

No Worker Left Behind – Outcomes for First 18 Months August 1, 2007 – February 28, 2009

No Worker Left Behind (NWLB) is Governor Jennifer Granholm's breakthrough initiative to double the number of Michigan workers trained for new careers in our state. NWLB provides up to \$10,000 for two years' worth of education plus other supports for any unemployed or underemployed worker willing to study towards a degree or certificate leading to an in-demand job in Michigan.

Michigan workers have responded to Governor Granholm's call to reinvent themselves and our state workforce with unbridled enthusiasm. In just 26 months 102,413 workers have entered training. But what happens to these people once they're in the program? How do they fare? In the midst of the worst national economic collapse and long-term unemployment crisis since the Great Depression – and in the hardest hit state – how many are able to find jobs related to their training, or find jobs at all?

Today, for the first time, we are releasing outcomes data for No Worker Left Behind. Much of the data that follow focuses on un- and underemployed workers who have been displaced by the shift from the traditional industrial age economy – what we call the “core NWLB” population.

However, the initiative also includes other types of workers who receive state and federal workforce support. Hence this report incorporates data on “retention training” for workers at risk of losing their jobs; training to help people with disabilities gain employment and self-sufficiency; and training for people trying to come off of public assistance provided by the federal Temporary Assistance for Needy Families program.

Beginning today, we will report these outcomes on a quarterly basis. In future reports, we will examine additional questions to supplement those in this baseline report as we seek to build an increasingly sharp understanding of the results and impact of No Worker Left Behind. Aggregate outcomes appear below, along with a brief analysis of the results. More detailed outcomes for each constituent program are contained in the following data tables.

No Worker Left Behind 18 Month Outcomes

Who enrolled in training?	62,206	100%
Core NWLB*	25,687	41%
Job retention trainees	16,843	27%
People trying to come off public assistance	10,533	17%
Michigan Rehabilitation Services customers	9,143	15%
Where are they at in their training?	62,206	100%
Workers still in training	18,101	29% enrolled
...long-term training	11,548	77%
...short-term training	6,552	23%
Workers who completed training	34,355	55%
Workers who didn't complete training	9,750	16%
Who has completed training so far?	34,355	100%
Core NWLB*	11,613	34%
Job retention trainees	16,843	49%
People trying to come off public assistance	4,205	12%
Michigan Rehabilitation Services customers	1,694	5%
Have they gotten jobs? Related to training?	34,355	100%
Got/Retained Job	24,699	72% of those trained
Got a new job	7,856	
Core NWLB*	5,559	86% related to training
Coming off public assistance	1,436	17% related to training
MRS customers	861	89% related to training
Retained job (job retention trainees)	16,843	
Still looking for a job	9,656	28% of those trained
Core NWLB*	6,054	
Coming off public assistance	2,769	
MRS customers	833	

*Core NWLB participants are those served by the nation's workforce system, i.e., unemployed and underemployed workers seeking new careers who are funded by the federal Workforce Investment Act and Trade Adjustment Assistance Act.

Key Findings in First 18 Months of No Worker Left Behind

- In the first 18 months of No Worker Left Behind (August 2007 – February 2009), **62,206 people enrolled in training** – a phenomenal response. It defies the conventional wisdom that adult workers aren't interested in training. Clearly, Michigan workers see that new skills and credentials increase their ability to obtain and hold jobs.
- **34,355 NWLB participants completed training** during those 18 months (55% of those enrolled). **Another 18,101 were still in training** as of February 2009 (29%), while 9,750 (16%) did not complete training.
- Most of those who enrolled in No Worker Left Behind are either unemployed or underemployed workers seeking new jobs or employed workers being retrained to help ensure job retention. The rest are people trying to come off public assistance or clients of Michigan Rehabilitation Services.
- **Job retention training helped 16,843 workers gain new skills** they need to keep jobs or advance to new ones while helping the 1,066 firms that employ them to diversify or otherwise transform their business and increase their ability to succeed.
- As of February 2009, **7,856 NWLB participants who were seeking a new job completed training and obtained employment**. That baseline number will increase steadily and substantially in coming months as more NWLB participants graduate and find jobs. This 18-month snapshot of employment results shows the first set of people who reached success at the end of what will often be a 1-2 year journey.
- **The core of NWLB is unemployed and underemployed workers** seeking skills that lead to new jobs and careers. In the first 18 months of NWLB:
 - **45% of them had completed training, 46% were still in training, and just 9% had left without completing training.**
 - Of those who had completed training, **48% had already found a job while 52% were still looking**. That's an excellent result given that many of those counted were just beginning their job search, and the job market is horrible. There are **over fifty resumes of available workers for every available job** on Michigan's Talent Bank.
 - **86% of those who had found a job got one related to their NWLB training**. That's a great indicator that NWLB is doing what Governor Granholm envisioned – training workers for in-demand jobs and meeting employer needs.
 - Among those still in training, **77% were in long-term training** and just 23% in short-term training. That's **more than triple the national percentage** of people in long-term training. These numbers represent a dramatic increase in people opting for long-term training from the past, when most program participants either did no training or, at most, short courses. Longer term training, as encouraged by NWLB, allows workers to get skills and credentials valued by employers and dramatically increases their ability to find good jobs.
 - Thirty-seven percent of these participants pursued credentials in health care, 15% in management and other professions, 10% in transportation, 8% in manufacturing, 7% in IT, and 23% in all other fields.

Workers Being Retrained -- National vs. Michigan Results

Adult & Dislocated Workers (Workforce Investment Act)

Is No Worker Left Behind a model for the nation? President Obama suggested as much when he spoke at Macomb Community College on July 14, 2009. How has our experience been different from the nation as a whole since we instituted the initiative in August 2007?

There are no national data exactly comparable to the NWLB data we keep in Michigan, but if you compare the bulk of our "core NWLB" population with the national equivalent, you find significant contrasts. Looking at those served with federal Workforce Investment Act dollars through the Adult and Dislocated Worker programs, the most recent national data show that 17.5% of workers were put into training, and 24% of them were in longer term training, i.e. one year or more. Looking at our first eighteen month period of NWLB, by contrast, in Michigan we are putting 42% of workers into training (more than double the national average). And of those Michigan workers in training, 77% are in training for one year or more (more than triple the national average).

With the Workforce Investment Act up for reauthorization in Congress, the Michigan experience appears to show that a revamped national workforce system could put many more workers into training – and more substantial training targeted to in-demand jobs.

National

Data covering April 2007-March 2008

Adult & Dislocated Workers	
Total workers served	1,010,051
Workers who received training services	176,388
% who received training services	17.5%
Long-Term Training (1 year or more)	24%

Michigan

Data covering August 2007 - February 2009

Adult & Dislocated Workers	
Total workers served	48,361
Workers who received training services	20,336
% who received training services	42%
NWLB Long-Term Training %	77%

No Worker Left Behind Outcomes: The Core of NWLB – Unemployed & Underemployed Workers

The First Eighteen Months, August 1, 2007 – February 28, 2009

Enrolled	Still in Training				Completed Training				Didn't Complete Training				
	Total	Short-Term		Long-Term		Total	Got Job			Job Related to Training		Still Looking for Job	
25,687	11,810	2,768	23%	9,042	77%	11,613	5,559	48%	4,807	86%	6,054	52%	2,264

Sources: State of Michigan One-Stop Management Information System (OSMIS), data obtained from the 25 Michigan Works! Agencies.

- Training for unemployed/underemployed workers is mostly paid with funds from two federal programs:
 - The *Workforce Investment Act (WIA)*, which supports retraining and help to unemployed and underemployed workers in finding jobs; and
 - The *Trade Adjustment Assistance Act (TAA)*, which provides retraining and supportive funding for workers who lose their jobs as a result of global economic forces.

- Among the 25,687 unemployed and underemployed workers who enrolled in NWLB during this time, 46% completed training, 45% are still engaged in it, and 9% dropped out.

- Of the unemployed and underemployed workers who completed training, about half found a new job and half are still looking for employment.

- Of those who found employment, in 9 out of 10 cases it was related to their training.

- Of those who are still in training, 77% of them are in long-term training (greater than 1 year) and 23% are in short-term training. This reflects state policy encouraging and supporting long-term training to ensure learners obtain educational credentials and skills that will improve their ability to find good jobs.

No Worker Left Behind Outcomes: Job Retention Training

The First Eighteen Months, August 1, 2007 – February 28, 2009

Employers Participating	Total Trained Employees
1,066	16,843

Sources: Incumbent Worker data reported to DELEG by Michigan Works! Agencies.

- Job Retention Training tackles the problem of employers who are at risk of closing or shrinking unless they diversify, develop new customers, make new products, or otherwise transform their businesses – in ways that require employees to be retrained.
- Job Retention trainees enrolled in No Worker Left Behind are already employed but need to acquire or upgrade skills to maintain their current position or qualify for a new position with their employers.
- 16,843 employees of 1,066 different companies participated in training and were retained by their employers. These are good jobs saved in Michigan.

Program Year 2008 – Industry Participation Analysis

Industry Involvement							Part of a Regional Skills Alliance
Manufacturing	Health Care	Gov't/Non-Profit	Technology	Construction	Human Services	Other	
59%	14%	5%	4%	4%	2%	14%	61%

Sources: Incumbent Worker data reported to DELEG by Michigan Works! Agencies.

- 73% of all companies that participated in No Worker Left Behind Job Retention Training in program year 2008 were from either the manufacturing sector or health care sector.
- 61% of all companies were actively involved in a Regional Skills Alliance. Michigan Regional Skills Alliances are employer-driven business and community partnerships focused on addressing workforce needs for an industry sector.

No Worker Left Behind Outcomes: People Trying to Come Off Public Assistance

The First Eighteen Months, August 1, 2007 – February 28, 2009

Enrolled	Still in Training					Employment Outcomes - Completed Training						Didn't Complete Training	
	Total	Short-Term		Long-Term		Completed Training	Got Job		Job Related to Training		Still Looking for Job		
10,533	1,488	1,047	70%	441	30%	4,205	1,436	34%	251	17%	2,769	66%	4,840

Sources: State of Michigan One-Stop Management Information System (OSMIS), data obtained from the 25 Michigan Works! Agencies. Variation between Enrolled in Training and the sum of Still in Training, Completed Training and Didn't Complete Training is a timing issue caused when similar reports are ran on different days i.e. enrollments may be added between runs.

- Training for people seeking to come off public assistance is provided through the Jobs, Education & Training (JET) program, using federal Temporary Assistance to Needy Families (TANF) funding.
- Among the 10,533 people seeking to come off public assistance who enrolled in No Worker Left Behind during this period, 40% completed training, 14% are still engaged in it, and 46% dropped out without completing training. Causes of the high dropout rate among this customer set include:
 - Current federal work participation requirements are not conducive to the NWLB model. In many instances, the participant requires remedial education, which can not be counted towards the required federal performance factors.
 - Severe reduction in JET and JET Plus funding may have caused Michigan Works! Agencies (MWAs) to dramatically limit the number of participants allowed to continue with their education during FY 2009.
 - JET population faces many barriers that often inhibit their ability to complete educational objectives or maintain self sufficiency.
- Of those who completed training, about 34% found a job and 66% are still looking for employment. This is consistent with national data about the challenges faced in finding work among people coming off public assistance.
- Of those coming off public assistance who are still in training, one-third of them are in long-term training (greater than 1 year) and two-thirds are in short-term training, the reverse of the results among unemployed/underemployed workers. This reflects federally mandated time limits for participation in JET combined with acute financial and family support challenges among this segment of the customer base.

No Worker Left Behind Outcomes: Michigan Rehabilitation Services Customers

The First Eighteen Months, August 1, 2007 – February 28, 2009

Enrolled	Still in Training					Employment Outcomes - Completed Training						Didn't Complete Training	
	Total	Short-Term		Long-Term		Completed Training	Got Job		Job Related to Training		Still Looking for Job		
9,143	4,803	2,737	57%	2,065	43%	1,694	861	51%	766	89%	833	49%	2,646

Sources: State of Michigan One-Stop Management Information System (OSMIS), data obtained from the 25 Michigan Works! Agencies. Variation between Enrolled in Training and the sum of Still in Training, Completed Training and Didn't Complete Training is a timing issue caused when similar reports are ran on different days i.e. enrollments may be added between runs.

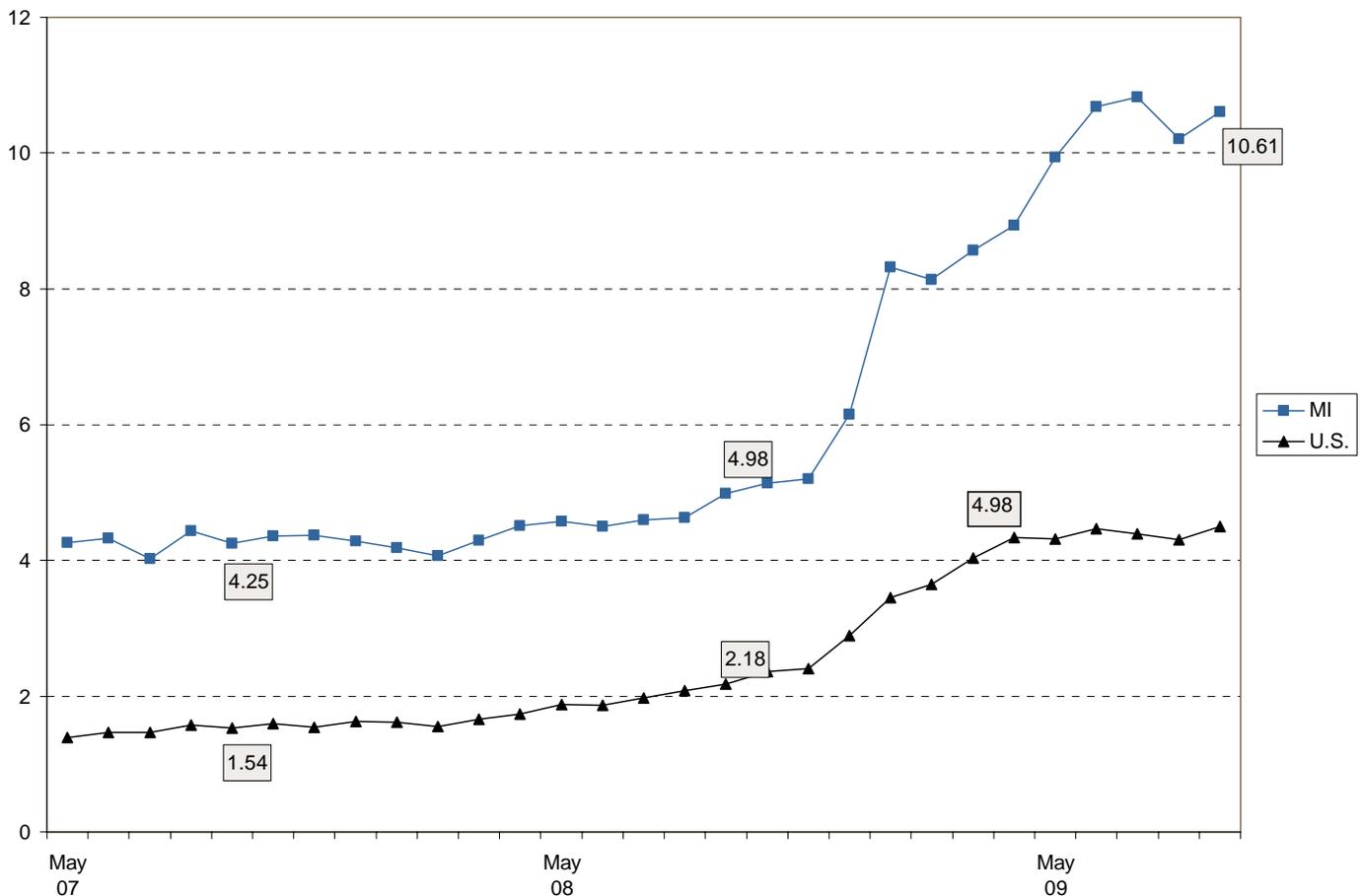
- Michigan Rehabilitation Services (MRS) customers are people with disabilities.
- Unemployment among people with disabilities is usually two to three times the figure for the general population.
- Many MRS customers also face multiple barriers to employment and often require longer training and preparation for work than WIA and TAA participants. That's demonstrated by the fact that only 19% have completed training, contrasted with 45% of WIA/TAA supported participants.
- Typically, MRS participants have somewhat lower outcomes than do WIA and TAA participants. However, in these data, the employment outcomes track closely with those for unemployed and underemployed participants – roughly half of those who completed training got a job and half are still looking.

Why it's Great That Nearly Half of Core NWLB Participants Already Found a Job

Despite facing double digit unemployment rates across the state, nearly half of core NWLB participants found a new job. Many of them completed training toward the end of the 18 months and found a job quickly.

The challenge of finding a job during this period can be illustrated by looking at the relationship of online job postings to the number of people looking for work. The following charts show that (a) the ratio of unemployed workers to posted jobs was twice as large in Michigan, as was the case nationwide, and (b) during the 18 months of NWLB 's startup, the ratio of resumes posted in the Michigan Talent Bank soared (a 40% increase), while the number of jobs posted went down by 50%.

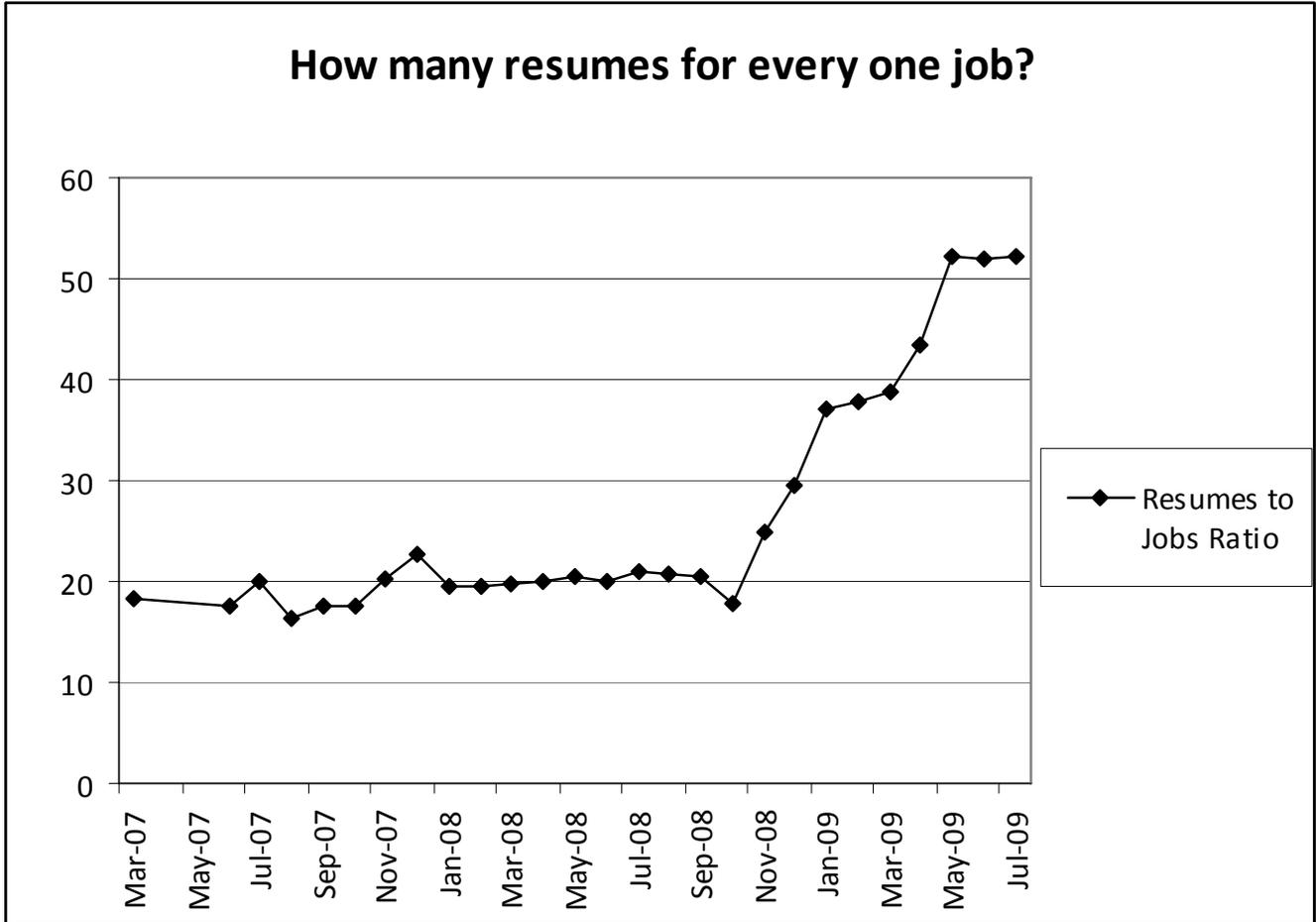
Michigan's Ratio of Unemployed People to Job Openings is Twice That of the Nation as a Whole



Sources: HWOL – The Conference Board, DELEG, BLS

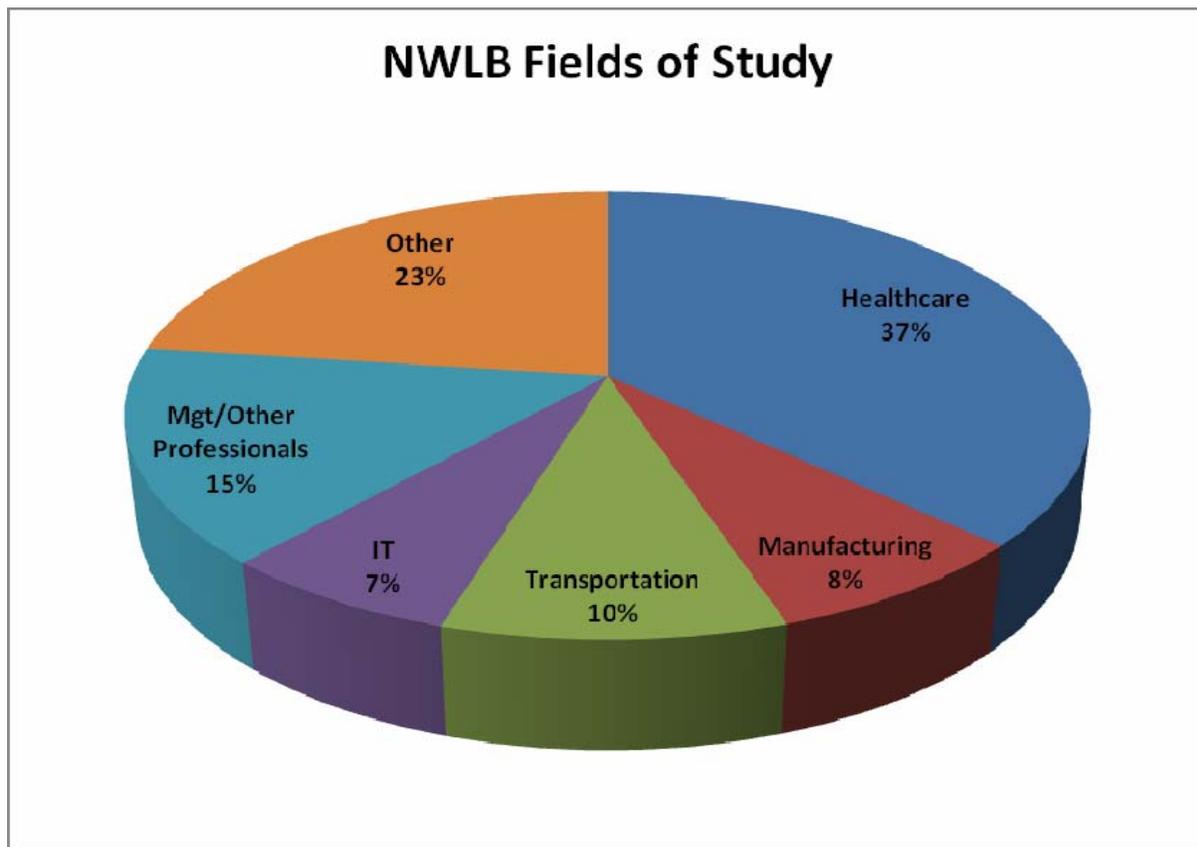
The above chart depicts the Labor Market Supply/Demand Rate for Michigan and the U.S. This rate is the number of unemployed persons divided by the number of total online advertisements. For example, in September 2009, Michigan had a Supply/Demand Rate of 10.61, there were 10.61 unemployed Michiganders seeking employment for every online job vacancy.

**Resumes keep increasing on the MI Talent Bank while available jobs are declining.
Currently, there are over 50 resumes for every job.**



Source: MI Talent Bank, MI DELEG

What are people studying?



- NWLB core participants are choosing fields of study that prepare them for in-demand occupations. Thirty-seven percent of them are engaged in health care training, 15% in managerial and other professional training, 10% in transportation (which includes occupations such as truck driving), 8% in manufacturing, 7% in information technology and 23% in other fields of study.