

Per Scholas Employment and Training Program in Information Technology, For Low-Income Workers

Hendra, R., Greenberg, D.H., Hamilton, G., Oppenheim, A., Pennington, A., Schaberg, K. & Tessler, B.L. (2016) *Encouraging evidence on a sector-focused advancement strategy: two-year impacts from the WorkAdvance demonstration*. MDRC. Linked [here](#).

Schaberg, K. (2017) *Can sector strategies promote longer-term effects? Three-year impacts from the WorkAdvance demonstration*. MDRC. Linked [here](#).

Overview:

This was a well-conducted randomized controlled trial (RCT) of Per Scholas' WorkAdvance program, which provides training and employment services in the information technology sector to low-income workers in the Bronx (a borough of New York City). The study, which randomly assigned 700 individuals to Per Scholas or to a control group, found that Per Scholas substantially increased both employment and earnings. In the third year following random assignment, Per Scholas group members earned an average of \$4,829 (or 27 percent) more than control group members, and 81 percent of the Per Scholas group was employed versus 75 percent of the control group. Both effects were statistically significant. Moreover, the earnings effect grew over time, from approximately zero in year one to \$3,744 in year two to \$4,829 in year three. The study also found that Per Scholas significantly improved participants' self-reported life satisfaction and reduced their use of the Supplemental Nutrition Assistance Program (SNAP). The effects on employment and earnings closely replicated findings from an earlier well-conducted RCT of Per Scholas, providing confidence that the findings are valid and reproducible and making the program a strong candidate for expansion.

Description of the program:

Per Scholas is a nonprofit training and employment service provider located in the Bronx, which serves low-income workers. As part of a larger demonstration project ("WorkAdvance"),¹ Per Scholas implemented an enhanced version of its usual information technology job training program that placed greater emphasis on assisting graduates with career advancement.² The WorkAdvance version of the program included five key elements:

1. Screening of applicants to identify those likely to be capable of completing training and to succeed in the information technology field, while not being so qualified that they could easily find a job without the program's training and services.

¹ Three other sector-specific training and employment services programs were evaluated as part of the WorkAdvance demonstration: St. Nicks Alliance in Brooklyn, New York, which focused on environmental remediation and related occupations; Madison Strategies Group in Tulsa, Oklahoma, which focused on the transportation and manufacturing sectors; and Towards Employment in northeast Ohio, which focused on the health care and manufacturing sectors. We do not summarize the findings for these programs since they produced much smaller impacts than Per Scholas, most of which did not reach statistical significance.

² Per Scholas was previously evaluated in a well-conducted randomized controlled trial, which found that it produced a substantial increase in average earnings and months employed as of the two-year follow-up. Our summary of this study and its findings is available at the following link: <http://evidencebasedprograms.org/wp-content/uploads/2012/12/Per-Scholas-Job-Training-Program.pdf>.

2. Career readiness services, including training, individualized coaching, and support services, to assist participants in completing training and finding employment (*e.g.*, through assistance in resume and interview preparation).
3. Fifteen weeks of occupational skills training in the field of information technology (*e.g.*, A Plus and/or Network Plus training for jobs such as Help Desk Technician or IT Field Technician).
4. Job development and placement services through strong relationships with employers who hire individuals with the skills the program imparts.
5. Post-employment retention and career advancement services including coaching, identifying next-step job opportunities, and assistance with rapid reemployment if workers lose their jobs.

The program's cost, as implemented in the WorkAdvance demonstration, was \$5,754 per participant (in 2013 dollars).

Study design:

From June 2011 through June 2013, 700 interested applicants (average age 31 years) who were either unemployed or working in a low-wage job were randomly assigned to a group that was offered Per Scholas WorkAdvance services or to a control group that was not eligible for Per Scholas services, but could receive other job training services available in the community. Eighty-seven percent of sample members were male; 81 percent were Black or Latino; 60 percent were unemployed in the quarter prior to the study; virtually all had a high school diploma or GED and 63 percent had at least some postsecondary education; 6 percent had been incarcerated; and 28 percent were foreign born.³

Unemployment insurance (UI) wage records were collected from state employment agencies to measure employment and earnings outcomes in the three years after each study participant's random assignment. Participants were also surveyed 18 to 30 months after their random assignment (at 22 months on average).

Key findings:

In the third year after random assignment (*i.e.*, the study's latest follow-up period), 81 percent of Per Scholas group members were employed versus 75 percent of control group members, and the Per Scholas group earned an average of \$4,829—or 27 percent—more than the control group (\$22,503 vs. \$17,674). The employment effect was statistically significant at the 0.05 level, and the earnings effect was significant at the 0.01 level. Moreover, the earnings effect grew over the full follow-up period, from approximately zero in year one to \$3,744 in year two to \$4,829 in year three.

The study measured additional outcomes using a survey of sample members that was administered an average of 22 months after random assignment. The survey found that Per Scholas group members were significantly less likely to report receiving SNAP benefits in the prior month (13 percent of the Per Scholas group received SNAP benefits versus 24 percent of control group members; $p < 0.01$). Per Scholas group members were also less likely than control group members to receive most other types of public

³ This sample is largely similar to the sample from the earlier RCT of Per Scholas, with one notable exception: the current sample was substantially more educated (63 percent had some postsecondary education vs. just 28 percent of the earlier sample).

assistance in the prior month, but these effects did not reach statistical significance at conventional levels ($p < 0.05$). In addition, Per Scholas group members were significantly more likely to report being satisfied with their lives (65 percent of the Per Scholas group did so versus 44 percent of the control group; $p < 0.01$).

Summary of study quality:

This was a well-conducted study. Members of the Per Scholas and control groups were highly similar in their demographic characteristics, as well as their pre-program education, employment, and earnings levels. All study participants were appropriately analyzed within the group to which they were originally assigned, consistent with an “intention-to-treat” analysis. Outcome data using UI wage records were collected for 99 percent of study participants, and there was only modest attrition on outcomes measured via the survey, with survey completion rates of approximately 78 percent for control group members and 82 percent for Per Scholas group members. The study also found that employment and earnings impacts were similar whether estimated with UI data or survey self-reports, providing additional reassurance that these impact findings are valid.