



# Employment Dynamics Among Job Corps Students

October 2003

DATA SPOTLIGHT

Although unemployment rates are relatively high across the nation, labor market data continues to demonstrate that higher academic achievement, technical training, and occupational field correlate with job placement. Employment rates for workers with less than a high school diploma have dropped, whereas employment has remained stable for individuals with some advanced training and credentials. This Data Spotlight describes the elements of the Job Corps program that most often lead to student success in the labor market, including the attainment of credentials and length of stay.

The Job Corps program has been successful over the years in training and placing thousands of students into productive jobs. The longitudinal study conducted by Mathematica Policy Research, Inc. demonstrated that Job Corps returns over \$2 for every \$1 invested. In Program Year 2003, 88% of all graduates obtained employment upon program completion. In the continuous effort to improve the efficacy of the system, the MTC Institute examined the profile of former Job Corps students in order to determine the factors impacting job placement. Our findings show that length of stay on a center as well as academic attainment lead to optimum placement rates.

## Length of Stay and Employment Status

Whether or not students are employed upon leaving Job Corps is significantly related to the amount of time they stayed on center.

- A sample of 1,072 MTC students found a statistically significant relationship between length of stay and their subsequent employment status.
- Those who had an initial job placement stayed just under 10 months on average, while those who left unemployed stayed an average of only 7 months (See Figure 1).<sup>1</sup>

## Academic Attainment of Employed Versus Unemployed

In a comparison of employed versus unemployed Job Corps students, those placed in jobs generally had demonstrably higher academic achievement.

- Decision Information Resources (DIR), in a recent survey of employed graduates, found that at 6 months after initial placement, the most important determinant of continued employment was holding a GED or high school diploma, followed by calendar days on center and age of student.
- Similarly, the MTC Institute analysis shows employment status coincides with higher academic achievement (See Figure 2).
  - Significantly more students with either a high school diploma or a GED were employed than those without either credential.

Figure 1

Average Length of Stay by Employment Status

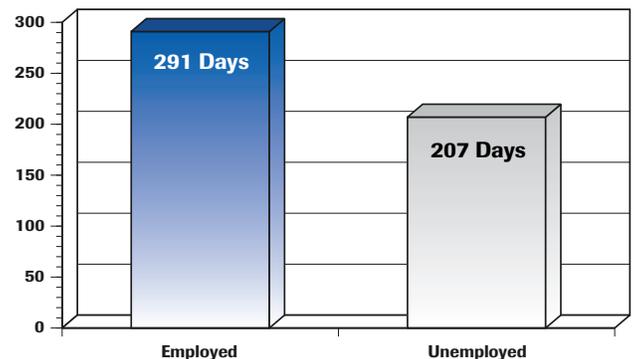
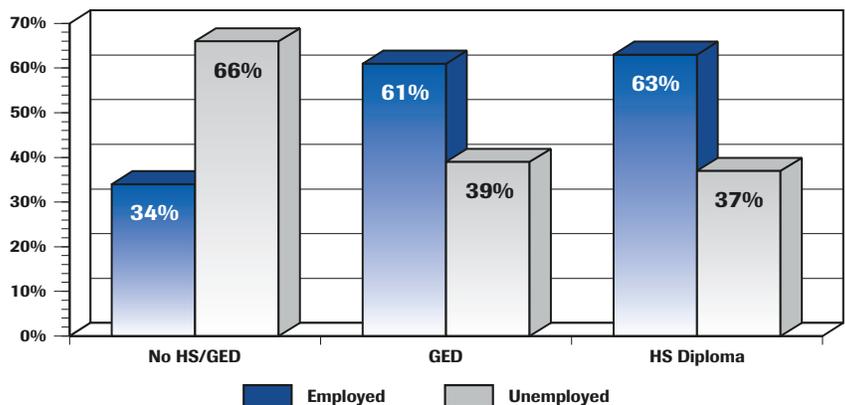


Figure 2

Employment Status by Academic Attainment



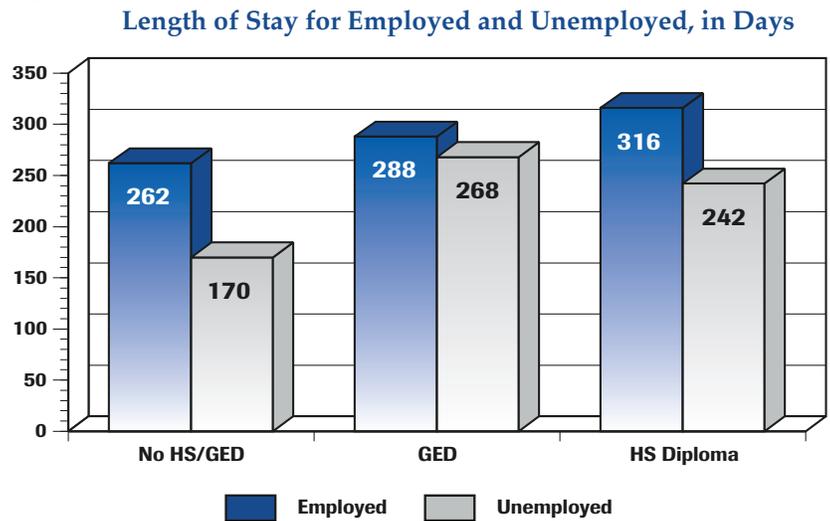
<sup>1</sup> Length of stay analyses are based on students' paid days.

## Length of Stay and Academic Attainment Combined

Those who earn an academic credential tend to remain on center longer, and those who remain on center longer are more likely to be employed than those within the same academic category (See Figure 3).

- Overall, employed students who had graduated with a high school diploma remained on center longer, on average 10.5 months, compared to just over 8 months for unemployed individuals.
- Likewise, GED holders who were employed had stayed on center longer than those unemployed.
- Even those with no academic credential that were employed remained on center longer, demonstrating the value of on-center training.

Figure 3



## Wages

Over time, students initially placed had incremental increases in wages relative to length of time in the labor market. Of all Job Corps students in vocational training, 79.5% completed their course of study and a certificate.

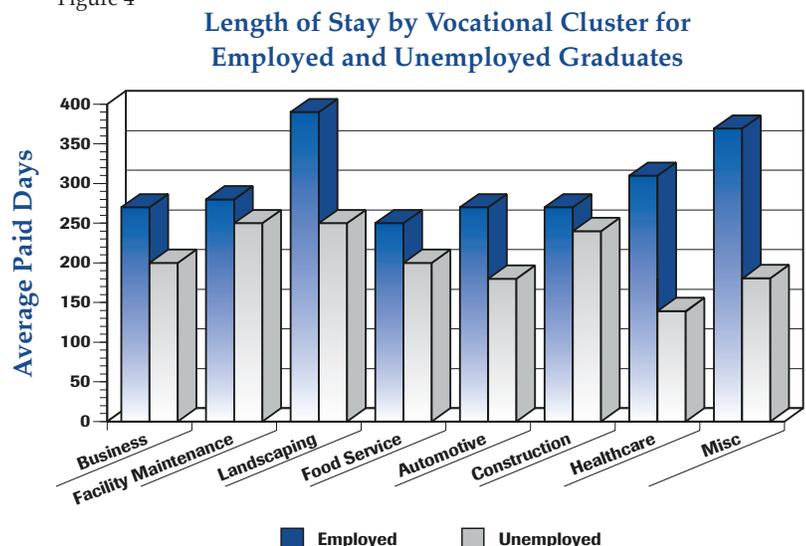
- Graduates earned an average wage of \$8.07 on initial placement.
- Those working in the vocational occupation for which they were trained averaged \$8.63 an hour.
- At six months, wages for the pool of completers revealed an average hourly earnings increase to \$8.80 (Job Corps Vocational Training Report Card, 7/1/02 - 6/30/03).

## Employment By Vocation

Job Corps students are trained in the following clustered vocational trades: business clerical, facility maintenance, landscaping, food service, automotive, construction, and healthcare.

- Measured by vocational cluster, employed students had remained on center for substantially longer periods of time compared to those unemployed (See Figure 4).
- Length of stay plays a role in the likelihood of employment because longer stays generally reflect student completion of several vocational trades or more advanced work, as well as social and workplace readiness skills development. Training in more than one vocation and honing workplace readiness skills impact students' marketability in a wider range of areas.
- The findings from an Occupational Outlook Quarterly study (Spring 2003) highlights the chief factors affecting earnings:
  - A worker's level of experience and education, with longer time on the job and higher education leading to higher earnings.
  - Choice of industry, as certain industries require specialized skills and are performing better in the current economy.
  - Nonetheless, the study revealed that "skill, motivation, and other worker characteristics prized by employers have greatest impact on earnings... Performing more complex tasks and taking on more responsibility lead to higher pay."

Figure 4



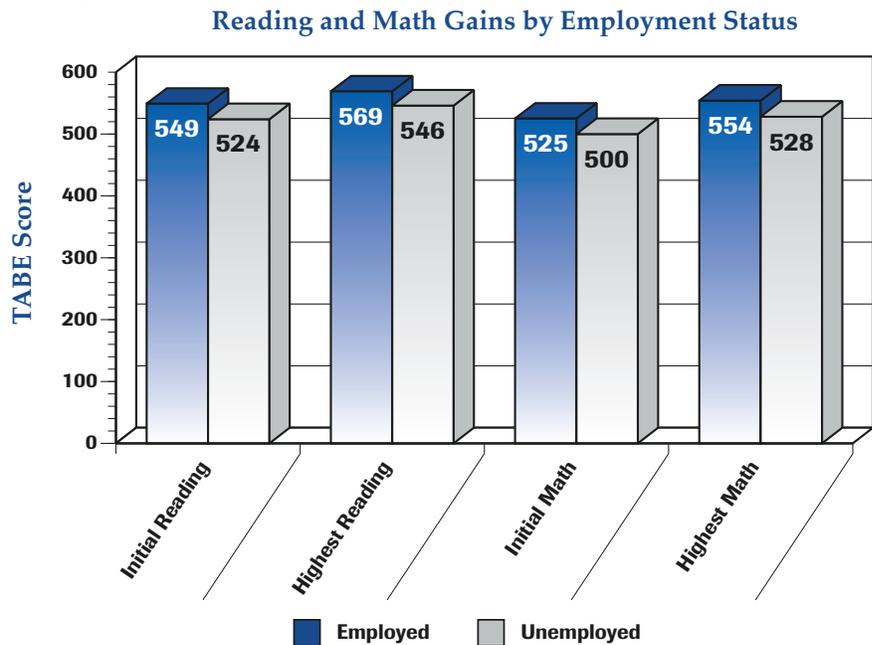
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## Initial Reading and Math Scores Per Employment Status

Reading and math levels for students who fall into the employed category indicate that their initial and highest scores were significantly better than the unemployed group examined in this study (See Figure 5).

- Employed students entered with an average initial reading TABE score of 549 with gains to an average of 569. In contrast, unemployed students, on average, had an initial reading score of 524, and a high score of 546.
- On the initial math, the employed performed better with a score of 525 and highest score of 554. The average initial math scores for the unemployed group was 500, increasing to 528 on average as the highest math score.

Figure 5



To maximize the labor market success of Job Corps students, they need to enter the program with sufficient reading and math skills and then remain on center long enough to attain recognized educational credentials. The labor market forecast for the next 30 years indicates more jobs available than qualified workers to fill those positions. By 2012, the U.S. labor shortage may reach 6 million workers, increasing to 35 million by 2030. Thus, with appropriate training, every Job Corps graduate can be a demand hire.

### Sources

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While today's unemployment rates are higher than in the recent past, many Job Corps students continue to be successful in securing employment upon leaving the program. The U.S. labor market continues to demand skilled workers, and our students can be demand hires when they complete the necessary elements of the program. To more fully explore this issue, the MTC Institute has dedicated the October issue of the Data Spotlight to "Employment Dynamics Among Job Corps Students."

**Management & Training Corporation (MTC)** is an international private contractor that manages and operates Job Corps centers and correctional facilities.

**MTC Institute** is dedicated to examining data and projecting trends relevant to job training and corrections programs.

**The Data Spotlight** is a periodic publication highlighting issues that impact the future of young people and inmates.

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