A Profile of the Workforce Development Partnership Program

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PREFACE AND ACKNOWLEDGEMENTS

This profile of the Workforce Development Partnership Program's Individual Training Grant Program was prepared pursuant to a contract with the New Jersey State Employment and Training Commission (SETC). This report contains 3 chapters profiling the Workforce Development Partnership Program between 1997-2000. The first chapter provides a description of the ITG participants between 1997-2000 and the type of training they received. The second chapter provides a description of the firms participating in the Customized Training Program. The third chapter provides a picture of how ITG participants who completed training in 1994-2000 are faring in the labor market after completing training. For ease of reading, each chapter contains its own principal findings section and can be read as a stand-alone report.

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Chapter 1

A Profile of the Individual Training Grant Participants, 1997- 2000

I. Introduction

This chapter contains a profile of the individuals participating in the Workforce Development Partnership (WDP) Program's Individual Training Grant program between 1997-2000. The New Jersey State Legislature created the WDP program in 1992 to "provide qualified, displaced, disadvantaged and employed workers with the employment and training services most likely to provide the greatest opportunity for long-range career advancement with high levels of productivity and earning power." The WDP program is composed of two principal initiatives: an Individual Training Grant (ITG) program, which awards individual grants to the long-term unemployed to help them obtain new skills and jobs, and the Customized Training (CT) program, which awards grants to firms and consortia to train current employees.

This chapter provides a demographic profile of the ITG participants and a description of the type of training they received. Also, using findings from the Heldrich Center's prior evaluation of the program, the report will highlight differences between participants in 1997-2000 and 1994-1996.

II. Source of Information

The data in this report are based on administrative data collected by the New Jersey Department of Labor for all individuals that received an ITG grant between 1997 and 2000. The administrative data contained information on the demographic characteristics of individuals and information on the type of training an individual would receive under the ITG program.

The profile also makes comparisons between 1997-2000 participants and ITG participants examined in a previous evaluation conducted by the Heldrich Center in January of 2000. These individuals participated in the program between 1994-1996.

The remainder of this chapter presents a description of who participated in the ITG program between 1997 and 2000 and the type of training they received. Section III provides a general overview of the findings in a bulleted format, section IV describes the characteristics of ITG participants, section V reviews the grant amount and duration of training, and section VI examines the type of training and type of provider in detail.

III. Overview of Principal Findings

Between 1997-2000, the New Jersey Department of Labor awarded $54.1 million in Individualized Training Grants to 17,156 individuals. On average, individuals received

$3,207 in grant money, 80% of the grant's cap of $4,000.[1] This is similar to the average amount ($3,271) participants received between 1994-1996

The following section provides a brief bullet-point overview of the 17,156 individuals. The subsequent four sections provide a more detailed description of participant demographics and the type of training obtained.

A. Overall Characteristics of ITG Participants 1997-2000

- The Individual Training Grant (ITG) program primarily serves white females between the ages of 37-50, whose highest level of education is a high school degree and previous occupation was in a professional, technical, or managerial position prior to entering the ITG program

- Individual Training Grant recipients are more likely to have at least a high school degree than the average New Jersey resident. While 94% of ITG recipients between 1997-2000 had at least a high school degree, 86% of New Jersey adult residents had at least a high school degree in the same period.

- The percent of those unemployed in New Jersey counties closely resembled the percent of ITG recipients residing in the county (table 1).[2]

Table 1. Distribution of ITG Recipients & Unemployed by County

County	% of ITG recipients 1997-2000	% of Unemployed 1997- 2000
Essex County	10%	11%
Bergen County	9%	9%
Middlesex County	9%	8%
Monmouth County	7%	6%
Hudson County	7%	10%
Camden County	7%	6%
Passaic County	6%	7%
Union County	6%	7%
Burlington County	6%	4%
Morris County	5%	4%
Ocean County	4%	5%
Mercer County	4%	4%
Sussex County	3%	1%
Gloucester County	3%	3%
Atlantic County	3%	5%
Cumberland County	2%	3%
Somerset County	2%	2%
Warren County	2%	1%
Hunterdon County	1%	1%
Cape May County	1%	2%
Salem County	1%	1%
Out of State	2%	na
Total	100%	100%

[1] Note approximately 267 individuals did not receive a grant, but did receive a tuition waiver. These 267 individuals were excluded from the average grant amount calculation.
[2] Source unemployment data: www.wnjpin.net, New Jersey Department of Labor
Labor Planning and Analysis , Labor Market and Demographic Research , Bureau of Labor Force Statistics

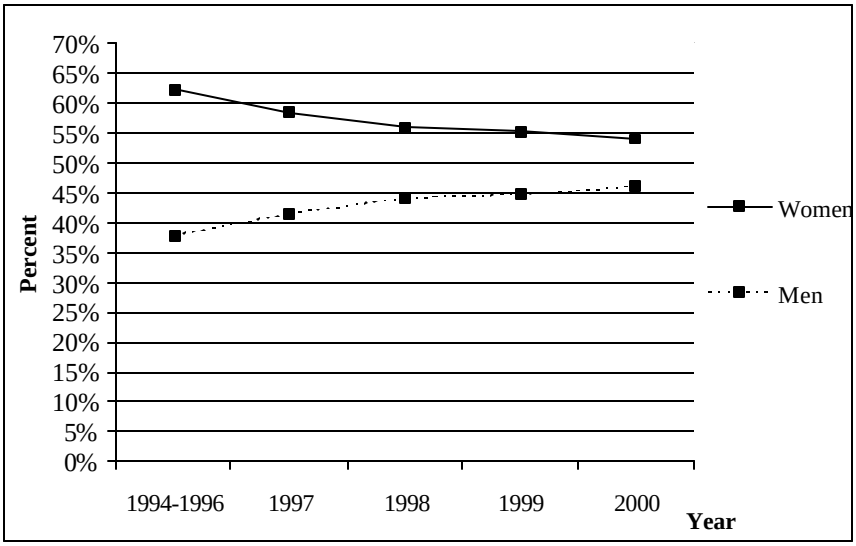
- The percent of white participants declined by 9% between 1994 and 2000, while the percent of Hispanic and African-Americans increased.

    - Between 1994-1996 68% of participants were white, 11% were Hispanic, and 18% of recipients were African-American. By the year 2000, 57% of recipients were white, 15% were Hispanic, and 22% were African-American.

- The proportion of male participants is increasing.

    - Between 1994-1996, 38% of participants were men. By 2000, the percent of male participants had increased to 46.1% (chart 1). If this trend continues, ITG participants will begin resembling both the national population of dislocated workers and the unemployed in New Jersey, where 53% of those groups are men.

Chart 1. Percent of Men and Women ITG Recipients 1994-2000



B. Description of Training Obtained Through the ITG Program

- On average, individuals received $3,207 in grant money, and the majority of individuals obtained training in either business & administration (41% of individuals) or computer & information sciences (15% of individuals).

- The average grant amount remained relatively stable between 1994-2000, while the average duration of training dropped by one month.

    - Between 1994-1996 the average grant amount was $3,271 and the average length of training was 5.8 months compared with an average amount of $3,207 and an average length of 4.8 months between 1997-2000.

- The bulk (68%) of training grants were used at proprietary schools, while 28% were used at community colleges. Further, the average length of training was shorter and average grant amount was higher at proprietary schools than at community colleges.

    - The average length of training at proprietary institutions was 3.8 months and the average length of training at community colleges was 6.8 months.

    - The average training grant at proprietary schools was $3,734, while the average at community colleges was $1,972. However, because 44% of the individuals who used their grant at a community college were enrolled in the least expensive type of training (entrepreneurship training), the average grant amount at community colleges increases to $2,795 after removing grant recipients enrolled in entrepreneurship training.

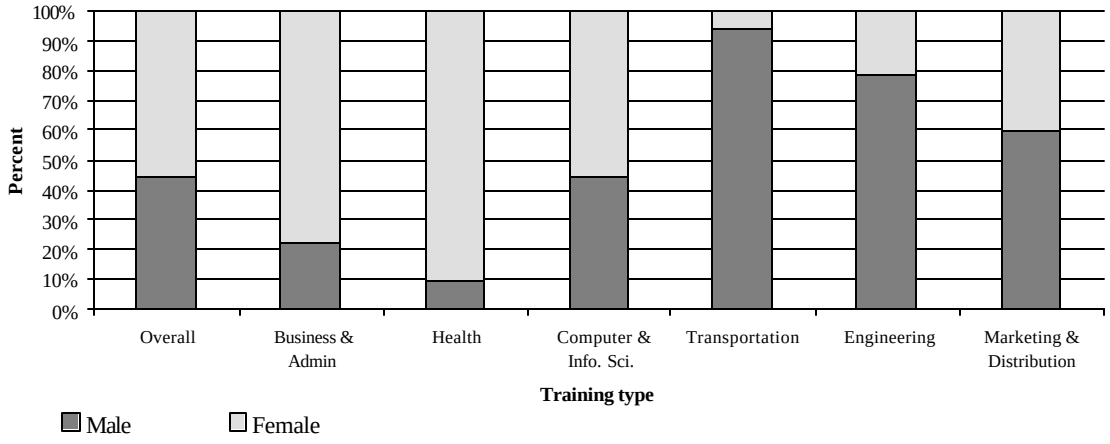
- The percent of individuals using their grant for entrepreneurship training increased dramatically between 1994-2000.

    - Between 1994-1996, 2% of ITG participants used their grants to obtain entrepreneurship training. In contrast between 1997-2000, 12% of ITG participants used their grants to obtain such training.

- There is dramatic variation in the types of training men and women received.

  - Approximately 90% of those enrolled in health related training were women. Similarly, 78% of participants enrolled in business related training were women (chart 2). Men were concentrated in transportation (94%) and engineering (79%) related training.

Chart 2. Type of Training by Gender 1997-2000



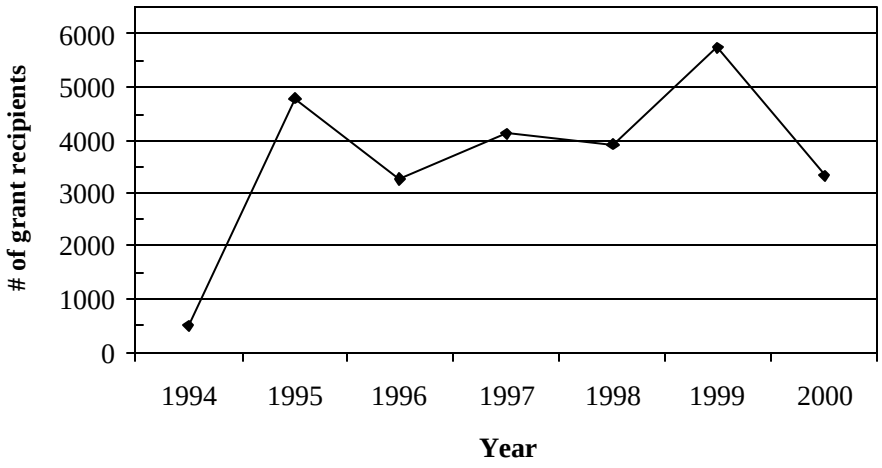
Further, despite the apparent parity in computer related training, men are over-represented in computer design and networking training and females are over-represented in data processing training. Males are 53% of those trained in computer programming and 75% of those trained in information sciences and systems. In contrast, females, 56% of all participants, were over-represented in only two sub-fields: data processing technology (71%) and general computer and information sciences (61%).

IV. Characteristics of ITG Recipients in 1997-2000

A total of 17,156 individuals received ITG grants between 1997-2000.[3] The number of grants awarded per year fluctuated. In 1997, 4,138 individuals received grants. The number fell to 3,927 in 1998. The peak occurred in 1999 with 5,748 individuals receiving grants. The low occurred in 2000, with 3,344 grants awarded. With the exception of 1995, this marks an increase from the period between 1994-1996 (chart 3).

The next section briefly describes the data source. Sections A. through D. detail the overall education, gender, race, and age of ITG recipients, while section E. details the variation that occurs across the demographic groups. Sections F. and G. detail the county of residence and the previous occupation of recipients.

Chart 3. Number of ITG Recipients 1994-2000



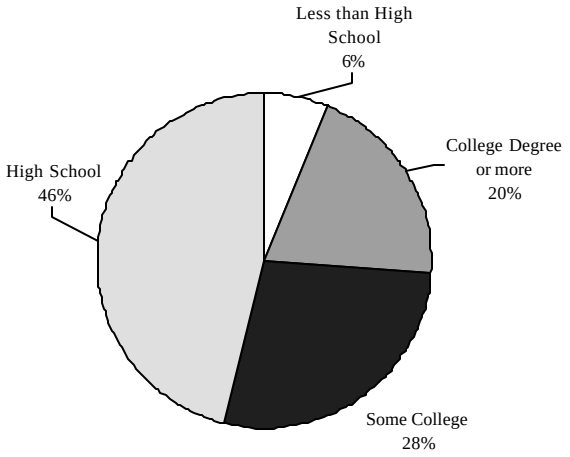
A. Prior Education of ITG Recipients

Nearly all (94%) ITG recipients have at least a high school degree (chart 4). Approximately 6% of recipients do not have a high school degree. One-fifth (20%) of recipients have a college degree or higher, and 28% of recipients have attended college without obtaining a degree. The remaining 46% of recipients have only a high school degree.

The education distribution remained fairly constant over the four-year period (1997-2000). Compared with the 1994-1996 period, the percent of recipients with some college or a college degree increased slightly. Between 1994-1996, 18% of participants had college degrees. The percent increased to 20% between 1997-2000. Similarly, between 1994-1996, 25% had attended some college, and by 1997-2000, 28% of recipients had attended college without obtaining a degree.

[3] Approximately 10% of the 17,156 ITG grant recipients received more than one grant. Specifically, 7% of these individuals were awarded 2 grants and the remaining 3% were awarded 3 or more grants.

Chart 4. Highest Education Level, ITG Recipients 1997-2000

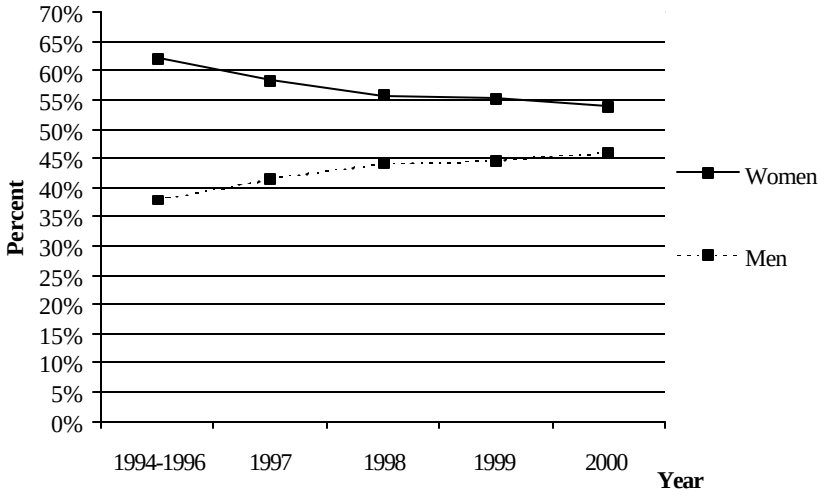


Individual Training Grant recipients have a higher education level than the average New Jersey resident. While 94% of ITG recipient had at least a high school degree, 87% of New Jersey residents had at least a high school degree (Current Population Survey, 1999-2000).

B. Gender

Approximately 56% of ITG recipients between 1997-2000 are women, and 44% of recipients are men. The percent of men obtaining ITG grants is on the rise (chart 5). Between 1994-1996, the percentage of men receiving grants was 38%. In 1997, 42% of recipients were men, and in 2000 the percent of men receiving grants increased further to 46%. Likewise, the percent of women receiving ITG grants fell from 62% in 1994-1996 to 58% in 1997 and to 54% in 2000.

Chart 5. Percent of Men and Women ITG Recipients 1994-2000[4]



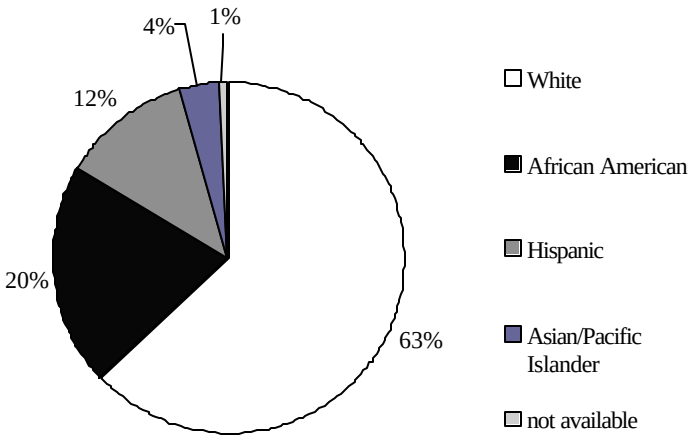
[4] This chart is the same as chart 1 in principal findings

If this trend continues, the ITG program will begin resembling the national population of dislocated workers. Nationally 53% of dislocated workers are men and 47% of dislocated workers are women (Bureau of Labor Statistics, 1997). Moreover, if the trend continues, the ITG recipients will more closely resemble the New Jersey unemployed, where between 1997-2000 53% of the unemployed were men.

C. Race

Approximately 63% of all ITG recipients between 1997-2000 were white, 20% were African American, and 12% were Hispanic. Another 4% of participants were Asian/Pacific Islander (chart 6). [5]

Chart 6. Race Distribution Among ITG Recipients 1997-2000



The percentage of white ITG recipients has decreased over the years, while the percent of Hispanics and African-Americans has increased. Between 1994-1996, 68% of recipients were white, 11% were Hispanic, and 18% of recipients were African-American. In contrast, by the year 2000 57% of recipients were white, 15% were Hispanic, and 22% were African-American.

D. Age at Start of Training

Nearly half (43%) of ITG recipients are middle aged (between 37-50 years old). Another 34% of recipients are between the ages of 18 and 36, and another 22% of recipients are between the ages of 51 and 65. The remaining 1% are age 66 or over. The average ITG recipient's age was 42 years old. The age distribution and the average age of recipients remained relatively constant over the four-year period. Further, age distribution of ITG participants is similar to the distribution in the period between 1994-1996.

[5] American Indians/Alaska Natives were less than 0.5% therefore they were not included in the chart.

E. Variation across Demographic Groups

The previous four sections provided the overall demographic distributions. Further examination of the demographic distributions within subgroups reveals the following noteworthy variations of race and gender distributions within education and age groups:

- Hispanics are over-represented in the less than high school category and under-represented in the college degree category.
    - While Hispanics make up 12% of all recipients, approximately 39% of ITG recipients with less than a high school diploma are Hispanic. In contrast, Hispanics make up only 6% of those ITG recipients with a college degree.
- Females and African-Americans are under-represented in the college degree category.
    - Over half (56%) of all ITG recipients are female, but less than half (47%) of ITG recipients with a college degree are women. Similarly, African-Americans represent 20% of all ITG recipients, yet the group represents only 14% of ITG recipients with a college degree.
- Hispanics and African-Americans are under-represented in the older age group and over-represented in the younger age group.
    - While Hispanics represent 12% of all ITG recipients, they represent 5% of the 51-65 age group and 19% of the 18-36 age group. Likewise, African-Americans represent 20% of all ITG recipients, but they represent 14% of the 51-65 age group and 26% of the 18-36 age group.
- Men and whites are over-represented among the older age groups.
    - Less than half (44%) of all ITG recipients are men, whereas over half (52%) of recipients age 66 and over are men. Similarly, while white recipients represent 63% of all recipients, they represent 76% of the older age group (51-65 years old).
- Men are over-represented among Hispanics and Asians.
    - While men represent 44% of all recipients, 55% of Hispanic participants are men and 50% of Asian/Pacific Islanders are men.

F. County of Residence

Individual training grants were proportionately distributed over New Jersey's 21 counties, and approximately 2% of recipients resided out of state. ITG recipients residing in a county closely resembled the percent of the state's unemployed residing there (table 2).

For the most part, the distribution of grants per county did not vary from year to year. However, in Sussex county, the share of grant recipients decreased from 5% in 1997, to 2% of all ITG recipients in the years 1999 and 2000. Further, Mercer County's share of recipients decreased over the same period, from 5% to 3% of all ITG recipients. Conversely, the proportion of recipients in Hudson County increased from 6% in 1997 to 9% in 2000.

Table 2. Distribution of ITG Recipients & Unemployed by County[6]

County	% of ITG recipients 1997-2000	% of Unemployed 1997- 2000
Essex County	10%	11%
Bergen County	9%	9%
Middlesex County	9%	8%
Monmouth County	7%	6%
Hudson County	7%	10%
Camden County	7%	6%
Passaic County	6%	7%
Union County	6%	7%
Burlington County	6%	4%
Morris County	5%	4%
Ocean County	4%	5%
Mercer County	4%	4%
Sussex County	3%	1%
Gloucester County	3%	3%
Atlantic County	3%	5%
Cumberland County	2%	3%
Somerset County	2%	2%
Warren County	2%	1%
Hunterdon County	1%	1%
Cape May County	1%	2%
Salem County	1%	1%
Out of State	2%	na
Total	100%	100%

Source unemployment data: www.wnjpin.net
New Jersey Department of Labor
Labor Planning and Analysis
Labor Market and Demographic Research
Bureau of Labor Force Statistics

[6] This table is the same as table 1 in the principal findings

G. Previous Occupation

Individuals who received Individual Training Grants between 1997-2000 came from a variety of occupations. Approximately 41% of participants were previously employed in professional, technical, and managerial occupations. The second largest field of previous occupation was clerical and sales occupations, with 33% of recipients (table 3).

The distribution of previous occupations remained relatively constant between 1997 and 2000. The most notable variation is a slight yet persistent decline in recipients coming from clerical and sales occupations, from 36% in 1997, to 31% in 2000.

Table 3. Previous Occupation of ITG Recipients

	1997-2000	1997	1998	1999	2000
PROFESSIONAL, TECHNICAL, AND MANAGERIAL OCCUPATIONS	41%	42%	41%	40%	41%
CLERICAL AND SALES OCCUPATIONS	33%	36%	35%	32%	31%
SERVICE OCCUPATIONS	5%	4%	5%	5%	5%
AGRICULTURAL, FISHERY, FORESTRY, AND RELATED OCCUPATIONS	0.3%	0.4%	0.2%	0.2%	0.2%
PROCESSING OCCUPATIONS	2%	2%	2%	2%	2%
MACHINE TRADES OCCUPATIONS	4%	3%	4%	5%	5%
BENCHWORK OCCUPATIONS	2%	1%	2%	2%	2%
STRUCTURAL WORK OCCUPATIONS	3%	3%	3%	3%	3%
MISCELLANEOUS OCCUPATIONS	10%	9%	9%	10%	10%
	100%	100%	100%	100%	100%

The distribution of previous occupations among ITG recipients varied within gender, education, racial, and age groups.

- Variations by gender were very dramatic in particular previous occupation groups. Females are over-represented in clerical and sales occupations, while males are over-represented in agricultural, fishery, forestry, and related occupations, processing occupations, machine trades, benchwork occupations, and structural work.

    - While females are 56% of the ITG population as a whole, they are almost 78% of those with a previous occupation in clerical and sales work.

    - While males are 44% of the overall ITG population, they are 72% of those with agricultural, fishery, forestry, and related work as their previous occupations. Similarly, 78% of those with previous employment in processing, 84% from machine trades, 57% from bench-work occupations, and 93% from structural work occupations were males.

- Those with some college education, a completed college degree, or more education are over-represented in the group of recipients whose previous occupations were in technical and managerial occupations.

    - While people with at least some college or more comprise 48% of the ITG population, they were 66% of those coming from previous employment in technical and managerial occupations.

- Those with a high school degree or less education are over-represented in clerical and sales occupations, service occupations, processing occupations, machine trade occupations, bench-work occupations, and structural work.

    - People with a high school degree or less make up 52% of ITG recipients. However, of those with previous employment in clerical and sales occupations, 58% have a high school degree or less. Similarly, in each of the following occupations, at least 60% have a high school degree or less: occupations in services, processing, machine trade occupations, bench-work occupations, and structural work.

- Whites are over-represented amongst those coming from technical and managerial occupations and agricultural and related occupations.

    - Whites are 63% overall, yet comprise 73% of those coming from technical and managerial occupations, and 74% of those coming from agricultural, fishery, forestry, and related occupations.
    -

- Blacks are over-represented in service occupations.

    - Blacks comprise 20% of ITG recipients overall, yet are 33% of recipients coming from service occupations.

- Hispanics are over-represented in processing occupations, machine trade occupations, and bench-work occupations. Whites are under-represented in each of these fields.

    - Hispanics make up 12% of all ITG recipients, yet are 25% of those coming from processing occupations, 25% of those coming from machine trades occupations, and 29% of those coming form bench-work occupations.

When looked at by age, three prior occupation categories have more young participants than average. These fields are service occupations, agricultural, fishery, forestry, and related occupations, and structural work occupations.

V. Grant Amount and Duration of Training

The average grant amount awarded to ITG participants between 1997-2000 was $3,207. This is similar to $3,271, the average grant amount awarded to individuals between 1994-1996. While there was an overall increase in the average grant amount between 1997-2000, the increase was not a steady one. Between 1997 and 1999 the average grant amount awarded increased steadily from $2,945 to $3,394. Then, in 2000 the average amount dropped by about 4% to $3,270 (table 4).

The average length of training was 4.8 months and 50% of individuals had training that lasted less than 4 months. Another 21% had training that lasted between 4 and 6 months. The remaining 29% participated in training that lasted over 6 months. The average length of training remained fairly constant between 1997-2000.

A. Grant Amount & Length Of Training by Type of Provider

Both the average grant amount and length of training varied by type of training provider. The average training grant was higher and the length of training was shorter at proprietary schools than at community colleges. The average training grant at proprietary schools was $3,734, while the average at community colleges was $1,972. The duration of training also varied by type of training providers. The average length of training at proprietary institutions was 3.8 months and the average length of training at community colleges was 6.8 months. The average length of training at four-year colleges was 9.1 months.

Table 4. Average Duration & Grant Amount by Training Provider 1997-2000

			Average Grant Amount			
	Average Duration of training in months	Four-year Grant Average	1997	1998	1999	2000
Overall	4.8	$3,207	$2,945	$3,155	$3,394	$3,270
Type of Provider						
Proprietary schools	3.8	$3,734	$3,612	$3,670	$3,775	$3,864
Community colleges	6.8	$1,972	$1,853	$2,023	$2,185	$1,801
Four-year colleges	9.1	$3,088	$2,948	$2,900	$3,372	$2,968
Vocational/Tech. institutions	6.6	$2,504	$2,296	$2,304	$2,705	$2,723

Community colleges have a significantly lower average grant amount and a longer average length of training because 45% of the individuals who used their grant at a community college were enrolled in marketing operation & distribution, the longest and least expensive type of training. (See section IIB for further details.) The average grant amount at community colleges increases to $2,728 and the average length of training

drops to 6.5 months after removing grant recipients that enrolled in marketing operation & distribution.

B. Grant Amount & Length Of Training By Training Type

As illustrated by the above example, the average grant amount and the length of training also varied by type of training. Individuals enrolled in engineering & related technologies received the highest average grant amount ($3,851), while those enrolled in marketing operation & distribution received an average grant amount of $1,094 (table 5).

The average length of training also varied by training type. Specifically, the average length of training was significantly shorter in precision production trades and transportation & moving materials than the overall average. In contrast, the average length of training was significantly longer in health related professions, marketing operating & distribution, consumer, personal, and miscellaneous services, and "other" fields than the overall average.

Table 5. Average Grant Amount and Length of Training by Training Type

Type of Program	Average Grant Amount	Average length of grant (in months)
Engineering and Related Technologies	$3,851	4.8
Computer and Information Sciences	$3,732	4.9
Visual and Performing Arts	$3,653	4.6
Mechanics and Repairers	$3,586	5.6
Business Management and Administrative Services	$3,584	4.3
Precision Production Trades	$3,545	3.4
Health Professions and Related Sciences	$3,206	6.8
Consumer, Personal, and Misc. Services	$3,140	7.3
Transportation and Materials Moving Workers	$3,055	1.2
Other	$2,997	7.6
Marketing Operating and Distribution	$1,094	7
Overall	$3,207	4.8

While the overall average length of training was 4.8 months, training in precision production trades averaged only 3.4 months, and training in transportation and materials moving averaged only 1.2 months. Training in health related professions (6.8 months), marketing operating & distribution (7.0), consumer, personal, and miscellaneous services (7.3), and "other" fields (7.6) averaged significantly longer than 4.8 months.

C. Average Grant Amount by County

The average grant overall was $3,207. The largest average grant by county was found in Union County, where the average grant was $3,749, 17% above the overall average (table 6). At the other extreme, Sussex County has the lowest average grant amount, $2,132--34% below the overall average. The three counties with the largest percent of grants tended to have average grant awards slightly over the overall average amount-- Bergen's average was 107% of the overall average, Essex's average was 109%, and Middlesex's average was 105% of the overall average.

Table 6. Average Grant Amount by County of Residence

County	Averge grant amount	% of grants awarded 1997-2000
Union County	$3,749	6%
Hudson County	$3,700	7%
Passaic County	$3,656	6%
Essex County	$3,499	10%
Bergen County	$3,446	9%
Middlesex County	$3,372	9%
Ocean County	$3,233	4%
Monmouth County	$3,155	7%
Camden County	$3,109	7%
Burlington County	$3,069	6%
Somerset County	$2,984	2%
Mercer County	$2,936	4%
Cumberland County	$2,874	2%
Morris County	$2,695	5%
Salem County	$2,655	1%
Atlantic County	$2,611	3%
Gloucester County	$2,575	3%
Cape May County	$2,501	1%
Warren County	$2,436	2%
Hunterdon County	$2,270	1%
Sussex County	$2,132	3%
Out of State	$3,104	2%
Overall	$3,207	100%

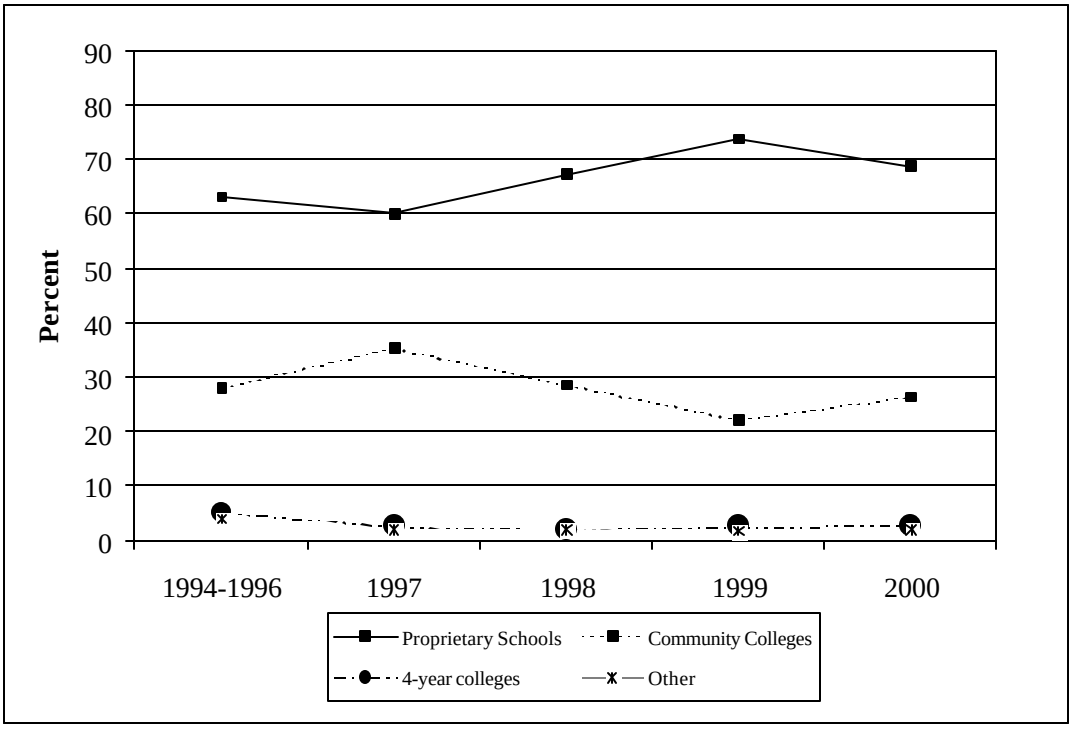
VI. Type of Training and Training Provider

The average Individual Training Grant recipient began their training approximately 4.7 months after claiming for Unemployment Insurance. The average remained relatively constant over the years, though in 2000 the average increased to 5.3 months. The average duration of training was approximately 4.8 months. Recipients most commonly used their grant for training in business management & administrative services (41% of individuals) or computer& information sciences (15% of individuals). Further, the majority (68%) of ITG recipients used their grant at a proprietary institution. Sections A-C provide more detail on the type of provider, the type of training received overall, and the type of training received within demographic groups.

A. Type of Training Provider

Between 1997-2000 the bulk (68%)of training grants were used at proprietary schools. Another 28% were used at community colleges, 2% were used at four-year colleges, and the remaining 2% were used at a vocational institution or an adult education institute. The number of grants used at proprietary schools increased between 1994-2000, while the percent of grants used at community colleges fell during the same time period (chart 6). Between 1994-1996, 63% of grants were used at proprietary schools and 28% of grants were used at community colleges. By 2000, 69% of grants were used at proprietary institutions and 22% were used at community colleges.

Chart 6. Type of Training Provider 1994-2000



In addition to the variation across the years, there was also variation in the demographic groups enrolled at training providers. The percent of participants attending proprietary and community colleges varied within education, race, and age groups, but remained relatively consistent (with the overall distribution) within gender and age groups.

- Individuals with higher educational levels prior to participating in ITG were more likely to attend community colleges and four-year colleges, while participants with a high school degree or less were less likely to attend the same institutions.

    - Approximately 56% of recipients enrolled at community colleges had attended some college or obtained a college degree prior to entering the ITG program. In contrast, 48% of all recipients had attended some college or obtained a college degree prior to entering the ITG program. At the same time, 44% of recipients enrolled at community colleges had a high school degree or less, while this was true for 52% of recipients overall.

    - Similarly, amongst those who received their training from four-year colleges, 74% had attended college or obtained a college degree prior to the program. This is only true for 48% of all recipients. Conversely, people with only a high school degree or less made up 52% of all recipients, but only 26% of those recipients receiving their training at four year colleges.

- Hispanics and African-Americans are under-represented at community colleges, and whites are over-represented at community colleges.

    - Hispanics constitute 12% of all recipients and African-Americans constitute 20% of all recipients. In contrast, 5% of those enrolled at community colleges are Hispanic and 14% are African-American. Additionally, while whites comprise 63% of all recipients, they are 78% recipients enrolled at community colleges.

B. Type of Training Obtained by ITG Recipients

A little over half (56%) of the 17,156 Individual Training Grant recipients used their grants for business or computer training. Approximately 41% of recipients used their grants for training in business management and administrative services, while 15% of recipients used their grants for computer and information sciences training (table 7). An additional 13% used their grants for training in marketing related training[7].

[7] Note 93% of those participating in marketing and distribution training are enrolled in entrepreneurship training. Part of the course includes strategies on marketing a new business.

Table 7. Type of Training Received by ITG Recipients[8]

Type of Training	%
Business Manag. & Admin. Serv.	41%
Computer & Information Sci.	15%
Marketing and Distribution	13%
Transportation	8%
Engineering-Related Technologies	7%
Health Profes. & Related Sci.	5%
Other	4%
Mechanics & Repairers	2%
Precision Production Trades	2%
Visual and Performing Arts	2%
Consumer, Personal And Misc Serv.	1%
Total	100%

The type of training distribution remained constant between 1994 and 2000 with the exceptions of business management & administrative services, marketing and distribution, and health-related training. The percent of ITG recipients enrolled in business management & administrative services training fell from 46% in 1994-1996 to 41% in 2000. Similarly, the percent of recipients enrolled in engineering-related fields decreased in the same period from 8% to 5%. In contrast, the percent of ITG recipients enrolled in marketing and distribution training increased from 2% in 1994-1996 to 13% in 1997-2000. The vast majority (93%) of this latter increase was due to an increase in the number of ITG recipients enrolling in entrepreneurship training.

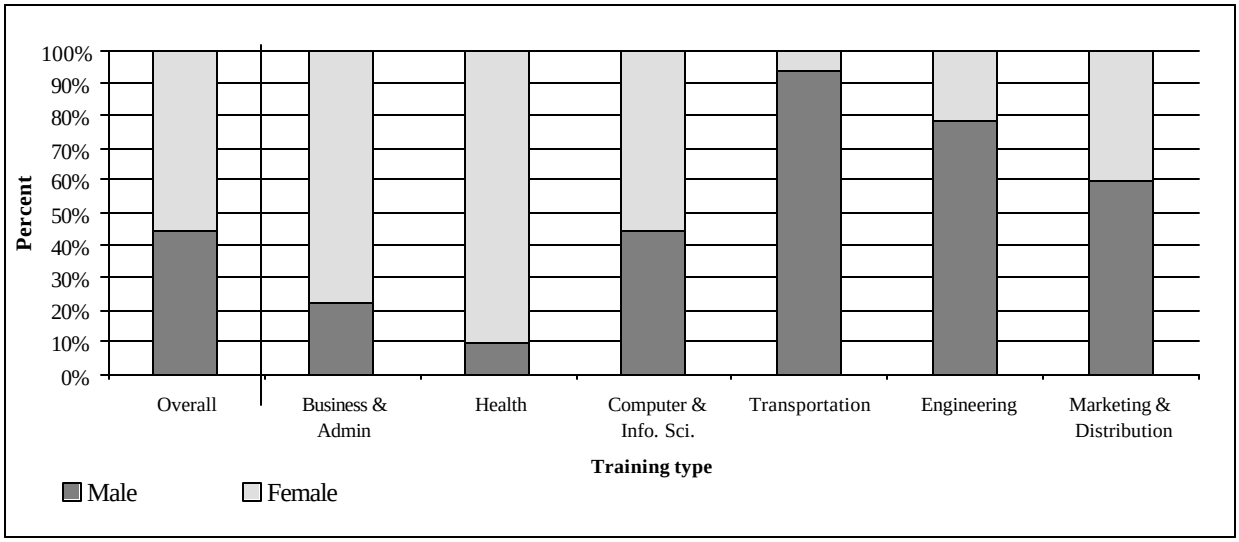
C. Type of Training by Demographic Groups

The type of training received varied by demographic groups, with gender variations being among the most dramatic. There was a dramatically disproportionate number of males or females in five of the six most common training fields (chart 7). Specifically:

- Females are disproportionately enrolled in health and business related training, whereas males were concentrated in transportation, engineering, and marketing related training.

[8] The other category consists of : Basic Skills; Construction Trades; Vocational Home Economics ; Protective Services; Public Administration; Communications; Communication Technologies; Law and Legal Studies; Sciences Technologies; Physical Sciences; Psychology; Leisure & Recreational Activities; Home Economics; Parks, Recreation, Leisure and Fitness Studies; Social Sciences; Agricultural Business and Production; Agricultural Sciences; High School/Secondary Diplomas and Certificates; Conservation and Renewable Natural Sources; Foreign Languages & Literatures; English Language and Literature/Letters; Biological Sciences/Life Sciences; Multi/Interdisciplinary Studies; Liberal Arts and Sciences, General Studies & Humanities; Architecture and Related Programs; Library Science; Mathematics; Health-Related Knowledge and Skills; Theological Studies and Religious Vocations

Chart 7. Gender Distribution of ITG Recipients, Overall and by Training Type



Female over-representation is most dramatic in health-related training, where 90% of those enrolled are females. Similarly, 78% of ITG recipients enrolled in business training are females. Men are significantly over-represented in transportation training and engineering-related training. Nearly 94% ITG recipients participating in transportation-related training are men, and 79% of ITG recipients in engineer-related training are men.

Among the six most common training areas, it appears that computer-related training demonstrated a male-female ratio consistent with the overall male-female ratio. However, when examined in more detail there is a large degree of variation in the type of computer training males and females participate in. More precisely:

- When disaggregated into sub-fields of computer training, men are over-represented in computer design and networking training, while females are over-represented in data processing training.

    - While 44% of ITG recipients are male, males are 53% of those trained in computer programming, 63% of those trained in computer science, 56% of those trained in computer systems analysis, and 75% of those trained in information sciences and systems. In contrast, females, 56% of all participants, were over-represented in only two sub-fields: data processing technology (71%) and general computer and information sciences (61%).

Similar over- and under- representation occurs in other demographic groups. In particular:

- Hispanics are over-represented in transportation-related training, and both Hispanics and African-Americans are under-represented in marketing-related training.

    - While Hispanics make up 12% of all ITG recipients, 37% of those enrolled in transportation training are Hispanic and only 4% of those enrolled in marketing-related training are Hispanic. Similarly, African-Americans are 20% of all ITG recipients, but they are only 13% of those enrolled in marketing-related training.

- Younger ITG recipients are over-represented in transportation-related training and health-related training.

    - 34% of ITG recipients are between the ages of 18-36, however 50% of those enrolled in transportation training and 46% of those in health training are in this age group.

- Older workers are moderately over-represented in business management and administrative services training.

    - ITG recipients between the age of 51-65 represent 22% of all ITG recipients, whereas 28% of those enrolled in business management/administrative services are in this age category.

VII. Conclusions

Approximately $54.1 million worth of ITG grants were awarded to 17,156 individuals between 1997-2000. The average grant amount was $3,207, and the average duration of training was 4.8 months. The average grant amount remained fairly constant between 1994-1996 and 1997-2000. During the first period the average grant amount was $3,271.

Approximately 68% of participants used their grants at a proprietary institution, while 27% used their grants at community colleges. Further, the analysis reveals that the program serves New Jersey counties in proportion to a county's share of the State's unemployment rate. The percent of ITG recipients residing in New Jersey counties between 1997-2000 closely resembled the percent of those unemployed in a county during the same period

If the type of training obtained is an indicator of the scope of the ITG program, then entrepreneurship training is a growing focus within the program. Between 1994-1996, 2% of recipients used their grants for entrepreneurship. The percent of recipients enrolled in such training increased dramatically to 12% of recipients between 1997-2000.

In addition to the increase in entrepreneurship training, the percent of male participants has also increased. While males are under-represented among ITG recipients (44%)

relative to their share of the unemployed in New Jersey (53%), the percent of male ITG recipients is on the rise. Between 1994-1996, 38% of ITG recipients were male. By 2000, 46% of recipients were male. If this trend continues ITG recipients will more closely resemble the national trends in dislocated workers, 53% of whom are males.

As gender issues in the workforce are an important area of interest for the State Employment and Training Commission, two trends emerge from this profile that may help to inform policies on gender parity in the workforce. One, there is a notable difference in the type of training obtained by females and males. Females are disproportionately enrolled in health (90%) and business-related training (78%), whereas males were concentrated in transportation (94%) and engineering (79%). Further, within computer and information sciences training, females are over-represented in data processing training (71%), while males are over-represented in design fields such as computer systems analysis (75%) and computer programming (56%). Second, there was a major difference in the prior occupation of male and female ITG recipients. Females are over-represented in clerical and sales occupations (72%), while males are over-represented by 70% or more in processing occupations, machine trades, structural work, and agricultural, fishery, forestry, and related occupations.

Chapter 2

A Profile of the Customized Training Program, 1997- 2000

I. Introduction

This chapter contains a profile of the firms and consortia participating in the Workforce Development Partnership (WDP) Program's Customized Training program between 1997-2000. The New Jersey State Legislature created the WDP program in 1992 to "provide qualified, displaced, disadvantaged and employed workers with the employment and training services most likely to provide the greatest opportunity for long-range career advancement with high levels of productivity and earning power." The WDP program is composed of two principal initiatives: the Customized Training (CT) program, which awards grants to firms and consortia to train current employees and an Individual Training Grant (ITG) program, which awards individual grants to the long-term unemployed to help them obtain new skills and jobs.

This chapter provides a profile of the firms and consortia receiving grants and a description of the type of training they planned. Also, using findings from the Heldrich Center's prior evaluation of the program, the report will highlight differences between participants in 1997-2000 and 1994-1996.

II. Source of Information

This data in this report are based on the Customized Training program's administrative data from the New Jersey Department of Labor. The administrative data consists of application data, contract data, and a close out file that firms submit at the end of their grant period. The bulk of this chapter is based on the contract data. Section VII presents data on completed training activities, which was obtained from the close out file. The data includes firms that received grants between fiscal year 1997 and fiscal year 2000.

The remainder of this chapter presents a description of the Customize Training grants awarded between 1997 and 2000. Section III provides a general overview of the findings in a bulleted format, and Section IV provides an overview of the grants awarded each year. Section V examines the location of grantee firms and consortia. Section VI to VIII provide a description of consortia and their planned training activities and a description of firms and their planned training activities. Finally, Section IX describes the completed training activities of those firms that submitted close-out reports.

III. Overview of Principal Findings

A. Description of Customized Training Grants Awarded

- Total grants awarded between 1997-2000 amounted to $128.9 million, widely distributed across 458 firms and 68 consortia.
  - Together, firms and consortia planned to train approximately 164,000 individuals. The average grant amount was $250,439 with grants ranging from $3,200 to $3 million.
  - Contributions from firms and consortia amounted to $236.2 million, exceeding NJ Department of Labor expenditure by $107.3 million. On average, grantees planned to contribute $1.66 for every dollar received in grant money. The average firm planned to contribute $1.77 for every dollar received in grant money, while consortia planned to contribute $2.18 for every dollar in grant money.
- The CT Program showed significant growth from 1994-2000 in terms of the total amount awarded, total number of grants awarded, and the total number of individuals trained.
  - The total number of grants awarded increased by 54% from 1996 to 1998.
  - The total amount awarded increased by 59% between 1996 and 1997.
  - The total number of individuals trained more than doubled from 1994 to 2000.

Chart 1. Number of CT Grant Recipients 1994-2000

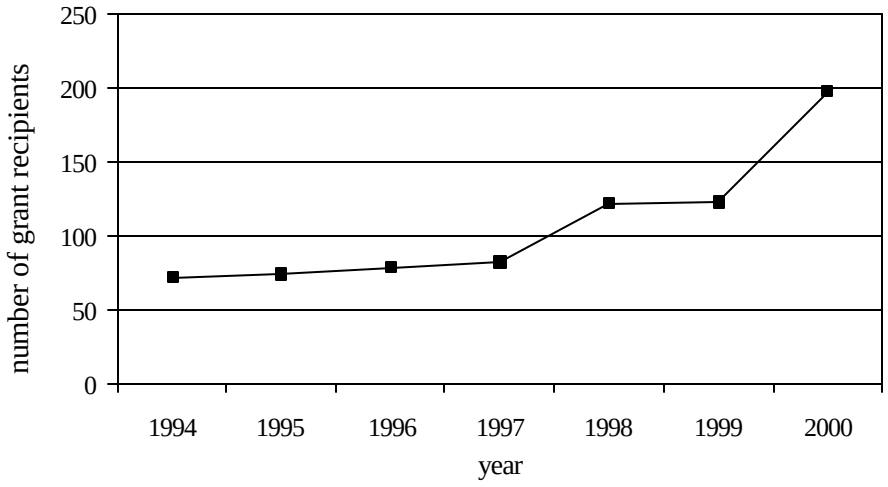
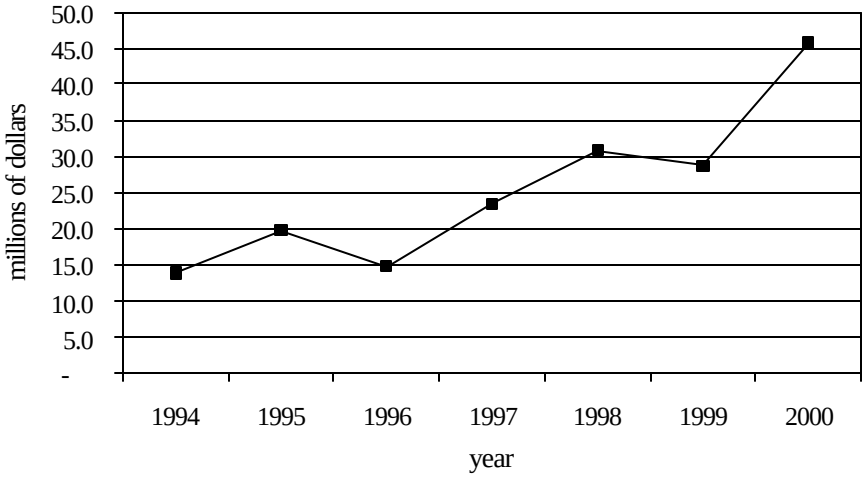


Chart 2. Total Amount Awarded in CT Grants, 1994-2000



- Consortia distributed their awards across a greater number of employees than firms did.

  - While consortium grantees received a total of 17% of the total amount awarded ($21.6 million in grant money), consortia planned to train one-third (approximately 54,000) of the total individuals trained through the CT program.

B. Description of Firms Awarded CT Grants

- The manufacturing industry clearly receives the greatest amount of CT grant awards, although by a declining share from the 1994-1996 period to the 1997-2000 period.

  - The majority (64%) of firms receiving grants between 1997 and 2000 were in the manufacturing industry. However, this marks a significant decline from the period between 1994-1996 when 79% of firms were in the manufacturing industry (table 1). Also significant is the increase in the percentage of service industry and other firms[1] and consortia receiving grants (from 8% and 6% in the 1994-1996 period to 12% and 15% respectively in the 1997-2000 period.)

[1] Includes: retail trade, transportation, and finance & insurance industries

Table 1. Industry of Firms Receiving CT Grants[2]

Industry	1994-1996	1997-2000
Manufacturing	79%	64%
Services	8%	12%
Wholesale	7%	9%
Other	6%	15%
Total	100%	100%

- CT grants in the 1997-2000 period were awarded more heavily amongst small and mid-size firms and consortia than amongst large firms.

  - The strong majority (62%) of grants awarded went to firms and consortia with 250 or fewer employees.
  - Similarly, the majority of total funds awarded (66%) went to firms with 1000 employees or less.

Table 2. Percent of Grants Awarded by Firm Size

Number of Employees	% of grants	% of total funds awarded	% of total individuals to be trained
50 or fewer	19%	4%	3%
51 to 250	43%	23%	20%
251 to 1000	30%	39%	44%
Over 1000	8%	34%	33%
Total	100%	100%	100%

C. Types of Training Planned by Firms

- Firms were more likely to utilize classroom training than on-the-job training and to focus their curriculum towards the business and engineering-related fields.

  - Nearly all (96%) firms planned to use classroom training to train their employees. Approximately 50% of firms planned to use their CT grants to exclusively fund classroom training, while 4% of firms planned to use their grants to fund on-the-job training (OJT) exclusively. The remaining 46% planned to use their grants to fund both classroom and on-the-job training. This represents a dramatic drop in the level of planned OJT from 1994-1996,

[2] Includes: retail trade, transportation, and finance & insurance industries

when approximately 72% of firms planned to use both classroom training and 23% of firms planned to exclusively use OJT.

- Among firms where information on type of training was available, a vast majority (77%) of firms planned to provide classroom training in business fields and 40% of firms planned classroom training in engineering related fields, such as industrial manufacturing and quality control. With regard to on-the-job training, 45% of employers planned to train their employees in engineering related fields, and approximately 41% of firms planned to provide on-the-job training in business related fields.

D. Training Activities Completed by Firms & Consortia

The following section is based on information submitted by grantees at the end of their grant period. Grantees whose grant extends beyond 2000 will not have submitted a close out report. Approximately 57% of consortia and 68% of firms submitted a closeout report between 1997-2000.

- Firms contributed slightly more than initially estimated and nearly met their projected number of employees trained. Consortia, both in terms of monetary contributions and total number of employees trained, fell shy of their pre-grant projections.

  - More than two-thirds (68%) of firms receiving CT grants submitted closeout reports for the period 1997-2000. Together these companies contributed $119 million, 2% more than planned and trained 97% of the employees they planned to train.

  - A little over half (57%) of consortia submitted closeout reports for the period 1997-2000. These consortia had planned to train a total of 37,371 workers, while 32,286 workers actually were trained over this period, 86% of the projected figure.

  - Among the consortia submitting close out reports, the actual amount contributed was $757,461 while the planned amount was $969,993. This amounts to 78% of the planned amount.

  - One-fourth of the individual firms reported training more than the projected number of workers, while 19% trained exactly the amount they forecasted. A little over half (56%) of the individual firms trained fewer workers than projected with their grants.

IV. Overview of Grants Awarded by Year: 1997 to 2000

From 1997 to 2000, New Jersey's Department of Labor awarded 526 Customized Training grants, totaling approximately $129 million dollars (table 1). Approximately 1 out of 8 grants were awarded to consortia. Matching funds provided by firms and consortium themselves totaled over $236 million, comprising an average $1.66 for every dollar granted by the state. A total of 23 grants with amounts over $1 million were awarded in this period. These grants comprised almost $40 million, or 31% of the total amount awarded.

Total funds awarded each year generally increased over the period. At the same time, the number of grants increased as well. Yet the average grant awarded for each year became smaller over this period, dropping from a high in 1997 of $283,667, to an average grant amount of $230,584, a decrease of 19%.

A total of $80.7 million was invoiced between 1997-2000, constituting 63% of the total awarded. The invoiced amount is the amount grantees have spent, to date, of their grant money. Because some grantees' contracts continue past 2000, the amount invoiced is less than 100%. Approximately, $22.1 million or 17% of total grant funds, was de-obligated over the same period. The de-obligated amount is the unspent by grantees after the contract has ended. A total of 18 firms and 1 consortium de-obligated the entire amount of their grants.

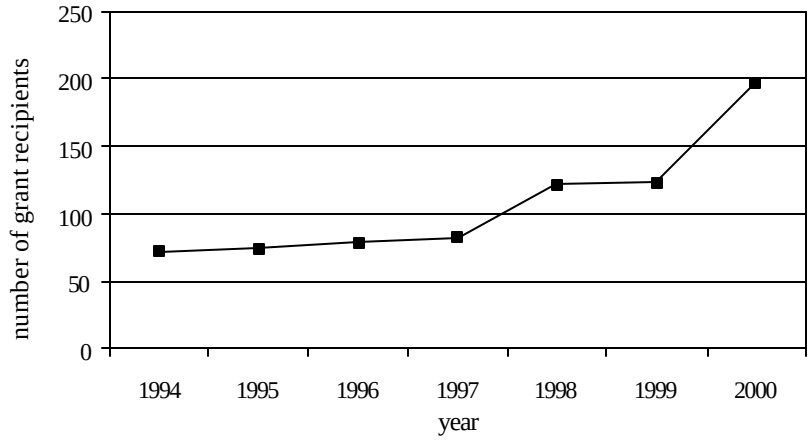
Table 3. Year by Year Comparison of Grants

	1997	1998	1999	2000	**Overall**
Number of Grant Applications Received	88	125	163	143	522
Percent of applicants that received a grant within 2 years after applying	94%	88%	90%	87%	89%
Number of Grant Recipients	83	122	123	198	526
Number of Consortium Grants	11	14	11	32	68
Amount Awarded in Grants	$23,544,352	$30,897,846	$28,812,024	$45,655,756	$128,909,978
Minimum Grant Awarded	10,608	4,500	5,200	3,200	
Maximum Grant Awarded	4,258,656	3,598,338	1,500,000	3,000,963	
Average Grant Amount	283,667	253,261	234,244	230,584	$250,439
Percentage of Grants Less than $100K	38.6	31.1	43.1	40.7	-
Total Firm or Consortium Contribution	47,570,564	52,106,107	38,126,403	98,474,209	236,277,283
Number of Individuals to be Trained	41,243	34,331	34,076	54,345	163,995
Number of Training Slots to be Created	85,110	140,416	100,543	130,955	457,024

Over the four years, companies and consortia planned to create a total of 457,024 training slots, which would be used to train 163,995 individuals. A training slot is a set of training activities designed to improve employees' skills. The average amount of planned spending per individual trained (grant money plus firm or consortium contribution) was $2,227. Compared with the period between 1994-1996 there was a significant increase in the grants awarded, the amount awarded, and the number of individuals to be trained.

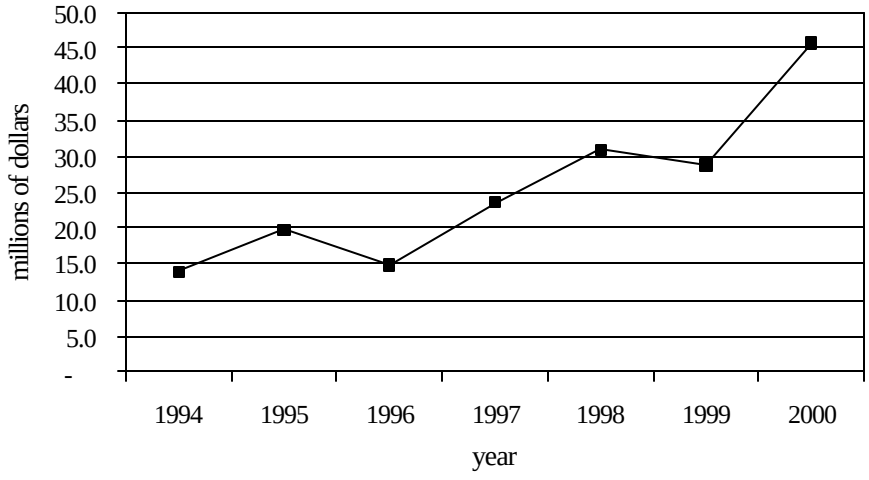
There was a 47% increase in the number of grants awarded between 1997 and 1998 (chart 3).

Chart 3. Number of CT Grant Recipients, 1994-2000[3]



Similarly there was a 59% increase in the total amount awarded between 1996 and 1997 (chart 4). Further, the number of individuals to be trained more than doubled in the same period.

Chart 4. Total Amount Awarded in CT Grants, 1994-2000[4]



[3] This chart is the same as chart 1 in the principal findings section.
[4] This chart is the same as chart 2 in the principal findings section.

A. Overview of Grants Awarded in 1997

In 1997, 83 grants were awarded, totaling $23.5 million. The average amount awarded in a CT grant was $283,667. Approximately 13% (11 of 83) were awarded to consortia.

Over 38% of the grants awarded were less than $100,000 in size. The largest CT grant awarded in 1997 totaled $4.2 million while the smallest grant totaled $10,608. In 1997, 3 firms were awarded grants in excess of $1million; these firms were: Ford-Edison, New Jersey Small Business Consortia, and Hartz Mountain Industries. These largest grants totaled 6.8 million dollars, or 29% of total funds awarded in 1997.

The ratio of planned grantee-contributed funds to state funds in 1997 was $1.87 grantee dollars to every state dollar. Grantees in 1997 planned to create 85,110 training slots, through which 41,243 individuals were to be trained.

A total of $18.4 million has been invoiced on grants awarded in 1997. In 1997, $5.1 million was de-obligated, 22% of the year's total grants. Two firms and no consortia de-obligated the total amount of their grants.

B. Overview of Grants Awarded in 1998

Approximately $30.9 million was awarded in CT grants in 1998, and the average size of the grant decreased, from $283,000 in 1997 to $253,000 in 1998. While the number of grant recipients increased greatly between 1997 and 1998 (an increase by 47%), the total amount awarded in grants increased only 31% from 1997. Grantees planned to contribute $1.75 for every dollar contributed by the state in 1998. Grantees planned to create 140,416 training slots and 34,331 individuals were to be trained using funds granted in 1998.

Just over 31% of the grants awarded were less than $100,000 in size. The largest CT grant awarded during 1998 totaled almost $3.6 million while the smallest grant totaled $4,500. In 1998, 2 firms were awarded grants in excess of $1 million; these firms were: Merrill Lynch and Co., and Cendant Mortgage. Funds given in these largest grants totaled just under $7.6 million, 32% of the total grant funds for this year.

Approximately 69% of the total awarded in grants for 1998 has been invoiced-- $21.2 million. Nearly 29% ($8.9 million) of the total grants for 1998 were de-obligated. Nine firms and no consortia de-obligated the entire amount of their grants.

C. Overview of Grants Awarded in 1999

During 1999, 123 grants were awarded, of which 11, or 9%, were awarded to consortia. There was virtually no increase in the number of grants awarded since 1998 (122 recipients), and the total amount awarded decreased by 7% from 1998.

Approximately $28.8 million was awarded in CT grants in 1999, a slight fall from the $30.9 million awarded in 1998. The average size of the grant continued to decrease, from $252,261 in 1998, to $234,244 in 1999. For every one dollar contributed by the state, companies and consortia were to contributed $1.40. Approximately 100,150 training slots were to be created using funds granted in 1999, through which 34,076 individuals were to be trained.

Just over 43% of the grants awarded were less than $100,000 in size. The largest CT grant awarded during 1999 totaled $1.5 million while the smallest grant totaled $5,200. In 1999, seven firms were awarded grants in excess of $1 million; these firms were: BASF Corp.- Mt. Olive, Pharmacia & Upjohn Co., Daily News L.P., Atlantic City First, Lawson Mardon Wheaton, JEVIC Transportation, and Hartz Mountain Corporation. The total amount granted to these seven recipients was $8.7 million -- 30% of the funds granted for this year.

Approximately three-fourths ($21.8 million) of the total grants for this year has been invoiced. In 1999, 15% of the total grants for this year, or $4.2 million has been deobligated. Two firms and no consortia deobligated the entire amount of their grants.

D. Overview of Grants Awarded in 2000

In 2000, a total of 198 grants were awarded. Thirty-two were awarded to consortia. Consortium grants thus constituted 16% of all CT grants in 2000 and almost double their proportion in 1999.

The total amount of money awarded in grants in 2000 was $45.6 million, an increase of $16.8 million in total monies from 1999. However, coupling the increase in monies with the 59% increase in number of recipients, the average award amount decreased slightly from $234,244 to $230,584. For every dollar contributed by the state, companies contributed $1.68 in 2000. 130,955 training slots were to be created using these funds, through which 54,345 individuals were to be trained.

Over 40% of the grants awarded were less than $100,000 in size. The largest CT grant awarded during 2000 totaled just over $3 million while the smallest grant totaled $3,200. In 2000, 10 firms/consortia were awarded grants in excess of $1million, these firms were: 21st Century Rail Corporation, State of New Jersey Division of Motor Vehicles, IDT Corporation including Net 2 Phone, Union County Consortium , Merck-Medco Managed Care LLC, Kimble Glass Inc., Macromedia Inc., Permacel, Patriot Manufacturing Inc., and Stevens Institute of Technology. These 10 grants totaled $16.8 million, 36.8% of the total amount granted in 2000.

In 2000, $3.8 million had been de-obligated-- 8% of the total grants awarded for this year. Five firms and one consortium de-obligated the entire amount of their grants. Approximately $19.1 million, or 42% of the grants awarded in 2000, had been invoiced in the same year.

V. Location of Firms and Consortia

One-third (177/526) of CT grants awarded between 1997-2000 went to firms and consortia in three counties: Bergen, Middlesex, and Essex (table 4). The money awarded in these counties similarly comprised 33% of the total awarded from 1997 to 2000. The grants in these three counties represented 26% of the number of individuals to be trained, and 25% of the slots to be created with CT grant monies. The bulk of CT money (56%) went to 6 counties: Middlesex, Bergen, Essex, Burlington, Mercer, and Hudson Counties.

Table 4. Customized Training Grants Awarded by County

	# of grants	% of grants	total amount awarded	average grant amount
Bergen	66	12.5	$13,605,692	$ 206,147
Middlesex	58	11.0	$15,926,425	$ 274,594
Essex	53	10.1	$12,680,740	$ 239,259
Mercer	47	8.9	$10,365,860	$ 220,550
Morris	43	8.2	$ 8,475,470	$ 197,104
Camden	32	6.1	$ 4,934,368	$ 154,199
Burlington	29	5.5	$10,365,254	$ 357,423
Gloucester	25	4.8	$ 5,572,461	$ 222,898
Union	23	4.4	$ 5,994,469	$ 260,629
Passaic	22	4.2	$ 3,143,048	$ 142,866
Monmouth	19	3.6	$ 5,019,909	$ 264,206
Cumberland	18	3.4	$ 4,349,188	$ 241,622
Somerset	17	3.2	$ 7,036,193	$ 413,894
Atlantic	15	2.9	$ 4,554,062	$ 303,604
Hudson	14	2.7	$ 9,078,287	$ 648,449
Hunterdon	10	1.9	$ 1,695,834	$ 169,583
Sussex	12	2.3	$ 2,126,264	$ 177,189
Warren	10	1.9	$ 1,458,046	$ 145,805
Salem	8	1.5	$ 1,412,342	$ 176,543
Ocean	5	1.0	$ 1,116,066	$ 223,213
Total	526	100.0	$128,909,978	$250,439

The average grant award for the three counties receiving the most CT grants was similar to the overall average of $250,000. The average grant in Bergen County was $206,000, while the average grants for Middlesex and Essex Counties were $274,000 and $239,000, respectively. The smallest average grant award was in Passaic County, where the average grant totaled only $142,866, 57% of the overall average amount. Two counties

averaged totals well over the average of 250,000 dollars; Somerset's average grant was $413,894 (165% of the overall average), while Hudson County's average was $648,449, over two and a half times the overall average award.

Overall 87% of all grants went to firms and 13% went to consortia. This ratio was consistent across counties, with two exceptions: Essex and Warren. Essex County had nearly equal proportions of firm and consortium recipients—47% (25 grants) went to consortia, 53%(28 grants) went to individual firms. In Warren County, 4 out of the 10 grants awarded went to consortia, 6 went to individual firms.

Generally speaking, the distribution of grants per county remained fairly stable over the years 1997-2000. The most notable exceptions are Mercer, Middlesex, and Passaic Counties. In 1997, Mercer's share of grants was 1% of the total number of grants given in that year. In 1998, 1999, and 2000, Mercer's share was notably larger, at 12%, 8%, and 11% for each year respectively. Middlesex County received 16% of all grants in 1997, but its share steadily declined over the following three years, with 13%, 11%, and 8% of yearly grants in 1998,1999,and 2000. Passaic County's share of grants also decreased from 10% of all grants in 1997, to 3% in 1998 and 1999 and 4% in 2000.

The distribution of grants across counties closely resembles the distribution of all firms across New Jersey. The few exceptions occur in Mercer, Monmouth, and Ocean counties. While Mercer County received approximately 9% of CT grants between 1997 and 1999, the county was home to 4% of the state's firms between 1997-1999. In contrast, Monmouth and Ocean County were slightly under-represented. Monmouth County received 4% of grants and was home to 8% of the state's firms. Ocean County received 1% of grants and was home to 5% of the state's firms (County Business Patterns, 1999)[5].

VI. Description of Consortia & Their Customized Training Grants

As mentioned earlier, 13% (68/526) of all grants awarded between 1997-2000 went to consortia. This is similar to the 12% of grants that went to consortia between 1994-1996. A consortium is an association of employers, often organized by educational institutions or labor unions. The percentage of consortia receiving grants declined between 1997-1999 from 13% of grantees in 1997 to 9% of grantees in 1999. In 2000, there was a noteworthy increase, as consortia grew to 16% of grantees.

Consortium grantees received a total of $21.6 million in grant money, 17% of the total amount awarded, and consortia planned to train 54,000 individuals, one-third of the total individuals trained through the CT program. The total amount spent on training by consortia (including grant monies and consortia contributions) between 1997-2000 was approximately $68.6 million. This amounts to 19% of the total amount spent on training through the CT program.

[5] The year 2000 was excluded for this comparison because county business pattern data is only available through 1999.

Consortia relied less heavily on CT grant money than firms. While consortia planned to contribute $1.91 for every dollar they received in grant money, firms planned to contribute $1.62 for every dollar they received in CT grant money. This marks a shift from 1994-1996, when consortia contributed less than firms. Between 1994-1996, consortia contributed $1.20 for every dollar received, while firms contributed $1.99 per dollar received.

The majority of consortia planned to use their funds for business-related training. Nearly all (91%) of the training planned by consortia was exclusively classroom training. Five consortia planned to use both classroom and on the job training, and one consortium planned for exclusively on-the-job training.

Information on type of planned classroom training was available for 60 of the 68 consortia. Consortia planned a wide variety of training. A substantial majority (87%) planned to train employees in business-related fields. One-fourth of consortia planned to train employees in engineering-related fields, and 12% of consortia planned to train employees in the precision trades. Only 10% of consortia planned to train in computer-related fields, while 30% of firms planned to train employees in computer-related fields.

Information on the type of on-the-job training was available for 4 consortia. Three of the consortia planned to train employees in engineering related fields and 2 consortia planned to train employees in the precision trades.

VII. Description of Firms & Their Customized Training Grants

As described in the previous section, 13% of grantees were consortia and the remaining 87% of grantees in 1997-2000 were individual firms. Between 1997 and 2000 firms received $107.2 million in CT grants, 83% of the total amount awarded, and planned to train 110,000 employees, two-thirds of the total to be trained through the CT program.

The next three sections will provide more detail on the 458 CT grants awarded to firms. Specifically, they will detail the industry of firms, firm size, and firms' financial contributions to training activities

A. Industry of Firms

The majority (64%) of firms receiving grants were in the manufacturing industry (table 5). This marks a significant decline from 1994-1996, when the percent of firms from the manufacturing industry was 79%. Further in 1994-1996, 8% of firms were in services, and 7% were in wholesale trade. Between 1997-2000, firms in the service industry account for 12% of firms and firms in the wholesale trade industry accounted for 9% of firms. The three sectors (manufacturing, services, and wholesale trade) account for 76% of all CT funds going to individual firms between 1997-2000.

Table 5. Industry of Firms

	# of grants	% of grants	total amount awarded	average grant amount	average hourly wage
Manufacturing	295	64%	$ 62,378,769	$ 211,453	$16.70
Services	55	12%	$ 12,824,643	$ 233,175	$23.51
Wholesale Trade	39	9%	$ 6,659,069	$ 170,745	$17.86
Retail Trade	16	4%	$ 4,317,846	$ 269,865	$14.25
Transportation and Public Utilities	15	3%	$ 6,548,509	$ 436,567	$18.91
Finance, Insurance, and Real Estate	11	2%	$ 9,339,192	$ 849,017	$18.00
Construction	9	2%	$ 996,991	$ 110,777	$16.82
Mining	2	0.5%	$ 132,498	$ 66,249	$12.10
Agriculture, Forestry, and Fishing	2	0.5%	$ 92,160	$ 46,080	$13.34
Information not available	14	3%	$ 3,985,825	$ 284,702	$18.97
Total	458	100%	$ 107,275,502	$ 234,226	$17.67

The industry representation among firms receiving CT grants is dissimilar from the state's industrial profile. In particular, manufacturing firms are over-represented, while service firms are under-represented. In 1999, an estimated 5% of New Jersey firms are in the manufacturing sector while 47% are in the services sector and 8% were in wholesale trade and 15% in retail trade (County Business Patterns, 1999).

The average grant overall was $234,226, while the average grant in the manufacturing sector was slightly lower, at $211,453. The average grant in services was very close to the overall average, at $233,175, while the average grant in wholesale trade was rather less, at $170,745. The most expensive average grant amount was in the finance, insurance, and real estate industry, averaging $849,017.

The top 3 industries receiving CT grants-- manufacturing, services, and wholesale trade, were to create a combined total of 268,859 slots, in which a total of 83,103 individuals were to be trained. These figures represent 76% of the total number of slots to be created by all firms, and 76% of all individuals to be trained.

The average hourly wage for individuals at CT firms in the manufacturing industry was $16.70, and in wholesale trade it was $17.86. In services, the average hourly wage was higher, at $23.51. Services is the only sector in which the average hourly wage exceeds $20.

B. Size of Firms

Approximately 43% of firms receiving a grant employed 51-250 employees and another 30% employed 251-1000 employees. Less than 10% (8%) of firms receiving grants employed over 1000 employees. The remaining 19% of firms employed less than 50 employees. The firm size distribution was slightly different between 1994-1996, when 49% of the firms employed 51-250 employees and 26% employed 251-1000 employees.

The average grant amount awarded increases as the size of the firm increases, from an average amount of $49,000 for companies with fewer than 50 employees, to over $1 million for companies with 1,000 or more employees. Average employer contribution also increases as firm size increases. The average firm contribution for companies with fewer than 50 employees was over $75,000, while at the other extreme, for companies with 1000 employees or more, company contributions averaged over $2 million.

Table 6. Variations by Firm Size

Number of Employees	# of grants	% of grants	average grant amount	total amount awarded	% of total funds awarded	% of total individuals to be trained	employer contribution	avg. firm contribution to grant amount
50 or fewer	86	19%	$49,361	$4,245,082	4%	3%	$6,524,307	$1.67
51 to 250	195	43%	$126,622	$24,691,263	23%	20%	$38,523,392	$1.58
251 to 1000	138	30%	$297,760	$41,090,905	39%	44%	$70,025,361	$1.63
Over 1000	36	8%	$1,018,629	$36,670,662	34%	33%	$73,696,303	$1.75
Total	455	100%	$234,501	$106,697,912	100%	100%	$188,769,063	$1.62

Generally, the percent of individuals to be trained, across various sized firms, is proportional to the percentage of CT grant money. The largest variation exists for firms employing 251-1000 employees. These firms were to train 44% of the total individuals, while receiving only 39% of the CT money (table 6).

C. Planned Firm Contribution to Training Activities

Overall, firms planned to contribute $1.62 for every dollar they receive in grant money. Large firms (more than 1000 employees) planned to contribute funds at a higher rate than any other size of firm--$1.75 for every dollar granted by the state. Interestingly, the smallest firms (those with 1-50 employees), planned to contribute at the next highest rate: an average of $1.67 for every $1 granted by the state. Firms with 51-250 employees planned to contribute at the lowest rate, $1.58 on the dollar. Firms with 251-1000 employees planned to contribute at a slightly higher rate of $1.63 for every state dollar (table 7).

Table 7. Number of Grants & Contribution by Industry

Sector	Number of Grants	% of Total # of Grants	Ratio of Firm Contribution to Grant Amount
Manufacturing	295	64%	$1.57
Services	55	12%	$2.00
Wholesale	39	9%	$1.61
Retail	16	4%	$1.51
Transportation and Public Utilities	15	3%	$2.04
Finance, Insurance, and Real Estate	11	2%	$1.30
Construction	9	2%	$1.30
Mining	2	0.5%	$2.74
Agriculture, Forestry and Fishing	2	0.5%	$1.02
NA	14	3%	$1.37
Total	458	100%	$1.62

When compared by industries, there was little variation in contributions among the three largest sectors receiving CT grants. Firms in the manufacturing sector contribute at the lowest rate, $1.57 in contributions for every dollar granted by the state, while firms in the services industry contributed $2.00 for every state dollar and on wholesale trade firms contributed $1.61 for every dollar granted. The Mining industry contributed at the highest rate, $2.74 for every dollar received in grant money.

VIII. Overview of Firm Planned Training Activities

As part of the firm's Customized Training application, each firm provided information on its planned training activities. Those planned training activities are summarized in this section. The next section (section VII) provides a summary of actual versus planned training activities for those firms that filed closeout reports with the New Jersey Department of Labor.

Between 1997 and 2000, firms proposed to train approximately 110,000 individuals. The total amount spent on training by firms (including grant monies and firm contributions) between 1997-2000 was approximately $296.4 million. This amounts to 81% of the total amount spent on training through the CT program. Firms planned to contribute a total of $1,721 per individual trained.

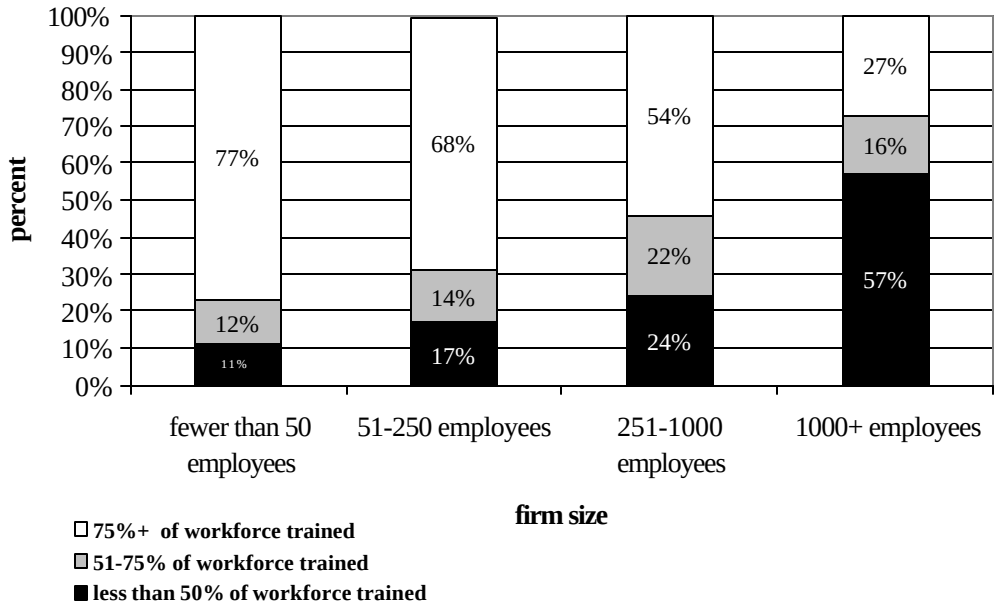
Approximately 50% of firms planned to use their CT grants to fund classroom training exclusively, while 4% of firms planned to use their grants to fund on-the-job training (OJT) exclusively. The remaining 46% planned to use their grants to fund both classroom and on-the-job training. Approximately 77% of firms planned to offer business-related training via classroom training and 45% of firms planned to offer engineering-related training via OJT.

Sections A, B, and C provide further detail on the extent of training at the firm, the type of training provided, and the cost of training.

A. Extent of Planned Training

Approximately 62% of all firms planned to use their CT grant to train over 75% of their employees. Smaller firms planned to train a higher percentage of their employees than larger firms (chart 5). The majority (77%) of firms with 50 or fewer employees planned to train over 75% of their employees, while 54% of firms with 251 to 1000 employees planned to train over 75% of their employees.

Chart 5. Portion of Workforce to be Trained, by Firm Size



Similarly, firms that pay an average hourly wage of $20.00 or less tend to train a higher percentage of their employees than firms that pay more than $20.00 an hour. Approximately 68% of firms that pay an average hourly wage below $20.00 train over 75% of their employees. In contrast, 45% of firms that pay $20.00/hour or above train over 75% of their employees.

B. Type of Training to be Provided

i) On-the-Job Training

Almost 50% (227/458) of all firms planned to use their CT grant to fund on-the-job training (OJT). Approximately 4% (18/458) of all firms planned to offer on-the-job training exclusively, rather than classroom-based training. This represents a dramatic

drop in the level of planned OJT from 1994-1996, when approximately 72% of firms planned to use OJT. Further, the percent of firms planning to exclusively use OJT was 23%.

Nearly half (46%) of all firms between 1997-2000 planned to conduct both on-the-job training and classroom training. Over $36 million, 34% of the total, was awarded to firms for OJT, and customized training grants were to be used to create 69,575 OJT training slots. Large firms (over 1000 employees) were slightly more likely than small firms (50 or fewer employees) to offer OJT, with 50% of large firms offering on-the-job training, and 43% of small firms doing so.

Firms in the retail sector were the most likely to provide OJT (69%), while firms in finance, insurance, and real estate were the least likely (27%). Of the three largest sectors receiving CT grants, manufacturing, wholesale, and services, manufacturing was the most likely to provide OJT (52%), followed by wholesale trade (44%), and services was the least likely sector to provide OJT, at 35%.

Information on the type of on-the-job training was available for 181 firms. Approximately 45% of those firms planned to train their employees in engineering related fields and 41% planned to train employees in business fields. Over 80% of the planned on-the-job training in the precision trades (93%) and engineering related fields (85%) occurred at firms in the manufacturing sector. Planned on-the-job training in the business fields generally occurred proportionately across industries.

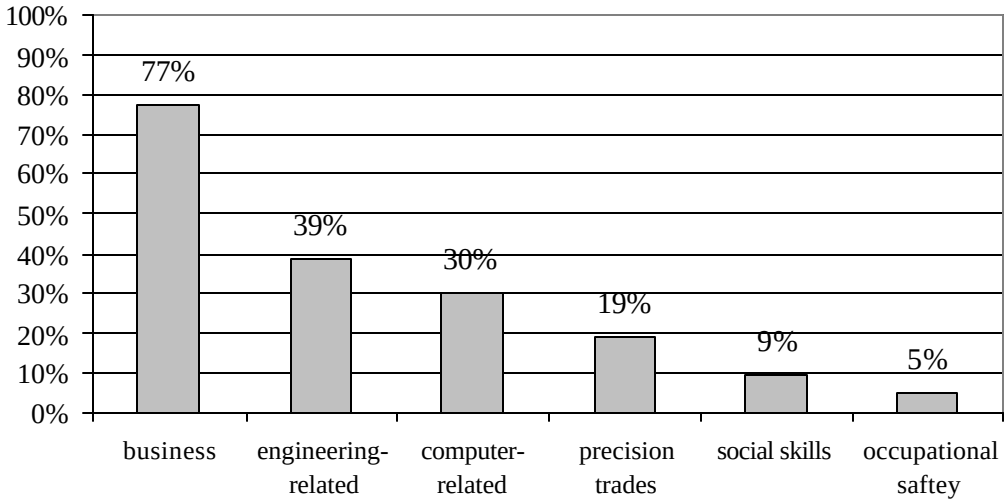
ii) Classroom Training

Over 96% of firms, 440 in all, planned to use their CT grant to fund classroom training. This is higher than the 80% of firms that planned to spend their grant on classroom training between 1994-1996. Of those 46% of firms that offered both classroom training (CRT) and on-the-job training (OJT), 67% offered fewer OJT slots than CRT slots. Another 5% offered equal numbers of OJT and CRT slots, while 28% offered more OJT than CRT slots.

Almost $70 million, 65% of the total CT funds awarded between 1997-2000, was awarded to firms for classroom training. CT grants were used to create 278,934 classroom training (CRT) slots. Small firms and large firms were equally likely to use their grants to provide CRT; 94% of both types of firms provided CRT.

Information on the type of training firms planned was available for 90% (411/458) of firms receiving CT grants. Firms planned to train their employees in a variety of fields ranging from business training to occupational safety training. A vast majority (77%) of employers planned to train their employees in a business-related field, such as management information systems and logistics and materials management (chart 6).

Chart 6. Type of Classroom Training Planned by Firms
based on 411 out of 458 cases where information was available



Approximately 40% of firms planned to train their employees in an engineering-related field, such as industrial manufacturing and quality control. One-fourth of those firms planning to train their employees in engineering planned to focus training in quality control techniques. Nearly one-third (30%) of firms planned to train their employees in a computer-related field. In particular, 46% of those firms planning training in computers planned to train their employees in data processing techniques. Approximately 9% of firms planned on training their employees in social skills and 5% of firms planned to train their employees in occupational safety.

The training firms planned varied by industry. Firms in the manufacturing industry are far more likely to train employees in engineering related fields and the precision trades. While 64% of all firms receiving Customized Training grants are in the manufacturing industry, 84% of firms that plan to train their employees in engineering related fields are in the manufacturing industry. Similarly 87% of firms that plan to train their employees in the precisions trades are in the manufacturing industry. Firms planning business-related training and computer related training were generally distributed proportionately across industries.

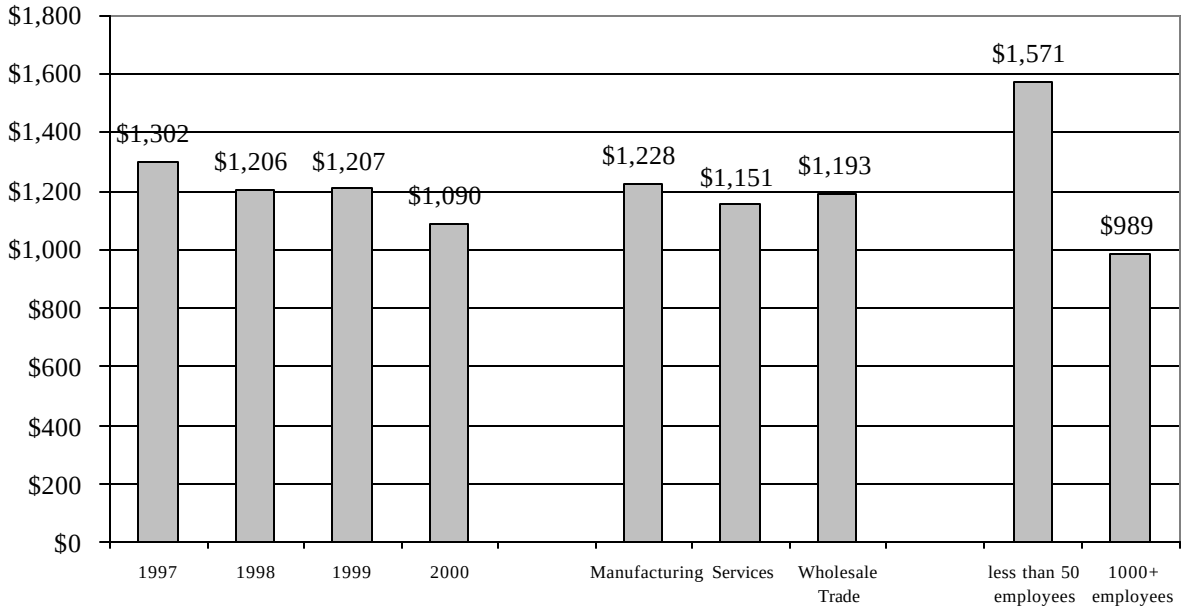
C. Estimated Cost of Training

i) Cost Per Individual Trained

On average, firms planned to spend $1,179 per individual trained. This is slightly less than the average amount ($1,499) firms planned to spend between 1994-1996. As with the previous period, small firms tended to spend more per individual trained than large

firms. Between 1997-2000, small firms spent about 59% more on each individual trained than large firms-- $1,571 vs. $989 (chart 7).

Chart 7. Average Cost of Training Per Individual, by Year, Industry, and Firm Size



Of the three most common sectors to receive CT grants, the largest expenditure per individual was in the manufacturing sector ($1,228). Wholesale trade averaged $1,193 per individual, while services spent $1,151 per individual, 6% less than manufacturers. This trend was similar to the trend in the previous study period. With regard to spending over the years, the amount spent per individual showed an overall decrease from1997-2000 ($1,302- $1090) (chart 7).

ii) Cost Per Training Slot

On average, firms planned to spend $503 of their CT grant to create one training slot in the period 1997-2000. A training slot is a set of training activities designed to improve employees' skills. This figure is significantly lower than the amount spent per slot in 1994-1996, which was $899. The average cost per slot remained remarkably constant over the years 1997-2000 ($506 in 1997, $506 in 1998, $494 in 1999, $505 in 2000).

Small firms spent slightly more than large ones, averaging $667 and $533 per slot, respectively. The three largest sectors receiving CT grants (manufacturing, services, and wholesale trade) averaged nearly the same amount per slot, at $519, $509, and $506, respectively.

IX. Training Activities Completed

The following section is based on information submitted by grantees at the end of their grant period. Grantees whose grant extends beyond 2000 will not have submitted a close out report. Approximately 57% of consortia and 68% of firms submitted a closeout report between 1997-2000.

A. Consortia

A little over half (57%) of consortia submitted closeout reports for the period 1997-2000. These consortia had planned to train a total of 37,371 workers, while 32,286 workers actually were trained over this period, 86% of the projected figure. The majority, 58%, of consortia trained fewer workers than they had projected. Less than a third (29%) of consortia wound up training more workers than they had planned, while 13% trained exactly the number they had planned to train. Three consortia had cancelled grants for various reasons.

As for planned contributions, of those consortia submitting close out reports the planned contribution was $1.35 per dollar received in grant, while the actual contribution was $1.14 per dollar received. Further among the consortia submitting close out reports, the actual amount contributed was $757,461 while the planned amount was $969,993.

B. Individual Firms

More than two-thirds (68%) of firms receiving CT grants submitted closeout reports for the period 1997-2000. Together these companies contributed $119 million, 2% more than planned and trained 97% of the employees they planned to train. The next three sections detail the level of contribution and planned versus actual levels of training and job creation.

i)Contribution of Firm by Firm Size and Industry

Individual firms had projected contributing a total of $117 million, yet in actuality contributed a total of $119 million, an increase of almost 2%. However, not all firms contributed more than they had projected. In fact, 68% of individual firms did not contribute the amount of money they had predicted. 13% of firms contributed exactly what they had projected, and 19% of firms exceeded their forecasted contributions.

Of those submitting close out reports, the planned contribution was $1.63 for every dollar in grant money. The actual contribution for these firms was slightly lower at $1.50 per dollar received in grant money.

When compared by size of firm, the smallest and the largest firms were less likely than both categories of mid-size firms to under-contribute (i.e. contribute less than planned). Approximately 60% of small firms and 57% of large firms contributed less than planned,

while 69% of firms with 51-250 employees, and 71% of firms with 251-1000 employees contributed less than planned.

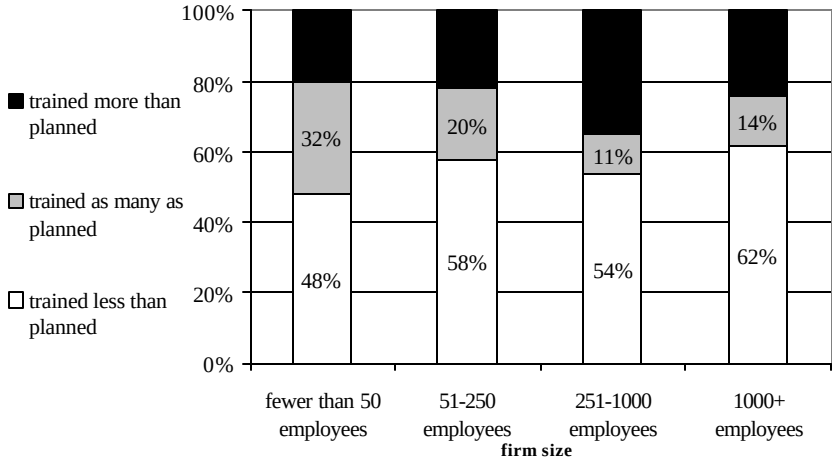
Of the largest three sectors of industry receiving CT grants, manufacturing firms were the most likely to contribute less than planned-- 70% of such firms fell short of their predicted contributions. Similarly, 68% of services industry firms did not meet their projected contribution levels. Wholesale trade firms were slightly less inclined to fall short of planned contributions, contributing less than planned at a rate of 63%.

ii) Planned vs. Actual Training

Together the companies trained 97% of the workers they planned to train. These companies combined projected to train 70,663 workers and actually trained 68,903. One-fourth of the individual firms reported training more than the projected number of workers, while 19% trained exactly the amount they forecast. A little over half (56%) of the individual firms trained fewer workers than projected with their grants.

When broken down by size of firms, it is notable that firms with 50 or fewer employees were the most likely to train exactly the number of employees planned (chart 8).

Chart 8. Planned vs. Actual Training, by Firm Size



Firms with 251-1000 employees were the most likely to train more employees than planned, and firms with over 100 employees were most likely to train fewer employees than planned.

iii) Planned vs. Actual Job Creation

Of the 160 firms that submitted close-out reports and had information on planned and actual jobs created, 38% (61) created fewer jobs than expected. 12% (19) created exactly as many as planned, while 50% (80) created more jobs than they had planned. Companies with more than 1000 employees were the most likely to create more jobs than

expected-- 67% of these companies did so. Companies with 50 or fewer employees were the most likely to create fewer jobs than planned, as 51% of these companies did. However, they were also the most likely to create exactly the number of jobs that they forecasted, with 21% of these companies creating just as many jobs as planned.

Of the three largest sectors of companies that received CT grants, firms in the wholesale trade industry were the most likely to create more jobs than planned, and the least likely to create fewer jobs than planned. Approximately 65% of wholesale trade firms created more jobs than planned, while 45% of manufacturing firms and 53% of service firms created more jobs than planned.

C. Actual Training by Year

i) 1997

In the year 1997, firms planned to train 15,271 employees, and actually trained 14,457. 55% of companies in 1997 trained fewer employees than they had projected, but one quarter, 26%, trained more than they had projected. In 1997, firms planned to contribute over $41 million, and actually contributed $37.7 million. Nearly two-thirds (64%) of firms in 1997 contributed less money than they had predicted, while 25.4% contributed more than planned. The average amount of money actually spent per individual trained was $3,645.

ii) 1998

In 1998, firms planned to train 19,990 employees, but actually trained 23,845, a surplus of 19%. One-fourth of all firms trained more employees than they had predicted, while 52% of firms trained fewer employees than planned. For this year, firms had planned to contribute almost $34 million, yet exceeded that amount by over $11 million, an increase of over 34%. This surplus was created by the 22% of companies that donated more than they had forecast. 66% of firms this year did not meet their planned company contributions. An average of $2,513 was actually spent on training per individual.

iii) 1999

For the year 1999, firms planned to train 23,168 employees, yet in reality trained only 18,952. 1999 showed the highest level of companies not reaching their predicted training goals-- 64% of companies submitting a closeout report reported training fewer employees than expected. 19% of companies submitting a closeout report for this year, however, did report training more people than planned. For this year, firms had a combined total of over $27 million in expected company contributions, yet in reality, contributed a total of just over $24 million, a decrease of 11%. 1999 also showed the highest percentage of firms not meeting their contribution goals. 73% of firms did not contribute what they had predicted. While 14% of firms contributed more than expected in 1999, this is the lowest

such rate for all four years. An average of $2,088 was actually spent per individual in 1999.

iv) 2000

In 2000, firms were expected to train 12,234 employees. 11,649 employees actually received training. 2000 saw the highest proportion of individual firms training more employees than predicted-- 32% of firms trained more than they had planned. 50% of firms trained fewer employees than planned, yet this was the lowest such rate for all four years considered in this analysis. During 2000, firms had pledged to contribute almost $15 million. Actual contributions fell shy of $12 million, a decrease of 21%. In 2000, 67% of companies contributed less than they had planned, while 17% of companies contributed more than expected. An average of $1,649 was actually spent for each individual trained in 2000.

Chapter 3

Labor Market Outcomes for Individual Training Grant Recipients, 1994-2000

I. Introduction

This chapter presents the labor market outcomes of 20,522 individuals who completed training through the Individual Training Grant program between January 1st 1994 and March 31st, 2000. The Individual Training Grant (ITG) program, part of New Jersey's Workforce Development Partnership Program, is a training program for dislocated workers. After claiming unemployment, individuals are eligible to receive a training grant of up to $4,000 dollars to fund training at state approved providers such as community colleges, universities, or proprietary schools. The Individual Training Grant program is designed to assist these individuals to obtain the skills they need to become employed.

The outcome analysis used Unemployment Insurance (UI) wage records from the New Jersey Department of Labor to determine the wage and employment outcomes of individuals whose ITG grant contract ended between 1994 and March 31st, 2000. Strictly speaking, this chapter does not provide a full evaluation because it does not include an estimate of the wage and employment outcomes for a group of similar unemployed individuals who did not participate in the program. Section II provides a review of the methodology used to determine the outcomes. Section III provides an overview of the principal findings and the remainder of the chapter describes the outcome results in more detail.

II. Methodology

A. Source of Information and Data Limitations

Information on individuals participating in the Individual Training Grant program was obtained from the program's administrative database maintained by the New Jersey Department of Labor. These administrative data were collected when an individual first became a participant in the ITG program and were updated when an individual was issued a training contract. The administrative data contained information on a participant's demographic characteristics and the type of training to be received.[1]

[1] Variables include individual's age, race, educational attainment, gender, the dates that training will begin and end, the type of training to be provided, and the type of provider of this training.

The administrative data was merged with Unemployment Insurance wage records, obtained from the New Jersey Department of Labor, for 1993 through 2000. Unemployment Insurance wage records are not reported for those individuals who are employed outside of the state, employed by religious organizations, US military personnel, federal civilian employees, or those who are self-employed. Therefore, the employment rates reported in this chapter are only a measure of employment at employers in New Jersey covered by the UI trust fund. Similarly the wage recovery rates reported are only for those individuals employed at employers in New Jersey covered by the UI trust fund.

B. Measuring Employment and Wage Recovery [2]

Employment and wage recovery rates are measured in the first 6 months after training and at yearly intervals, through the fifth year after training. The indicators defined in Section 136 of the Workforce Investment Act of 1998 serve as the short-term outcome measures at 6 months after training. Those definitions were slightly modified to yield long-term employment and wage recovery rates at yearly intervals. The following two sections provide more detail on the measures, and Appendix A provides the specific definitions with the operational parameters.

i. Short-term Outcomes: The WIA Indicators

Section 136 of the Workforce Investment Act of 1998 defines 17 indicators that are aimed at measuring the performance of publicly funded workforce development programs. Three of the 17 indicators apply specifically to the labor market outcomes of dislocated workers.[3] They are:

- The entered **employment rate** is defined as the percent of individuals that had positive wages in the first quarter after completing training

- The **retention rate** is defined as the percent of those employed in the first quarter after training who are also employed in the 3rd quarter after training.

- The **wage recovery rate** is defined as the ratio of total post-training earnings in the 2nd and 3rd quarter after training to the total pre-dislocation earnings in the 2nd and 3rd quarter prior to dislocation. Note, the WIA legislation does not define wage recovery as an average, but rather the ratio of the sum of post-training earnings for the group to the sum of pre-unemployment earnings for the same group. Further, wages are not adjusted for inflation.

[2] For those readers interested in the methodological differences between the Heldrich Center's first evaluation of the WDP program and this outcome chapter, Appendix D provides a description of how the methodologies differ.

[3] Strictly speaking, 5 of the 17 indicators apply to dislocated workers: entered employment rate, retention rate, wage recovery, credential rate, and credential rate and employment rate. But because information on credentials in not available only the first three were determined for this report.

These outcomes were determined for 20,522 ITG participants who completed training between 1994 and March 31st, 2000 (the first quarter of 2000).

ii. Long-term Outcomes

Employment rates and wage recovery rates were also measured at yearly intervals through the fifth year after training. The employment rate was calculated in the same manner as the short-term employment rate, and the wage recovery rate was calculated using a slightly modified version of the short-term definition. In particular, the long-term outcomes are defined as follows:

- The employment rate at one year after training is defined as the percent of individuals that had positive wages in the fourth quarter after completing training. The second through fifth year are defined analogously using every fourth quarter, that is the 8th, 12th, 16th, and 20th quarter.

- The wage recovery rate at one year after training is defined as the ratio of the total post-training earnings in the fourth quarter after training to the sum of the average pre-dislocation earnings in the 2nd and 3rd quarter prior to dislocation.[4] As with the short-term measure defined under WIA, this is not an average but the ratio of two sums. The second through fifth year are defined analogously using every fourth quarter, that is the 8th, 12th, 16th, and 20th quarter.

These outcomes were determined for ITG participants where data was available. For example, ITG participants completing training in the first quarter of 1999 will not be included in the outcomes at two years after training because UI wage data was only available through 2000.

The remainder of this chapter presents the outcome results. Section III provides a general overview of the findings in a bulleted format, while section IV describes the short-term labor market outcomes and sections IV through IX present the long-term outcomes in more detail. Occasionally, statistical significance is reported for employment rates. However statistical significance is not calculated for wage recovery rates because the recovery rate is not defined as an average but a ratio of two sums. Further, Appendix B provides a brief demographic overview of the 20,522 participants in the sample and Appendix C contains detailed outcome tables.

[4] The average earnings were taken over the two quarters prior to dislocation in order to insure that the denominator and numerator were both quarterly measures.

III. Overview of Principal Findings

The following section provides a brief bullet-point overview of the short-term and long-term labor market outcomes for approximately 20,000 Individual Training Grant participants completing their training contract between 1994 and March 31st, 2000. The subsequent five sections provide a more detailed description of the post-training employment and wage recovery rates.

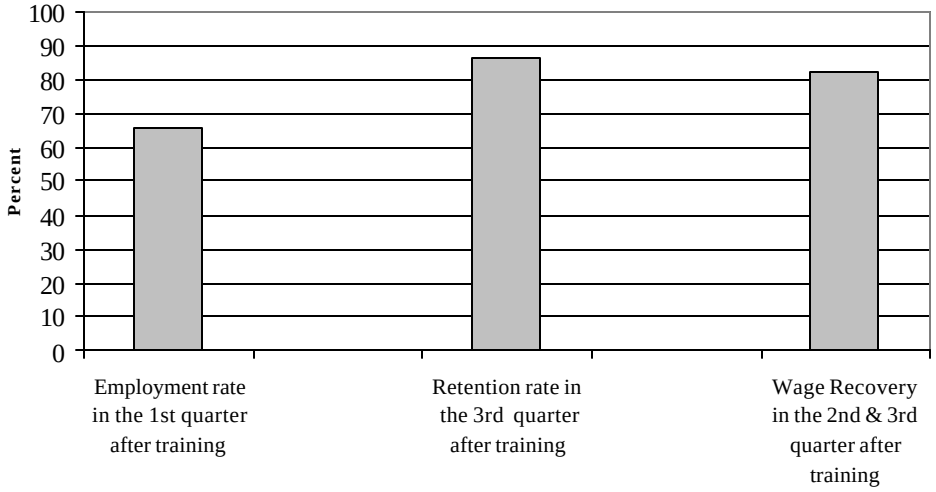
A. Overall Labor Market Outcomes

In the first quarter after training, nearly two-thirds (66%) of ITG participants completing their ITG contract between 1994 and March 31st, 2000 were employed in jobs covered by the New Jersey Unemployment System.[5] (chart 1)

- Further, those individuals had recovered 82% of their pre-unemployment wages by the second and third quarter after training.

- Approximately 87% of those employed in the first quarter after training remained employed in the third quarter after training.

Chart 1. Workforce Investment Act Outcomes for ITG Participants between 1994-2000



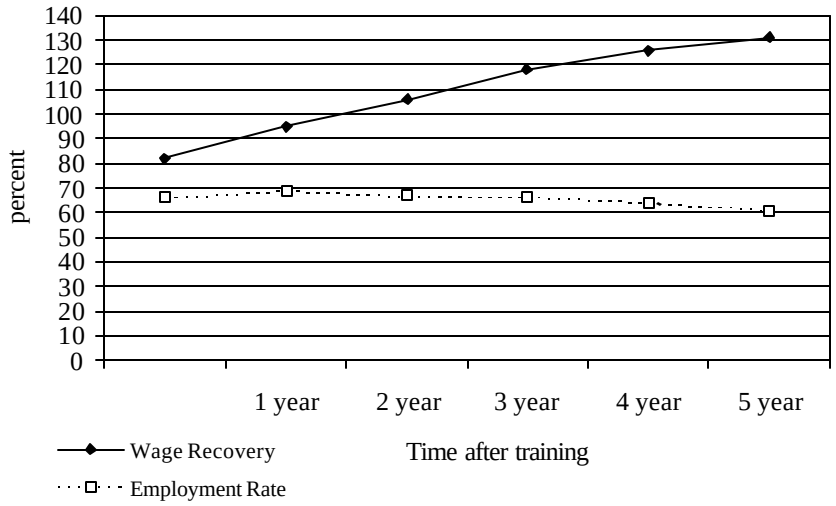
[5] The New Jersey Unemployment system does not include those employed outside of the state, employed by religious organizations, military personnel federal civilian employees, or those who are self-employed

- A year after completing training the employment rate for ITG participants increases to 69%. In subsequent years the employment rate slightly decreases to a level of 61% five years after training. (chart 2)

- The wage recovery rate for ITG participants gradually increases from 94% in the first year after training to 131% in the fifth year after training.

- By the fifth year after training, 68% of ITG participants had recovered over 100% of their pre-unemployment wages.

Chart 2. Long-term Employment and Wage Recovery Rates[6] for ITG Participants between 1994-2000



B. Labor Market Outcomes Across Demographic Groups

- Generally, females had a significantly higher employment rate than males in the first quarter after training through the fifth year after training. Further, females and males had similar wage recovery rates after training.

    - Females had an employment rate of 69% in the first quarter after training, while males had an employment rate of 62%. By the fifth year after training the

[6] wage recovery is relative to the wage in the 2nd & 3rd quarter prior to unemployment

difference in employment rates was less, but still significant. Females had an employment rate of 63% and males had a rate of 59% five years after training.

- With regard to wage recovery, females and males had similar wage recovery rates in the second & third quarter through the second year after training. Beginning in the third year and through the fifth year after training, males had slightly higher wage recovery rates. Despite the slightly higher recovery rates for males in the latter years, 69% of women and 66% of men had recovered over 100% of their pre-unemployment wages five years after training.

- Younger participants (age 18-36) generally had a higher employment and wage recovery rate than older participants in the second and third quarter after training through the fifth year after training.

  - Participants age 18 through 36 had an employment rate of 71% in the first quarter after training, while those aged 51 through 65 had an employment rate of 60%. Those between age 37 and 50 had an employment rate of 66%. This trend continued through the fifth year after training, where the youngest group has an employment rate of 64%, while those between the age of 51 and 65 have an employment rate of 53%.

  - Younger participants (age 18-36) consistently had the highest wage recovery after training. In the 2nd and 3rd quarter after training, participants between the ages of 18 and 36 recovered 94% of their pre-unemployment wages, while those aged 51-65 recovered 69% of their wages. The wage recovery rate for those aged 37 to 50 fell between the other two groups at 81%. This trend continued through the fifth year after training, where the youngest group had a wage recovery of 156% and those aged 51-65 had a recovery rate of 96%.

- Generally, those without a college degree prior to entering the ITG program had slightly higher employment rates and wage recovery rates than those with college degrees prior to entering the program. This trend was generally consistent in the second & third quarter through the fifth year after training.

  - Those with less than a high school education had an employment rate of 66%. Both those with a high school degree and some college prior to entering the ITG program had an employment rate of 68% in the first quarter after training. Participants with a college degree before entering the program had an employment rate of 60%, lower than the other education groups. This trend was generally consistent through the fifth year after training. Though in the fourth and fifth year the less than high school group has an employment rate similar to the college group.

- Those with a college degree prior to entering the ITG program had slightly lower wage recovery rates than the other groups, however a similar percentage of each education group had recovered more than 100% of their pre-unemployment wages in the 2nd and 3rd quarter after training. In the 2nd and 3rd quarter after training college graduates recovered 79% of their wages and high school graduates recovered 83% of their pre-unemployment wages, while 40% of college graduates and 39% of high school graduates had recovered more than 100% of their pre-unemployment wages in the same period. This trend was consistent through the fifth year, with 69% of those with a college degree and 68% of those with a high school degree recovering over 100% of their wages.

- Hispanics had a noticeably higher wage recovery than the other racial groups in the 2nd and 3rd quarter after training through the fifth year after training. There was little variation in employment rates across racial groups in the first through fifth year after training. However, Hispanic males and females had very similar employment rates in the first through fifth year after training, while white women and African-American women had significantly higher employment rates than their male counterparts.

  - In the 2nd and 3rd quarter after training, Hispanics had recovered 91% of their pre-unemployment wage, while whites had recovered 80% of their wage. Similarly in the fifth year after training Hispanics recovered 149% of their pre-unemployment wage and whites recovered 129% of their wage.

  - While overall the female employment rate in the first quarter after training is 69% and the corresponding rate for males is 62%, the male-female differential is virtually non-existent among Hispanics. Hispanic females have an employment rate of 69% and Hispanic men have an employment rate of 67% in the first quarter after training. In contrast, the employment rate for white females is 70% and the rate for white males is 60%. The employment rate for African-American females is 70% and the employment rate for African-American males is 65%. This trend was consistent through the fifth year after training.

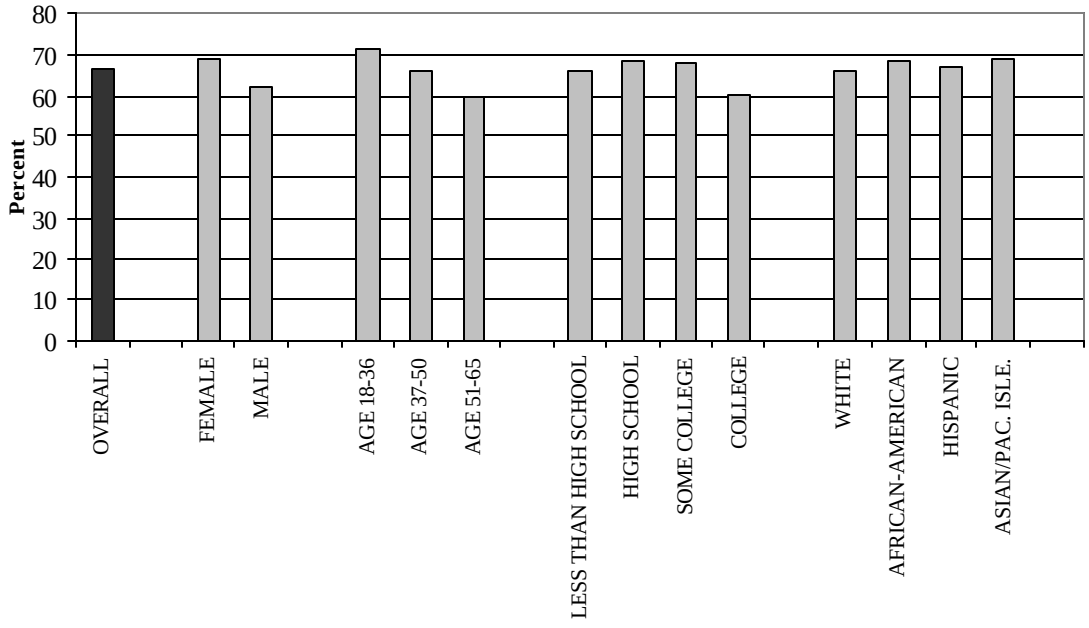
IV. Short-Term Labor Market Outcomes

A. Entered Employment Rate

Nearly two-thirds (66%) of ITG participants were employed in the first quarter after training. There was some variation in the employment rate across demographic groups. Female ITG participants had a higher employment rate than males. Approximately 69% of female ITG participants were employed in the first quarter after training, while 62% of male participants were employed in the same quarter (chart 3). The difference between male and females was statistically significant.

Similarly, younger ITG recipients had a higher employment rate in the first quarter after training than older ITG recipients. ITG participants between the ages of 18 and 36 had an employment rate of 71% in the first quarter after training and those aged 51-65 had an employment rate of 60%. The employment rate for participants between the ages of 37-50 fell in between at a rate of 66%. Outcomes are not displayed for those aged 66 and over because they make up only 1% of the sample. These differences were statistically different.

Chart 3. Employment Rates in the First Quarter After Training by Demographic Groups



There was little variation in the employment rate across education groups, with the exception of ITG recipients with a college degree who had an employment rate of 60% one quarter after completing training. Both those with a high school degree and some college prior to entering the

ITG program had an employment rate of 68% in the first quarter after training. Those with less than a high school education had an employment rate of 66%. The difference between the college group and the other education groups is statistically different.

With regard to race, there was little variation in employment rates in the first quarter after training. Whites had an employment rate of 66% in the first quarter after training, while African-Americans had an employment rate of 68%. Hispanics had a rate of an employment rate of 67% and Asians, 3% of the sample, had an employment rate of 62%.

i. Trends within Demographic Groups

Examining employment rates within subgroups reveals the following noteworthy variations from the overall trends detailed above.

- While overall, females have a 69% employment rate and males have a 62% employment rate, there are some subgroups where the difference in employment rate is far less and in the case of older workers the difference is more:
  - Male and female ITG recipients without a high school degree have similar employment rates--67% for females and 65% for men. Whereas male college graduates have an employment rate of 56%, female college graduates have an employment rate of 65% in the first quarter after training.
  - Hispanic male and female ITG recipients have nearly the same employment rate in the first quarter after training. The employment rate for Hispanic males is 67%, while the rate for Hispanic females is 69%. In contrast, the employment rate for white males is 60% and the rate for African-American males is 65%, while the employment rate for white and African-American females is 70%. [7]
  - While males between the ages of 51-65 have a much lower employment rate than their female counterparts, males between the ages of 18 and 36 have an employment rate closer to that of their female counterparts. Males between the ages of 51-65 have an entered employment rate of 55% while females in the same age group have an employment rate of 64%. Males between the ages of 18-36 have an entered employment rate of 68%, while the female rate is 73%.
- Among the education groups, ITG recipients with a college degree prior to entering the program had the lowest employment rate at 60%. This trend was consistent across most subgroups, with the exception of:

[7] There is no statistical difference between the Hispanic male and female employment rate, while there is a corresponding significant difference between white males and females and African-American males and females.

- Both Hispanics with a high school degree and Hispanics with a college degree prior to participating in the ITG group had an employment rate of 66% in the first quarter after training.

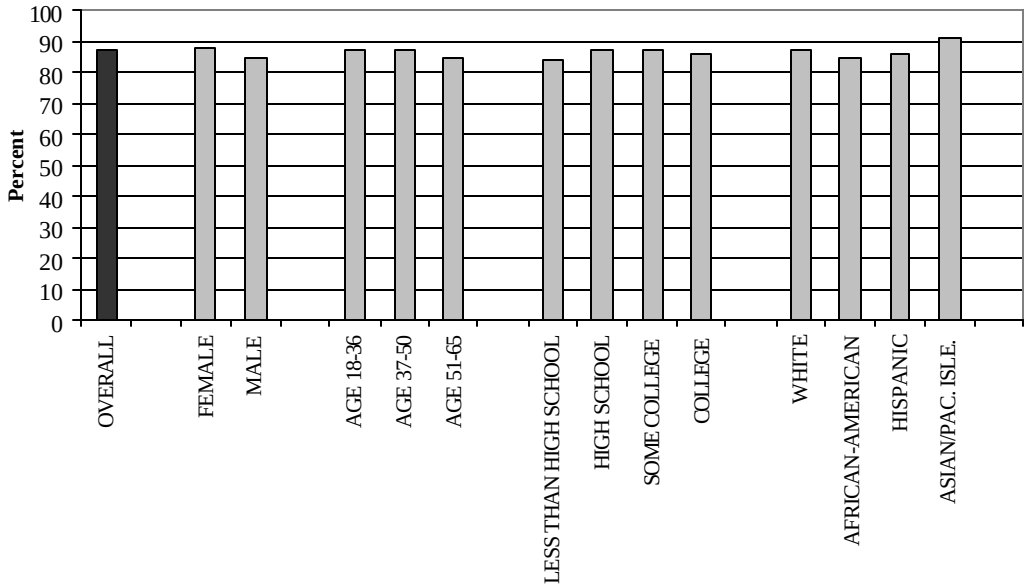
ii Cohorts by Training Completion Date

Cohorts were created based on the quarter after training. For example, those who completed training between January 1st and June 30th of 1995 (i.e. first or second quarter in 1995) were labeled the 1995A cohort. Looking across cohorts, most cohorts had an employment rate in the first quarter after training near the overall average, with the exception of those completing training in the second half of 1995 (1995B) and those completing training in the first half of 1997 (1997A). The 1995B cohort had generally high employment rates across demographic groups. The 1997B cohort had a higher than average employment rate because men in the cohort had an employment rate similar to women (70% vs. 72%), where as overall the male employment rate was 62% and the female rate was 69%.

B. Retention Rate in the 3rd Quarter After Training

The retention rate is the percent of individuals employed in the first quarter after training that are also employed in the third quarter after training. The overall retention rate for ITG recipients is 87%. There is little variation in this rate across demographic groups.

Chart 4. Retention Rates in the Third Quarter After Training by Demographic Groups



Female ITG participants had a slightly higher retention rate than males. Approximately 88% of females employed in the first quarter after training remained employed in the third quarter after training, while 85% of men remained employed in the third quarter after training.

The retention rates generally increased with higher education levels. ITG participants with less than high school education had a retention rate of 84%, while the ITG participants with high school education and participants with some college attainment both had a retention rate of 87%. College graduates had a slightly lower rate of 86%.

There is little variation in the retention rate with respect to age and race. Both ITG participants between the ages 18 and 36 and those between ages 37 and 50 had a retention rate of 87%. Participants between ages 51 and 65 had a retention rate of 85%. White ITG participants had the retention rate 87%, while the Hispanics had an 86%, and African-Americans had an 85% retention rate. Asians are 3% of the sample and had 91% retention rate (chart 4). Similarly, there is little variation across cohorts.

C. Wage Recovery in the 2nd and 3rd Quarter After Training[8]

In the second and third quarters after training, ITG participants recovered 82% of their average wage in the second and third quarters prior to filing for UI benefits. The level of wage recovery was generally the same across demographic groups, with the exception of age groups, where participants between ages 18-36 had a higher wage recovery rate than participants aged 51-65 (94% vs. 69%), and Hispanics who had a recovery rate of 91%. (chart 5). Also college graduates had a slightly lower recovery rate (79%) than the other education groups.

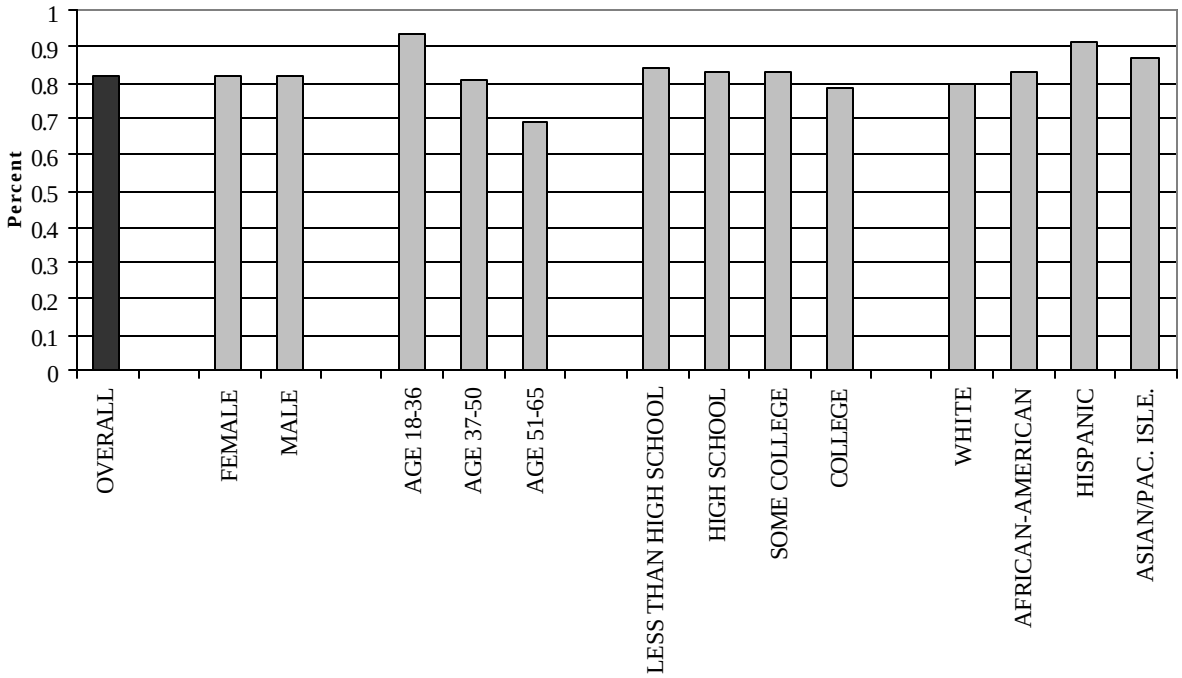
The wage recovery rate varied dramatically across age groups. Younger ITG participants (age 18-36) recovered 94% of their wages prior to filing for UI, while older ITG participants (age 51-65) recovered 69% of their prior wages. Those ages 37 to 50 had a wage recovery rate of 81%, close to the overall average. Those age 66 and older, who represent 1.1% of ITG participants, had a recovery rate of 49%.

Hispanic ITG participants had the highest wage recovery rate among participants from different races. White and African-American groups, on the other hand, had rates around the overall average. Hispanic group recovered 91% of pre-unemployment wages, while African-American participants and white participants recovered 83% and 80% of their pre-unemployment wages respectively.

[8] Statistical significance is not reported for wage recovery rates because the recovery rate, as defined in the Workforce Investment Act of 1998, is not defined as an average but a ratio of two sums.

Chart 5. Wage Recovery in the Second and Third Quarter After Training by Demographic Groups

relative to the wage in the 2nd & 3rd quarter prior to unemployment



Those with college education had a slightly lower wage recovery rates during second and third quarters after training than those in other educational categories. There was little variation in wage recovery rates across gender groups and cohorts.

i. Trends within Demographic Groups

Examining the wage recovery rates within subgroups reveals the following noteworthy variations from the overall trends detailed above:

- While overall females and males both recovered 82% of their wages prior to filing for unemployment, Hispanic males recovered 95% of their wages in the second and third quarter after training while Hispanic females recovered 86% of there pre-unemployment wages. In contrast, white males recovered 84% of their wages and white females recovered 82% of their pre-unemployment wages in the second and third quarter after training.

- Overall, college graduates have a slightly lower recovery rate than the other education groups. However, among Hispanics, college graduates recovered 102% of their pre-unemployment wages and Hispanic high school graduates recovered 88% of their wages in

the second and third quarter after training. In contrast, among whites and African-Americans, high school graduates had a higher wage recovery rate than college graduates.

- Younger ITG recipients had a higher wage recovery rate than older ITG recipients across race, education, and gender groups.

There was generally little variation in wage recovery in the 2nd and 3rd quarter after training across cohorts.

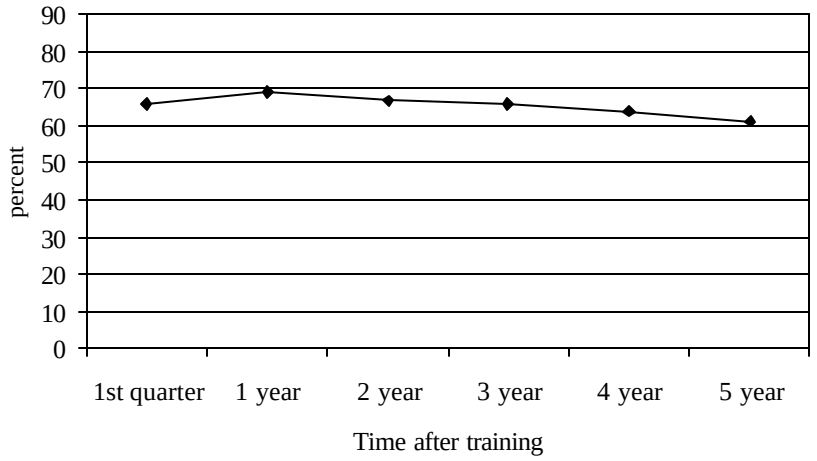
V. Overview of Labor Market Outcomes One to Five Years after Training

A. Yearly Employment Rates

The average employment rate for ITG recipients one year after training is 69%, and the average employment rate two years after training is slightly lower at 67%. The average employment rate drops to 64% four years after training and 62% five years after training (chart 6).

The gradual decrease in the employment rate may be caused by geographical mobility among ITG participants. Residents of New Jersey, New York, and Pennsylvania are more likely than residents of other states to have moved out of state between 1990 and 1999. Between 1990 and 1999, 69% of those who left a state were from the three mid-Atlantic states. Therefore, the gradual decrease in the employment rate may partly be due to ITG recipients moving from New Jersey.

Chart 6. Yearly Employment Rates After Training



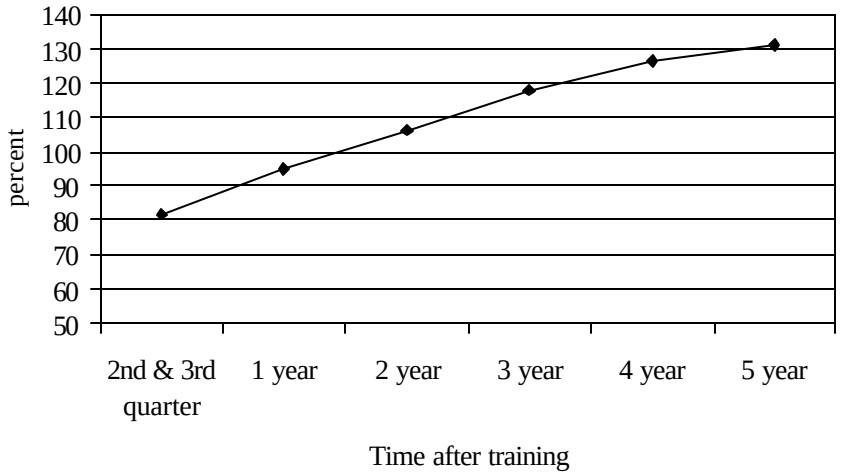
This slight downward trend was consistent across gender, race, education, and age groups. However, for each year after training there was variation in the employment level among demographic groups similar to the variation that occurred with the entered employment rate.

Sections VIA and VIIA examine the individual yearly employment rates and their variation across demographic groups.

B. Yearly Wage Recovery Rates

The overall wage recovery rate for ITG participants increases from 82% to 95% of their wage prior to unemployment one year after training. By two years after training, ITG participants had fully recovered their pre-unemployment wages, with a wage recovery rate of 106%. The wage recovery rate continues to increase in subsequent years to 131% of what their wages were in the 2nd and 3rd quarter prior to unemployment (chart 6).

Chart 6. Wage Recovery Rates After Training
relative to the wage in the 2rd & 3rd quarter prior to unemployment



This upward trend was generally consistent across demographic groups. However, as with the wage recovery in the 2nd and 3rd quarter after training, the level of wage recovery in each year did vary some across demographic groups, as indicated in Section VIB and VIIB.

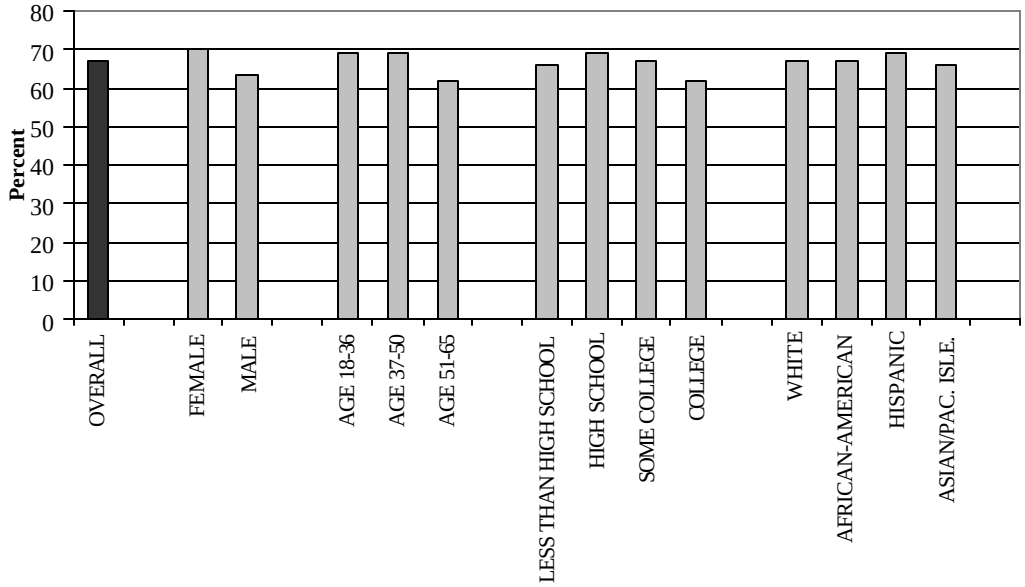
VI. Labor Market Outcomes One and Two Years after Training

A. Employment Rates One and Two Years after Training

The employment rate for ITG participants was 69% one year after training and 67% two years after training. There was some variation in these rates across demographic groups. In particular females, younger participants, and those without a college degree had higher employment rates than their counterparts. These parallel the trends with the entered employment rate (Section IVA).

More specifically, females had a higher employment rate than males both one and two years after training. Females had an employment rate of 72% one year after training and 70% two years after training, while males had an employment rate of 65% one year after training and 63% two years after training. This difference continues to be significant through the second year after training (chart 7).

Chart 7. Employment Rates in the 2nd Year After Training by Demographic Groups



Likewise, younger groups (18-36) had a higher employment rate than older groups (51-65) one and two years after training. One year after training, ITG participants between the ages of 18-36 had an employment rate of 72%, where was those age 51-65 had an employment rate of 63%. Two years after training the younger group had an employment rate of 69% and the older group had an employment rate of 62%. These differences are statistically significant. The age group 37-50 had an employment rate similar to the youngest group in both the first and second year after training.

Similar to the trend in the entered employment rate, those with a college degree prior to entering the ITG program had a lower employment rate than those without a college degree in both the first year and second year after training. One year after training, those with a college degree had an employment rate of 63%, while those with only a high school degree had an employment rate of 72%.

Similarly, two years after training those with a college degree had an employment rate of 62% and those with a high school degree had an employment rate of 69%. With regard to race, there was little variation among the different race groups in the employment rate in both the first and second year after training.

i. Trends within Demographic Groups

While overall, females, younger age groups and those without a college degree had higher employment rates in the first and second year after training, there was some variation from these trends within subgroups. Similar trends in subgroups appeared in both the employment rate one year and two years after training. Specifically:

- Whereas female and male participants had 72% and 65% employment rates, respectively, at one year after training, there are smaller and larger differences in rates across subgroups.

  - The difference between the employment rates of male and female participants increases with higher levels of educational attainment. Men with less than high-school education had a 66% employment rate, while women had a rate of 69%. One year after training, men and women with a college degree had employment rates of 60% and 68%, respectively.

  - White male and female participants had the largest difference between their employment rate one year after training. In contrast, there is no difference between the rates of Hispanic men and women. While white male and female recipients had rates of 64% and 73%, respectively, African-American men and women had employment rates at 68% and 73%. Both Hispanic males and Hispanic females had a 70% rate of employment at one year after training.[9]

  - The difference between employment rates one year after training for males and females increases with age. While the male and female participants between ages 18 and 36 had employment rates at 70% and 74%, respectively, the males and females between ages 51 and 65 had employment rates at 57% and 67% one year after training.

- The employment rate one year after training is lower for participants with a college degree prior to entering the ITG program than those without a college degree. Approximately 63% of college graduates were employed one year after training, while 72% of those with a high

[9] There is no statistical difference between the Hispanic male and female employment rate, while there is a corresponding significant difference between white males and females and African-American males and females.

school degree were employed one year after training. This trend is not consistent for some racial subgroups.

- Among Hispanics, the participants with a college degree had higher rates of employment than the participants with only a high school degree. Hispanic recipients with a high school degree had 67% employment rate one year after training, while Hispanics with a college degree had an employment rate of 69%. In contrast, whites with a high school degree had an employment rate of 73%, while whites with a college degree had an employment rate of 63%.

Similar trends appeared for the employment rate in the second year after training.

ii. Cohorts by Training Completion Date

There is little variation in employment rates one and two years after training across cohorts. The one exception is the cohort that completed training in the first half of 1997 (1997A). One year after training they had a higher than average employment rate of 75%. Their employment rate is higher than average because college graduates in the cohort had an employment rate similar to high school graduates (73% vs. 76%), where as overall the employment rate for college graduates was 63% and employment rate for high school graduates was 72%.

B. Wage Recovery Rates One and Two Years after Training

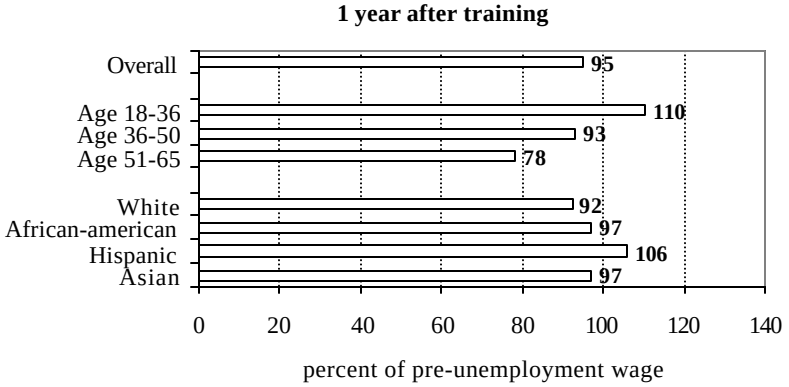
ITG participants recovered 95% of their pre-unemployment wages one year after training and 106% of their wages two years after training. As with the wage recovery in the 2nd and 3rd quarter after training, the wage recovery was generally the same across demographic groups, with the exception of age groups and Hispanics. Younger ITG participants and Hispanics tended to have higher wage recovery rates than their counterparts (chart 8).

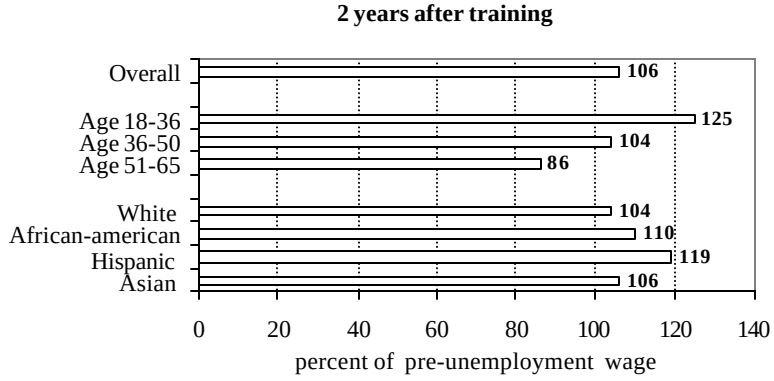
Younger participants had recovered over 100% of their pre-unemployment wages one year after training, while older ITG participants (51-65) recovered less than 100% of their prior wages. Specifically, younger ITG participants recovered 110% of their wages one year after training and 125% of their pre-unemployment wages two years after training. In contrast, older ITG participants (51-65) recovered 78% of their pre-unemployment wages one year after training and 86% of their prior wages two years after training. Those between the ages of 37 and 50 had wage recovery rates near the average--93% one year after training and 104% two years after training.

Hispanic participants recovered 106% of their pre-unemployment wages one year after training and 119% of their wages two years after training. The remaining race groups had recovery

rates closer to the overall average. African-Americans recovered 97% of their pre-unemployment wages one-year after training and 110% two years after training.
White ITG participants recovered 92% of their pre-unemployment wages one year after training and 104% of their wage two years after training.

Chart 8. Wage Recovery in the 1st & 2nd Year After Training by Age and Race groups
relative to the wage in the 2nd & 3rd quarter prior to unemployment





Male ITG participants had a slightly higher wage recovery rate than females one year and two years after training. Two years after training males had recovered 108% of their pre-unemployment wages, while females had recovered 104% of their wages. ITG wage recovery rates one and two years after training varied slightly across education levels.

i. Trends within Demographic Groups

Examining the wage recovery rates within subgroups reveals the following noteworthy variations from the overall trends detailed above:

- While overall men had slightly higher wage recovery rates than females, the difference between Hispanic male and female wage recovery rate two years after training was greater than the male-female differential in other race groups. Hispanic males had recovered 126% of their wages 2 years after training and Hispanic females had recovered 112% of their pre-unemployment wages. In contrast, both white males and females recovered 104% of their wages 2 years after training.

- Overall high school graduates had slightly higher wage recovery rates than college graduates, however among Hispanics, college graduates had higher wage recovery rates than high school graduates. Specifically, two years after training Hispanic college graduates had recovered 124% of their wages and high school graduates had recovered 118% of their pre-unemployment wages.

Younger ITG recipients had higher wage recovery rates than older ITG recipients at one and two years after training across gender, education and race groups. Further, Hispanic ITG recipients had higher wage recovery rates than other racial groups at one and two years after training across all demographic groups.

ii Cohorts by Training Completion Date

Wage recovery rates one and two years after training were similar across cohorts, with the exception of those completing training in the first half of 1996 (1996A) and those completing training in the second half of 1997 (1997B). Those in the 1996B cohort had wage recovery of 88% one year after training, less than overall average of 95%. The lower than average recovery rate stems from the lower than usual wage recovery rate among Hispanics in that cohort. Hispanics in the 1996B cohort had a wage recovery of 84% while white in the same cohort had a wage recovery of 87%. In contrast, overall Hispanics had a higher wage recovery rate than whites one year after training, 106% for Hispanics vs. 92% for whites.

The 1997B cohort had a higher than average wage recovery rate in both the first year after training (102% vs. 94%) and the second year (114% vs. 106%) after training. This is likely do to the unusually high wage recovery rate among Hispanics in the cohort. Hispanics in the 1997B cohort recovered 143% of their pre-unemployment wages two years after training, while whites in the same cohort recovered 111% of their wages. In contrast, overall Hispanics recovered 119% of their pre-unemployment wages, while whites recovered 104% of their wages. A similar trend occurred in the first year after training.

VII. Labor Market Outcomes Three, Four, and Five Years after Training

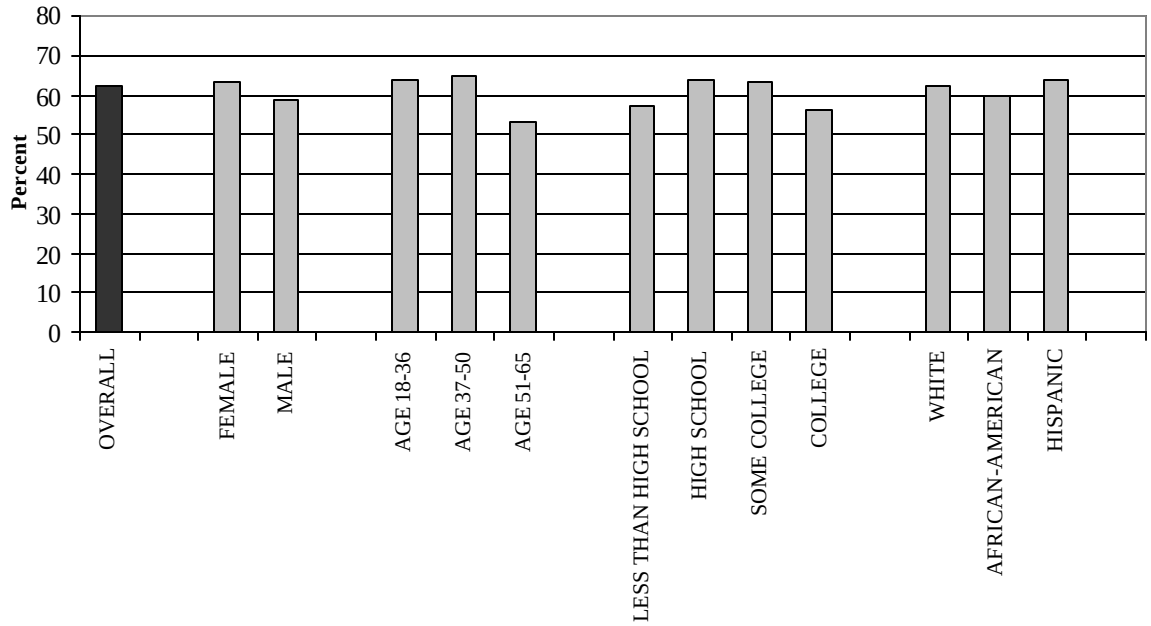
A. Employment Rates Three, Four, & Five Years after Training

Three years after training ITG recipients have an employment rate of 66%, a slight decrease from 69%--the rate one year after training, though the same level as the employment rate in the first quarter after training. Four years after training the employment rate for ITG recipients falls slightly to 64% and in the fifth year after training it drops to 62%. This slight downward trend was consistent across gender, race, education, age groups, and cohorts (chart 9).

However the level of employment rates in the 3rd, 4th, and 5th year after training did vary across demographic groups. As with the employment rates in the first quarter after training and the first and second year after training: females, younger individuals, and those with a high school degree (but no college degree) had higher employment rates than their counterparts. There was little variation in the employment rates across race and cohorts.

In particular, females continue to have a higher employment rate than males in the third, fourth, and fifth year after training. However, the difference in employment rate is slowly decreasing. In the first quarter after training females have an employment rate 69%, while males had an employment rate of 62%. By the fifth year after training females had an employment rate of 63% and males had an employment rate of 59%.

Chart 9. Employment Rates in the 5th Year After Training by Demographic Groups



As with the earlier employment rates, younger individuals continue to have a higher employment rate than older individuals. In the third year after training individuals who were between the ages of 18-36 at the start of training had an employment rate of 68% while those aged 51-65 had an employment rate of 58%. Similar differences occurred in the fifth year after training.

ITG participants with a high school degree prior to enrolling in the program continue to have a higher employment rate than those participants with a college degree. Though relative to the first quarter after training, the difference in the employment rate between the two groups diminishes in the 3rd and 4th year after training. Four years after training high school graduates have an employment rate of 66% and college graduates are employed at a rate of 60%. However, five years after training the employment rate for high school graduates is 64%, while the employment rate for college graduates is 56%, a drop from 60% four years after training.

There was little variation in the employment rates in the third through fifth year across race and cohorts.

i. Trends within Demographic Groups

Overall females had higher employment rates in the third through fifth years after training, with the following notable exceptions:

- Male college graduates had higher employment rates than female college graduates in the fifth year after training. Male college graduates had an employment rate of 57% while females had a rate of 54%. In contrast, male high school graduates had an employment rate of 60% and females had an employment rate of 66% five years after training.

- In the fifth year after training, Hispanic males had higher employment rate than Hispanic females. Hispanic males had 65% employment rate, while Hispanic females had a 62% employment rate at fifth year after training. Where as, African-American males had an 50% employment rate and African-American females had an employment rate of 66%. White males and females had similar employment rates to one another.

- Male and female participants between the ages 18 and 36 had both an employment rate of 64% five years after training, while males and females between ages 37 and 50 had employment rates of 50% and 55%, respectively.

Overall, college graduates had lower employment rates than non-college graduates through the third and fifth years after training.

- As in the first and second years after training, between the third and fifth years after training, Hispanic college graduates had higher employment rates than Hispanic high school graduates. For example, during the fifth year after training Hispanic college graduates had an employment rate of 73% and Hispanic high school graduates had an employment rate of 64%.

B. Wage Recovery Rates Three, Four, and Five Years after Training

The wage recovery increases steadily in the third through fifth year after training. Three year after training, ITG participants had recovered 118% of their pre-unemployment wages. Four years after training, they had recovered 128% of their wages. Five years after training, the group recovered 131% of their wages (chart 10).

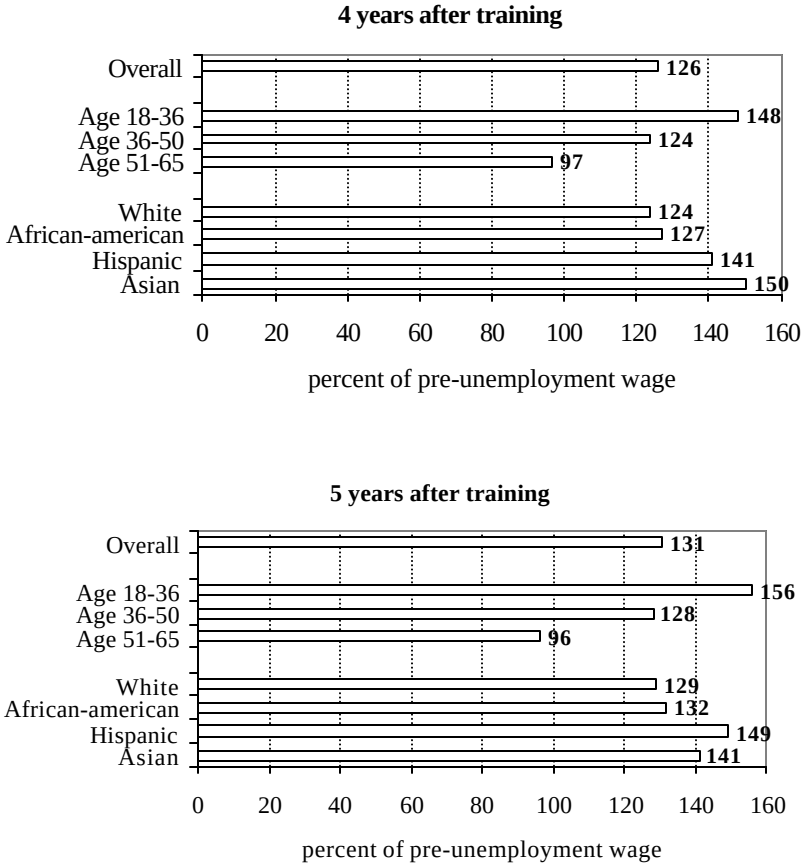
As with the wage recovery rates immediately after training and one and two years after training, the wage recovery rates three to five years after training are generally the same across demographic groups with the exception of age groups and Hispanics. Younger ITG participants and Hispanics tended to have higher wage recovery than average and when compared to their counterparts.

Younger participants (18-36) had recovered well over 100% of their pre-unemployment wages five years after training, while older ITG participants (51-65) had nearly recovered all of their prior wages. Younger ITG participants recovered 156% of their wages five years after training, while ITG participants (51-65) recovered 96% of their pre-unemployment wages five years after training. Similarly, younger ITG participants consistently had a higher wage recovery rate than older participants in both the third and fourth year after training.

Hispanic participants recovered 149% of their pre-unemployment wages five years after training and 133% of their wages three years after training. The remaining race groups had recovery rates closer to the overall average. African-Americans recovered 132% of their pre-unemployment wages five years after training and 121% three years after training. White ITG participants recovered 129% of their pre-unemployment wages one year after training and 115% of their wage two years after training.

Chart 10. Wage Recovery in the 4th & 5th Year After Training by Age and Race groups[10]

relative to the wage in the 2nd & 3rd quarter prior to unemployment



Male ITG participants had a higher wage recovery rate than females in the third through fifth year after training. Five years after training males had recovered 135% of their pre-unemployment wages, while females had recovered 128% of their wages. Further, a similar percentage of males and females had recovered more than 100% of their wages five years after training. Approximately 69% of females and 66% of males had recovered over 100% of their pre-unemployment wages five years after training (chart 11).

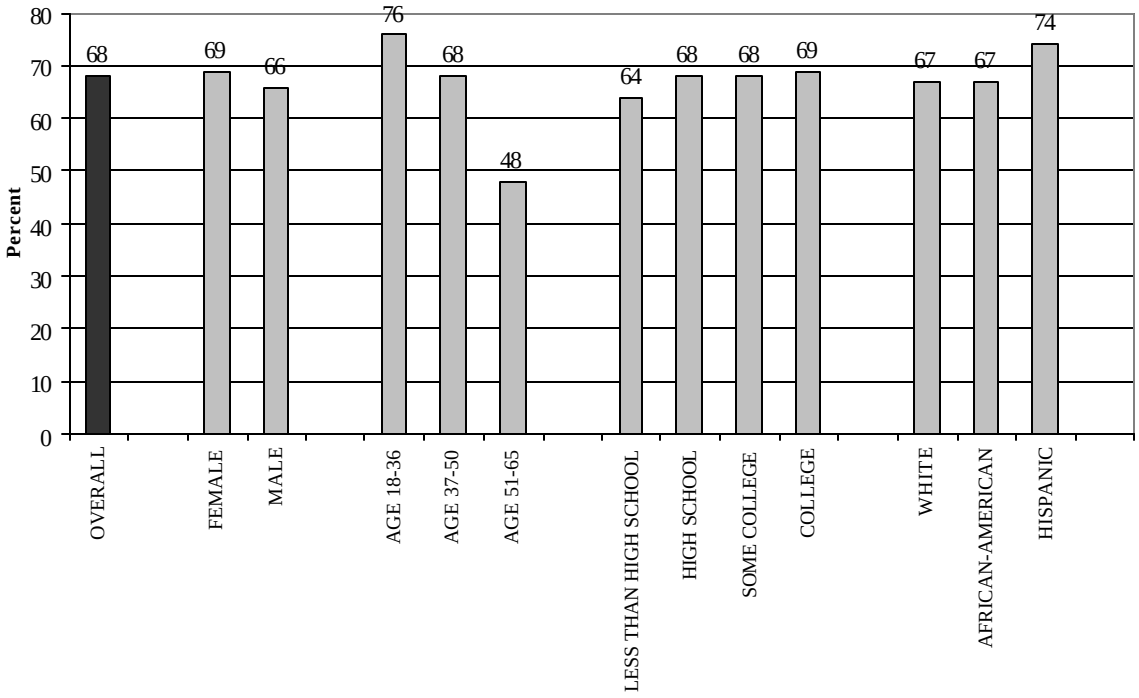
ITG participants with some college education, but no college degree, had a higher wage recovery rate than the other education groups the third through fifth year after training. ITG

[10] Because of small sample sizes, the age group 66+, Asians, and Native American groups are not included in this chart. Each group consists of less than .1% of ITG participants with wage data available four and five years after training

participants with less than a high school degree had a wage recovery rate slightly less than average in the third through fifth year after training, while those with a college degree and a high school degree only had wage recovery rates near the overall average of 131%. Five years after training, ITG participants with some college education had recovered 136% of their wages, while those with less than a high school education prior to entering the program had a wage recovery rate of 125%. ITG participants with a college degree had recovered 131% of their pre-unemployment wages and those with a high school degree recovered 129% of their prior wages five years after training.

Chart 11. Percent that Recovered over 100% of their Pre-Unemployment Wage 5 years after training[11]

relative to the wage in the 2nd & 3rd quarter prior to unemployment



However, the percent of individuals recovering 100% or more of their pre-unemployment wages five years after training varied little over education groups. Approximately 68% of those with a high school degree and those with some college had recovered more than 100% of their pre-unemployment wages. Further, 69% of those with a college degree and 64% of those without a high school degree recovered over 100% of their pre-unemployment wages five years after training.

[11] Because of small sample sizes, Asians, Native American, and age 66+ groups are not included in this chart. Each group consists of less than .1% of ITG participants with wage data available five years after training

i. Trends within Demographic Groups

The noteworthy variations from the overall trends within demographic subgroups are detailed as follows:

- While the overall wage recovery rates for males was slightly higher than for females in the third through fifth year after training, the male-female differential was higher among both Hispanics and those with some college education than other race and education groups. Further, among those aged 51-65, females had higher wage recovery rates than males:

    - The overall wage recovery rates of males and females at five years after training were 135% and 128% whereas the wage recovery rates at fifth year after training for Hispanic males and females were 161% and 135%. In contrast, the wage recovery rate for white males was 130% and the rate for white females was 127%.

    - Further, at five years after training, males and females with some college education had wage recovery rates of 146% and 129%, respectively. Males and females with college degrees prior to entering the program had wage recovery rates of 130% and 132%, respectively.

    - Five years after training, males between the ages of 51-65 had a wage recovery rate of 91%, while females in the same age group had a higher wage recovery rate of 99%.

- While the overall rate of wage recovery across educational categories was highest for those with some college in the third through fifth year after training, among African-Americans those with a college degree had the highest wage recovery rate.

    - Specifically, the wage recovery rate among African-American college graduates was 145%, for those with some college it was 134% and for high school graduates it was 128%. The wage recovery rates of African-American college graduates were also higher than African-Americans with some college education, at four years after training. For three years after training, the overall distribution of wage recovery across education was maintained across racial subgroups.

ii. Cohorts by Training Completion Date

As with the first year after training, the 1996B cohort showed a lower than average wage recovery in the fourth year after training, but not in the third year after training. Again, the reason for the lower than average wage recovery was Hispanics in that cohort had an unusually low wage recovery relative to the other race groups. Hispanics in the 1996B cohort had a wage recovery rate of 116% three years after training, while whites in the same cohort had a wage recovery of 110%. In contrast, overall Hispanics had a wage recovery of 133% 3 years after training, compared with a rate of 115% for whites over the same time period.

As with the first and second year after training, the 1997B cohort continued to have a higher than average wage recovery 3 years after training, 123% versus an overall average of 118%. However, the difference was less than prior years. As with previous years, the slightly higher than average wage recovery rate stemmed from Hispanics who had a higher than usual wage recovery rate.

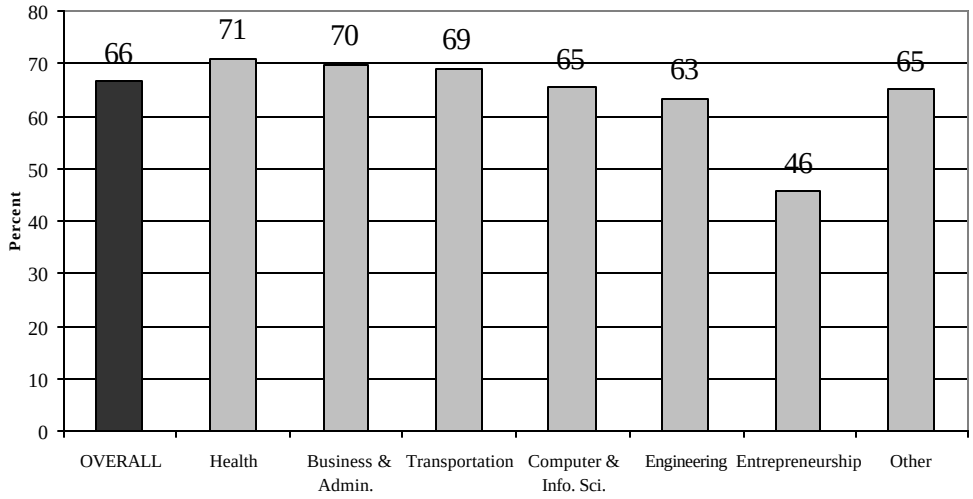
IX. Labor Market Outcomes by Type of Training

A. Employment Rates by Training Type

The entered employment rate for ITG participants, who completed training between 1994-2000, varied by type of training received. Participants receiving training in business fields and health fields had a higher than average employment rate in the first quarter after training, while those engaged in entrepreneurship training had an employment rate well below the overall average of 66% (chart 12). However, the low employment rate for this group likely occurs because the employment data used for this study does not capture those who are self-employed. The 7% of participants that participated in entrepreneurship training had an employment rate of 46% in the first quarter after training.

ITG participants who participated in business-related training, representing 45% of all participants, had a higher than average employment rate of 70% in the first quarter after training. Those participants engaged in health-related training had an employment rate of 71% and represent 6% of participants, while those engaged in transportation training had an employment rate of 69% and represent 9% of participants. ITG participants enrolled in computer-related training make up 14% of participants and had an employment rate of 65%, near the overall average of 66%.

Chart 12. Employment Rate in the First Quarter After Completing Training by type of training[12]



The variation in the employment rate across demographic groups within training types resembles the overall variation in the employment rate across demographic groups, highlighted in section IVA. Specifically:

- Females had a higher employment rate in the first quarter after training than males in all types of training, with the exception of transportation training where men had an employment rate of 71% and females had an employment rate of 65%.

- Younger participants (ages 18-36) had a higher employment rate than older participants (ages 51-65) in all types of training. Further those aged 37-50 had an employment rate in between the younger and older groups.

- Generally across training types, ITG participants that had a college degree prior to entering training had a lower employment rate than those with only a high school degree. However, among those engaging in transportation training, college graduates had an

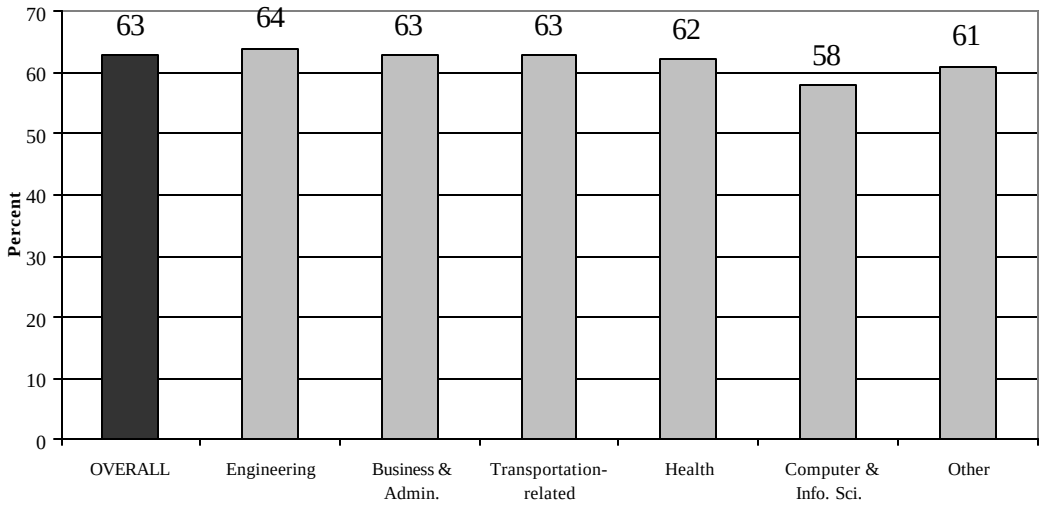
[12] The other category consists of : Basic Skills; Construction Trades; Vocational Home Economics ; Protective Services; Public Administration; Communications; Communication Technologies; Law and Legal Studies; Sciences Technologies; Physical Sciences; Psychology; Leisure & Recreational Activities; Home Economics; Parks, Recreation, Leisure and Fitness Studies; Social Sciences; Agricultural Business and Production; Agricultural Sciences; High School/Secondary Diplomas and Certificates; Conservation and Renewable Natural Sources; Foreign Languages & Literatures; English Language and Literature/Letters; Biological Sciences/Life Sciences; Multi/Interdisciplinary Studies; Liberal Arts and Sciences, General Studies & Humanities; Architecture and Related Programs; Library Science; Mathematics; Health-Related Knowledge and Skills; Theological Studies and Religious Vocations; Consumer Services, Education, Mechanics and Repair, Precision Trades, Performing Arts.

employment rate of 71% and those with a high school degree had an employment rate of 64%.

- With the exception of entrepreneurship training, there was little variation in employment rates by race within training types. White ITG participants engaged in entrepreneurship training had an employment rate of 46% in the first quarter after training, while African-Americans had an employment rate of 53% and Hispanics had an employment rate of 64% (28/40).

By the fourth and fifth year, there is less variation in employment rates across training types. By the fifth year after training, the overall employment rate is 62% and the employment rate for those who participated in transportation and business training is 63%.

Chart 13. Employment Rate in the Fifth year After Completing Training by type of training[13]



For those who participated in health training, 62% were employed five years after training. Further, those who participated in computer training had an employment rate of 58%.

[13] The other category consists of : Basic Skills; Construction Trades; Vocational Home Economics ; Protective Services; Public Administration; Communications; Communication Technologies; Law and Legal Studies; Sciences Technologies; Physical Sciences; Psychology; Leisure & Recreational Activities; Home Economics; Parks, Recreation, Leisure and Fitness Studies; Social Sciences; Agricultural Business and Production; Agricultural Sciences; High School/Secondary Diplomas and Certificates; Conservation and Renewable Natural Sources; Foreign Languages & Literatures; English Language and Literature/Letters; Biological Sciences/Life Sciences; Multi/Interdisciplinary Studies; Liberal Arts and Sciences, General Studies & Humanities; Architecture and Related Programs; Library Science; Mathematics; Health-Related Knowledge and Skills; Theological Studies and Religious Vocations; Consumer Services, Education, Mechanics and Repair, Precision Trades, Performing Arts. Further, there were no participants who participated in entrepreneurship training that had wages available five years after training.

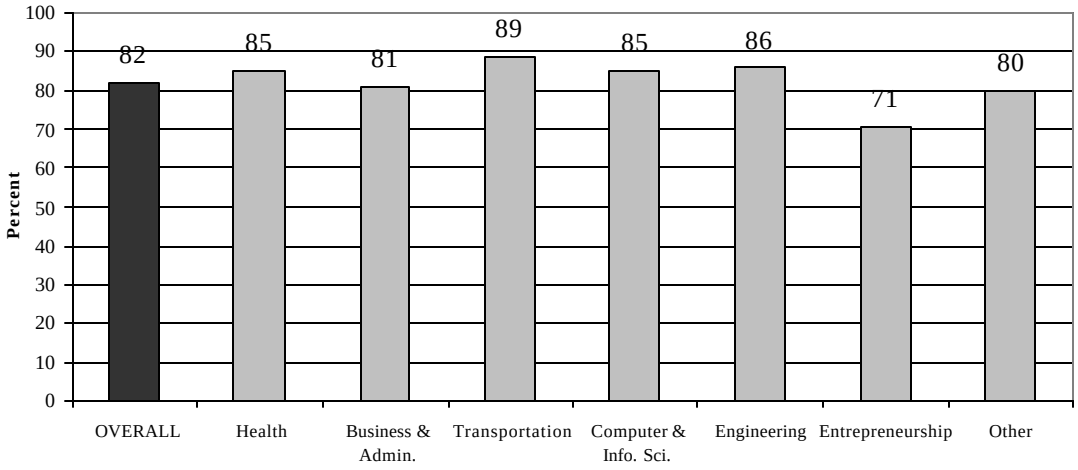
The variation in employment rates across demographic groups within training types in the fourth and fifth year after training generally resembled the variation in the employment rate in the first quarter after training, as described above (chart 13).

B. Wage Recovery Rates by Training Type

The entered wage recovery rate for ITG participants, who completed training between 1994-2000, varied by type of training received. In the second and third quarters after training, short-term wage recovery rates in the six most common types of training ranged from 71% to 89%. In total, approximately 87% of ITG participants engaged in one of the six training areas. ITG recipients who engaged in computer and information science training, transportation-related training, and health-related training had wage recovery rates better than the average. Those receiving business management and administration training, representing 47% of participants who were employed in the first quarter after training, held a wage recovery rate of 81%, just shy of the average. ITG recipients engaged in entrepreneurship training experienced the lowest wage recovery at 71% (chart 14). This unusually low wage recovery rate may stem from a limitation in the data: the employment data used for this study does not capture those who are self-employed.

Chart 14. Wage Recovery Rate in the 2nd & 3rd Quarter After Completing Training by type of training[14]

relative to the wage in the 2nd & 3rd quarter prior to unemployment



[14] The other category consists of : Basic Skills; Construction Trades; Vocational Home Economics ; Protective Services; Public Administration; Communications; Communication Technologies; Law and Legal Studies; Sciences Technologies; Physical Sciences; Psychology; Leisure & Recreational Activities; Home Economics; Parks, Recreation, Leisure and Fitness Studies; Social Sciences; Agricultural Business and Production; Agricultural Sciences; High School/Secondary Diplomas and Certificates; Conservation and Renewable Natural Sources; Foreign Languages & Literatures; English Language and Literature/Letters; Biological Sciences/Life Sciences; Multi/Interdisciplinary Studies; Liberal Arts and Sciences, General Studies & Humanities; Architecture and Related Programs; Library Science; Mathematics; Health-Related Knowledge and Skills; Theological Studies and Religious Vocations; Consumer Services, Education, Mechanics and Repair, Precision Trades, Performing Arts.

With regard to the variation of rates across demographic groups within training types, the variation in the wage recovery rates in the second and third quarters after training resembles the overall variation in wage recovery rates across demographic groups, high-lighted in IVC. The variations from the overall trend within demographic groups are detailed as follows:

- Although males and females both had a wage recovery rate at 82% in the second and third quarters after training, males and females from computer and information sciences programs had 88% and 82% wage recovery rates respectively. In engineering-related technologies program, females had higher wage recovery rates than men. Females and males had 91% and 85% wage recovery rates respectively. However, females from engineering-related technologies programs represent only 2% of all females, while males from this program comprise 12% of all males. Therefore the deviation from the overall trend for females and males could be negligible.[15]

- Overall college graduates had a slightly lower wage recovery rate than ITG participants with other educational backgrounds. This was generally the trend across training types, with the exception of computer science, where college graduates had a wage recovery of 86% in the 2nd and 3rd quarter after training and those without a high school degree had a wage recovery rate of 77% in the second and third years after training.

- Overall younger ITG recipients had higher wage recovery rates than older recipients at second and third quarters after training. This trend was consistent across all training groups.

- Parallel to the overall trend, Hispanic ITG participants from all training programs had the highest wage recovery rate at second and third quarters after training.

In general, these trends were maintained in the first through fifth years after training. Those participating in transportation training continued to have the highest wage recovery, while those in business related training continued to have a wage recovery rate near the average. Further, those in entrepreneurship training continued to have the lowest wage recovery.

The variation in wage recovery rates across training types in the first through fifth year after training generally resembled the variation in the wage recovery rate in the second and third quarters after training, as described above.

However unlike the wage recovery in the second and third quarter after training, during the first through third years after training, males had slightly higher wage recovery rates than females across most training programs. Females had higher wage recovery in business management and

[15] Statistical significance is not reported for wage recovery rates because the recovery rate, as defined in the Workforce Investment Act of 1998, is not defined as an average but a ratio of two sums.

administrative services programs and engineering-related programs. For example, one year after training females who had enrolled in business training programs had a wage recovery of 93% while males in the same program had a recovery rate of 90%. Similarly females in engineering programs had a recovery rate of 109%, while men had a recovery rate of 101%.[16]

[16] Statistical significance is not reported for wage recovery rates because the recovery rate, as defined in the Workforce Investment Act of 1998, is not defined as an average but a ratio of two sums.

APPENDIX A
Outcome Definitions & Operational Parameters

I. Definitions and Parameters for Short-Term Outcome Measures

(denotes WIA operational parameters as specified in the Federal Department of Labor's Training and Employment Guidance Letter No. 7-99.)*

A. Entered employment rate

i) Measure:

$$\frac{\text{\# of ITG recipients who entered employment by the 1st Qtr. after training}}{\text{\# of ITG recipients who completed training}}$$

ii) Operational parameters:

- all observations are included in this measures*
- an individual who has a positive wages is counted as employed*

B. Retention rate at six months

i) Measure:

$$\frac{\text{\# of ITG recipients who are employed in the 1st and 3rd Qtr. after training}}{\text{\# of ITG recipients who are employed in the } 1^{st} \text{ Qtr. after training}}$$

ii) Operational parameters:

- calculated only for individuals who are employed in the first quarter after exit. (i.e. those who are counted as employed in the entered employment rate)*
- employment in the first & third quarters following exit does not have to be with same employer*

C. Wage recovery rate at six months

i) Measure:

$$\frac{\text{Total Post-Program Wages (Wages in Qtr 2 + Qtr 3 after training)}}{\text{Total Pre-Unemployment Wages (Wages in Qtrs 2 +3 prior to unemployment)}}$$

ii) Operational parameters:

- Calculated for the same population as the retention measures, those who are employed in the first quarter following exit*
- This calculation is done on an aggregate basis. It is the ratio of total post-program wages in the sample to the total pre-program wages in the sample, as opposed to an average wage recovery over the sample.*
- Individuals who earn $100,000 or more in either the post-program quarters or the pre-unemployment quarters are removed from the wage recovery measures. These individuals are considered to be outliers because earning $400,000 a year is unusually large for this population. Note, these individuals *are* included in the previous two employment measures.

II. Definitions & Operational Parameters for Long-Term Outcome Measures

A. Employment rate at yearly intervals

i) Measure:

$$\frac{\text{\# of ITG recipients who are employed in the } 4^{th} \text{ Qtr. after training}}{\text{\# of ITG recipients who completed training}}$$

ii) Operational parameters:

- An individual who has a positive wages is counted as employed
- The employment rate at year 2 uses the same formula, but is calculated using the 8^{th} quarter instead of the 4^{th}. The employment rate will be calculated at yearly intervals through the fifth year, which corresponds with the 20^{th} quarter after training.

- All observations eligible to have wages in the quarter of analysis are included, for example an individual who completed training in 1999 would not be included in the employment rate two years after training because wage data is only available through 2000.

B. Wage recovery rate at yearly intervals

i) Measure:

$$\frac{\text{Total Post-Program Wages in the } 4^{th} \text{ quarter after training}}{\text{Total Pre-Unemployment Wages (Average wage in the } 2^{nd} \text{ \& } 3^{rd} \text{ quarter prior to unemployment)}}$$

ii) Operational parameters:

- Calculated for those employed in the quarter under analysis. For example, the wage recovery rate at one-year after training would only include those employed one-year after training.
- This calculation is done on an aggregate basis. It is the ratio of total post-program wages in the sample to the total pre-program wages in the sample, as opposed to an average wage recovery over the sample.*
- Individuals who earn $100,000 or more in either the post-program quarters or the pre-unemployment quarters are removed from the wage recovery measures. These individuals are considered to be outliers because earning $400,000 a year is unusually large for this population. Note, these individuals *are* included in the previous two employment measures.
- The wage recovery rate at year 2 uses the same formula, but is calculated using the 8^{th} quarter instead of the 4^{th}. The wage recovery rate will be calculated at yearly intervals through the fifth year, which corresponds with the 20^{th} quarter after training.

III. Exclude all observations where training was completed after March 31st, 2000

- At minimum, 3 quarters of post-training data are needed to compute the short-term outcome measures. The Heldrich Center has wage records through 2000, therefore, the minimum wag data is not available for those who complete after April 1st, 2000.

- Effectively this removes approximately one-third of the observations from the 17,156 participants the 2000 profile (chapter 1) is based on.

** denotes WIA operational parameters as specified in the Federal Department of Labor's Training and Employment Guidance Letter No. 7-99.*

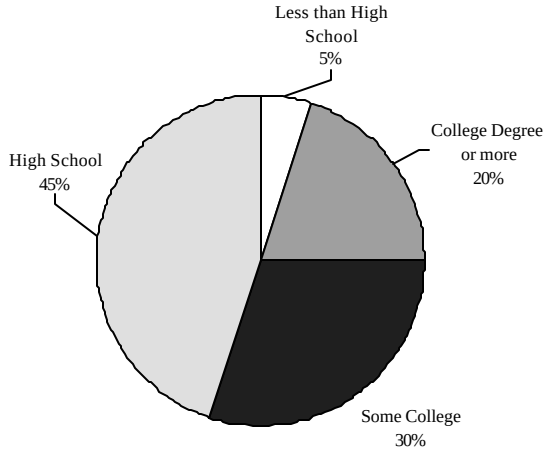
APPENDIX B

Demographic Profile of ITG Recipients Completing Training between 1994 and the first quarter of 2000

Demographics

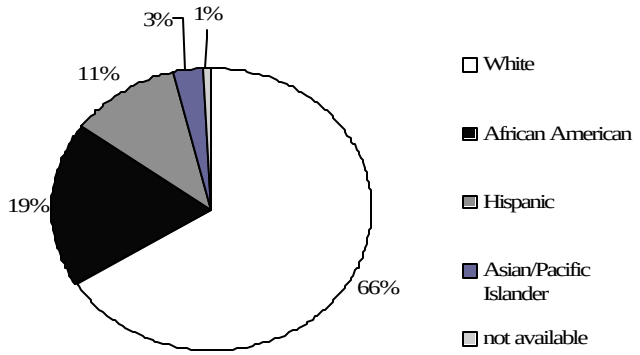
Nearly all (95%) ITG recipients who completed their training contract between 1994 and March 31st, 20001 have at least a high school degree (chart 1). Approximately 5% of recipients do not have high school degree, while nearly 45% of recipients have only a high school degree. One-fifth (20%) of recipients have a college degree or higher, and 30% of recipients have attended college without obtaining a degree.

Chart 1. Highest Education Level, ITG Recipients 1994-2000



Approximately 58% of all ITG participants between 1994-2000 are female, and 42% aree male. With respect to race, approximately 66% of participants are white, 19% are African American, and 11% are Hispanic. Another 3% of participants are Asian/Pacific Islander (chart 2). [1]

Chart 2. Race Distribution Among ITG Recipients 1994-2000



[1] American Indians/Alaska Natives were less than 0.5% therefore they were not included in the chart.

Nearly half (43%) of ITG recipients are middle aged (between 37-50 years old). Another 35% of recipients are between the age of 18-36, and another 21% of recipients are between the ages of 51 and 65. The remaining 1% are age 66 or over.

Type of Training

ITG participant most commonly engaged in business related training. Nearly half (45%) of ITG participants obtained training at business and administrative services program. Another 13% engaged in computer-related training and approximately 8% enrolled in

Table 1. Type of Training Received by ITG Participants

Business Management & Administrative Services	45%
Computer & Information Sciences	13%
Transportation	8%
Entrepreneurship	7%
Engineering-Related Technologies	6%
Health Professions and Related Sciences	6%
Precision Production Trades	3%
Mechanics and Repairers	2%
Visual and Performing Arts	2%
Education	1%
Consumer, Personal And Misc Services	1%
Marketing Operating/Marketing and Distribution	1%
Other	4%

transportation-related training. Nearly 8% enrolled in marketing and distribution training, of which 88% were enrolled in entrepreneurship training. This amounts to 7% of all individuals enrolled in entrepreneurship training and 1% enrolled in marketing and distribution training.

Year Completed Training

The bulk (62%) of participants in the sample completed training between 1997 and 1999. A smaller percentage (31%) completed training between 1994 and 1996 when the program was relatively new. The legislation that created the program was passed by the State legislature in 1992. The remaining 7% of participants completed training in the first quarter of 2000.

Table 2. Year ITG Contract Ended

Year	%
1994	1%
1995	15%
1996	16%
1997	19%
1998	20%
1999	23%
2000, 1st quarter	7%

APPENDIX C
SHORT TERM OUTCOME TABLES

For detailed definitions of the outcomes see appendix A

Overall Outcomes

Short-Term Outcomes	OVERALL	N-size
Entered Employment Rate (Q1)	66%	20552
Retention Rate (Q3)	87%	13640
Wage Recovery Rate (Q2+Q3)	82%	13632

Outcomes by Racial Groups

Short-Term Outcomes	WHITE	N-size	AFRICAN-AMERICAN	N-size	HISPANIC	N-size	ASIAN/PACIFIC ISLANDER	N-size	NATIVE AMERICAN /ALASKA NATIVE	N-size
Entered Employment Rate (Q1)	66%	13500	68%	3987	68%	2326	62%	624	70%	43
Retention Rate (Q3)	87%	8893	85%	2712	86%	1570	91%	388	83%	30
Wage Recovery Rate (Q2+Q3)	80%	8887	83%	2711	91%	1570	87%	387	88%	30

Outcomes by Gender

Short-Term Outcomes	MALE	N-size	FEMALE	N-size
Entered Employment Rate (Q1)	62%	8584	69%	11965
Retention Rate (Q3)	85%	5328	88%	8311
Wage Recovery Rate (Q2+Q3)	82%	5322	82%	8310

Outcomes by Age Groups

Short-Term Outcomes	AGE 18-36	N-size	AGE 37-50	N-size	AGE 51-65	N-size	AGE 66 +	N-size
Entered Employment Rate (Q1)	71%	7192	66%	8770	60%	4344	38%	216
Retention Rate (Q3)	87%	5099	87%	5824	85%	2617	72%	82
Wage Recovery Rate (Q2+Q3)	94%	5099	81%	5819	69%	2616	49%	81

Outcomes by Education Groups

Short-Term Outcomes	LESS THAN HIGH SCHOOL	N-size	HIGH SCHOOL	N-size	SOME COLLEGE	N-size	COLLEGE	N-size
Entered Employment Rate (Q1)	66%	1115	67%	9302	68%	6051	60%	4033
Retention Rate (Q3)	84%	735	87%	6340	87%	4098	86%	2428
Wage Recovery Rate (Q2+Q3)	84%	735	83%	6337	83%	4098	79%	2423

Outcomes by Chorts

Short-Term Outcomes	94A	N-size	94B	N-size	95A	N-size	95B	N-size	96A	N-size	96B	N-size
Entered Employment Rate (Q1)	60%	63	68%	80	66%	946	70%	2015	66%	1793	67%	1413
Retention Rate (Q3)	84%	38	94%	54	90%	620	89%	1411	89%	1187	90%	952
Wage Recovery Rate (Q2+Q3)	89%	38	87%	54	81%	618	80%	1410	81%	1187	82%	952

(continued from above)	97A	N-size	97B	N-size	98A	N-size	98B	N-size	99A	N-size	99B	N-size	00A	N-size
Entered Employment Rate (Q1)	71%	1822	66%	2089	66%	2129	63%	2056	65%	2046	67%	2727	62%	1373
Retention Rate (Q3)	87%	1302	85%	1378	85%	1401	87%	1301	87%	1332	83%	1818	85%	846
Wage Recovery Rate (Q2+Q3)	79%	1300	82%	1378	81%	1400	80%	1299	88%	1332	82%	1817	84%	845

Note: In some cases N-sizes for subgroups may not add to the overeall total because of observations with missing subgroup information

APPENDIX C *(continued)*
LONG TERM OUTCOME TABLES

For detailed definitions of the outcomes see appendix A

Overall Outcomes

Employment Rates	OVERALL	N-size
1 Year after training	69%	19179
2 Years after training	67%	14406
3 Years after training	66%	10221
4 Years after training	64%	6310
5 Years after training	62%	3104

Wage Recovery Rates	OVERALL	N-size
1 Year after training	95%	0
2 Years after training	106%	9649
3 Years after training	118%	6753
4 Years after training	126%	4004
5 Years after training	131%	1913

Outcomes by Racial Groups

Employment Rates	WHITE	N-size	AFRICAN-AMERICAN	N-size	HISPANIC	N-size	ASIAN/PACIFIC ISLANDER	N-size	NATIVE AMERICAN/ALASKA NATIVE	N-size
1 Year after training	69%	12702	71%	3713	70%	2108	70%	559	69%	42
2 Years after training	67%	9768	67%	2673	69%	1503	66%	400	67%	33
3 Years after training	66%	6948	66%	1878	67%	1093	65%	258	67%	27
4 Years after training	64%	4241	62%	1188	63%	699	61%	154	53%	19
5 Years after training	62%	2096	60%	594	64%	326	55%	75	56%	9

Wage Recovery Rates	WHITE	N-size	AFRICAN-AMERICAN	N-size	HISPANIC	N-size	ASIAN/PACIFIC ISLANDER	N-size	NATIVE AMERICAN/ALASKA NATIVE	N-size
1 Year after training	92%	8757	97%	2628	106%	1469	97%	389	97%	29
2 Years after training	104%	6509	110%	1801	119%	1037	106%	265	86%	22
3 Years after training	115%	4597	121%	1236	133%	727	120%	167	94%	18
4 Years after training	124%	2712	127%	741	141%	442	150%	94	102%	10
5 Years after training	129%	1302	132%	354	149%	208	141%	41	129%	5

Outcomes by Gender

Employment Rates	MALE	N-size	FEMALE	N-size
1 Year after training	65%	7972	72%	11204
2 Years after training	63%	5838	70%	8565
3 Years after training	63%	3999	68%	6220
4 Years after training	60%	2426	66%	3883
5 Years after training	59%	1243	63%	1860

Wage Recovery Rates	MALE	N-size	FEMALE	N-size
1 Year after training	97%	5209	93%	8090
2 Years after training	108%	3686	104%	5958
3 Years after training	121%	2498	116%	4253
4 Years after training	131%	1447	123%	2555
5 Years after training	135%	735	128%	1177

Note: In some cases N-sizes for subgroups may not add to the overeall total because of observations with missing subgroup information

Outcomes by Age Groups

Employment Rates	AGE 18-36	N-size	AGE 37-50	N-size	AGE 51-65	N-size	AGE 66+	N-size
1 Year after training	72%	6735	71%	8157	63%	4054	35%	204
2 Years after training	69%	5160	69%	6067	62%	3011	36%	141
3 Years after training	68%	3739	69%	4285	58%	2076	34%	100
4 Years after training	66%	2390	66%	2595	56%	1255	14%	58
5 Years after training	64%	1182	65%	1262	53%	626	21%	29

Wage Recovery Rates	AGE 18-36	N-size	AGE 37-50	N-size	AGE 51-65	N-size	AGE 66+	N-size
1 Year after training	110%	4874	93%	5776	78%	2557	62%	72
2 Years after training	125%	3567	104%	4153	86%	1856	57%	51
3 Years after training	140%	2552	114%	2950	93%	1203	63%	34
4 Years after training	148%	1582	124%	1708	97%	698	54%	8
5 Years after training	156%	757	128%	814	96%	331	155%	6

Outcomes by Education Groups

Employment Rates	LESS THAN HIGH SCHOOL	N-size	HIGH SCHOOL	N-size	SOME COLLEGE	N-size	COLLEGE	N-size
1 Year after training	67%	1041	72%	8674	70%	5670	63%	3752
2 Years after training	66%	747	69%	6448	67%	4355	62%	2831
3 Years after training	62%	564	68%	4527	67%	3187	62%	1936
4 Years after training	61%	380	66%	2830	63%	1966	60%	1134
5 Years after training	57%	195	64%	1400	63%	956	56%	553

Wage Recovery Rates	LESS THAN HIGH SCHOOL	N-size	HIGH SCHOOL	N-size	SOME COLLEGE	N-size	COLLEGE	N-size
1 Year after training	97%	697	95%	6247	94%	3952	93%	2378
2 Years after training	106%	492	106%	4450	108%	2928	103%	1760
3 Years after training	114%	350	115%	3059	123%	2144	117%	1196
4 Years after training	120%	230	124%	1860	132%	1235	125%	678
5 Years after training	125%	111	129%	895	136%	600	131%	308

Outcomes by Cohort

Employment Rates	94A	N-size	94B	N-size	95A	N-size	95B	N-size	96A	N-size	96B	N-size
1 Year after training	73%	63	79%	80	73%	946	73%	2015	71%	1793	68%	1413
2 Years after training	70%	63	69%	80	71%	946	67%	2015	70%	1793	67%	1413
3 Years after training	78%	63	70%	80	69%	946	65%	2015	65%	1793	69%	1413
4 Years after training	67%	63	64%	80	65%	946	65%	2015	62%	1793	63%	1413
5 Years after training	70%	63	64%	80	62%	946	61%	2015	-	0	-	1

(Continued from above)	97A	N-size	97B	N-size	98A	N-size	98B	N-size	99A	N-size	99B	N-size
1 Year after training	75%	1822	67%	2089	68%	2129	69%	2056	66%	2046	67%	2727
2 Years after training	70%	1822	66%	2089	66%	2129	62%	2056	-	0	-	0
3 Years after training	68%	1822	63%	2089	-	0	-	0	-	0	-	0
4 Years after training	-	0	-	0	-	0	-	0	-	0	-	0
5 Years after training	-	0	-	0	-	0	-	0	-	0	-	0

Note: In some cases N-sizes for subgroups may not add to the overeall total because of observations with missing subgroup information

Outcomes by Cohort ***(continued)***

Wage Recovery Rates	94A	N-size	94B	N-size	95A	N-size	95B	N-size	96A	N-size	96B	N-size
1 Year after training	103%	46	94%	63	88%	692	92%	1473	88%	1271	92%	955
2 Years after training	119%	44	118%	55	99%	671	105%	1356	104%	1255	107%	948
3 Years after training	146%	49	121%	56	110%	653	122%	1305	111%	1163	119%	969
4 Years after training	148%	42	137%	51	117%	614	130%	1299	127%	1110	126%	887
5 Years after training	159%	44	143%	51	126%	587	133%	1230	0%		0%	

(Continued from above)	97A	N-size	97B	N-size	98A	N-size	98B	N-size	99A	N-size	99B	N-size
1 Year after training	91%	1368	102%	1394	92%	1456	97%	1409	96%	1345	100%	1830
2 Years after training	103%	1266	114%	1382	107%	1399	106%	1273	0%		0%	
3 Years after training	117%	1240	123%	1318	0%		0%		0%		0%	
4 Years after training	0%		0%		0%		0%		0%		0%	
5 Years after training	0%		0%		0%		0%		0%		0%	

Note: In some cases N-sizes for subgroups may not add to the overeall total because of observations with missing subgroup information

APPENDIX D
Methodological Details

Between January of 1998 and January of 2000, the Heldrich Center conducted an evaluation of the Individual Training Grant Program that included participants from 1994 to 1996. Because this report is based on outcome measures defined in Section 136 of the Workforce Investment Act of 1998 (WIA), the results from this report are not comparable with the results from the first evaluation. The main differences between the two methodologies are the way the wage recovery is calculated and the time period used for analysis. Additionally, in the prior evaluation wage recovery was adjusted for inflation. However, conforming to the measures defined under WIA, the current report does not adjust for inflation.

Wage Recovery

The first evaluation defined wage recovery as the ratio of two averages, while the current outcome report, based on WIA outcomes, defines the wage recovery as the ratio of two sums. The following example illustrates the difference. Suppose there are 400 individuals who were employed one-year after-training--200 had completed training in 1997 and the other 200 completed in 1998. Further, suppose pre-unemployment wage data is available for all 400 individuals. Then:

- Under the first evaluation definition the wage recovery at one year after training was: the average quarterly wage for the 200 individuals who completed training in 1997 to the average pre-unemployment quarterly wage for all 400 individuals. The 1998 completers were not included in the numerator because wage data for the year 1999 was not available.

- Using a definition based on the WIA outcome, this report defines the wage recovery at one year after training as: the sum of quarterly wages of the 200 people who completed training in 1997 to the sum of the pre-unemployment quarterly wage for the same group.

Time Frame

The two evaluations use slightly different time frames to measures labor market outcomes. The first evaluation measured wage recovery and employment from two points in time: 1) from the quarter of UI claim and 2) from the first quarter after completing training. In both cases wage recovery was based on the wage in the fourth quarter before claiming UI. This outcome report begins measuring outcomes at just the first quarter after training. Further, wage recovery in this report is based on the wage in the second and third quarter before claiming UI, as specified in WIA.