

Preliminary Report:  
Unemployment Insurance Training Benefits Program

**Legislative Auditor's Conclusion:**

**Most Training Benefits Program participants complete training for new occupations, but the Program has not always improved participants' employment or earnings**

**JLARC Staff**

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**Consultant**

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# Three Parts of Evaluation

## Gross Outcomes

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Completion rate and training occupations

## Net Outcomes

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Impact of the Program on participants' employment, earnings, and use of unemployment insurance

- ESD developed model
- JLARC provided input and oversight

## Program Administration

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Customer service and compliance with legal requirements

- External communications
- Internal processes

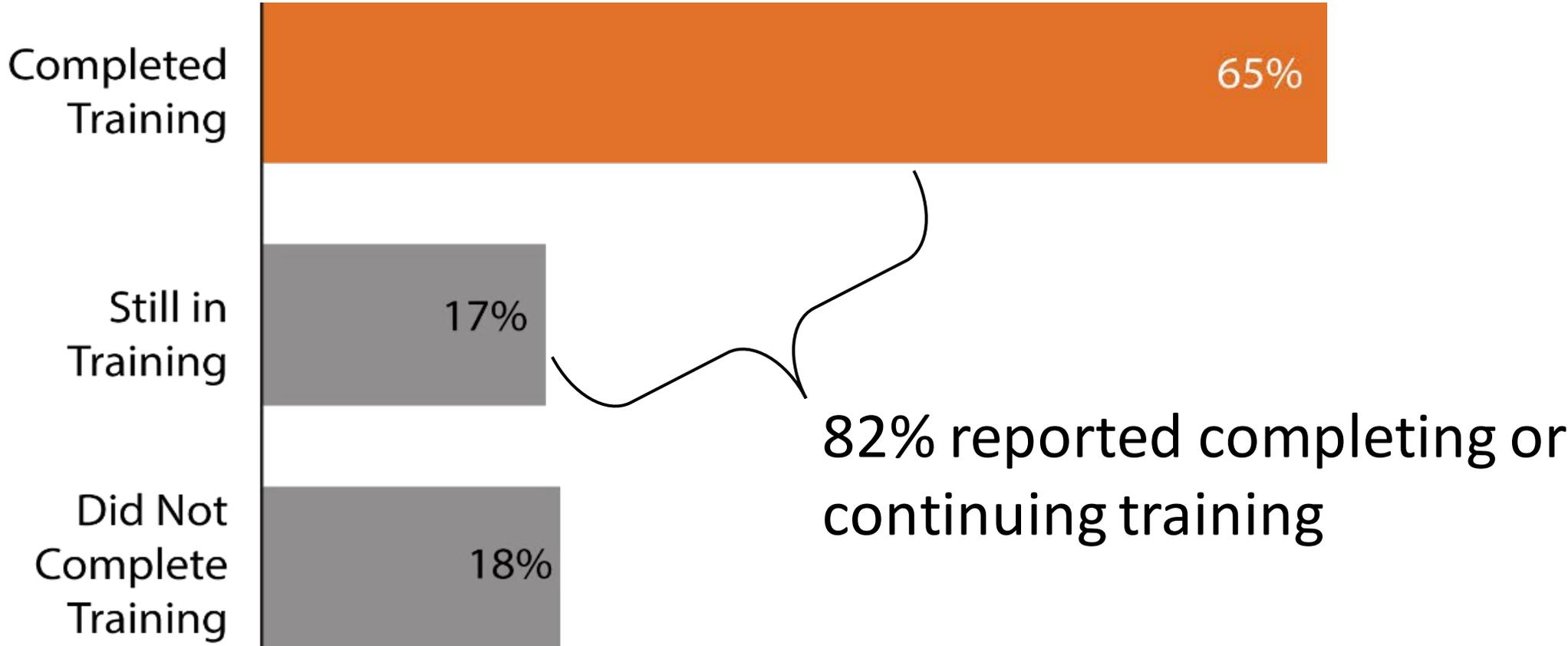
# Training Benefits in WA

- Provides additional unemployment insurance payments while in approved training
- Removes work-search requirement
- Intended to help workers move from low demand to high demand occupations

# Gross Outcomes



# Most Participants Complete Training



Source: JLARC staff analysis of Training Benefits Program Annual Reports 2012-2014

# After completing training

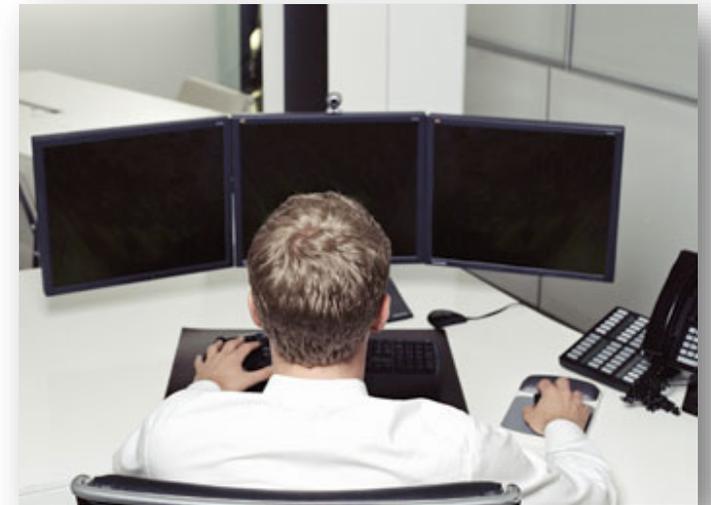
Participants reported working in high-demand fields including:



Healthcare Practitioners and  
Technical Occupations



Healthcare Support  
Occupations



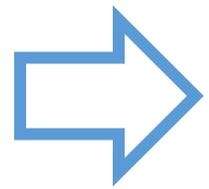
Computer and Mathematical  
Occupations

Source: JLARC staff analysis of Training Benefits Program Annual Reports 2012-2014

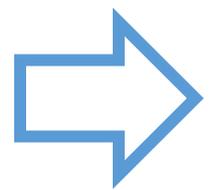
# Net Outcomes



# Identifying outcomes caused by the Program

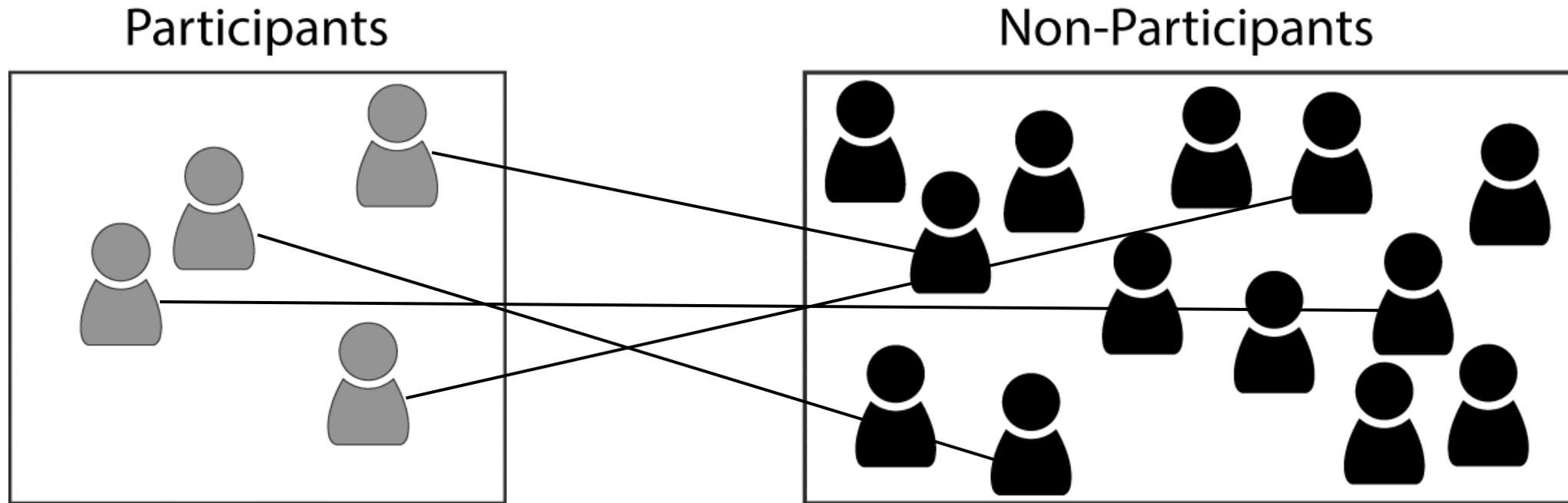


Net impact = difference between actual outcomes and hypothetical outcomes if the Program did not exist



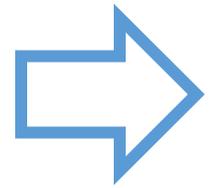
Want to be sure of causation rather than correlation

# Propensity score matching used to approximate a randomized experiment

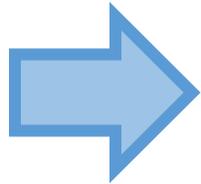


Individuals are matched on 12 characteristics, including age, gender, occupation, and location

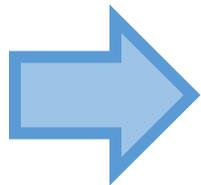
# Confidence in Results



Testing indicates that results are stable and statistically accurate

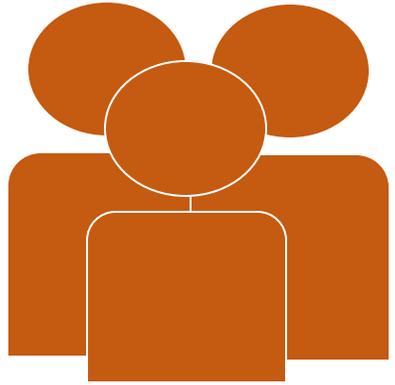


Results can be replicated



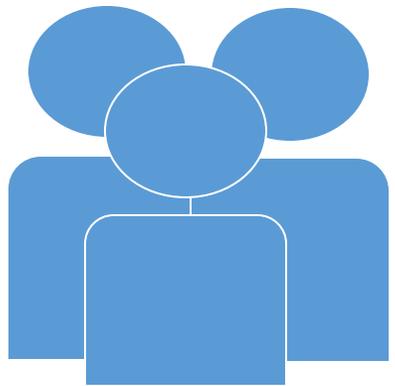
Using other methods produces consistent results

# Net Impact on Employment and Earnings



2002 - 2003

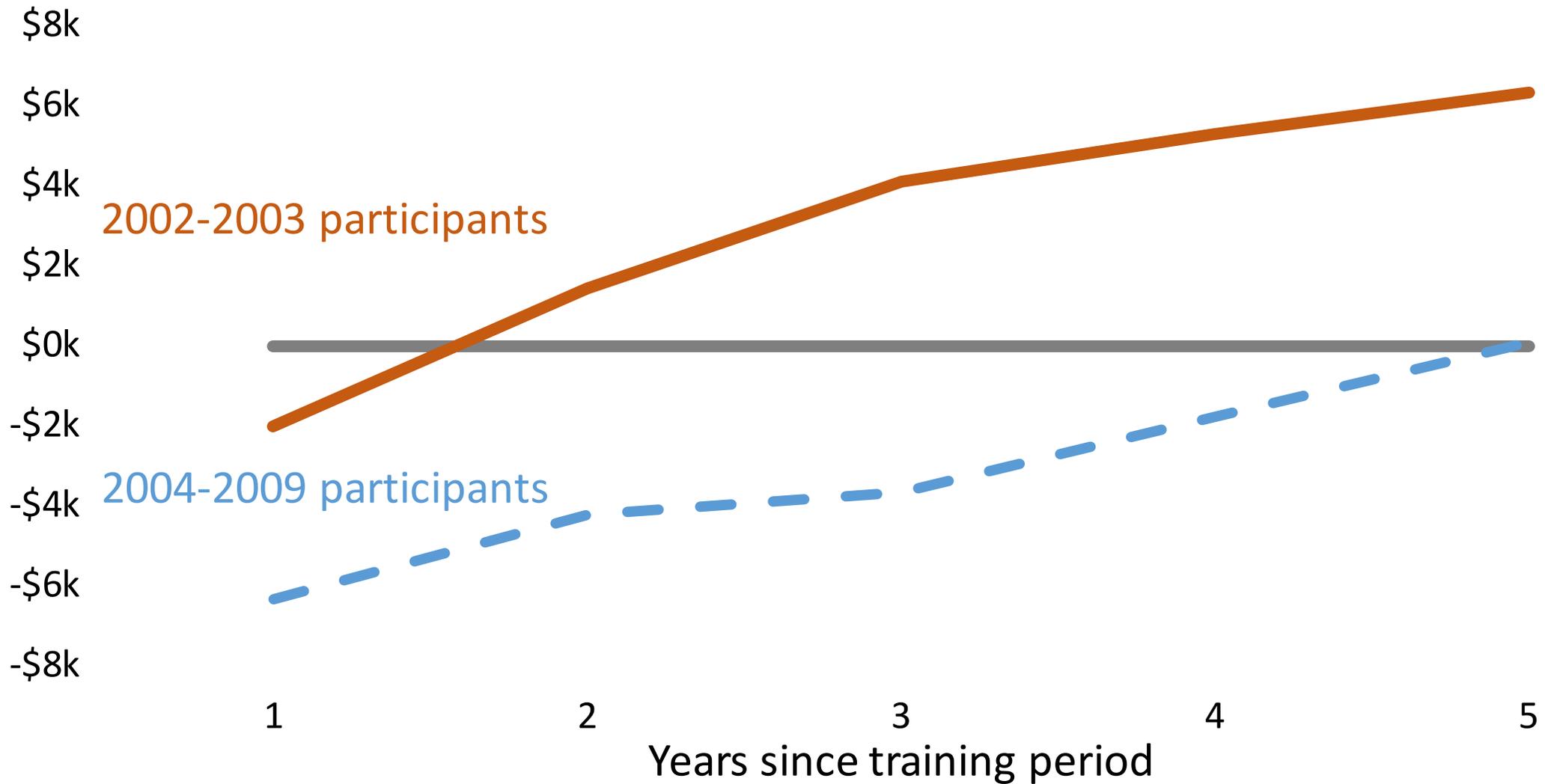
- 8 percentage points more likely to be employed
- Earned more than the comparison group within 1-2 years after their training



2004 - 2012

- No improvement in employment or earnings versus the comparison group
- Uncertain whether outcomes will improve in coming years

# Training Benefit Program's Impact on Earnings



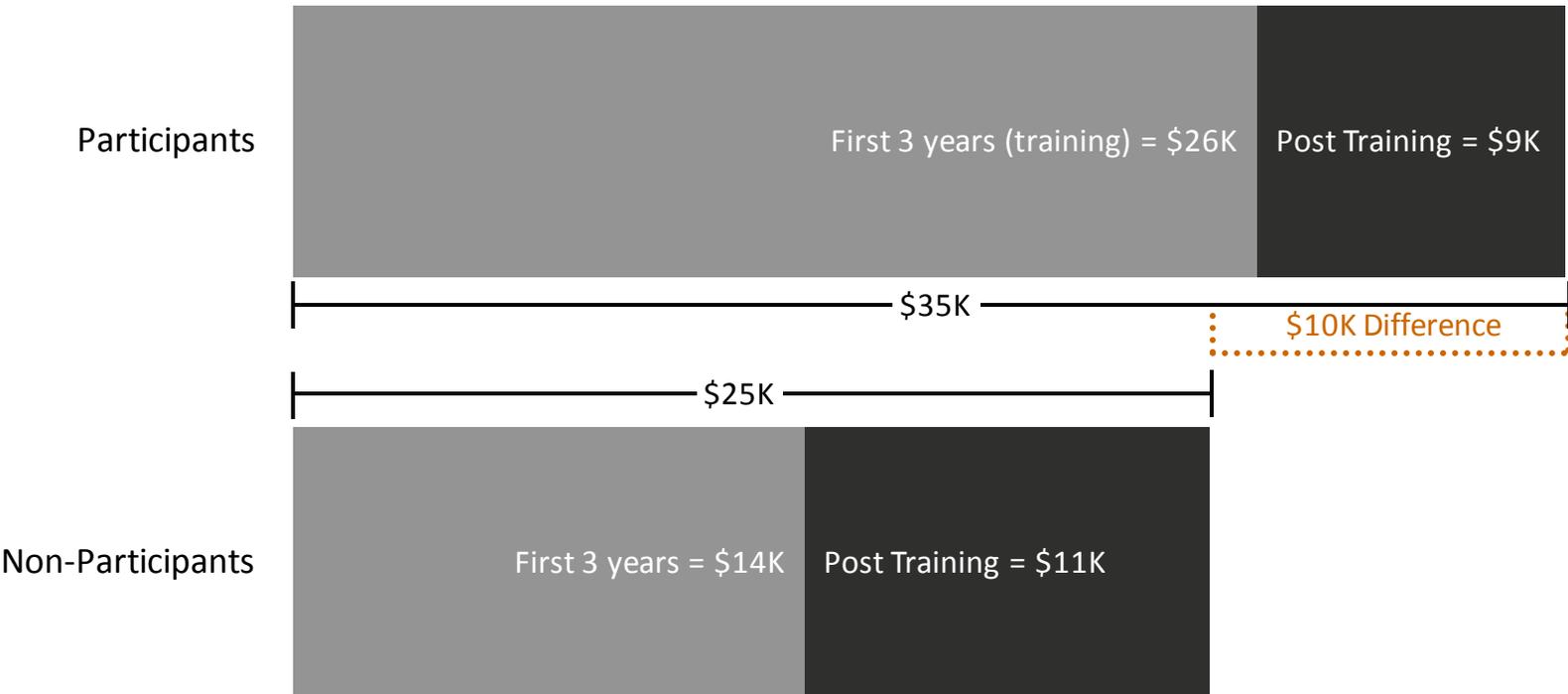
# Recommendation

The Department should identify reasons why outcomes improved for some participants but not others, and determine whether there are opportunities to change the Program to improve outcomes for all participants

Plan due by **October 2016**

# Participants Draw More Unemployment Payments

TB Participants use less benefits after the training period



But not enough to make up for the additional payments during training

# Program Administration



# Areas for Improvement

ESD's administration of Training Benefits complies with legal requirements

JLARC identified 4 areas for improvement



**Improve application form**

**Provide guidance to partners**



**Improve decision timeliness**

**Establish quality assurance review and improve performance measures**



# Improving external communications



## Improve application form

- Participants said application confusing
- No user testing
- Does not follow plain talk guidelines



## Provide guidance to partners

- No training or updates to WorkSource staff to help deliver Program
- Cuts to ESD staff at Community Colleges

# Improving external communications



## Improve decision timeliness

- Did not meet 21 day federal guideline
- Delays educational plans



## Establish quality assurance review and improve performance measures

- Less scrutiny than other programs
- Data not used to manage performance

## Recommendation

The Department should develop a plan to improve administration of the Program, to include: application form, guidance to Program partners, timeliness of decisions, and quality assurance review and performance measures.

Plan due by **October 2016**

# Summary

**Most participants complete training**

**Later participants have not received gains in earnings or employment**

**ESD's administration of the Program can be improved**

**Identify reasons and determine opportunities to improve**

**Develop a plan to address improvements**

# Next Steps and Contacts

**Proposed Final Report**      April 2016

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