



COMMONWEALTH CORPORATION

NOVEMBER 2003

Massachusetts Receives NGA Grant for Reach Higher Initiative

Massachusetts has been named one of eight states to receive a coveted National Governors Association (NGA) Grant as part of the *Pathways to Advancement Academy*, known also as the *Reach Higher* initiative. This past August, the NGA released a request for proposals encouraging governors to participate in the policy academy to devise ways to expand access to post-secondary educational opportunities for working adults.

Commonwealth Corporation was asked to develop and submit the proposal on behalf of the Commonwealth. The Massachusetts' *Reach Higher* Initiative is being led by Department of Workforce Development Director Jane C.

Edmonds, who has pulled together teams of public policy-makers and private and non-profit sector leaders to rethink how our resources, policies and practices can better serve the educational needs of working adults.

Pathways to Advancement was created in recognition of the need for post-secondary education and training in order for working adults to become financially self-sufficient. A lack of skilled workers can also weaken the competitiveness of the private sector, potentially driving businesses out of Massachusetts.

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CommCorp Releases New Study: "Training Matters"

Results from CommCorp's Center for Research and Evaluation's most recent study reveal that people who participated in workforce development programs are more likely to be employed two years after completing the program than individuals with similar characteristics who did not enroll in the program. Participation also increased the average annual earnings of participants by \$2,200 in the second year after program completion (or on average a little more than \$400 per quarter), compared to the earnings of individuals who only participated in objective assessment.

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“Training Matters”

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In early 2003, Commonwealth Corporation engaged the Center for the Study of Urban Poverty at the University of California, Los Angeles (UCLA) to conduct the statistical analysis necessary to estimate the impact of publicly-funded employment and training programs on the earnings of low-income adults in the first Massachusetts longitudinal study that uses Unemployment Insurance (UI) wage record data to track earnings of low-income adults participating in a federally-funded training program. The study assesses whether workforce development programs in Massachusetts have had an impact on the labor market outcomes of those who have taken advantage of these services.

DWD Director Jane C. Edmonds said, “What this study shows is that training does make a difference in people’s lives and, while the results are encouraging, much work remains to be done. We particularly need to identify what training works for whom, and how training can translate to higher income for participants.”

The study compared the employment rates and quarterly earnings of individuals who exited from a particular federally-funded workforce development program between July 1, 1997 - June 30, 2000, and individuals who completed an objective assessment of their eligibility for services, were deemed eligible, and yet did not participate in the program during the same period.

Results show that, in Massachusetts, programs had a positive effect on the earnings and employment of disadvantaged adults. In particular:

- The workforce development services received increased the average annual earnings of participants by \$2,200 in the second year after program completion, compared to the earnings of individuals who only participated in objective assessment.
- Program participation had a more positive effect on earnings for men than for women. In the second year after completion, men experienced an average annual earnings increase of \$2,800 compared to the annual earnings of the comparison group, while, on average, the increase for women is approximately \$2,100.
- Participants are more likely to be employed two years later than individuals with similar characteristics who did not enroll in the program.
- All workforce development service provider types had a positive effect on the earnings of program participants, although community-based organizations had the largest effects for women, and trade/technical schools had the largest impacts for men.

In order to learn more about what types of training are most effective and for whom, to explain differences in outcomes, and to determine returns on the investment of public dollars, additional evaluations are needed. For more information please visit our website at www.commcorp/wss/re/briefs.htm.

Reach Higher Initiative

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The work of this important grant is now underway. The team of stakeholders are beginning to assess current policies and practices to develop ways to improve working adults’ achievement and access to community colleges and other institutions of higher education. As progress is made, the results seen here in Massachusetts can inform

other states struggling with the same issues.

The program is funded by the Lumina Foundation for Education, and is co-sponsored by FutureWorks of Arlington, Massachusetts.

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Mitt Romney, Governor; Kerry Healey, Lt. Governor; Jane C. Edmonds, Director, Mass. DWD; Jonathan Raymond, President, CommCorp