ACKNOWLEDGEMENTS

The Institute is very grateful to those reviewers who shared comments on the original version of this document titled Job Corps: Needed Now More Than Ever.

Richard F. Schubert, J.D., member, MTC Board of Directors
John Pedersen, Sr. Vice President, MTC Training Group
Celeste McDonald, Vice President, MTC Government & Community Relations
Annie Mathews, Center Director, Atlanta JCC
Steve Reitan, Center Director, Flint Hills JCC

We also want to thank the external reviewers who critiqued the original document, specifically:

LaVera Leonard, President, LRG, Inc.
Mary Lopez Schell, Director, Humanitas, Inc.

Their participation enhanced the value of the information for policy makers and Job Corps Administrators.

In addition, various MTC Executive Staff provided input on the original version of the document including Roberts T. Jones, President - MTC Institute, as well as comments and observations from MTC Chairman of the Board, Robert Marquardt, Ph.D. and President & CEO, Scott Marquardt whose input helped make the original document stronger. The original document was given a different title to distinguish it from the previous version and updated with newly published reports and data where possible.

Reengaging Dropouts: Job Corps Works
Published by MTC Institute. Copyright © March 2010.
Previously published under the title Job Corps: Needed Now More Than Ever
Principal Authors: Carl Nink, Stephen MacDonald and Lucy Hood (original author)
Comments are appreciated and should be directed to Carl Nink, Executive Director at:

MTC Institute
500 North Marketplace Drive · P.O. Box 10 · Centerville, UT 84014
(801) 693-2870 · Fax: (801) 693-2900
carl.nink@mtctrains.com
www.mtinstitute.com

Management & Training Corporation (MTC) is an international corporation dedicated to helping people realize their learning potential. MTC creates nurturing environments in which education is encouraged and recognized. MTC manages and operates 26 Job Corps centers in 19 states for the U.S. Department of Labor, preparing disadvantaged youth for meaningful careers. MTC also operates 16 contracted correctional facilities across the country with approximately 19,000 beds under contract. In addition, MTC has expanded their education and vocational expertise into the international arena, working in countries such as Iraq, Sudan, Tunisia, China, and Mongolia. The MTC Institute is the research division of MTC, which is dedicated to promoting innovations, exemplary practices, and projecting trends that are relevant to job training and corrections. The work of the Institute is geared towards a broad audience including policy makers, educators, researchers, practitioners, state and federal officials, workforce development entities, correctional agencies and Job Corps centers.
EXECUTIVE SUMMARY

Many Americans are realizing that the economy is in crisis. This predicament is driven in part by an aging workforce, slow population growth and an education system that has not kept pace with the increased demands of tomorrow’s jobs. The students who are typically left behind, however, can play a key role in addressing the nation’s economic needs. Their needs, however, must also be met.

Consider the following:

• 1.3 million high school students drop out of school each year.1
• These dropouts cost the economy $335 billion over their lifetimes.2
• If the educational gaps between minority and non-minority students are closed (i.e., more minority students reach the education levels of non-minorities), future economic gains range from $421 billion to $805 billion.3

Today’s workplace pays a premium for education – more skills and training correlate with higher earnings and better positions.4 The majority of job growth today and in the future is taking place in fields requiring more education and training beyond high school.

Many economists and labor market experts believe that job growth and the economy in general would be much stronger if employers were able to find the skilled labor they so desperately need. This lack of skilled workers hampers the ability of businesses to take advantage of market conditions that would otherwise lend themselves to expansion. In the end, the shortage of skilled laborers has a negative impact on economic growth.5

Facing this crisis, America needs to continue to strengthen not only our education system, but it must invest in and expand on proven programs, such as Job Corps, which is the nation’s premier dropout recovery program, educating and training over 60,000 at-risk students each year.

Job Corps is not only our most successful program with the at-risk student population, but it also is the most cost effective, and in fact, has had a minimum positive $2 return for every $1 spent.6 We are entering a unique period in our country’s history when every one of these students is needed and can be successfully employed. And we have Job Corps centers across America that are helping them reach that goal.
JOB CORPS: NEEDED NOW MORE THAN EVER

For the past 45 years, the Nation has focused to a great extent on meeting the social and workforce needs of our most underprivileged populations. At the same time Job Corps has done its part as the country’s leading and most successful program for many disadvantaged students who either dropped out of school or sought help in obtaining the labor market skills they needed to excel in the workforce.

Now, more than ever, Job Corps is playing a key role in delivering educated and skilled workers to meet the needs of high demand occupations. Due to multiple factors, the Nation is facing a crisis-level deficiency in skilled workers. The population in the rest of the world is growing larger, younger, and more educated; technological change and global competition are demanding more of our workers; and high school dropout rates are alarmingly high (i.e., 50 percent in some major cities).9

America’s population growth has slowed; our population and workforce are aging; and our education system has not kept pace with the increased demands of tomorrow’s jobs. Our economy is growing increasingly dependent on the dropouts, minorities, and disadvantaged students our traditional education and social systems have left behind.

The economic success of our country, our companies, and our workforce is more dependent on our ability to significantly increase the education and training levels of every student in our school system.

While we are asking our K-12 education system to raise the standards and achievement levels of ‘all children’, the fact remains that we have a 31 percent national dropout rate, amounting to roughly 1.3 million students every year.11 In addition, a significant proportion of those who do graduate do not possess the skills to succeed in the workplace.12

The majority of these students are minority and economically disadvantaged students. Typically left behind, these students are now critical to our economic success. As the Nation’s premier cost-effective program for working with at-risk youth, Job Corps proves how to ensure that growing numbers of students meet the business and industry requirements of tomorrow’s 21st century workforce. Their detailed accountability on performance clearly shows evidence of the program’s success.

FUTURE DEMAND FOR WORKERS

While unemployment still hovers at 10 percent, demand for workers, especially skilled workers will grow.13 According to the Bureau of Labor Statistics, total employment is expected to increase by 15.3 million, from 150.9 million in 2008 to 166.2 million in 2018.14 Yet the 0.8 percent annual growth rate in the workforce needed to fill the jobs
Some foresee huge workforce deficiencies in skilled workers of approximately 14 million by 2020. While the number of jobs for those without a high school diploma is evaporating, there have been estimates that more than 90 percent of the fastest growing jobs require education beyond high school. Today’s economy – driven by the pace of technological change, the expansion of international trade and the globalization of capital markets – requires a more highly skilled workforce. Those entering the workforce for the next four plus decades are not necessarily going to be as educated as those they replace. To a great degree, those in the pipeline to take the place of aging baby boomers are minority populations that for a number of reasons have had a lower level of academic success than the national average.

These demographic trends are putting the nation at an academic crossroads. Incoming minorities have large hurdles to overcome in achieving the skill level obtained by exiting baby boomers.

African Americans and Hispanics comprise the largest portion of the at-risk student population. For the 2005-2006 school year, it has been reported that 24% of white students failed to graduate. While this number is high, 45% and 49% of Black and Hispanic students respectively failed to graduate.

Against this backdrop, the labor market is demanding more highly-skilled workers than ever before – people who can analyze computer networks, provide financial expertise and give medical care to the elderly. And Job Corps, which provides training in industry-recognized certificated programs, is playing a key role in delivering educated and skilled workers to meet the needs of high demand occupations.

FEWER WORKERS AVAILABLE

Overall, the pace of population growth in the United States is waning. Between 2008 and 2018, the growth rate is projected to be 10.7 percent, down from 13.9 percent between 1998 and 2008, and 11.2 percent between 1988 and 1998.

Workers aged 16 to 24, are expected to decrease from 14.3 percent in 2008 to 12.7 percent by 2018. Also workers between 25 and 54 years old are projected to decline from 67.7 percent of the labor force in 2008 to 63.5 percent by 2018. However, workers aged 55 years and older, by contrast, are anticipated to leap from 18.1 percent to 23.9 percent of the labor force during the same period. It has been estimated that by the year 2020 the Nation will have 20 million jobs more than we have people in the workforce. This means that all students can become a
demand hire if they have acquired a solid educational foundation (i.e.,
high school diploma or GED) and the post-secondary knowledge and
skills required by the workplace.

While one demographic shift is taking place among age groups,
another is taking place in the racial and ethnic make-up of the popula-
tion. Like the population as a whole, growth in the white population is
slowling down. From 2010 to 2050, the white population is projected to
change from 80 percent to 74 percent.31

On the rise are growth rates for minority populations. By 2050,
Hispanics are projected to make up 30.3 percent of the population,
African Americans 13 percent, Asians 8 percent.32 Added up, more
than half, or 51.3 percent, of all Americans.33

According to a report by the National Center for Public Policy and
Higher Education the labor market, in tandem, is undergoing a similar
transformation. Between 1980s and 2000:

• The white portion of the working age population (ages 25 to 64)
dropped from 82 percent to 72 percent, by 2020 it is expected to be
63 percent, and by 2050, 53 percent.34

• Minority representation in the labor market is rising rapidly.
Between 1980 and 2000, it went from 18 percent to 28 percent.35 By
2020 it is projected to be 37 percent, and by 2050, 47 percent.36

Within the minority population, the fastest growing segment is
Hispanic. As of 1980, Hispanics represented 6 percent of the popu-
lation, but by 2020, they will have surpassed the share of African
American population, which was 10 percent in 1980.37 In 2020,
Hispanics are projected to make up 19.4 percent of the total, compared
to 13 percent for African Americans.38

Job Corps has over 45 years of experience working with some of the
fastest growing segments of today’s population. Minorities are the
single largest share of Job Corps participants. African Americans and
Hispanics make up a combined total of 69 percent -- or 52 percent
and 17 percent respectively; Whites represent 25 percent.39 Job Corps,
therefore, has an extensive track record of providing minority students
with the educational and job training programs they need to become
productive members of the workforce.

INCREASED PREMIUM ON EDUCATION AND
TRAINING

The Nation needs all students to join the workforce. However, with
most jobs requiring education beyond high school, those that dropout
face a life of challenges and economic disadvantage. Without education
and training, these dropouts, many of whom are minorities, will
become a huge tax burden. When combined with the growing number
of baby boomers leaving the workforce, and demanding more health-
care, these groups will significantly stress State and Federal Budgets.

While overall educational attainment went up for all ethnic and

The success story of
Laranda Clanton³⁰

Laranda Clanton of Kansas City,
Kansas had a dream to be a lawyer.
Many would have considered it the
‘impossible dream.’ As the youngest
of four children, Laranda struggled
in High School, eventually drop-
ing out in ninth grade.

But at age 16, her life took a turn for
the better, after she discovered the
US Department of Labor Job Corps
program. Laranda needed only four
months of study at the Flint Hills
Job Corps Center to complete a
GED and enroll in the center’s Busi-
ness Occupations Trade. She stud-
ied hard and devoted much of her
“spare” time to helping peers with
their studies and working in the
center recreation program.

After earning her business trade
credentials on center, Laranda was
the first person in her family to en-
ter college. On her 17th birthday,
with financial support from Job
Corps, she began attending classes
in the Paralegal/Pre-Law program
at Cloud County Community Col-
lege in Concordia, Kansas.

In her first year at college, Laranda
made the National Honor Roll.
Soon thereafter she moved from
the Flint Hills center into her own
apartment. She now attends school
full time and works part time. With
each step she moves closer to fulfill-
ing that impossible dream.

Laranda also had a positive effect
on her older brother, Davial Clan-
ton. Seeing her success, Davial fol-
lowed his younger sister’s lead by
entering the Flint Hills Job Corps
Center, where he too completed a
GED as well as a Cement Masonry
credential. Davial is now working
full-time in the cement industry in
the Hutchinson, Kansas area.
racial groups, the educational gap between whites and most minority groups also went up. In 1980 the disparity between whites and African Americans was 11 percent. Two decades later, it was 15 percent. In 1980, the disparity between whites and Hispanics was 12 percent. Two decades later, it was 19 percent.

If these kinds of gaps stay in place, the increase in the number of workers with a post-secondary education will no longer be 19 percent. Instead – between 2000 and 2020 – it is expected to be 4 percent.

Minority groups now comprise 42.9 percent of the student enrollment, up from 33.9 percent in the 1993-1994 school year, according to the Pew Hispanic Center. The single largest and fastest growing minority group is Hispanic. Fueled to a great extent by immigration, the enrollment of Hispanic students now stands at 19.8 percent; up from 12.7 percent in the early 90s.

The second largest minority group is African American. It now represents 17.2 percent of public school children, up slightly from 16.5 percent in the early 90s.

These two groups comprise the vast majority of minority students. These two groups are also among those that are most likely to drop out of school and least likely to finish college.

“In 2000, whites ages 25 to 64 were twice as likely as African Americans to have a bachelor’s degree,” according to the National Center for Public Policy and Higher Education, “and almost three times as likely as Hispanics.” The same year, the graduation rate for Hispanics was 53 percent. For African Americans it was 49 percent, and for white students, it was 75 percent.

In short, the least educated segment of the population is growing the fastest. And if current trends continue, those coming into the labor market will lower the education level of the American workforce.

Job Corps is the major program that is addressing this foreseeable problem. This undereducated, fast-growing and diverse group of young people so desperately needed by our economy is exactly the group that Job Corps is training.

**DROPPING OUT**

By far, the most abandoned group among the Nation’s school age population is high school dropouts. Every year, according to a report by the Alliance for Excellence in Education, only 69 percent of all students who enter the ninth grade end up with a high school diploma four years later. That means more than 7,000 students become dropouts every day translating 1.3 million students annually, equaling an
Reengaging Dropouts: Job Corps Works

The success story of Ryan Frazier

Ryan Frazier has a history of overcoming adversity. When he was five years old, he was diagnosed with Leukemia. After years of battling cancer, he was finally deemed cancer free in 1998.

He was raised by a single mom who has stood by him, believing in his dreams. While growing up, his dad indulged an addiction to crack cocaine and provided Ryan with very little guidance.

Ryan graduated from High School but failed the exit exam. He knew he should go back to finish – but other things got in the way. Then the worst nature disaster of the century hit New Orleans: Hurricane Katrina. He moved abruptly to the Atlanta area with his mom, not knowing anyone and dependent upon the kindness of strangers.

One day he saw a segment about the Atlanta Job Corps Center on television. The program offered everything: an opportunity to earn the high school credits he needed, vocational training and the opportunity to one day enjoy a great career.

When he arrived on center he was cheerfully greeted by Atlanta Job Corps Center Director Annie Matthews, saying “Welcome, we have been waiting for you.” Ryan believes he has been blessed to meet so many helpful people since stepping through those doors.

His advice to young people facing their own challenges is to never give up. After graduating with his GED and vocation credential in Business Technology, he received a job with the Dekalb County Sheriff’s Department. Ryan now works as a Correctional Detention Officer and plans to start college in the fall.

economic loss reaching into the hundreds of billions. “For instance,” the report said, “if the students who dropped out of the class of 2009 had graduated, the nation’s economy would have benefited from an additional $335 billion in income over their lifetimes.” For New York, that would be a gain of $21 billion; for Kentucky, it would be a $4.2 billion improvement; and $45.5 billion in California.

The tallies come in large part from the difference in income earned by those who are educated vs. those who are not. U.S. Bureau of Labor Statistics figures from 2008 show that the average annual income for a bachelor’s degree was $52,624; for an associate’s degree, it was $39,364; for a high school diploma (including a GED), it was $32,136; and for a high school dropout, it was $23,556.

But the difference between dropping out and getting either a high school diploma or a GED means much more than the $8,580 disparity in annual income. It also translates into tremendous differences in the kind of lives each is likely to lead.

High school graduates are more likely to live longer, to raise healthier and better-educated children and to engage in civic activities, such as voting and community service. Unlike dropouts, they are less likely to be teen parents, to commit crimes, to rely on government healthcare, and to use public services, such as food stamps or housing assistance.

Each dropout costs the nation roughly $260,000 over his or her lifetime, according to Cecilia Rouse, a professor of economics and public affairs at Princeton University. Citing Rouse’s work, the Alliance for Excellent Education report said, “Whatever the cause, the nation can no longer afford to have a third of its students leaving school without a diploma.”

If the status quo continues, she predicted 13 million students will fail to graduate with a high school diploma over the next decade – representing a $3 trillion loss. If dropout rates and educational attainment actually get worse, the most affected states will be those with the largest minority growth rates, according to the Center for Public Policy and Higher Education. Those are: Nevada, California, Arizona, Texas, Colorado and Illinois. “In these states,” the group’s report said, “the decrease in income would be much more substantial than the U.S. average and could significantly affect their tax base.”

Job Corps, as the nation’s most important dropout recovery program, helped many (19,296) students who dropped out of the traditional education system, acquire their high school diploma or GED last year. Based on the report and the number of high school diplomas awarded, almost $2.2 billion of dropout lifetime costs were avoided as a result.
Reengaging Dropouts: Job Corps Works

Each dropout costs the nation roughly $260,000 in lost income over his or her lifetime.\(^65\)

**WORKFORCE DYNAMICS**

These myriad numbers pertaining to age, race, ethnicity and educational attainment do not bode well for meeting the needs of a 21st Century workforce. Nor do they bode well for maintaining the nation’s economic edge in an increasingly global marketplace.

Instead they point to troublesome trends:

- Job growth is outpacing population growth; the jobs themselves will require increasingly complex tasks; and
- Gains in educational attainment are on the wane.

Gone are the days when manufacturing jobs allowed people without a high school diploma to excel in the workforce and provide a comfortable living for their families. As the number of those jobs has dwindled, they have been eclipsed by jobs that require -- at the very least -- a high school diploma. More than likely, however, they require some postsecondary education.

The value of education is an important message imparted to Job Corps students by a dedicated staff that tutors, teaches, coaches and encourages students to excel. The message is very similar to one published in a Department of Labor report called America’s Dynamic Workforce. “Today, and increasingly in the future, a solid education foundation, including completion of post-secondary courses or degrees is needed to compete successfully in the job market,” the report said.\(^66\)

A solid educational foundation is also needed if the United States wants to remain competitive in a global marketplace where technology and outsourcing allow the educated populations of India, Mexico, Brazil and a number of other countries to compete – in essence – for American jobs.

If educational disparities stay in place, experts predict there will be a damaging ripple effect in the U.S. economy. They will “depress personal income levels for Americans, in turn creating a corresponding decrease in the nation’s tax base,” said the National Center for Public Policy and Higher Education.\(^67\) They will also lead to more outsourcing, the report said.

The group’s report predicted that between 2000 and 2020, there will be a loss of personal income totaling $395 billion. If the gap is closed, future gains range from $421 billion to $805 billion.\(^68\)

That’s a multi-billion dollar “if.” It’s also a multi-billion dollar gap, and closing it requires educating those children who have traditionally been left behind. Dealing with those left behind is a Job Corps program focus. Last year, with the help of the Job Corps education, training and transitional programs, nearly 21,751 students obtained employment.\(^69\)
THE CASE FOR EXPANDING JOB CORPS

Job Corps is the Nation’s premier program for training students who have dropped out and those who are economically disadvantaged. These students are also disadvantaged in workplace readiness, education, and training skills so in demand in today’s labor market. Maintaining program currency and business linkages is the result of strong national and local partnerships with employers. There is hardly a week that goes by that Job Corps centers are not contacted by employers looking for trained employees.

Most Job Corps participants enter the program with many needs. By the time they leave the program, most have obtained a high school diploma or a GED and an industry-recognized certificate in one of nearly 100 career technical training programs. Of the 60,897 youth who were enrolled in Job Corps programs in 2008, nearly half, or 27,656, earned a vocational certificate; 10,893, earned a GED; and 8,403, earned a high school diploma. Most (78 percent) of the graduates complete their high school diploma or GED and/or an industry-recognized certificate leading to careers in skilled trades, the military or entered college.

The United States is entering a unique period in its history when every one of these students is needed to help reverse predicted declines in income and educational levels. To do this, the National Center for Public Policy and Higher Education said, the states must do a better job of educating “all their residents, particularly those populations that are growing fastest.”

Job Corps serves these fast-growing segments of the population. It has over four decades of experience working with minority students, as well as dropouts of all racial and ethnic backgrounds. Of those who entered Job Corps, 76.5 percent are high school dropouts; without Job Corps, they would be much more likely to depend on taxpayer dollars via the welfare system, the criminal justice system and other government-run programs.

As business leaders grapple with global competition and the pace of technological advances, the demand for skilled workers, including Job Corps graduates, is high. It is now paramount that would-be dropouts and welfare recipients become productive members of the labor market, and to do that, they must have access to educational opportunities – the very kind Job Corps knows how to provide.

Aligned with new academic and employer standards, Job Corps is making tremendous strides toward meeting the workforce needs of the nation’s economy. In partnership with industry, Job Corps is being called on to serve more students. And it’s doing that in a cost-effective way. With the evolution of a 21st century workforce, Job Corps and the young people it serves are needed -- now more than ever.
Reengaging Dropouts: Job Corps Works

ENDNOTES

21 Ibid
24 Ibid
26 Ibid
27 Ibid
28 Ibid
30 Personal interview with Tauna Spain, Business Community Liaison, Flint Hills Job Corps on February 21, 2008.
32 Ibid
33 Ibid
36 Ibid
37 Ibid
Reengaging Dropouts: Job Corps Works

41 Ibid
42 Ibid
49 Ibid
51 Ibid
52 Personal interview with Karen Rene, Business Community Liaison, Atlanta Job Corps on February 22, 2008.
54 Ibid
57 Ibid
58 Ibid
59 Ibid
60 Ibid
61 Ibid
64 Ibid
66 Data from Job Corps Data Center used in calculations by MTC Institute.
70 Ibid
71 Data from Job Corps Data Center used in calculations by MTC Institute
73 Ibid
Reengaging Dropouts: Job Corps Works

RESOURCES

The Institute is the research division of MTC and is dedicated to promoting innovations, exemplary practices, and projecting trends. The focus of our work addresses practical issues facing those who work with youth within Job Corps and offenders in correctional environments.

The Institute has produced a number of high quality publications which have been disseminated across the US and are currently on the Web at www.mtc-trains.com.

- Job Corps Works: Meeting the Needs for a Skilled Workforce
- Job Corps: Needed Now More Than Ever
- Value of Education
- Partnerships Between Job Corps and Community Colleges: A Guide
- Enhancing Partnerships Between Job Corps and Community Colleges
- Meeting America’s Healthcare Employment Needs: The Job Corps/Community College Solution
- Job Corps: Changing Lives One Student at a Time
- Job Corps: A training Program Pipeline to the Corrections Profession
- Job Corps: Promoting Success for Hispanic Youth
- Industry-Recognized Certificate Programs and Job Corps
- Home Away From Home
- Employment Dynamics Among Job Corps Students
- Career and Technical Education Certificates
- Teaching Those Who Learn Differently
- Road Map to Retention
- Student Dropout and Completion
- The Critical Role of Residential Life in Student Retention
- Removing Barriers: Strategies and Suggestions for Teaching Those Who Learn Differently
- How To Improve Employee Motivation, Commitment, Productivity, Well-Being and Safety