



Workforce Innovation Fund (WIF) Evaluations

SUMMARY

The Employment and Training Administration (ETA) funded contractor Abt Associates to develop two evaluation reports for projects funded under the [Workforce Innovation Fund \(WIF\)](#) initiative: *The Workforce Innovation Fund (WIF): A Synthesis Report on Evaluation Findings and Experiences* and *Process Study of the U.S. Department of Labor's "Pay for Success" Pilots in Two States*. The WIF initiative awarded 45 grants, allowing for the implementation of employment-related interventions. Of these, 43 had conventional grant financing structures and were intended to a) support new and innovative approaches to workforce services and b) build on and expand use of evaluation research in the workforce system. The other 2 grants out of the total 45 awarded were aimed at testing use of a Pay for Success (PFS) financing model, under which the initial costs of services are paid by investors who are repaid, possibly with a substantial return, only when specific, pre-determined results are achieved and verified.

The Workforce Innovation Fund (WIF): A Synthesis Report on Evaluation Findings and Experiences aims to identify interventions implemented by grantees, summarize findings from evaluation reports produced between 2015 and 2019, and provide observations regarding the evaluations. The WIF-funded interventions included a diverse set of strategies designed to help low-income job-seekers and other target populations improve their employment outcomes. Interventions included educational and occupational training, individual case management, and agency partnerships.

The Process Study of the U.S. Department of Labor's "Pay for Success" Pilots in Two States evaluation explores the implementation of the two PFS projects funded under WIF, described below. The process evaluation focused on operation of service delivery, mechanics of using a PFS approach, measurement of target outcomes, and identification of challenges and promising practices experienced by the PFS projects for the first phase of the pilot.

In Massachusetts, the PFS pilot targeted young males (ages 17 to 24) who were on probation or parole or who are exiting the juvenile justice system. Roca, the service provider, has a four-year service model that involves two years of intensive services and an additional two years of post-program follow-up, with a focus on building strong relationships between the program staff and participants. In New York, the PFS pilot targeted high-risk adult parolees as they are being released from prison. The Center for Employment Opportunities (CEO), the service provider, operated a four-to-six-month program that involved training in life skills and work readiness, paid transitional employment, job placement assistance, and post-employment follow-up. For key outcome measures, both pilots selected post-program employment and reduction in recidivism, as determined by comparing the average outcomes for the treatment and control groups.



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This Department of Labor-funded study was a result of the annual process to determine the department's research priorities for the upcoming year. They contribute to the labor evidence-base to inform [employment and training](#) programs and policies and addresses departmental strategic goals and priorities.

KEY TAKEAWAYS

The Workforce Innovation Fund (WIF): A Synthesis Report on Evaluation Findings and Experiences

- **The WIF evaluations show positive to mixed effects across a range of outcomes, although study limitations affected the reliability of some of the results.** Given the varied range of interventions implemented and the different expectations about what outcomes they were designed to improve, it is difficult to draw firm conclusions about specific intervention types.
- **The WIF structure was observed to involve a number of stakeholders in a complex array of relationships, which presented challenges to both grantees and evaluators.** The various entities involved with the WIF project each had different primary concerns and interests. Evaluators were most interested in the feasibility of the evaluation design, while the grantee was concerned with fulfilling the funder's grant agreement requirements. Communication among stakeholders was described as a key component to maintain effective working relationships and evaluator independence. When findings are not positive or do not demonstrate the expected outcomes, the evaluator needs to ensure that the grantee fully understands those findings.
- **Evaluators and grantees experienced challenges in evaluation execution, many of which are common in the evaluation field but some of which were unique to WIF.** Observed challenges included lower than expected levels of program participation, barriers to accessing data, and challenges with survey administration and non-response. An evaluation execution challenge unique to WIF was the limited period of performance of the grant, and short follow up period to assess outcomes. Lastly, while WIF had the goal of comparing outcomes across grantees, it was not considered possible to collect comparable data across interventions due to a lack of a standard set of data measures required of all interventions.
- **The WIF grantees also imparted specific strategies that can be used to address the challenges encountered.** Recommendations include: defining roles clearly and increasing communication and accountability across stakeholders; developing clear, consistent standards and lines of authority to



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enforce standards; and building capacity within grantee/project staff to ensure evaluation goals and methods are understood.

Process Study of the U.S. Department of Labor's "Pay for Success" Pilots in Two States: Final Report

- **Project partners¹ were optimistic about achieving outcome targets in the second phase, in spite of not achieving target outcomes in the first phase.** Both projects brought on required partners, implemented the service model, and conducted rigorous evaluations. Neither project reached the pre-specified outcome targets, so they did not request payment from Department of Labor (DOL).
- **Conducting a randomized control trial (RCT) was reported to be one of the most difficult aspects of the PFS project** Each project experienced difficulties with some areas of implementing an RCT, including obtaining adequate sample size, high levels of participation in program services among the treatment group, a strong treatment-control contrast, and high quality and accessible data.
- **The PFS sponsor was suggested to be specific about the required reporting on the RCT methodology and factors that may have affected the interpretation of results.** Based on the experience the DOL pilot projects, it is important to provide detailed requirements related to how final results should be presented and what issues will be addressed. Other suggested considerations include being transparent about evaluation plans and progress through the life of the project, and having the sponsor clearly outline the responsibilities of and scope of work for the validator².
- **The two PFS pilot projects required substantial time and resource investment by the key partners.** Both pilots were able to successfully develop and manage the projects, but partners reiterated that doing so took a great deal of time. Staff changes were especially challenging over the course of the grants.

¹ DOL required the involvement of a government agency (the grantee), an intermediary, investors, and a validator as partners. Both pilots included service providers as major partners and included specific evaluation partners in addition to validators.

² Validators are responsible for ensuring that project evaluations adhere to their designs. Evaluators are responsible for conducting and coordinating the randomization process, collecting and analyzing data, including the use of statistical methods, and determining estimated impacts, error rates, and statistical significance. Engaging validators for each pilot intervention was a requirement of DOL's Solicitation of Grant Applications (SGA). SGA did not require evaluators, though both pilots opted to engage organizations to serve as evaluators.



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Both states reported that they invested substantial staff time in developing, managing and overseeing the project.

[SEE FULL STUDY](#)

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SUBMITTED BY: Abt Associates

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