers toward low-cost, high-return training, and rarely, if ever, vetoed customers' training choices that did not meet the Approach 1 requirements. As implemented in practice, Approaches 1 and 2 differed mainly in the ITA award structure. In general, counselors did not provide customers with counseling under Approach 3 unless customers requested it, which they rarely did. Approach 2—the approach closest to the one used before the experiment—was implemented well.

This chapter begins with a description of the training and technical assistance provided to counselors and administrators who participated in the experiment (Section A). The chapter then discusses the three distinctive components of each approach—the ITA award structure, required counseling, and the counselor's role in approving the award (Sections B, C, and D). It concludes with a discussion of the sites' preferred approaches and the approaches they chose to implement after the experiment (Section E).

A. TRAINING AND TECHNICAL ASSISTANCE ON IMPLEMENTATION

Considerable attention was paid to training counselors in the implementation of the three approaches and the experiment procedures, as well as in providing ongoing technical assistance. No counselors or other site staff complained about inadequate training or assistance.

Before the experiment, all counselors who were to work with customers in the experiment attended a two-day training session. One or two managers or supervisors also attended the session so they could monitor the work of the counselors and be able to train, at a later date, any new counselors who would work with experiment participants. MPR staff conducted the training at each of the grantee sites. Each training participant received a detailed, grantee-specific training manual (Perez-Johnson and Bellotti 2001).

The training covered the specific requirements for each approach. It also described in detail how to complete the forms and worksheets. Counselors were walked through how to counsel specific hypothetical customers under each approach. In addition, training covered the experiment's requirements, including the Baseline Information Form and Participation Agreement, random assignment, and completion of data collection forms. An additional day of training was devoted to the operation of the Study Tracking System (STS).

After this initial training, designated site liaisons at MPR were available to answer questions and provide additional assistance. Regularly scheduled (biweekly, later monthly) conference calls occurred with site staff to address their questions and monitor implementation. Site staff frequently contacted MPR with questions at other times, both by telephone and by e-mail.

About three months after intake into the experiment began, we conducted site visits to each site. The goals of these visits were primarily to monitor the implementation of the approaches and the experiment and to provide further technical assistance to the sites. During these visits, we observed orientations, conducted case file reviews, and had semistructured discussions with counselors and local managers. Based on these visits, we determined that most procedural aspects of the ITA experiment were proceeding as planned. We provided further training and technical assistance on aspects of the approaches that were not always being implemented correctly or about which local staff felt uncertain. Examples of the most frequently addressed issues are:

- Asking staff not to disclose the Approach 1 cap during orientation
- Making sure staff provided detailed information on the full range of counseling services available to Approach 3 customers during orientation
- Minimizing the provision of unsolicited counseling to Approach 3 customers
- Addressing questions about completion of the Training Costs and Benefits Worksheet

Our impression was that counselors understood the requirements of Approach 1.

B. ITA AWARD STRUCTURE

One of the main ways in which the three approaches differed is the method used to control how much each customer could spend on training. Under Approach 1, counselors were responsible for controlling spending, and customers received a customized ITA to fully cover training costs. The amount was capped but at an amount that was not expected to be binding. Customers under Approaches 2 and 3 received a fixed ITA award of the same amount, which was much lower than the Approach 1 cap.

1. Effect on Customer Choice

Evidence collected from talking with the counselors and customers suggests that, while the higher possible award amount under Approach 1 influenced customers' choices to some degree, its effect was not as large as we expected. Its effect was limited for two reasons. First, in all sites, the cap under Approaches 2 and 3 was high enough that many programs were still affordable. In general, the cap under Approaches 2 and 3 did not limit the customers' choice of an occupation for which to train. To some extent, this was because community colleges were important providers of training, and as they are partially subsidized by public funds, most of the programs they offer were affordable to customers under all three approaches.

Second, as discussed below, evidence suggests that providers may have responded to the different approaches by lowering prices for customers under Approaches 2 and 3 and perhaps raising prices for Approach 1 customers. To the extent this occurred, this would reduce any effects of the difference in the ITA amount across approaches.

Although the difference in award structure did not have large effects, it did affect customers' choices in three ways. First, the higher Approach 1 cap made some higher-cost programs more accessible. Therefore, although training programs did exist for most occupations that cost less than the cap under Approaches 2 and 3, the higher Approach 1 cap allowed customers to choose from a wider range of training programs. These included the more expensive programs that proprietary schools offer, which often are more intensive, shorter, and more flexible in start and end dates than those community colleges offer. Proprietary school programs also tend to offer more individualized instruction and placement assistance.

Second, staff reported that some Approach 1 customers knew the cap on their potential award, or at least knew that it was higher than the cap under Approaches 2 and 3, and used this knowledge to ask counselors for additional courses and certifications. Counselors reported that ITA customers learned the cap on each approach through observing the ITA awards given to other customers. Counselors may also have told customers the amount of the Approach 1 cap. Early in the experiment, site visitors observed counselors disclosing the

Approach 1 cap during orientations.[1] Providers often were willing to add additional courses or certifications, especially in open-entry, open-exit programs, where the additional cost of providing additional courses or certifications is low.

Third, while Approach 1 customers received only one award customized to the training program they attended, customers under Approaches 2 and 3 could come back for more training if they did not spend their entire ITA award on the first training program. Staff in some sites noted that some customers under Approaches 2 and 3 did come back for a second ITA or additional training-related supplies. This was especially common in Bridgeport, where the costs of available training programs were generally well below the $3,000 cap under Approaches 2 and 3.[2] Thus, Bridgeport ITA customers could often purchase more than one training program with their fixed ITA awards.

2. Provider Response to the ITA Award Structure

Before the experiment, many One-Stop Center staff alleged that providers changed the prices of their training programs in response to changes in the caps on the ITAs. Evidence collected from counselors, customers, and providers suggests that some providers—primarily proprietary schools—reacted to the experiment by discounting prices of training programs for customers under Approaches 2 and 3. Some schools—especially those teaching information technology programs—had reduced overall demand for their services and, therefore, had strong motivation to increase the number of ITA holders who attended their programs.

Counselors and ITA managers in several sites also alleged that providers raised their prices for Approach 1 customers. These allegations were more common in the four sites—Phoenix, Maricopa County, North Cook County, and Charlotte—that had a substantial number of proprietary training providers. However, we found little evidence that this practice was widespread. To some extent, this may be because community colleges and universities do not have the same flexibility to change their prices as do proprietary schools and, because they do not rely on WIA customers to the same degree, they have less of an incentive to do so.

C. COUNSELING

The three ITA approaches varied in the counseling required, with customers under Approach 1 having the most counseling requirements and nearly all counseling being voluntary under Approach 3. Some structured counseling was also required under Approach 2, but it was not as directive or intensive as under Approach 1.

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[1] The counselors were instructed not to disclose the cap in future orientations.

[2] The Bridgeport site was unique in that it negotiated with training providers on the prices and content of programs made available to its customers, instead of relying solely on the programs available in the market. This helped ensure that a wide range of relatively inexpensive training options were available to customers.

Next, we describe how counseling was implemented under Approaches 1 and 2. We organize the discussion around four main counseling topics: (1) choice of occupation for which to train, (2) program research, (3) comparisons of training options, and (4) feasibility of completing training. We end the section with a description of the extent that counseling took place under Approach 3.

1. Choice of Occupation

The first decision the customer had to make was which occupation to train for. Under Approach 1, counselors were instructed to steer customers to well-paying occupations in high demand locally. Approach 2 had no specific requirements for occupation choice, but counselors were encouraged to review customers' occupational choices. Approach 3 had no counseling requirements.

Our assessment was that, under any approach, counselors had only a small effect on occupation decision making. Counselors reported that they rarely affected a customer's occupation choice. The counseling process did not significantly alter the occupation choice of any customer we interviewed during the site visits or observed in a counseling session. This was true in all sites and did not seem to vary by the extent of occupational counseling that occurred prior to random assignment.

The extent to which counselors directed Approach 1 customers toward high-return occupations also appears to be limited, for reasons discussed below. For example, counselors frequently allowed Approach 1 customers laid off from the information technology industry to train for occupations in this industry, even though it was no longer a high-demand occupation. The most direction to Approach 1 counselors was given in Jacksonville—the site that had used an approach before the experiment that was closest to Approach 1. It required all Approach 1 customers to train for an occupation on the high-wage, high-demand occupation list.

Opportunities for Counseling. Counselors saw few opportunities to counsel on occupation choice, for three main reasons. First, many customers did not want to change occupations. Counselors consistently reported that few customers expressed interest in a major career change. Many customers, especially dislocated workers, wished to return to work as soon as possible and, thus, gravitated to short-term training. Therefore, many customers wished to take one or two courses to brush up on existing skills or to learn an additional skill so that they could be more competitive in the labor market for their current occupation.

Second, a substantial proportion of customers had already chosen an occupation when they were randomly assigned. Counselors estimated that well over half the customers had strong ideas about the occupation they would train for at random assignment. We corroborated this estimate through our customer interviews. Of the 31 customers on which we documented information about their occupation choice, 29 stated that they had already chosen an occupation at that time. Even in those sites that provided minimal occupation counseling before random assignment—Jacksonville, Atlanta, Northeast Georgia, and North

Cook County—customers had clear ideas about the occupation they wished to train for. This suggests that most customers had chosen an occupation before they initially came to the One-Stop Centers, rather than making their choices during counseling before random assignment.

Third, for the most part, counselors felt that customers' occupational choices were reasonable. Counselors felt that many customers, especially dislocated workers, had done substantial research on their own and had based their occupational choices on good labor market information. However, counselors also felt that many customers, especially those funded under the adult funding stream, made occupation decisions based on little information.

Reluctance to Be Directive. Even when customers had not made choices before random assignment or when those choices were not based on good information, counselors were reluctant to push customers toward high-return occupations. We identified four main reasons for this reluctance.

First, counseling had always been a collaborative process in which the counselors made suggestions but did not direct customers into occupations or training programs. Asking counselors to be more directive was counter to the counseling methods they had used throughout their career at the One-Stop Center. In only one site (Jacksonville) did counselors direct customers only to those occupations on the high-wage, high-demand occupation list, and this requirement was imposed by the administrators of the One-Stop Centers and was not left to counselor discretion.

Second, counselors strongly embraced the WIA principle of customer empowerment and believed that respecting customers' choices was essential to their success. They believed that, if they were more directive, customers would be much less likely to complete the training program.

Third, counselors viewed much of the labor market information as unreliable and an insufficient reason to change customers' occupation choices. For example, they viewed information on the high-wage, high-demand occupation list as frequently out of date, inaccurate, and not specific enough to a particular local area.

Fourth, when dealing with customers with extensive experience in a highly specialized field (such as information technology), some counselors felt they were not knowledgeable enough about distinctions between available options to judge the customer's occupation choice. As we discussed in Chapter III, some counselors were relatively inexperienced and many were not trained in vocational counseling. Some counselors who had no postsecondary degrees were counseling customers with graduate degrees. Although counselors felt sufficiently well qualified to help customers reflect on important generic considerations when making occupation and training choices, they felt less comfortable prescribing a specific program to customers.

High-Wage, High-Demand Occupation List. Jacksonville was the only site that imposed the requirement that customers must choose from this list. Interestingly,

Jacksonville was the only site to emphasize high-return training in its ITA policies before the experiment. Four other sites—Phoenix, Bridgeport, Charlotte, and Atlanta—stopped short of requiring the chosen occupation be on the list, but they actively used the list to get Approach 1 customers to reconsider occupations. In contrast, three other sites—Maricopa County, North Cook County, and Northeast Georgia—used the list very little.

Other Occupational Research Tools. Other tools developed to help customers under Approaches 1 and 2 with occupational research were not consistently used. Our evidence suggests that this was not due so much to limitations in the tools, but rather to the fact that counselors were unwilling or unable to be directive to customers. For example:

- ***Guide to High-Return Training.*** This guide was widely distributed, usually at the orientation. Counselors were required to discuss the guide with the customers in Approach 1 during the first counseling session. In practice, however, counselors did not review the guide with customers systematically under any approach.

- ***Occupational Research Worksheet.*** This worksheet was not a required tool and was used only in three sites—Phoenix, Maricopa County, and Jacksonville.

Provision of Guidance on Occupation Choice. While counselors reported they had little effect on most customers' occupation choices, they did help a small number of customers with their occupation decisions. These included customers who, in the counselor's judgment, were making poor occupational choices. For example, a Jacksonville counselor told a customer that long-distance truck driving would not be suitable for a single parent. They also included a small number of customers, usually adults, who had no idea what occupation to train for.

Counselors sometimes helped customers make their occupational choices more specific. For example, counselors in Phoenix and Maricopa County reported that they helped customers interested in the medical field decide between phlebotomy and surgical technician. Similarly, counselors sometimes suggested adding certifications to a customer's choice of occupation. For example, they might have suggested adding phlebotomy to a nursing assistant program.

2. Program Research

Counselors in all sites believed that researching training programs was extremely important. Hence, counselors were rigorous in enforcing the experiment's research requirements for customers under Approaches 1 and 2 across all sites. Almost all counselors and customers interviewed for this study considered the program research forms developed for the experiment useful. Several counselors reported, and customer interviews confirmed, that the consideration of other providers opened the customers' eyes to a wider range of programs and led some customers to change their minds about a training program that they would have gone to without counseling.

Under Approaches 1 and 2, all sites required customers to research at least two programs (Table IV.1). Four sites required Approach 2 customers to research at least three programs; six sites required Approach 1 customers to research at least three programs. In all sites, however, the research requirement for customers of Approaches 1 and 2 was relaxed if the required number of programs on the ETP list did not exist within a reasonable commuting distance or if the alternatives were unsuitable for the customer.

Table IV.1. Program Research Requirement

	Number of Programs That Customers Must Generally Consider	
	Approach 1	**Approach 2**
Phoenix, AZ	3	3
Maricopa County, AZ	3	3
Bridgeport, CT	3	3
Jacksonville, FL	2-3 (varies by counselor)	2-3 (varies by counselor)
Atlanta, GA	3	2
Northeast Region, GA	2	2
North Cook County, IL	3	3
Charlotte, NC	3	2

Sites differed in other requirements for how this research should be conducted. Three sites—Jacksonville, North Cook County, and Charlotte—allowed counselors substantial discretion to determine the scope of the research. Customers in these sites could research programs in one or more occupations depending on the certainty of the customer's occupational preference and the number of potential training providers. The remaining sites, in contrast, typically required customers to research several programs in the same occupation, although exceptions were made to allow customers to consider programs in closely related occupations if warranted.

Sites also varied in the extent to which they required their customers to conduct program research through in-person visits to providers' training programs as opposed to through Internet research or telephone calls. Although counselors in all sites were enthusiastic about the efficacy of on-site program research and strongly encouraged such visits, only one site (Bridgeport) required all customers under Approaches 1 and 2 to visit at least one provider in person.

Just as many customers came to the One-Stop Center having chosen an occupation, many customers also came with a strong idea about the training program in which they wanted to enroll. These ideas were developed in three ways:

1. ***Reverse Referrals.*** Under a reverse referral, people who come to a school inquiring about training are told by the school about potential funding available from the local workforce investment board. School staff in one site sometimes

even accompanied their potential students to the approach-specific orientation sessions (although they were not permitted to attend the orientation itself).

2. ***Marketing.*** Some counselors believed that providers marketing directly to the unemployed had a significant effect on ITA customers' program choices. Several of the proprietary providers we interviewed confirmed that their schools advertised extensively through television or radio and considered these advertisements effective in bringing in customers.

3. ***Personal Recommendations.*** Many customers came to the One-Stop Center wanting to go to a school that a friend or relative had recommended.

Counselors considered mandatory program research especially important for customers who were reverse referred by providers. Because the referral can lead to customers getting public resources to pay for training that they would have otherwise paid for on their own, a reverse referral can produce a strong loyalty to a provider.

The extent of reverse referrals varied considerably across the sites. Counselors in three sites—Northeast Georgia, North Cook County, and Charlotte—stated that providers referred at least 20 percent of ITA holders. Counselors in the other sites, however, suggested that the practice was relatively uncommon.

3. Comparisons of Training Options

After customers had completed program research, counselors were to work with them to compare training programs.

Approach 1. Under Approach 1, counselors were to use the Training Costs and Benefits Worksheet to determine the net financial benefits from each program and direct customers to training determined, by the calculations on the form, to be high return.

The qualitative evidence suggests that counselors did not use the results of this exercise to direct customers to a training program in any site. Indeed, at the beginning of the experiment, some counselors manipulated the inputs into the calculations so that the program that the customer wanted had the highest "net benefit." For example, some placed a higher starting wage for a training program that the customers preferred, even if all the training programs were for the same occupation.

After counselors had been told not to manipulate the calculations in this way, our assessment is that many counselors used nonfinancial factors to override the net benefit results when the net benefit results did not give the results that the customer wanted. Consideration of nonfinancial factors was allowed under the Approach 1 requirements. However, counselors were expected to override the financial findings only when the nonfinancial factors were overwhelming. In some cases, counselors did perceive these factors as overwhelming but also reported that, in general, they did not hesitate to override the net-benefit results for Approach 1 customers. The nonfinancial factors used to override the net-benefit results included:

- ***Instruction Characteristics.*** These included class size and whether instruction was self-paced, computer-based, or delivered in a lecture format.

- ***Location.*** Counselors cited this as one of the most important factors in the customer's training decision.

- ***Starting Dates.*** Prompt starting time for a program was important because it could speed customers' reentry into the work force.

- ***Schedules.*** Day versus evening schedules or how much time needed to be spent each day might have been important in ensuring that the program fit with the customer's family responsibilities.

- ***Program Duration.*** Customers often were eager to return to work and, therefore, often strongly preferred shorter programs.

Two main factors may explain why counselors did not direct customers to the programs with higher net benefits as indicated by the calculations on the Training Costs and Benefits Worksheet. First, counselors did not think the net-benefit calculations indicated the best program for the customer. It was difficult to estimate the wages given up during training. The available data on expected wages after training were not sensitive to differences in programs, such as the quality of instruction or whether they provided placement assistance. Moreover, counselors viewed nonfinancial factors as important in determining whether customers would complete training. Second, directing customers to specific programs was counter to the collaborative nature of the counseling they conducted.

Counselors also felt that completing the Training Costs and Benefits Worksheet was sometimes not a useful exercise. In practice, there might not be more than one training program to compare, or the available training programs were so similar that they yielded the same net benefits.

The result of these practices was that counselors generally did not direct Approach 1 customers to high-return training nor did they modify these customers' original ideas in significant ways. Moreover, they rarely denied training to Approach 1 customers.

Approach 2. Counselors did not need to complete a Training Costs and Benefits Worksheet for Approach 2 customers or direct customers to a particular training program. Instead, they worked with customers on the Training Options Comparison Form, which asked customers open-ended questions about the programs. Counselors viewed this as a useful tool because it organized the information collected during program research.

4. Feasibility of Program Completion

Under Approaches 1 and 2, after customers selected a program, counselors were required to discuss the feasibility of completing the program with them. This included whether the ITA award and other available resources could cover the costs of training and

whether the customer had enough household income to meet expected living expenses during the training period. The counseling requirements under Approaches 1 and 2 were similar. Customers were to be guided through the Training Costs Form to compare program costs and training resources, the Income and Expenses Worksheet to help them determine if they had enough income to cover their household income while in training, and the Training Budget Worksheet to show how training costs would affect their household budgets. As described in Section D, the only difference between Approaches 1 and 2 was that, under Approach 1, counselors could veto any training program not viewed as feasible.

Although, in general, the experimental tools were new to counselors, the review of customers' training decisions for financial feasibility was not. In most sites, counselors indicated that feasibility was a central component of ITA counseling before the experiment because sites were concerned about funding training that customers might not be able to complete.

WIA customers were also commonly required to explore feasibility considerations and the opportunity cost of participating in training before approval for training services. Such discussions would be more general, however, and focused on the overall feasibility of participating in training and would have taken place before random assignment and enrollment in the study. The experiment's feasibility activities were specifically focused on the customer's likelihood of completing the selected program.

Although counselors recognized that feasibility decisions were important, their opinions about the Training Budget Worksheet and Income and Expenses Worksheet for their customers under Approaches 1 and 2 were varied. Some counselors viewed these forms favorably. Many customers, they felt, made casual decisions about budgetary matters before the exercises posed by the experiment's forms forced them to reconsider these decisions. Thus, counselors saw the forms as helping customers think realistically about budget constraints and the need to either choose a shorter training program, adjust expenses, or figure out alternative income sources during the training period. As one counselor in Atlanta remarked, "When they see the costs and their financial responsibilities laid out on paper, some will decide to pursue a shorter training program."

On the other hand, a few counselors thought that feasibility discussions were only moderately helpful because most customers had already considered feasibility in sufficient detail before random assignment, either on their own or through planning for training during core or intensive services. Some counselors also felt that the worksheets did not accurately portray the factors in the feasibility decision because customers did not fill out the forms accurately, or they deliberately exaggerated income or understated expenses to ensure that the cash flow would be positive.

In general, customers accepted the feasibility exercises willingly. A few felt the need to furnish personal financial information for the Income and Expenses Worksheet was intrusive, however.

Counselors rarely used the results of these exercises to veto a customer's training choice. If the Approach 1 customer's choice did not look feasible given their other financial

responsibilities, counselors might suggest to customers (but not insist) that they consider shorter-term training. Alternatively, they would prod customers to think of ways of making up a budget shortfall, by either cutting household expenses or seeking other sources of income. Counselors noted that it was easy for customers to overcome shortages in the cash flow if the customers simply asserted that "my mother will help" or "I will refinance my mortgage." Counselors tended to accept these representations readily.

5. Counseling Under Approach 3

At the Approach 3 orientation, counselors were to offer to help customers select a training program but provide assistance only if the customer explicitly requested it.

With some exceptions, counselors faithfully adhered to the requirements of this approach. Observations of orientations and interviews with counselors suggest that counselors offered counseling to Approach 3 customers and made it clear that it was not mandatory. All counselors acknowledged substantial differences in the way they handled customers in Approach 3 versus those in Approaches 1 and 2.

Some counselors did, however, provide a small amount of unstructured counseling to Approach 3 customers, regardless of any request. For example, counselors in Charlotte, Phoenix, and Maricopa County—sites that stressed occupational counseling—admitted discussing feasibility with their Approach 3 customers informally during the orientation sessions, without worksheets. Some counselors also brought up feasibility informally when customers came in for their training vouchers. One factor that prevented counselors providing counseling to Approach 3 customers was that counselors felt they did not have time to provide additional counseling given their high caseload.

Other factors may also have led customers to conduct some research into training programs. For example, in Bridgeport, Phoenix, and Maricopa County, all customers, regardless of approach, had to obtain a written training plan that would become a part of the site's contract with the school if an ITA were actually issued. This meant that they had to collect some information about the school. Moreover, some *providers* also strongly promoted in-person visits before customers made their training decision, and some even required it before the customer could be enrolled.

Counselors in all sites report that customers under Approach 3 used little counseling. Counselors reported that many Approach 3 customers requested an ITA at the orientation or soon afterward, and the STS data corroborated this (Chapter V).

Counselors were concerned about customers making their training decisions without professional guidance. A few counselors contended that the absence of significant contact with staff contributed to a higher rate of attrition from the program among Approach 3 customers because nobody was available to help with their personal problems or difficulties in making the choice. As we discuss in Chapter V, the quantitative data do not support this view.

D. FINAL PROGRAM APPROVAL

A major difference between Approach 1 and Approaches 2 and 3 was that counselors could veto customers' program selections under Approach 1 but not under Approaches 2 and 3. Approach 1 customers' final program selections had to meet three requirements. They had to be (1) considered a high-return training option, (2) a program that the customer has a reasonable chance of completing with their available resources, and (3) on the ETP list.

In practice, our evidence suggests that counselors rarely, if ever, vetoed Approach 1 customers' training choices for not meeting the first two of these requirements. This was not because the customers' choices always met the requirements. Rather, counselors were reluctant to exercise their veto power. Counselors did not hesitate to override the results of the comparison of the financial returns of different programs based on nonfinancial factors or to accept unquestioningly customers' representations of their ability to complete a training program. In no site did we hear that managers and supervisors who reviewed the final program choice would ask counselors of Approach 1 customers to reconsider their approval.

According to the counselors, this reluctance to veto choices was because they believed that the matching of training choices to customers' preferences was a critical determinant of their success in achieving program completion and good employment outcomes. Counselors worked on making decisions collaboratively, building upon a good rapport established between counselors and customers. Thus, while counselors suggested alternatives to customers or might have pointed out factors that the customers should consider when pursuing training, they were uncomfortable being directive.

As counselors rarely vetoed customers' choices, counselors reported that program approval ended up looking very similar under all three approaches. Counselors remarked that the biggest difference that they saw between their roles in working with customers under Approaches 1 and 2 was that the former entailed more paperwork.

E. SITES' PREFERRED APPROACH

Of the experiment's three approaches, most sites preferred Approach 2. As mentioned earlier, counselors were uncomfortable being directive under Approach 1. In addition, they viewed completing the Approach 1 required forms and worksheets as burdensome. On the other hand, they were also uncomfortable with not providing any counseling under Approach 3. Approach 2 embraced the two elements that counselors believe are most important in counseling: (1) encouraging program research, and (2) assessing the feasibility of completing the training program. It was also most similar to the approach that most sites used before the experiment.

Managers and counselors were in a fair amount of agreement in their views about the ITA approaches. Perhaps this was because managers recognized the inherent difficult difficulties in implementing an approach that frontline staff disliked.

The sites' preferences on the approach to managing ITAs are reflected in their choice of approach after the experiment (Table IV.2). None of the sites chose to adopt the exact

specifications of any of the experiment's approaches. Most sites reverted to the general approach they used before the experiment. However, Phoenix and Bridgeport implemented more structured counseling than they had before the experiment.

The major modifications to the experimental approaches the sites made were aimed at reducing paperwork they viewed as unnecessary. The counselors viewed some of the tools used during the experiment as useful for some customers, but not for all of them. For example, North Cook County retained the Program Research Form but made its use voluntary. In several sites, use of forms was left up to counselors' discretion. For example, counselors are encouraged in Atlanta to use the Training Budget Form if feasibility questions remain after an informal discussion of the topic. Use of the Training Costs and Benefits Worksheet was continued in three sites, but the counselors were not required to direct customers to the highest-return training program.

Table IV.2. Approach Adopted After the Experiment in June 2004

Site	Approach Adopted After Experiment	Major Modifications to Approach Used Before Experiment
Phoenix, AZ	Between Approaches 1 and 2	Training Costs and Benefits Worksheet used for information only Modified occupational research form
Maricopa County, AZ	Between Approaches 1 and 2	Training Costs and Benefits Worksheet used for information only Modified occupational research form
Bridgeport, CT	Between Approaches 1 and 2	Requirement to research two providers Can use Approach 1 if best for the customer
Jacksonville, FL	Between Approaches 1 and 2	Modified Training Costs and Benefits Worksheet Extensive counseling provided
Atlanta, GA	Approach 2	None
Northeast Region, GA	Approach 2	Counselors can use forms at their discretion for some customers.
North Cook County, IL	Approach 2	Mandatory program research, including use of Program Research Form
Charlotte, NC	Approach 2	Counselors can use forms at their discretion for some customers.

Most sites chose to return to the caps they used before the experiment (Table IV.3). Maricopa County, Bridgeport, Atlanta, Northeast Georgia, North Cook County, and Charlotte all chose to implement the caps they used before the experiment. In most of these sites, the cap chosen after the experiment was also the cap for Approaches 2 and 3 during the experiment. Jacksonville returned to using the three-tier cap approach it used before the experiment but used caps commensurate with those used during the experiment. The cap for the lowest-wage tier was the cap for Approaches 2 and 3; the cap for the highest-wage tier was the cap for Approach 1. Only Phoenix raised its cap after the experiment. Its rationale was that it wanted to accommodate customer demand for certain high-cost programs in popular fields such as information technology, nursing and other health care, automobile repair, refrigeration, and mechanical maintenance.

Table IV.3. Caps Used by Sites Before, During, and After the Experiment

Site	Pre-Experiment Caps	Caps Under Experiment	Postexperiment Caps
Phoenix, AZ	$3,000-$4,000 (depending on length)	$3,000 (A2 and A3) $8,000 (A1)	$6,000
Maricopa County, AZ	$3,500	$3,000 (A2 and A3) $8,000 (A1)	$3,500
Bridgeport, CT	$3,000	$3,000 (A2 and A3) $7,000 (A1)	$3,000
Jacksonville, FL	Tiered: $4,600-$8,900	$3,000 (A2 and A3) $6,000 (A1)	Tiered: $3,000-$6,000
Atlanta, GA	$5,000 (first year)	$5,000 (A2 and A3) $8,000 (A1)	$5,000 (first year)
Northeast Region, GA	$3,000 (first year)	$4,000 (A2 and A3) $8,000 (A1)	$3,000 (first year)
North Cook County, IL	$3,000 (first year)	$3,000 (A2 and A3) $8,000 (A1)	$3,000 (first year)
Charlotte, NC	$4,000	$4,000 (A2 and A3) $8,000 (A1)	$4,000

A1 = Approach 1; A2 = Approach 2; A3 = Approach 3.

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CHAPTER V

INTERMEDIATE IMPACTS OF THE ITA APPROACHES

The three approaches tested in the ITA experiment were designed to be sufficiently different from one another that important customer outcomes could differ from approach to approach (Perez-Johnson et al. 2000). For example, we expected the proportion of ITA customers who participated in training to vary according to the degree of customer choice and control over final training decisions, as well as the caps on ITA awards. We also expected differences in the types of training programs chosen by customers, reflecting approach differences in the ITA awards, the amount of counseling customers received, and the prescriptiveness of such counseling. Differences in training choices could, in turn, lead to differences in the rates of training completion and average customer earnings by approach, among other outcomes.

This chapter explores the impacts of the three ITA approaches on intermediate outcomes. We examine differences by approach in participants' (1) rate of service initiation after random assignment, (2) receipt of ITA counseling services, (3) enrollment in ITA-funded training, and (4) training selections. We also examine impacts on expenditures on training. Impacts of the approaches on other final outcomes, such as training completion rates, employment and earnings, and customer satisfaction, will be examined in the evaluation's final report.

The evidence presented in this chapter suggests that important differences did in fact emerge in customer outcomes by approach. Customers assigned to Approach 3 were significantly more likely than Approach 1 or 2 customers to attend their approach-specific ITA orientations, suggesting that subsequent counseling requirements influenced customers' decisions to initiate ITA services after random assignment. Approach 3 customers were also significantly more likely to secure program approval to initiate ITA-funded training. This was not surprising, given the approach's almost automatic approval of customers' selections. Customers assigned to Approach 1 were about as likely as Approach 2 customers to participate in ITA-funded training (although we expected fewer Approach 1 customers to receive training). Consistent with their potential access to more ITA resources, Approach 1

customers selected more expensive programs and received higher ITA awards than customers under Approaches 2 and 3, making this approach the most costly for our study sites. We also found some significant differences in participants' program and provider selections by approach, which could influence their final outcomes.

Our analyses use participant-level data from the experiment's Study Tracking System (STS). As discussed, MPR developed this data system in collaboration with DOL to collect uniform information across our study sites on the characteristics of ITA study participants and their participation in ITA counseling activities and training. We conducted a full extract of data from the system on May 14, 2004, after random assignment had ended in all study sites. By this time, most study participants had been enrolled in the study long enough to participate fully in the activities for their assigned ITA approach and for key outcomes to be observed.

Our discussion focuses on overall differences in outcomes by approach for all study sites combined. More specifically, we compare outcomes for customers assigned to Approaches 1 and 3 to outcomes for customers assigned to Approach 2. We selected Approach 2 as our "reference" approach, since it most closely approximates the procedures that our study sites would have followed—and, hence, likely outcomes—without the ITA experiment. To estimate outcomes by approach, we pooled all study participants assigned to a given approach across our study sites and gave them equal weight, regardless of their site of origin. Our rationale for pooling across sites is based on three factors: (1) all sites were asked to implement the same three approaches; (2) the implementation of the three ITA approaches was similar across our study sites; and (3) while the contextual factors do vary across the sites, we saw them as having had a limited influence on the outcomes of ITA study participants by approach (see Chapters III and IV).[1] We conducted subgroup analyses and also present these results, highlighting important differences in the pattern or level of outcomes by site or customer type throughout the chapter.

A. PARTICIPATION IN THE ITA EXPERIMENT

Sample sizes for the evaluation of the ITA experiment are substantial. During the experiment's intake period (December 2001 to February 2004), 8,331 customers were enrolled in the study and randomly assigned to one of its three ITA approaches. Customers randomly assigned during the first month of intake for each grantee site were considered a pretest group and so were excluded from our analyses. The results presented here reflect the experiences of the remaining 7,922 ITA customers.

[1] Whether we weight each study participant or study site equally could potentially affect our estimates because of the large differences in the size of the study samples by site. To assess the robustness of our findings, we also examined average impacts across the six ITA grantee sites (that is, combining the Phoenix and Maricopa County and the Atlanta and Northeast Georgia participant samples) for key ITA outcomes: (1) the initiation of ITA services after random assignment, and (2) participation in ITA-funded training. Our main conclusions were left unchanged by those analyses.

The experiment's participant sample is not evenly distributed across our eight study sites. North Cook County, which was the pilot site for the study and operated the ITA experiment for almost two years, accounts for 1,806 study participants, or 23 percent of the study sample (Table V.1). Enrollment in the remaining study sites was smaller in part because they operated the experiment for a shorter period (generally, 18 months). However, differences in enrollment across the remaining sites also reflect differences in their scales of operation and overall emphasis on training (see Chapter III). Atlanta and Charlotte are the next two largest study sites, each with 18 percent of the overall study sample. Bridgeport accounts for 13 percent of the study sample. Northeast Georgia is the smallest study site, with only 174 study participants, or about two percent of the study sample. These differences in size heighten the importance of examining outcomes by study site, to ensure that our general findings are not driven by one or more of our larger study sites.

Table V.1. Participation in the ITA Experiment (Percentages)

	Overall	Approach 1	Approach 2	Approach 3
Total Enrollment	100.0	33.4	33.4	33.2
Enrollment, by Study Site				
Phoenix, AZ	8.2	33.1	33.9	33.0
Maricopa County, AZ	8.5	33.3	33.0	32.7
Bridgeport, CT	13.0	33.3	33.4	33.3
Jacksonville, FL	9.8	33.8	33.4	32.9
Atlanta, GA	17.8	33.6	33.3	33.1
Northeast Region, GA	2.2	33.3	31.8	31.9
North Cook County, IL	22.8	33.4	32.7	33.3
Charlotte, NC	17.7	33.3	33.4	33.4
Enrollment, by Customer Type				
Dislocated Workers	68.9	32.4***	34.3	33.3
Adults	31.1	35.6***	31.5	32.9
Sample Sizes	**7,922**	**2,646**	**2,649**	**2,627**

Source: Study tracking system for the ITA experiment (data extract as of 5/17/04).

Notes: Percentages may not sum to 100 due to rounding.

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

1. Integrity of Random Assignment

The ITA experiment relied on random assignment to ensure that equivalent groups of WIA customers were served under the three ITA approaches. Successful implementation of the experiment's random assignment procedures would mean that differences in average outcomes for the three ITA groups can be interpreted as resulting from differences in the ITA approaches, with a known degree of statistical precision. For example, the difference in average rates of participation in training for Approach 1 and Approach 2 would represent the effect of Approach 1 on training participation relative to Approach 2. Before examining differences in outcomes by approach, therefore, we need to assess whether random assignment was successfully implemented.

Our analysis of STS data suggests that implementation of the experiment's random assignment procedures was successful in two important respects:

1. ***Customers were evenly distributed across the ITA approaches.*** As Table V.1 shows, approximately one-third of participants across our eight study sites were randomly assigned to each of the ITA approaches. One-third of ITA clients were also randomly assigned to each approach *within each grantee*, suggesting that there were no systematic departures from random assignment procedures at any study site.

2. ***The random assignment process yielded statistically equivalent groups of participants assigned to each approach.*** There were small differences in approach assignments by customer type. The study participants who qualified for ITA services as dislocated workers were slightly less likely to be assigned to Approach 1, while "adult" ITA customers were more likely to be assigned to this same approach (Table V.1).[2] Still, participants assigned to the three ITA approaches had similar distributions along core baseline characteristics, with only one small exception. Relative to Approach 2 customers, customers assigned to Approach 1 were slightly more likely to be employed at enrollment (Appendix Table B.1).

Grantee sites also appeared to implement intake and random assignment procedures well. In our site monitoring, we found no evidence that local staff bypassed random assignment procedures for specific clients or allowed clients to cross over from one approach to another. The tools and procedures developed for each approach, together with staff training, appeared successful in minimizing the probability that counselors mistakenly administered the wrong approach to any ITA study participant. In our site visit discussions,

[2] Even under random assignment, small differences may occur by chance in the proportion of customers of each type across approaches. To account for the differences in the probability of random assignment to a given approach according to customer type (that is, adults versus dislocated workers) and other demographic characteristics, we developed regression-adjusted estimates of our key outcomes (again, initiation of ITA services and participation in ITA-funded training). These analyses also left our main conclusions unchanged.

local staff seemed to understand the key differences among the three ITA approaches and to feel confident in their ability to deliver the correct services to ITA customers according to their approach assignment. We found little evidence that staff used the tools or procedures prescribed for one approach to serve customers assigned to other approaches. As a result, we expect any bias in our impact estimates due to crossovers or contamination to be relatively small.

2. Participant Tenure in the ITA Experiment

At the time of our STS data extraction, 92 percent of ITA study participants had been randomly assigned six months before or earlier (Table V.2). Across all study sites, the average tenure of ITA study participants in the experiment was 14 months. Nevertheless, there were differences in average participant tenure by study site, mainly reflecting their different start and end dates for intake into the ITA experiment. Participants from Atlanta, Northeast Georgia, and North Cook County had the highest average tenures (between 16 and 17 months; see Appendix Table B.2), as these sites were among the first to start and end intake into the experiment.[3] In contrast, Bridgeport, the last study site to start and end ITA operations, had the lowest participant tenure—nine months on average. Even in this last study site, nearly all ITA study participants had ample time to move through ITA counseling, complete their counseling requirements, secure program approval, and enroll in training.[4] However, some ITA study participants (across all our study sites) may not have had enough time to complete the programs chosen. For this reason, our report does not present estimates of the effects of the ITA approaches on program completion.

B. PARTICIPATION IN ITA COUNSELING SERVICES

As part of the experiment, counselors in the eight study sites were asked to record customer participation in required and voluntary ITA counseling activities within the STS. We used these data to examine differences in the receipt of training-related counseling by approach. This section presents our findings on customers' initiation of ITA services after random assignment and receipt of ITA-related counseling.

[3] North Cook County started ITA operations (as the pilot site for the experiment) in December 2001; intake in this site ended in September 2003. Atlanta and Northeast Georgia started ITA operations in May 2002; intake in these sites ended in April 2003 and June 2003, respectively.

[4] In Bridgeport, intake for the ITA experiment ran from August 2002 through February 2004. At the time of our STS data extract (in May 2004), all ITA study participants from this site had been enrolled in the study for three months or longer.

Table V.2. Participant Tenure in the ITA Experiment (Percentages Unless Otherwise Noted)

	Overall	Approach 1	Approach 2	Approach 3
Distribution, by Months in the ITA Experiment				
Less than 1 month	0.5	0.6	0.4	0.5
1 to less than 2 months	0.5	0.5	0.5	0.5
2 to less than 3 months	0.6	0.5	0.6	0.6
3 to less than 4 months	1.2	1.2	1.2	1.2
4 to less than 6 months	5.2	5.4	5.1	5.2
6 months or more	91.9	91.8	92.1	92.0
Average Tenure in ITA Experiment (Months)	14.3	14.3	14.3	14.3
Sample Size	**7,922**	**2,646**	**2,649**	**2,627**

Source: Study tracking system for the ITA experiment (data extract as of 5/17/04).

Notes: Percentages may not sum to 100 due to rounding.

1. Service Initiation After Random Assignment

After participants learned the results of random assignment, the ITA approaches varied in the number of steps customers had to complete to get access to training. To receive an ITA, customers assigned to Approach 3 only had to attend their approach-specific orientation. In contrast, customers assigned to Approaches 1 and 2 had to attend similar orientations but also complete subsequent counseling requirements, with more intensive requirements for Approach 1 than for Approach 2. These differences in the number of steps or "hoops" that customers had to complete or "jump through" to gain access to training could have influenced their rates of ITA service initiation after random assignment.

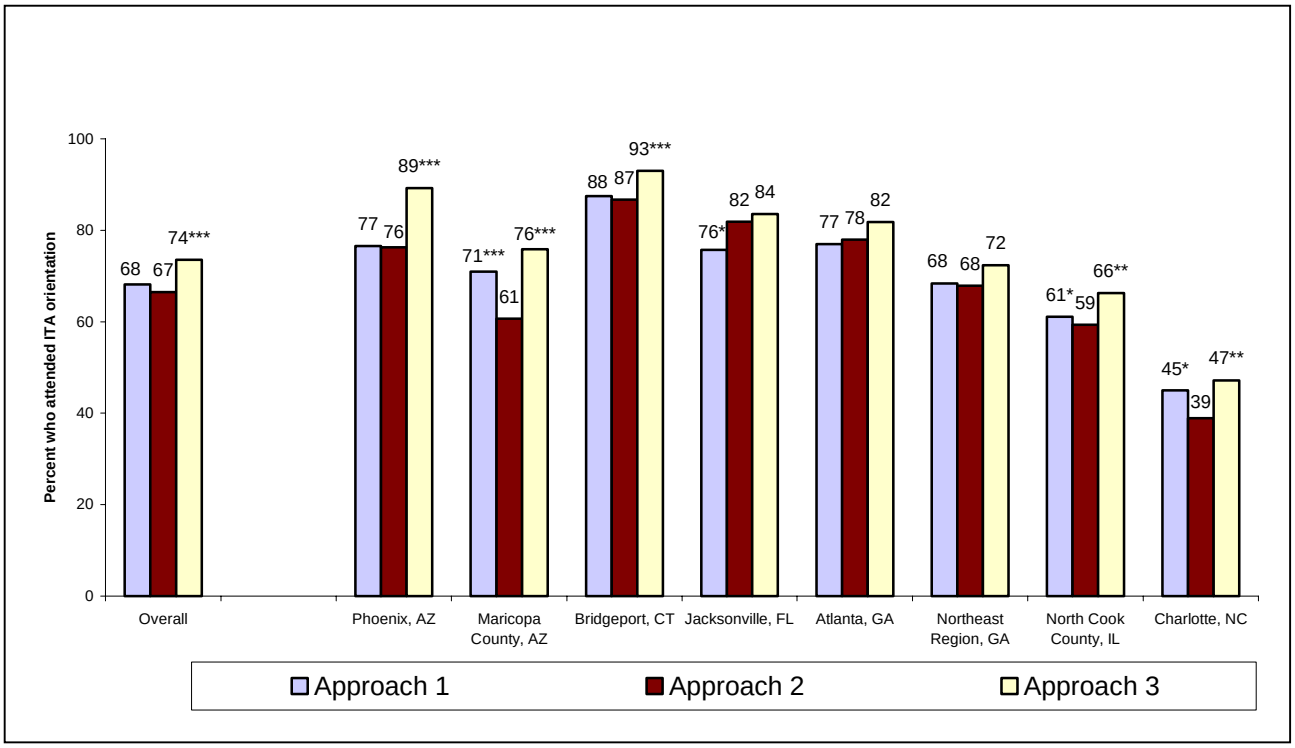
Our results suggest that subsequent counseling requirements influenced customers' decisions to seek ITA support for training. Customers assigned to Approach 3, which had minimal counseling requirements, were significantly more likely than customers assigned to Approaches 1 or 2 to initiate ITA services after random assignment—by attending orientations—so they could receive ITA support for training. About 74 percent of Approach 3 customers attended their approach-specific ITA orientations, compared to 68 and 67 percent of Approach 1 and Approach 2 customers, respectively (Figure V.1).[5] Recall that the only difference between Approaches 2 and 3 was the imposition of counseling requirements, since customers assigned to both approaches received the same

[5] Estimating average rates of orientation attendance by approach across our sites yielded essentially the same results. The average rate of orientation attendance for Approach 2 customers was 69 percent, which was comparable to the average rate for Approach 1 (70 percent) and significantly lower than the average rate for Approach 3 (76 percent; not shown). Similarly, regression adjustments to take into account differences in the background characteristics of ITA study participants by approach yielded statistically equivalent orientation attendance rates for Approaches 1 and 2 and a statistically significant difference of seven percentage points between the attendance rates for Approaches 2 and 3 (not shown).

fixed ITA award. Moreover, study participants had a sense of the key differences among the approaches even before they attended their ITA orientations since those differences were outlined in the experiment's participation agreement, which participants had to sign to become a part of the study and proceed to random assignment. Hence, these findings suggest that, when counseling is required, fewer customers pursue ITA support for training.

Meanwhile, Approaches 1 and 2—both of which imposed counseling requirements on customers—had comparable rates of orientation attendance (68 and 67 percent, respectively). However, Approach 1 imposed more intensive counseling requirements on customers than did Approach 2 and gave counselors the authority to veto customers' training selections. The comparable orientation attendance rates for Approaches 1 and 2 suggest that the possibility of receiving a higher ITA award (relative to Approach 2) may have persuaded some Approach 1 customers to proceed with ITA services, despite its more intensive counseling requirements and the chance of counselor disapproval. This result is also consistent with our finding that ITA customers knew about the higher cap on Approach 1 awards, although local staff were asked not to divulge this information. The possibility of counselor disapproval is unlikely to have played a large role as counselors rarely disapproved the training choice.

Figure V.1. ITA Service Initiation by Approach After Random Assignment, Overall and by Study Site



Source: Appendix Table B.4.

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

We found this pattern in ITA service initiation rates by approach in most study sites. In all study sites, Approach 3 had the highest rate of ITA orientation attendance (Figure V.1). However, the difference in attendance rates for Approaches 2 and 3 was not statistically significant in Jacksonville, Atlanta, and Northeast Georgia. Compared to Approach 2 customers in their same sites, Approach 1 customers in Maricopa County, North Cook County, and Charlotte had significantly higher orientation attendance rates, while Approach 1 customers in Jacksonville had significantly lower rates. Awareness of the Approach 1 cap is one factor that could have contributed to this site variation. Other possible factors include differences in counseling before random assignment, differences in the perceived generosity of ITA awards (relative to the cost of local training options), and differences in economic conditions across our study sites. The lower rate in Jacksonville could reflect customer awareness of the site's policy of restricting ITA training under Approach 1 to a relatively narrow set of high-wage, high-demand occupations or any of the aforementioned factors.[6] Jacksonville also had the lowest cap for Approach 1 awards among our study sites.

There were important differences in the rates of ITA service initiation by study site. Overall rates of ITA service initiation (for all approaches combined) ranged from 89 percent in Bridgeport to 44 percent in Charlotte (Table V.3). In all study sites except Charlotte, at least 60 percent of study participants initiated ITA services after random assignment.

These differences do not appear to be related to the timing of ITA orientations, since the study sites with lower service initiation rates are not necessarily the ones with larger delays between customer approval for training services and random assignment (Table V.3). The observed differences in the number of weekdays elapsed from determination of training eligibility to random assignment are due mainly to delays at the study sites in the time it took local staff to enter the customers' information into the Study Tracking System and submit the customer for random assignment. Random assignment results were returned to all sites within two business days. Delays in data entry ranged from 3.5 days in Northeast Georgia to over 12 days in Maricopa County (Appendix Table B.3).

We attribute Charlotte's low overall rate of ITA service initiation to the fact that, relative to other study sites, intake into the experiment and random assignment occurred relatively early in Charlotte's WIA client flow process. Hence, a larger proportion of ITA customers from this site enrolled in the experiment before they were fully committed to participating in training and may have changed their minds about training relatively early in the ITA process. The rate of ITA service initiation was similar for adults and dislocated workers (Appendix Table B.4).

[6] Recall that, in the other ITA study sites, local staff used the lists of high-wage, high-demand occupations to counsel Approach 1 customers on occupations that offered strong prospects for employment and/or career growth in the local area but did not restrict the selections of Approach 1 customers to occupations on these lists.

Table V.3. Overall Rates of ITA Service Initiation and Timing of ITA Orientations, by Study Site

Study Site	Overall Rate of ITA Orientation Attendance, for All Approaches Combined (Percent)	Weekdays Elapsed from Determination of Training Eligibility to Receipt of ITA Random Assignment
Phoenix, AZ	80.7	8.3
Maricopa County, AZ	69.1	14.1
Bridgeport, CT	89.1	13.4
Jacksonville, FL	80.4	10.7
Atlanta, GA	78.9	11.0
Northeast Region, GA	69.6	4.9
North Cook County, IL	62.2	5.6
Charlotte, NC	43.7	8.5

Source: Appendix Tables B.3 and B.5.

Across all study sites combined, a substantial minority of ITA customers (between 25 and 35 percent) appeared to forgo training regardless of how their ITAs were specified or administered (see overall bars in Figure V.1). Staff interviews suggested that the customers who dropped out right after random assignment commonly became employed or decided that training was not the right strategy at the time. Limitations of the grantees' ETP lists—that is, the provider and program options that were available and not available—also could have been a factor in customers' decisions to forgo ITA training at this stage. However, local staff perceived customer attrition during the ITA experiment to be similar to what it was prior to the experiment. The only exception was Jacksonville, where local staff reported that more Approach 1 customers were forgoing training because of the site-specific requirement that program selections be made from the high-wage, high-demand list.

2. Receipt of ITA Counseling

Beyond the approach-specific orientations, ITA counseling activities fell into three main categories: (1) exploring high-return training, (2) researching and comparing program options, and (3) testing the economic feasibility of the final training choice. Approach 1 customers were required to participate in all three types of activities. Approach 2 customers needed to complete only the activities related to program research and feasibility. Approach 3 clients had voluntary access to all services but were not required to participate in any. Within each of these clusters of activities, the experiment's counseling requirements were further organized as worksheets for the study participants to complete and discuss with their assigned counselors. Approach 1 customers had to complete eight such activities (including orientation), while Approach 2 customers had to complete six. Approach 3 customers had to complete only one (attend their ITA orientation).

In this section, we discuss our findings regarding participation in ITA counseling activities. Before presenting our results, it is important to note the limitations of our data. Our findings reflect staff reports of customer participation in required and voluntary ITA activities. To obtain STS approval for an ITA customer's final program selection, local counselors had to submit information verifying that the customer had completed required activities. While counselors were also instructed to report participation in voluntary activities, they may not have been as diligent about submitting this information (since program approval did not hinge upon it). Alternatively, counselors may have given participants credit for completing an activity so the customer could receive STS program approval, even if the activity was not covered as thoroughly or as carefully as the experiment's procedures called for.

The STS data show significant differences in participation in counseling by approach, with Approach 1 customers completing the most activities. Among study participants who initiated ITA services, Approach 1 customers completed an average of seven counseling activities (including orientation), compared to five activities for Approach 2 customers and one for Approach 3 customers (Table V.4). Because more than one activity was usually completed in a given session, the average number of counseling sessions ITA customers attended was lower and showed less variance by approach. Those Approach 1 customers who initiated ITA services attended, on average, 2.5 ITA counseling sessions, compared with 2.2 sessions for Approach 2 customers and 1.1 sessions for Approach 3 customers (Table V.4). Differences by approach were all statistically significant.

Meanwhile, Approach 3 customers seldom used voluntary services. Only 4 percent of the ITA customers assigned to Approach 3 participated in any counseling beyond orientation, compared with 58 percent of Approach 2 customers and 65 percent of Approach 1 customers (Table V.4). When they did participate in voluntary counseling, the activity Approach 3 customers were most likely to complete was program research. Nevertheless, our results suggest that, when given the choice, customers pursuing training typically do not participate in counseling to help them select a training occupation and provider.

As discussed in Chapter IV, site visit interviews and observations of counselor-customer interactions suggest that some local counselors may have provided limited counseling to Approach 3 customers without these activities being recorded in the STS. Even when taking this into consideration, we believe the magnitude of the differences in participation in ITA counseling activities by approach to be large enough that statistically significant differences would likely persist even if STS records of participation were completely accurate.

Table V.4. Participation in ITA Counseling (Percentages Unless Otherwise Noted)

	Overall	Approach 1	Approach 2	Approach 3
No Counseling After Random Assignment	30.4	31.6	33.4	26.3***
Attended Approach-Specific ITA Orientation	69.4	68.2	66.5	73.6***
Attended Counseling Beyond ITA Orientation	42.5	65.2***	58.2	3.8***
Guide to high-return training	22.8	64.8***	2.6	0.9**
Review high-wage, high-demand occupations	22.5	64.2***	2.2	1.0
Program research	39.9	59.7**	57.3	2.4***
Training cost form(s)	38.0	57.5	55.6	0.6***
Training options comparison	21.8	9.2***	55.5	0.4***
Training costs and benefits	20.4	56.5***	4.3	0.2***
Income and expenses	37.9	57.2	55.9	0.5***
Training budget	37.4	56.4	55.1	0.3***
Average Number of Activities Completed				
All ITA study participants	3.1	4.9***	3.5	0.8***
Participants who initiated ITA services	4.5	7.2***	5.3	1.1***
Average Number of Counseling Sessions				
All ITA study participants	1.3	1.7***	1.5	0.8***
Participants who initiated ITA services	1.9	2.5***	2.2	1.1***
Sample Size	**7,922**	**2,646**	**2,649**	**2,627**

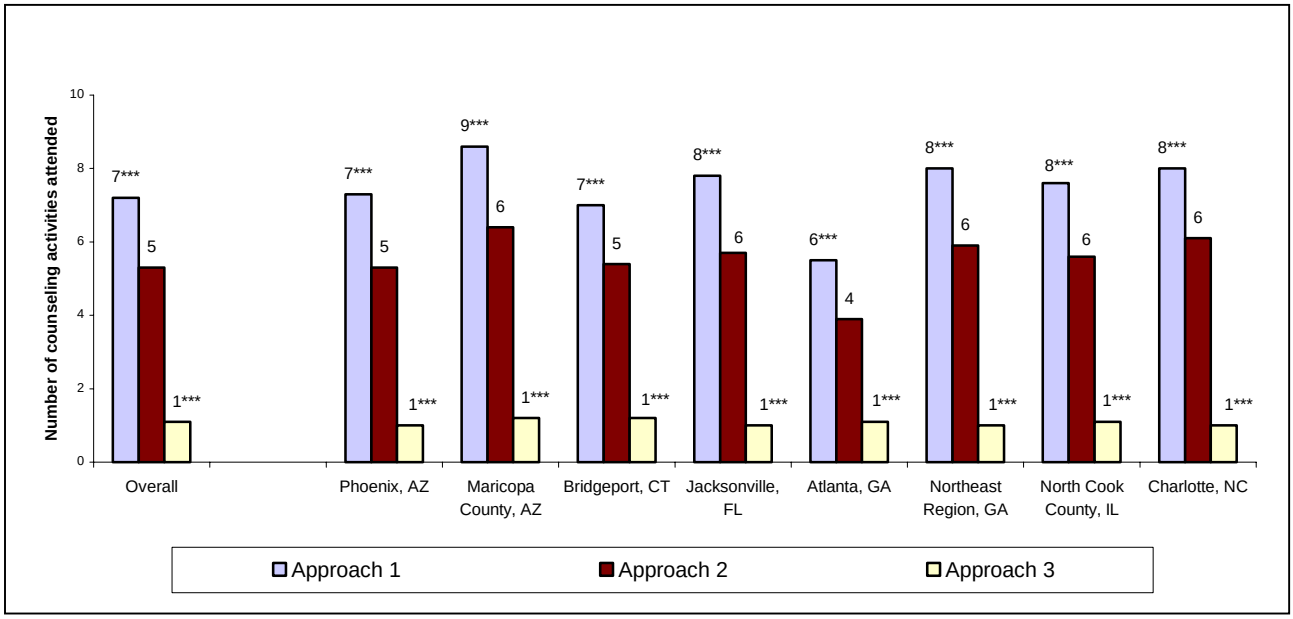
Source: Study tracking system for the ITA experiment (data extract as of 5/17/04).

Notes: Percentages may not sum to 100 due to rounding.

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

We observed this same pattern in all study sites and for adults and dislocated workers. For each of our study sites, the STS data show that Approach 1 customers participated in a significantly larger number of ITA counseling activities (Figure V.2) and attended more in-person counseling sessions than Approach 2 customers (Appendix Table B.4), while Approach 3 customers typically attended only one activity (Figure V.2).

Figure V.2. Participation in ITA Counseling Activities by Approach, Overall and by Study Site



Source: Appendix Table B.4.

Note: Figures are for ITA study participants who initiated ITA services.

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

The similarity in patterns of counseling receipt across approaches in all the study sites suggests that differences in their relative "work-first" orientation and intensity of counseling provided prior to random assignment (discussed in Chapter III) did not affect customers' decisions much. Similarly, differences in the prevalence of reverse referrals across our study sites did not appear to influence the amount of counseling received by ITA customers.

Further STS analyses also lend credence to our finding that Approach 3 customers received limited ITA counseling. During our visits, counselors reported that Approach 3 customers often submitted their program selections at their ITA orientations or soon thereafter and that their selections were commonly based on information that the Approach 3 customers had gathered on their own before orientation. To validate these reports, we examined STS data on the time elapsed between random assignment and receipt of program approval. These analyses confirmed that Approach 3 customers secured ITA program approval earlier, and thus enrolled in training sooner, than Approach 1 or 2 customers. On average, Approach 3 customers secured approval of their selected programs six weeks after random assignment, compared to seven weeks for Approach 2 customers and eight weeks

for Approach 1 customers (Table V.5).[7] We observed this same pattern across all study sites (Appendix Table B.3). Hence, our results suggest a statistically significant difference in the timing of entry into training for ITA customers according to their approach assignment, which likely reflects differences in their participation in ITA counseling.

Table V.5. Average Number of Weeks Elapsed Between Key ITA Experiment Events (Percentages)

	Overall	Approach 1	Approach 2	Approach 3
All Study Sites				
Determination of WIA Training Eligibility to Receipt of Random Assignment	1.9	1.9	1.9	1.9
Determination of WIA training eligibility to STS data entry	1.6	1.6	1.6	1.6
STS data entry to transmittal to MPR	0.0	0.0	0.0	0.0
Transmittal to MPR to receipt of random assignment	0.3	0.3	0.3	0.3
Determination of WIA Training Eligibility to ITA Program Approval	8.9	10.0***	8.8	8.0***
Receipt of random assignment to ITA program approval	7.0	8.1***	7.0	6.0***

Source: Appendix Table B.3.

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

C. PARTICIPATION IN ITA TRAINING

In the experiment, Approach 3 customers who wanted to initiate training only had to submit their program selections to their assigned local counselors. As long as the customer had attended the required ITA orientation and the state's ETP list included the selection, the counselor had to approve the selection and the customer could start training. We expected

[7] We suspect that these results overestimate the amount of time elapsed between random assignment and ITA program approval, due primarily to delays in STS data entry. Our estimates are based on the difference between each customer's date of random assignment and the approval date for the first ITA voucher entered into the STS. Yet, analyses to assess the timeliness of random assignment suggested notable delays in STS data entry. Across our eight study sites, there was an average delay of eight weekdays between determinations of training eligibility by counselors and entry of intake information by the sites' STS managers before submission of cases to MPR for random assignment (Appendix Table B.3). Similar (or longer) delays are likely to have occurred as data on training approvals were entered into the STS (since data entry for random assignment was considered a higher priority).

Approach 3 customers to have the highest rate of participation in ITA-funded training because of the approach's relatively low threshold for program approval. Compared to Approach 3, we expected Approaches 1 and 2 to have lower rates of participation in ITA-funded training since, in addition to attending their ITA orientations and selecting programs on the state's ETP list, customers assigned to these approaches had to complete counseling requirements. Under Approach 1, customers had more intensive counseling requirements, and counselors could direct customers to a specific set of training options and reject their choices. Because of these features, we expected the proportion of ITA customers participating in training to be lowest under Approach 1.

The STS data show that Approach 3 customers had significantly higher rates of ITA program approval. As Figure V.3 shows, 65 percent of Approach 3 customers received approval for a program to pursue ITA-funded training, compared with 58 percent of Approach 2 customers.[8] In every site, the training rate for Approach 3 customers was also higher than for customers assigned to Approach 2, although the Approach 2/3 difference was statistically significant in only four of our eight study sites (Phoenix, Maricopa County, Bridgeport, and Charlotte). These results are not surprising, given the approach's automatic approval features, although (as we discussed in Chapter IV) some local staff expected fewer Approach 3 customers to participate in training because of the lack of counselor support as these customers finalized their training decisions.[9]

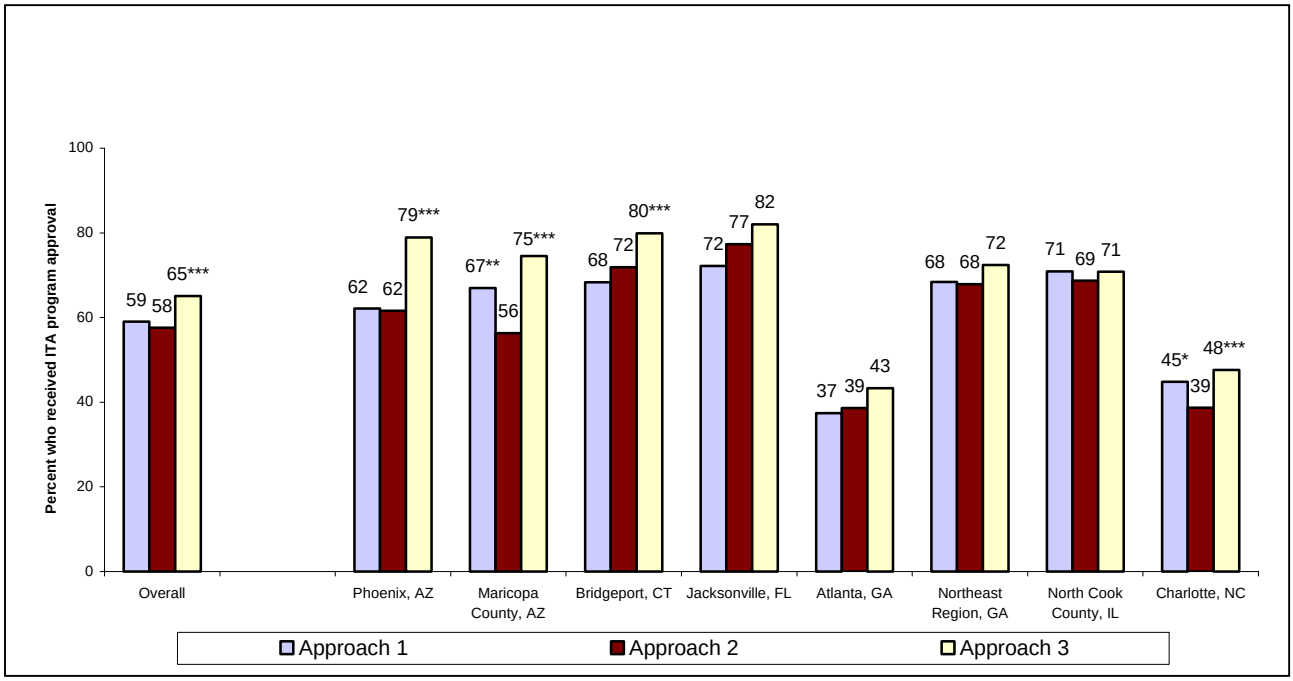
Meanwhile, Approach 1 and 2 customers had comparable rates of ITA program approval. As Figure V.3 shows, 59 percent of Approach 1 customers received ITA program approval, which was statistically equivalent to the rate of training approval for customers assigned to Approach 2—58 percent. This result is consistent with counselor reports that they rarely denied training to Approach 1 customers.

We found the same pattern in training rates in most study sites and for adults and dislocated workers (Appendix Table B.5). However, in Maricopa County and Charlotte, Approach 1 customers had significantly higher rates of program approval than Approach 2 customers (Figure V.3). Awareness of the higher ITA awards possible under Approach 1 among customers in Maricopa County and Charlotte could have boosted the rates of participation in training for Approach 1 relative to the other ITA approaches in these sites.

[8] Estimating average rates of program approval by approach across our grantee sites yielded essentially the same results. The average rate of program approval for Approach 2 customers was 60 percent, which was statistically equivalent to the average rate for Approach 1 (60 percent) and significantly lower than the average rate for Approach 3 (67 percent; not shown). Regressions to take into account differences in the background characteristics of ITA study participants by approach yielded a statistically significant difference of seven percentage points between the program approval rates for Approaches 2 and 3 (not shown).

[9] To explore who was more likely to receive ITA support for training under Approach 3, we compared the baseline characteristics of Approach 2 and 3 customers who secured program approval for ITA-funded training. However, across all study sites combined, the only statistically significant difference we found in the characteristics of Approach 2 and 3 customers who received ITA support was that Approach 3 customers were less likely to have been discharged or fired from their last jobs (see Appendix Table B.10).

Figure V.3. Participation in ITA-Funded Training by Approach, Overall and by Study Site



Source: Appendix Table B.4.

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

Recall that Maricopa County and Charlotte were also two of the three study sites with significantly higher rates of ITA service initiation for Approach 1 relative to Approach 2, which would also be consistent with greater awareness of the Approach 1 caps.

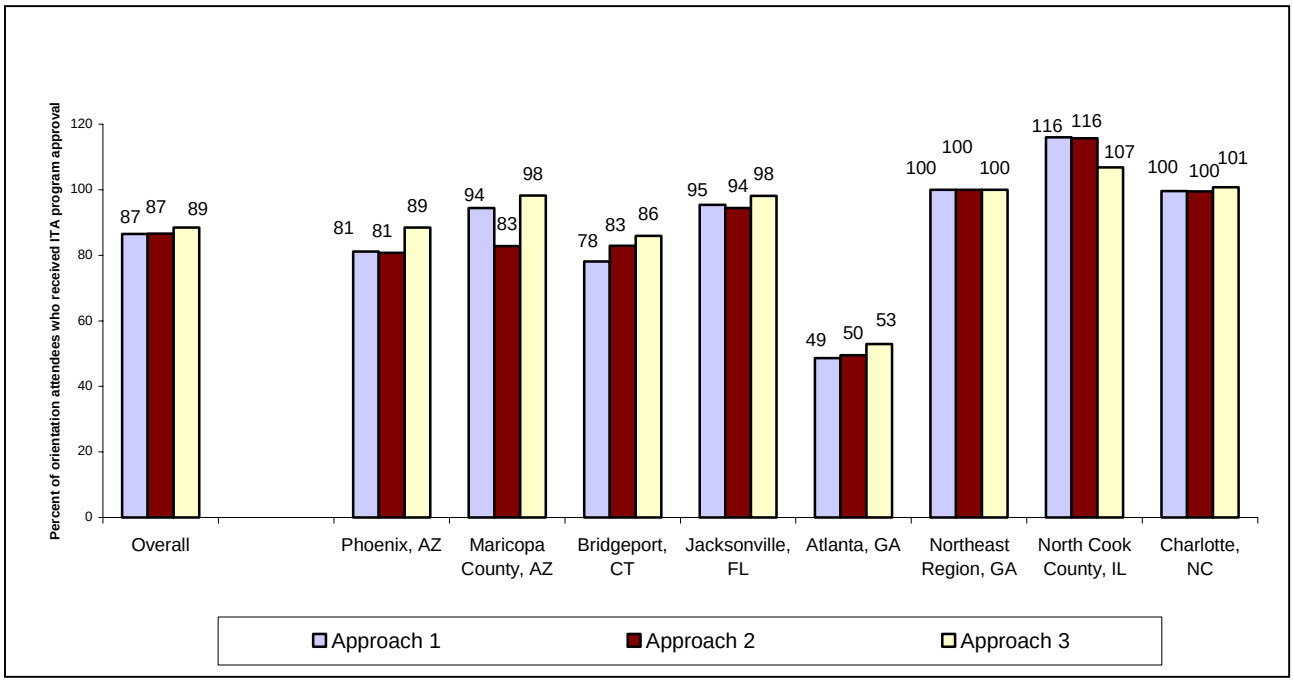
There were notable differences in training rates across our study sites, however. ITA customers in two study sites—Atlanta and Charlotte—generally had lower rates of ITA program approval, regardless of their approach assignment, relative to ITA customers in our other study sites (see Figure V.3). About 40 percent of ITA customers in Atlanta and 44 percent of ITA customers in Charlotte received ITA program approval, compared to overall rates between 66 and 77 percent in the remaining six study sites (see Appendix Table B.5). In Charlotte, the low ITA training rate may reflect customers' greater likelihood of changing their minds about training. (Recall that Charlotte was also the site with the lowest rate of ITA service initiation after random assignment.) In Atlanta, the relatively low ITA training rate may reflect the availability of state-funded alternatives to ITA-funded training (see Chapter III). The low training rates in both sites could also be related to the amount of time it took customers to secure ITA program approval, although customers in other study sites (for example, Bridgeport) had comparable delays in receiving ITA program approval and, yet, had higher rates of participation in ITA-funded training (see Appendix Table B.3).

Interestingly, although Jacksonville was the only study site to formally restrict the selections of Approach 1 customers to occupations on the list of high-wage, high-demand

occupations, program approval rates in this site were still the highest among all our study sites, both overall and for Approach 1. Approach 1 customers in the Jacksonville site had a lower program approval rate (72 percent) than Approach 2 customers from the same site (77 percent), but the difference in training rates was not statistically significant (Figure V.3).

As long as they initiated ITA services, differences by approach in customers' likelihood of receiving ITA support for training appeared small. By comparing the rates of program approval by approach to the rates of ITA service initiation by approach across all study sites combined, we find that both Approach 1 and Approach 2 customers had a conditional probability of 87 percent for participating in training given that they had attended their ITA orientation, compared to 88 percent for Approach 3 customers (Figure V.4). In Northeast Georgia, North Cook County, and Charlotte, however, conditional probabilities were either 100 percent or greater, which suggests that participation in ITA counseling in these sites is likely underreported, especially for study participants who did not secure program approval and participate in ITA-funded training. Although this potential shortcoming in the STS data means that the estimates of counseling rates may be biased downward and the probability of receiving an ITA given participation in counseling may be biased upward, these biases are likely to affect the three approaches uniformly.

Figure V.4. Probability of Participation in ITA-Funded Training, Given Service Initiation After Random Assignment



Source: Figures V.1 and V.2.

D. TRAINING EXPENDITURES

The ITA approaches were designed so that the participating study sites could spend about the same amount on each approach. Under Approach 1, expenditures were limited by the counselors' ability to be directive and veto training choices. Under Approaches 2 and 3, the fixed ITA amount limited expenditures. This section discusses the differences across approaches in the prices of selected programs, ITA awards, and program expenditures.

1. Prices of Selected Programs

We expected customers assigned to Approaches 2 and 3 to select similarly priced programs, given that these customers all were offered the same fixed ITA. We expected Approach 1 customers, on average, to select more expensive programs than Approach 2 and 3 customers because of the increased flexibility afforded by their customized, higher-cap ITA awards.

The STS data show that Approach 2 and 3 customers selected programs with similar prices that, on average, were lower that their fixed ITA awards. In each study site, customers assigned to Approach 2 or Approach 3 received the same fixed ITA award, which became their cap on ITA expenditures. As discussed in Chapter II, most study sites set these fixed ITA awards at a modest value of $3,000; the main exceptions were Charlotte and Northeast Georgia, which set their fixed ITA awards at $4,000, and Atlanta, which set them at $5,000. As the last row in Table V.6 shows, the average fixed ITA award across all study tes was $3,430, and customers assigned to Approaches 2 and 3 selected programs with an average price of $3,116 and $3,133, respectively. (The price difference for the programs selected by Approach 2 and Approach 3 customers was not statistically significant.) The same pattern was evident for most ITA study sites (Table V. 6).

Table V.6. Average Price of Selected Training Programs (Dollars)

Study Site	Approach 1 Cap	Approach 1 Price	Fixed ITA Cap	Approach 2 Price	Approach 3 Price
Phoenix, AZ	8,000	4,791***	3,000	2,489	2,518
Maricopa County, AZ	8,000	5,659***	3,000	3,204	3,089
Bridgeport, CT	7,000	3,810***	3,000	2,784	3,034
Jacksonville, FL	6,000	4,834***	3,000	3,388	3,300
Atlanta, GA	8,000	4,429	5,000	4,210	4,220
Northeast Region, GA	8,000	3,931	4,000	3,556	3,547
North Cook County, IL	8,000	5,210***	3,000	2,536	2,578
Charlotte, NC	8,000	5,055***	4,000	3,245	3,229
Overall	**7,626**	**4,764*** **	**3,430**	**3,116**	**3,133**

Source: Appendix Table B.6.

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

Nevertheless, the fixed ITA awards appeared to be a binding constraint for many Approach 2 and Approach 3 customers. Across all study sites combined, almost two-thirds of ITA customers assigned to Approaches 2 and 3 selected programs whose price was the same as, or exceeded, their fixed ITA awards (Table V.7). To pursue the training they wanted, these customers had to tap additional sources of support or incur out-of-pocket costs.

Table V.7. Comparison of Price of Approach 2/3 Program Selections to Fixed ITA Awards (Percentages), All Study Sites

	Overall	Approach 2	Approach 3
Distribution by Program Price as a Percent of the Approach 2/3 Fixed ITA Cap			
Less than 50 percent	9.1	9.5	8.7
50 to 79 percent	11.4	11.2	11.5
80 to 99 percent	14.1	13.3	14.8
100 to 119 percent	50.0	50.5	49.5
120 to 149 percent	10.9	10.6	11.1
150 percent or more	4.3	4.5	4.2
Sample Size	**2,902**	**1,343**	**1,559**

Source: Appendix Table B.7.

Notes: Percentages may not sum to 100 due to rounding.

This pattern in the price of Approach 2 and 3 program selections relative to fixed ITA awards was evident in most study sites, rather than just in those that awarded modest (that is, $3,000) ITA awards to their Approach 2 and 3 customers (see Appendix Table B.7). The difference between the average price of these customers' program selections and fixed ITA awards seemed to reflect the generosity of ITA awards relative to the price of local training options. That is, fixed ITA awards in Atlanta and Bridgeport appeared to be relatively generous, as only 46 and 51 percent of Approach 2 and 3 customers from these sites chose programs with price tags equal to, or exceeding, their fixed ITA awards. In contrast, a higher proportion of Approach 2 and 3 customers in the remaining study sites—ranging from 60 percent in Phoenix to 99 percent in Northeast Georgia—chose training programs with prices that equaled or exceeded their fixed ITA awards.

Approach 1 customers, on average, selected programs that were significantly more expensive than those selected by ITA customers assigned to Approaches 2 and 3. As Table V.6 shows, Approach 1 customers selected programs with an average price of $4,764. In contrast, Approach 2 and Approach 3 customers selected programs with average prices of

$3,116 and $3,133, respectively. Hence, across all our study sites combined, Approach 1 customers selected programs that, on average, were about 50 percent more expensive than the programs chosen by Approach 2 and 3 customers.

This pattern of more expensive Approach 1 program selections was evident in all study sites (Table V.6) and for adults and dislocated workers (Appendix Table B.6). In Atlanta and Northeast Georgia, Approach 1 customers generally selected programs that were, on average, more expensive than those chosen by Approach 2 and 3 customers, but the differences were not statistically significant (Table V.6). These sites awarded relatively high fixed ITA awards to Approach 2 and 3 customers.

2. ITA Awards

Under Approaches 2 and 3, the ITA award may be less than the price of the program chosen because the sites paid only up to the fixed ITA amount. Under Approach 1, however, the sites made a commitment to pay the participant's full training cost whenever possible, as long as the selection was considered high-return.[10] Hence, we would expect that there may be even greater differences across approaches in expenditures per trainee than in the average price of selected programs.

Reflecting the higher price of the programs selected by Approach 1 customers, Approach 1 had higher average ITA awards and, therefore, higher expenditures per trainee. Under Approach 1, expenditures *per trainee* ($4,731) were significantly higher than under Approaches 2 or 3 ($2,849 and $2,857, respectively; Table V.8). The difference in expenditures per trainee between Approach 1 and Approaches 2 and 3 is slightly larger than the difference in average program prices because while under Approach 1, the sites paid nearly all the price of the program, average expenditures per trainee under Approaches 2 and 3 were about 91 percent of the average price.[11]

[10] To explore who was likely to receive more generous ITA support under Approach 1, we compared the baseline characteristics of Approach 1 customers who received customized ITAs in an amount greater than the local fixed ITA against the characteristics of Approach 2 customers who also received ITA support for training. This analysis showed that the Approach 1 customers who received higher ITA awards were more likely to be white, male, and married or widowed (see Appendix Table B.10). They were also less likely to be receiving TANF or food stamps at intake and more likely to be receiving "other" public assistance, which may reflect their receipt of UI benefits.

[11] For Approach 1, the difference between the average price of selected programs ($4,764) and ITA expenditures per trainee mainly reflects the fact that some Approach 1 customers selected programs with prices higher than the sites' caps on Approach 1 awards.

Table V.8. Average Cost of ITA Approaches to Local Sites (Dollars Unless Otherwise Noted)

	Approach 1	Approach 2	Approach 3
Average price of selected programs	4,764***	3,430	3,133
Average expenditures per ITA trainee	4,731***	2,849	2,857
Training rate (percentage)	59.0	57.6	65.1***
Average training cost per ITA customer	2,791***	1,641	1,853***

Source: Appendix Tables B.4 and B.6.

Notes: Cost estimates do not include WIA administrative costs or the costs of ITA-related counseling.

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

3. Average Costs

Our analysis suggests that Approach 1 would be the most costly for ITA grantees. Since Approach 1 customers chose more expensive programs and were just as likely as Approach 2 customers to receive ITA funding for training, ITA expenditures per Approach 1 customer were significantly higher than under Approach 2. Taking into account differences in training rates by approach, we estimated significantly higher average costs *per customer* for Approach 1 ($2,791), compared to Approach 2 ($1,641) or Approach 3 ($1,853; Table V.8).

This finding appears to confirm that Approach 1 was not implemented as planned. Given the design of Approach 1, we expected some Approach 1 customers to be denied training. The absence of training expenditures for these customers were expected to offset the higher expenditures on those Approach 1 customers who did get their program selections approved. Hence, we expected Approach 1 to cost grantees about the same amount in training funds, on a per-participant basis, as Approaches 2 and 3. In practice, however, this was not the case.

Our analysis of STS data also shows significantly higher average costs per Approach 3 customer ($1,853) compared to average costs per Approach 2 customer ($1,641; see Table V.8). This is because, while Approach 2 and 3 customers chose programs with similar prices, training rates were significantly higher under Approach 3. When considering total costs for our study sites, the difference in direct training costs for Approach 3 relative to Approach 2 is likely to be mitigated somewhat by the higher rate of ITA participation in counseling for Approach 2 customers, which our cost estimates do not take into account. However, given the relatively small difference in the number of ITA counseling sessions attended by Approach 2 and Approach 3 customers (1.5 and 0.8 sessions, respectively, see Table V.4), we expect Approach 3 to still have significantly higher average costs per ITA

customer even after taking counseling costs into account. We plan to explore cost differences between the ITA approaches in more detail in the evaluation's final report.

E. TRAINING SELECTIONS

Because of elements in their design, we expected the ITA approaches to generate differences in customers' training selections. For example, the types of programs chosen could differ under Approaches 2 and 3 because of the guidance that Approach 2 customers received from local counselors, while Approach 3 customers could make their selections with little required guidance. Meanwhile, because of the greater flexibility in ITA spending and emphasis on high-return training under Approach 1, customers assigned to this approach could have selected different occupations and a wider range of providers (including longer-term and potentially more intensive training programs) compared to Approach 2 or 3 customers. In this section, we examine differences by approach in the training choices made by those study participants who secured program approval and received ITA support for training.

1. Choice of Occupation

Table V.9 presents information on the percent of ITAs issued for particular occupational choices by approach. The table shows the top 20 occupational categories chosen across all ITA approaches and study sites. In addition, the last 10 rows show the proportion of ITAs issued for occupational selections that local staff and administrators expressed concern about during our exploratory and process visits, as well as other occupations for which we found statistically significant differences by approach. The table also indicates the forecasted growth in employment and average earnings nationally in each occupation. The actual growth and earnings in the occupation may, however, vary by local area.

For the most part, ITA customers selected training for similar occupations under each approach. There were few statistically significant differences in ITA occupational selections by approach (Table V.9). This is consistent with counselor reports that ITA customers often had preconceived ideas about the occupation they planned to train for and that counselors found it challenging to steer them in a different direction.

There is some weak evidence that Approach 1 customers were less likely to select low- and moderate-paying occupations and more likely to select high-paying occupations. Compared to Approach 2 customers, customers assigned to Approach 1 were less likely to choose medium to low-paying occupations such as certified nursing aide, administrative assistant, and other health assistant/aide and more likely to choose high-paying occupations such as computer networking and information technology, health technician/technologist, paralegal, dental assistant, and even small business entrepreneurship. Approach 1 customers were also less likely to select training for real estate training, which local staff told us they generally discouraged because compensation is typically commission based and such

Table V.9. Occupational Choices by ITA Approach (Percentages)

Occupation	Employment Growth[a]	Earnings[b]	Overall	Approach 1	Approach 2	Approach 3
Top 20 Occupational Choices:						
1. Computer networking and information technology	M-H	VH	14.8	16.3	14.2	13.9
2. Commercial Driver's License	H	H	13.3	13.4	13.5	13.1
3. Medical assistant/secretary	H	M	5.3	6.1	4.9	5.1
4. Administrative assistant	H	M	5.3	4.0*	5.4	6.4
5. Certified Nurse Aide	H	M	4.9	3.3**	5.2	6.0
6. Medical coding/billing	M	M	4.6	4.5	4.2	5.1
7. Computer programmer	M	VH	4.0	3.9	3.8	4.4
8. Licensed practical nurse or registered nurse	H	H-VH	3.8	4.3	3.6	3.5
9. Database administration	M-H	VH	3.5	3.9	3.5	3.2
10. Web design	H	H	3.3	3.2	3.5	3.2
11. Accounting/ bookkeeping	H	H	3.0	2.4**	3.8	2.8*
12. Health technician/technologist	M	H	2.4	3.0**	1.7	2.5
13. Heating, ventilation, and air conditioning	M	H	2.1	1.7	2.5	2.0
14. Dental assistant	H	M	2.0	2.4***	2.0	1.7
15. Paralegal	M	H	1.7	3.0	1.3	0.9
16. Teaching	M-H	VH	1.4	1.8	1.3	1.2
17. Business/project administration	H	VH	1.4	1.2	1.5	1.4
18. Computer installation, repair, and support	M-H	H-VH	1.3	1.4	1.1	1.4
19. Computer-aided design and drafting	L	H	1.2	1.6	1.1	0.9
20. Data entry/processing	L-M	M	1.1	1.0	1.3	1.0
Other Occupations:						
Barbering and hairstyling	M	L	0.9	0.7	0.8	1.2
Child care	H	L	0.3	0	0.3	0.7**
Cosmetology/manicurist	L	L	0.8	1.1	0.6	0.8
Graphic design	M	H	0.9	0.6**	1.3	0.9
Massage therapy	M	H	0.6	0.6	0.6	0.7
Medical records	M	M	1.1	1.2	0.7	1.3*
Other health assistant/aide	M	H	0.9	0.5***	1.4	0.8**
Real estate	M	H	0.9	0.1***	1.1	1.4
Small business management/ entrepreneurship	--	--	0.4	0.7***	0.1	0.3
Webmaster	H	H	0.6	0.5	0.9	0.4*
ITA Vouchers with Occupation Information			4,759	1,525	1,505	1,729

Source: Study tracking system for the ITA experiment (data extract as of 5/17/04). Employment growth and earnings rankings based on information from Bureau of Labor Statistics (2004a and 2004b).

[a]L=Low, M=Moderate, H=High.

[b]L=Low (up to annual earnings of $19,710), M=Moderate (annual earnings of $19,710 to $27,380), H=High (annual earnings of $27,380 to $41,819), VH=Very high (annual earnings of $41,819 and over).

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

selections could affect the site's WIA performance. These findings are consistent with counselor reports that, in general, they rarely intervened to get ITA customers to rethink their choice of training occupation. However, they also suggest that ITA counseling may have influenced the decisions of some study participants—for example, those who were undecided about a training occupation.

The occupational choices of Approach 3 customers were similar to those of Approach 2 customers. Relative to Approach 2 customers, local customers assigned to Approach 3 were less likely to select training for accounting/bookkeeping, Webmaster, and other health assistant/aide occupations and more likely to select training for occupations such as child care and medical records administration. Interestingly, Approach 3 customers were about as unlikely as Approach 1 or 2 customers to select training for occupations that local staff viewed as poor selections, such as massage therapy, cosmetology, or barbering/hairstyling (Table V.9).

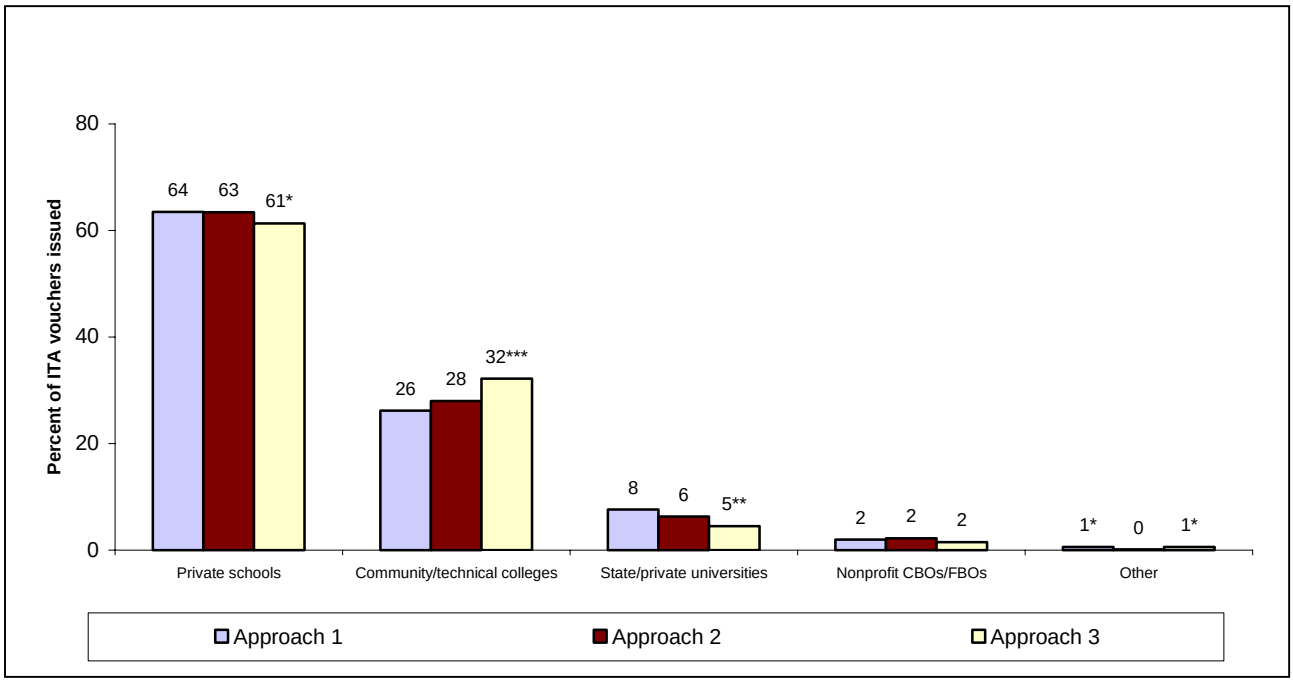
2. Provider Selections

Figure V.5 shows the distribution of ITA vouchers issued for all study sites combined, by the type of training provider and approach. About two-thirds of ITA customers, regardless of approach, chose private schools for their training. This finding is consistent with staff reports that ITA customers were generally interested in shorter-term training since, relative to other provider options, private schools are more likely to offer shorter or open-entry/open-exit programs that may be completed sooner. These results were consistent across all the study sites except Jacksonville. In Jacksonville, where community colleges dominate the ETP list, 58 percent of study participants chose community colleges for their training.

Some significant differences occurred in the choice of training providers by approach. Approach 3 customers were significantly more likely to choose training at a community or technical college and somewhat less likely to attend private schools or four-year universities than Approach 1 or 2 customers. This general pattern was observed for dislocated workers but not for adults. It was also observed in all study sites, although the site-level differences in the proportion of Approach 3 customers who selected community or technical colleges was significant only in Jacksonville (Appendix Table B.8).[12] This suggests that, in their interactions with customers, counselors may have increased awareness of, or persuaded some Approach 1 and Approach 2 customers to attend, private schools or four-year universities.

[12] Information on the types of training providers chosen by ITA study participants was not available for Charlotte.

Figure V.5. Training Providers Selected, by Approach



Source: Appendix Table B.8.

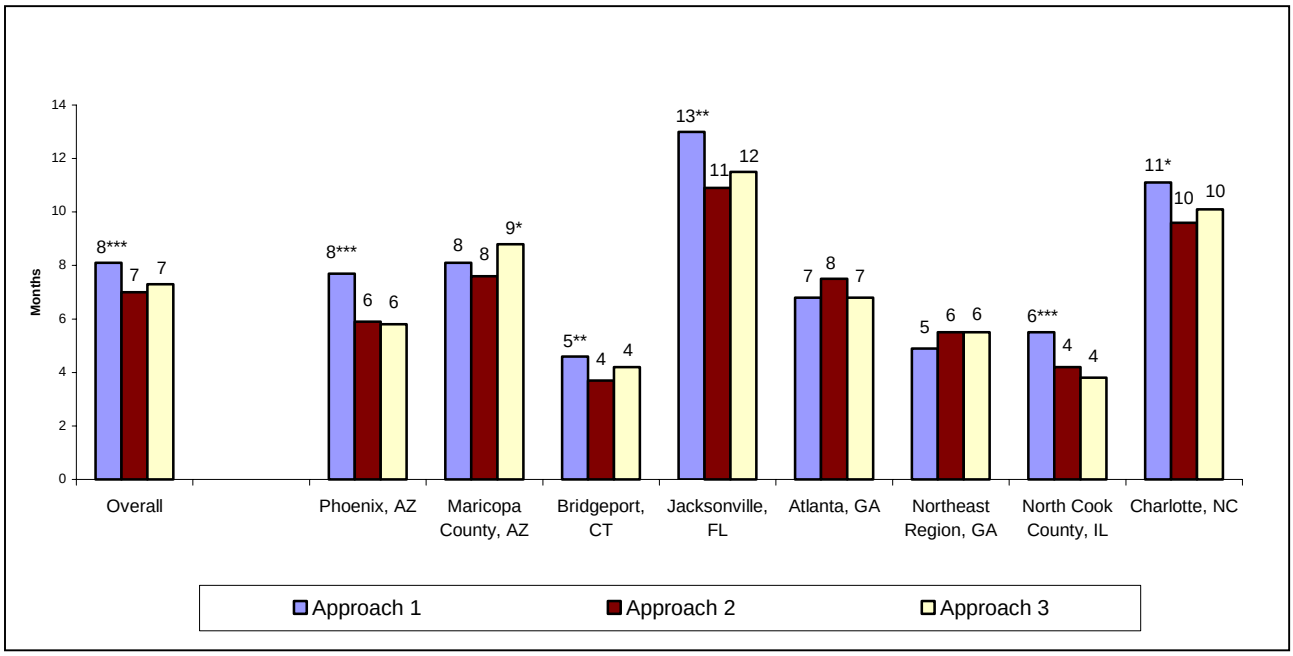
*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

Approach 1 customers also appeared more likely than Approach 2 customers to choose a program at a university, although the difference across all study sites combined was not statistically significant. Their potential access to more ITA resources (given their customized ITA awards) may have prompted Approach 1 customers to consider and select universities more often.

3. Program Duration

We found significant differences in the duration of ITA program selections by approach. Consistent with staff reports that customers were generally interested in short-term training, ITA study participants chose programs that, on average, took less than a year to complete regardless of their approach assignment. However, Approach 1 customers had significantly longer program durations—probably because they could pay for more intensive (and potentially longer) programs with their customized awards. Approach 1 customers chose programs with an average duration of 8.1 months, while Approach 2 and 3 customers chose programs of comparable and significantly lower durations of 7.0 months and 7.3 months, respectively (Figure V.6). This pattern of longer training durations for Approach 1 customers was evident in most study sites, except Atlanta and Northeast Georgia, and for adults and dislocated workers (Appendix Table B.9).

Figure V.6. Average Duration of ITA Training by Approach, Overall and by Study Site



Source: Appendix Table B.9.

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

There were also important differences in the average duration of ITA training by site, which likely reflect differences in the types of providers available to customers in each local area. For example, across all ITA approaches combined, average training duration in Jacksonville was almost 12 months, while in Bridgeport it was little more than 4 months (Appendix Table B.9). Consistent with these differences, in Jacksonville, 58 percent of the study participants who received ITA support for training chose community or technical colleges, where training generally takes longer since it tends to be quarter- or semester-based (Appendix Table B.8). In Bridgeport, however, most ITA trainees (68 percent) chose private schools, which are more likely to offer shorter or open-entry/open-exit training programs.

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CHAPTER VI

SUMMARY AND REMAINING QUESTIONS

The ITA experiment was designed to give policymakers information on how to manage customer choice under ITAs by testing three different approaches to administering them. Until data on the employment outcomes of our study participants are available, we cannot provide definitive evidence about which approach is most effective. However, the previous chapters of this report present intriguing preliminary findings on the implementation and impacts of the approaches.

This chapter summarizes our findings to date, suggests some implications of the findings, and identifies what we still need to learn. It begins by summarizing our findings on the challenges of implementing each approach and the lessons learned from the implementation (Section A). It then discusses the impacts of the approaches on receipt of counseling, training choices, and training expenditures (Section B). The chapter concludes with a discussion of the remaining questions to address (Section C).

A. IMPLEMENTATION OF THE APPROACHES

The first broad set of questions we addressed in this report is whether the approaches could be implemented in the One-Stop Centers, the challenges to implementation, and the lessons learned.

1. Approach 1 Was Not Implemented as Planned

Contrary to the Approach 1 requirements, counselors were reluctant to be directive in their counseling. This lack of direction was evident in all eight sites, for both dislocated workers and adult customers. Specifically:

- ***Counselors deferred to customer preferences.*** Many customers already had chosen the occupation they would train for when they came to the One-Stop Center, and some also had a training provider in mind. Although counselors were expected to guide Approach 1 customers to training choices offering high returns, in practice, they often deferred to customers' preferences.

- ***In general, counselors did not steer Approach 1 customers to high-return training.*** Counselors calculated the returns to alternative training programs, but they rarely required customers to select the one with the highest return. Instead, they often used nonfinancial factors, such as location of the training program, date the course began, the program schedule, and program duration, to override the conclusion based on the calculations of net financial returns.

- ***Counselors were reluctant to deny training to customers.*** Counselors rarely, if ever, vetoed Approach 1 customers' training choices. If Approach 1 customers chose training in an occupation with slack demand, counselors may have tried to persuade them to consider other options but rarely denied training altogether. Similarly, counselors were unwilling to veto a program because of concerns about how the customer would make ends meet while in training or other factors that may have prevented the customer from completing the program.

- ***After the experiment, sites removed the requirement for counselors to be directive.*** Although some sites used some Approach 1 tools after the experiment, all sites removed the requirement for the counselors to be directive.

Considerable time was spent in training and providing technical assistance to counselors, managers, and administrative staff. Interviews with counselors suggest that they understood the requirements but did not buy in to the philosophy and found being directive difficult.

Our assessment is that counselors were reluctant to be directive for four reasons. First, it was counter to the way counselors usually worked with customers. Counselors at the One-Stop Centers had always used a collaborative counseling process. Counselors may have made suggestions for customers to think about an issue or consider alternative opportunities but did not directly require them to follow any specific advice.

Second, many counselors believed that being directive would not be in the customers' best interests. Instead, they believed that respecting customers' choices increased the likelihood that the customers would complete training and find employment. Moreover, they viewed nonfinancial factors, which were not accounted for in the calculations of net benefits, as important in determining whether customers completed training.

Third, counselors felt that the local labor information on which they were to base their directive counseling was inaccurate and inadequate. For example, counselors believed the data on the wage a customer could be expected to obtain after training to be frequently out of date and often not specific enough to the local labor market or the characteristics of the customer.

Fourth, although counselors felt sufficiently qualified to help customers reflect on generic considerations when choosing an occupation or making decisions about training, they felt uncomfortable prescribing a specific training strategy for some customers. This was

especially true for customers in highly specialized fields such as information technology. Moreover, some counselors were inexperienced, lacked qualifications in vocational assessments, and were less educated than many of their customers.

As Approach 1 was not implemented as planned, the experiment will not provide evidence of the effects of all elements of Approach 1 as it was designed. In practice, the counseling of Approach 1 customers was similar to the counseling of Approach 2 customers and was not as prescriptive as we had designed. However, Approach 1 customers were still required to complete more intensive counseling activities and counselors customized their ITA awards. Thus, comparisons of the outcomes of Approach 1 and Approach 2 customers will provide evidence mainly of the relative effects of more intensive counseling requirements and a customized versus fixed ITA award.

2. Major Changes in Counseling Practices and Attitudes Would Be Required to Implement Approach 1

Any local workforce investment area that would like to adopt Approach 1 would probably face the same implementation difficulties as our demonstration sites. Even in Jacksonville, where the workforce investment board had bought into the philosophy of directing customers to high-return training before the experiment, counselors were not directive. In addition, the training and technical assistance provided to the sites probably exceeded what would be available if the approach were adopted outside a demonstration.

Implementing Approach 1 successfully would require a fundamental change in counseling and a move away from the collaborative counseling approach currently used. For counselors' buy-in, this would require strong evidence that the approach was in customers' best interest. It also would require considerable training of the counselors on new approaches to counseling and labor market issues and, possibly, a more qualified counseling staff.

Alternatively, sites could move toward Approach 1 (but not replicate it) by imposing the requirement (as Jacksonville does) that the training occupations be on the high-wage, high-demand occupation list. This would make the process more directive while maintaining the basic collaborative counseling process. This approach will only be effective, however, if the high-wage, high-demand occupation list is kept up-to-date with accurate information. Under this approach, customers would not necessarily be directed to the highest-return occupation *for them*. Moreover, such policies could have the down-side of denying access to training to whole groups of people, who may not have the skills to succeed in training for a narrowly targeted list of occupations, but who could still benefit from participating in training.

3. Approach 2 Was Implemented as Planned

Our assessment was that Approach 2 was implemented as planned in all sites. Of the three approaches, Approach 2 was closest to the one used before the experiment in all sites and was the one counselors felt most comfortable implementing. This would not be a

difficult approach for other sites to adopt—all the demonstration sites adopted a variant of this approach after the experiment.

4. Approach 3 Was Generally Implemented as Planned

With some minor exceptions, counselors in all sites faithfully adhered to the requirements of Approach 3—to offer to help customers but to provide assistance only when the customers requested it. Some counselors did provide some unrequested counseling at orientation or when the customer came to pick up their ITA voucher. However, this counseling was unstructured and minimal.

Site administrators, as well as counselors, were concerned that customers might make poor choices without counselor guidance under Approach 3. This would lead to poor employment outcomes for the customers and affect the site's ability to meet its performance standards. Hence, before adopting Approach 3, site administrators would need to see evidence that customers fare well without additional counseling on training choices.

5. Program Research Was Viewed as Helpful

In all sites, the tools developed to help customers compare alternative training programs were viewed as particularly helpful, especially for those customers who were reverse referred from a training provider. Both during and after the experiment, counselors were diligent in enforcing the experiment's program research requirements, reflecting the importance sites placed on this research. In the experiment, program research tools (including the program research, training costs, and training options comparison forms) were provided on a consistent basis to Approach 1 and 2 customers only. As these tools are fairly self-explanatory and relatively easy to use, it may be useful to provide them to all customers, even if counseling is voluntary.

6. One Size Does Not Fit All in Counseling, but Tailoring to Customers' Needs Is Challenging

During the experiment, counselors were required to conduct the same activities with all customers assigned to a given approach, regardless of customers' specific needs. Site administrators and counselors argued that, while some counseling tools and activities are useful for some customers, requiring all customers to use all of them places unnecessary burden on both the counselors and the customers. After the experiment was over, sites adopted some of the experiment's tools but gave counselors the discretion to recommend services to customers based on their individual needs. The Phoenix site, for example, made the Training Costs and Benefits Worksheet available to customers and counselors, but did not mandate its use with any customers.

Evidence from the experiment suggests, however, that tailoring approaches to the needs of the customers would be challenging. Evidence from Approach 3 suggests that, if customers were given the choice, they would not volunteer for a counseling activity regardless of their needs. Hence, tailoring the counseling requirements requires counselors

to be able to judge if a customer needs to complete an activity and, if they do, require the customer to do so. Evidence from Approach 1 suggests that counselors may be unwilling to be this directive.

B. IMPACTS OF THE APPROACHES

Policymakers and program administrators deciding which approach to adopt need information on the impacts of the approaches on customers and the workforce investment system. Ultimately, we will examine the impact of each approach on training completion, employment and earnings, and satisfaction. This section discusses our main findings from examining the impacts of the approaches on some intermediate outcomes, including counseling and training choices, as well as training expenditures.

1. When Counseling Is Voluntary, Customers Rarely Request It

When counseling was voluntary under Approach 3, only a small proportion of customers requested it.[1] This was equally true for adults and dislocated workers and did not vary much across sites. Overall, only four percent of Approach 3 customers requested any counseling beyond the mandatory ITA orientation. In comparison, 65 percent of Approach 1 customers and 58 percent of Approach 2 customers participated in some counseling activities.

It is important to note, however, that even those Approach 3 customers who made their training choice straight after orientation without any additional counseling may have benefited from some prior counseling at the One-Stop Center. All sites required some counseling before random assignment to determine eligibility for training, and this counseling could have included discussions about training choices.

2. Counseling Requirements Discourage ITA-Funded Training

Customers under Approach 3 were significantly more likely to receive an ITA than customers under Approach 2. The impact of the approaches on the receipt of an ITA was about 7 percentage points: about 65 percent of all customers assigned to Approach 3 received an ITA, compared with 58 percent of customers assigned to Approach 2. As customers under both approaches were offered the same fixed ITA, this difference can only be attributed to the differences in counseling requirements across approaches. This difference was found in all sites and for both adults and dislocated workers.

Much of this difference in training rates can be attributed to Approach 2 customers dropping out of the process between learning of their approach requirement and the ITA orientation. Only 67 percent of Approach 2 customers attended the ITA orientation, compared with 74 percent of Approach 3 customers. Therefore, it is the customer's

[1] This is consistent with findings from the Job Search Assistance demonstration (Decker et al. 1997).

knowledge of the additional counseling requirements even before orientation that discourages training under Approach 2.

Without data on training completion and employment outcomes, we cannot assess whether discouraging training is a desirable impact. It is possible that Approach 2 customers who do not pursue training find employment without it. On the other hand, the counseling requirements may discourage some Approach 2 customers from pursuing training that would benefit them. It is also possible that more Approach 3 customers do not complete training or do not find employment in the field in which they were trained. We will explore these issues using the survey data on training completion and employment in the final report.

3. Rates of ITA-Funded Training Were Similar Under Approaches 1 and 2

The rate at which customers received ITAs was remarkably similar across Approaches 1 and 2—overall, about 59 percent of customers received ITAs under Approach 1, compared with 58 percent under Approach 2. The rates of initiation of ITA services were also similar—68 percent of Approach 1 customers attended an ITA orientation, compared with 67 percent of Approach 2 customers. These patterns were found for both adults and dislocated workers and in the majority of sites.

Two countervailing factors may have resulted in the lack of difference in the ITA training rates under Approaches 1 and 2. First, our evidence suggests that some customers learned about the potential for a higher ITA award under Approach 1, and this may have encouraged customers to apply for an ITA. Second, however, the additional counseling requirements under Approach 1 may have discouraged customers from participating in the process of obtaining an ITA. Our assessment is that any positive effect of the higher potential award offset the negative effect of the additional counseling. The ability of the counselors to veto customers' choices could also potentially have reduced training rates, but it is unlikely to have done so in practice, as counselors rarely, if ever, exercised their veto authority.

4. Site Expenditures on Training Were Highest Under Approach 1 and Lowest Under Approach 2

The approaches were designed so that the sites could spend the same total amount on training under each approach. The fixed cap limited expenditures in Approaches 2 and 3. Expenditures under Approach 1 were to be limited by counselors directing customers to low-cost training and vetoing training choices that were not high return.

Counselors were not effective in controlling expenditures, however. Site expenditures on training per customer were about 70 percent higher under Approach 1 than under Approach 2. This was primarily because the average price of programs selected by Approach 1 customers was significantly higher than the average price of programs selected by Approach 2 customers. Rates of ITA-funded training were similar under the two approaches.

Site expenditures on training per customer were about 13 percent higher under Approach 3 than under Approach 2. This difference was mainly due to the higher rate of receipt of ITAs by customers under Approach 3 and was not due to any difference in the average ITA award amount. Thus, if sites move from Approach 2 to Approach 3, they may need to lower their cap to take into account the higher rate of ITA receipt if they do not want to increase total expenditures on training.

Using data on employment and earnings after training, we will be able to assess whether the additional expenditures on training under Approaches 1 and 3 yield better outcomes. We will also assess whether the benefits from any better outcomes are worth the additional expenditures on training and (for Approaches 1 and 2) counseling.

5. Some Small Differences Occurred in Training Program Choices Across Approaches

We examined the differences in training program choices across approaches along three dimensions: (1) the occupation for which the training was designed, (2) the type of training provider, and (3) program duration. We found some small differences across each of these dimensions:

- ***Occupation.*** The occupations customers chose across each approach were remarkably similar. However, some evidence suggests that Approach 1 customers were slightly less likely to choose some low-paying occupations and slightly more likely to choose some high-paying ones. Despite counselors' fears, customers under Approach 3 were not more likely to choose low-return occupations, such as massage therapy or cosmetology. In practice, they chose occupations similar to those chosen by customers under Approaches 1 and 2.

- ***Provider Type.*** Approach 3 customers were more likely to choose training at a community or technical college and somewhat less likely to choose training at private schools or four-year colleges. No statistically significant difference was found in the type of providers chosen by customers under Approaches 1 and 2.

- ***Program Duration.*** Approach 1 customers chose programs with an average duration of eight months—one month longer than the average duration of programs chosen by customers under Approaches 2 and 3. This difference is consistent with the higher price of programs selected by Approach 1 customers.

C. REMAINING QUESTIONS

This report examined differences across approaches in intermediate outcomes. Our findings suggest that the ITA approach affects the receipt of counseling and the likelihood of receiving an ITA but does not have a large impact on the choice of training program.

We should withhold judgment on the approaches, however, until we learn how customers fare after receiving their ITAs. Specifically:

- Do customers complete the selected training programs?
- Do they find employment?
- Do they obtain jobs with high wages and benefits?
- What is their overall satisfaction with their experiences at the One-Stop Center, training, and employment?

It may be that customers who receive more counseling may be more likely to complete training and to find employment after training. Alternatively, we may find that counseling has little effect on training or employment outcomes. Similarly, a higher ITA award may or may not lead customers to select higher-return training programs.

To address these questions, we will use data from the survey of ITA study participants currently in the field, as well as UI administrative data. In addition, we will use these data, along with data on the costs of counseling and training, to estimate the relative rates of return to WIA expenditures under each approach. The findings from this analysis, presented in our final report, will provide policymakers in local workforce investment areas across the country with more definitive evidence about the best approach to administering ITAs.

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APPENDIX A

FORMS AND WORKSHEETS FOR ITA APPROACHES

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EXHIBIT A.1

GUIDE TO HIGH-RETURN TRAINING

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THE GUIDE TO HIGH-RETURN TRAINING:

A RECIPE FOR SUCCESS FOR INDIVIDUAL TRAINING ACCOUNT CUSTOMERS

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FOREWORD

Congratulations! You qualify for our training services! Our staff recognizes that training can be a big help to you. Training can greatly improve your chances to find work, earn good pay, and improve your career. Now you must decide on the best training for you.

Training decisions are complicated and important. Here are some reasons. Training may be expensive. The fact that we will help pay for training presents a terrific opportunity for you. Although you may still need to use other resources, the support our one-stop center will provide will surely help you. Training also represents an investment of more than just dollars. To succeed in training, you must also invest time and effort. You should consider your training decisions very carefully, to be sure that you get the best possible benefits from this effort.

Other factors are also important to consider before you choose a training course. How do you feel about returning to school? What is your learning style? What are your personal circumstances, needs, and pressures? Choosing the right program can mean the difference between successfully completing training or missing out on an opportunity to help realize your dreams of a better career and a better life.

We want you to succeed in training! That's why we developed this booklet. "The Guide to High Return Training" should help you succeed in training and get started in a rewarding career.[1] As its title suggests, the guide is designed to help you identify "high return" training, which simply means training that will give you the best possible benefits from this important investment.

"The Guide to High-Return Training" was written to help you make good training decisions. It will help you to identify the benefits of training. It will also help you decide which training options are the most likely to meet your needs, and fit your lifestyle. The guide also explains the results of studies about the benefits of training. The findings from these studies may help you make good decisions.

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[1]This guide was developed by Mathematica Policy Research, Inc. with support from the U.S. Department of Labor. It was developed specifically for the Individual Training Account experiment.

A ROAD MAP
FOR THE GUIDE TO HIGH-RETURN TRAINING

The "Guide to High-Return Training" outlines five steps that you can follow to make your training decisions:

Step 1: Select an occupation. First, you must decide what job to train for. Some customers train for a whole new occupation, while others build up the skills they already have to access better jobs.

Step 2: Identify your training options. Once you choose an occupation, you must decide how to get the best training. Often there are many ways to find the type of training you want. The guide will help you identify the training programs that are most likely to meet your needs.

Step 3: Evaluate your training options. Next, it is important to gather information that will let you to compare your training options. The guide outlines a process that you can use to compare the costs to the benefits of training for each program. This should help you decide which option is best for you.

Step 4: Choose a program. The guide outlines a process you and your counselor can follow to put all the pieces together—benefits, limitations, and preferences—in order to make a confident choice.

Step 5: Plan ahead. Once you have selected a program, you must make sure that you can afford to pay for the training. Before you set out for training, it will be important to plan for upcoming household expenses and develop a workable household budget.

The rest of the guide follows this five-step roadmap. Clearly, not everyone who is thinking about training completes these steps as they are presented here. In fact, you may already have a good idea of the occupation for which you would like to train or the program you wish to attend. Regardless of where you are in the process of making your training decisions, the information this guide provides can help you be more confident in the choices you make.

STEP 1: SELECT AN OCCUPATION

With thousands of occupations available today, it may be hard to decide on the best career path for you. Following are steps you can follow to identify occupations that may be good for you:

1. Match your interests and background with occupations. To start, you should consider your interests, skills, education, and work experience. If you have worked before, you may want to explore occupations that are similar to or that build upon that type of work. After all, you know the work and know that it is something you can do. However, training can also represent a terrific opportunity to consider something new. You may want to explore a different line of work! If you are not sure about the type of work you would like to do or are ready for a change, your counselor can help you identify options.

2. Explore high-wage demand occupations. As you consider possible occupations, keep in mind differences in how much you could earn at different jobs. Also, consider the availability of jobs in each occupation. Both considerations are important. Unless you are willing and able to move to a different area, your best bet may be training for an occupation with good pay and jobs available in your local area. Your counselor can help you identify occupations that offer high wages and are in demand locally.

3. Consider possible career paths. Consider how much you are likely to get paid immediately after completing training and also how your pay is likely to increase over time. Also consider the types of jobs you could advance to in your career, both with or without additional training.

4. Research your career options fully. Unless you have worked in the field before, you will probably want to find out important information about the occupations you are considering. Knowing about starting pay, career paths, and the availability of jobs locally is a good start, but is not enough to make a truly informed decision. Often there are aspects of the work you may not have thought of, such as daily activities, stress on the job, or how you will travel to work. Also consider benefits beyond pay, such as vacation and health insurance, that may sway your decisions. Your counselor can provide tools and point you to one-stop resources that can help you research occupations.

5. Commit yourself to the occupation. The success of your training experience is based on your commitment to the occupation you choose. Before you decide to train for an occupation, you should make sure that you would be comfortable doing this type of work for some time. This is not to say that you will never change careers in the future, but unless you complete training, find a job, and stay there for a while, you may not get the full benefits from your investment in training.

STEP 2: IDENTIFY YOUR TRAINING OPTIONS

Once you have chosen an occupation, you will need to find out the ways in which you can get training. You are likely to have several training options that may differ in many ways. For example, you may only need to take a few courses to enter the occupation. Then again, it may be easier to find a job if you complete a program that grants a degree. Differences in location, cost, and time needed in training will be fairly easy to figure out. However, other differences between your training choices may be less obvious.

Before trying to choose a program, you should "narrow the field" by finding two or three options that meet your most important needs. Here are some good steps to take:

1. Match Your Needs with Training Programs. Before looking at any training programs, think about what is important to you in training. This may include things about both the occupation and your personal life. For instance, will you need to get a particular degree to work in the career you want? Do you need to stay in the local area or can you train and find work elsewhere? Can you train full-time or do you need a more flexible schedule, such as attending evening or weekend classes? What is the longest amount of time that you can stay in training? If getting ahead in the career you choose is likely to require more training, will you be able to transfer the credits from the training program that you complete to another program? Your counselor can help you sort out your basic training needs.

2. Select Programs to Explore Further. Once you have found your most important training needs, choose two or three training options to review in detail. Your counselor can then help you decide which of these options would be best for you.

Making sure that your training plans fit well with your life style is clearly important. These concerns, however, must be considered along with the benefits that you expect from training. As noted, training is an investment, and investments usually require some sacrifice. Therefore, before you dismiss whole categories of training programs based only on personal preferences or limitations, you may want to consider the following research findings:[2]

- ***Each additional year of college increases earnings. Furthermore, persons who complete programs that confer a degree or other widely recognized credential often earn higher wages than those who complete the same amount of courses without receiving a degree (Kane and Rouse 1995).***

- ***Individuals who complete technically oriented and/or scientific courses benefit more from training than those who complete less technical courses (Jacobson et al. 2000).***

[2]When reviewing research studies, keep in mind that it may not be appropriate to apply some findings to your personal circumstances. Many studies refer only to specific groups of people or areas of the country. Furthermore, the evidence from studies on the effects of training is limited, and some studies may be inconclusive. Therefore, this research should be viewed only as food-for-thought as you make decisions about training.

STEP 3: EVALUATE YOUR TRAINING OPTIONS

Once you have identified several programs that seem to meet your most important training needs, you should take a closer look at these options. You will want to gather information about these programs so that you can compare them. You will want to know details about program requirements, the cost and length of the program, and financial aid options. Your counselor can provide tools and guide you to one-stop resources that can help you learn more about the programs you are considering.

Then, it will be important to look at the total investment each program would require and the benefits that you could expect to get from each. Your counselor can help you put these two pieces of information together—investments and benefits—to help you identify the training option (or options) that would benefit you the most.

Estimating Investments in Training. Investments in training include much more than a program's cost. You must consider the time and effort that you must invest in order to succeed in training. You will need to take into account your expenses related to training, such as transportation or child care. To figure out the investments that you would have to make, your counselor can help you evaluate the following for each of your training options:

- ***Direct Costs.*** These include costs that are directly related to the program you are considering. They include tuition, fees, and materials required to complete the program, such as books, tools, and other supplies.

- ***Indirect Costs.*** Indirect costs are expenses that are not related directly to the program you are considering but that you would have to pay in order to attend. For instance, you may have to pay for transportation to get to school or pay for child care in order to go to classes or spend time studying.

Estimating Wage Gains From Training. Your counselor can also help you estimate how much more you could earn once you complete training. You must compare the types of jobs you would be able to get if you did not attend training and those you could get after completing training. Completing training may also allow you to increase your work hours. Your counselor can help you understand how this will affect your earnings.

Evaluating the Net Benefits of Training. Your training options may require very different investments. To compare them, you should look at each program's benefits together with the investments. This way, you will be able to determine which programs would allow you to get back your investments and, more importantly, which would give you the biggest benefits.

STEP 4: CHOOSE A PROGRAM

Having figured out the benefits that you can expect from your different training options, you will be in a better position to select a program. Clearly, you will want to choose a program that gives you a high return on investment—that is, a program for which benefits are high compared to your investment in training.

When considering training options that seem to offer similar benefits, look at other program characteristics. For instance, one program's schedule or location may be more convenient for you. You may like the teaching style at one program better than the others. A program that costs slightly more may be more attractive because you would be able to complete it quicker, before your Unemployment Insurance benefits or severance payments run out. All of these things are important, since they could influence your chances of completing training.

STEP 5: PLAN AHEAD

After you have thought about all of these things and selected a program, you will want to make sure that you will be able to complete training and get the expected benefits. First, it will be important to figure out a way to cover your full costs of training. Second, you will want to make sure that you will be able to support yourself and your family while you go to training. Your counselor can help you develop a plan to pay for training and a workable household budget while you are in training.

- ***Determine How to Pay for Training.*** Your counselor can help you determine the total amount of money you will need to pay for training. The Individual Training Account, or ITA, should help you cover these costs. However, you may need additional help. Your counselor can help you apply for Pell grants, state grants, scholarships, or other programs for which you may qualify. If all these sources combined are still not enough to cover your total training costs, your counselor can help you decide if it would make sense to pay some training costs out of your own pocket, get student or personal loans, or consider other training programs.

- ***Develop a Household Budget.*** Before you begin training, it will be important to plan out your household expenses while you attend training. Your counselor will help you examine your household's income and financial responsibilities for the period while you would be attending training in order to develop a smart household budget. The more you plan, the better prepared you and everyone in your family will be for upcoming challenges and unexpected events, and the more likely you will be to work out these challenges successfully.

A FINAL NOTE

We hope that this "Guide to High-Return Training" will help you not only select the training that is right for you, but also increase your chances of succeeding in training and getting a rewarding career. Your counselor is ready to help you with any questions you may have about training and your career plans. Good luck!

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EXHIBIT A.2

LIST OF HIGH-WAGE OCCUPATIONS IN DEMAND FOR SOUTHWESTERN CONNECTICUT

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HIGH-WAGE OCCUPATIONS IN DEMAND FOR SOUTHWESTERN CONNECTICUT

The following list includes several occupations expected to have large numbers of job openings currently and to continue to grow over the coming years. In addition, the occupations listed tend to pay well for the level of training/education required. For this reason, they have bee classified as "best bet" occupations by the Connecticut Department of Labor. ***Training for one of these occupations may give you the best possible benefits from training.*** Occupations are listed according to their educational and work experience requirements.

Rate	Entry Wages ($)	Midrange Wages ($)	Average Annual ($)	Average Hourly ($)	Annual Openings	Annual Growth
Bachelor's Degree Plus Experience						
Computer Software Engineer, Systems Software	19.36	22.03 – 35.42	60,216	28.95		
Computer Programmer	18.20	22.79 – 37.20	60,299	28.99	418	
Computer Specialist	18.65	23.42 – 44.27	67,022	32.22		
Network & Computer Systems Administrator	23.59	25.76 – 39.05	67,564	32.48		
Associate's Degree or Vocational Training						
Aircraft Mechanic & Service Technician	13.72	14.89 – 22.51	37,346	17.96		
Architectural & Civil Drafter	13.12	13.85 – 19.81	35,950	17.28		
Business Operations Specialist	8.14	8.84 – 27.54	37,721	18.13		
Computer Operator	10.45	11.77 – 16.90	30,772	14.79		
Computer Support Specialist	17.20	19.53 – 29.49	51,898	24.95	495	68.65%
Design Worker	9.02	10.08 – 23.81	36,106	17.35		
Drafters	10.23	11.78 – 19.32	33,949	16.32		
Electrician	15.83	17.77 – 22.95	41,916	20.16		
Electro-Mechanical Technician	12.21	14.30 – 19.34	34,293	16.49		
Graphic Designers	10.65	11.85 – 19.75	34,845	16.75		
Installation, Maintenance & Repair Central Office/PBX Installer/Repair Station Installer/Repair, Telephone	10.71	11.95 – 19.93	32,849	15.80	36	14.97%
Installation, Maintenance, & Repair Workers, Other	10.71	11.95 – 19.93	32,849	15.80		14.97%

HIGH-WAGE OCCUPATIONS IN DEMAND FOR SOUTHWESTERN CONNECTICUT *(continued)*

Rate	Entry Wages ($)	Midrange Wages ($)	Average Annual ($)	Average Hourly ($)	Annual Openings	Annual Growth
Interior Designer	18.05	19.19 – 27.44	48,719	23.42		
Mechanical Drafter	15.35	16.40 – 26.13	44,831	21.58		
Medical Records Technician	11.09	11.58 – 15.00	28,080	13.50		33.42%
Medical Secretary	11.83	13.04 – 16.64	30,855	14.83		
Paralegals & Legal Assistants		15.38 – 20.82	37,420	17.99		42.65%
Registered Nurse	19.06	20.79 – 27.34	50,741	24.39		15.09%
Surgical Technologist	14.37	15.08 – 19.62	36,252	17.43		35.06%
Travel Agent	9.40	10.76 – 14.75	27,851	13.39	63	
Long-Term On-the-Job Training						
Auto Body & Related Repair	15.61	16.58 – 21.11	40,296	19.37		
Auto Mechanic/Service Technician	8.55	9.21 – 19.90	32,153	15.45		
Construction and Building Inspector	12.93	17.61 – 26.29	46,398	22.31		
Construction Manager	19.74	21.08 – 34.74	64,237	30.88		
Executive Secretary	12.61	13.89 – 19.43	34,853	16.75		
First-line Supervisor/Manager of Construction	20.72	22.12 – 30.38	55,656	26.76		
Hazardous Material Removal Worker	9.98	14.05 – 17.54	31,343	15.07		
Heating, Air Conditioner, and Refrigeration Mechanics & Installer	13.63	15.51 – 20.75	37,440	18.00		
Machinist	11.82	13.51 – 20.87	32,469	15.61		
Plumber, Pipefitter, & Steamfitter	12.15	12.06 – 23.07	39,164	18.83		
Welder, Cutter, Solderer, Blazer	11.28	12.08 – 18.81	32,757	15.75		
Moderate Term On-the-Job Training						
Bookkeeping, Accounting Clerk	10.67	12.00 – 17.40	30,761	14.79		
Customer Service Representative	9.25	10.42 – 15.72	27,442	13.19		
Medical Assistant	12.37	12.13 – 14.74	28,544	13.72		48.99%
Records, Scheduling, Disp/Dist.	11.10	12.10 – 17.38	31,899	15.33		

HIGH-WAGE OCCUPATIONS IN DEMAND FOR SOUTHWESTERN CONNECTICUT *(continued)*

Rate	Entry Wages ($)	Midrange Wages ($)	Average Annual ($)	Average Hourly ($)	Annual Openings	Annual Growth
Sales & Related Workers, Communications	10.37	11.90 – 28.25	43,012	20.68		
Social and Human Services Assistant	11.43	13.22 – 17.25	36,221	15.42		49.71%
Upholsterer	10.46	11.84 – 20.60	34,168	16.43		
Short-Term On-the-Job Training						
Cooks, Institution & Cafeteria	10.36	11.73 – 15.56	28,191	13.56		
Industrial Truck and Tractor Operator	10.59	11.58 – 17.88	30,351	14.59		
Truck Driver, Heavy & Tractor-Trailer	12.34	14.33 – 20.22	35,307	16.97	461	

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OCCUPATIONAL RESEARCH

Participant:_____ Date:_____
Occupation of Interest:_____

INSTRUCTIONS: This guide is designed to help you gather information on careers of interest to you. The information you collect for the form can provide a foundation for discussing potential career choices with your ITA counselor. Try to use as many resources as possible as you fill in the form. Available resources include, but are not limited to: (1) occupational brochures and "biographies," internet-based resources like Connecticut's Job & Career ConneCTion, and "harcopy" or internet-based labor market information, such as "Connecticut Career Paths" from the Connecticut Career Resource Network; (2) interviews with individuals who currently work in your occupation of interest; (3) interviews with prospective employers in the profession; and (4) local newspaper job listings. [NOTE: The Occupational Research Interview Guide suggests questions you can use to conduct interviews with professionals in the field. You can also refer to the form called General Interviewing Tips for some basic guidelines on conducting these kinds of interviews.]

1. **What do people in this profession do? (Describe a normal work day, typical duties, responsibilities, pressure, risk, travel, or supervision requirements.)**_____

2. **What skills, education, and/or training are required to enter this occupation?**_____

3. **What degrees, special courses, or certifications are required?**_____

4. **What experience is necessary to enter this occupation?**_____

5. **What local training programs help prepare people for this occupation?**_____

6. **Are local jobs available in this occupation? If so, at what type of companies?**_____

7. **What is the range of starting/entry-level wages in this occupation?**

   $_____ to $_____ (CIRCLE ONE: per hour, per week, per month, per year)

8. **What are typical starting/entry-level benefits in this occupation?**_____

9. **What are the typical work hours and schedule (hours per week, weekends, full-time/part-time)?**___

10. **What is the potential for career growth in this occupation?**_____

11. **Other relevant information:**_____

EXHIBIT A.4

PROGRAM RESEARCH

Participant:_____	**MPR_ID:**_____	**Date:**_____
Counselor:_____	**Counselor ID:**_____	

INSTRUCTIONS: This worksheet will help you gather information about the programs that provide training for the occupation you have chosen. To help you decide which program is best for you, be sure to complete a separate form for each of the programs that you are considering. Try to use as many resources as possible when completing this form. Available resources include: (1) resource materials in the one-stop center, (2) visits to the prospective programs, and (3) interviews with current students, graduates, instructors, or administrators.

Vendor: _____

Program: _____

1. How long has the vendor been providing this type of training?_____
2. When does the next set of classes begins?_____
3. What is the application deadline?_____
4. What are the program's entry requirements?_____

   _____
5. What is the program's typical class size?_____
6. What percentage of applicants are typically accepted?_____
7. What is the program's duration? (How long does it take to complete?)_____
8. How is the program structured (for example, number of terms, classes per term, hours per week, timing of classes—day/evening/weekend)?_____

   _____
9. How much does it cost to attend this program? (What are tuition and fees per term? How have program costs changed over recent years?)_____

   _____

10. What other expenses are typically required (such as books, basic supplies, tools, uniforms, etc.)?_____

_____

11. What financial aid options are available?_____

12. What are the program's completion requirements?_____

_____

13. What degrees or certificates do students receive upon program completion?_____

_____

14. What percentage of students actually graduate (overall and within the past year)?_____

15. What types of jobs do graduates typically get? What types of businesses tend to employ them?_____

_____

_____

16. What are the average starting wages of graduates?_____

17. What are the average starting benefits of graduates?_____

18. What types of employment placement assistance is provided to graduates?_____

_____

_____

19. What do students tend to like and dislike about the program?_____

_____

_____

20. Am I likely to need to change my current child care arrangements if I attend this program? (If yes, describe.)

_____

21. How far is the program from my home? Will I have reliable transportation to and from school? Will I need to room near the program? (If yes, describe.) _____

_____

22. Other important considerations: _____

_____

_____

EXHIBIT A.5

TRAINING COSTS

Participant:_____	**MPR_ID:**_____	**Date:**_____
Counselor:_____	**Counselor ID:**_____	

INSTRUCTIONS: This worksheet will help assess how the costs of each training program you are considering compare to the resources you have available to pay for training. In the first column, enter the costs and resources for each term/session. Based on the number of terms/sessions that it will take you to complete the program, in the second column, estimate the total costs of the program and total resources you will have available.

Vendor: _____
Program: _____
Duration (in terms or sessions): _____

			Amount Per Term			
A.	**DIRECT TRAINING COSTS**					
	Tuition and Fees		_____			
	Books		_____			
	Supplies		_____			
	Tools		_____			
	Uniforms		_____	**Number**		
	Other:_____	+	_____	**of Terms**		**Subtotal**
	Subtotal for Direct Costs		_____	**x** _____	=	_____
B.	**INDIRECT TRAINING COSTS**					
	Transportation		_____			
	Room and Board		_____			
	Child Care		_____			
	Other:_____		_____	**Number**		
	Other:_____	+	_____	**of Terms**		**Subtotal**
	Subtotal for Indirect Costs		_____	**x** _____	=	_____
C.	**ESTIMATED NON-ITA TRAINING RESOURCES**					
	Pell Grants		_____			
	State Grants		_____			
	Scholarships		_____	**Number**		
	Other:_____		_____	**of Terms**		**Subtotal**
	Subtotal for Non-ITA Resources		_____	**x** _____	=	_____
D.	**UNSUBSIDIZED TRAINING COSTS**					

A + B - C = (Direct Costs + Indirect Costs - Non-ITA Resources): _____ **TOTAL**

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EXHIBIT A.6

TRAINING OPTIONS COMPARISON

Participant:_____ MPR_ID:_____ Date: _____

Counselor:_____ Counselor ID:_____

INSTRUCTIONS: In order to choose the program that is right for you, you will need to evaluate the merits of each potential program. Presented below are several questions to help you and your counselor discuss your training options. When you talk with your counselor, be sure to bring the Program Research worksheet that you completed for each program.

	OCCUPATION PROGRAM	_____ _____	_____ _____	_____ _____
1. Does the program provide training for the occupation that you want to pursue? - Do graduates of program tend to find jobs that interest you? - Does the program and occupation closely match your interests? - Do graduates of the program have success finding good jobs that pay well?		**~ Yes ~ No**	**~ Yes ~ No**	**~ Yes ~ No**
2. Will you be able to pay for the full cost of training at this program? - Will the program costs be fully covered by your ITA? - If not, can you access other sources of financial aid, use your personal savings, or take out personal loans to help pay for training?		**~ Yes ~ No**	**~ Yes ~ No**	**~ Yes ~ No**
3. Do you have a reasonable chance of completing this program? - Are you confident that you have the skills needed to complete the program? - Can you support yourself and/or your family while you attend training? - Does the program seem compatible with your lifestyle and family circumstances? (For instance, will you be able to attend all your classes, do homework, and study for tests? Do you have friends or family who can help with some of your other responsibilities?)		**~ Yes ~ No**	**~ Yes ~ No**	**~ Yes ~ No**
4. Are there reasons, other than cost, that make this program seem more appealing than **other programs that you are considering?** - Can you complete the program before your UI or severance payments run out? - Is the program much shorter than the others? - Is the location of the program more convenient for you? - Is the course schedule more appealing (part-time vs. full-time, weekend or evening classes)? - Will you receive a degree or credential after completing the program? - Does the teaching style seem more appropriate for you?		**~ Yes ~ No** Explain:	**~ Yes ~ No** Explain:	**~ Yes ~ No** Explain:
RANK THESE PROGRAMS IN THE ORDER OF YOUR PREFERENCE: (Mark the program you like the best as number 1)				

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EXHIBIT A.7

TRAINING COSTS AND BENEFITS
— FOR COUNSELOR USE ONLY —

Participant:_____ MPR_ID: _____ Date: _____

Counselor:_____ Counselor ID:_____

	1	2	3
OCCUPATION			
PROGRAM			
I. INVESTMENT IN TRAINING			
Program Costs			
A. Direct Training Costs (from Training Costs worksheet).....	$	$	$
B. Indirect Training Costs (from Training Costs worksheet).....	$	$	$
C. TOTAL PROGRAM COSTS (A + B).....	$	$	$
Foregone Earnings During Training			
D. Weekly Earnings if Customer Did Not Attend Training	$ per week	$ per week	$ per week
E. Weekly Earnings While Customer Attends Training	$ per week	$ per week	$ per week
F. Decrease in Weekly Earnings During Training (D - E)	$ per week	$ per week	$ per week
G. Program Duration in Weeks	weeks	weeks	weeks
H. TOTAL FOREGONE EARNINGS (F *G)	$	$	$
I. TOTAL INVESTMENT IN TRAINING (C + H)	$	$	$
II. GAINS FROM TRAINING			
J. Weekly Earnings After Completing Training	$ per week	$ per week	$ per week
K. Increase in Weekly Earnings After Training (J - D)	$ per week	$ per week	$ per week
L Weeks Worked Per Year	weeks per year	weeks per year	weeks per year
M. Yearly Earnings Increase Due to Training (K * L)	$	$	$
N. PRESENT VALUE OF EARNINGS GAINS (4 * M)	$	$	$
III. ESTIMATED NET BENEFITS FROM TRAINING (N - I)	$	$	$

EXHIBIT A.7 (continued)

PROGRAM ENDORSEMENT
— FOR COUNSELOR USE ONLY —

(Refer to previous page for program descriptions)	1	2	3
1. Are the benefits from this program acceptable? - Is the program expected to result in positive (+) net benefits? - Would completing training increase the customer's earnings to the appropriate self-sufficiency or wage replacement level?	**~ Yes ~ No**	**~ Yes ~ No**	**~ Yes ~ No**
2. Does the program seem appropriate for the customer? - Do the customer's skills and interests match the occupation/program?	**~ Yes ~ No**	**~ Yes ~ No**	**~ Yes ~ No**
3. Does the customer have a reasonable chance of completing training? - Do program attendance requirements seem compatible with the customer's circumstances?	**~ Yes ~ No**	**~ Yes ~ No**	**~ Yes ~ No**
4. Does the customer have a reasonable chance of finding employment in this occupation if s/he **completes the program?** - Is this a high-wage occupation in demand in the local area? - Do program graduates have a reasonable record of success finding employment? - Is the customer planning or willing to relocate to another area? - Does the customer already have employment lined up?	**~ Yes ~ No**	**~ Yes ~ No**	**~ Yes ~ No**
5. Relative to the other programs being considered, does this program offer the highest **estimated net benefit (Item III)?** **NOTE: Programs within $500 of the highest net benefit should ALL be marked YES.**	**~ Yes ~ No**	**~ Yes ~ No**	**~ Yes ~ No**
6. Are there other factors leading you to endorse this program? **NOTE: If marked yes, counselor MUST provide an explanation.** - Does this program include features that significantly improve the customer's chances of completing training (e.g., individualized or integrated basic skills instruction)? - Does the vendor have a particularly strong track record which could lead to better employment outcomes for the customer (e.g., higher wages at placement which mean a higher wage replacement rate if the customer is a dislocated worker)? - If the customer is considering different occupations, would this program provide access to jobs that are more appealing for important non-wage reasons (e.g., they match the customer's interests more closely, offer benefits, or give access to a career ladder)? [If so, recommend the program with the highest estimated net benefit among programs being considered of this type.] - Are there other reasons why this program seems particularly appropriate for this customer (e.g., the customer could transfer credits or complete before UI benefits run out)?	**~ Yes ~ No** **Explain:**	**~ Yes ~ No** **Explain:**	**~ Yes ~ No** **Explain:**
COUNSELOR'S ENDORSEMENT: Is this program recommended? **NOTE: To recommend a program the following conditions must apply:** **(a) Questions 1, 2, 3, and 4 must ALL be checked YES** **AND** **(b) Either question 5 OR question 6 must ALSO be checked YES.** **Remember that supervisory approval is required to endorse any program that does not offer the highest return, or within $500 of it. Workplace manager's signature:_____**	**~ Yes ~ No**	**~ Yes ~ No**	**~ Yes ~ No**

EXHIBIT A.8

INCOME AND EXPENSES

ITA

Participant: _____ **MPR_ID:** _____ **Date:** _____

Counselor: _____ **Counselor ID:** _____

For training in [Program/Vendor]: _____

Projected training period: **From:** _____ **To:** _____

INSTRUCTIONS: As you make your final training choice, you can use this worksheet to examine whether you will have enough income to cover your living expenses while you attend training. When completing the form, think about the income and expenses that you have daily and monthly as well as those that occur less frequently, say once or twice a year. You should also consider special circumstances. For instance, if you will need to make a large payment (such as auto insurance) shortly after the training program ends, you should include the amount you will need to save for that payment while you are in training.

TOTAL INCOME AND EXPENSES WHILE IN TRAINING[1]

ALL INCOME SOURCES		**ALL EXPENSES**	
Monthly Income Sources		**Monthly Expenses**	
Household wages - source 1	$	Mortgage/Rent	$
Household wages - source 2	$	Property taxes	$
Household wages - source 3	$	Other taxes	$
TANF (Cash assistance)	$	Food	$
GA (General assistance)	$	Utilities (gas, water, cable, etc.)	$
Food stamps	$	Telephone	$
SSI (Supplemental Security Income)	$	Bus/Train/Subway	$
Worker's compensation	$	Gasoline	$
Child support/Alimony	$	Vehicle repairs	$
SSA or Survivor's Benefits	$	Vehicle insurance	$
Pension/Annuities	$	Child care	$
Armed Services	$	Elderly care	$
Other:_____	$	Insurance (health, dental, life)	$
		Medication	$
		Doctor visit co-pays	$
		Credit card payments	$
		Auto payments	$
		Loans (student, bank, etc.)	$
		Household items	$
		Clothing	$
		Child support	$
		Entertainment	$
		Other:_____	$
A. Monthly Income:	$	**A. Monthly expenses:**	$
B. Months in Training:	x	**B. Months in training:**	x
C. Subtotal: (A times B):	$	**C. Subtotal: (A times B):**	$
Other non-monthly income while in training:		**Other non-monthly expenses while in training (explain):**	
Unemployment benefits	$	_____	
Other:_____	$	_____	$
D. Total non-monthly income:	$	**D. Total non-monthly expenses:**	$
TOTAL INCOME WHILE IN TRAINING (C+D)	$	**TOTAL EXPENSES WHILE IN TRAINING (C+D)**	$

NET CASH FLOW WHILE IN TRAINING (+/-):
Total Income Minus Total Expenses: $_____

[1]All income sources should be reported *after* taxes.

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EXHIBIT A.9

TRAINING BUDGET

Participant: _____ MPR_ID:_____ Date:_____

Counselor:_____ Counselor ID:_____

For training in [Program/Vendor]: _____

INSTRUCTIONS: As a final step in confirming your training choice, consider whether it is financing feasible for you to complete the training program you have chosen. The calculations in Part I of this worksheet will help clarify how the out-of-pocket portion of training costs will affect your household's cash flow. You should use the Training Costs worksheet and the Income and Expenses worksheet to complete Part I. Once you have finished the calculations, you can use the questions in Part II of this form to discuss any cash flow issues with your ITA counselor.

I. CALCULATION OF NET CASH FLOW MINUS THE COST OF TRAINING

A.	Unsubsidized Training Costs (see Training Costs worksheet)	$ _____
B.	Estimated ITA award (from counselor)	$ _____
C.	Out-of-Pocket Training Costs (A - B)	$ _____
D.	Net Cash Flow While in Training (see Income and Expenses worksheet)	$ _____
E.	Net Cash Flow Minus the Out-of-Pocket Training Costs (D - C)	$ _____

II. QUESTIONS FOR DISCUSSION WITH YOUR ITA COUNSELOR

If your net cash flow minus the out-of-pocket training costs (item E above) is expected to be negative (-):

~ Are there other sources of income that you forgot to include in your calculations?

~ Are there any monthly obligations that will end while you are in training?

~ Is it possible to reduce any of your household's monthly expenses?

~ If you do not already plan to do so, is it possible to work part-time while you attend training?

If your net cash flow minus the out-of-pocket training costs (item E above) is positive (+):

~ Are any of your income sources potentially unstable (for example, will your Unemployment Insurance benefits run out while you are still in training)?

~ Have you included all expenses that spike up during the training period (e.g., insurance payments, property taxes, etc.)?

~ Do the monthly expenses that you calculated realistically reflect your lifestyle and your family's lifestyle?

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APPENDIX B

STS DATA ANALYSIS TABLES

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Appendix Table B.1. Characteristics of ITA Study Participants, by Approach (Percentages Unless Otherwise Noted)

Characteristic	All	Approach 1	Approach 2	Approach 3
Gender				
Female	54	54	53	53
Race				
One race				
White	48	48	48	48
Black or African American	39	38	39	38
American Indian or Alaskan Native	1	1	1	1
Asian or Pacific Islander	6	6	6	6
Other	5	4	5	6
Two or more races	1	1	1	1
Hispanic or Latino	10	10	10	11
Average Age at Enrollment (Years)	40	41	41	40
Years of Regular Schooling				
Less than 12	10	9	10	10
12	38	38	37	38
13 to 15	27	27	28	27
16	16	17	16	17
More than 16	9	9	10	9
Employment Status at Enrollment				
Unemployed	91	90	92	90
Employed	9	10**	8	10
Had never worked	0	0	0	0
When Did Last Job End[a]				
Within the last month	12	11	12	11
More than 1 month ago but within last year	74	74	73	75
1 or 2 years ago	12	13	12	11
3 or 4 years ago	1	1	1	2
5 or more years ago	1	1	1	1
Reason Why Left Last Job[b]				
Discharged or fired	12	13	12	11
Laid off/business closed	68	67	69	70
Other reason	8	8	8	8
Quit	5	5	5	5
Temporary/seasonal job ended	6	7	6	7
Years Worked at Current/Most Recent Job				
Less than 1 year	34	34	34	34
1 to 5 years	45	44	44	46
6 to 9 years	8	8	9	8
10 or more years	13	14	13	13
Average	4	4	4	4

APPENDIX TABLE B.1 *(continued)*

Characteristic	All	Approach 1	Approach 2	Approach 3
Received Public Assistance at Enrollment	20	20	21	20
Sample Size	**7,922**	**2,646**	**2,649**	**2,627**

Source: Study tracking system for the ITA experiment (data extract as of 5/17/04).

[a]For those not working at enrollment.

[b]For those unemployed at enrollment.

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

Appendix Table B.2. Participant Tenure in the ITA Experiment, by Study Site and Customer Type (Months)

Tenure in ITA Experiment	Overall	Approach 1	Approach 2	Approach 3
All Sites	14.3	14.3	14.3	14.3
By Study Site				
Phoenix, AZ	13.0	12.9	13.0	13.0
Maricopa County, AZ	12.4	12.4	12.5	12.5
Bridgeport, CT	9.1	9.1	9.1	9.1
Jacksonville, FL	14.3	14.3	14.3	14.4
Atlanta, GA	16.5	16.5	16.5	16.5
Northeast Region, GA	17.0	16.9	17.0	17.0
North Cook County, IL	16.4	16.4	16.4	16.5
Charlotte, NC	14.3	14.3	14.3	14.3
By Customer Type				
Dislocated workers	14.6	14.6	14.6	14.7
Adults	13.5	13.5	13.5	13.5
Sample Sizes	**7,922**	**2,646**	**2,649**	**2,627**

Source: Study tracking system for the ITA experiment (data extract as of 5/17/04).

Note: Percentages may not sum to 100 due to rounding.

*/**/*** = Difference in participant distribution by approach is significant at the .10/.05/.01 confidence level.

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Appendix Table B.3. Average Number of Weekdays Elapsed Between Key ITA Events

	Overall	Approach 1	Approach 2	Approach 3
All Study Sites				
Determination of WIA training eligibility to receipt of random assignment	9.5	9.4	9.4	9.7
Determination of WIA training eligibility to STS data entry	8.0	8.0	7.9	8.2
STS data entry to transmittal to MPR	0.1	0.1	0.1	0.1
Transmittal to MPR to receipt of random assignment	1.4	1.3	1.4	1.3
Determination of WIA training eligibility to ITA program approval	44.3	49.9***	43.9	39.8***
Receipt of random assignment to ITA program approval	34.9	40.7***	34.8	30.0***
By Study Site: Phoenix, AZ				
Determination of WIA training eligibility to receipt of random assignment	8.3	8.2	7.8	9.0
Determination of WIA training eligibility to STS data entry	6.8	6.7	6.2	7.5
STS data entry to transmittal to MPR	0.1	0.0	0.1	0.1*
Transmittal to MPR to receipt of random assignment	1.4	1.4	1.5	1.4
Determination of WIA training eligibility to ITA program approval	41.6	50.4**	40.0	36.1
Receipt of random assignment to ITA program approval	33.7	43.3***	33.1	26.7*
By Study Site: Maricopa County, AZ				
Determination of WIA training eligibility to receipt of random assignment	14.1	13.7	15.4	13.2
Determination of WIA training eligibility to STS data entry	12.2	11.9	13.5	11.3
STS data entry to transmittal to MPR	0.1	0.1*	0.2	0.1*
Transmittal to MPR to receipt of random assignment	1.7	1.7	1.7	1.8
Determination of WIA training eligibility to ITA program approval	42.3	48.4*	40.6	38.2
Receipt of random assignment to ITA program approval	30.3	36.1**	27.9	26.9
By Study Site: Bridgeport, CT				
Determination of WIA training eligibility to receipt of random assignment	13.4	13.8	13.0	13.3
Determination of WIA training eligibility to STS data entry	11.7	12.2	11.3	11.6
STS data entry to transmittal to MPR	0.2	0.2	0.1	0.2
Transmittal to MPR to receipt of random assignment	1.5	1.4	1.6	1.5
Determination of WIA training eligibility to ITA program approval	56.4	62.7	58.7	49.0***
Receipt of random assignment to ITA program approval	44.0	50.2	47.3	35.9***

APPENDIX TABLE B.3 *(continued)*

	Overall	Approach 1	Approach 2	Approach 3
By Study Site: Jacksonville, FL				
Determination of WIA training eligibility to receipt of random assignment	10.7	10.4	10.5	11.2
Determination of WIA training eligibility to STS data entry	9.5	9.2	9.4	10.0
STS data entry to transmittal to MPR	0.0	0.0	0.0	0.0
Transmittal to MPR to receipt of random assignment	1.2	1.2	1.1	1.2
Determination of WIA training eligibility to ITA program approval	30.3	33.8	31.9	25.7**
Receipt of random assignment to ITA program approval	19.3	23.3	21.1	14.2***
By Study Site: Atlanta, GA				
Determination of WIA training eligibility to receipt of random assignment	11.0	11.2	11.1	10.7
Determination of WIA training eligibility to STS data entry	9.7	9.8	9.8	9.5
STS data entry to transmittal to MPR	0.1	0.1	0.1	0.1
Transmittal to MPR to receipt of random assignment	1.2	1.2	1.2	1.1
Determination of WIA training eligibility to ITA program approval	54.8	64.9***	51.3	49.0
Receipt of random assignment to ITA program approval	44.1	53.7***	40.4	39.0
By Study Site: Northeast Region, GA				
Determination of WIA training eligibility to receipt of random assignment	4.9	3.5	3.3	7.8
Determination of WIA training eligibility to STS data entry	3.5	2.0	2.0	6.4
STS data entry to transmittal to MPR	0.1	0.2	0.1	0.1
Transmittal to MPR to receipt of random assignment	1.3	1.3	1.2	1.3
Determination of WIA training eligibility to ITA program approval	20.6	19.3	19.1	23.2
Receipt of random assignment to ITA program approval	15.2	15.8	16.1	13.8
By Study Site: North Cook County, IL				
Determination of WIA training eligibility to receipt of random assignment	5.6	5.6	5.7	5.5
Determination of WIA training eligibility to STS data entry	4.1	4.1	4.1	4.1
STS data entry to transmittal to MPR	0.1	0.1	0.1	0.1
Transmittal to MPR to receipt of random assignment	1.4	1.4	1.5	1.3*
Determination of WIA training eligibility to ITA program approval	32.5	34.4	33.5	30.1
Receipt of random assignment to ITA program approval	27.0	29.1	27.9	24.7

APPENDIX TABLE B.3 *(continued)*

	Overall	Approach 1	Approach 2	Approach 3
By Study Site: Charlotte, NC				
Determination of WIA training eligibility to receipt of random assignment	8.5	8.2	7.9	9.4
Determination of WIA training eligibility to STS data entry	7.0	6.7	6.3	7.8
STS data entry to transmittal to MPR	0.2	0.2	0.2	0.2
Transmittal to MPR to receipt of random assignment	1.3	1.2	1.3	1.3
Determination of WIA training eligibility to ITA program approval	55.6	60.7	53.4	52.6
Receipt of random assignment to ITA program approval	47.8	53.6	46.2	43.7
By Customer Type: Dislocated Worker				
Determination of WIA training eligibility to receipt of random assignment	8.8	8.7	8.9	8.8
Determination of WIA training eligibility to STS data entry	7.4	7.3	7.4	7.4
STS data entry to transmittal to MPR	0.1	0.1	0.1	0.1
Transmittal to MPR to receipt of random assignment	1.3	1.3	1.4	1.3*
Determination of WIA training eligibility to ITA program approval	43.3	49.4***	43.0	38.8**
Receipt of random assignment to ITA program approval	34.4	40.4***	33.8	30.0**
By Customer Type: Adult				
Determination of WIA training eligibility to receipt of random assignment	11.1	10.9	10.7	11.6
Determination of WIA training eligibility to STS data entry	9.5	9.4	9.1	10.0
STS data entry to transmittal to MPR	0.1	0.1	0.1	0.1
Transmittal to MPR to receipt of random assignment	1.4	1.4	1.4	1.4
Determination of WIA training eligibility to ITA program approval	46.2	50.9*	45.9	42.0
Receipt of random assignment to ITA program approval	35.9	41.2*	36.8	30.0***

Source: Study tracking system for the ITA experiment (data extract as of 5/17/04).

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

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Appendix Table B.4. Participation in ITA Counseling, by Study Site and Customer Type (Percentages Unless Otherwise Indicated)

	Overall	Approach 1	Approach 2	Approach 3
By Study Site: Phoenix, AZ				
No Counseling After Random Assignment	19.3	23.4	23.7	10.8***
Attended Approach-Specific ITA Orientation	80.7	76.6	76.3	89.2***
Attended Counseling Beyond ITA Orientation	48.3	75.2*	68.9	0.0***
Average Number of Activities Completed				
All ITA study participants	3.5	5.6***	4.1	0.9***
Participants who initiated ITA services	4.4	7.3***	5.3	1.0***
Average Number of Counseling Sessions				
All ITA study participants	1.5*	1.9***	1.8	0.9***
Participants who initiated ITA services	1.9*	2.5***	2.3	1.0***
Sample Size	646	214	219	213
By Study Site: Maricopa County, AZ				
No Counseling After Random Assignment	30.9	29.0**	39.3	24.1***
Attended Approach-Specific ITA Orientation	69.1	71.0**	60.7	75.9***
Attended Counseling Beyond ITA Orientation	44.7	70.1***	56.8	6.4***
Average Number of Activities Completed				
All ITA study participants	3.6	6.1***	3.9	0.9***
Participants who initiated ITA services	5.3	8.6***	6.4	1.2***
Average Number of Counseling Sessions				
All ITA study participants	1.5	2.0***	1.5	0.8***
Participants who initiated ITA services	2.1	2.8***	2.5	1.1***
Sample Size	673	224	229	220
By Study Site: Bridgeport, CT				
No Counseling After Random Assignment	10.6	11.9	13.3	6.7***
Attended Approach-Specific ITA Orientation	89.1	87.5	86.7	93.0***
Attended Counseling Beyond ITA Orientation	58.9	83.1	80.6	12.8***
Average Number of Activities Completed				
All ITA study participants	4.0	6.2***	4.7	1.1***
Participants who initiated ITA services	4.5	7.0***	5.4	1.2***
Average Number of Counseling Sessions				
All ITA study participants	2.0	2.6**	2.4	1.1***
Participants who initiated ITA services	2.2	2.9**	2.7	1.2***
Sample Size	1,033	344	345	344
By Study Site: Jacksonville, FL				
No Counseling After Random Assignment	19.5	24.3*	17.7	16.4
Attended Approach-Specific ITA Orientation	80.4	75.7*	81.9	83.6
Attended Counseling Beyond ITA Orientation	51.9	74.9	76.9	2.7***
Average Number of Activities Completed				
All ITA study participants	3.8	5.9***	4.7	0.9***
Participants who initiated ITA services	4.8	7.8***	5.7	1.0***
Average Number of Counseling Sessions				
All ITA study participants	1.4	1.7***	1.7	0.8***
Participants who initiated ITA services	1.8	2.3***	2.1	1.0***
Sample Size	779	263	260	256

APPENDIX TABLE B.4*(continued)*

	Overall	Approach 1	Approach 2	Approach 3
By Study Site: Atlanta, GA				
No Counseling After Random Assignment	20.7	22.4	21.5	18.2
Attended Approach-Specific ITA Orientation	78.9	77.0	78.0	81.8
Attended Counseling Beyond ITA Orientation	40.1	66.8***	48.8	4.1***
Average Number of Activities Completed				
All ITA study participants	2.8	4.3***	3.1	0.9***
Participants who initiated ITA services	3.5	5.5***	3.9	1.1***
Average Number of Counseling Sessions				
All ITA study participants	1.2	1.4***	1.3	0.9***
Participants who initiated ITA services	1.5	1.9***	1.7	1.1***
Sample Size	1,408	473	469	466
By Study Site: Northeast Region, GA				
No Counseling After Random Assignment	30.4	31.6	32.1	27.6
Attended Approach-Specific ITA Orientation	69.6	68.4	67.9	72.4
Attended Counseling Beyond ITA Orientation	45.0	68.4	67.9	0.0***
Average Number of Activities Completed				
All ITA study participants	3.4	5.5***	4.0	0.7***
Participants who initiated ITA services	4.9	8.0***	5.9	1.0***
Average Number of Counseling Sessions				
All ITA study participants	1.0	1.2	1.1	0.7***
Participants who initiated ITA services	1.4	1.7	1.6	1.0***
Sample Size	171	57	56	58
By Study Site: North Cook County, IL				
No Counseling After Random Assignment	37.7	38.7*	40.6	33.7**
Attended Approach-Specific ITA Orientation	62.2	61.1*	59.4	66.3**
Attended Counseling Beyond ITA Orientation	38.7	59.3*	55.2	1.5***
Average Number of Activities Completed				
All ITA study participants	2.9	4.6***	3.3	0.7***
Participants who initiated ITA services	4.6	7.6***	5.6	1.1***
Average Number of Counseling Sessions				
All ITA study participants	1.2	1.5***	1.3	0.8***
Participants who initiated ITA services	1.9	2.4***	2.2	1.3***
Sample Size	1,809	604	603	602
By Study Site: Charlotte, NC				
No Counseling After Random Assignment	56.2	55.0*	61.1	52.4***
Attended Approach-Specific ITA Orientation	43.7	45.0*	38.9	47.2**
Attended Counseling Beyond ITA Orientation	28.4	45.0**	38.9	1.5***
Average Number of Activities Completed				
All ITA study participants	2.2	3.6***	2.4	0.5***
Participants who initiated ITA services	4.9	8.0***	6.1	1.0***
Average Number of Counseling Sessions				
All ITA study participants	1.0	1.5***	1.1	0.5***
Participants who initiated ITA services	2.3	3.2***	2.9	1.0***
Sample Size	1,403	467	468	468

APPENDIX TABLE B.4*(continued)*

	Overall	Approach 1	Approach 2	Approach 3
By Participant Type: Dislocated Worker				
No Counseling After Random Assignment	31.4	32.7	34.3	27.1***
Attended Approach-Specific ITA Orientation	68.5	67.2	65.5	72.8***
Attended Counseling Beyond ITA Orientation	41.4	63.9***	56.6	3.7***
Average Number of Activities Completed				
All ITA study participants	3.0	4.8***	3.5	0.8***
Participants who initiated ITA services	4.4	7.2***	5.3	1.1***
Average Number of Counseling Sessions				
All ITA study participants	1.3	1.7***	1.5	0.8***
Participants who initiated ITA services	1.9	2.5***	2.2	1.1***
Sample Size	5,460	1,769	1,874	1,817
By Participant Type: Adult				
No Counseling After Random Assignment	28.3	29.3	31.1	24.4***
Attended Approach-Specific ITA Orientation	71.6	70.4	68.9	75.6***
Attended Counseling Beyond ITA Orientation	45.0	67.6***	62.1	4.1***
Average Number of Activities Completed				
All ITA study participants	3.3	5.1***	3.7	0.8***
Participants who initiated ITA services	4.6	7.3***	5.4	1.1***
Average Number of Counseling Sessions				
All ITA study participants	1.4	1.8***	1.6	0.8***
Participants who initiated ITA services	2.0	2.6***	2.3	1.1***
Sample Size	2,462	877	775	810

Source: Study tracking system for the ITA experiment (data extract as of 5/17/04).

Note: Percentages may not sum to 100 due to rounding.

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

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Appendix Table B.5. Participation in ITA Training, by Study Site and Customer Type (Percentages)

	Overall	Approach 1	Approach 2	Approach 3
All Study Sites	60.6	59.0	57.6	65.1***
By Study Site				
Phoenix, AZ	67.5	62.1	61.6	78.9***
Maricopa County, AZ	65.8	67.0**	56.3	74.5***
Bridgeport, CT	73.4	68.3	71.9	79.9**
Jacksonville, FL	77.2	72.2	77.3	82.0
Atlanta, GA	39.8	37.4	38.6	43.3
Northeast Region, GA	69.6	68.4	67.9	72.4
North Cook County, IL	70.1	70.9	68.7	70.8
Charlotte, NC	43.7	44.8*	38.7	47.6***
By Customer Type				
Dislocated worker	60.3	58.8	57.2	65.1***
Adults	61.0	59.3	58.8	65.1**

Source: Study tracking system for the ITA experiment (data extract as of 5/17/04).

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

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Appendix Table B.6. ITA Awards, Price of Selected Programs, and Projected Local Expenditures: Overall, by Study Site, and by Customer Type (Averages in Dollars Unless Otherwise Noted)

	Overall	Approach 1	Approach 2	Approach 3
All Study Sites				
Price of Selected Program(s)	3,645	4,764***	3,116	3,133
ITA Award	3,842	4,731***	3,433	3,428
Projected ITA Expenditures	3,423	4,731***	2,849	2,857
Sample Size	4,248	1,346	1,343	1,559
By Study Site: Phoenix, AZ				
Price of Selected Program(s)	3,185	4,791***	2,489	2,518
ITA Award	3,470	4,580***	3,000	3,000
Projected ITA Expenditures	3,083	4,580***	2,466	2,435
Sample Size	437	130	137	170
By Study Site: Maricopa County, AZ				
Price of Selected Program(s)	3,993	5,659***	3,204	3,089
ITA Award	3,814	5,405***	3,000	3,000
Projected ITA Expenditures	3,685	5,405***	2,799	2,808
Sample Size	443	150	129	164
By Study Site: Bridgeport, CT				
Price of Selected Program(s)	3,189	3,810***	2,784	3,034
ITA Award	3,138	3,451***	3,000	3,000
Projected ITA Expenditures	2,816	3,451***	2,540	2,532
Sample Size	751	230	246	275
By Study Site: Jacksonville, FL				
Price of Selected Program(s)	3,813	4,834***	3,388	3,300
ITA Award	3,554	4,757***	3,000	3,000
Projected ITA Expenditures	3,475	4,757***	2,862	2,907
Sample Size	593	187	198	208
By Study Site: Atlanta, GA				
Price of Selected Program(s)	4,283	4,429	4,210	4,220
ITA Award	4,851	4,530***	5,000	5,000
Projected ITA Expenditures	4,279	4,530***	4,155	4,170
Sample Size	559	177	181	201
By Study Site: Northeast Region, GA				
Price of Selected Program(s)	3,675	3,931	3,556	3,547
ITA Award	4,042	4,127	4,000	4,000
Projected ITA Expenditures	3,365	4,127***	3,000	2,988
Sample Size	119	39	38	42
By Study Site: North Cook County, IL				
Price of Selected Program(s)	3,369	5,210***	2,536	2,578
ITA Award	3,858	5,806***	3,000	3,000
Projected ITA Expenditures	3,408	5,806***	2,522	2,604
Sample Size	733	224	233	276

APPENDIX TABLE B.6 *(continued)*

	Overall	Approach 1	Approach 2	Approach 3
By Study Site: Charlotte, NC				
Price of Selected Program(s)	3,856	5,055***	3,245	3,229
ITA Award	4,293	4,860***	4,000	4,000
Projected ITA Expenditures	3,414	4,860***	2,661	2,670
Sample Size	613	209	181	223
By Customer Type: Dislocated Worker				
Price of Selected Program(s)	3,768	5,062***	3,212	3,198
ITA Award	3,981	5,074***	3,510	3,500
Projected ITA Expenditures	3,558	5,074***	2,943	2,939
Sample Size	2,814	854	908	1,052
By Customer Type: Adult				
Price of Selected Program(s)	3,402	4,247***	2,917	2,998
ITA Award	3,571	4,136***	3,271	3,278
Projected ITA Expenditures	3,157	4,136***	2,652	2,686
Sample Size	1,434	492	435	507

Source: Study tracking system for the ITA experiment (data extract as of 5/17/04).

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

Appendix Table B.7. Comparison of Price of Approach 2 and Approach 3 Program Selections to Fixed ITA Awards (Percentages)

	Overall	Approach 2	Approach 3
All Study Sites			
Program Price as Percent of Fixed ITA Cap			
Price information missing	0.2	0.3	0.2
Less than 50 percent	9.1	9.5	8.7
50 to 79 percent	11.4	11.2	11.5
80 to 99 percent	14.1	13.3	14.8
100 to 119 percent	50.0	50.5	49.5
120 to 149 percent	10.9	10.6	11.1
150 percent or more	4.3	4.5	4.2
Sample Size	2,902	1,343	1,559
By Study Site: Phoenix, AZ			
Program Price as Percent of Fixed ITA Cap			
Price information missing	1.6	1.5	1.8
Less than 50 percent	15.6	16.1	15.3
50 to 79 percent	9.8	10.9	8.8
80 to 99 percent	15.0	15.3	14.7
100 to 119 percent	55.7	55.5	55.9
120 to 149 percent	0.3	0	0.6
150 percent or more	2.0	0.7	2.9
Sample Size	307	137	170
By Study Site: Maricopa County, AZ			
Program Price as Percent of Fixed ITA Cap			
Less than 50 percent	4.4	3.9	4.9
50 to 79 percent	6.5	7.8	5.5
80 to 99 percent	9.9	9.3	10.4
100 to 119 percent	66.2	62.8	68.9
120 to 149 percent	3.4	5.4	1.8*
150 percent or more	9.6	10.9	8.5
Sample Size	293	129	164
By Study Site: Bridgeport, CT			
Program Price as Percent of Fixed ITA Cap			
Less than 50 percent	10.7	11.0	10.5
50 to 79 percent	16.9	16.3	17.5
80 to 99 percent	21.1	19.1	22.9
100 to 119 percent	41.1	45.1	37.5*
120 to 149 percent	3.6	3.3	4.0
150 percent or more	6.5	5.3	7.6
Sample Size	521	246	275
By Study Site: Jacksonville, FL			
Program Price as Percent of Fixed ITA Cap			
Less than 50 percent	3.0	4.0	1.9
50 to 79 percent	3.9	3.5	4.3
80 to 99 percent	6.9	7.6	6.3
100 to 119 percent	68.2	65.7	70.7
120 to 149 percent	5.7	5.6	5.8
150 percent or more	12.3	13.6	11.1
Sample Size	406	198	208

APPENDIX TABLE B.7 *(continued)*

	Overall	Approach 2	Approach 3
By Study Site: Atlanta, GA			
Program Price as Percent of Fixed ITA Cap			
Price information missing	0.3	0.6	0.0
Less than 50 percent	11.0	12.2	10.0
50 to 79 percent	20.9	19.3	22.4
80 to 99 percent	22.0	18.8	24.9
100 to 119 percent	44.8	48.1	41.8
150 percent or more	1.0	1.1	1.0
Sample Size	382	181	201
By Study Site: Northeast Region, GA			
Program Price as Percent of Fixed ITA Cap			
80 to 99 percent	1.3	0.0	2.4
100 to 119 percent	51.3	55.3	47.6
120 to 149 percent	47.5	44.7	50.0
Sample Size	80	38	42
By Study Site: North Cook County, IL			
Program Price as Percent of Fixed ITA Cap			
Price information missing	0.2	0.4	0.0
Less than 50 percent	15.3	15.5	15.2
50 to 79 percent	5.3	6.0	4.7
80 to 99 percent	10.4	11.2	9.8
100 to 119 percent	67.8	66.1	69.2
120 to 149 percent	0.8	0.4	1.1
150 percent or more	0.2	0.4	0.0
Sample Size	509	233	276
By Study Site: Charlotte, NC			
Program Price as Percent of Fixed ITA Cap			
Less than 50 percent	3.7	4.4	3.1
50 to 79 percent	17.6	16.6	18.4
80 to 99 percent	14.4	13.3	15.2
100 to 119 percent	9.2	9.9	8.5
120 to 149 percent	54.7	54.7	54.7
150 percent or more	0.5	1.1	0.0
Sample Size	404	181	223
By Customer Type: Dislocated Worker			
Program Price as Percent of Fixed ITA Cap			
Price information missing	0.2	0.3	0.1
Less than 50 percent	8.8	9.1	8.5
50 to 79 percent	9.6	9.4	9.9
80 to 99 percent	13.4	12.9	13.9
100 to 119 percent	51.7	52.2	51.2
120 to 149 percent	12.1	11.5	12.6
150 percent or more	4.2	4.6	3.8
Sample Size	1,960	908	1,052

APPENDIX TABLE B.7 *(continued)*

	Overall	Approach 2	Approach 3
By Customer Type: Adult			
Program Price as Percent of Fixed ITA Cap			
Price information missing	0.3	0.2	0.4
Less than 50 percent	9.8	10.3	9.3
50 to 79 percent	15.1	15.2	15.0
80 to 99 percent	15.5	14.3	16.6
100 to 119 percent	46.4	46.9	46.0
120 to 149 percent	8.4	9.0	7.9
150 percent or more	4.6	4.1	4.9
Sample Size	942	435	507

Source: Study tracking system for the ITA experiment (data extract as of 5/17/04).

Note: Percentages may not sum to 100 due to rounding.

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

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Appendix Table B.8. Training Providers Selected, Overall, by Study Site, and by Customer Type (Percentages)

	Overall	Approach 1	Approach 2	Approach 3
All Study Sites				
Community or Public Technical College	29.0	26.2	28.0	32.2***
Private, For-Profit (Proprietary) School	62.7	63.5	63.4	61.3
Nonprofit, Including CBOs and FBOs	1.9	2.0	2.2	1.5
State or Private (Four Year) University	6.1	7.6	6.3	4.5**
Other	0.4	0.6*	0.1	0.6*
Number of Vouchers with Training Provider Information	4,756	1,517	1,520	1,719
By Study Site: Phoenix, AZ				
Community or Public Technical College	33.5	26.1	32.9	39.5
Private, For-Profit (Proprietary) School	56.1	63.8*	52.7	53.2
Nonprofit, Including CBOs and FBOs	10.3	10.1	14.4	7.4**
By Study Site: Maricopa County, AZ				
Community or Public Technical College	23.0	21.9	22.0	25.0
Private, For-Profit (Proprietary) School	72.8	71.0	75.9	72.0
Nonprofit, Including CBOs and FBOs	3.7	5.8*	2.1	3.0
State or Private (Four Year) University	0.4	1.3*	0	0
By Study Site: Bridgeport, CT				
Community or Public Technical College	15.3	11.4	14.7	19.1
Private, For-Profit (Proprietary) School	68.1	66.5	70.5	67.5
Nonprofit, Including CBOs and FBOs	2.4	2.5	3.2	1.8
State or Private (Four Year) University	12.0	16.7**	10.9	9.0
Other	2.1	2.8*	0.7	2.7*
By Study Site: Jacksonville, FL				
Community or Public Technical College	57.6	58.7	52.5	61.3*
Private, For-Profit (Proprietary) School	35.7	32.3*	40.6	34.3
Four Year College or University	6.7	9.0	6.8	4.3
By Study Site: Atlanta, GA				
Community or Public Technical College	17.8	15.9	15.7	21.3
Private, For-Profit (Proprietary) School	67.4	72.5*	64.5	66.0
State or Private (Four Year) University	14.8	11.6**	19.8	12.7**
By Study Site: Northeast Region, GA				
Community or Public Technical College	12.3	10.0	15.0	11.9
Private, For-Profit (Proprietary) School	86.1	85.0	85.0	88.1
State or Private (Four Year) University	1.6	5.0*	0.0	0.0
By Study Site: North Cook County, IL				
Community or Public Technical College	30.9	26.7*	31.8	34.0
Private, For-Profit (Proprietary) School	66.5	68.2	66.9	64.4
Nonprofit, Including CBOs and FBOs	0.1	0.2	0	0
State or Private (Four Year) University	2.4	4.7***	1.3	1.4
Other	0.1	0.2	0.0	0.2

APPENDIX TABLE B.8 *(continued)*

	Overall	Approach 1	Approach 2	Approach 3
By Customer Type: Dislocated Worker				
Community or Public Technical College	29.4	26.2	27.9	33.4***
Private, For-Profit (Proprietary) School	62.7	64.3	63.3	60.9
Nonprofit, Including CBOs and FBOs	1.0	0.6*	1.4	0.9
State or Private (Four Year) University	6.5	8.2	7.2	4.4***
Other	0.4	0.7*	0.2	0.4
By Customer Type: Adult				
Community or Public Technical College	28.1	26.4	28.4	29.6
Private, For-Profit (Proprietary) School	62.6	62.1	63.7	62.1
Nonprofit, Including CBOs and FBOs	3.7	4.7	3.9	2.6
State or Private (Four Year) University	5.2	6.5*	4.1	4.8
Other	0.5	0.4	0.0	0.9**

Source: Study tracking system for the ITA experiment (data extract as of 5/17/04).

Notes: Percentages may not sum to 100 due to rounding. Table excludes Charlotte, NC, due to missing training provider information.

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

CBO = community-based organization; FBO = faith-based organization.

Appendix Table B.9. Average Duration of Training Overall, by Study Site, and by Customer Type (Months)

	Overall	Approach 1	Approach 2	Approach 3
All Study Sites	7.5	8.2***	7.0	7.3
By Study Site				
Phoenix, AZ	6.6	8.1***	6.1	5.9
Maricopa County, AZ	8.3	8.3	7.7	8.9
Bridgeport, CT	4.4	4.9**	3.9	4.5
Jacksonville, FL	11.8	13.1**	10.9	11.6
Atlanta, GA	7.7	7.4	8.2	7.4
Northeast Region, GA	5.3	5.0	5.5	5.5
North Cook County, IL	4.8	5.6***	4.5	4.4
Charlotte, NC	10.5	11.4*	9.6	10.2
By Customer Type				
Dislocated worker	8.0	8.8***	7.5	7.8
Adult	6.6	7.0*	6.1	6.4
Sample Size	**4,179**	**1,324**	**1,329**	**1,526**

Source: Study tracking system for the ITA experiment (data extract as of 5/17/04).

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.

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Appendix Table B.10. Characteristics of Selected ITA Training Participants (Percentages Unless Otherwise Noted)

Characteristic	Approach 1 Customers Who Received ITAs Larger than Fixed Awards	Approach 2 Customers Who Received ITA Program Approval	Approach 3 Customers Who Received ITA Program Approval
Gender			
Male	55***	49	47
Race			
One race			
White	58***	49	50
Black or African American	30***	37	36
American Indian or Alaskan Native	2	1	1
Asian or Pacific Islander	6	5	5
Other	4***	7	7
Two or more races	1	1	1
Hispanic or Latino	10	12	12
Average Age	41	41	40
Years of Regular Schooling			
Less than 12	10**	12	12
12	35	37	39
13 to 15	29	27	27
16	18*	15	15
More than 16	9	8	8
Employment Status at Enrollment			
Unemployed	89	90	89
Employed	11	10	11
Had never worked	0	0	0
Last Worked[a]			
Within the last month	12	14	13
More than 1 month ago but within last year	72	71	74
1 or 2 years ago	13	12	10
3 or 4 years ago	2	2	1
5 or more years ago	1	1	1
Reason Why Left Last Job[b]			
Discharged or fired	13	13	9***
Laid off/business closed	69	68	70
Other reason	9	8	8
Quit	4	5	6
Temporary/seasonal job ended	6	7	6
Years Worked at Current/Most Recent Job			
Less than 1 year	34	36	35
1 to 5 years	45	43	44
6 to 9 years	8	10	8*
10 or more years	14	12	13

APPENDIX TABLE B.10 *(continued)*

Characteristic	Approach 1 Customers Who Received ITAs Larger than Fixed Awards	Approach 2 Customers Who Received ITA Program Approval	Approach 3 Customers Who Received ITA Program Approval
Average Tenure at Current/Most Recent Job (Years)	4	4	4
Received Public Assistance at Enrollment	15***	21	21
Customer Type			
Dislocated Worker	67	67	68
Sample Size	**840**	**1,329**	**1,545**

Source: Study tracking system for the ITA experiment (data extract as of 5/17/04).

[a]For those not working at enrollment.

[b]For those unemployed at enrollment.

*/**/*** = Difference relative to Approach 2 is statistically significant at the .10/.05/.01 confidence level.