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Special Issue on Evaluation of Employment and Training Programs: Experience from the US

High and persistent unemployment is a major concern in Bosnia and Herzegovina (BiH). In 2016, over 25 percent of the labor force was unemployed, one of the highest unemployment rates in the region. Among the unemployed, over 80 percent have been looking for job for more than 12 months and about 40 percent were not able to find a formal job for more than five years. Active labor market programs are important policy tool to enhance job seekers' prospects to find employment. Countries across the globe make use of such programs extensively to shorten unemployment spells, keep job seekers attached to the labor market, and avoid human capital depreciation. For example, the World Bank has just initiated the implementation of a 50 million EUR Employment Support Project in BiH to increase formal private sector employment among targeted groups, starting with the young first time job seekers.

As the flagship Monitoring and Evaluation project in BiH funded by USAID, MEASURE-BiH thrives to cultivate results-oriented culture and to development evidence-based policy making capacity. We present in this special issue of our Newsletter a set of selected evaluations of employment and training programs to summarize the evidence of what works on adult and youth employment and training strategies and programs from the United States. They represent a wide variety of evaluation types, designs and methodologies (impact vs. implementation, experimental vs. quasi-experimental, propensity score matching vs. regression discontinuity design, etc.) and all major types in employment services and job training programs (job search assistance, employment counselling, class-room training, self-employment training, etc.).

Happy reading!

[The National JTPA Study, U.S Department of Labor \(1993\)](#)

The National JTPA Study's objective was to determine the impact of the offer to enroll in Job Training Partnership Act (JTPA) Title II-A programs on labor market earnings, educational and training participation and attainment, and welfare receipt compared with a control group that was not allowed to enroll in JTPA services. About 6,000 out-of-school youth across 16 service delivery areas (SDAs) in the United States were **randomly assigned** to the treatment group (which was offered JTPA Title II-A services) or the control group (which could not participate in JTPA Title II services for 18 months). The study found that, for female youth, JTPA had a statistically significant, positive impact on attainment of a general educational development (GED) or high school diploma after 30 months; however, this did not hold for male youth. In addition, JTPA did not have a statistically significant impact on earnings for either female or male youth who had never been arrested.

[Evaluating National Ongoing Programs: Implementing the WIA Adult and Dislocated Worker Programs Gold Standard Evaluation, U.S. Department of Labor \(2016\)](#)

The Adult Program and the Dislocated Worker Program, authorized under the Workforce Investment Act of 1998 (WIA) (followed by the Workforce Innovation and Opportunity Act of 2014, the successor to WIA), are two of the nation's largest publicly funded employment and training programs. The U.S. Department of Labor funded the first experimental evaluation of these programs: the WIA Adult and Dislocated Worker Programs Gold Standard Evaluation. The central goal of this evaluation is to produce rigorous estimates of the effectiveness of the programs nationally rather than the effectiveness of the programs as they were operated in a subset of Local Workforce Investment Areas (local areas). The report describes how the evaluation was implemented in practice. It provides an overview of the WIA Gold Study; describes the process for selecting and recruiting LWIAs for the evaluation; and highlights the resources required to work with local areas to implement study procedures and procedures for executing random assignment. This report summarizes lessons learned for both policy makers and designers of evaluations of future national, ongoing programs.

[Evaluating the Worker Profiling and Reemployment Services System Using a Regression Discontinuity Approach, Dan A. Black, Jose Galdo and Jeffrey A. Smith, The American Economic Review, Vol. 97, No. 2 \(May, 2007\), pp. 104-107](#)

Economists have long recognized the incentives the unemployment insurance (UI) system provides for workers. The system motivates claimants to extend their unemployment spells by subsidizing both additional job search and leisure (see Bruce D. Meyer 1995 for a review of the empirical evidence). At the same time, the literature does not fully recognize that modest changes in the attractiveness of UI can lead to sizeable changes in worker behavior and, as a result, to substantively important changes in UI expenditures. Black et al. (2003) provide experimental evidence of a large impact of the US Worker Profiling and Reemployment Services (WPRS) system in the state of Kentucky. The WPRS system imposes the requirement that claimants receive low-intensity (in terms of both the state's money and the claimant's time) reemployment services early in their spells in order to continue receiving benefits. Black et al. (2003) find that imposing this requirement leads to a substantial increase in mean earnings as well as reductions in the mean amount and duration of UI benefits received. As we describe in detail in the next section, however, the nature of the experimental design utilized in Black et al. (2003) limits the generalizability of their findings. This paper provides non-experimental estimates that generalize to a broader claimant population, while relying on the same data on Kentucky's WPRS program from June 1994 to October 1996 as in Black et al. (2003). Our estimates exploit a series of sharp discontinuities in the assignment of the requirement to receive reemployment services inherent in the implementation of the WPRS program. In our context, the nature of the institutions makes this design particularly credible. Our evidence leads to conclusions similar to those reached by Black et al. (2003) regarding the effects of the WPRS program for the broader population we consider, but also demonstrates the sensitivity of discontinuity-based estimates to econometric details in samples of moderate size.

[Growing America Through Entrepreneurship: Findings from the evaluation of Project GATE, U.S. Department of Labor \(2008\)](#)

Project GATE (Growing America Through Entrepreneurship) was initiated in 2002 to help emerging entrepreneurs create, sustain, and/or expand their existing small business. Project GATE was implemented as an experimental research demonstration in seven urban/rural sites in three states (Minnesota, Maine, and Pennsylvania). In these demonstration sites, approximately 4,000 individuals applied for Project GATE services. Half of the applicants were randomly selected to receive Project GATE services (participant group); the remaining half was not offered Project GATE services (control group). Those selected for the participant group were offered individualized assessment of entrepreneurial training needs, referral to appropriate service providers, and classroom training and individual counseling at no cost. Control group members were free to pursue entrepreneurship training without assistance from Project GATE. Overall impacts of Project GATE were estimated by comparing the mean value of each outcome for those in the program group with the mean value of the outcome for those in the control group. This report presents the findings from the long-term follow-up of the original Project GATE sample five years after random assignment.