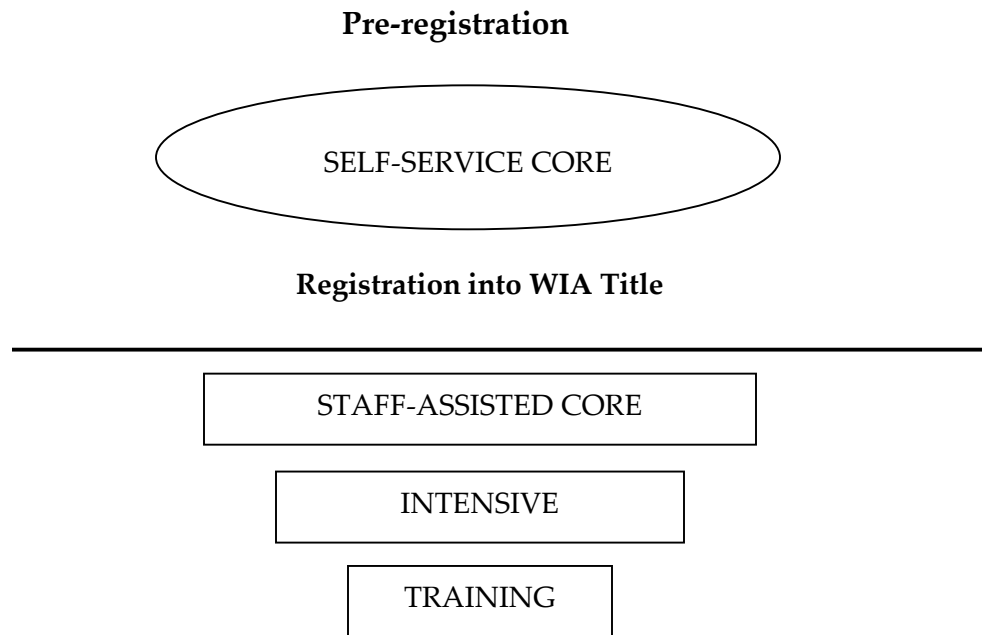


The picture of adult customer flow volume thus resembles a funnel of tiers of service (as shown below), with most customers being served in the self-service core tier, followed by staff-assisted core, a reduced number in intensive services, and finally the smallest proportion in training. The tiers of service are progressive: all adult job seekers must first participate in core services, before they can move to intensive services, and they must participate in intensive before they can move to training. Consistent with the goal of creating ease of use, minimal customer information is gathered during self-service core. As customers move into staff-assisted core services additional information is gathered through a registration process, and customers are classified within various WIA Titles (e.g., older youth, younger youth, adult, or dislocated workers).



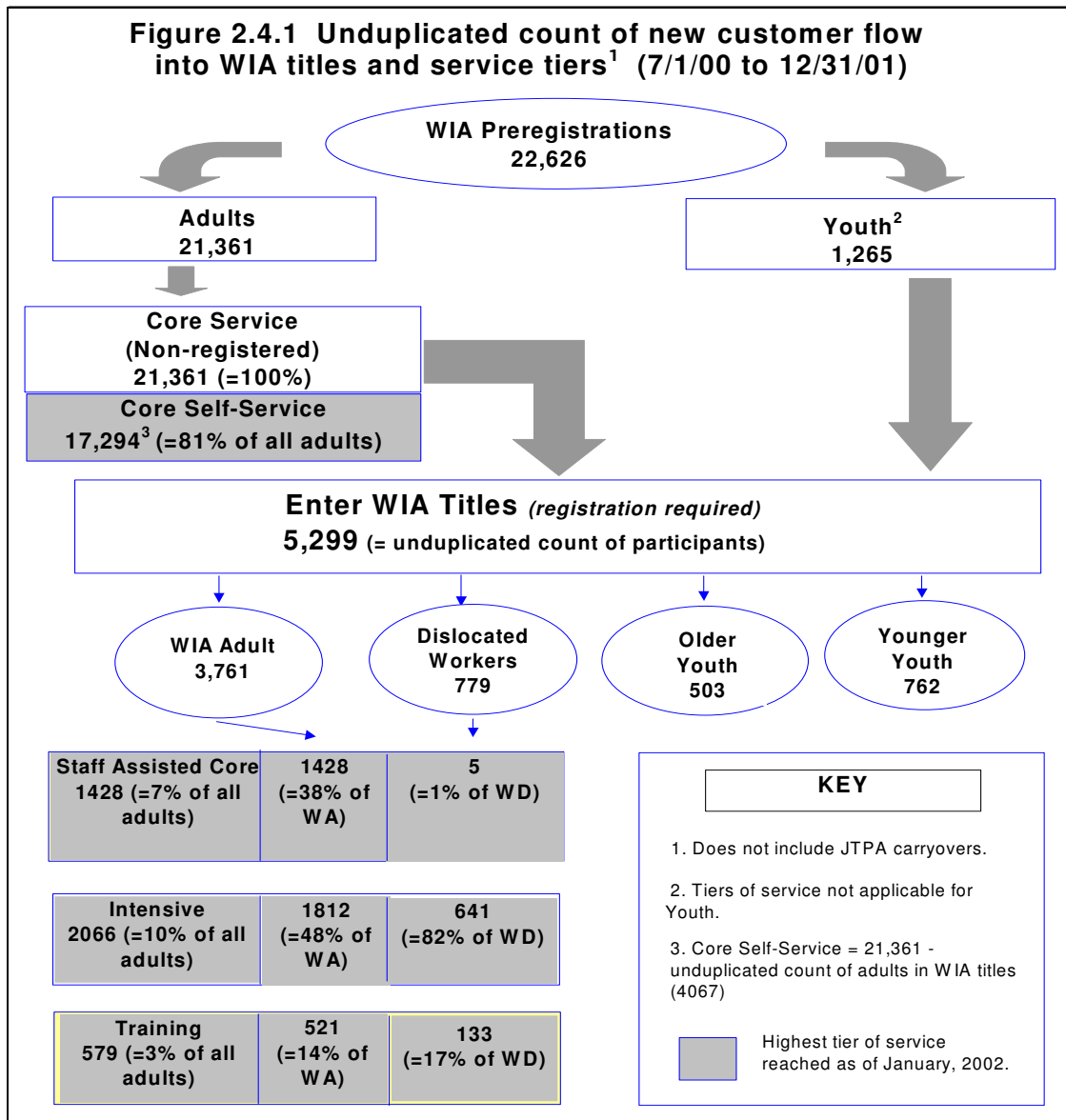
2.4.2 WIA tier study, phase I: customer flow

Given the demographics of low-skilled workers in Baltimore City and the universal access feature of WIA, the first questions asked by the Workforce System Effectiveness Committee (WSEC) centered on the changing customer base and the customer flow through the tiers of service.

The Mayor's Office of Employment Development (MOED) provided the WSEC with a snapshot of new WIA customer flow in order to examine whether or not low-skilled jobseekers are being served in Baltimore under WIA, especially in the higher tiers of service. Demographics of the job seeker customer base are provided at each stage of service delivery: pre-registration (core self-service), registration into a WIA title, and by highest tier of service at the time of the snapshot. This research project was completed in May 2002 and examines the demographics and flow of job seekers who participated in the first year and a half of WIA (from 7/1/2000 to 12/31/2001). Job seeker customer flow is presented in Fig. 2.4.1.

During the first year and a half of WIA, the One-Stop Career Center Network served 22,626 individuals. Limited data are collected at this stage of service delivery, pre-registration. However, we do know that the majority of those served live in Baltimore City (92%), are African American (92%), are over 30 years of age (58%), and report having a high school diploma or a college degree (73%).

As depicted in Fig. 2.4.1, the tiers of service are applicable to the adult population (18 years of age), whereas youth (14 to 21 years of age) are enrolled directly into a WIA title – either “Younger Youth” (aged 14 to 18) or “Older Youth” (aged 19 to 21). The One-Stop Career Center Network served 1,265 WIA youth during this time period -- 503 in the Older Youth title and 762 in Younger Youth.



Unlike youth, adults must proceed through the tiers of service beginning with self-service core services. If the customer requires significant assistance from center staff or is unable to find a job using the self-directed job search tools, only then is he or she enrolled into WIA (in either the Adult or Dislocated Worker titles) and required to be tracked in the WIA performance system. When the customer is registered into a WIA title, an application is filled out, and more in-depth demographics are collected.

The One-Stop Career Center Network provided 21,361 adults with self-service core during the first year and a half of WIA. At the time of the snapshot the majority of all adult customers (81%) were participating at this level. A total of 4,067 adults served during this time were registered into a WIA title -- 3,761 of them into the WIA "Adult" title, and 779 into the "Dislocated Worker" title. (Customers can sometimes be enrolled in both adult titles.) It is important to note that this was a point-in-time study, capturing a snapshot of an on-going and fluid process, with the numbers by tier changing continuously. Nevertheless, at the time of the snapshot study, 38% of customers registered in the WIA Adult title were participating in staff-assisted core services, 48% in intensive, and 14% in training. Dislocated Workers proceed from self-service core to intensive services: at the time of the snapshot study, 82% of Dislocated Workers were receiving intensive services and 17% were participating in training. The snapshot of customer flow does indeed resemble a funnel: the question of whether this represents an optimal balance of clients by service tier, continues to be an important topic.

An analysis of customer demographics found the One-Stop Career Center Network is serving low skilled workers in both intensive and training tiers. However, customers in the training tier are the most likely to have at least a high school diploma or GED, which is a basic eligibility requirement in most training programs. While the majority of adults report having at least a high school diploma or GED, less than half of those tested scored on the 12th grade on reading or math. (A score below 8.9 is defined as "skill-deficient"). Although not all are tested, one third of adult customers tested initially scored below this level on reading, and nearly two-thirds on math. Those with low initial reading and math scores are much more likely to be found in the intensive level. However, nearly 20% of those in the WIA Adult training tier had initial reading scores below the 9th grade level, and 50% had scores below 9th grade in math. So while many training programs have more stringent entry requirements, having been labeled initially as "skills deficient" does not necessarily exclude the customer from training services.

The majority of older youth and younger youth are high school dropouts. Older Youth are also more likely than adults to be single parents: 32% of Older Youth are single parents of a child younger than 17, compared to 22% of WIA Adults, and 18% of Dislocated Workers.

2.4.3 WIA tier study, phase II: client cohort outcomes

Phase 2 of the WIA tier study, on client cohort outcomes, picks up after sufficient time has passed to gather long-term wage gain and retention outcomes and asks, "What happened to those customers who *exited* the WIA programs?" The performance data provided by the state to the federal government were combined with MOED's local administrative data, and the results are presented by calendar quarter and year for each measure for each title. The performance outcomes are analyzed by career center, by highest tier of service, and by demographics.

This study examines One-Stop Career Center Network performance on entered employment rate, retention rate, and wage gain/wage replacement rate, for each title over time. Overall, the Network exceeded or met 96% of the 57 federal quarterly performance measurements. The WIA Adult wage gain and the Older Youth measures were the most challenging. Looking at the tiers

of service from which customers exited, the study reveals slight variability but no significant differences in performance.

A review of the performance outcomes by demographics shows that the One-Stop Career Center Network is successfully serving customers at all skill and barrier levels. In the adult titles there were no significant differences in the outcomes by demographic characteristic, with most skill levels achieving 90% or greater entered employment and retention rates. For example, 94% of adults with initial reading scores in the 6th to 8th grade levels were employed one quarter after exit, and 96% of these were still working three quarters after exit. Youth performed with varying degrees of success by demographic: disadvantaged youth and youth with barriers were less successful than those who were not in these categories.

2.4.4 Industry Analysis

At the end of each program year, MOED performs an analysis of unsubsidized job placements of individuals, by industry. During PY'01 (July 1, 2001 through June 30, 2002), the One-Stop Career Center Network assisted 6,055 people to find jobs with 2,231 employers, at an average wage of \$9.02 per hour. Compared to PY'00, placements were up 22%, and wages were up for both adults (by 5%) and youth (11%) – well above the national average gain of 3.1%. Health Care was the top-hiring industry, with 252 employers hiring 874 customers at an average wage of \$9.25 per hour, and 84% of those hired were offered benefits.

A major tenet of WIA is to improve effectiveness of government spending on job training programs by linking training (the supply side) to employer needs (the labor market demand side). The BWIB has chosen to pursue successful implementation of WIA through development of a sectoral approach. The BWIB Planning Committee has identified target industries based on local labor market information. These target industries are: healthcare, biosciences, business services, information technology and computer-related services, construction, and hospitality/tourism. MOED's business services arm, Employ Baltimore, uses the detailed information from the MOED Industry Analysis to identify and market services to specific employers in the target industries that pay good wages and that are likely to provide benefits.

What have we learned from this section, and what recommendations do the findings support?

1. The One-Stop Career Center Network is serving disadvantaged, low-income, and low-skilled individuals in all tiers of service, and these customers are finding and keeping jobs. The customer flow through the One-Stop Career Center Network is consistent with the intent of WIA to provide easy access to all customers and to offer more intensive and training services only to customers experiencing difficulty in securing employment. The Network is not serving or exiting a disproportionate number of higher income customers.
2. Women slightly outnumbered men (52% vs. 48%), and the average age of customers was 34 years old. The vast majority (92%) was African-American. Almost three-quarters (73%) reported having a high school diploma/GED or better, but less than half of those who were tested scored at the 12th grade level in reading and math, one-third of adults scored below 9th grade in reading, and nearly two-thirds scored below 9th grade in math.
3. The Network met or exceeded the WIA performance standards in 96% of the quarters and measures analyzed. The only standard it missed was the wage gain for Older Youth.

The agency should examine the Eastside Career Center for its ways to improve wage gains and Older Youth performance, and adopt these practices at the other centers.

4. In general, Dislocated Workers, males, whites, individuals aged 40 and over, and trainees, obtained jobs with higher wages than other demographic groups (although such customers may also have been better off than others prior to receiving services). These are the attributes of the "successful" groups of customers post-service, if success is measured only by wages. However, wage level is not the only indicator of progress, and a higher placement wage does not guarantee long-term retention and advancement. Furthermore, there are many plausible reasons for there to be wage differences between groups, such as different genders being disproportionately represented in different occupations that themselves have different wage levels. We need to explore such differences and reasons further, and examine what they mean whether they are features we can impact.
5. Self-service core services was the highest tier of service for four out of five adults at the time of the customer flow snapshot study. Little is known about this large group of individuals, and about what they got out of the system's core services. Collecting more demographic data from these individuals, such as labor status and income or whether economically disadvantaged, would give a more complete picture of this market segment. A wage record match performed on these individuals would show their degree of success.
6. The discussion of whether this balance across service tiers is an "optimal" mix, and whether, for example, we are providing "enough" training, is important. If changes to the service mix are to be considered, then workforce system managers will need to be able to identify changes in customer flow and demographics more readily. Factors that impact customer flow must also be considered, such as federal and state policies that guide or limit customer flow, funding limitations, the impact of funding shifts, and, most importantly, the needs of job seeker and employer customers.
7. Adults and Dislocated Workers who received training are, on average, more educated, and have higher skills, than those who did not receive training. While many training programs require participants to have a high school diploma, the Network could consider training more individuals with lower skill or education levels, in good relevant training programs that do not have this requirement. However, the customer studies underscore the importance of the "basic" education services provided in the intensive services tier, for the chances of moving a low-skill customer into the training tier. Given the demographics of low-skilled workers in Baltimore, it is important that we keep in mind the readiness needs of a large number of job seeker customers as we seek to increase training opportunities.