

April 19, 1993

Ms. Carol Rasco
Assistant to the President for Domestic Policy
The White House
Washington, D.C. 20500

Dear Ms. Rasco:

In response to your note, I am pleased to have the opportunity to share some further information with you regarding the American Counseling Association (ACA). Staff and leaders of our association stand willing to assist you in any way we can.

Enclosed are ACA position statements on three major issues affecting the lives of our children and a copy of the ACA position paper on work-bound youth. ACA recognizes that increasing numbers of young people are not going to college - over 50% need to have adequate preparation to enable them to enter the work force directly from high school. Professional counselors are key to the process of empowering all students to succeed.

Please stay in touch with ACA, and we will add you to our information network to keep you apprised of our efforts. I look forward to working with you.

Sincerely,

A handwritten signature in cursive script, reading "T. Remley", is positioned above the typed name.

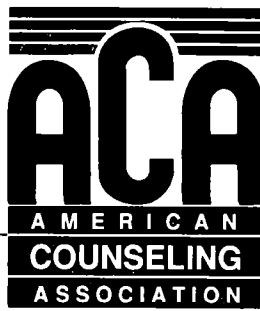
Theodore P. Remley, Jr., J.D., Ph.D.
Executive Director

TPR:BG:mmw

Formerly the American Association for Counseling and Development

5999 Stevenson Avenue, Alexandria, Virginia 22304-3300 • (703) 823-9800 • FAX: (703) 823-0252

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POSITION PAPER

on

Elementary School Counseling

Position Statement

The American Counseling Association(ACA) believes in the rights of each child and parent to adequate counseling services throughout the child's elementary education. To this end, ACA supports educational, legislative, and advocacy efforts that (a) increase the competency of elementary school counselors to identify and meet the developmental needs of children, (b) establish specific comprehensive developmental guidance and counseling programs that foster the growth of each child, ~~(c) promote activities that increase public~~ awareness of the value of elementary school counseling programs, and (d) demonstrate the effectiveness of elementary counselors in helping all children meet their needs and adjust to the demands of a changing world.

The Problem

Young children are experiencing an increasing number of problems that inhibit their growth and development.

- It is estimated that 3.5 million elementary age students come from families with divorced parents and that 7.5 million live in single-parent homes.
- Currently, the number of counselors employed to serve children during these crucial elementary school years is less than half the number of counselors employed in secondary schools. The student:counselor ratio for pre-kindergarten through sixth grades is more than 1100:1.

Rationale

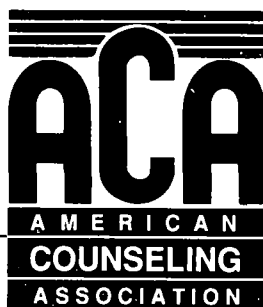
The elementary school counselor is certified or licensed as a professional who addresses the needs of students comprehensively through guidance instruction; group and individual counseling; consultation with parents, teachers, and other professionals and coordination of pupil personnel services and referrals. Counseling program activities must be continuous throughout the elementary grades, and the counselor:pupil ratio should not exceed 1:250.

The integration of comprehensive developmental counseling programs into all elementary schools will enhance the quality of personal, social, educational, and career development of all children and their families. The improved delivery of counseling services by full-time licensed counselors will empower them to make wise choices regarding their futures.

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POSITION PAPER

on

At-Risk Children and Youth

Position Statement

The American Counseling Association (ACA) believes that all young people have the right to pursue their potential in education, employment and society in general. ACA supports educational, legislative, and advocacy efforts addressing prevention and intervention for children and youth who find themselves in an "at-risk" condition.

The Problem

There are a growing number of children and youth falling into the category of at risk. *At risk*, although defined in many different ways, is an all-encompassing term that is used to describe the many changes and problems in the lives of young people. The effects of school dropouts, teenage pregnancies, gang involvement, and drug abuse reach beyond the young person. These effects influence family, friends, community and society in general.

The members of ACA have skills and are trained to respond not only to the at risk individual but also to the family and community. Professional counselors are a critical component in the process of life for those children and youth who are at risk. They have the skills to assist at risk individuals in developing a positive self-concept, improving self-esteem, making decisions, coping with difficult situations, and career planning.

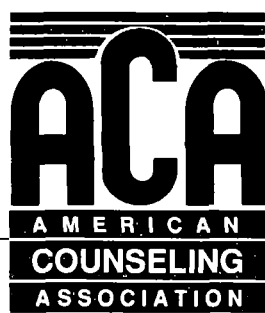
Rationale

Professional counselors possess the diverse skills needed to assist these young people and their families in reaching their full potential in education, employment, and society in general. Counselors can be a major force in building a new future for today's at risk children and youth. The membership views these efforts as an investment rather than a cost. Without this investment, the social and economic cost is far greater than necessary. ACA members want to be a part of that amelioration process.

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PROGRAM INITIATIVES FOR WORK-BOUND YOUTH

Professional counselors are integral to the success of comprehensive programs for work-bound youth.

Rationale for Initiatives

- Work-bound youth comprise more than 50% of students who graduate from high school.
- More than 85% of jobs will not require a college degree.
- Technical, skilled, clerical, retailing, and distribution systems constitute an important proportion of the work force.
- Work-bound youth are vital to the success of providing a high quality work force for our nation.

The Role of the Professional Counselor

- Schools and community resources must be empowered to offer a range of comprehensive programs to meet the needs of work-bound youth.
- Comprehensive programs must include major counseling components.
- Services must be provided by qualified professional counselors.
- Professional counselors are trained and educated to provide:
 - access to career information
 - instruction
 - career counseling
 - advocacy
 - consultation
 - program development and management

The American Counseling Association advocates for legislation that will provide comprehensive counseling and career services for work-bound youth. For further information, contact Dr. Kaye Whitley at (703) 823-9800, extension 288.

9/15/92

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U.S. DEPARTMENT OF LABOR

OFFICE OF THE DEPUTY SECRETARY
WASHINGTON, D.C.
20210

April 21, 1993

MEMORANDUM

FOR: William Galston, Deputy Assistant to the President
for Domestic Policy, The White House

FROM: Thomas P. Glynn, Deputy Secretary Designate,
Department of Labor
Marshall (Mike) Smith, Advisor to the Secretary,
Department of Education

SUBJECT: Draft Concept Paper on Proposed School to Work
Initiative; request for comments

Attached please find a copy of a draft concept paper for the proposed School to Work initiative. We would appreciate any comments or input by Monday, April 26, and look forward to briefing you on the status of this initiative.

Attachment



Youth and America's Future:

**The William T. Grant Foundation
Commission on Work, Family and Citizenship**

BUILDING MOMENTUM: RESEARCH STRATEGIES TO FOSTER AN EFFECTIVE SCHOOL-TO-EMPLOYMENT TRANSITION SYSTEM

Papers prepared for

**Youth and America's Future: The William T. Grant Foundation
Commission on Work, Family and Citizenship**

by

John I. Goodlad

Andrew Hahn

Laurence Steinberg

BUILDING MOMENTUM: RESEARCH STRATEGIES TO FOSTER AN EFFECTIVE SCHOOL-TO-EMPLOYMENT TRANSITION SYSTEM

Preface		i
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I.	MOVING FROM RESEARCH AND CONCERN TO ACTION <i>John I. Goodlad, University of Washington</i>	1
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LOOKING TOWARD THE SOURCE	1
EQUAL EFFORTS FOR OLDER YOUTH	2
OBSTACLES TO IMPLEMENTATION	2
ASSETS	5
RECOMMENDATION #1: Focus attention on the issues of 16-24-year-olds	6
RECOMMENDATION #2: Incentive grants	6
RECOMMENDATION #3: A four-center network of research and development centers	7
RECOMMENDATION #4: "Surprise awards": replication and expansion grants	10

II.	AFTER THE REPORT: RECOMMENDATIONS FOR BUILDING ON THE ACCOMPLISHMENTS OF NATIONAL COMMISSIONS ON CHILDREN AND YOUTH <i>Andrew Hahn, Brandeis University</i>	13
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CONTRIBUTIONS AND CHALLENGES	13
RECOMMENDATION #1: Commissions for Urban Practitioners	15
THE POTENTIAL OF APPLIED RESEARCH TO CHANGE HUMAN SERVICE PRACTICES	16
RECOMMENDATION #2: "Service" the Many Campaigns on Children and Youth Issues Unfolding at the Local Level	19
RECOMMENDATION #3: Focus on Changing Local Attitudes	20
RECOMMENDATION #4: Find Niches and Support Basic Research to Improve Programmatic Responses	22
CONCLUSION	24

III.	PSYCHOSOCIAL DEVELOPMENT IN LATE ADOLESCENCE: SUGGESTIONS FOR A RESEARCH AGENDA <i>Laurence Steinberg, Temple University</i>	26
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INTRODUCTION	26
MODELS OF PSYCHOSOCIAL MATURITY IN LATE ADOLESCENCE: OVERARCHING THEMES AND LIMITATIONS	31
DEFINING THE RESEARCH AGENDA	37
Cognitive Development, Schooling, and Learning	38
Career Development and Work	39
Patterns of Psychosocial Development	40
Relations with Parents and Other Adults	41
Relations with Age-mates	42
Community, Society, and Citizenship	43

**AFTER THE REPORT:
RECOMMENDATIONS FOR BUILDING
ON THE
ACCOMPLISHMENTS OF NATIONAL COMMISSIONS
ON CHILDREN AND YOUTH**

*Andrew Hahn**

CONTRIBUTIONS AND CHALLENGES

National commissions, study panels and blue ribbon groups play a prominent role in influencing what has been called "an invisible college of experts." These are people who, although only loosely affiliated, serve to collectively shape opinion about new social policies or ratify practices and ideas from the frontlines of child welfare, education, and social service delivery. By reviewing research, exploring connections between basic research and emerging policy development, creating syntheses of research and spinning out related policy implications, distributing materials, and conducting briefings and forums, these commissions help to provide the language and syntax that define the major issues in the field of children, youth, and families.

The design and implementation of policies and programs in the children and youth fields require a strong foundation in research and in the direction and guidance the research offers. Commissions serve as bridges between research producers and knowledge consumers, thus providing a vital service for the child welfare field. But in the past, these graceful bridges have showed stress lines and many have not worked well. For example, James Q. Wilson, among others, has pointed out that public commissions have either 1) made no use of social science (the Kerner Commission), 2) made use of commission findings but in ways

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irrelevant to their policy conclusions (an example is the violence commission), or 3) made use of relevant but unconvincing and inadequate research (for example, the obscenity commission).

Since the former era of commissions, newer councils have undoubtedly become more successful or at least more sophisticated in their use of social science research. The William T. Grant Foundation Commission on Work, Family and Citizenship¹ and the more recent report of the National Commission on Children (1991) are good examples of an improving craft.² In part, commissions have improved because the research the various commissions have had access to has improved noticeably. It is more sophisticated, detailed, and attuned to the changing economic, social, and demographic conditions affecting young people and their families. The promise of research-based solutions, while not entirely realistic today, is certainly closer to the ideal than in the past.

With careful attention to dissemination and follow-up, the accomplishments of national commissions and study groups may be felt for years to come. Beyond the obvious impact on public understanding and attitudes through media coverage, involvement in Congressional briefings and policy development, influence on government task forces, and their role in convening divergent interests to discuss common concerns, national commissions can also affect new generations of practitioners, advocates and policy makers. The written materials they develop are frequently used in undergraduate and graduate courses by those studying child and family issues as well as by practitioners in both pre-service and in-service training.

Yet despite these substantial achievements, sooner or later even the most distinguished commission reports fade from the spotlight. Purchase orders to secure the reports fall off and the reports themselves are relegated to the dusty shelves of libraries. Accepting that the life cycle of commissions, including their death, is something natural, an appropriate response to the dynamic marketplace of ideas and policies, means that funders and others should resist extraordinary attempts to extend commissions and similar projects beyond their initial purpose.

A more appropriate strategy for government agencies and philanthropic organizations

funding knowledge development activities and associated commissions, is to ask how best to build on the commissions' initial accomplishments in ways that reflect, connect with, and expand pertinent developments in the field. This is something that the best commissions have done, although the process underlying it has often been managed intuitively without formal guidelines or a strategic plan.

The following are some proposals and ideas assembled to reflect this purpose. All would utilize the stock of experience accumulated by, in this case, the William T. Grant Foundation Commission on Work, Family and Citizenship, and all try to link that experience to essential developments needing further elaboration if they are to better serve vulnerable children, youth and families.

We begin with a simple recommendation which turns on the choice of settings for post-commission activities. Our recommendation is to focus attention on urban centers and the social program practitioners who work in those settings. This straightforward suggestion -- to focus attention on the managers of urban initiatives who staff the safety net for our nation's most vulnerable populations -- builds on an analysis of philanthropy and government funding. This analysis reveals that when it comes to knowledge development and dissemination -- the core activities of commissions -- cities have not received the kind of sustained attention they need and deserve. Similarly, much of the work done by commissions has not been aimed at the people who could most use the information: urban social program staff.

RECOMMENDATION #1: Commissions for Urban Practitioners

Numerous Washington-based national commissions, clearinghouses and public interest groups work on behalf of children and youth. Insofar as their efforts are often directed primarily toward a Washington-based audience, they only marginally reach the foot soldiers laboring on behalf of the vulnerable in the field.

In order for commissions to have the greatest impact, efforts must be made not only to

monitor both research developments and the social-economic-political context which help shape research, but to help bridge the gap between nationally-focused knowledge production and its implementation in the field. An increase in research alone is insufficient to produce changes in practice. To be useful, research findings must be translated into a set of local issues and presented in a form that will be helpful to practitioners and local advocates. It is only when direct service staff and managers from the frontline are able to apply the lessons of research in their daily work that children and families will benefit from what we now know works.

Greater focus on urban human service practitioners and advocates is crucial. Service deliverers in the nation's poorest cities are in desperate need of assistance. They work where theory and practice intersect, yet they are routinely without the kind of knowledge and technical assistance they need to implement the lessons of available research. Most are eager for help of the kind that national commissions, study groups and organizations could provide: practice-oriented research overviews, innovative program reviews and guides to "exemplary" programming, detailed information on program implementation, training in leadership development, networking, media relations, marketing, and other program management skills. If national commissions and study panels are to provide this kind of assistance, we must first ask: What is the potential capacity of applied research to change human service practices?

THE POTENTIAL OF APPLIED RESEARCH TO CHANGE HUMAN SERVICE PRACTICES

Federal agencies and foundation grantmakers have invested billions of dollars over the past twenty years to acquire and utilize knowledge about youth development, employment, education, and self-sufficiency practices. This investment is relatively small when compared to the costs of research and development (R&D) outside the children and youth field and minuscule when compared to the actual costs of implementing and maintaining quality programs for children and youth. Nevertheless, the sum is large enough to attract the attention of internal audiences -- those in private foundations who support research -- as well as external

audiences, including those on the outside who care deeply about the powerful and often symbolic role that R&D plays in signaling new directions in social policies.

What has been the impact of this public and private investment? The answer has to be: "Mixed." A number of examples could be cited showing that significant change has taken place and that important lessons have been learned.³ In one such instance, the significance of basic research in the late 1970s pointing to the slow-down in cognitive growth that occurs in the summer months was quickly recognized by policy research "synthesizers." They took this rather obscure research and used it to recommend that basic skills remedial services be added to summer jobs programs. Today, as a result of legislative changes reflecting this basic research finding, nearly one third of the 700,000 or so poor youth served in federally-funded summer jobs programs receive some sort of assessment and many actually receive academic enrichment services. Another example is the string of research projects on state work/welfare programs undertaken by the New York-based intermediary, Manpower Demonstration Research Corporation (MDRC.) These studies have been widely cited as influencing in a positive way the formulation of the Family Support Act of 1988.⁴

Some important exceptions aside, however, the fact remains that few of the lessons learned in the demonstrations and pilots of the past decade seem to have had widespread impact. In part, the problem stems from the sometimes fitful nature of support that research and development receives: research is often viewed as an expendable item in lean budgetary years. However understandable, this response has severely limited the ability of research findings to affect practice. Researchers must scramble to obtain outside funding for their "next" project; typically, knowledge producers do not have the necessary resources to stick with an issue and to assist in the dissemination and adaptation of policy ideas in the field. As a result -- and funding is just one explanation -- more often than not, we continue to find that local programs fail to reflect research-based knowledge of effective practices.

Two recent books examine the tendency of nationally-focused researchers and policy

advocates to overstate and, perhaps, delude themselves on the degree to which their efforts effect lasting changes in public policy: Robert Haveman's Poverty Policy and Poverty Research: The Great Society and the Social Sciences (University of Wisconsin Press: Madison, 1987) and Richard Nathan's Social Science in Government: Uses and Misuses (Basic Books: New York, 1988). Both trace the impact of research and demonstrations on actual changes in public policies and both conclude that the effects have been mixed and often marginal. Henry Aaron in reviewing these books concludes that "in a world of public policy a research paper initially is no more than a rumor believed by one person -- its author."⁵

A case of major significance was the Youth Employment Demonstrations Project Act (YEDPA) of the late 1970s. One of the largest programs of social research and demonstration activity aimed at one single group -- disadvantaged youth -- the Act proved, at best, a qualified success.⁶ Though it contributed to our understanding of the issues, its critics have stressed the limited range of definitive research answers it provided. At its conclusion, basic questions remained unresolved: Is work a good or bad thing for young people; how much is too much; should dropouts be given basic skills training to read and write before, after, or coupled with a job; what is the best way to assess reading skills; how do you get collaborative strategies to work when trying to assist poor children, should job training agencies focus on work, socialization skills, basic skills, or family matters? YEDPA's achievements were all too often overshadowed by peoples' expectations for it, by its complexity, by the limitations of applied social techniques, and by the inadequate efforts made to translate its findings for subsequent use by practitioners.

Finally, even when research findings are clear and unambiguous, most social policy knowledge producers do not spend enough time thinking through the thorny challenges of how to make research findings accessible and useable to program operators and local advocates. Lisbeth Schorr (1988) writes, "devising strategies for surmounting obstacles to widespread replication is as difficult as devising a successful intervention in the first place."⁷

In summary, leadership in bringing research and development to bear on local human services practices is needed if better outcomes for children and families are to be achieved. This will mean concrete efforts to identify an appropriate audience at the service provider level, and attempts to forge working relationships with the right representatives from selected locations. A few examples follow in the next recommendations.

RECOMMENDATION #2: "Service" the Many Campaigns on Children and Youth Issues Unfolding at the Local Level

National commissions, study groups and other entities seeking to bridge the gap between research and practice should look to the many urban social change initiatives emerging in local jurisdictions as a possible audience, partner and anchor for their efforts. All around the country, there are statewide task-forces and advocacy groups concerned with children's issues and youth development. Some of these are reviewed in the publication, States and Communities on the Move (1991) available from the William T. Grant Foundation Commission. Much less attention has focused on local versions of these statewide campaigns although many are in progress: Memphis' Free the Children campaign; New Orleans' Children Campaign; Pinellas County's Juvenile Welfare Board projects, Kansas City's stakeholder task force on comprehensive school reform; the cities in the Annie Casey Foundation's New Futures projects; the Ford Foundation supported Neighborhood and Family Initiatives and, the six cities represented by the Rockefeller Foundation's Community Planning and Action initiative, to name just a few. By connecting national commissions with ongoing entities associated with children and family campaigns in urban areas, new initiatives would not be started in isolation from other dynamic forces. Instead, national commissions could establish partnerships with community foundations and national philanthropies already working in the same cities or interested in expanding their networks to new areas.

Although a detailed strategy for implementing such a strategy is beyond the scope of this paper, the following comments suggest the steps that would have to be taken. In the first

year, for example, efforts would be made to locate communities where partnership efforts would be needed and welcome. Even more critical would be the task of identifying the best entity with which to associate in the chosen community. Important lessons in this regard can be drawn from both the Casey and Rockefeller Foundation initiatives. The most promising entities are likely to be urban coalitions, task forces, or "collaborative" organizations that have the capacity for developing genuine political will in their communities through the management of campaigns around, for example, healthy children, school reform, neighborhood revitalization, youth development, persistent poverty. Once a target group of cities has been identified, an agenda could be developed and refined.

In the second year, training sessions and presentations would be launched, written materials developed, and ongoing technical assistance provided through a bank of consultants and peer-to-peer assistance. Wherever possible, linkages would be made between national developments and the local action agenda. For example, demonstration projects utilizing available research to address local needs might be undertaken in joint efforts with national R&D projects.

RECOMMENDATION #3: Focus on Changing Local Attitudes

To some extent, many national commissions and study groups must, of necessity, preach to the converted. Firing up well-meaning churchgoers on the 'good guys' side is very important, especially in a highly politicized, Washington-based environment in which other denominations are busy stirring up their own church members. In some cases, there is a fight for the souls of the undecided but mostly these entities provide the intellectual leadership for their respective congregations -- most of which reside "inside the beltway."

Similar efforts to spread the gospel must occur at the local level. Information and constructive dialogue is needed to combat resistance to change and attitudes that contribute to the persistence of dependency and poverty conditions. Pollsters and social scientists

periodically check in with the American public to determine their attitudes toward the poor and poverty programs. Although the trends may shift slightly, depending on the survey question and the demographics of the respondents, the overall picture outlines an American public that rather dislikes welfare, public assistance recipients, and the poor. The latest study of the National Opinion Research Center's General Social Survey (1991), reviewed by Harvard's Robert Blendon, documents that Americans rate spending "more on public assistance" 13th out of 14 items for national attention. Only foreign aid wins less public approval. These are the attitudes that must be changed through sustained, locally focused, post-commission activities.

Recently, a number of foundations have taken a fresh interest in the social marketing field, looking for analogies between anti-smoking campaigns or even condom distribution schemes and strategies that could be used to increase positive attention to child welfare issues in America. The Ford and Benton Foundations, the Rockefeller Foundation's Community Planning/Action Projects, the Annie E. Casey Foundation's four-city New Futures initiative, and the MacArthur Foundation's work in Chicago, for example, have each made efforts to expose their domestic, community-based anti-poverty grantees to modern techniques of social campaigning.

These funders and others skilled in mounting information campaigns at the national level could share their expertise with the many unaffiliated, city-wide, collaborative community planning initiatives organized around children/youth campaigns. Well-developed and creative assistance is needed to overcome the quite formidable local opposition to funding appeals for children and youth issues; community colleges need to be convinced to provide apprenticeship, corporations daycare, and taxpayers community service.

Convincing people to support new initiatives is no trivial matter and one that requires assistance and training. In many communities, consensus about the nature of democratic citizenship has broken down. Those who fund, plan and implement programs for vulnerable populations can no longer assume a shared context of civic purpose, but must instead work to

create one. This task demands an expanded repertoire of competencies; among the most critical of these is competency at "case-making," coalition-building, and social advocacy. Urban poverty workers must learn new ways to frame policy discourse, manage the flow of symbols, broker knowledge, and inform and mobilize stakeholders. This means entering the media marketplace and mastering the tools and techniques through which exchange in this marketplace is conducted. Commissions and post-commission activities can play an imaginative role in helping communities with these challenges.⁸

RECOMMENDATION #4: Find Niches and Support Basic Research to Improve Programmatic Responses

Today's social welfare research enterprise is sophisticated, complex and multi-faceted. Rather than always looking at the "big picture," commissions and funders in search of an agenda might seek to identify niches or small hiding places in which fundamental, path-breaking work is needed. The following two examples are illustrative of areas needing both basic and applied research:

Example 1: Focus on Older Youth in Foster Care.

Concern grows daily that the current foster care system will be unable to meet increasing demands resulting from crack cocaine addiction, AIDS, homelessness and other conditions which give rise to the 'no-parent' family.⁹ The press now reports on the resurgence of orphanages and other consequences of these demands. For the most part, current work in child welfare by foundations and governments focuses on the placement of young children and the trade-off issues among state, child, and parental rights and obligations.

Ignored in the foster care debate, however, are the special problems of older children, particularly teenaged youth. Creative philanthropy might play a leadership role in thinking about the independent living skills of teens in foster care who, many fear, are aging out of foster care poorly prepared for work, for post-secondary education, and to contribute as citizens. Activities to develop independent living skills might be connected to city-based

initiatives as described in the preceding recommendations or undertaken as part of a grantmaking body's normal philanthropic agenda.

A number of studies have found links between foster care status and ensuing poverty, homelessness, academic deficiencies, health and social problems. A foundation initiative devoted to preparing foster care teens for self-sufficiency could take many directions, including: (1) helping state revise and substantially improve existing foster care strategies; (2) investing in state-of-the-art assessment protocols to objectively measure independent living competencies, (3) creating norms to determine skill levels and intervention strategies for older youth, and (4) recommending strategies for greater coordination among schools, social service agencies, training programs and others serving 'out-of-home' youth.¹⁰

Demonstrations at the local level could also be implemented and based on rigorous research. Foster care is ideally suited for a program of 'action research' since the works of behavioral scientists and even scholars working in foreign countries with orphans could be brought to bear on the problem.

Example 2: Boarder Babies

Along similar lines, foundations might consider expanding efforts to address the growing problem of 'boarder babies' and other infants who are the hidden victims of the national drug war. Douglas Besharov, writing in a recent issue of Society ("Crack and Kids," July/August 1990) lays out a number of ideas for philanthropy worthy of consideration. He suggests (1) public information campaigns to send the message that parenting and crack do not mix; (2) demonstration projects to improve the capacity of some crack-addicted mothers to keep their children, and (3) demonstrations to coordinate comprehensive service delivery. The last is essential since hospitals, state social service agencies, community programs, the courts and other institutions much each address a part of the problem. Case management and other techniques to connect children and families with needed help are especially important in this arena.

CONCLUSION

Commissions have become an essential part of American social welfare policy. They link knowledge production to utilization, and they have become an important tool in social reform efforts. In the future, we would like to see the efforts of nationally-focused commissions and funding initiatives linked more directly to the needs of urban communities and to the professional human service workers who staff the social safety net. We have also recommended that the tendency of commissions to take on the big theme, the massive reform issues of the day, should be balanced by a dedication to finding solutions to smaller scale problems. These "niches" are no less important than grand themes and they are often more amenable to new research and practical solutions.

Ultimately, the work of commissions and similar projects is the work of communicators. Here, Margaret Mahoney, President of the Commonwealth Fund, captures the essence of the challenges addressed in this paper:

"Most of those who perform or finance the work that could improve society do not see clearly enough that amassing information is only the first step in assuring availability and visibility of the results. If the goal is to develop knowledge that can clarify issues and chart corrective courses, then the ability to generate knowledge has to be combined with equal diligence in disseminating it -- bringing together the technology for gathering and analyzing data with the technology for communicating the knowledge gained. Too few of those who hold the information have been alert to the transforming effect of communications." (1990, Annual Report of the Commonwealth Fund, NYC).

NOTES

1. The Forgotten Half: Non-College Youth in America and The Forgotten Half: Pathways to Success for America's Youth and Young Families. Washington, DC: William T. Grant Foundation Commission on Work, Family and Citizenship, 1988.

2. Beyond Rhetoric: A New American Agenda for Children and Families, chaired by Senator John D. Rockefeller.

3. The writer is of the "we've learned a lot" school of thought. Many examples of these lessons are cited in two co-authored books, What Works in Youth Employment with R. Lerman, Washington, DC: National Planning Association, 1985 and Dropouts in America: Enough is Known for Action with J. Dansberger, Washington, DC: Institute for Educational Leadership, 1987.

4. An entire issue of the Journal of Policy Analysis and Management (Volume 10, No. 4, 1991) is devoted to the relationship between research and family support/welfare policy. Most of the writers in the issue are bullish on the connection.

5. Henry Aaron, Journal of Human Resources, Vol. 25, No.3, Spring 1990.

6. For a discussion of the payoffs and limitations of this knowledge development effort see: Charles L. Betsey, Robinson G. Hollister, Jr., and Mary R. Papageorgiou (eds.) Youth Employment and Training Programs: The YEDPA Years. Washington, DC: National Academy Press, 1985.) See also an unpublished paper for the U.S. Department of Labor, "Core Youth Employment Strategies" by Tom Smith et al., Philadelphia, PA: Public/Private Ventures, 1991.

7. Lisbeth Schorr, Within Our Reach: Breaking The Cycle of Disadvantage. New York: Anchor Books, 1988.

8. Some of these ideas are outlined in a "media and social policy" concept paper, by Paul Aaron and Andrew Hahn for the Heller School, Brandeis University, 1991.

9. Daniel Patrick Moynihan has used this phrase to depict the most recent era of the American family. Once based on a dual parent model, he describes a shift, first, to a single parent and, now, to a no-parent form. As a theme around which to organize a philanthropic program, the "no-parent family" has merit.

10. See Joy Duva and Gordon Raley, Transitional Difficulties of Out-of-Home Youth. Washington, DC: William T. Grant Foundation Commission on Work, Family and Citizenship, April 1988.

YOUTH TODAY

THE NEWSPAPER ON YOUTH WORK

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VIEWPOINT

Still Wanted: Reality-Based Research for the Youth Service Field

■ BY ANDREW HAHN

Evaluation research is meant to help policy makers decide what works best for whom. The logic of such an approach seems impeccable: set up a rigorous social experiment that tests out a strategy of intervention, measure the findings, and then — if you've come up with something effective — institutionalize and replicate. We Americans are especially enamored of this engineering model. But how well does it actually serve the youth service field?

Several years ago, I went to Germany to learn first-hand about their vaunted system of apprenticeships. I expected to discover reams of studies that "proved" the success of their training schemes. I found almost none. "How can you have confidence in your practice?" I asked officials. "Where are your data?" Over and over again, I heard the same refrain: "Apprenticeships go back to the age of the guilds. Culture and history — not evaluation research — tell us what we do works."

In America, where custom and tradition are less well-established, and consensus about youth development strategies is weak at best, we insist on putting programs through their paces. From blue-print, to mock-up, to prototype, to full-production: policy is meant to proceed with neat, mechanistic linearity.

The problem, of course, is that in real life, this engineering model tends to break

down. First of all, the results of demonstration projects in the youth development field are often fraught with ambiguity. Scholars debate the extent to which this reflects limitations in current research methodologies. But the fact remains that social experiments take place not in sterile environments but in settings that are messy and political — breeding grounds for blurred outcomes.

Secondly, even if the findings of demonstration projects were less equivocal, there are rarely the fiscal resources to expand upon proven success. Private foundations often delude themselves into imagining that Washington is the rapt audience for their sponsored research. But the feds have been hamstrung in their capacity to run with positive research results on a national scale, and the Clinton Administration will be no exception.

The research community needs to wean itself of any illusion that if we could just learn what services lead to the greatest positive impact on youth, funders would back the winning strategies. It ain't going to happen — and not just because of fiscal limits on the replication side. The fact of the matter is that there is usually more variation *within* tested strategies than *between* them. Put simply, local performance across multi-site demonstrations is extremely uneven. A better understanding of why would be of enormous practical help to the youth service field.

How, for example, are differences in site performance explained by variations in staffing ratios or turnover, organiza-

tional experience, the talent of front-line staff, financial resources, a customer or consumer approach to youth development, etc.?

The importance of non-profit management, an agency's service culture, the fit between a program and its neighborhood, and how a program's reputation is sustained by word of mouth on the street or within the youth work community. These factors often slide into the background of research studies, including many done by this author.

Social researchers love to put on their white lab coats and ape the techniques of "hard" science. Hence the fixation with measures of central tendency — averages, means and medians — and the predictable result: when the beans are counted and averages calculated, in-the-field variables cause clusters of evaluated programs to come up short.

We all want a focus on impacts and outcomes and the best possible designs to measure such things. But the research community mustn't forget that in many of America's urban communities, youth workers reside in a war zone. During World War II, would we average the results of ambulance runs between hospitals and the battlegrounds? Or would we study why some ambulance teams made it back alive, with their wounded passengers intact, and others didn't?

These themes were brought home to me when I tried to account for attrition in a sample of youth enrolled in the Quantum Opportunities Project (QOP) run by local affiliates of OIC and funded by the Ford Foundation. Upon investigation I learned why some young people in my sample weren't filling out their research questionnaires. They had moved, often every other month. They were in jail. They had been murdered. I wondered how long it would take me to forget about these realities of urban life? How quickly would I treat these attrition factors as "noise" messing up my sample?

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Andrew Hahn

**MANAGING YOUTH DEVELOPMENT
PROGRAMS FOR AT-RISK YOUTH:
Lessons from Research and Practical Experience**

**Andrew Hahn
Heller Graduate School
Brandeis University**



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TABLE OF CONTENTS

Overview	1
Little from Research for Youth Program Practitioners	3
What Is Examined in Youth Program Research?	6
What Does a Typical Youth Program Look Like?	10
Figure 1: Typical Youth Program Components	11
Applying an Integrative Theory to Youth Programs	13
Limitations of the Service Organization Model For Youth Programs	15
Service Delivery Systems	18
Targeting and Recruitment	21
Figure 2: Take-up among Poor Eighth Graders in the Quantum Opportunities Project	28
The Service Concept	29
Operating Strategy: Focus on Leadership and Staffing	35
Conclusion	42
Endnotes and Sources	47
Biography of the Author	54

Managing Youth Development Programs for At-Risk Students: Lessons from Research and Practical Experience

OVERVIEW

This paper reviews how youth programs, particularly programs that try to prepare young people for the world of work and higher education, are organized and implemented in the field. We argue that in many cases the needs of program practitioners are overlooked by the research community. The reasons for this phenomenon are complex, ranging from indifference on the part of researchers, a lack of financial incentives for management studies, and, in some cases, outright contempt for those carrying out services. In the paper, we look at the "inside" of youth programs to help researchers, funders and policymakers better understand the vulnerable status of "second-chance" programs and the daunting challenges faced by those who manage them.

The linkage between research and program practice is not a trivial one. The national debates over the best strategies to help "at-risk" youth have an almost ethereal quality to them: commissions and television specials present the virtues of various program designs; experts describe the need for integrated and coordinated services; policymakers cite studies demonstrating the importance of serving the most needy of the dispossessed; and students in the field agonize over incremental approaches versus radical, structural ones. All of these efforts will flounder, of course, whatever their purpose and content, unless the people who are charged with managing and running youth programs are well trained, motivated, and capable. Too few resources, including but not limited to research, have been devoted to addressing the skill levels and needs of practitioners. Partly as a result, the field is largely a para-professional and ad hoc enterprise, given to improvisation rather than stability and maturity.

We begin the paper with more detail on the problem statement. This is followed by a framework of the major categories of youth program research. Next, we ask what the typical youth program looks like from an implementation perspective. The remaining sections apply an integrative theory to youth programs, by adapting the concept of youth programs as service organizations. The various elements of a service concept are presented, along with limitations of this model. We conclude with some suggestions for re-aligning youth research with program practice.

Our interest in this paper is the field of "second-chance" youth programs that promote the self-sufficiency of disadvantaged groups of adolescents. These programs are often run by community groups, business/school partnership organizations, voluntary associations, training and mentor organizations, community service groups, and others working in poor communities in urban schools, as well as in non-school settings. These programs may be distinguished from the mainstream of public education, the "first chance" system, although both share school and community settings, not to mention many of the same problems. Second-chance programs are, however, generally smaller in scale and most are in the not-for-profit sector. Public education, on the other hand, is a one hundred billion dollar enterprise organized around large-scale public bureaucracies.

Despite these differences, there is a growing overlap between the separate social research literatures. For example, in educational research concerning school reform practices, a great deal of attention has been focused on the role of teacher-centered reform, school-based management, and "effective schools." These research traditions spotlight the central importance of grass-roots competence and management. Although the present paper does not concern itself with K through 12 education practices, the theme of getting "inside" youth programs is analogous to the emerging research literature on school-based reform.

LITTLE FROM RESEARCH FOR YOUTH PROGRAM PRACTITIONERS

Federal agencies and foundation grantmakers have invested billions of dollars over the past twenty years to acquire and utilize knowledge about youth development, employment, education, and self-sufficiency practices. This investment is relatively small when compared to the costs of research and development (R&D) outside the children and youth field and minuscule when compared to the actual costs of implementing and maintaining quality programs for children and youth. Nevertheless, the sum is large enough to attract the attention of internal audiences—those in private foundations who support research—as well as external audiences, including those on the outside who care deeply about the powerful and often symbolic role that R&D plays in signaling new directions in social policies.

What has been the impact of this public and private investment? The answer has to be: "Mixed." A number of examples could be cited showing that significant change has taken place and that important lessons have been learned.¹ In one such instance, the significance of basic research in the late 1970s pointing to the slowdown in cognitive growth that occurs in the summer months was quickly recognized by policy research "synthesizers." They took this rather obscure research and used it to recommend that basic skills remedial services be added to summer jobs programs. Today, as a result of legislative changes reflecting this basic research finding, nearly one-third of the 700,000 or so poor youth served in federally funded summer jobs programs receive some sort of assessment and many actually receive academic enrichment services. Another example is the string of research projects on state work/welfare programs undertaken by the New York based intermediary, MDRC. These studies have been widely cited as influencing in a positive way the formulation of the Family Support act of 1988.² That Act will have profound implications

for determining how various groups, such as teen parents, will be served in second-chance programs.

Some important exceptions aside, however, the fact remains that few of the lessons learned in the demonstrations and pilots of the past decade seem to have had widespread impact. In part, the problem stems from the sometimes fitful nature of support that research and development receives: Research is often viewed as an expendable item in lean budgetary years. However understandable, this response has severely limited the ability of research findings to affect practice. Researchers must scramble to obtain outside funding for their "next" project; typically, researchers do not have the necessary resources to stick with an issue and to assist in the dissemination and adaptation of policy ideas in the field. As a result—and funding is just one explanation—more often than not, we continue to find that local programs fail to reflect research-based knowledge of effective practices.

Two recent books examine the tendency of nationally focused researchers and policy advocates to overstate and occasionally delude themselves on the degree to which their efforts effect lasting changes in public policy: Robert Haveman's *Poverty Policy and Poverty Research: The Great Society and the Social Sciences* (University of Wisconsin Press: Madison, 1987) and Richard Nathan's *Social Science in Government: Uses and Misuses* (Basic Books: New York, 1988). Both trace the impact of research and demonstrations on actual changes in public policies and both conclude that the effects have been mixed and often marginal. In reviewing these books, Henry Aaron concludes that, "in a world of public policy a research paper initially is no more than a rumor believed by one person—its author."³

In a case of major significance, the Youth Employment Demonstrations Project Act (YEDPA) of the late 1970s, one of the largest

programs of social research and demonstration activity aimed at one single group (disadvantaged youth), the Act proved, at best, a qualified success.⁴ Though it contributed to our understanding of the issues, its critics have stressed the limited range of definitive research answers it provided. At its conclusion, basic questions remained unresolved: Is work a good or bad thing for young people; how much is too much; should dropouts be given basic skills training to read and write before, after, or coupled with a job; what is the best way to assess reading skills; how do you get collaborative strategies to work when trying to assist poor children, should job training agencies focus on work, socialization skills, basic skills, or family matters? YEDPA is a good case study because its achievements were all too often overshadowed by people's expectations for it, by its complexity, by the limitations of applied social techniques, and by the inadequate efforts made to translate its findings for subsequent use by practitioners.

In summary, most social research on youth programs has not had the kind of dramatic impact on local practice that one would hope to see. The challenge of linking research on youth programs to improved management practice is admittedly a complex one. In some instances, research has not been reviewed with utilization by managers in mind. Here the challenge is to better state or translate the managerial implications of the research. In other situations, we lack the prerequisite knowledge of how to take lessons from one place and transport them into other locations. Lisbeth Schorr writes, "devising strategies for surmounting obstacles to widespread replication is as difficult as devising a successful intervention in the first place (1988)."⁵ In still other cases, the research is not disseminated to the right people even though it may be highly relevant to the concerns of local practitioners. The solution here may mean concrete efforts to identify an appropriate audience at the service-provider level, and fresh attempts to forge working relationships between researchers and managers. Finally, in many instances, the right research

questions—from an implementation perspective—have not been asked at all.

Leadership in bringing research and development to bear on local youth service practices will be needed if better outcomes for children and families are to be achieved. One important reason to care about this matter is that research can help shape a field's knowledge base, which in turn may be used in the professionalization of the field. Simply put, no group evolves into a true profession without detailed knowledge of its own practices and standards for success. Whether the problem is failure to translate research findings into language the busy executive can understand, a break-down in the replication process, an inadequate dissemination plan, or the asking of irrelevant questions, the result is the same—an underdeveloped field that lacks knowledge of effective practice.

The present paper builds on this critique and, in particular, points to the need for a new kind of youth research that is responsive to implementation issues. It explores some of the limitations of social science to shed light on the implementation of "second-chance" youth programs and then goes on to examine some of the common building blocks of most youth programs. These building blocks include such factors as: outreach/marketing strategies, service delivery decisions, staffing, sequencing of services, attrition and program drop-out prevention, program linkages, and funding. We hope to show the importance of focusing intellectual resources on these factors and the necessity to re-focus R&D strategies to yield reliable information about them.

WHAT IS EXAMINED IN YOUTH PROGRAM RESEARCH?

It has become conventional to discuss research and development in two broad categories: *knowledge production* and *knowledge applications*.

Knowledge production includes: (1) *basic knowledge production* on the nature and causes of human resource-related problems, for example, displacement of young workers from jobs by unemployed adults or the special problems faced by Hispanic youth just entering the labor market, (2) the *collection of social statistics*, (3) the *evaluation of social programs*, and (4) *social experiments* in which knowledge of the experimental impacts and implementation is generated.

Knowledge applications include: (1) *demonstration projects* in which, for example, specific program designs or financial incentives are tried in the field after basic research has identified the nature, importance and feasibility of the trials, (2) *materials development* to aid the implementation of human resources programs, and (3) *efforts to synthesize, disseminate, or use knowledge* of human resource problems. The latter category might also include training initiatives and staff building activities.

We know of no source of information in the youth field that allows us to estimate how current expenditures are distributed among these categories or similar ones. How much is spent for knowledge production vs. application, basic research vs. evaluation, or demonstrations vs. dissemination? How much is spent on specific substantive topics? Who does the R&D and where are they located? How much of the R&D is aimed at federal workers, Congressional staff, practitioners in the field, state policy makers, urban planners, or others? Clearly, the youth R&D community is more reflective about issues in the field than about its own organization and priority setting processes.

We have observed, however, that most R&D in the youth field may be characterized as a "social engineering" approach to youth development. This research strategy entails a search for the best mix of services and optimum program design, as if this architecture alone would guarantee a successful experience for participating youth. Put differently, most youth

R&D has involved tests of formal models of program designs and the search for impacts in the post-program period.

This emphasis on program models reflects major changes in the research community itself. As researchers developed new, sophisticated techniques of social experimentation and impact analyses, it was not unusual to find that they would redefine research questions to match the quantitative techniques at hand.

Consider random assignment social experiments, first popularized in the Negative Income Tax Experiments of the early and late 1970s, and now commonplace.⁶ The kind of question asked in these rigorous research designs is, "what mix of services works best and for whom?" "Working best," in this context, is defined in terms of post-program outcomes and this in turn invites use of comparison or control groups.

Questions about how, why, and where something worked have not been entirely overlooked, but are typically subordinated to the primary concern with the "impact"—a determination of overall program effects. In fact, implementation analysis in the youth field has often been reduced to a set of "control" variables in econometric models explaining program effects.

There has been some public management research of interest, mostly qualitative and performed by political scientists. Generally, this research has been associated with the American Association of Public Policy Management and its journal, *Policy Analysis and Management*. This strand of research has great vitality and its growth is at least as significant as the emergence of research based on the social experimentation model. But the new public management literature has rarely been focused on youth self-sufficiency programs and more often than not is focused on

public policy implementation in the field, rather than program management practices in and of themselves.⁷

Another factor in this critique of recent research in second-chance youth programs concerns the erosion of the importance of place or location in national studies. Although multi-site demonstrations are commonplace, the researchers who tally up the outcomes from such studies tend to develop policy implications from the aggregate, combined-site, impacts. Put differently, the separate site effects are presented and analyzed, but what is highlighted is the grand mean of program effects.

Attention tends to be on discovering whether the grand mean is a big number or small number, a good effect or bad one, rather than on explaining why some sites do better than others. In fact, site differences are often quite large in these multi-site demonstrations, but their differences are obscured by using a measure of central tendency to express impacts and effects. In simple terms, researchers have often thrown away good information by not pursuing more vigorously the differences between high performing sites and poor sites.⁸

We believe that the field of youth development needs this kind of site-specific information to develop appropriate theories and models of intervention. With this information in hand, however, there is no guarantee that a cohesive system of programs would automatically develop. Put differently, knowledge that sheds light on inter-site differences still begs the transferability/replication problem. Here a comparison between the second-chance youth development field and mainstream education may be instructive. In the former, we have scanty information about site-specific variation while in the literature on public schooling, there is considerable depth. As a result, we would argue that public education research is now ready to confront the replicability challenge whereas second-chance youth programs are still in the basic knowledge development stage.

WHAT DOES A TYPICAL YOUTH PROGRAM LOOK LIKE?

When youth programs are described in the general literature, they are labeled in one of several ways. The programs may be described in terms of the target groups served, for example, teen parenting programs, dropout programs, or "at-risk" youth initiatives. Another alternative is to focus on the sponsoring entity, for example, school-based services, community programs or business-school partnerships. A third possibility is to describe youth programs in terms of the primary service delivered. Summer jobs programs, work experience, basic skills—all are terms that aptly describe youth programs.

These descriptions are simple and useful but they do not evoke the inner workings of youth programs, the guts of the programs' implementation. We seldom hear of the XYZ outreach program, or the intensive staffing initiative, or the ABC case management model. These functions are embedded in youth programs; their meaning is implicit rather than a formal part of the program description.

What we call something reflects the value placed on it. In the youth field, we tend to think of target groups, sponsoring agencies, and services as the principal elements that help to explain program success or failure. As noted above, the youth program evaluation literature is replete with studies of the differential impacts of programs, organized around various client groups, service providers, and services. Less has been written about the generic elements of youth programs, their management functions, and organizational factors.

And yet, as we shall see, the differences between programs can quickly be traced to the variable capacity of the programs to deliver high

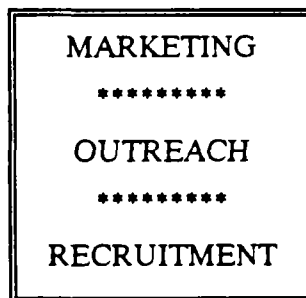
quality services. If these factors are ignored, evaluators and funders face the danger of ascribing success or failure to the wrong set of factors.

What does a typical youth program look like? The following schema illustrates the general shape of the "typical" second-chance youth program in the United States:

FIGURE 1

TYPICAL YOUTH PROGRAM COMPONENTS

**EXTERNAL
FUNCTIONS**



GENERIC FUNCTIONS

- Staffing
- Management and Operational Controls, e.g., MIS, fiscal
- Linkages and Collaboration with other agencies
- Funding
- Meeting Performance Standards

IN-PROGRAM FUNCTIONS

- Intake
- Orientation
- Assessment
- Service Delivery Decisions
- Services (e.g., work experience, basic skills remediation, occupational skills training)
- Sequencing of Services
- Attrition Prevention
- Exit and Placement
- *****
- Ongoing Case Management
- *****
- Follow-Up/Post-Program Services

APPLYING AN INTEGRATIVE THEORY TO YOUTH PROGRAMS

Second-chance youth programs are, first and foremost, service organizations. In James Heskett's influential 1986 book, *Managing in the Service Economy* (Harvard Business School, Cambridge), he characterizes service organizations as those that are largely occupied by white-collar workers, that are labor-intensive, and that produce something that is intangible. Heskett devises a list of basic service elements that comprise the "strategic service vision" of an organization: targeting a segment of the market; having a well-defined service concept; a focused operating strategy; and, a properly designed and executed service delivery system.

These concepts are helpful, although not without limitations, for understanding youth program management. The next two sections deal with the utility and limitations of the service concept as applied to youth programs.

Targeting. Consider the first element in Heskett's service vision—*targeting*. Most youth programs must decide on the target groups to be served, such as teen parents, dropouts, or particular ethnic groups. They must calculate what they hope to accomplish in terms of "market share" and how they will deal with competition from other, perhaps similar, human service agencies. In the language of management science, segments of "customers" must be identified before the organization designs its product or service. Should the program enroll all eligible teenage parents or a subset of them (for example, those with children in a particular age range, or parents with a certain level of basic skills or work experience)? Should the program focus on Hispanic youth and if so from what neighborhoods or feeder schools? Should a particular mentoring program seek poor young clients in the middle rung of school achievement (with mostly C grades), the top half, or bottom rung?

The Service Concept. The notion of a *service concept* refers to an organization's attempt to fashion a structure, culture, and ideology that help "customers" understand the business of the program. A typical youth program in the business of providing, for example, summer work experience opportunities for poor, minority youth, may adapt a service concept that signals young enrollees, in a variety of ways, that the program is in the summer jobs business, not the comprehensive training business, the counseling business, or the entrepreneurship business. Another organization, by contrast, may have a limited range of services, but its ideology and reputation in the community depend on the creation of a different service concept, one stressing comprehensive services, long-term support and a nurturing, family-style approach to programming. Other examples come to mind: one youth program's service concept may turn on the model of empowerment and self-reliance, while another program may concentrate on service supports or income transfers. Service concepts reflect the programs' philosophical beliefs about the underpinnings of persistent poverty, youth unemployment, and young peoples' involvement in a variety of unpleasant alternatives to the mainstream.

A Focused Operating Strategy. The third element in Heskett's paradigm is the *focused operating strategy*. This is the heart of the service organization's management: operational systems, financing, marketing, human resources, and management control systems are all harnessed to help achieve the goals of the service concept. Here the senior leadership of youth programs must figure out which of the elements in an operating system are most important to achieving the service concept. Which must the organization use as the key or leverage to produce the most impacts? How can systems be modified, invented, and organized to reflect the targeting and service concept decisions?

The Service Delivery System. The fourth component is a well-designed *service delivery system*. Even if an organization has carefully

segmented the market and identified an appropriate target group, even if the service concept is understood by staff, clients, referring agencies, and parents of clients, and even if all basic management systems are in place, if the service delivery system fails, the program, ultimately, is likely to suffer as well. In youth programs, the service delivery system is comprised of the front-line functions that are implemented by counselors, job developers, classroom instructors, and case managers. It is the system that the client understands and interacts with, beginning with an orientation to the program; followed by assessment and testing; service delivery decision-making and choices; counseling and other preventive measures to prevent early attrition from program components (especially if the client is referred to successive waves of services); and, finally, some sort of exit and placement formality when the client completes the training and is ready to leave.

These simple concepts provide a framework for thinking about youth program management and the usefulness of current research. They are not the only concepts we could have drawn on, but they are reasonably straightforward, unlike much of the pseudo-scientific material appearing in the popular management literature. Having said that, the concepts are not without limitations.

LIMITATIONS OF THE SERVICE ORGANIZATION MODEL FOR YOUTH PROGRAMS

Second-chance youth programs are, of course, quite different in size, scope, and purpose from most of the organizations that Heskett and others include in the service sector. The most notable difference between private-sector firms and second-chance youth programs is the manner in which the youth programs are funded. In contrast to the free market of profit and loss enjoyed by private-sector service organizations, youth

programs (whether government-funded or funded by private sources) generally do not receive revenues directly from their customers, the youthful trainees. Rather, the programs rely directly on outside grants and contracts. As a requirement of attracting and keeping these grants and contracts, youth programs must satisfy fiscal requirements and meet targeting and performance standards established by government agencies and external funders.

The eternal quest for outside funding and the complexity of the tasks involved in meeting these standards can be significant inhibiting factors in effective youth program management. This is a theme that surveys of youth program managers have consistently revealed.⁹ Managers complain of being undercapitalized; having too little money in administrative accounts; having inadequate or no discretionary funds for contingencies; having unworkable demands placed on their fiscal and human resource systems (e.g., the resources that most youth programs must devote to prevent audits and to avoid disallowable costs are considerable, if not unbearable in their view); and, of course, of being forced to serve people whom they may not choose to serve. The customers in this sense are not the young clients but, rather, the external funders.

In the case of Job Training Partnership Act (JTPA) programs, the nation's largest funder of second-chance youth programs, the external funding of local programs is translated into requirements at both ends of program participation. At the front end—client selection—there are a number of special problems for youth service organizations. Some clients, for example, while meeting particular formal eligibility standards set by funders (usually, family income), may not be suitable for the programs on the basis of skills or motivation. Alternatively, the programs may not be able to serve people who want to join the programs but cannot because they do not meet official guidelines. At the other end, program completion, programs are rewarded financially only if they meet particular

standards, for example, having certain percentages of young people placed in jobs or attaining agreed-upon youth employment competencies (for example, reading at a certain level or acquiring knowledge of how to write a resume). These arrangements can lead to a number of perverse incentives, such as serving only the most able of the poor ("creaming") or arranging short-term services with more certain positive outcomes rather than long-term services with unknown outcomes.

Much has been written in a general sense about these constraints on youth program service organizations. There are a number of reports by the Government Accounting Office, the Congressional Budget Office, special commissions, and others about the unanticipated effects these targeting and performance regulations have on youth programs.¹⁰ But even in these reports, one does not find a fine-grained analysis tracing how these rules actually affect management practices—the targeting decisions, the development of a service concept, an operating strategy, and appropriate service delivery systems. The conventional wisdom is that these rules and regulations do have an impact, but there are surprisingly few studies that disassemble youth programs to document the relationship between the mandates of funders and the program management of youth service organizations.

In the following sections, we shall present some illustrative information drawn from several youth program evaluations and studies that are part of the present generation of initiatives. One goal is to highlight some interesting research-driven lessons that shed light on the service functions of second-chance youth programs. But another goal is to point out the limitations of current research and to suggest some themes related to the service concept that may be useful to those wishing to improve our understanding of youth program implementation.

The material is organized around the four elements in the service vision framework: a well-designed service delivery system, the targeting challenge, the development of a service concept, and a focused operating system.

SERVICE DELIVERY SYSTEMS

Unlike the other elements in the service vision framework, service delivery systems have received enormous attention in published research. In fact, most research on youth programs tries to answer "what works best" by comparing the efficacy of various service delivery systems, such as basic skills instruction, work experience, job placement, support services, and occupational training.

An explosion of manpower research that began in the 1960s has continued unabated since that time. Beginning in the 1970s, the manpower field became dominated by economists anxious to try out the latest econometric models to assess post-program impacts. To carry out these studies, programs had to be placed into logical categories, sometimes arbitrarily so, such as work experience, classroom training or educational programs. These global categories often obscured the real purposes and meaning of the programs but did lead to comparative statements about the effectiveness of broad service delivery systems.

If over-simplification was the price to pay for this era of programs, the movement did serve the field well by helping to send a message to practitioners that some things *do* work. The gospel throughout the late 1970s and early 1980s was that "you got what you paid for" and "some things did work." This message was meant to counter the image created by Charles Murray (1984) and other writers that social programs were a failure, and that participation in such programs actually made life worse for clients by creating dependency and a false feeling of security.¹¹ The

manpower research community's response was an important message to send to a field that was undergoing professional development and needed its own knowledge base to ground practice, theory and change.

For example, the synthesis of research on service delivery showed that short-term, inexpensive job search programs led to short-term gains that eroded over time. Longer term, more expensive programs, such as Job Corps, led to more enduring results, up to four years post-program. Occupational training programs seemed to lead to the largest post-program gains, but the impacts were chiefly clustered in the clerical trades for women. Moreover, not many trainees overall were offered vocational training. Most recipients received job search assistance or placement help lasting only a few weeks. Work experience programs, such as the summer jobs program, didn't work as well as work experience combined with basic skills instruction. Subsidized jobs programs improved youth earnings and employment during the period of program participation, but were politically unattractive.¹²

Practitioners learned from such findings, and the results helped stimulate a new generation of programs: academically enriched summer programs, long-term comprehensive youth programs, community service, mentoring, apprenticeship, competency-based programs, and the basic skills movement.

Some issues that had been overlooked by the "service delivery" school of research have only recently begun to receive attention. A good example is investigation into the links between services and the sequencing or ordering of program offerings. Once there was recognition that single-service programs were often not up to the task of meeting the multiple needs of at-risk groups, a few, but not enough, researchers began trying to understand the linkages among services and the ordering of services. Like

all new research initiatives, this interest is not without controversy and much new work remains to be done.

An illustration of the new research is the Minority Single Female Parent (MSFP) demonstration funded by the Rockefeller Foundation and administered through community-based organizations in four cities. This study has been concerned with the population of women who often become dependent on public assistance. Researchers found after talking with women entering the MSFP programs that the enrollees were looking for tangible job skills, work experience, and money to support their young children. Many, however, had an aversion to classrooms, associating remedial education with negative school experiences in their past.¹³

Although the conventional wisdom in job training today is that trainees need first to acquire the basic skills of reading and math before moving on to occupationally specific job training, the early results from the MSFP demonstration argues the opposite—that welfare reform and job training are undermined if single mothers are placed in a service in which they have no interest or motivation. In fact, in three of the MSFP demonstration sites women were placed primarily in basic skills programs and did not experience positive post-program outcomes. In one program—San Jose's Center for Employment Training (CET)—the model called for vocational training. The women in that program did quite well in terms of post-program employment and earnings relative to a comparison group.

In interpreting the results, some have argued that the data do not support the policy implications cited in press releases and research summaries, that basic skills programs don't work or do not matter. In fact, these critics argue that the MSFP demonstration may be revealing simply that the CET program had more able staff, a better service concept and a better run organization. Still another explanation goes to the sequencing

issue. It may be that vocational, hands-on training in a worksite setting is indeed the best entry-level strategy for women. But the MSFP experiment is silent on whether after the women are hooked on skills training, education can be introduced to bring their academic proficiency up to an acceptable level.¹⁴

In summary, researchers' interest in service designs has of late become more sophisticated. No longer content to simply compare one "silver bullet" to another, the new emerging research is digging deeper into how service delivery is organized. But this is just the beginning of a much needed greater research effort, a tradition which would truly be useful to help the process of program implementation. More studies are needed and special efforts will have to be devoted to translating such research findings into usable formats for busy program managers.

TARGETING AND RECRUITMENT

Even under the best of circumstances, recruitment of young people into youth programs is no easy task. Typically, youth programs seek youngsters who are motivated and/or who have been screened or referred by other agencies. But, sadly, many social programs compete with one another for funds, as well as for clients, and as a result they may not cooperate on recruitment. In other instances, the agencies simply do not know whom to call in other agencies for referrals and information about particular clients. This is especially true when community groups try to get information about potential clients from the schools. Moreover, agencies have few resources to devote to the administrative functions of outreach and recruitment. These tasks are frequently carried out by the least experienced of program staff (who start their careers placed in the "front-line") and by those who may be poorly paid. The result of all this can be detrimental in the long-run. Once a program "blows" its reputation in the

community, it might take years to regain the confidence of potential young clients.

If recruitment is not an easy process normally, consider the special case of programs funded primarily by federal dollars. In the previous section, we described one dimension of this issue, the "creaming" phenomenon. We noted the pressures placed on youth programs by external funders, especially programs funded under the Jobs Training Partnership Act. The results often lead to client selection processes that run contrary to the good intentions of Congressional planners. For example, in JTPA, Congress may have had in mind a program that serves the economically disadvantaged but because of the way that fixed-unit-price contracting works, along with performance standards that encourage quick turnaround job placements, the programs tend to serve the most able of the poor rather than the poorest and least able segments.

Although this phenomenon has been described in general terms in the policy research literature, there is surprisingly little research on how creaming actually manifests itself through the generic functions of outreach, eligibility selection, other selection processes, assessment, intake, contracting, and service delivery.¹⁵

A closely related theme about targeting that has received little attention in the research community concerns a guarded, inside secret that advocates, in particular, do not like to talk about: underfunded American youth programs rarely have long waiting lines. In most parts of the country, administrators can not get enough young people to fill the programs. Advocates speak of the fact that JTPA is funded at a level only large enough to serve but five percent of the eligible population. This is certainly true but it leaves the impression that the process of targeting is so developed that long lists of eligible, willing program participants are available. This is not the case, yet little research has been conducted on

why youth programs have difficulty recruiting young people. Is it the reputation of the programs, the availability of alternative opportunities in the community, the requirements of the programs, or perhaps the inadequacy of outreach techniques?

Without better research on these phenomena, policymakers, quite understandably, are faced with a limited number of choices: cut programs until there is more demand for program services, force people into programs through Learnfare and Workfare schemes, or force unwilling program participants to stay in the programs when retention isn't doing anyone any good.

These themes are developed in a fascinating little paper by Max Elsman, "Frankie and His Friends: An Adventure in Social Marketing," (1989) prepared for MDRC, the well-respected think tank in New York. Elsman attacks youth program planners for virtually ignoring the targeting and marketing challenge. He argues that

at its simplest, marketing is concerned with only a single question, "What does this person want and what is he or she willing to do in exchange for it?" Only the "customer," not the "seller," can answer this question. Consciously or not, the customer will base the answer on two considerations:

- (1) Price: The time, trouble and expense of acquiring a product or service; and
- (2) Value: The customer's perception of whether it is worth the price.

Repeating some of the themes of this paper, Elsman says these concepts are commonplace in the private sector but in social services they are as foreign as "Sanskrit." He then goes on to describe how youth programs concentrate on the "needs" of clients rather than to their "desires" when shaping program designs. He suggests that program managers should spend more time doing market research, that is, talking

with potential customers to discover what they want and are willing to do to get it.

After interviewing Frankie and some of his friends, Elsman concludes with some customer-centered implications for reaching young people, including:

- Sequencing services so clients get what they want when they want it. Educational services, for example, are a hard sell for newly enrolled older youth, so Elsman calls for work experience and income-generating activities in the early stages of program participation. This recommendation is echoed in the previously cited Rockefeller Foundation report, the "Minority Single Female Parent Demonstration."
- Focusing not so much on jobs or income but on what these assets can buy, such as an apartment or the ability to "get Mom out of the projects." Some programs have responded to this challenge by offering a variety of financial incentives for participants, but again, little is known from careful studies about the efficacy of these initiatives.¹⁶

Most research on targeting has asked what services work best for various target groups. This research is not so much concerned with targeting as it is with program designs for various groups. A good example of this latter tradition is the ongoing evaluation by MDRC of the multi-site Jobstart demonstration for young high school dropouts reading below the eighth grade level. The Jobstart model tests various "service mix" combinations including basic skills instruction, occupational skills training, job placement assistance, and individually tailored support services within a non-residential JTPA framework. When the final impact study is produced,

the field will have a better sense than ever before on the right mix of services for the most disadvantaged group of youth, school dropouts.

Meanwhile, the MDRC researchers have been busy monitoring the implementation of the Jobstart demonstration. The early reports from MDRC show that many sites faced substantial challenges in successfully recruiting and enrolling dropouts.¹⁷ The sites that had carefully crafted recruitment strategies in place in advance were generally able to meet the challenge. Similarly, sites that tailored their services to the special needs and interests of customers appeared to do better with respect to recruitment. These results certainly confirm the premise of the present paper that management factors often overlooked by researchers, policymakers and funders, are central to youth program successes.

Among some of the other findings of interest on recruitment from the Jobstart evaluation are these:

- Programs cannot rely on walk-ins but must aggressively recruit youths. This supports Elsman's point on the importance of making recruitment a full-time "service" function.
- Some groups, such as young men, are harder to recruit than others. This finding is symptomatic of the general "feminization" of youth programs that has occurred over the last decade. Many people are working on solutions to this problem, but most of the attention is concentrated on changing program designs (e.g., devising mentoring efforts with community role models, locating programs where young males live, such as housing projects, or establishing "all male minority" high schools) rather than on changing recruitment and outreach practices.

This leads to another aspect of recruitment and targeting that has been incompletely studied by the research community—the take-up question. How many youth will step forward and take advantage of a youth program opportunity? This simple question is not so easily answered by conventional means and yet it is central to the social marketing and targeting challenge.

Nearly every youth program is able to report enrollments, and many (but not all) can report from their management information systems (MIS) how many youth persist through the programs. This information is, of course, limited since it does not involve a comparison to what would have happened with enrollments in the absence of the programs.

In social experiments with random assignment, or quasi-experiments with contrived comparison groups, we are able to go further. Through the use of comparison or randomly assigned control groups, the researchers can look at enrollments in comparative terms. For example, an evaluator might be able to report that, on average, a demonstration enrolled, say, 72 youth of the 100 originally assigned to the treatment group but ten percent of the 72 were no-shows, compared to a 55 percent participation rate in alternative ("life as usual") programs among control or comparison group members.

Does this mean that the program raised the share of participants from 55 to 65 percent (the experimental rate minus the no-shows)? Unfortunately, even random assignment is no guarantee that the "take-up" issue can be answered satisfactorily. Consider how such studies are conducted. Typically, evaluators ask programs to over-recruit and then they randomly assign from this pool of equally motivated program seekers. But if everyone in the pool is a volunteer program seeker, then the take-up issue has not been properly addressed. The procedure leaves out

unmotivated people—just the kinds of people whom programs should want to target under the proper circumstances.

To study "take-up" in and of itself, a different kind of experiment has to be conducted, an experiment in which the evaluators identify through random means a list of individuals and then give the list to program operators and say, "here is your list of eligibles . . . some may be interested in your product, others, like Frankie above, may have no interest. Some may be perfectly suitable for the program and others may have overwhelming barriers . . . Try to recruit as many as possible into your program . . ."

In fact, this kind of experiment is underway at Brandeis University's Heller Graduate School with support from the Ford Foundation. The five-city Quantum Opportunities Project (QOP) tests a comprehensive youth initiative for very poor eighth graders. Each project is run by the community-based organization, OIC, and each involves a mix of services delivered after-school and in the summer starting in ninth grade and continuing through high school graduation. Students are given special financial incentives for participating, including small stipends and an accrual system of payments. For every 100 hours of education, development, or service activities completed, funds are earmarked by formula for college or post-secondary training.

Each of the five QOP sites was given 25 names, chosen at random, of in-school neighborhood eighth graders from families receiving AFDC. The research results, to date, have confirmed what the public management and program implementation literature predicts: *the varying success of the programs in recruiting youngsters has more to do with the quality of the staff, the availability of an effective service concept, and mundane management considerations than the nature of poverty in the community, the characteristics of the children, the service design or other "external" variables.*

The QOP sites—Philadelphia, Oklahoma City, San Antonio, Saginaw and Milwaukee—used various recruitment techniques to interest young people from lists of 25 "potentials" in each site. They tried the "personal touch," for example, going to potential clients' homes, taking walks with them or visiting churches. They used former participants to recruit new ones, and they used "street work" by visiting the "potentials" where they played in parks and school yards. They sent notices home, pulled kids out of classes, read names over loudspeakers (this didn't work well . . . the young teens felt they were in trouble and ignored the announcement) and the staff held special orientation meetings. One staffer nearly caught pneumonia knocking on doors of a housing project to reach homes that did not have phones.¹⁸ The varying results of all this frantic activity are shown in the following figure:

FIGURE 2

TAKE-UP AMONG POOR EIGHTH GRADERS IN THE QUANTUM OPPORTUNITIES PROJECT

SITE	Number Active, out of 25 Potential per Site	
	In First Two Months	In First Six Months
Oklahoma City	17	10
Milwaukee	8	1
San Antonio	23	23
Saginaw	22	21
Philadelphia	24	17
Total	94 (or 75%) of 125 potential	72 (or 58%) of potential

It would be helpful if we could say with certainty which recruitment (and retention) strategies worked better than others in each of the sites. More research is needed to answer this question with certainty.¹⁹ Our implementation analysis of QOP, however, indicates that the "glue" that holds the entire strategy together is the skill, motivation and capacity of program staff. Our findings show that the level of agency commitment to QOP, the experience of front-line staff, the freedom of the staff, and the agency's "service" culture are often more important in explaining the results in Figure 2 than the characteristics of the cities or the qualifications of the youth.

Surprisingly little attention has been devoted to the role of staff in human resource programs. Although an occasional reference is made to this element in the service framework, the personnel function has not received the kind of attention it deserves.²⁰ We take this factor up in a separate section. But first we consider the importance of a "service concept" in youth programs.

THE SERVICE CONCEPT

The private sector is consumed by the notion of a service concept. Organizations voluntarily undergo rigorous self-examination to determine their appropriate niche in the marketplace, to gauge and fine-tune their philosophy, and to establish their unique approach to their product and customer base. If they cannot readily discover and differentiate their own service concept from that of their competitors, they hire consultants to help them. The popular management literature is swamped with instructions and examples to help private sector managers make these choices.

Social programs also develop reputations, shaped by their philosophical principles and the way they approach the training enterprise of which they are part. Sometimes the service concept of a local youth program takes hold in the community, and potential customers are able to articulate the philosophy of the program. More often, though, the service concept is a closely held secret known only to clients who move quickly through the program.

Programs use many techniques to reinforce their service concepts. The service delivery system itself is the starting place: a heavy dose of self-paced individualized instruction says one thing about a program's service concept whereas a series of experiential group and empowerment activities sends another message.²¹ Often the "little things" reinforce the concept, such as the style of counseling used, or the wearing of special uniforms, the paying of stipends, or even the physical layout of the programs.

The program evaluation literature mentions these elements in footnotes, brief paragraphs or passing references. We hear of the importance of the voluntary marching cadet corps within Job Corps, but it doesn't attract much attention. Evaluations of the Jobs for America's Graduates and 70001 LTD youth programs mention the "bonding" exercises (such as recognition dinners and alumni meetings), which help instill the service concept within those organizations, but these elements are not studied in and of themselves.

Occasionally, the service concept itself becomes indistinguishable from the service delivery system. Consider, for example, the California Conservation Corps' approach to training. The CCC style of training has been described as "tough love" or boot camp with a heart. Indeed, the entire American community service movement may be characterized in service concept terms. These programs are defined by their service concept: returning something to the community, learning the skills of

democratic decision-making, citizenship. In the constellation of youth programs, however, this is the exception rather than the rule. Generally, the service concept is not well articulated and only incidentally integrated into the service delivery system.

The national youth program, Career Beginnings, illustrates some of the complexities faced by youth programs that set out to develop thoughtful service concepts. Begun in 1986 with support from a group of prestigious national foundations, the program operates in more than 20 cities with a national office at Brandeis University. The program in the field was initially labeled a "mentoring" program and soon gained prominence and a leadership role in the burgeoning field of mentoring programs for disadvantaged youth. The "hook" of mentoring was a useful one, at first, since it was easier to understand, and express, than more complicated labels, such as "comprehensive education and employability" program. Quietly, however, the staff of the program have grappled with the pros and cons of this service concept construct.

The Career Beginnings service design was simple enough. Local colleges would be recruited to operate the program in their communities. Staff would select one or more high schools to identify a group of approximately 100 "tenacious" high school juniors—those with average grades, who were not at risk of dropping out but who were not college bound. The students would receive a set of services, including the mentoring services (an adult mentor recruited from the community, college, or business community would be matched to a young person and be expected to meet at least monthly), academic skill improvement, higher education awareness programming (such as SAT preparation courses), and career planning. Summer jobs, support services and case management were other elements of the service design.

From the beginning, staff attention was focused on managing the development of a consistent, stable service concept for Career Beginnings. Some of the elements in this story are reviewed below:

The principal funder, the Commonwealth Fund, helped stimulate the growth of Career Beginnings based partially on the exciting potential of mentoring and similar voluntary efforts across the United States. The foundation was attracted to the idea of the extensive use of voluntary mentors to assist and guide disadvantaged youth. While respectful of professionally run local youth programs, the national funder sought a laboratory to gain a better understanding of the many complex ideas associated with running a mentoring program of volunteers.

The national program office staff, however, was doubtful from the start whether *mentoring*, in and of itself, was a sufficient program element. Familiar with youth program research that argued that comprehensive programs were more likely to work than single service efforts, the national staff helped to design a model that included many elements, from summer jobs to college planning. Moreover, the staff was fearful of the penchant in America for "silver bullet" approaches to social programming. Largely for public relations and development purposes, however, in the early days of the program, staff embraced the mentoring service concept. Over time, staff learned that mentoring was indeed a powerful and often effective force in the arsenal of tools available to help poor youngsters. But the "tag" of mentoring proved, as expected, to be a mixed blessing. It certainly brought much needed national attention and external financial support, but at the same time, the original fears of the staff were reinforced when hundreds of new mentoring programs developed across the United States without the professional infrastructures in place to sustain them. Not wishing to be painted with the same broad strokes, the national staff of Career Beginnings carefully tried to distance themselves from these vulnerable, "here-today-gone-tomorrow" mentoring programs.²²

Other complexities further confused service concept development: Career Beginnings was run by colleges and, naturally, put a heavy emphasis on attendance in post-secondary educational institutions after high school. But the program staff could not fully embrace the *school-to-school* service concept because a minority of the youth enrolled in Career Beginnings were not interested in or ready for college and were instead interested in a *school-to-work* program. Moreover, staff and the program's board were sensitive to charges that a program that designated itself "school-to-school," was somehow engaged in "social engineering," telling young people what to do rather than allowing them to make their own informed choices. Was Career Beginnings a college-bound or work-bound program? Staff argued that both purposes applied but for every pronouncement of that fact, more confusion among funders, advisors and friends of the program reigned.

Career Beginnings set out as a *partnership* effort, involving business people as mentors, community groups, public school educators, and college staff. The staff toyed on and off with the idea of marketing the program as a business-school partnership but that designation never seemed to take hold because the real partnership in Career Beginnings was broader than the bilateral one typical of most partnerships.

Another piece in the service concept story concerned how local colleges and universities—the entities charged with running Career Beginnings—perceived the programs and positioned them within their institutions of higher education and the local communities. For some of these players, Career Beginnings was merely one member of a family of externally funded programs, such as the federal TRIO programs including Upward Bound. The program staff was told, by some of the project directors, "look, all of these programs are efforts that provide help to kids who have unrealized college potential. If the funders, Brandeis and others, want to call them mentoring programs, or 'school-to-school' initiatives or

business-school partnerships or whatever, that is ok with us." After the national meetings, retreats, conferences, and technical assistance sessions, the sites that wanted to could go back and position the programs in any way they wanted.²³

Other questions surfaced in the first few years of implementation: Was Career Beginnings an ongoing national program with local chapters or a foundation-sponsored multi-site, time-limited research effort? If the latter, then a "knowledge development" agenda should be attached to the service concept, but if the former, a pure action-oriented service concept would be most appropriate. Was Career Beginnings primarily about helping young people through direct service or was it an institutional change initiative involving reform of the schools? Was the program established to reform school counseling practices and to bring new players, such as college staff and mentor volunteers into the high schools, or was the program simply to get as many kids to graduate and go on to college as possible? And if the project was defined as a school reform initiative was it a partnership with the schools, or was the proper service concept what the physician chair of the Career Beginnings board of advisors called, "a school bypass" operation? Finally, perhaps Career Beginnings wasn't about reforming secondary education at all. Maybe the appropriate service concept was to reform the colleges that ran the programs.

Career Beginnings has resolved many of the issues about its basic identity or, to use Heskett's term, service vision. The journey of self-examination has taken four years and although every question has not been settled, progress in developing a coherent service concept is evident. One conclusion from this case study is that if the process has been a challenging one for Career Beginnings, a national initiative with talented financial supporters, a skillful advisory board, and professional staff with years of experience in research and practice, then the process of developing a service concept in a local initiative, without the benefit of

national resources, must be considerable and time consuming. We know of little research on this aspect of youth program implementation and believe that the field would benefit if more case studies and analyses were developed.²⁴

OPERATING STRATEGY: FOCUS ON LEADERSHIP AND STAFFING

If the newspapers and certain politicians are right, people in the United States believe government and non-profit organizations are poorly run and ineffective. What sets American taxpayers off on a tirade is how they perceive their tax dollars are spent on programs for the underprivileged. Unfortunately, the old saying about smoke and fire is true—some public programs for the disadvantaged are not efficient or effective. Whether the ratio of effective to ineffective programs is the same, smaller or larger than in the private sector matters little. The perception is that second-chance programs don't work very well and the perception is what matters.

A recent expose in *Readers Digest* of the Job Training Partnership Act programs is the latest example of the American public's fascination with incompetence.²⁵ The large national system of second-chance youth programs is comprised of programs, *Digest* readers are told, which are funded for 75 youth but enroll only 12. Summer jobs programs are said to fail to teach skills or provide real work opportunities. Service delivery areas are cited which, because of inexperience or incompetence, can't even spend the 40 percent of federal dollars required for youth. The Department of Labor's Inspector General charges New Orleans with mismanagement. The result, according to the IG, is "wasteful spending and program abuse" totaling \$6.4 million in 1986 and 1987. An administrative SWAT team appointed by the Governor invades, without advance notice, a

Texas community's job training office to stop fraud and waste. The public questions what is happening.

There are many facets to an operating strategy: the components correspond to the major functions of operations, management and strategic planning controls. Rather than discussing all these functions, we focus instead on one central element in the management of youth programs—staff. Our interest in staffing rests on the rather commonplace observation that effective staff development leads to better program performance. It is also the factor that the public thinks about first when faced with *Readers Digest* stories.

Our primary theme is that the staffing function in service organizations accounts for program performance far more than has been acknowledged by evaluators, policymakers, planners and funders. Staffing is the kind of variable given "lip service" in youth program literature, but human resource upgrading, or training the nation's trainers, rarely appears high on anyone's list of policy implications and program improvements. Attention in reform efforts continues to be riveted on program design issues, largely ignoring the people who make the designs work or fail. All the while, the challenges faced by practitioners are growing, not only in terms of the multiple problems of "at-risk" youth but also in dealing with the funding environment, meeting rules and regulations, coping with deteriorating physical infrastructures and so on.²⁶

The challenges facing youth program staffers are greater than ever before. In surveys with hundreds of youth program staffers since 1977, the staffers report more problems and more stress related to their inability to find workable solutions now than ever before.²⁷ Good personnel are also getting harder to find and retain, especially those who are interested in and committed to working with at-risk youth.

None of this is surprising when one considers the lack of professional standards for most frontline "counselor/trainer" jobs in youth agencies. Except for a generic college degree (not even always required), staff are typically not required to have significant professional counseling or teaching experience with at-risk youth prior to being hired. Many staff, in fact, are former clients of the same agencies. This is not necessarily a bad thing; youth programs, like other neighborhood initiatives, have provided an important route out of poverty for many clients and staff. The problem is that the field has never engaged in a serious discussion of what the prerequisite qualifications of youth workers should be. To what extent, for example, should "community qualifications" (same background, ethnicity, neighborhood as clients) serve as a substitute for formal, credentialed backgrounds? How often are these in conflict, where, why, when? What qualifications, in fact, do youth workers need?²⁸

Nor are staff given the specialized training they need prior to or during their employment. According to the 1990 Public/Private Ventures (P/PV) review of youth programs, "finding and keeping appropriate staff and, to a lesser degree, providing them with the training to do their jobs, are problems facing most of the programs we reviewed."²⁹

A closely related problem relates to the "project" mentality in most youth programs. Youth programs typically are funded on the basis of short-term project grants. This is not only the case in national demonstrations but also in the field at large, since the funding stream for second-chance programs almost never allows for "forward" long-term, stable funding.

Funders rarely allow enough time for preparation before a project begins. Program directors complain that funders expect services to begin as soon as a grant is made. Sponsors "forget" that staff needs to be hired, oriented, and trained in the service concept, targeting provisions, operating

system and so on. Program managers feel pressure to "hit the ground running" at the expense of staff preparation and, ultimately, quality service to clients. Chronic underfunding and cash flow problems exacerbate this cycle; senior staff must pursue more projects and "soft money" opportunities, leading further to the deterioration of staff functioning and morale.

The results of this self-defeating process spill over into some of the other functions of service organizations described in this paper. Consider the development of a service concept. It takes time, teamwork, and consensus to develop a vision that can shape and guide youth programs. With little teamwork among staff, functions fragmented, everyone too busy to take the time to assess client progress and program "culture," a service concept is difficult to take hold.

Compared to the private sector, human resource issues in the second-chance system are woefully ignored. The private sector publishes numerous journals, books, tapes; thousands of managers participate in executive seminars, graduate training programs and other upgrading forums. Consider, for example, Burger King: this corporation—one of the largest employers of disadvantaged youth—requires prospective franchise managers to attend an 80-hour program before they are even offered a franchise, and then the owners are required to attend a ten-day intensive course on the technical aspects of the business. In addition, training, technical assistance, and strong quality control are regularly provided by Burger King. According to a New Jersey franchise owner, employee retention is a major problem, and because "these are the teenagers' first jobs and you have to really relate to them . . . I recently took a course on counseling teenagers so I could do this better."³⁰ This Burger King manager might have had more training in counseling teens than the average not-for-profit youth worker.

In contrast, the second-chance system—a loose constellation of programs funded at the federal level at approximately two billion dollars a year—has only a handful of organizations that are concerned with human resource issues in the second-chance system.³¹ For example, there are perhaps three national organizations that "train" service managers involved with JTPA programs, a few dozen or so consultants who make their living helping managers, and less than a dozen nationally focused attorneys who have devoted their practice to assisting JTPA personnel with legal issues.³²

We are not arguing that staff training alone would or could automatically repair all of the problems mentioned in this section. We recognize that public policy creates many of the conditions that local staff must confront. But professional development is a factor that in this field has not received the kind of attention it deserves.

What skills do youth workers need? In some respects, youth workers need the skills that all professionals in the service sector must possess. As far back as 1956, Robert Katz, writing in the *Harvard Business Review*, described the skill requirements of modern managers as (1) technical skills, (2) human skills, and (3) conceptual skills. In his schema, each of these skills is interrelated, yet each needs to be fully developed in order to integrate them into an effective pattern of supervision.³³

In the case of youth programs, technical skills encompass education and training techniques, curriculum development, organizing group activities, counseling, job development, and the like. Technical skills may be taught in formal education programs but they must be reinforced and learned on the job as well. Many people working in youth agencies are hired without having their technical skills assessed or screened before they begin working. In the Career Beginnings program, the national office discovered that one of the colleges operating the program hired a project

coordinator who had never managed anything before, had not worked with youth in an educational setting, and was not comfortable with working with senior level college administrators—all major requirements of the job. Unfortunately, this kind of ad-hoc hiring may be fairly common in second-chance programs.

Human skills, or having an understanding of human nature and good communications abilities, are critical when working with young people. Youth programs typically attract people who want to be part of the helping professions, but this is no guarantee that these individuals will make effective youth workers. In fact, the self-selection of workers to jobs is often used as an excuse not to engage in systematic enhancement of human skills. Today's youth programs are terribly complicated. A program that is serving, for example, new arrivals from Asia or Central America, needs staff who possesses special cross-cultural sensitivities in addition to "hard" technical skills. Some of these skills are in the realm of common sense, but experience has revealed that these skills should not be "winged" and can, indeed, be taught in formal training sessions.³⁴

Conceptual skills round out the critical requirements for managers of successful youth programs. In running under-capitalized and under-staffed youth programs, practitioners must juggle a number of tasks at the same time. They must have the ability to see the overall program—the forest—while working among the trees. Another classic concept, this time from Renis Likert, involves the idea of a "linking-pin" and the kind of high-performance thinking youth program managers must engage in to be successful.³⁵ In Likert's theory, the manager is the link, or channel of communications between the people he/she supervises and the people he/she reports to. What makes it a key concept for youth program management is that the manager and staff must be seen as valued members of *each* constituency they work with (clients and colleagues) in order to have any real impact on the behavior, attitudes and decisions

within each group. The "linking pin" is symbolic of the higher-order skills that all youth workers and supervisors should possess. In youth programs, the development of these higher-order skills will occur only to the extent that the field takes the training enterprise seriously for itself as well as for its clients.

In pursuit of this agenda, youth work professionals would benefit from exposure to the new research literature on public management, a school of research that reinforces the absolute centrality of effective leadership. Forsaking studies of public management disasters, the new literature offers case studies of successful, innovative practice in the public and not-for-profit sectors. In "Move Over, Policy Analysis; It's Management That Counts," Levin and Sanger (1991), for example, review their research on 25 diverse and successful innovations.³⁶

innovation rarely springs from analysis of all the options, although that is the approach of the policy analysis whose thinking dominates so many of our schools of government and public administration . . . To the contrary, we found that management matters most. Innovative success most often results from a sequence of steps that Robert D. Behn of Duke University has described as "Ready, Fire, Aim." First, what appears to be a good idea is implemented. Then it is evaluated by observation in the field. Then, corrected and refined. This is the messy and imperfect process, repeated over and over, that produces effective management and successful program development . . .

Furthermore, we found that innovation is not the sole domain of charismatic leaders. The message is that the skills and approaches necessary to launch innovative initiatives can be taught and learned. Some innovators may be born that way, but others can be trained . . .³⁷

CONCLUSION

William James' often cited remark that "success is calculated by dividing one's achievements by one's expectations" seems appropriate here. We began with a modest goal and a straightforward thesis. Looking at some of the applied contemporary research on youth programs, we conclude with disappointment that more research has not focused on issues of importance to youth program managers. The field has meager data of a kind useful to smooth out the messy process of program implementation. After laying out a framework to describe the modern youth program, we described what is known and, more often, unknown about the elements of youth-serving organizations.

Why care about the knowledge development agenda for youth programs? Simply put, we believe that knowledge development is a prerequisite stage in the professionalization of youth services. While some would deride this phase of development, lamenting the passing of "youth work," when services were not balkanized and empathetic street workers served the "whole" child, we believe that the field cannot turn back, any more than school teachers in the "first chance" system can return to the little red schoolhouse or nurses can turn back to the days of Florence Nightingale. We believe that knowledge is indispensable to the development of a professional cadre of competent youth workers committed to helping vulnerable youth.

Unless the youth development field matures and organizes itself, much as public education and health care have done (some would say "half-done"), youth programs in the American context will remain marginal enterprises run by people eking out a modest living on the periphery of social policy. Second-chance youth managers will habitually be forced to improvise management practices in an unstable funding and policy

environment. A little knowledge will not solve these problems but it can serve as the basis for empowering workers, for setting standards, and for stabilizing the field. We have no illusions about the power of rational information but this is how it has generally worked in allied fields and there is no reason to be more cynical about the uses of research in youth development than in health care or public education.

The message of this paper has largely eluded the youth development field: although there is room for optimism, many of the mistakes of the past have been re-invented in new forms. In 1988, community service was the fashion, in 1989 it was mentoring, in 1990 it was apprenticeship, and soon another fad in youth programs will likely emerge. When will we learn that running these "silver bullet" innovations is just plain *hard*? When will we develop research sensitive to their local implementation? When we learn that the field cannot absorb new ideas until it is staffed and managed in a professional, competent manner—only then will the training enterprise in the United States be taken seriously by both the public and the clients who need to benefit from it.

Funders of research from the independent sector as well as government might consider the following suggestions for bringing research closer to field practice:

- Work at the national level to put professional development and the "train the trainers" issue high on the national agenda.
- Encourage new research on program implementation—service concepts, targeting issues, operating strategies, service delivery, and staffing—through dissertation support, small grant programs, and focused research competitions. Support research on the role of leadership and management skills in youth program implementation; support new research on program functions, such as outreach and

recruitment techniques, methods to reduce excessive attrition in youth programs, the assignment process used to match people to available services, and the case management function.

- When funding program evaluations, place an emphasis on in-program analyses and process/implementation studies to enrich "impact" models of evaluation.
- Expand support of clearinghouses and others that attempt to translate basic and applied research into the parlance of practitioners. Although nationally focused intermediaries are needed for this translation work, regional and local organizations may prove more successful in helping to bridge research and practice. They are generally closer to the "action."
- Connect nationally focused researchers with the many urban social change initiatives emerging in local jurisdictions. All around the country, there are statewide task-forces and advocacy groups concerned with children's issues and youth development. Many of these are reviewed in the publication, *States and Communities on the Move* (1991) available from the W. T. Grant Foundation (Washington, D.C.). Much less attention has focused on local versions of these statewide campaigns although many are in progress: Memphis' Free the Children campaign; New Orleans' Children Campaign; Pinellas County's Juvenile Welfare Board projects; Kansas City's stakeholder task force on comprehensive school reform; the cities in the Annie E. Casey Foundation's New Futures projects; the Ford Foundation-supported Neighborhood and Family Initiatives; and the six cities represented by the Rockefeller Foundation's Community Planning and Action initiative, to name just a few. By connecting national researchers with ongoing projects associated with children and family

campaigns in urban areas, we help bridge the gap between research and practice, theory and management.

- **Support technical assistance and in-service training of program staff. Take this issue seriously by doing needs-assessment surveys, supporting graduate education programs, and exploring new certification initiatives for both program staff and exemplary program models. Explore quality appraisal systems for programs and competency-based accreditation procedures for staff. Think about mandatory apprenticeships for youth workers and required field work for managers in training. Conduct research on youth work credentials. Help in all ways possible to smooth out wage, benefit, diversity and turnover challenges in youth programs.**
- **Put program managers on review committees to guide funding decisions for new research, and put managers on advisory committees associated with the research once it is underway. Encourage all researchers to undertake a "scan" of their own work to identify implications for the field.**
- **Our final recommendation is to expand the repertoire of skills that managers must possess. A good example is competence in using the media. Recently, a number of foundations have taken a fresh interest in the social marketing field, looking for analogies between anti-smoking campaigns or condom distribution schemes and strategies that could be used to increase positive attention to youth issues in America. The Ford and Benton Foundations, the Rockefeller Foundation's Community Planning/Action Projects, the Annie E. Casey Foundation's four-city New Futures initiative, and the MacArthur Foundation's work in Chicago, for example, have each made efforts to expose their domestic, community-based anti-poverty grantees to modern techniques of social campaigning.**

These funders and others skilled in mounting information campaigns at the national level could share their expertise with the many unaffiliated youth development initiatives around the country. Well-developed and creative assistance is needed to overcome the quite formidable local opposition to funding appeals for children and youth issues, not to mention for support of programs and their staff. Urban youth workers must learn new ways to frame policy discourse, manage the flow of symbols, broker knowledge, and inform and mobilize stakeholders. This means entering the media marketplace and mastering the tools and techniques through which exchange in this marketplace is conducted.

ENDNOTES AND SOURCES

1. Many examples of these lessons are cited in my two co-authored books, *What Works in Youth Employment* with R. Lerman (National Planning Association, Washington, D.C., 1985) and *Dropouts in America: Enough is Known for Action* with J. Danzberger, (Institute for Educational Leadership, Washington, D.C., 1987).
2. An entire issue of the *Journal of Policy Analysis and Management* (Volume 10, No. 4, 1991) is devoted to the relationship between research and family support/welfare policy. Most of the writers in the issue are bullish on the connection.
3. Henry Aaron, *Journal of Human Resources*, Volume 25, No. 3, Spring 1990.
4. For a discussion of the payoffs and limitations of this knowledge development effort see: Charles L. Betsey, Robinson G. Hollister, Jr., and Mary R. Papageorgiou, (eds.), *Youth Employment and Training Programs: The YEDPA Years*, Washington D.C.: National Academy Press, 1985. See also a paper for the U.S. Department of Labor, "Core Youth Employment Strategies" by Tom Smith et al., Public/Private Ventures, Philadelphia, 1991.
5. Lisbeth Schorr, *Within Our Reach: Breaking the Cycle of Disadvantage*, Anchor Books, New York, 1988.
6. See Haveman (1987) and Nathan (1988) cited in the text. See also, Joseph Peckman and P. Michael Timpane, (eds.), *Work Incentives and Income Guarantees*, Brookings, Washington, D.C., 1975.
7. Notable writers in this tradition include Bardack (*The Implementation Game*, MIT Press, 1977); Pressman and Wildavsky (*Implementation*, University of California Press, Berkeley 1973); Lipsky (*Street Level Bureaucracy*, Russell Sage Foundation, NYC, 1978); Ellmore ("Backward Mapping: Implementation, Research and Policy Decisions", *Political Science Quarterly*, Volume 94, 1980, pp 601-616.); and, more recently, (Robert Behn, *The Management of ET CHOICES in Massachusetts*. Duke University Institute of Policy Sciences and Public Affairs, 1989, Durham, N.C.), writing about the Massachusetts ET welfare program. Martin Levin and Barbara Ferman's 1985 book, *The Political Hand: Policy Implementation and Youth Employment Programs*, (Pergamon, New York) is a good example of the public management research tradition. Their book is also a rare example of the public management tradition

applied to second-chance youth programs. The authors examine nine case studies from the YEDPA era of youth programs by applying a political science perspective to understand the programs' unfolding. They introduce two concepts relating to the role of leadership: "fixers" are individuals who "repair" and help make adjustments in the normally messy implementation game while "double agents" are persons who are capable of securing joint action and collaborative arrangements to help a program succeed. Both forms of leadership are necessary, the authors argue, to compensate for the lack of a market mechanism in the public arena, something akin to the "invisible hand" in the economy. In other words, policy implementation requires special leadership to adjust for the public sector's missing "political hand" of adjustment and regulation.

8. There are many examples of this occurring. The Follow-Through and Head Start Planned Variations studies, for example, were attempts to study a family of related "models." When the results of these studies became available, the researchers discovered large variations in the way the models were implemented, so much so that it was difficult to remember what the planned variation was supposed to resemble in the first place (see A. Rivlin and M. Timpane, *Planned Variation in Education*, The Brookings Institution, Washington, D.C., 1975). Another source on this theme is E. Farrar et al., "The Lawn Party: The Evolution of Federal Programs in Local Settings," *Phi Delta Kappan*, Volume 62, 1980.

Consider the special case of evaluations of mentoring programs. In MDRC's evaluation of the national Career Beginnings program, the researchers focused on net differences between experimental and control group members on post-program outcomes such as college attendance. Site differences among the seven programs represented in the sample were large, ranging from excellent results in some sites to marginal and even negative results in others.

Although MDRC did examine and write-up the separate site differences with available survey data, their evaluation project was limited to an "impact analysis" and was not designed to include enough "process" information to explore site differences as systematically as they may have liked. (*Career Beginnings Impact Evaluation*, George Cave and Janet Quint, MDRC, NYC, October 1990.)

Another example is the unpublished evaluation of Baltimore's RAISE mentoring program, by James McPartland and Sandra Nettles. In a forthcoming article, "Evaluation of Baltimore's RAISE Mentoring Program," *American Journal of Education*, the authors describe how only three out of seven sites account for the overall positive results.

9. Our group at Brandeis has surveyed practitioners involved in federally funded JTPA youth programs (and CETA before it) for over a decade. The litany of complaints voiced by youth program managers has remained remarkably stable.

10. See *Working Capital*, a national commission report for the U.S. Department of Labor on reforms within JTPA for a good review of the issues (Washington, D.C., 1990).
11. Charles Murray, *Losing Ground: American Social Policy*, Basic Books, New York, 1984.
12. Hahn and Lerman, *What Works in Youth Employment*, National Planning Association, Washington, D.C., 1985.
13. *Minority Female Single Parent Demonstration: Short Term Economic Impacts*, Ann Gordon and John Burghardt, Mathematica Policy Research, Inc., Princeton, NJ, March 1990.
14. Another demonstration—Jobstart—looks at this issue in a different manner by comparing concurrent versus sequential programs for young dropouts. Final comparative results for the post-program period are not yet available, although early results point to some of the same motivational issues (as in MSFP) for dropouts enrolled in sequential programs. The MDRC researchers write in their first implementation report of Jobstart that "the greatest challenge for sequential programs are to motivate youths during the education phase (when a job may seem quite distant) . . ." *Implementing Jobstart*, MDRC, NY, June, 1989, p. xxvii.
15. The principal author is familiar with only one *large scale national* study of JTPA "creaming"—the National Commission for Employment Policy's 1988 study, "Who is Served by JTPA Programs? Patterns of Participation and Intergroup Equity" (Washington, D.C.). That study, which looked at all titles of JTPA, suggested that before charges of creaming are leveled at the program, the interests and motivations of potential participants must be examined. Approximately 39 million people are eligible for JTPA including 31 million persons between the ages of 16 and 64. However, all but ten percent of this group are either already employed or are not actively seeking jobs. The authors, Kalman Rupp and Steven Sandell, argue that these people are unlikely to be interested in training and thus not serving them (presumably through "creaming") may not be inequitable. The study does not look at the kinds of administrative factors that surround the creaming phenomenon.

In a study by SRI International, *Improving the Quality of Training Under JTPA* (K. Dickinson et al., SRI, January 1990), the authors report that Service Delivery Areas (SDAs) often do not target at all, except in broad terms, such as earmarking services for "at-risk" youth. In terms of outreach and recruiting, most agencies rely on networking with other agencies rather than self-directed outreach.
16. Financial incentives are addressed in a small number of studies. A P/PV report, *Practitioner's View* (Philadelphia, Spring 1990) addresses the issue of financial incentives but doesn't report rigorous findings on the

subject. The Government Accounting Office recently completed a review of high school-based financial assistance programs, such as the Boston ACCESS program and Eugene Lang's "I've Got a Dream" project. The GAO reports that pledging tuition assistance is a promising practice but, again, the evidence provided is qualitative and has not been subjected to formal evaluation techniques (cited in the *Employment and Training Reporter*, 1991).

17. See *Implementing Jobstart*, MDRC, NY, June 1989. Additional evidence on this theme is found in a P/PV report based on program managers' viewpoints. The latter study revealed that, "most of the program staff interviewed for this study told us that recruiting and enrolling seriously disadvantaged youth is one of their biggest challenges. All agreed that the key attraction for poor youth is immediate income, either a job or some type of stipend or allowance during training" (*Practitioner's View*, 1990).

18. "The Quantum Opportunities Project—Interim Research Report," prepared for Ford Foundation, 1991, Andrew Hahn, Brandeis University.

19. P/PV's report, *Youth Motivation: At-Risk Youth Talk To Program Planners* (Philadelphia, 1988) mentions seven recruitment (and retention) strategies commonly used by youth programs: monetary incentives, support services, job guarantees, group support, recognition opportunities, trips, and case management efforts. Each of these strategies was employed in QOP, along with others. A few studies are beginning to look systematically at recruitment strategies. Brandeis' QOP study and MDRC's Jobstart examine the issue. Another study by 70001 of its "Disconnected Youth Project" for dropouts compares "direct contact" to other techniques and finds that for Black males in particular, direct outreach was highly effective, generating "40 percent of all inquiries about the programs." Streamlined assessment and enrollment procedures were also found to be helpful. (cited in "Model Youth Programs in the 1980s: Four National Projects" by Deborah Feldman in *Forum: Evaluation*, Issue Four, Hansville, Washington, 1988).

20. P/PV's *Youth Motivation: At-Risk Youth Talk to Program Planners* (Philadelphia, 1988) supports our contention that staff is a key variable in thinking about recruitment and retention. The results of 16 focus group sessions found that program persisters and attriters alike placed a lot of weight on a supportive relationship with a teacher or supervisor and a sense of team spirit within a classroom setting. These are the "intangibles" that are generally overlooked by formal scientific research designs.

21. An interesting comparison in this regard is the US BASICS network of computer-assisted learning labs, with their stress on individualization and self-paced learning, and comprehensive programs such as the DOOR in New York City which espouses that, "only a comprehensive, integrative

approach, involving the whole of young person's needs and circumstances, can be effective in working with inner-city youth . . . At the DOOR, we start with the premise that these kids need a sense of belonging very bit as much as they need adequate nutrition . . ." (quoted in Ford Foundation, *Letter*, Volume 21, No. 3, Fall/Winter 1990). Both approaches are right; both are distinct service concepts.

22. The Career Beginnings evaluation by MDRC (1990) found that "having a mentor other than a relative or friend" was a predictor of post-program college-going but other variables were better predictors, such as "taking mostly college preparatory courses," workshops to prepare for college entrance exams, and attending college fairs.

23. Although Career Beginnings had little financial leverage over the demonstration sites in the first years and none in the later years, the program did have standards that sites were expected to meet if they wanted to stay in the Career Beginnings network. The national office, however, works largely on a consensus and good-will model.

24. To the extent that national policymakers and funders seek to replicate successful practices, knowledge of how service concepts develop and take hold in local communities is essential. In other words, making the replication process work requires knowledge of service concepts. This is a point developed in P/PV's report, *Replication: A Strategy to Improve the Delivery of Education and Job Training Programs*, Philadelphia, PA, Summer 1990.

Along similar lines, we know of very few examples of program evaluations which track in sufficient detail the services received by control or comparison group members. In the Career Beginnings evaluation, the impact analysis revealed that Career Beginnings youth were attending, in the post-high school period, post-secondary educational institutions and holding down jobs in very encouraging proportions. The catch was that in some of the sites, the control group members also participated in alternative programs to a high degree and were doing quite well in the post-program experience. What role the competing service concepts played, how the high school students perceived program opportunities, the varying program philosophies—these interesting questions were not (and were not intended to be) covered in the impact analysis of Career Beginnings.

25. James Bovard, *Readers Digest* (cited in *National Journal*, April 14, 1990).

26. William Treanor, an experienced youth program manager, addresses the leadership issue in strong words in "Barriers to Developing Comprehensive and Effective Youth Services" (*W. T. Grant Commission on Work, Family and Citizenship*, Paper, September 1988, Washington, D.C.). He suggests that the youth programs that survived from the 1960s into the

present era were those that "were lead by a strong director. This person is often the founder or at least the survivor of the internecine strife that characterized the transition from a counter-cultural, anti-professional, staff-oriented agency to one focused on service standards and bureaucratic and organizational stability." (p. 5) Later on he adds (p. 23), "With distressing frequency, youth service agencies are not well-served by competent, experienced, trained staff members. Staff problems afflict both the agencies and organizations that provide funds and that provide services. The programs are often staffed by mediocre people with virtually no training or serious interest in further in-service training . . . the youth job is too often the Postmaster General slot of 1980s . . . a director who concentrates on upgrading the quality of counseling and care, in-service training and staff competence, wages and working conditions, but whose budget and staff is stable, is considered a lesser figure." (p. 28).

Later, he writes that youth workers . . . "are the underclass of the human service field." (p. 32).

27. Public/Private Ventures, *Practitioners Guide*, (Philadelphia, Spring 1990, page 38) See also a 1987 survey of human service workers in NYC, by Interface, in which it was reported that 40 percent of non-profit managers stated that recruitment and retention issues were the single most serious problem faced by their agencies (see D. Gallagher, "Short-staffed: The Personnel Crisis in NYC's Voluntary Human Service Agencies," NY, Interface, December 1987).

28. Only one national study of the second chance system has directly addressed these issues: a national assessment of personnel practices in JTPA programs, by Berkeley Planning Associates, *JTPA Staffing and Staff Training At the State and SDA Levels* (Berkeley, California, August 1990). This survey was mostly limited to state workers who manage the state JTPA programs and staff of SDA's who make local funding decisions but are not necessarily direct service providers themselves. In other words, most direct service providers were not covered in the BPA study except in some supplemental case studies. In fact, one of BPA's recommendations is to have the Department of Labor contract for a second systematic survey but this time of providers' personnel and training needs.

The case studies reveal salaries of around \$22,000 and strong evidence that workers perceive a lack of advancement in the field. This is said to contribute to turnover. On the other hand, the program managers and SDA staff report that they prefer hiring more staff than in investing in training for existing staff. Chronic under-staffing looms as a larger problem for them than upgrading. In other results, the BPA authors report that managers prefer generalists to specialists but at the same time the managers admit to wanting assistance in motivating participants; choosing assessment systems; conducting fiscal reviews and meeting reporting requirements; and, conducting outreach and recruitment. These are the same issues addressed in the present paper.

29. P/PV, 1990, p. 38.

30. Richard H. DeLone, "Replication", Public/Private Ventures, Philadelphia, Summer 1990.

31. This imbalance has been recognized by the U.S. Department of Labor. In a recent announcement in the *Federal Register* (March 1991) comments were invited for three possible initiatives: (a) certifying second-chance managers, (2) establishing some sort of national or local training entity, (3) certifying exemplary programs. The human resource issue in human resource programs may at last find a place on the national agenda.

32. Since there are few histories of the youth field, we are left to speculate about the reasons for this deficit in training opportunities for youth workers. Treanor (1988) writes that youth work, in the 1970s, failed to establish a "beachhead in higher education and was unable to develop a recognized pre-service and in-service training capacity." He believes that colleges and graduate programs did not respond because these were "low prestige" careers and offered "poor prospects for alumni giving."

33. Robert Katz, "Human Relations Skills Can Be Sharpened," *Harvard Business Review*, July-August 1956.

34. Ron Ferguson of Harvard's Kennedy School recently studied more than 25 neighborhood-based programs that addressed the developmental needs of African-American males aged 5 through 25. He wrote in "Improving the Lives of At-Risk Black Male Youth: Insights from Theory and Program Experience" (Paper, October 1990) that "one theme permeated the interviews. It was the widely and firmly shared conviction that caring relationships are the most critical requirement for program success. One person suggested that children are implicitly saying: 'I don't care what you know until I know that you care.'"

35. Renis Likert, *New Patterns of Management*, McGraw-Hill, New York, 1971.

36. "Commentary," in *Governing*, a newsletter of Congressional Quarterly Inc., February 1991.

37. Wehlage and his colleagues in *Reducing the Risk: Schools as Communities of Support* (The Falmer Press, Philadelphia, 1989) examined 14 schools or programs for at-risk youngsters. The authors sought to discover reasons why some educational innovations were successfully able to engage at-risk youth. They described successful programs as those that centered on a "community of support," that is, that generated effort and motivation in students by fostering a belief in individual as well as group responsibility. *The authors describe how staffing and leadership are central to the development of communities of support.*

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Managing Mentoring Programs

A consistent puzzle in programs for helping at-risk youth is that no matter how good the policy or the design, some sites or programs achieve excellent results, while others using the same design and providing the same services do not succeed. It may be that the program was not the right one for the targeted group, that a different design or version of the program would have been more effective; or it may be that data about the program's effectiveness were not gathered or interpreted properly. But it also may be that the unsuccessful programs were not managed properly. Neither researchers, policymakers, nor program developers pay sufficient attention to the management of the programs. Partly as a result, youth programs are largely paraprofessional, ad hoc enterprises, given, of necessity, to day-to-day improvising instead of building stable and mature program structures.

WHAT IS EXAMINED IN YOUTH PROGRAM RESEARCH?

Youth programs of the past three decades have had some significant successes, and much has been learned about policy, program design, and target audiences (Hahn & Lerman, 1985; Hahn & Danzberger, 1987). Nonetheless, few programs have had the desired, widespread impact on the field. More often than not, local programs fail to reflect current knowledge of effective practices, and well-designed programs are undermined by faulty implementation. Differences between high-performing sites or programs and poor ones have not been entirely overlooked by researchers, but these differences are usually subordinated to an evaluation of the program's overall effects. Because researchers consistently ignore the "mundane" considerations of management and implementation, we know very little about why programs succeed or fail.

Youth mentoring is at heart a volunteer enterprise, and mentoring programs can easily fall victim to the fervor of their planners, who improvise rather than manage the mentoring. The field's mystique is that "creating the match" between the mentor and the youth is all that is necessary for success. The tacit belief is that mentoring is an intervention that can be "program-proof." But mentoring is no more program-proof than any other intervention to aid youth.

In any community, mentoring as a youth development strategy has to be marketed. It has to find public and private funders, and it needs to identify

youth in the schools or the community and mentors in corporations, community-based organizations, and public agencies. Its planners need to identify a target group and develop a clearly articulated identity and mission. It needs specific strategies to reduce attrition among mentors and youth. And, because mentoring is a feature in many comprehensive youth programs, its place in and links to other services need to be formulated and maintained.

Mentoring programs are staffed by more than volunteer mentors. A project coordinator manages the program. Outside experts train, coach, and support the mentors. The program staff is the link between the youth, the mentors, the families, and the participating schools, corporations, and agencies. Often the program staff act as surrogate mentors, counselors, and advocates for the youth and the families as they deal with the program's operational problems.

What this suggests is that how a mentoring program is managed is as important to its success as the appropriateness of the service it provides. Mentoring is a promising strategy. Planners who want to create workable and stable mentoring programs can do this most effectively by looking at the implementation experiences of other youth programs.

AN EFFECTIVE SERVICE VISION

Youth programs are usually described in terms of the target groups served, the sponsors, or the type of primary service delivered. While these descriptions are necessary and useful, they do not evoke the inner workings of the programs. Youth programs are, first and foremost, service organizations. They are labor-intensive and require financing, marketing, staffing, and a way to deliver services to their clients. Whatever the nature or design of the service, it is provided by counselors, job developers, instructors, case managers, youth workers, and people who answer the telephone. This is the system the client understands and interacts with; to the client, this is the program. If the service delivery system fails, the program suffers — no matter how good the design.

The eternal quest for funding and the complexity involved in meeting funders' targeting and performance standards can significantly distract the management of a youth program. The programs are undercapitalized, with inadequate discretionary funds for contingencies. Although much has been written about these con-

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straints and their effects on youth programs, one does not find a fine-grained analysis of how they actually affect management practices in the programs and, in turn, how they impact the young clients.

The following information is drawn from evaluations of several of the present generation of youth programs. The material is organized around four elements that are considered to be essential for quality program management: (1) a well-designed service delivery system, (2) effective targeting and recruiting, (3) a well-articulated and consistent identity, and (4) a focused operating system.

1. Service Delivery Systems. Most research on youth programs tries to determine "what works best" by comparing the efficacy of various services, such as basic skills instruction, job placement, support services, and occupational training. This research serves the field well by sending a message to practitioners that some things *do* work, and the results have helped stimulate a new generation of programs: academically enriched summer programs, long-term comprehensive youth programs, mentoring, apprenticeship, competency-based programs, and the basic skills movement.

Some critics, however, have argued that the data do not support the policy implications cited in press releases and research summaries. No longer content simply to compare one "silver bullet" to another, some of the new research is digging deeper into how service is delivered and how that delivery is organized, staffed, and managed. These critics argue, for example, that successful programs, such as the San Jose Center for Employment Training (CET), simply had more able staff, a clearer, more consistent identity, and a better-run organization than other programs.

2. Targeting and Recruitment. Even in the best of circumstances, recruitment of young people into youth programs is no easy task. Because agencies have few resources to devote to the administrative functions of outreach and recruitment, these tasks are frequently carried out by the least experienced program staff. The long-run results are often detrimental. Once a program loses its reputation in a community, it can take years to regain the confidence of potential young clients.

The difficulty that some youth programs have in recruiting young people may be because of the reputation of the programs, the availability of alternative opportunities in the community, or perhaps the inadequacy of outreach efforts. Although many people are trying to solve this problem, most concentrate on changing program designs rather than on recruitment and outreach practices. The marketing of youth programs, like marketing in the private sector, is successful only when it concentrates on the clients' desires rather than on what the seller has decided are their needs.

One study of the multi-site Jobstart demonstration for high school dropouts, while examining different program designs, monitored program implementation. Many sites faced substantial difficulties in recruiting and enrolling dropouts, but those that had carefully crafted recruitment strategies in

place or that tailored their services to the special interests of their clients were generally able to meet the challenge.

Another aspect of recruitment and targeting that has received insufficient attention is what is called the "take-up" question. That is, how many at-risk youth will step forward and take advantage of a youth program opportunity? This simple-appearing question is central to the marketing challenge. Nearly every youth program is able to report enrollments, and many (not all) can report how many youth persist through the programs. But most know nothing at all about those who, for a variety of reasons—including lack of motivation—don't enroll. Yet unmotivated people are just the ones that youth programs are created to reach.

The five-city Quantum Opportunities Project (QOP) has attempted to study "take-up" as a separate problem. Each of the five QOP sites was given 25 names, chosen at random, of neighborhood eighth graders from families receiving Aid to Families of Dependent Children. The research results to date indicate that the varying success of the five QOP sites in recruiting youngsters has more to do with the quality and freedom of the staff, an effective and consistent program identity, the level of agency commitment to QOP, the experience of front-line staff, and the agency's "service culture," than with the service design, the characteristics of the cities, the qualifications of the target youth, or even the specific recruitment strategies tried.

Part of the targeting and recruitment problem is that mentoring programs have not found it easy to determine who their clients are. Mentoring programs currently do not lack youth wanting to join; there likely are too few places for the youth who could profit from the service. But that does not necessarily indicate that the programs are reaching all of the right people. Only youth who *know* that they need help volunteer for the programs. Moreover, young people with the interpersonal skills to relate easily to adults are the ones usually nominated by their school or community groups and selected for the programs. Because community funders, mentors, and program staff want demonstrable results, they "cream off" the youth who can obviously profit from mentoring to participate in the program.

From the outset, the national Career Beginnings program determined that the ideal clients for planned mentoring programs would be what the program calls "tenacious" youth—those academically and socially able to take advantage of education and employment opportunities but in danger of not doing so. While many programs have followed the lead of Career Beginnings, others have wanted to serve youth who are at greater risk. However, if programs are going to be designed for seriously at-risk youth, program planners and staff need to consider how to reach out and find these youth, determine who is eligible, and develop appropriate intake procedures and assessment criteria.

3. A Consistent Program Mission and Identity. Businesses undergo rigorous self-examination to clarify their mission, their appropriate niche in the marketplace, and their cor-

porate culture and philosophy—thus establishing their unique approach to their customers. The combination of an organization's mission, market niche, corporate culture, and philosophy, is that organization's "service concept."

Although every organization has an identity and a reputation, shaped by how it does what it does, youth organizations do not always clearly articulate their identity or mission. By not paying sufficient attention to the management of their programs, they almost guarantee that their identity will be unclear or misunderstood. In a program with a clear, well-articulated service concept, everything that everyone does would be consistent and congruent with the organization's mission. For example, the night shift would approach clients in the same way as the day shift, and all staff members would know what the mission is and what identity the program was trying to establish.

The service concept is communicated by the way the program delivers its services. A heavy dose of self-paced individualized instruction says one thing about a program's service concept; a series of experiential group and empowerment activities sends another message. Unacknowledged features of a program such as the style of counseling, auxiliary program activities, the way the phone is answered, and even the physical layout of a site either reinforce or convey conflicting messages about the program's service concept.

Career Beginnings' experiences illustrate some of the complexities faced by youth programs that try to develop thoughtful service concepts. Career Beginnings' service concept was labeled a "mentoring" program for disadvantaged youth. The label was useful: easier to understand and express than more complicated ones, such as "comprehensive education and employability" program. From the beginning, staff attention was focused on developing a consistent, stable service concept.

The principal funder, the Commonwealth Fund, was attracted to the idea of voluntary mentors assisting and guiding disadvantaged youth. The national program staff, however, aware that comprehensive programs were more likely to work than single-service efforts, doubted whether mentoring, in and of itself, was a sufficient program element.

Other complexities arose. Was Career Beginnings a college-bound or a work-bound program? An ongoing national program with local chapters, or a foundation-sponsored multi-site, time-limited effort? Was it primarily to help young people through direct service, or an effort involving reform of the schools? Was the program established to bring new players such as college staff and mentor volunteers into the high schools, or was the program simply to get as many youth as possible to graduate and go on to college? The answers to these and many other questions affected what the program did and how it did it—affecting its service concept.

Career Beginnings has resolved many, but not all, of these issues about its basic identity. The self-examination has taken four years. If the process has been a challenging

one for a national initiative with talented financial supporters, a skillful advisory board, and professional staff with years of experience in research and practice, then the process of developing a service concept in a local initiative, without the benefit of national resources must be even more daunting.

4. A Focused Operating System: Leadership and Staffing. Although the operation of a program has many dimensions, we focus on one central element—the staff. Far more than is usually acknowledged, an effective staff accounts for good program performance. Although evaluators, policymakers, funders, and planners pay lip service to the importance of staff, they rarely put staff training and development high on their list for policy initiatives or program improvements. Their attention remains riveted on program design issues, largely ignoring the people who make the designs work or fail.

Yet the challenges faced by practitioners are growing, not only because of the multiple problems of at-risk youth. The funding stream for second-chance programs almost never allows for long-term, stable staffing. Moreover, funders expect services to begin as soon as the grant is made, "forgetting" that staff need to be hired and trained. The pressure managers feel to start up immediately comes at the expense of quality service to clients. Chronic understaffing and cash-flow problems exacerbate this cycle; senior staff must pursue more projects and "soft" money, leading to further deterioration of staff functioning and morale. This self-defeating process affects all management functions. With everyone too busy to assess client progress and program culture, it is difficult to develop a clear service concept.

Sadly, many youth programs are poorly run, an admission made by many senior program managers. William Treanor writes that, "[A] director who concentrates on upgrading the quality of counseling and care, in-service training and staff competence, wages and working conditions . . . is considered a lesser figure." Treanor adds that youth workers are perceived as "the underclass of the human service field" (Treanor, 1988).

Many people working in youth agencies are hired without having their technical or interpersonal skills assessed or screened before they begin working. This is not surprising in light of the lack of professional standards for most front-line jobs in youth agencies. Except for a generic college degree (not always required), staff are typically not required to have significant professional counseling or teaching experience with at-risk youth prior to being hired. In fact, the field has never seriously discussed what the qualifications of youth workers should be. To what extent, for example, should "community qualifications" (same background, ethnicity, or neighborhood as clients) substitute for formal, credentialed backgrounds? How often are these standards in conflict, where, why, when?

Only one national study of second-chance youth programs has directly addressed these issues—an assessment of personnel practices in Joint Training Partnership Act

(JTPA) programs (Berkeley Planning Associates, 1990). The study revealed that low salaries and workers' perceptions of a lack of advancement in the field contribute to high turnover. But program managers reported that they preferred to hire more staff than invest in training for existing staff. Chronic understanding looms as a larger problem for them than upgrading.

Staff in youth programs require varied and sophisticated skills. In addition to technical skills for organizing group activities and delivering program services, they need an understanding of human nature and an ability to communicate effectively—particularly important in mentoring programs. Beyond these, managers of youth programs need conceptual skills. Running undercapitalized and understaffed programs, they must juggle a number of tasks at the same time and see the parts of the program without losing a sense of the whole enterprise. The development of these skills will occur only when the field takes the training enterprise seriously for itself as well as for its clients.

Youth workers would benefit from exposure to an exciting new research literature on public management that demonstrates the absolute centrality of effective leadership. The new literature offers case studies of successful practice in the public and not-for-profit sectors. These studies offer convincing evidence that innovation is not the sole domain of charismatic leaders, that the skills necessary to launch successful initiatives can be taught and learned (Levin & Sanger, 1991).

CONCLUSION

The message of this Brief—that management factors are central to youth program successes and failures—has largely eluded the youth development field. Unless the field matures and organizes itself, youth programs in the U.S. will remain marginal enterprises run by people eking out a modest living on the periphery of social policy. Efforts to aid at-risk youth will continue to flounder, succeeding or failing at most by chance.

Although there is room for optimism, running these programs is just plain *hard*; the field cannot absorb new ideas, and no design will really work, until youth organizations are staffed and managed in a professional, competent manner. Only then will the training enterprise be taken seriously by both the public and the clients who need to benefit from it.

To bring research closer to field practice, funders need to:

- Put professional development and the "train the trainers" issue high on the national agenda.
- Support research on the role of leadership and management skills, outreach and recruitment techniques, the as-

signment process to match people to services, and case management.

- Expand support of clearinghouses that translate basic and applied research into the parlance of practitioners.
- Support technical assistance and in-service training of program staff. Explore quality appraisal systems and competency-based accreditation procedures for staff. Conduct research on youth work credentials.
- Put program managers on review committees to guide funding decisions for new research and put managers on advisory committees associated with the research.

— Andrew Hahn

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Dilemmas in Youth Employment Programming: Findings from the Youth Research and Technical Assistance Project

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THE MISSION AND STRUCTURE OF NATIONAL HUMAN RESOURCE POLICY FOR DISADVANTAGED YOUTH:

A Synthesis with Recommendations

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I. INTRODUCTION

This paper describes the evolution of our national system of job training and education for disadvantaged youth, culminating in the Job Training Partnership Act (JTPA). It looks at how the system is organized; its basic mission; and the series of relationships among federal, state and local entities that affect how schools, employers, community groups and job training agencies work together and separately to deliver services at the local level. By focusing on the organizational elements of the present youth-serving system and how those elements can affect the quality of local services, the paper identifies what is known and not known about the effectiveness of the present system; describes possible new policy directions; and illustrates how gaps in our knowledge might be filled by new research, demonstrations and evaluations sponsored by the U.S. Department of Labor (DOL).

As this paper is written, amendments have been submitted in Congress to improve JTPA and shore up fiscal and management problems that have been revealed not only by internal audits conducted by DOL, but by outside watchdog agencies and commentators as well. These amendments include various proposals that would alter the services provided to disadvantaged youth--possibly affecting the payments service providers receive, targeting, allocation formulae, contracting techniques, and even the termination of the enabling legislation itself through new "sunset" provisions (Gainer, 1986; DOL, 1989, 1991a; U.S. General Accounting Office, 1989a).

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In addition, other bills have recently passed (such as the National and Community Service Act of 1990), are pending or are likely to be submitted that will affect policy on apprenticeship, the school-to-college link and vocational education. Also, some in Congress are considering new legislation to link services covered in non-JTPA youth initiatives or to coordinate the activities that are now divided between DOL and the Department of Education. Finally, with the coming elections, advocacy and public interest groups will likely generate new proposals for youth legislation apart from the JTPA framework.

With all this legislative activity, we believe it is an especially useful time to consider the roots of the youth components of JTPA, review their historical origins, and identify relevant lessons from allied fields and the experience of other countries. This review will become especially relevant if Congress or the administration succeeds in introducing sunset provisions to the present JTPA system. Such a change would warrant a full-scale review of the basic JTPA system and an examination of such questions as whether a dedicated youth program should be created within existing legislation or should reside separately.

This paper is intended to provide a framework and a way of thinking about these knowledge development opportunities. The purpose is not to advocate a particular constellation of national human resource policies for "at-risk" youth but rather to help frame future discourse and stimulate new investments in knowledge development.

The paper develops two central points. The first is that the very structure of our national human resource system has profound impacts on the quality of local service delivery; thus the structure and mission of youth manpower policy must be examined periodically to ensure that national goals are being adequately met. This point may seem obvious until one realizes that most policy development in this field is aimed at shoring up parts of the present system rather than considering how all the pieces fit together or how alternatives to the system might work. The second point builds on the first--that new knowledge development investments should at least partially be informed by "comparative public policy" analysis. This type of analysis would draw insights from developments in other domestic social policy spheres as well as international experiences of interest.

The paper's framework is drawn from the political science field. The framework reflects the choices national governments make with respect to four factors: (1) the scope of particular social welfare policies, in this case youth human resource policy; (2) the distribution of services; (3) the policy instruments used by the national government; and (4) the degree to which the central government balances restraint with a willingness to innovate.

II. YOUTH EMPLOYMENT AND TRAINING IN THE MODERN ERA

A flood of youth-oriented human resource legislation and programs has risen in the United States since the New Deal, but many observers contend that neither legislators nor programmers have been clear or consistent about the purpose of employment and training policy for youth. At the national level, confusion has led to a proliferation of programs that often have contradictory aims; at the local level, there has been disagreement among and between practitioners and policymakers regarding fundamental policy questions, such as who should decide what segment of the youth population to serve and how best to serve them.

The U.S. General Accounting Office (GAO) quotes the enabling JTPA legislation as saying that the act was intended to provide training programs to "economically disadvantaged individuals and other individuals facing serious barriers to employment," but goes on to characterize the legislation as providing "only general guidance on how the program is to be targeted among this large eligible population" (1990a:12). The JTPA Advisory Committee (DOL, 1989) acknowledges the "looseness" in the basic mission statement of JTPA and the degree of discretion local entities have in deciding which services should be delivered to which populations. However, many state government representatives and local practitioners have resisted a stronger federal hand in setting targeting requirements or performance standards that ultimately affect the choice of services delivered to target groups.

Some scholars have suggested that there has always been a gap between the theoretical underpinnings of U.S. manpower policy and the institutions that have been developed in response to national and local human resource needs. Consider economist Osterman's (1988) review of the history of job training programs.

Osterman describes how one school of thought among economists in the 1950s and early 1960s led to the Manpower Development and Training Act (MDTA) of 1962. That school anticipated significant "structural unemployment," unemployment caused by technical changes in the economy that make the skills of some workers obsolete. MDTA was passed to help these workers acquire new skills in the face of rapidly changing workplace technology.

Other economists disagreed, stating that the so-called "skills mismatch" would largely take care of itself if the economy grew and labor markets performed well. This "human capital" school of economists had a simple and straightforward idea: poverty was caused by low levels of education and training; therefore, if people could have their skills upgraded, they would be rewarded by finding well-paying jobs in the labor market. With periods of low unemployment in the middle to late 1960s, this school gained prominence

and the countercyclical approach of MDTA was gradually transformed to fit their theory of human capital formation. Beginning with the War on Poverty programs, the human capital school was enshrined in federal approaches to low-income workers and youth. The programs were created to provide poor young people with remedial education, labor market preparation, skills training and other "supply-side" interventions.

Osterman concludes his brief history with the sobering observation that poor and marginal results from many of these programs and an ideological attack on the modern welfare state have combined to discredit the antipoverty and human capital approaches to skills upgrading. While he describes the present era as still dominated by human capital approaches to youth development, he also sees the country searching for a new theory that would help explain such phenomena as the existence of low-wage working poor and jobless youth locked in neighborhoods of concentrated poverty. Those who allege failure of human capital approaches are not drawn exclusively from one political wing or another. In fact, the limitations of the human capital approach have been cited by some as a call for less government (e.g., Murray, 1984) and by others as evidence of a need for a more comprehensive approach to youth problems, starting with a strong prevention component (e.g., W.T. Grant Foundation, 1988b).

In our assessment of the effects of changes in the manpower system on the organization of programs, the relationships among federal, state and local communities, and the quality of local service delivery, we attempt to address a primary question: Has new legislation radically altered previous delivery systems or has the "system" evolved logically through a progression of steps, each building on the other, leading to consistency in local operations? We argue that, despite the weak theoretical underpinnings of the system and notwithstanding rampant disagreement in the field about even the most basic structural questions (e.g., who should decide who should be served and how), the characterization of a logically developing system is largely accurate.

Despite the gaps between theory and institutional responses, there has been remarkable consistency in the ideology and organizational shape of American youth training policy. This consistency is reflected in five major ways:

- There has been an unwavering belief that employment and training are private matters, best left to individuals and the marketplace. It follows then that the organization of manpower policy has not actively intervened with the private side of the labor market. Supply-side policies focused on changing clients have dominated youth development policy.
- There is an associated belief that government should step in only when unusual circumstances dictate its presence. This involvement is then seen as transitory,

rather than as part of the permanent public policy landscape. Empowered by the notion that manpower policy should be dynamic and responsive, administrations have felt free to alter the system every four years. Serious consideration of a permanent youth training policy has not developed.

- Youth programs have been add-ons and adjustments to a delivery system originally created for adults, sometimes with inappropriate results.
- Fragmentation of responsibility at the federal level has been a cornerstone of federal youth policy.
- Since MDTA, youth programs have generally been locally managed and federally funded. Even in the New Deal era, the federal government deferred to the states and local governments for assistance aimed at the subset of the needy who were thought to be persistently poor. As for private sector involvement in job training, it has grown gradually rather than dramatically, starting with the Comprehensive Employment and Training Act (CETA).

All these themes are developed in the brief historical overview of youth programming that follows.

The modern era of youth employment and training policy has its roots in the New Deal. At that time, the most dramatic market failure of this century, if not in the history of our country, had set off the Great Depression, a period when unemployment rose to almost 25 percent. The federal government responded with massive public works and income-support programs that bolstered the economic security of a large number of American families.

It is important to consider that the New Deal programs that were put into place as a result of the Great Depression primarily helped the mainstream working population. Some writers (Bullock, 1985; Levitan and Taggart, 1976) have commented that the New Deal initiatives were only marginally helpful to African Americans. Equally important, the federal government relegated responsibility for the able-bodied, chronically dependent population (what we would call today the population served by work-welfare programs) to state and local governments. The National Conference on Social Welfare (1985:18) cites the committee responsible for drafting the Social Security legislation of the New Deal era (emphasis added):

"With the federal government carrying so much of the burden for pure unemployment, the state and local government we believe should resume responsibility for relief. The families that have always been partially or

wholly dependent on others for support can best be assisted through the tried procedures of social case work, with its individualized treatment."

"The families that have always been partially or wholly dependent on others for support" is a good description of the chronically unemployed--a group that became the major target population of federally funded employment and training programs developed during the Great Society era. This expansionary period (1961-1973) was the start of the modern era of federally funded employment and training programs--a period typified by a strong federal role and the development of diverse and broadly based employment and manpower development programs for the structurally unemployed (Haveman, 1977; Levitan and Taggart, 1976; Mangum, 1973).

This period was followed by the CETA period (1973-1981). The CETA decade was characterized by an attempt to consolidate and decentralize the diverse federal employment and training programs developed in the 1960s, and by the proliferation of counter-cyclical public service employment (PSE) to accommodate a large influx of new entrants into the labor market during a time of slow economic growth.

Following CETA, manpower policy entered the present JTPA period (1981 to the present). This period has been characterized by a significant cutback in federal funding, primarily due to the elimination of PSE, by the transfer of substantial administrative responsibility from the federal government to state and local governments, and by a renewed emphasis on private mechanisms to correct market failures.

Throughout this history, the target groups shifted along with changes in federal manpower policy. We noted earlier that in the early 1960s, policymakers at the national level began to address the problems of the chronically unemployed: those who experience long-term unemployment or underemployment even in times of economic prosperity. This expansionary period of the 1960s was highlighted in 1962 by the passage of MDTA, which was designed to retrain experienced workers displaced by technological change. By 1963, however, youth unemployment was becoming a special concern, as youth joblessness rose to three times the national average. Black youth unemployment was more than twice the national average for youth, and many older unemployed workers were lacking basic skills. Youth training and basic literacy training were therefore added to the MDTA mission. But it is important to consider that these enrichments were seen as an afterthought or as a temporary adjustment to a response originally crafted for adults.

By 1966, MDTA had become part of the War on Poverty, which was launched by President Lyndon Johnson in 1964. Sixty-five percent of MDTA training positions had to be filled by the disadvantaged, defined as a person with two or more of the following

characteristics: nonwhite, not a high school graduate, unemployed for at least 15 weeks, under age 22 or over age 44, and handicapped or a recipient of public assistance.

The centerpiece of the War on Poverty was the Economic Opportunity Act, which established three employment and job training programs for youth. The Job Corps provided disadvantaged 16- to 21-year-olds with occupational skills training, remedial education, health care and counseling in a residential setting for up to two years. The Job Corps, of course, has endured to the present day. The Neighborhood Youth Corps (NYC) provided subsidized summer and year-round community jobs for low-income youth. This subsidized jobs strategy for youth later flourished under CETA but was greatly curtailed under JTPA, except for the summer jobs component, which today has become the largest American youth program, the Summer Youth Training and Employment Program. Interestingly, a Work/Study program was also set up during this era to help college youth from poor families. Today, the latter emphasis has remained with the federal education bureaucracy (the TRIO programs) rather than with DOL, whose current programs are largely concerned with the school-to-work transition rather than the school-to-school approach.

Where did responsibility and accountability lie during the expansionary period of youth programming? The 1960s generated many diverse new initiatives primarily aimed at helping the disadvantaged worker overcome labor market difficulties. Responsibility and administration of the various programs were, from the outset, scattered throughout different federal government agencies. For example, the Office of Equal Opportunity had been given responsibility for the Job Corps, Head Start and the Community Action Program. DOL had responsibility for NYC and MDTA. The Department of Health, Education and Welfare had responsibility for the various educational initiatives. Among the major challenges today is making coordinated strategies work at the federal, state and substate levels--a task necessitated by the piecemeal approach crafted by early human resource planners.

Not surprisingly, one goal of the Nixon administration, which assumed office in 1969, was to consolidate and decentralize the complex network of employment and training programs created in the 1960s. Pressed by the recession of 1970-71, the administration's attention was initially directed to the Emergency Employment Act of 1971, which established a Public Employment Program (PEP). PEP funded jobs with state and local governments and nonprofit organizations. With substantial federal funds for jobs available under PEP, mayors and governors placed a high priority on controlling employment and training resources. The term public service employment (PSE) first came into widespread use at this time, and PSE was carried over into the consolidation effort, CETA.

CETA became law in December 1973 as a locally managed, federally funded training and PSE program. In this respect, CETA was similar to JTPA, which replaced it. Title I of CETA authorized funds for training programs: classroom training, on-the-job training (OJT) and work experience. Titles II-D and VI of CETA provided for PSE.

The Carter administration and Congress authorized a major expansion of PSE slots in 1977-78. The additional funding, most of which was targeted to the countercyclical Title VI program, increased job slots from 310,000 to 725,000. In fiscal year 1980, approximately \$3.8 billion, or 41 percent of CETA's \$8.9 billion in outlays, went to PSE. In all, the PSE components of CETA served more than 3 million participants from 1973 to 1981, with outlays of \$26.5 billion. Although the majority of CETA funds went to training youth and adults, the PSE component of the program received the lion's share of publicity, much of it bad.

In 1977, the Youth Employment and Demonstrations Project Act (YEDPA) was enacted, greatly expanding funding for training and employment of youth (Hahn and Lerman, 1984; Betsey, et al., 1985). The Carter administration also implemented measures to encourage private expansion of jobs through the New Job Tax Credit in 1977 and the Targeted Jobs Tax Credit in 1978. The latter, greatly underutilized, was aimed at helping certain categories of young and adult workers (National Commission for Employment Policy, 1981).

In 1978, CETA was amended to encourage greater private sector involvement. The Private Sector Initiatives Program called for the development of Private Industry Councils (PICs) to advise prime sponsors (the operators of CETA programs) on existing programs, to develop and administer new training programs, and to improve the links between the CETA system and the private sector, aimed at stimulating private hiring of CETA eligibles. The legislation mandated that a majority of PIC members be from the private sector. Additional PIC members included labor unions, educational institutions, community-based organizations, employment services, and other federal and local agencies. The private sector initiatives begun in the employment and training area under the Carter administration were intensified under the Reagan administration.

Federal funding of employment and training programs was cut back drastically in the 1980s, primarily because of the elimination of all PSE in 1981. In October 1982, during a period of economic recession, CETA was replaced by JTPA, primarily a preemployment program, featuring job search instruction, job placement, and short-term vocational and skills training. Under JTPA, there are limited work experience components, in contrast to its predecessor, CETA, which had a strong public work experience dimension. JTPA's first-year appropriation was \$3.7 billion, far short of CETA's \$8.1 billion appropriation in 1980.

On the administrative front, JTPA transferred substantial federal administrative responsibilities to the states, but retained federal responsibility for financing, monitoring and technical assistance. JTPA requires states to establish a State Job Training Coordinating Council to recommend the coverage of service delivery areas (SDAs), plan the coordination of services, review local plans, adapt performance standards to state needs and make annual reports to the governor.

Other state functions involve administration of the performance management system, including oversight to ensure compliance with federal laws and mandates. The role of the private sector was enhanced by assigning PICs, which are dominated by private business, the responsibility of working with local government officials to distribute JTPA training funds and decide, within federal parameters, who should be served by local service providers.

The entire JTPA system, including the youth components, came under review in 1989. The JTPA Advisory Committee (DOL, 1989) examined and endorsed the JTPA human resource framework, but made 28 recommendations for improving the system so it could better address the training needs of the 1990s and the next century. Seven were considered key:

- Target the program more directly to disadvantaged persons with multiple barriers to employment, especially serious skills deficiencies.
- Individualize and substantially intensify the quality of services provided.
- Realign the services currently authorized for youth into a new, consolidated year-round program title with increased funding.
- Redesign outcome measures to reflect more accurately the program's goal of increasing the long-term economic self-sufficiency of participants.
- Substantially relax program constraints to increase the responsiveness of the system and to improve its capacity for effectively serving participants with serious barriers to employment.
- Increase the productivity of the system by undertaking a major training and research effort to improve program quality and build the capacity of staff who administer and deliver the program at the state and local levels.

- Create expanded public/private partnership arrangements to achieve linkages between JTPA and other human resource programs in order to serve a larger proportion of the eligible population more effectively with a broader range of services.

III. UNDERSTANDING AMERICAN YOUTH EMPLOYMENT AND TRAINING POLICY: A FRAMEWORK

Political scientists offer many analytic frameworks for studying national policies. The framework of Heidenheimer, et al., (1983) is particularly useful for the youth manpower system. They describe a four-factor framework beginning with choices of scope, i.e., the dividing line governments establish between public and private responsibilities. In the American human resource field, for example, we have chosen as our public responsibility to assist low-income youth, but only in ways that minimize interference with labor markets. Participation in the private economy is seen as a private choice made by young people; markets, in the American context, are best left alone and unfettered.

The next factor in the Heidenheimer, et al., framework involves choices of distribution, which refers to the many questions of fairness, equity and efficiency implicit in all policy formulations. Good examples in JTPA are the law's provisions for targeting economically disadvantaged youth, and the funding formula that distributes funds based partly on local unemployment levels. Do these criteria work, in terms of equity, when poor people are crowded in neighborhoods of persistent poverty? How does income testing work in school settings--the single largest provider of JTPA youth services--when there is reluctance to determine income eligibility? What happens when many youth are just over the income notch of eligibility? What about the reputation of JTPA as a system that "creams," i.e., chooses to serve only the most able of the eligibles? These are all issues of distribution.

Consider the third factor, choices of policy instruments, the tools governments choose for their policy interventions. In the United States, we rely on a complex set of relationships among federal authorities, governors, state coordinating councils, local PICs, SDAs and the vendors who actually deliver services (such as schools, community-based organizations, community colleges and private firms). We use financial set-asides, mandates, performance standards and other policy instruments to make the partnerships work.

McDonnell and Elmore (1987) describe four general categories of policy instruments:

- Mandates, or "rules governing the action of individuals and agencies, intended to produce compliance." There are many examples of JTPA mandates, ranging from income eligibility requirements to performance-based contracting.
- Inducements, or the "transfer of money to individuals or agencies in return for certain actions." The 8 percent set-aside and special funds for coordinated strategies at the state level are examples of inducements.

- Capacity-building, or the transfer of funds for upgrading intellectual capital, human resources and materials. The DOL investment in technical assistance, practitioner-oriented dissemination and research are all elements of capacity-building.
- System-changing activities, or the "transfer of authority among individuals and agencies to alter the system by which public goods and services are delivered." This factor lies at the heart of what JTPA policymakers try to do when they support comprehensive youth initiatives at the local level, such as the multisite Youth Opportunities Unlimited demonstration, or when they promote coordination between the Family Support Act and JTPA.

The final factor in the Heidenheimer, et al., framework is choices of restraint and innovation. What is the balance between regulation (restraint) and innovation, experimentation and loosening of requirements? How do such questions, for example, translate into the roles and responsibilities DOL chooses for itself? How much should the federal government prescribe versus recommend; what is the balance between the roles of cheerleader and tough cop? In the decentralized JTPA system, in which federal-state relationships are often touchy, the balance between innovation and restraint often turns on issues of authority and interpretation of the federal/state role.

CHOICES OF SCOPE

Where is the dividing line between public and private responsibility in contemporary youth manpower policy? Is the publicly financed American system of employment and training services for youth big or small? Before trying to answer these questions, it is important to consider whether there even is an American job training system to describe.

Federal employment and training policy for youth is just one component in a broader array of human resource programs that encompass public education, especially the career education, counseling and guidance components of secondary schools; the separate vocational education system, with its recent amendments requiring state coordination and targeting of services to the lowest-income populations; higher education, especially community colleges and proprietary schools (not to mention the entire system of financial aid in the form of grants and loan programs); private training, which goes on daily in the workplace; work-welfare policy and programs; and community-based programs (GAO, 1990b; American Vocational Association, 1990). The "system" of job training for economically disadvantaged young people in the United States might be better characterized as a galaxy of planetary systems, each having its own unique history, policy debates, linkages with other systems and performance records.

For the majority of Americans, employment is a private matter between the individual and a private employer. Americans have a deeply felt belief that, excepting initial preparation for working by public education, the responsibility for developing manpower resources lies with individuals, their families and employers. Employer-based training activities therefore account for the bulk of training the existing work force. Estimates on money devoted annually to private training range as high as \$250 billion, with perhaps \$25 billion spent on young workers (Lynch, 1989; Carnevale and Gainer, 1989).

Despite these broad estimates, not much is known about the actual scale of youth training in the regular economy or the motivations of firms providing the training. Distinguishing between private and public training is itself a difficult task (for example, many proprietary schools enjoy public subsidies primarily but not exclusively through federal sources). Lynch (1989) has tried to derive reliable estimates of the numbers of young people who receive private training in the United States. Using the National Longitudinal Survey of Youth cohort (all youth who were between 14 and 21 years of age at the end of 1978) and restricting the sample to people who completed their schooling by the 1980 interview, she found that between 1978 and 1983, only one in four young Americans were involved in private training. This included a significant number who were involved in training that was provided off-site (for example, business colleges, barber or beauty schools, nurses programs and training institutes); a smaller number who were engaged in training at the job site; and a much smaller number who were in formal apprenticeship programs. Lynch finds that race and sex influenced the probability of receiving different types of training; she notes that women and nonwhites were much less likely to receive training within a firm, either through an apprenticeship or other forms of OJT. For example, only 2 percent of all nonwhite youth were in on-site private training, half the 4 percent figure for white youth.

Bartel (1989) has looked at formal employee training programs from a sample of 493 businesses to answer the question, "why do companies invest in training?" She finds that the "profit maximization" model reliably predicts which companies will provide training for workers and which will not: "Large companies, those introducing new technology, and those with a high proportion of internal promotion were more likely to have formal training programs" (1989:27). These findings help explain why only 6 percent of youth receive on-site training in the private sector. As the Holzer paper in this series shows,¹ most firms in the youth labor market are small, "low-tech" and offer few opportunities for advancement. Bartel concludes about both youth and adults that "if the goal is to ensure that virtually all American workers have the opportunity to participate in formal training programs at the worksite . . . there is not enough training" (1989:27). She suggests that

¹ See Holzer, this volume.

special incentives will be required to increase the perceived marginal return or to lower the marginal cost of training, if more widespread training is the goal.

Vaughan and Berryman (1989) disagree with this policy conclusion but not with the diagnosis of the problem. They argue that "further subsidies would increase rather than reduce inequities since those trained by employers are already relatively well-educated and economically advantaged. Further, employers train firm-specific skills that have limited use outside of the firm" (1989:4). With fundamental policy questions in dispute, such as whether or not to subsidize private training, there is a compelling case for more research and demonstration activity on the subject of private training and public incentives. We need to know whether subsidies can be targeted effectively to certain categories of young workers who would not otherwise receive training and whether government incentives change employer practices and result in economic payoffs to employers.

If the amount of private training of young people is limited, the public side of the American youth training system is even more marginal, in terms of the size of federal funding and the ability of the system to reach those in need.

The GAO (1990a) reports that in fiscal year 1989, DOL operated nine youth programs with a total of \$3.8 billion, most of them under JTPA. This is a tiny figure in relation to the entire federal budget, representing not even one-quarter of 1 percent. It is altogether insignificant in terms of gross national product. The underinvestment results in a very significant unmet need in the youth populations designated as eligible for service.

To get a sense of the comparative magnitude of federal spending on JTPA employment and training policy, compare the federal outlays in 1990 for health care--about \$798 per person (\$201.3 billion)--to the \$15 spent per American on JTPA activities (GAO, 1989e, 1990a, 1990b, 1991). Of course, such statistics do not account for federal outlays in allied human resource spheres, such as college loans and grants. But as the William T. Grant Foundation (1988a) has pointed out, federal outlays for the non-college-bound lag greatly behind expenditures devoted to the college-going population. For example, recent data from unpublished material assembled by the GAO (1991) show that while federal spending on education and training is about \$16 billion dollars annually, 40 percent is devoted to graduate student loans and Pell grants for the college sector, with the remaining 60 percent spread among 45 separate programs for adults and youth.

How many youth are served by the JTPA second-chance system? The answer to that question reveals that JTPA is a very small youth system indeed. In fact, the youth manpower system is a good example of social policy trying to "wring" the most performance out of a relatively small enterprise. We have estimated the total number of youth

in JTPA as approximately 1,117,300. Most (54%) are enrolled in short summer job training programs (GAO, 1989e, 1990a).

Consider now how we estimated the youth enrollments. Title II-A of JTPA requires that at least 90 percent of all participants come from economically disadvantaged backgrounds and at least 40 percent of II-A funding must go to youth between the ages of 14 and 21. With the approximate \$1.9 billion appropriated for this component in 1989, the II-A program served 1.1 million youth and adults. Youth enrollments were roughly 40 percent of the total, or 440,000. The summer program (Title II-B) was funded at \$709,000 and in 1990 served approximately 604,000 additional youth (39 percent were 14 to 15 years of age); the Job Corps was funded at \$762,000 and served another 67,300 young people. Other youth were served in special pilots and demonstrations. These were funded at \$30,000,000 and served up to 12,100 people, but not all were youth. We estimate that half of the 12,100, or 6,000, were youth.

How do these enrollments match the national need? To calculate the need is a difficult and often subjective exercise; in fact, the concentration of youth problems and the degree to which problems correlate with one another and with available services is an area of research that would be useful for DOL to support.²

Dryfoos (1990) reviews much of the literature on the concentration of youth problems and finds a preponderance of evidence that about 15 percent of 15- to 21-year-olds, the general ages served by JTPA programs, are at very high risk, while 62 percent are at moderate risk, and only 25 percent are not at risk. As indicators, Dryfoos uses involvement in crime, drugs and unprotected early sex, rather than family income, employability skills, work experience or similar measures of direct interest to DOL. Still, with the population in this age range being approximately 20 million, the JTPA program is serving only 5 percent, far short of the 15 percent Dryfoos estimates to be at very high risk.

Other studies have looked at the share of income eligibles that JTPA serves nationally and have also concluded that JTPA reaches only 5 percent of eligible persons (e.g., DOL, 1989). By any of these standards, then, the JTPA program is small. That small a program, even if 100 percent effective, cannot be expected to shift aggregate social and economic indicators, such as the national jobless rate among teens, and illiteracy or school completion rates.

² See Lerman, this volume, for a similar conclusion.

CHOICES OF DISTRIBUTION

U.S. policymakers in the human resource field have generally made clear choices about the distribution of services. American youth programs are targeted rather than universal. In JTPA, there are explicit income guidelines governing who can participate. Such targeting can lead to peculiarities, such as when a public school serves JTPA-eligible youth through a special "pull out" program while other youth, many just over the income notch of eligibility, are not allowed in the program. New features in the reauthorization of the Perkins Vocational Education Act replicate this JTPA approach.

In addition to the income guidelines that set conditions for program eligibility, JTPA encourages informal targeting as well. For example, practitioners at the federal, state and local levels focus a considerable amount of attention and use ample JTPA discretionary funding to ameliorate the special problems faced by African-American teens and others who often fare poorly in the labor market or are thought to be at risk. This type of targeting in American youth programs stands in sharp contrast to the universal practices found in most European and Asian countries (Skocpol, 1989; Osterman, 1988).

The American choice of a targeted approach rather than a universal one derives in part from the decision to locate youth policy under the jurisdiction of DOL rather than in the mainstream of public education. Put differently, youth employment and training policy has developed as a subset of manpower policy rather than as a subset of education policy. That is, most American youth programs have been designed as second-chance programs outside the education system. Grubb (1989:70) points out:

[The] existence of parallel systems for job-related training extends back at least to the 1930s. The Roosevelt administration, believing that public schools were unsympathetic to the poorest children, established job training programs outside the educational system, both to reach the poorest individuals who might not accept school-based training and to establish a more flexible and shorter-term job training program than were conventional within high schools.

There has also been a formal yet somewhat rhetorical drive by American policymakers toward establishing a set of distinctive services for youth. This is evidenced by the Title II-A rule that 40 percent of all local JTPA funds be spent on youth between the ages of 14 and 21; youth competencies are linked to attainment; and eligible activities are available through the schools.

There is not, however, always clear differentiation made between adults and youth within specific programs. Youth and adults continue to be enrolled together in programs that

lack clear age distinctions and therefore fail to provide services based on such distinctions.³

To a lesser extent, gender separation is also a distinguishing feature of the American approach. Despite the rhetoric about eliminating sex stereotyping in occupational choice, many programs (but not all) prepare young men and women differently and place them in different kinds of jobs and settings on completing the training program (GAO, 1989b, 1990c). To the extent that sex stereotyping is a problem, it can be traced to local decisions by program operators in response to federal performance standards. For example, if performance standards favor short-term programs leading to rapid placements, these incentives make it difficult for local programs to serve multiproblem youth, such as teenage mothers who need long-term support through subsidized employment with provision for child care.

One might think that a policy of targeted services would avoid the inefficiencies usually associated with universal approaches. However, the American strategy has come under attack by critics who have raised the specter of "creaming," the phenomenon of programs choosing to serve only the most able of the eligibles (e.g., Grinker Associates, 1986; Orfield and Slessarev, 1986; Walker, et al., 1985). Not surprisingly, this is a contentious issue that has evoked contradictory responses. In response to the charge of creaming, a senior official of DOL has responded that the Reagan administration originally proposed far narrower eligibility criteria, but that Congress "loosened it up to 'economically disadvantaged.'" We're doing just what the Congress intended" (Victor, 1990; see also Jones, 1985).

Even the usefulness of the term creaming is debated by federal officials. Some feel it incorrectly suggests that services are deliberately withheld from intended target groups of youth. In fact, according to one interpretation of the official position, JTPA consistently exceeds the legislative requirement that a minimum of 90 percent of participants come from economically disadvantaged groups.

In the only large-scale national study of creaming known to these writers (National Commission for Employment Policy, 1988b), the authors argue that before charges of creaming are leveled at JTPA, the interests and motivations of potential participants must be examined. They point out that approximately 39 million people are JTPA-eligible, including 31 million persons between the ages of 16 and 64. However, 90 percent of this group are either already employed or are not actively seeking jobs, and are thus unlikely to be interested in training.

³ Current proposed amendments to JTPA call for the establishment of a separate youth title.

The National Commission for Employment Policy study does not look at various administrative factors that surround the alleged creaming phenomenon. Kogan, et al., (1990) report that SDAs often do not target at all, except in the broadest terms--for example, by earmarking funds for at-risk youth.

All told, these factors may add up to an administrative system incapable of serious creaming in the youth area. Moreover, we have only sketchy information about the competencies young people possess when they enter youth training programs. How many, from a national perspective, are severely at risk, how many need "brush up" and short-run services, and how many do not need the programs but find themselves enrolled? Our larger point is that creaming has not been researched carefully enough. We also do not believe that this issue will go away, even if future JTPA amendments establish additional eligibility criteria.

In contrast to the American targeted approach, many European youth manpower schemes have assumed universal characteristics by locating job training in the school sector. In Sweden, for example, the education system is responsible for youth until they reach the age of 18, whether they are in or out of school-based programs (Nothdurft, 1990a; GAO, 1990b). Australia, whose levels of prosperity and education are somewhat comparable to those in the United States, provides a particularly instructive comparison for American policymakers.

Recent changes in the Australian approach to youth manpower policy include structural reforms and attempts to tighten up the school-to-work transition. The government virtually eliminated short-term labor market policies and placed greater emphasis on mainstream education and training. This was accomplished, in part, by moving youth policy from the Department of Employment to a new Department of Education and Youth Affairs (Vickers, 1991).

An explicit attempt was made to focus on comprehensiveness and coordination among education, income support and labor market policy. The rationale provided by Vickers, a key advisor in youth policy, was that "subsidizing the employment of early school leavers in low-skilled work was neither in the interests of the young person nor of the nation; in the long term, what would be needed were higher levels of youth participation in mainstream education and training" (1991:23).

Various national agencies worked together to eliminate the "piecemeal financial arrangements" associated with various financial aid and other programs and replaced them with a "rationalized system of benefits." Finally, the federal education and employment programs were joined in a new Department of Employment, Education and Training. Now, instead of nearly 20 programs, there are only four: the Skills Share program,

which consolidates a wide range of community-based programs for disadvantaged young people; Jobs Start, which offers employer subsidies under limited circumstances for young people having trouble finding a job; the Job Search Program, for young people receiving job search subsidies; and the Traineeship system, which combines on-the-job and off-the-job training.

All Australian youth 15 to 19 years old are eligible to receive a study or job search allowance to enable them to stay in school or look for a job. Eligibility for the job search allowance is delayed six weeks after leaving school to provide an incentive to stay in school. A job search training program is also available for youth receiving the allowance. This program is part of the education system (Vickers, 1991).

The changes in the Australian approach to youth manpower policy raise many questions--such as how decisions were made, and how effective the initiatives have been and under what conditions--that could serve as the basis for a program of comparative research studies.

Now consider the American approach. For example, have American youth policymakers resolved whether they want to serve in-school or out-of-school youth? The 1989 proposed JTPA amendments reflect ambivalence regarding the extent to which employment and training programs for youth should emphasize prevention of school failure or second-chance supports once young people have left mainstream settings. On the one hand, the proposed amendments would shift even more emphasis than is now the practice to out-of-school youth with the proposed requirement that at least 60 percent of youth served be out-of-school. (The proposal did not distinguish between dropouts and graduates.) At the same time, the amendments would promote year-round programming in conjunction with the summer youth employment program.

When the Commission on the Skills of the American Workforce examined the American school-to-work transition system, it characterized it as "the worst school-to-work transition system of any advanced industrial nation" (National Center on Education and the Economy, 1990:9). However, there may be common problems among Western countries. For example, Osterman (1991) notes that in France, as in the United States, many young people work in secondary labor market jobs and only secure stable employment after much turnover and experimentation. He points out that even in Germany, young people in apprenticeships are "overly represented in small firms . . . and have to move from these firms when their training ends . . . and thus while teenage German unemployment is low, some of it is simply deferred to later years" (1991:6).

Research and demonstration strategies comparing various school-to-work transition schemes, drawn from the United States and other countries, are clearly needed. These

schemes include job search assistance for all non-college-bound seniors in particular high schools or labor markets (Philadelphia has had such a program for years); job placement models, such as Jobs for America's Graduates; use of Employment Service staff (the British model) or PIC-supported employment counselors (the Boston Compact) in schools; or such new proposals as an Employment Information Exchange Service, which would make career and higher education information available to all students as well as job-seekers requiring assistance in job search or placement (Wills, 1991).

CHOICES OF POLICY INSTRUMENTS

The federal government's policy instruments include mandated financing schemes and performance standards.⁴ Here, we want to limit discussion to a brief review of what is distinctive about the American approach to financing job training for youth and a look at what might be done to expand our knowledge of alternatives.

The fiscal and performance standards of JTPA make it results-oriented. Contractors are paid only if they achieve certain performance goals, such as placing a target share of trainees in jobs, arranging alternative education or helping youth achieve approved competencies believed by PIC community leaders to be useful for entering the labor market (Center for Human Resources, 1989; National Commission for Employment Policy, 1988b).

This outcome-driven approach is rather unusual in terms of domestic policy. Most bureaucratic governments fund inputs or, as in national health care, try to control costs by setting ceilings on approved practices. Public education is a good example of the input approach. Once funds are collected on the basis of local property tax assessments, they are distributed by a formula that builds on "average daily attendance," an example of an input. At the federal level, elementary and secondary education funds are earmarked to meet certain broad purposes established by Congress. These funds are also distributed on the basis of inputs, such as the number of needy students in eligible school districts.

The use of results-oriented performance standards has been seen in many quarters as a positive social policy development worthy of replication. Thus, when the Perkins Vocational Education Act and the Family Support Act were considered by Congress, policymakers adopted parts of JTPA's performance standards approach.

⁴ The latter are the subject of another paper in this series; see Melchior, this volume.

But curiously, JTPA's system of performance standards has not been scrutinized for the role the standards play in shaping local human resource programs for youth. Rather, performance standards have been studied mostly as a compliance issue, for example, in terms of repairing such abuses as fixed unit price contracting procedures. Rarely has the results-oriented approach been examined in terms of how the costs and benefits of the standards affect the quality of services provided in the youth manpower system.

We would like to know, for example, whether the financing of job training through performance measures has become too cumbersome; whether it has stimulated or constrained quality in youth programs (see Berkeley Planning Associates, 1991, for a good start on this question); and whether it has led to achievement of genuine self-sufficiency in the postprogram period for young clients. What, for example, is the statistical association between "attaining youth employment competencies" (a youth performance standard) and long-term success in the labor market in terms of job quality, wages, hours, etc.?

We found very little literature on these themes and thus can only recommend further investigation. We also believe that a review of youth performance standards should be separate from a review of all performance standards in JTPA. Youth and adult standards are different, and a study of youth standards alone will be more manageable in the short run.

What is known about other aspects of the financing system is that JTPA did innovate over CETA through its authorization as a permanent program and its change in the fiscal cycle to begin in July rather than October. The intention of the latter was to give localities more advance notice about funding, which they have judged helpful (Leviton and Gallo, 1988). The purpose of the former was to protect the job training community from the domestic policy battles that often arise every four years with a new presidential election.

However, support for JTPA itself has not been measured and the recent congressional debates over amendments to JTPA, including the proposal for sunset provisions, show that the consensus today supporting the legislation may be weaker than many believe.

The funding formulae used in JTPA have been subject to legislative debate and considerable study. For example, DOL allocates two-thirds of state and local funds based on the distribution of unemployment. The rest is disseminated according to the distribution of low-income populations. Unemployment rates (several indices are used to assess unemployment in SDAs) therefore count heavily in the formulae, even though unemployment is not always a prerequisite for program assistance. Simply put, areas with high

unemployment may receive a disproportionate share of funds even if their share of the low-income population is low (Abt Associates, 1986).

Since instability in the unemployment rate is related to changing funding levels, programs often have a difficult time planning and managing their administrative functions. The American approach, in a sense, may be trading off fairness at the national level (an objective criterion is used) for local management difficulties and inefficiencies. There is much speculation about this in the JTPA literature, internal DOL studies and the testimony of youth program practitioners.

We have observed that the system of financing, including alternatives, has not been carefully scrutinized by outside researchers (for notable exceptions, see Barnow, et al., 1990). Rather, elements of the system (such as the allocation formulae) are examined only under the assumption that what we have today is the permanent operative system, which may need a few repairs. Compare this approach to the health care debate, in which entirely new systems of financing are offered for debate almost monthly in public policy circles. Much of the discussion in health care is financed by the federal government through a network of research centers, think tanks, commissions and so on. We would like to see more research on alternative financing schemes for youth employment and training.

The proposed research program would consider the following illustrative questions: How might youth employment and training funding be increased? What funding mechanisms would provide more stability to youth program providers? How would European tax schemes work in the American context? What are the simulated impacts of various employer training tax proposals? How would school districts handle job training opportunities if districts received the equivalent of average daily attendance funds for returning dropouts? A comparative policy research and demonstration initiative to consider these and related questions would spell out the financial implications of the alternatives, since the current budget deficit situation is unlikely to lead to expensive proposals.

Consumer choice is one of the recommendations of the president's education reform package. There is a long tradition of research investigating consumer-choice models. The policy arguments involve issues of equity, access, information for decision-making and the role of public services.

In the manpower field one proposal (Choate, 1982) involves using tax incentives to encourage businesses and/or workers to set aside money for individual employees for future education and training. Another version would allow businesses and workers to contribute to a pooled insurance fund. A third variation would allow parents to establish

accounts for their children in state trust funds that could be used for education or training.

Many of these proposed schemes have been criticized for lacking target efficiency. Will people who need to invest in training be the least likely to use individual training accounts or other approaches? Will they have the knowledge and information, not to mention the resources, to make these investments? Further, will businesses support such funds?

In response to these criticisms, Levin (1977, 1983), the National Commission on the Skills of the American Workforce (National Center on Education and the Economy, 1990), Vaughan, et al., (1984) and others have called for government grants or subsidized loans to all individuals who wish to obtain further education or training. The mix between grants and loans could be set by family income. Entitlement programs of this kind should be the focus of review and evaluation, with implications for the human resource community developed.

Great Britain is pilot-testing training credits within the scope of its Youth Training Program. Under the pilot program, young people leaving school (typically, 16- and 17-year-olds) are issued a credit by the government to pursue an individual training plan developed by the young person with advice and guidance provided through local offices of the national Careers Services, schools or other providers. In effect, the British youth training credit is an individual training account. If the youth is employed, the employer is expected to contribute resources to support the training; various time limits have been set on the use of the credit.

For the purposes of this review, we suggest that many of these questions and options are amenable to formal comparative research, descriptive studies and experimentation. For example, state initiatives could be assessed and lessons disseminated. What, for example, has been learned from Kentucky's use of vouchers? California, New York, Michigan and London are experimenting with the use of cards containing a "credit line" for off-the-job training and assessment; a "debit line" shows how much training time remains, and an "achievement line" shows the units earned toward a vocational qualification.

THE CHOICE BETWEEN RESTRAINT AND INNOVATION

Americans have chosen a youth manpower system that is restrained in several ways. First, as we have seen, the American approach to job training for youth focuses on human capital upgrading rather than on direct interaction with labor market institutions. Osterman (1988:132) says the "consequence of this philosophy is that American programs aim to provide the individuals with information and skills but are not integrated in any

substantial way into the human resource calculations or industrial relations strategies of firms." He concludes that useful employment policy "helps firms create and maintain flexible internal labor markets The notion of 'usefulness' helps explain the ineffectiveness of American employment policy and the comparative importance of European policy . . ." (1988:132).

The tilt toward supply-side interventions in American human resource policy has likely limited our ability to mesh the goals of youth manpower policy with other economic goals. This is not to suggest that the nation has failed to experiment with demand-side interventions; the controversial youth subminimum and training wages, the Targeted Jobs Tax Credit, and the wage subsidy experiments of YEDPA's Youth Incentive Entitlement Pilot Projects are good examples. But each time such initiatives were promulgated, they ran into serious political and ideological troubles. Policymakers have learned that political consensus is easier to obtain if the focus is on young people and their deficits rather than on employers and their hiring and training practices.

A second example of restraint relates to the federal role in manpower policy and its shared decision-making with state and substate entities. Simply put, the federal government is constrained by the partnership context. Although the balance between passivity and activism is determined by each Secretary of Labor, the basic functions of the federal government have not changed much over time, as our section on manpower history has shown. What does change is how federal authorities interpret their roles and responsibilities.

The balance between restraint and innovation is a consistent theme in any attempt to evaluate the mix of partnerships under JTPA. While our literature review indicates that the partnerships themselves have not been examined thoroughly or recently, some attempts have been made to draw conclusions about the mix.

Quality of Federal and State Leadership

The federal role under JTPA is largely prescribed by law to include financing, monitoring state and local compliance with the law, supplying technical assistance, assessing the program and ensuring fiscal accountability. Simply put, whether these functions have been done well is not known from the available literature. Levitan and Gallo (1988) and articles in the popular media (Victor, 1990) have accused the federal government of lackluster leadership at one time or another. But that is a rather skimpy basis on which to form firm conclusions on such an important matter.

Generally, criticisms of the federal role have dealt with specific issues, such as the government's ability to monitor the use of fixed unit price performance-based contracts

or mount a program of effective technical assistance. A number of monitoring and implementation reports on these issues are available (e.g., Westat, 1984, 1985), but do not provide a clear picture of federal leadership.

For the broad purposes of this paper, it is interesting to note that the role of the federal government in national youth policy has rarely been studied in and of itself. The authors uncovered few studies of federal leadership, and suggest that the results of such studies should be useful not so much for reversing the present devolution of authority from the federal government to state and substate entities, but rather for helping the federal government monitor its own role in a decentralized system of partnerships. Without such studies, the federal government's role in stimulating "continuous improvement" and quality control in the local system is likely to be hampered.

Similarly, research about the current state-federal relationship and the effectiveness of state agencies has not been prepared. Such a program of research would certainly be useful. For example, Levitan and Gallo (1988:30-31) believe such a study would conclude:

[T]here is little evidence that the states have rushed in to exercise their statutory responsibilities, or that state leadership has produced significant results The partnership which Congress envisioned between the governor, the newly created state advisory council, the legislature, business, labor and other state governmental agencies has emerged only in isolated cases With few exceptions, . . . most states have passively waited for federal instruction [I]ronically, a program (JTPA) which was designated to demonstrate the potential of state leadership instead suggests that a strong federal presence is necessary [W]hile a genuine federal-state partnership would be more desirable, the JTPA experience casts doubt on whether this arrangement can be achieved.

These are strong charges, and are based on a single study's observations, interviews and analysis of secondary reports. One study is an insufficient foundation for such conclusions. Clearly, the subject is important enough that additional, more systematic studies must be undertaken. We also recommend that future studies not be confined to questions of leadership under the current system, but also include the potential of leadership under alternative approaches to training for young people.

Local Service Delivery by SDAs and PICs

JTPA's framework is strong on expectations for outcomes but relatively quiet on the types of services, and the people and institutions to deliver them. Put differently, JTPA

relies on a form of accountability that may be labeled "bureaucratic accountability"--the enforcement of rules and regulations.

Other forms of accountability are equally important parts of the JTPA framework. These include "political accountability" (assurances that State Job Training Coordinating Council and PIC members, for example, meet their obligations); "legal accountability;" "professional accountability" (standards of professional practice); and "market accountability" (Darling-Hammond and Ascher, 1991). While all these forms of accountability affect local service delivery, bureaucratic accountability is the only one that receives attention at the national level.

Where, for example, are the policies, studies and demonstrations that focus on how youth select training programs (market accountability)? Will DOL's nascent interest in upgrading local youth program staff find the right balance between prescription and innovation in professional accountability? Similarly, to what extent should the federal government monitor the effectiveness of state JTPA entities--would aggressive monitoring be seen as a violation of the partnership concept (political and legal accountability)?

Consider the market accountability of the JTPA system as it operates at the local level. Our review of JTPA concludes that the performance-driven nature of the system results in a hybrid system of service delivery at the local level. But does this mean that the system operates competitively?

In theory, service providers must compete for funding in an outcome-driven environment controlled by performance indicators. Such competition should tend to keep costs down. Costs are also controlled by national formulae that arbitrarily limit administrative costs to a stipulated fraction of total costs. In practice, however, many program managers were able to operate their programs through the 1980s by using fixed unit price, performance-based contracts, which gave them a way to categorize administrative and support costs as training costs. Abuses of this option have received widespread attention by DOL and others (GAO, 1989a).

More important, some observers have written that the interaction among local providers has rarely translated into an innovative training environment, high quality programs, or even the ability to respond quickly to the changing demands of employers (e.g., Levitan and Gallo, 1988; Grubb, et al., 1989). The reasons for this assessment are many, but a primary explanation is that genuine competition among vendors offering the same services rarely exists.

One explanation for the lack of competition is that in JTPA, the real customers are not the youthful clients but rather the PICs and SDAs, who write the requests for proposals

to fund local service providers. In a system where clients do not pay tuition but instead often receive stipends, most communities find that real competition, stimulated by trainees, remains a goal rather than a reality. This helps explain why JTPA is a hybrid system: on the one hand, it is performance-driven; on the other hand, there is no independent payment system to increase the number of vendors and foster true competition among them at the local level. The relatively low funding level of the system also contributes to the lack of competitiveness.

Grubb, et al., (1990a, 1990b) have examined the service delivery system in detail in several communities and conclude that there is little overlap in the services provided. They find that different groups reached different kinds of individuals and provided specialized services.

Grubb, et al., describe five distinct "systems" operating at the local level: the "primary system"--high schools, four-year colleges, vocational education programs in community colleges and technical institutes, and graduate and professional schools; the "secondary system"--remedial programs in elementary schools, community colleges, adult schools and other institutions designed to integrate individuals into the primary system; the "tertiary system"--JTPA and other job training programs targeting the disadvantaged and hard-to-place; the "quinary system"--programs serving welfare recipients; and the "quintary system"--programs in correctional institutions.

Grubb, et al., conclude that there is no genuine competition among and within categories at the local level. In fact, they argue that in the present undercapitalized environment for human resource programs, we need more duplication and competition among vendors, not less. They equate this strategy to that of engineers who purposely design with redundancy in mind. It will be interesting in this regard to see how governors will use the set-aside funds (earmarked in recent proposals for JTPA amendments) to stimulate coordination of services, when in many locales there are not enough providers.

Compare this characterization to the movement underway in public education, which many hope will lead to more choice and competition. We recommend that DOL try to increase the competitive environment of JTPA at the local level by undertaking reviews of policies and by conducting studies and experiments to determine the degree to which competition is occurring and the best methods for promoting it. These tasks would initially be exploratory, since local conditions vary greatly and the goal of stimulating competition at the local level is not easily achieved. It is made even more difficult by JTPA's limited resources. However, if studies reveal that competition matters, perhaps a JTPA outreach campaign would stimulate the growth of youth service providers. PICs could also receive training in how to stimulate competition by combining JTPA funding with other resources.

IV. CAPACITY-BUILDING ACTIVITIES AND SYSTEM-CHANGING INITIATIVES

The federal government has a variety of tools for helping states and substates develop coherent, quality systems of youth program service delivery. Federal oversight of State Job Training Coordination Councils and the integration of these councils with other umbrella coordinating councils at the state level (e.g., in vocational education) is one way the federal government builds capacity and stimulates system-changing behaviors.

The federal government's special interest in coordination is generally conveyed through the technical assistance and research functions of the national and regional offices of DOL. For example, coordination has attracted recent interest as a research theme, and the "3 Cs"--coordination, collaboration and case management--have been the subject of many training workshops and forums. This attention results from concern that fragmented authority, turf battles, competition for funds, and rivalries among public programs inhibit cost-effective service delivery and hold back progress on treating "the whole child." As we have seen, competition is generally not addressed as a service improvement strategy.

Technical assistance guides with "dos and don'ts" and a growing academic research literature have emerged in response to the challenge of getting schools, community groups, welfare agencies, courts and others to cooperate with JTPA entities (see Bruner, 1991; Melaville, 1991; William T. Grant Foundation, 1991.) As noted, the JTPA law itself contains incentives for coordination. Governors can reject SDA plans that are weak on coordination, and governors and the councils can encourage coordination through creative uses of the 8 percent funds and the regular functions of planning and oversight. Students of these coordination criteria have found them to be generally helpful. For example, Grubb, et al., (1989) report that state and local administrators believe the coordination requirements have been helpful.

Coordination is a theme particularly suited to this paper's principal recommendation--to undertake studies of a comparative nature. The subject has long been of interest at the community level in addressing the issues of aging (the Area Agencies on Aging set up Home Care Corporations to coordinate services); mental health (the Robert Wood Johnson Foundation is deeply involved in coordinating community mental health services for children); health care (the Kellogg Foundation is about to embark on a major project coordinating health care delivery at the local level); social services (almost every state has grappled with coordination at the community level); drug abuse; and so on. Before expanding Youth Opportunities Unlimited programs and similar ventures--which call for unified, coordinated programs in very poor neighborhoods--we recommend that relevant experience from allied fields be synthesized, with the implications for DOL initiatives spelled out.

Tangible management tools that build on experiences in allied fields are also needed. For example, the challenge of tracking and managing the case of a JTPA participant who has been referred to a remediation program is very similar to the tracking and case management challenge faced by substance abuse programs, welfare administrators or aging agencies. The sending program needs to learn whether the client actually enrolled in the program to which he/she was referred; whether he/she completed the program; and whether he/she returned to the sending agency. Managers want to know whether the client is making sufficient progress, and funders would like to know which programs work best and under what conditions. These questions are generic, suggesting that lessons from one field may apply nicely to others. The value of cross-sector sharing seems so obvious, yet separate authorities and providers too often "go it alone," rather than help facilitate shared learning. DOL could take a leadership role in stimulating cross-sector learning about the "3 Cs" and associated topics.

Another component of the capacity-building and system-changing agenda involves the federal government's use of its research, data collection and technical assistance activities to promote high-quality local service delivery. On this front, we have found little evaluation of DOL efforts to support and provide technical assistance to the youth-serving field. Some information is available on the scope of these activities, but next to nothing has come to the attention of these writers about effectiveness (National Governors' Association and National Alliance of Business, 1985).

Levitan and Gallo (1988) contend that technical assistance was radically scaled back in the early days of JTPA in deference to giving states and localities maximum feasible discretion to implement the JTPA youth programs. The authors also point to potential problems in the organization and administration of technical assistance: reliance on subcontractors rather than federal staff in Washington and the regions; unevenness in the distribution of technical assistance; the question of who--states or the federal government--should take the leadership role in technical assistance; and the requirement that hard-pressed SDAs pay travel and other costs associated with technical assistance. Again, however, there is little available research evidence about any of these matters, much less on the alternatives.

How have other domestic agencies handled this question? For example, how has the Department of Education organized its technical assistance efforts and evaluated their effectiveness? What about other nations' initiatives--the British manpower reforms, for one? Through comparative studies, technical assistance can and should be examined.

Our recommendation is that the review of the technical assistance function be conducted by an internal working group, backed by small-scale review studies. The working group would include DOL officials, peers drawn from other domestic agencies, several techni-

cal assistance providers and practitioners, and knowledgeable representatives from the National Academy of Sciences, a group with considerable experience in tracing the impact of knowledge development and technical assistance in federal agencies. The initial focus of the project should be the distribution of present technical assistance efforts, their content and intended goals, and the self-reported effectiveness of the services from a practitioner's perspective.

A similar conclusion can be reached about federal involvement in data collection, research and evaluation. There is information available on spending patterns but little on the utilization, dissemination and effectiveness of the products that have been produced with federal support. To the best of our knowledge, DOL data collection, research and evaluation efforts have not been the subject of an outside review. But in other federal agencies, research utilization and knowledge diffusion have received considerable support and been the subject of formal evaluations. As in the technical assistance area, we recommend that peers from other federal agencies, scholars of research utilization, and consumers be assembled in a task force to consider the strategic uses of research.

JTPA's primary data collection tool, the Job Training Quarterly Survey (JTQS), exemplifies our earlier point that much in youth policy has been crafted as an add-on to adult-centered frameworks. This system is the closest the federal government comes to a management information system, and yet it uses categories of service that fit only imperfectly the youth components of JTPA. Moreover, the data system says little about the actual service deliverers (Community-Based Organizations, schools, colleges). Since many of these vendors receive funding from a variety of sources, studying them is complicated but nonetheless very important. This point is discussed in a Berkeley Planning Associates report (1991) and suggests a range of research topics and reforms in the reporting systems.

Another aspect of the system-changing agenda concerns the government's monitoring of the make-up, organization and effectiveness of PICs and SDAs. While not ignored, this subject has also received less attention than it deserves. A number of observers have pointed to the change in community attitudes from CETA to JTPA. Broad community involvement in SDAs and especially PICs has been cited as helping to stimulate respect for human resource and youth issues at the local level (National Alliance of Business, 1985, 1986).

But the federal government largely defers to the states when it comes to collecting information on a routine basis on SDA and PIC composition and effectiveness. It would fit DOL's mandate to improve the quality of local services if we knew, periodically, the backgrounds, experience with youth issues, interests, motivations and experiences of PIC

and SDA members. Moreover, a national study of PIC effectiveness has not been conducted since the early days of JTPA; one is needed to measure the strength of JTPA as a mature program.

If a full-scale study of PIC effectiveness is not possible, a series of small studies of the role of PICs in apprenticeships or education reform would be useful in the following ways: in helping policymakers think about the possibilities of alternative manpower schemes, such as worksite-based learning and apprenticeship arrangements; in determining whether an American version of German apprenticeship should use PICs as the business or labor market board entity; and in defining the potential and limits of such a development, based on PICs' present orientation and structure.

V. RESEARCH AND DEMONSTRATION IMPLICATIONS: THE NEED FOR A COMPARATIVE FRAMEWORK

Numerous studies have compared the achievement of American youth to that of young people in our trading partner nations. These studies find that American youth are less able than their counterparts to meet the rapidly changing requirements of the global economy. Findings from these studies have helped create the movement that has led the president and governors to announce implementation of national education goals and to seek national school reform. Comparative studies covering mainstream education policies (Department of Education, 1991; National Governors' Association, 1990; Nothdurft, 1990a, 1990b) have been valuable policy tools and are now routinely cited by President Bush and Education Secretary Alexander as they tour the country building support for their goals.

A similar but smaller-scale movement is underway in the manpower field, as evidenced by growing interest in manpower schemes in other countries, apprenticeship, and financial incentives to stimulate training opportunities in the private economy (see, for example, George, 1987; Glover, 1988; Osterman, 1989). A good example of a DOL-sponsored project on the latter theme is the review by Barnow, et al., (1990) of relevant experience in the United States and abroad. This and other emerging studies (Osterman, 1991) represent a fine start, but after reviewing recent literature from the manpower field, we suggest that the comparative knowledge development process needs further expansion. A recent example from Congress shows the urgency of this recommendation: in an early draft of proposed legislation from Senator Kennedy's staff, "The High Skills, Competitive Workforce Act of 1991," the staffers call for a "high-skills training trust fund" in which employers would be assessed 1 percent of total annual wages (with certain exceptions).

State experience with employer financing schemes for training provide evidence of the viability of this approach. More, however, must be done, particularly simulation modeling and research and demonstration efforts. This example also shows that alternatives to the present training system, both youth and adult components, are likely to surface from time to time in Congress and in the states. We believe that a readiness posture is required, and that it would be a mistake to wait for specific triggering events in Congress or the administration before undertaking a review of alternative youth development schemes. To summarize, we would like to see the federal government support not only descriptive studies but also a vigorous program of simulations and systematic demonstrations of alternatives to the present system.

We have noted that the vast majority of DOL spending on research, evaluation and demonstration is devoted to making JTPA work better. This is not unreasonable, since

most of such spending is authorized by JTPA. But there are additional uses for knowledge development investments, especially, as we have argued, in the field of comparative analysis. That this has not occurred sufficiently is only partly a reflection of JTPA's concern for its own integrity and quality. Another reason is that until recently, most academics have not shown an interest in comparative studies and research on alternative manpower schemes. The statement of Heidenheimer, et al., (1983:vii) could be generalized to most researchers: "the majority of the world's political scientists are Americans, and the majority of these have not regarded foreign experiences as relevant to their research."

There are exceptions to this general point. Consider the work of Reubens and her colleagues. Her books (1981, 1983) reflect a career of comparative policy analysis in the manpower field. But until recently, there was remarkably little follow-up of this work. Now, however, some policy experts and academic scholars have begun to shift attention to the international and comparative manpower field. Consider Lerman and Pouncy (1990a, 1990b), Hamilton (1990a, 1990b), Osterman (1989, 1991), the GAO's recent study (1990b), the aforementioned study by Barnow, et al., (1990) and the publications of the William T. Grant Foundation (1988a, 1988b). The recent commission report by the National Center on Education and the Economy (1990) and the Secretary's Commission on Achieving Necessary Skills report (DOL, 1991b) were also influenced by comparative policy analysis.

We must note, however, that even among the researchers and writers who have recently come to the comparative policy perspective, few have received federal support for their research and most of the intellectual work has thus far been strictly descriptive. The German Marshall Fund, for example, has been an ongoing source of support for policy experts and policymakers interested in international perspectives. More recently, the William T. Grant Foundation, The Pew Charitable Trusts, the Carnegie Corporation of New York, and The Commonwealth Fund have engaged in cross-national research reviews and supported activities in this area. Partnerships between the government and private foundations in a joint program of comparative research of manpower policy would be highly desirable.

One need only consider the daily references by American health care experts to the Canadian and German health care systems to appreciate that comparative research is fairly well-developed in the health policy arena--to name just one allied field. Yet in the manpower field, outside of the exciting new activities cited earlier (and a subset of activities sponsored by DOL's new Office of Work-Based Learning), most DOL youth research begins with the current constellation of programs and is aimed at improving or modifying them. Little current research in the youth manpower field is devoted to examining entirely new ways of doing business.

An area for potential comparative research and demonstration efforts is the use of transcripts and portfolios to determine eligibility for higher education and training. Bishop (1989) and Rosenbaum (1990) recommend that employers make greater use of school transcripts in hiring decisions in order to motivate students toward higher achievement. This recommendation, aimed at getting employers interested in the quality of the education or training behind transcripts, has also appeared in the reports of the Commission on Workforce Quality and Labor Market Efficiency and the Secretary's Commission on Achieving Necessary Skills (SCANS), and is part of the general interest in creating uniform hiring standards for non-college-bound youth.

In response to these interests, both the Educational Testing Service and the American College Test are developing national systems of such transcripts. The American Business Conference is funding Vital Link, which will ask businesses to require detailed student records when making employment decisions.

DOL could devise pilot or demonstration projects testing the use of transcripts and/or alternative credentials, such as work portfolios. These portfolios would document both student and worker skills, including test results (as proposed in the Bush administration America 2000 reform package and the SCANS report). The manpower field has used portfolios in the past, but we know of no sizeable, formal test of their implementation or effectiveness. The structure of the demonstrations should be informed by experiences in Asia and Europe, which have made extensive use of test-based credentials.

Another potential area for comparative research is approaches that connect community service and youth employment strategies. Youth service has grown and gained prominence during the past two years. The National and Community Service Act of 1990 demonstrates the appeal that community service, as a program and a voluntary strategy, has acquired across the country. For example, the president praises community service in his Points of Light initiative; special foundations have been set up to encourage community service; and national intermediary organizations, such as Youth Service America, promote the concept and work toward quality standards.

To professionals in the human resource field, community service runs parallel to youth employment programming, but is not identical. In Pennsylvania, however, a marriage of community service and JTPA has taken shape. Young teens enrolled in JTPA's Summer Youth Employment and Training Program (SYETP) work on service crews in all 28 SDAs across the state, carrying out a variety of community improvement and service projects. Generally, this type of approach would be applauded and perhaps even serve as a prototype for national replication. But a potential barrier to replication is the fact that JTPA restricts eligibility to low-income families, whereas community service programs generally enroll people from a wider range of backgrounds.

A program of DOL-sponsored research and evaluation might look at the potential of the Pennsylvania approach and the comparative advantage of enrolling young teens in community service rather than SYETP's regular jobs. Institutional analyses would examine whether an expanded summer program of JTPA community service opportunities would require modification of current eligibility requirements or alternatives to present practices. Research might also consider the role of stipends in community service and summer training.

VI. CONCLUSION AND RECOMMENDATIONS

At present, information available on the effectiveness of JTPA's youth-serving elements is limited and often out-of-date. Now that JTPA is a mature program, more information is needed on the role of federal leadership, federal-state relationships, state-substate relationships, PIC effectiveness, targeting and creaming, uses of research and technical assistance, and other topics that go to the "heart" of the system. Moreover, we have described the small scale of JTPA's youth components and noted that even if the system were 100 percent effective, the national impacts would be small. Expanding coverage will require extensive knowledge development.

Our primary recommendation is for a program of research on how JTPA works as a youth-serving system and how alternatives to the present system might work. Consideration of the latter would require detailed reviews of other countries' experiences. This recommendation does not result from a belief that the present system is a failure, nor that systems in other places are necessarily superior to the American approach. Our point is that although the effectiveness of alternative approaches may not be known, lessons for the American system could be extrapolated. Armed with this information, DOL would be better able to perform its role in the present system and to contribute to future discussions of potential youth service and self-sufficiency systems for America.

We recommend research on JTPA and reviews of its policies.

1. Conduct new studies and evaluations of the federal and state roles in the youth-serving components of JTPA. Federal, state and local leadership should be examined in and of themselves. These studies will help the various levels of government improve their effectiveness in the present system of partnerships.
2. Review the implementation (complexity of administration) of performance standards and their institutional impacts on youth programs.
3. Conduct careful studies and evaluations of the creaming phenomenon in the youth side of JTPA--studies that have not taken place despite a preoccupation with this theme in the field.
4. Conduct up-to-date institutional analyses and evaluations of PIC effectiveness. The focus should be on present performance, as well as the potential of using PICs in alternative manpower schemes, such as youth apprenticeship and school reform.
5. Conduct studies and experiments to better understand the extent to which competition exists among service providers at the local level, document current barriers and

propose policy, program or technical assistance solutions. What policies would stimulate more competition and more consumer choice?

6. Conduct comparative research on coordination, collaboration and case management. This research would draw on other domestic fields and would include investigation of such management tools as integrated case management systems.

7. Evaluate the Employment and Training Administration's technical assistance and research strategies, review current spending by topic area, and study utilization patterns. This evaluation should be conducted as an internal review, drawing on peers from other federal agencies.

We also recommend development of alternative youth development policies and financing schemes.

8. Undertake a program of policy review and research that supports investigations into alternative youth development policies and programs. Forge partnerships with private foundations for this purpose.

9. Conduct analyses of the decision-making process used in foreign countries, such as Australia, which have tried to move from a targeted youth employment and training strategy to one with more universal elements. Survey youth services in other countries that might be useful in U.S. programs.

10. Initiate a program of research on alternative financing schemes for the American youth employment and training system. This research program would cover, for example, tax levy schemes, school reform approaches (using average daily attendance money to fund training vouchers), individual training accounts, entitlements and card mechanisms. Fund studies on private training and the role of public subsidies. This series of studies should be sensitive to budget realities and demonstrate the financial implications of various proposals.

Finally, we recommend evaluation and demonstration of new programs.

11. Conduct evaluations, syntheses and demonstrations comparing school-to-work schemes. The focus should be on identifying the best strategies, in terms of both client outcomes and the ability of the government and others to institutionalize the approaches.

12. Conduct demonstrations of the use of transcripts and work portfolios.

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CONTENTS

VOLUME II

INTRODUCTION	1
 6. COORDINATION, COLLABORATION AND LINKAGES <i>Lawrence Neil Bailis</i>	
I. INTRODUCTION: THE SEARCH FOR PRACTICAL GUIDANCE	15
The Scope of the Paper	16
Youth-Specific and Generic Issues Pertaining to Collaboration, Coordination and Linkages	16
Sources of Information	17
Organization and Content of the Paper	17
 II. FRAMEWORK FOR ANALYSIS: UNDERSTANDING, DEFINING AND MEASURING COORDINATION, COLLABORATION AND LINKAGES	19
The Old and the New Conventional Wisdom	19
Defining the Terms Coordination, Collaboration and Linkage	26
Issues in Measuring Coordination	27
Special Issues in Measuring Coordination in Youth-Serving Programs	31
 III. THE DYNAMICS AND OUTCOMES OF THE COORDINATION PROCESS AMONG FEDERAL, STATE AND LOCAL AGENCIES	32
The Barriers to Coordination	33
Promising Strategies	37
Assessment of Coordination Strategies Among Federal Agencies	42
Issues in Assessing the Effectiveness of Given Strategies to Promote Coordination in Given Contexts	43
Issues in Assessing the Effectiveness of Coordination in Promoting Improvements in Service Delivery	44
Special Issues Pertaining to the Youth Employment	45
 IV. DYNAMICS AND OUTCOMES OF EFFORTS TO PROMOTE "TOP DOWN" COORDINATION	48
Overview of Federal Efforts to Promote Coordination at the State and Local Levels	48

Overview of State Efforts to Promote Coordination at the Local Level	50
Assessment of Specific Strategies	52
Conclusion	59
 V. SUMMARY OF CONCLUSIONS AND PRELIMINARY RESEARCH AGENDA	60
The Prevalence of Examples of Coordination	60
The Need for Empirical Data on Coordinated Activities, Outcomes and Contexts	61
The Central Role of Organizational Dynamics	62
The Importance of Voluntary Coordination as Opposed to Mandates	63
The Overarching Importance of Context	63
Keeping Coordination in Perspective	65
Priority Topics for Future Research	66
 7. PERFORMANCE STANDARDS AND PERFORMANCE MANAGEMENT <i>Alan Melchior</i>	
 I. INTRODUCTION	77
 II. FROM ACCOUNTABILITY TO PERFORMANCE MANAGEMENT: JTPA's EVOLVING PERFORMANCE STANDARDS SYSTEM	79
CETA Origins of Performance Standards	79
The JTPA Performance Standards System	80
Moving Toward Performance Management	85
Performance Standards in the 1990s	89
 III. THE EFFECTIVENESS OF THE JTPA PERFORMANCE STANDARDS SYSTEM AS AN ACCOUNTABILITY SYSTEM	91
Measuring JPTA's Goals	92
Accuracy and Problems of Measurement	94
Unintended Effects	97
Validity	105
 IV. THE EFFECTIVENESS OF THE JTPA PERFORMANCE STANDARDS AS A PERFORMANCE MANAGEMENT SYSTEM	108
Incentives for State and Local Decision-Making	108
Provider Involvement	114
The Influence of Local Factors	115
Performance Standards and Performance Management	117

V.	INVESTING IN QUALITY: LESSONS FROM ALLIED FIELDS ..	118
	Total Quality Management (TQM)	118
	Performance Management in Health Care	121
	Measuring "Higher-Order" Skills in Education	125
	Moving From Performance to Quality	126
VI.	SUMMARY OF RECOMMENDATIONS	128
	Evaluation of the Performance Standards System and Alternatives	128
	Improving the Quality of Data	129
	Strengthening Skills Measures and Competency Systems	129
	Refining the Performance Standards Model	130

APPENDIX

Table A-1: Summary of Estimated Impacts of State Performance Standards Policies on Percentage of JTPA Terminees with Various Characteristics	131
Table A-2: Summary of Estimated Impacts of State Performance Standards Policies on Percentage of JTPA Services in Various Program Activities	133

8. THE MISSION AND STRUCTURE OF NATIONAL HUMAN RESOURCE POLICY FOR DISADVANTAGED YOUTH: A SYNTHESIS WITH RECOMMENDATIONS

Andrew Hahn, Evelyn Ganzglass and Gloria Nagle

I.	INTRODUCTION	145
II.	YOUTH EMPLOYMENT AND TRAINING IN THE MODERN ERA	147
III.	UNDERSTANDING AMERICAN YOUTH EMPLOYMENT AND TRAINING POLICY: A FRAMEWORK	155
	Choices of Scope	156
	Choices of Distribution	160
	Choices of Policy Instruments	164
	The Choice Between Restraint and Innovation	167
IV.	CAPACITY-BUILDING ACTIVITIES AND SYSTEM-CHANGING INITIATIVES	172
V.	RESEARCH AND DEMONSTRATION IMPLICATIONS: THE NEED FOR A COMPARATIVE FRAMEWORK	176

III.	MINORITY AND DISADVANTAGED YOUTH: OTHER	
	SOURCES OF PROBLEMS	264
	Suburbanization and Spatial Mismatch	264
	Early Work Experience and Contacts	265
	Neighborhood Effects and Crime	266
IV.	CONCLUSIONS AND RECOMMENDATIONS	269
	BIBLIOGRAPHY	287

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PART III - POLICY CONTEXT AND NEEDS

CHAPTER 8

**THE CHOICES POLICYMAKERS FACE:
TOWARD A NATIONAL YOUTH DEVELOPMENT POLICY
FOR YOUNG AFRICAN-AMERICAN MALES**

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INTRODUCTION

Are young black males a challenge to programs and social policymakers or are the nation's policies and programs a challenge for young black males? This book, as well as an industry of publications, has reviewed the many dire statistics about the root causes and consequences of entrenched poverty among young black males, about the hardship they face in the labor market, about their school problems and about their involvement in the criminal justice system. From this review, one might conclude that young black males are poor prospects for social programs -- that they do not fit in -- and, from a public management perspective, that they cannot be served well by available programs. This generalization is unjust, inaccurate and, most importantly, lifts the burden of responsibility from program planners and policymakers, shifting it instead to the consumers of services, the young men themselves.

This chapter turns the question around and documents how the nation's policies and programs -- particularly employment and training policies for the poor -- frequently make participation and success difficult for young people. The chapter reviews what policies are in place to promote the self-sufficiency of young black males; how policies can produce perverse impacts on service delivery practices; and, in a more positive vein, what kind of policies would help programs respond more affirmatively to young minority males' needs. In other words, the chapter discusses the kind of policy environment necessary to nurture and support Youth Development Programs for Black Males (YDPBM).

If youth advocates started with a blank piece of paper and listed some of the criteria needed for supportive public policies toward the goal of helping young black males achieve economic independence, the list would probably look something like the following:

- *Scale and Targeting:* Public policies, of whatever character, should be large enough to reach a good share of the young people most in need of services.
- *Comprehensive:* Public policies should address the developmental needs of young people and should recognize that young people have many needs, ranging from jobs to education, services to recreation, emotional to physical . . .
- *Long-term:* Policies which encourage long stays in programs are valuable because young people build relationships with caring adults. When these relationships are severed, both the young people and the programs suffer.
- *Effective:* Policies should support programs demonstrated to have been effective and program managers should be given the tools necessary to deliver effective services. These tools range from staff training to program dollars, as well as assistance with curricula and program content that meet the ethnic/racial pride that young people bring to programs.

- *Preventive*: Whenever possible, policies should support the development of young people and should start earlier in the age continuum rather than later as "last stage" services.
- *Work/Learning Connection*: Early work experience and knowledge of the labor market are needed for a successful transition from youth (and school) to adulthood (and work). Policies are needed to support this school-to-work transition and to help programs combine work and education as integrated services.

It turns out that the advocates' list of criteria and the principles described by researchers who have studied the field are one in the same: both agree that policies must support age-appropriate, developmentally sound, comprehensive, long-term, effective programs. There is considerable agreement about these principles and, in fact, the elements constitute a sort of mantra in the "youth-at-risk" field.¹

How close are we as a nation to developing and implementing public policies that support these principles? To answer this question requires a firm grasp of what is meant by "public policy" as well as an exploration of public policies in one field -- to see how they work -- as an extended case study.

Our interest in the case study is on "second-chance" youth employment and training programs -- funded outside the mainstream of public education -- because these are the primary mechanism by which the national government shows its concern for promoting the self-sufficiency of minority youth. Job training policy in the "second-chance" system, of course, invites questions about education policy in the "first chance" system, as well as the many challenges of social service delivery and related assistance. These will be brought into the discussion but chiefly around the primary focus on employment/training.

The paper begins by first defining the term "policy" and tracing what is known about the Jobs Training Partnership Act (JTPA) as a policy system. Some readers may wonder why the author has devoted so much attention to this particular public policy approach. There are two answers. First, JTPA is "the only federally-funded game in town." At the national level, outside of public education (including vocational education), there is no other official policy system that defines itself as being in the business of promoting the self-sufficiency of economically disadvantaged and minority youth. Put differently, if there is an American youth policy for minority youth, maybe this is it. Second, JTPA is a fascinating

¹ These are the conclusions reached by a large-scale review of youth programming conducted by Brandeis University, Center for Human Resources, and Public/Private Ventures for the Department of Labor in 1992. See *Dilemmas in Youth Employment Programming* (1992). Portions of the present chapter draw on Hahn's chapter in that publication, "National Human Resources Policy for Poor Youth." A small section of the present chapter also draws on "Managing Youth Development Programs for At-Risk Youth" by Hahn (1992).

case study which produces lessons for a variety of social policy fields having impacts on young people.

This chapter is different from others in the book in that it does not deal directly with young black males in the age range between 10 and 15 years. Instead it focuses on a more general group of "disadvantaged youth." The focus of the chapter mirrors the coverage provided to groups of youth through our national programs. In the United States we do not have a national youth policy per se. We certainly do not have a national policy for early adolescents in the age range of 10 to 15 years old. And most definitely, we do not have a special national policy earmarked for African-American youth. Look carefully through the national agencies and comb the public policy literature. The investigator will not find a national "African-American Youth Development Policy" or a "Self-Sufficiency Policy for Young Urban Male Teens" or an "Employment/Training Act for Urban Minority Men."²

What we typically have are "self-sufficiency" policies at the national level for older teens (ages 15 to 21) that trickle down to local vendors who may or may not represent particular demographic groups in the community. For youth in the younger group, ages 10 to 15 years old, appropriate programming mostly means involvement in school-based extracurricular activities and involvement in voluntary associations such as the Boys Club, scouting or sports teams. Of course most young people are enrolled in public schools but consider that the Federal role in public education is modest -- less than 10 percent of education spending is Federal in origin -- and the amount of these funds earmarked for early adolescents is an even smaller amount. As for young peoples' involvement in voluntary organizations, these engagements are largely separate from national policy except for the general way that government treats non-profits through tax exemptions, rules on charitable giving and the occasional demonstration project. In a word, initiatives for early adolescents are, in a sense, preparatory and preventive, that is, they serve as feeders into subsequent public-funded training and education services. This chapter provides information about the national policy system that gives support to the programs for older teens. By understanding the public policy context for programs for 15 to 21 year olds, the author hopes to contribute to a better understanding of the environment our younger teens will enter.

DEFINING AND EXAMINING AMERICAN YOUTH POLICY

"Policy" is a rather elastic term that means something different to policymakers than to the public. For the public, thinking about job training policies for young black males most likely means thinking about targeting, that is, who gets what services and under what eligibility criteria and justification. But to the policymaker, "policy" is broader than just

² There are exceptions. For example, there is a Minority Male Initiative Office within the Department of Health and Human Services. Generally, however, federal policy is not organized around particular racial/ethnic groups.

decisions about targeting and services. It may be useful to consider the broader definition of the term "policy" from the policymakers' perspective.

Political scientists have devised frameworks for defining and studying "policy." One particular framework (see Heidenheimer, 1983) involves four factors, each reflecting the choices governments make with respect to: (1) the *scope* of particular policies, (2) the *distribution* of services, (3) the *policy instruments* used by government, and (4) the degree to which the government *balances restraint with a willingness to try to innovate*.

Consider the first choice, that of *scope*. We can illustrate this element by asking what is the dividing line governments choose between public and private responsibilities? In the field of programs that help prepare young people for the labor market, this writer has argued that the nation has chosen happily, as a public responsibility, the provision of a broad range of services to assist largely low income youth get ready for the workplace -- but -- with an important caveat: public involvement is limited to ways that minimize interference with labor markets (see Hahn, 1992a). Participation in the private economy is seen as a private choice made by young people; markets, in the American context, are best left alone and unfettered. Put simply, the American approach to youth job training is interventionist on the side of upgrading and changing people but rather timid of the side of changing institutions and markets. For urban minorities and very disadvantaged young men, this observation predicts that policy in support of human capital upgrading will continue to dominate the field. On the other hand, anti-discrimination measures, affirmative action, mandated on-the-job training, wage subsidies, payroll taxes for training, are likely to meet with more resistance in policy circles. This is an illustration of the policy choice the nation has made about the scope of effort.

The next factor in the framework involves *choices of distribution*. This is where the familiar concern with eligibility and targeting fits. In our case study -- the Jobs Training Partnership Act (JTPA) -- forty percent of all Federal spending must be spent on youth.³ In practice and in legislation this means services for economically disadvantaged youth between the ages 15 and 21. Younger teens, as noted previously, are not covered in this legislation. What about race and ethnicity? Close to fifty percent of the youth training opportunities for the older teens are filled by racial/ethnic minorities. But the real story on targeting begins at an earlier stage.

JTPA starts with a targeting requirement that it must serve 90 percent of people who meet the criteria set by the government defining economic hardship. Eligibility is determined when program staff consult local tables of family income by family size supplied by the Bureau of Labor Statistics; the enrollment decision is based on income rather than race. The amount of funds available to a local community derives from the JTPA funding formula; the formula earmarks funds based mostly on local unemployment levels. It is these

³ Recent amendments to JTPA create a specific youth title. Our description of JTPA covers how it operates in 1992 before enactment of the amendments.

two targeting provisions -- to serve the economically poor and to allocate funds by formula based on local unemployment levels -- that begin to shape who is served in local programs. Other criteria then kick in, such as requirements to serve dropouts or other disadvantaged groups (e.g., teenage parents) reflecting these groups' "fair share" in the community. Finally, local funding agencies, such as Private Industry Councils, select vendors who can meet the preceding criteria. Most vendors specialize in a particular kind of training methodology (e.g., GED services, clerical trades training, English as a Second language, etc.) or in serving a particular kind of group. Community-based organizations, of course, may specialize in serving African-American youth or just males or Mexican-Americans, etc. The choice of vendors is the most significant decision a community can make in terms of targeting by race or ethnicity. But the legislative provisions of the Act are silent with respect to this factor.

There have been many questions raised about these official distribution criteria. When young blacks are crowded in neighborhoods of persistent poverty, is it sensible or efficient to target opportunities in such complex and round-about ways? Some have argued that this is the price that minorities must pay for a program that is truly national in scope, with objective criteria -- and competition for funds at the local level -- presumably giving an equal chance for service to whites or Hispanics as blacks. Others have asked how income testing works in school settings -- the single largest provider of youth services under JTPA --- where philosophically there is reluctance among many educators to determine income eligibility among students. Other technical but interesting problems crop up as well. For example, what happens when many youth come from families just over the "notch" of eligibility? Or, how tolerant should Federal and state officials be when a young male, with close ties to his natural family, decides to claim that he is a "family of one" to qualify for Federal job training? Still other people have raised questions about whether there are enough vendors representing the interests of groups of "at-risk" youth such as urban minority men? These are all issues of distribution.

Consider the third factor, *choices of policy instruments*. Public policy is far more complex enterprise than advocates often think. This factor includes the many instruments and tools governments choose for their policy interventions. In the United States, we rely on a complex set of relationships among Federal authorities, governors, state job training coordinating councils, local Private Industry Councils, Service Delivery Areas (SDA's), and the vendors who actually deliver services (such as schools, community-based organizations, community colleges, private firms, etc.). We use financial set-asides, mandates, performance standards, and other policy instruments to make the partnerships work. Ask program managers what most affects the quality of the services they provide, and they will mention the various policy instruments used by funders to govern them.

McDonnell and Elmore (1987) describe four general categories of policy instruments.

- *Mandates* are "rules governing the action of individuals and agencies, intended to produce compliance." There are many examples of job training mandates, starting

with income eligibility requirements to the parameters of performance contracting regulations.

- The second category of policy instruments is *inducements* or the "transfer of money to individuals or agencies in return for certain actions." All layers of government, for example, have discretionary and demonstration funds made available to them to induce certain behaviors, to promote certain approaches, to build knowledge, etc.
- The third element in the McDonnell-Elmore scheme is *capacity building* instruments or the transfer of funds for the purpose of upgrading intellectual capital, human resources and materials. The national, state and local investment in technical assistance and practitioner-oriented dissemination of research are all elements of the "capacity-building" agenda.
- The last category of policy instruments is *system-changing* activities or the "transfer of authority among individuals and agencies to alter the system by which public goods and services are delivered." This factor lies at the heart of what policy-makers and private philanthropy try to do when they support comprehensive youth initiatives at the local level or when they promote coordination between the various strands of the employment/training "system," including schools, community groups and agencies operating under the Family Support Act, JTPA, or Vocational Education.

The fourth factor in Heidenheimer's framework is *choices of restraint and innovation*. What is the balance between enforcement for compliance of rules/regulations (restraint) and innovation, experimentation, and loosening of requirements? How do such questions, for example, translate into the roles and responsibilities a funding agency chooses for itself? How much should the Federal government prescribe vs. recommend; what is the balance between the roles of cheerleader and tough cop? In the de-centralized JTPA system, for example, in which Federal-state relationships are often touchy issues, the balance between innovation and restraint often turns on issues of authority and interpretation of the Federal-state role. These interpretations shift with different administrations and appointments in policy circles. One administration will be proactive, another reactive to the states and local communities.

The four element policy framework -- choices of scope, distribution, policy instruments, and the balance between innovation and restraint -- is useful because it illustrates that policy is a complicated matter. It is not simply a question of having a vision of a "good" policy, choosing a target group and funding the initiative. Policymakers have many tools, perhaps even too many, in their arsenal. Tools associated with the same policy often push and pull programs in conflicting directions. One task of the policymaker is to try to assure consistency of effects stemming from the use of different policy tools. This isn't always easy as shown in the following sections.

MORE ON CHOICES OF SCOPE

Where is the dividing line between public and private sector responsibility in contemporary youth development policy? Is the public financed American system of employment/training services for poor youth big or small? Do young Black males get their fair share? Before trying to answer these questions, it is first important to consider whether there even is an American training "system" to describe:

Federal employment/training policy for youth, authorized by the Jobs Training Partnership Act (JTPA) of 1982, is just one component in a broader array of human resource programs encompassing: public education, especially the career education, counseling, and guidance components of secondary schools; the separate vocational education system, with its recent amendments requiring state coordination and targeting of services to the lowest income populations; higher education, especially community colleges and proprietary schools (not to mention the entire system of financial aid in the form of grants and loan programs); private training which goes on daily in the workplace; work/welfare policy (e.g., JOBS) and programs; and, community-based programs such as those described throughout this book.

The "system" of job training for economically disadvantaged young people in the United States might be better characterized as a galaxy of planetary systems, each having its own unique histories, policy debates, linkages with other systems and records of performance.

Despite this diversity, the various pieces of American older youth skill training system share certain policy characteristics. With respect to how the *scope and scale* of this enterprise relates to the needs of minority youth, the following is a safe conclusion:

Young minority males in the early teen years will not "age" into a policy system with nearly enough opportunities. Both the public and private sides of the self-sufficiency enterprise are small. Moreover, most older youth training in the United States is not government-supported and therefore is not subject to explicit policy control. Since "private" training is tied to the employment sector, many minority youth currently do not benefit much from it. As for the public side, in absolute terms, opportunities are few and far between for urban minority youth.

Unsubsidized, private employer-based training activities account for the bulk of the training of the existing workforce in the country, with estimates as high as \$210 billion devoted to private training, with perhaps \$25 billion spent on young workers. Despite these broad estimates, not much is known about the actual scale of youth training in the regular economy or the motivations of firms providing the training.

Lynch (1989) tried to come up with some figures on the numbers of young people who receive private training of one sort or another in the United States. Although distinguishing

between private and public training is itself a difficult task (for example, many proprietary schools enjoy public subsidies primarily but not exclusively through Federal financial support), Lynch tried to derive some estimates. Using the NLS youth cohort (all youth were between 14 to 21 years of age at the end of 1978) and restricting the sample to people who completed their schooling by the 1980 interview, she found that only one in four young Americans between 1978 and 1983 had been involved in some sort of private sector training. She broke training into three types: about 15 percent were involved in private training but it was provided off-site (for example, business colleges, barber or beauty schools, nurse programs, training institutes, etc.); 2 percent were in formal apprenticeship programs; and, 4 percent were engaged in private training on the job site. Lynch found that race and sex influenced the probability of receiving different types of training; women and nonwhites were "much less likely to receive training within a firm, either through an apprenticeship or other forms of on-the-job training." (Lynch:1989:22) *Among nonwhites, for example, only 2 percent of all nonwhite older youth studied were in on-site private sector training compared to 4 percent for white youth.*

If the scope of the private side of the training system is small, the government-supported side is tiny. The public side of the American youth training system is marginal in terms of the size of Federal funding and the ability of the system to reach a healthy share of the "universe of need."

In a GAO report, **Job Training Partnership Act: Youth Participant Characteristics, Services, and Outcomes**, (1989), the agency reports that in fiscal year 1989, the Department of Labor operated nine programs with a total funding of \$3.8 billion, most of them under the Jobs Training Partnership Act. This is a small figure in terms of the Federal budget, not even one quarter of one percent. It is altogether insignificant in terms of GNP. The under-investment results in a very significant unmet need in the populations designated as eligible for service:

How many older teens are actually served by the JTPA second chance system? The author has estimated that the total number of youth of all characteristics in JTPA is approximately 1,117,300. Most -- 54 percent -- are enrolled in short summer job training programs (1992a). These figures reveal that JTPA is a very small youth system. In fact, the program is a good example of social policy trying to "wring" the most performance out of an extremely small enterprise.

Consider the figures for young Black males who terminated the year-round portion (non-summer) of JTPA in Program Year 1989, the last year of available information. The number of young Black men ages 21 and under was 43,619. Of these, approximately 11,000 were dropouts, 20,000 were high school students, and another 11,000 were high school graduates. Now consider enrollments in the residential Job Corps program. It serves about 25,000 additional Black males (Hahn, 1992a).

How do these enrollments match the national universe of need? Calculating the latter is a difficult and often subjective exercise. In fact, the concentration of youth problems and the degree to which problems correlate with each other, and with services available, is an area of research that needs more work for national trends as well as for selected communities.

Dryfoos (1990) reviews much of the literature on the concentration of youth problems and finds that the preponderance of evidence suggests that about 15 percent of 15-21 year olds are at very high risk, 62 percent at moderate risk, and only 25 percent not at risk. Dryfoos uses as indicators involvement in crime, drugs, and unprotected early sex, rather than family income, employability skills, work experience or similar measures. In any case, since the population in this age range numbers approximately 20 million people, the JTPA program is serving only 5 percent of the total. This is far short of the 15 percent Dryfoos estimates to be very high risk.

Consider next the population of African-Americans in the age range generally covered by self-sufficiency programs: 14 to 21 years. In 1990 there were roughly 1.6 million Blacks between 15 and 17 and 1.6 million between 18 and 20. An assumption that two-thirds were in need of services would translate into a "universe of need" of roughly 2.1 million young African-Americans or 1 million young black males. This may be compared to the 68,000 young black males enrolled in non-summer JTPA components (including Job Corps). The proportion served is less than 7 percent of the total group needing services. Other studies have looked at the share of income eligibles nationally that JTPA serves and have concluded that it reaches only 5 percent of all income eligible persons (cf., JTPA Advisory Committee, 1989). By any of these standards, then, the American JTPA program is small for all youth and especially for young black males. Such a small program, even if 100 percent effective, can not be expected to shift aggregate social and economic indicators, for example, the national jobless rate among black teens, or illiteracy, or school completion rates.

MORE ON CHOICES OF DISTRIBUTION OR "WHO GETS WHAT?"

Policymakers, as we have seen, make choices about the distribution of services. Several illustrations are described next to indicate some of the choices made in the youth service field:

First and foremost, *American youth programs are targeted rather than universal*, in contrast to many European and Asian countries. In JTPA, as noted earlier, there are explicit income guidelines governing participation. Although JTPA programs have official income guidelines which set conditions for program eligibility, informally targeting goes on as well. For example, JTPA makes use of discretionary funds at the Federal, state and local levels to target services on the special problems faced by Afro-American teens and others who often fare poorly in the labor market or are thought to be "at-risk." This kind of informal targeting in American youth programs is a distinctive feature that stands in contrast

to many European and Asian countries (Skocpol, 1989; Osterman, 1988). It also leads to peculiarities such as when a public school serves JTPA eligible youth through special "pull-out" programs while other youth, many just over the income notch of eligibility, are not invited into the programs.

The choice of a targeted approach rather than a universal one has its roots partially in the decision to locate American youth policy under the jurisdiction of the Department of Labor rather than the mainstream of public education which has more of a tradition of "universal" services. Put differently, in America, older youth policy has developed as a subset of American labor market/manpower policy rather than as a sub-part of education policy. American youth programs have been designed as second-chance programs outside the education system. Grubb (1989:70) points out that the "existence of parallel systems for job-related training extends back at least to the 1930s. The Roosevelt administration, believing that public schools were unsympathetic to the poorest children, established job training programs outside the educational system, both to reach the poorest individuals who might not accept school-based training and to establish a more flexible and shorter-term job training program than were conventional within high schools . . ."

In contrast to the American approach, many European youth manpower schemes have universal characteristics by locating job training in the school sector. Consider one example: in Sweden, the education system is responsible for youth whether they are in or out of formal, school-based programs until they reach the age of 18.

One might think that a policy of targeted services would avoid the inefficiencies usually associated with universalistic approaches. However, the American strategy has come under attack by critics who have raised the specter of "*creaming*" or the phenomenon of programs choosing to serve the most able of the group of eligible economically disadvantaged. (See, for example, Grinker, 1986; Walker et al., 1985). Not surprisingly, this is a contentious issue that has evoked contradictory responses from many quarters.

Another aspect of the targeting issue relates to *geography*. Advocates for expanded services for young black males will often argue that even if race-based targeting proves too contentious for American policymakers, why not accomplish the same goal by funneling resources to communities where the most urban black males live? This certainly makes sense but advocates of this approach should first understand the current funding formulae used in JTPA since these rules are indicative of the way policymakers respond to targeting choices.

The Labor Department allocates two-thirds of state and local JTPA funds based on the distribution of unemployment. The rest is disseminated according to the distribution of low income populations. Unemployment rates (several indices are used to assess unemployment in service areas) therefore count a lot in the formula although, unemployment is not always a prerequisite for program assistance. Simply put, areas with high unemployment (e.g., some suburbs) may receive a disproportionate share of funds even if their share of the

low income population is low. These formulae also mean that central cities or particular neighborhoods with high concentrations of minority populations often do not get the share of funding needed to meet the needs of their citizens.

PUBLIC POLICY FOR YOUNG TEENS

American policymakers have devised a training system which is mostly *age-segregated*. Present policies serve older teens who are separated, by and large, from adults as well as from early adolescents. This section reviews what is known and unknown about the age factor in self-sufficiency policies for early adolescents. It turns out that much less is understood about public policies for early adolescents, ages 10-to-15, than older youth from ages 16-to-24.

Consider first Harvard Professor Theda Skocpol's (1989) call for "targeting within universalism." After reviewing the public antipathy for race and class-based social welfare programs, she recommends that whenever possible, policymakers try to embed targeted services within a sheen of universal benefits. This helps secure popular support for the programs and removes the stigma often associated with participation in segregated services.⁴ For our purposes, we can ask whether a public policy emphasis on age instead of race would be an appropriate way to accomplish Skocpol's recommendation? Perhaps the policy focus suggested in this book for Youth Development Programs for Young Black Males should be on the "young" component rather than the other elements of the strategy? This might build public support and provide a way to "target within universalism."

The Carnegie Council on Adolescent Development (see Quinn in this book, Chapter 7), as well as a recent review for the Lilly Endowment by the author has revealed that often overlooked in the debates on the targeting of children and youth services is the role of age itself. Peter Scales (1991) writes in his *Portrait of Young Adolescents in the 1990s*, that an "ever-sharpening appreciation must be cultivated of the special issues present for different age groups of children and youth." This sharpening is underway. But it has occurred largely in a general context rather than through a hard nosed comparative analysis of the virtues and limitations of directing national resources to particular age segments, such as early adolescents vs. older teens.

Put differently, there is an exciting and positive movement of advocates for better and more services for early adolescents. Many of the authors in the present book are representative of this movement. The emerging literature from this field reveals that a

⁴ Robert Greenstein (1991) and Charles Willie (1991) are among those who have argued that there are many successful targeted programs. Greenstein suggests that to speak of universal programs during an era of severe budget deficits is highly unrealistic. Willie (1991) cites studies of Title III of the Higher Education Act which have shown that racial minorities receive fewer opportunities and less financial aid in universal programs than might be expected.

mismatch often exists between the organization and curriculum of young teen projects (and even middle schools) and the intellectual and emotional needs of students. When it comes to helping young adolescents about their futures, our review, as well as documentation provided by others, has found that many school-based and community programs are indeed constrained and unable to offer the high content, high support, and high expectations that the labor force and society will require (Brandeis, 1991.) This is a general problem made worse by curricula and programming approaches that are insensitive to the group membership and gender realities described by other writers in this book.

Building on the emerging consensus that young adolescents, ages ten to fifteen, comprise a distinct and identifiable group by virtue of developmental maturation, many children's advocates indeed would like to see new national and local policies in support of this group. But surprisingly, there is little serious work to draw on that discusses the benefits and costs of targeting American employment and training services to this or other age groups. In the tangible world of policy choices, current enthusiasm for "early adolescents" owes more to folk wisdom than to solid research.⁵

For example, advocates invoke customized programming for young adolescents as a self-evident good. Yet neither the inherent efficacy of such an approach -- nor the tradeoffs involved -- have been subjected to sustained investigation. Service gaps for young adolescents are obvious (JTPA being a prime case in point: it begins, as noted, at age 15). Yet *few age-oriented surveys have been undertaken of the existing policy terrain*. Because the policy research community has not adequately mapped out the contours of this environment, debate about its characteristics (i.e., the degree to which the specific needs of young adolescents are being addressed in national public policies) relies more on anecdote than evidence. A movement gathers force for public policy to become more sensitive to young adolescents. Yet it remains unclear both what a "sensitive" policy would look like in practice, and how policy makers could be persuaded to focus in on this demographic niche.

Why, without a firm knowledge base, does this author suspect that age targeting should be examined in greater detail? The reasons are three fold. First, by the time youth reach secondary school age -- the period in which most employment/training services begin -- many youth are already in serious difficulty. It makes sense to start earlier. Here the analogy is to the early childhood movement and Head Start. Reformers have initiated policies in the pre-school period to avoid costly remedial strategies in the early grades of public education. By analogy, the same argument could be made about the importance of intervening early in the late elementary school and middle-school years. Secondly, by the secondary school years, the difficulties teens face often interfere with their ability to benefit from the programs

⁵ The author is involved in a Lilly-supported project to examine the role of age in youth policy. The Carnegie Council on Early Adolescents has also examined these issues. Leonard Stern (1992) writes in a background paper for the Council that "rarely is it possible to isolate funds for programs which target young adolescents, ages 10 to 15. Most of the data either bifurcates this age group or includes it within a range of adolescents. One respondent referred to young adolescents as "the forgotten cohort."

offered. Programs at an earlier age may mean more success. Third, there is growing evidence that many of the services we used to think are only appropriate for older youth are in fact more appropriate for younger youth. A good example is higher education awareness programs. Most of these now begin when youth are juniors in high school yet sixth graders need to understand the benefits and requirements associated with post-secondary education so they can make informed course selections from junior high school on.

Evidence of the first point -- that we need to intervene earlier -- is seen in the following statistics from a large national survey of American school children. These data illustrate the pressing needs of one segment of the early adolescent population of *eighth graders -- low income, urban African-American males enrolled in public schools*:

Our special unpublished tabulations on urban, low income (under \$15,000 family income) African-American male public school eighth graders in the National Education Longitudinal Study (NELS) reveal some startling facts about the well-being of one of the poorest segments of youth in America:

- Nearly one third have been held back a grade by eighth grade, a reliable precursor of future dropout behavior.
- Nearly half of all low-income African-American males in urban schools attend schools which are 91-to-100 percent comprised of minorities. One implication of this finding relates to William Julius Wilson's documentation of the growing spatial concentration of poverty in America and the ensuing problems associated with the growth of an urban underclass.
- Eleven percent report that their fathers are dead and only 19 percent report living in a household in which a father is present. The strong connection between family structure and social/economic outcomes is beyond dispute today. Although some see this in moral terms, it is first and foremost an economic issue. Typically, it takes two incomes to escape the poverty associated with low wage jobs. (70 percent of the young boys' mothers work.)
- Forty-four percent of the group have no specific place to study and to do homework. Sixteen percent report that their parents or guardians rarely or never check on their homework.
- Nearly half have not talked to a counselor about planning their high school program or about jobs or careers after high school, yet we know that the educational practice of tracking makes it difficult for students thinking about post-secondary education to assemble the necessary credits and courses without good sound advice in the middle school years.

- 12 percent think that high school will be their terminal degree and three additional percent of these eighth graders think they will not finish high school.
- 22 percent report that their parents have received a warning about school attendance problems and 53 percent indicate that their parents have received a warning about their poor grades.
- 60 percent have been sent to "the office" at least once for misbehaving and half indicated that their parents received warnings about their behavior. Twenty-three percent say their classmates view them as either very much or somewhat of a trouble-maker. Twelve percent indicate that someone has offered to sell them drugs at school. Nineteen percent indicate that they do not feel safe at their schools.

The author also looked at these youngsters' involvement in non-school activities, the kind of experiences which can contribute to their development and which are the subject of this book. The NELS data show that about half of these poor African-American young males are not involved in any out-of-school activities. These youth are, by eighth grade, unattached and disconnected. The figures for the other group are interesting. About half of all studied participate in team sports while 38 percent participate in the Boys Clubs and 26 percent in Scouting. Twenty-eight percent participate in hobby clubs and 28 percent in unspecified neighborhood clubs/programs. Twenty percent of the boys participate in religious youth groups; 11 percent in vocational education clubs; and, 31 percent in special summer programs. It was noted in the Introduction to this chapter that most of these involvements do not involve formal public policies except for the way non-profits are treated.

Consider that these are national data from one of the largest American surveys ever undertaken of young teens. The numbers speak to a group of young Black teens who, *by age 14-15*, face serious challenges. Yet, we have reported that much of our national youth policy begins when youth are older. We have also argued that we know too little about how our other national policies effect younger teens, if at all.

What presents itself, therefore, is a striking mismatch between the extent of shared knowledge about issues of early adolescence, and the degree to which this knowledge seems to exert policy relevance. This deficit in our knowledge cuts across all groups of young teens, including African-American males. Since the 1970s much has been written about early adolescents as a distinct and identifiable grouping. Philanthropic programs have sprung up (e.g., Lilly, Edna McConnell Clark, Carnegie, and others); think tanks have been established (e.g., the Center for Early Adolescence) and, national commissions have been organized around the theme of early adolescents (Carnegie's 19xx Turning Points). Much of this important work can be viewed as consciousness raising, fact finding, and context setting. Through these activities, the case has been effectively made that early adolescents are different than older adolescents, that middle schools need to be improved, and that after school enrichments are needed in every community. *What has not occurred, however, is a*

systematic review of the appropriateness, feasibility and viability of targeting -- by age -- a variety of policy-supported programs and incentive structures which promote the ability of young people to achieve and to aspire. The stage has been set, but policymaking for this group continues to be largely ad hoc and incoherent. This challenge is as important and complex as thinking about the significance of race in youth policies.

DOES POLICY SUPPORT LONG-TERM, COMPREHENSIVE SERVICES FOR YOUNG ADOLESCENTS?

The Federal government uses a mix of policy instruments but here we want to review briefly what is distinctive about the American approach to financing job training for youth and how it creates impacts on the kinds of services actually delivered.

The fiscal and performance standards aspects of JTPA make it one of the few Federally-funded programs that is results-oriented. Contractors are paid only if they achieve certain performance goals, such as placing a target share of trainees in jobs, arranging alternative education or helping the youth achieve approved competencies believed by community leaders on the Private Industry Council to be useful for entering the labor market.

The outcome-driven approach is rather unique in terms of domestic policy. Most bureaucratic governments fund inputs or, as in national health care, try to control costs by setting ceilings on approved practices. Public education is a good example of the input approach. Once funds are collected on the basis of local property tax assessments, they are distributed by a formula that builds on "average daily attendance," an example of "inputs." At the Federal level, elementary and secondary education is earmarked to meet certain broad purposes established by Congress. These funds are also distributed on the basis of "inputs" such as the number of needy students in eligible school districts.

The "results-oriented" shape of performance standards has been seen in many quarters as a positive social policy development, worthy of replication. Thus, when the Perkins Vocational Education Act and Family Support Act were considered by Congress, policymakers adapted some of JTPA's performance standards approach. This outcome-driven approach is likely to dominate public policymaking in general and it will not be surprising if it is debated in the context of future youth development policies.

But an equally strong chorus of critics has emerged to challenge the performance-based system of payments used in national youth policy. These critics argue that JTPA youth programs are too short in length (often 24 weeks) because the programs are rewarded for rapidly placing young people in jobs. From a practitioner perspective, achieving volume in enrollments pays more than providing quality, long-term services for very "at-risk" youth. Moreover, there are limitations on what programs can spend on supportive services such as

counseling or follow-up -- this means that youth programs tend to reflect "single services" rather than comprehensive, developmental approaches.

The evaluation literature is clear: the methods by which programs are paid have profound impacts on the nature and quality of services provided. Yet in the case of new youth development programs for early adolescents described throughout this book, policymakers will find it very difficult to identify appropriate measures of outcomes. What kind of outcome measures should policymakers devise for programs for African-American eleven year olds who are learning about their heritage, or about public safety or about the value of community service?

If an outcome-driven approach is used in future youth development strategies, there could be a fundamental problem: the goals of youth development -- basic safety, self-esteem, ethnic/racial pride, etc. -- are difficult to measure and even harder to tie to payment/reimbursement structures. The present generation of "deficit" driven policies (e.g., reduce school leaving, drug use, teenage pregnancy) yield more suitable goals for outcome-driven performance measures than tomorrow's programs. For these reasons, if youth policies were to evolve toward an "asset-based" model (e.g., "healthy" youth development), this author would favor the now out-of-style cost-reimbursement techniques or variations of other "input" arrangements. These alternatives are, of course, not without their own problems. Consider one example: simple cost-reimbursement contracts often have led to poor cost controls, over-spending and an emphasis on "inputs" with uncertain knowledge of outcomes. But these problems are not without partial solutions. Moreover, none of this should suggest to policymakers that they need to drop altogether their interest in achievement of outcomes. Success of asset-driven youth development programs could be studied, for example, through special program evaluations or covered in basic reporting. *The key point is that linking program payments to outcomes in comprehensive "soft" programs for young teens is likely to distort what these programs really do. This may be especially so with the grass-roots programs described throughout this Volume.* We return to this point in the last section of this chapter.

TOWARD QUALITY PROGRAMMING

We have shown that public policies lie behind many of the decisions made locally about services offered to young people and the groups receiving the services. Nonetheless, when local programs are of questionable value, the lay response is to blame the staff of the programs rather than the public policies which give shape to them.

A recent expose in **Readers Digest** of the Job Training Partnership Act programs, although overstated and overblown, is the latest example of the American public's fascination with the incompetence of staff in public-funded programs (cited in Victor, 1990). The large national system of youth job training programs is comprised of programs, **Digest** readers are told, which are funded for 75 youth but enroll only 12. Summer jobs programs are said to fail to teach skills or provide real work opportunities. Service delivery areas are

cited which can't even spend the 40 percent of Federal dollars required for youth because of staff inexperience or incompetence. An administrative SWAT team appointed by the Governor invades, without advance notice, a Texas community's job training office to stop fraud and waste.

The next section reviews what policymakers do and do not do to support program management and implementation in the field. We argue that in many cases the needs of program practitioners are overlooked by the policymaking community. The reasons for this phenomenon are complex, ranging from ignorance to indifference on the part of policymakers regarding the complexities of actually managing and running programs.

Consider first how youth programs are described in the policy literature. There are several possibilities. First, the programs may be described in terms of the target groups served: Youth Development Programs for Black Males, teen parenting programs, dropout prevention programs, or other "at-risk" youth initiatives. Another alternative is to focus on the sponsoring entity, e.g., school-based services, community programs or business-school partnerships. A third possibility is to describe youth programs in terms of the primary service delivered. Summer jobs programs, work experience, basic skills -- all are terms that aptly describe youth programs.

These descriptions are simple and useful but they do not evoke the inner workings of youth programs, the guts of the programs' implementation. We seldom hear of the xyz outreach program, or the intensive staffing initiative, or the abc case management model. These functions are embedded in youth programs; their meaning is implicit rather than a formal part of the program description.

What we call something reflects the value we place on it. In the youth policy field, we tend to think of target groups, sponsoring agencies and services as the principle elements which help to explain program success or failure. The youth research and demonstration (R&D) literature is replete with studies of the differential impacts of programs, organized around various client groups, service providers, and services. Less has been written about the generic elements of youth programs, their management functions, and organizational factors.

And yet, researchers have shown that differences between programs can quickly be traced to the variable capacity of the programs to deliver high quality services (Hahn, 1992b). If these implementation and management factors are ignored, policymakers face the danger of attributing success or failure to the wrong set of factors.

This author has written that *too few policy resources, including but not limited to research, have been devoted to addressing the skill levels and needs of practitioners* (Hahn, 1992). Partly as a result, the youth development field is largely a para-professional and ad hoc enterprise, given to improvisation rather than stability and maturity.

INVESTING IN YOUTH DEVELOPMENT WORKERS

One central element in the implementation of youth programs is the staffing function. Our interest in staffing rests on the rather commonplace observation that effective staff development leads to better program performance. (See Jane Quinn's chapter in this book for other evidence on this point.) It is also the factor that the public thinks about first when faced with **Readers Digest** stories. But it is the factor that public policy tends to de-emphasize as evidenced by various technical requirements. For example, in JTPA there are requirements which set the percentage of a youth program's budget that can be used for administration. By setting this figure low, policymakers are trying to make sure that their funds support services rather than agency overhead. But without staff and staff training, young people can't be served well. This is another example of the difficult choices that policymakers face and that youth development workers should anticipate.

The staffing function in youth development organizations accounts for program performance far more than has been acknowledged by policymakers and researchers. Staffing is the kind of variable given "lip service" in the youth program literature but human resource upgrading, or training the nation's trainers, rarely appears high on anyone's list of policy innovations. Attention in policy reform circles continues to be riveted on program design issues, largely ignoring the people who make the designs work or fail. All the while, the challenges faced by practitioners are growing, not only in terms of the multiple problems which "at-risk" youth bring to programs, but also in dealing with the funding environment, meeting rules and regulations, coping with deteriorating physical infrastructures and so on.

The challenges facing youth program staffers are greater than ever before. In surveys conducted by Brandeis' Center for Human Resources with hundreds of youth program staffers since 1977, the workers report more problems and more stress related to their inability to find workable solutions now than ever before. Good staff is also getting harder to find and retain. This may be especially true for those who are interested in and committed to working with young minority males in distressed neighborhoods.

None of this is surprising when one considers the lack of professional standards for most frontline jobs in youth agencies. Except for a generic college degree (often waived), staff are typically not required to have significant professional counseling or teaching experience with at-risk youth prior to being hired. Many staff, in fact, are former clients of the same agencies. This is not necessarily a bad thing; youth programs, like other neighborhood initiatives, have provided an important route out of poverty for staff as well as clients. The problem is that the field has never engaged in a serious discussion of what the prerequisite qualifications of youth workers should be. To what extent, for example, should "community qualifications" (same background, ethnicity, neighborhood as clients) serve as a substitute for formal, credentialed backgrounds? How often are these in conflict, where, why, when? What qualifications, in fact, do youth workers need?

Nor are staff given the specialized training they need prior to or during their employment. According to a 1990 P/PV review of youth programs, "finding and keeping appropriate staff and, to a lesser degree, providing them with the training to do their jobs, are problems facing most of the programs we reviewed."

Compared to the private sector, human resource issues in the youth development field are woefully ignored. The private sector publishes numerous journals, books, tapes; thousands of managers participate in executive seminars, graduate training programs and other upgrading forums. Consider, for example, Burger King: this corporation -- one of the largest employers of disadvantaged youth -- requires prospective franchise managers to attend an 80 hour program before they are even offered a franchise, and then the owners are required to attend a ten-day intensive course on the technical aspects of the business. In addition, training, technical assistance, and strong quality control are regularly provided by Burger King. According to a New Jersey franchise owner, employee retention is a major problem, and because "these are the (teenagers) first jobs and you have to really relate to them . . . I recently took a course on counseling teenagers so I could do this better." This Burger King manager might have had more training in counseling youth than the average not-for-profit youth development worker.

In "Move Over, Policy Analysis; It's Management That Counts," Levin and Sanger (1991) review their research on 25 diverse and successful innovations.

"innovation rarely springs from analysis of all the options, although that is the approach of the policy analysis whose thinking dominates so many of our schools of government and public administration . . . To the contrary, we found that management matters most. Innovative success most often results from a sequence of steps that Robert D. Behn of Duke University has described as "Ready, Fire, Aim." First, what appears to be a good idea is implemented. Then it is evaluated by observation in the field. Then, corrected and refined. This is the messy and imperfect process, repeated over and over, that produces effective management and successful program development . . .

Furthermore, we found that innovation is not the sole domain of charismatic leaders. The message is that the skills and approaches necessary to launch innovative initiatives can be taught and learned. Some innovators may be born that way, but others can be trained . . ."

Recall that the youth development field is very small; the share of resources in this tiny system devoted to upgrading staff is even more limited. Professional development and "train the trainers" strategies are not high on the national policy agenda. Yet we believe, along with others, that "some innovators may be born that way, but others can be trained . . ." In many respects, *given the other limitations of public policy described in this chapter, investing in youth development workers may be the single most effective strategy for national policymakers.*

A CONSUMER APPROACH IN YOUTH DEVELOPMENT POLICY

Public policies have been reshaped and reformulated to meet the consumer revolution in many fields -- consumer protection, drug and health care, children's television, car safety -- but a consumer perspective does not dominate in the youth development field.

This is the theme of a fascinating little paper by Max Elsmann, "Frankie and His Friends: An Adventure in Social Marketing" (1989) prepared for the well-respected think-tank, MDRC, in New York. Elsmann attacks youth policy planners for virtually ignoring a consumer/customer approach. He argues that:

"at its simplest, marketing is concerned with only a single question, "What does this person want and what is he or she willing to do in exchange for it?" Only the "customer," not the "seller," can answer this question. Consciously or not, the customer will base the answer on two considerations:

- (1) Price: The time, trouble and expense of acquiring a product or service;
and
- (2) Value: The customer's perception of whether it is worth the price . . ."

Repeating some of the themes of the present paper, Elsmann calls these concepts commonplace in the private sector but in social services says they are as foreign as "Sanskrit." He then goes on to describe how youth programs concentrate on the "needs" of clients rather than to their "desires" when shaping program designs. He suggests that program managers spend more time doing market research, that is, talking with potential customers to discover what they want and are willing to do to get it.

After interviewing a young Black male, Frankie, and some of his friends, Elsmann concludes with some customer-centered implications for reaching young people, including:

- Sequencing services so clients get what they want when they want it . . . Educational services, for example, are a hard sell for newly enrolled older youth and so Elsmann calls for work experience and income generating activities in the early stages of program participation.
- Focusing not so much on jobs or income but on what these assets can buy, such as an apartment or the ability to "get mom out of the projects." Some programs have responded to this challenge by offering a variety of financial incentives and social supports for participants.

Similar sentiments are expressed in "Reaching the Hip-Hop Generation" by MEE Productions for the Robert Wood Johnson Foundation. This study of urban black youth was commissioned to help prepare for an educational campaign. According to an AP story in

the St. Louis Dispatch (May 29, 1992), these youth would rather risk death than be blackballed by peers for raising issues of safe sex, drug use or similar issues. The authors report that messages must be crafted in ways that address the concerns of peer groups and each young person's fear of being left out of the group. According to one of the authors, "if you come up with arguments kids can use within the peer setting without losing face, then, bang, you've got a winner."

The implications for policymakers are numerous. When one member of a peer group is found ineligible for a youth program, what are the impacts on the willingness of others to join? How can groups of youth, rather than individuals, be recruited into programs? Can group empowerment and self-governance be made to work in youth programs? How best should the curricula and program content of programs emphasize peer group?

In the policy community this kind of perspective is rarely addressed. A "consumer" perspective is seen as a local choice by service providers, largely outside the realm of public policy. *But policymakers for young teen programs could influence these decisions by eliminating barriers that stand in the way of peer groups participating in programs; by stressing that the sequence of services provided should meet the age and developmental needs of participants; and, by de-emphasizing, as noted previously, an outcomes approach which is likely to create perverse incentive structures.*

RECENT RESEARCH ON PROGRAM EFFECTIVENESS

Program activity and evaluation since 1983 has been initiated mostly by private foundations through a number of highly visible national demonstration projects. These projects have resulted in carefully crafted evaluations which help inform policy and program work. Public/Private Ventures' Summer Training and Education Program (STEP), JOBSTART from MDRC, and Brandeis University's Career Beginnings (evaluated by MDRC) are among the myriad multi-site research demonstrations designed to inform youth programming. All had sizeable enrollments of young minority men but only one, STEP, enrolled early adolescents (14-15 years old).

Most demonstration projects over the last decade have begun with 14 year olds or older youth. The author does not know of a single large-scale, rigorously evaluated, multi-site demonstration project whose aim was the promotion of self-sufficiency among minority adolescents in the 10 to 14 year old category. This is not to suggest that there have not been many interesting programs around the country which are helping 10 to 15 year olds become aware of their career and post-secondary school options. Some of these programs are described in this book, but they have not been part of structured demonstration projects with careful evaluation components. *One obvious implication for national policymakers and philanthropists is to devote more resources to demonstration projects for youth in the 10 to 14 year old range.*

The author, with colleagues from Brandeis' Center for Human Resources, has written in **A Guide to Future Options Education** (1990) about promising projects across the United States, projects for young teens. The Brandeis researchers argue first, that career and college preparatory interventions have too often started too late in young peoples' lives, often bypassing young teens altogether. Making sixth graders aware of what life is like on college campuses and what post-secondary education requires, in terms of course selection and so on, is not a complicated matter. This kind of programming must begin when youth are in elementary and middle schools, not when they are high school taking, for the first time, a module on the "world-of-work." On the other hand, career preparation and college orientation if aimed at early adolescents needs to be both "age" and "stage" appropriate, that is, the programs must build on the special characteristics of younger youth. Too often in our review we found watered-down curricula and program content from programs originally designed with older youth in mind. Again, there are implications here for policymakers: effective programs that meet these criteria have to be identified, evaluated, and replicated. In some cases, resources will have to be devoted to developing curricula and programming that presently does not exist.

Our review found that effective learning strategies for young adolescents must incorporate what the Edna McConnell Clark Foundation calls the "3 Highs," namely, high expectations from adult staff and planners, high program content, and high social service and family supports. We found, as others before us have, that there is "no one best approach" although some models seem *especially promising for young teens*, such as:

- *Community service models for early adolescents*, although these programs have not been rigorously evaluated.
- *Pre-apprenticeship schemes and mentoring programs* to prepare middle school age youth for secondary school level vocational exploration, skill training and apprenticeship. Appropriate models here for middle school age youth would include job shadowing and entrepreneurship opportunities. Again, however, very little is known from the formal evaluation literature about these approaches for young teens.
- *Higher education awareness programming* that teaches children as early as fifth grade what college is all about, and what decisions have to be made even in junior high school to put oneself on the right "track."

SUMMARY

We have described how governments make choices: about the scope and scale of services offered America's young people; about the distribution of the services within and between various groups; and, about the extent to which the national role is active or passive. What are some of the policy implications from this review?

1. Much of the policy attention in the youth development field has been devoted to shoring up and improving the present system of policies rather than *taking a fundamental look at the structure and mission of the policy enterprise itself. Surprisingly little attention has been focused on the role of age itself in youth policy.* Many of our policies are not sensitive enough to differences among youth between the ages 10 and 21. In particular, there has not been enough attention in policy circles on early adolescents, ages 10 to 15, even though this developmental phase is a particularly promising one for programming.

Similarly, policymakers must evaluate whether the various components of public policy described throughout this chapter contribute to short-term, single service program models or, the more *preferred, long-term, community-based comprehensive approaches* described in this book.

Finally, the *Federal role in the policies reviewed in this chapter has been remarkably modest, so small, in fact, that it is unlikely to produce demonstrable effects.*

2. When it comes to targeting, American youth policy for older teens is confused and pulled in conflicting directions. Many experts believe that as a matter of public policy we must think more carefully about which groups should be the recipients of services. This was evident in the recent amendments to the youth components of the Jobs Training Partnership Act passed in 1992 by Congress. These amendments will focus more resources on youth truly "at-risk such as African-American males.

On the other hand, in policy circles there has also been a clear movement toward a youth system for the broad group of non-college bound youth who are good candidates for complicated apprenticeship schemes and community service programs. This approach is championed by national commission reports (e.g., "The Forgotten Half," "America's Choice: High Wages or Low Skills," and "Beyond Rhetoric") as well as by Clinton administration. The latter approach argues that the school-to-work transition process for 75 percent of *all* youth is not working (the roughly fifty percent of youth who do not go on to college directly from high school, and another 25 percent who do not graduate from college on-time).

While the former approach (e.g., JTPA amendments) would try to serve more poor youth, the latter would create services for a broader constituency. Which approach would better serve young African-American teens? This chapter outlined a discussion suggesting that *young Black males might do well as a special focus of new policies aimed at the broad base of young adolescents.*

3. The chapter recommends that practitioners begin to think like policymakers if they hope to influence policy. Yet at the same time, policymakers need to display greater sensitivity to the needs of front-line staff:

- *Policy should encourage management, staffing, and a consumer approach to implementation:* These are the frontline factors that directly effect quality of services. Yet, public policy has inadequately treated the many dilemmas and challenges youth program managers' face in running youth programs.
- 4. Finally, the *Federal government should begin to support knowledge development activities (e.g., new demonstrations) for early adolescents (ages 10 to 15).* Although we suspect that community service models, mentoring, pre-apprenticeship and higher education awareness activities are especially promising for this group, the evaluation knowledge base supporting this recommendation is rather flimsy compared to what is known about older youth initiatives.

WHAT IS TO BE DONE? TOWARD A NATIONAL YOUTH DEVELOPMENT BLOCK GRANT ACT

What can be done in public policy to help young black males? What can be done to help the community programs described in this book who work with and nurture young minority males?

A new *Consolidated National Youth Development Block Grant Act* starting with early adolescents, ages 10 to 15, and going up through age 19, would build on the recommendations presented in this chapter.⁶ The Consolidated National Youth Development Block Grant Act would serve a broad-base of youth but the technical targeting procedures would earmark funds to young African-American youth, as well as others, residing in cities with the highest concentrations of persistent poverty. In this way, Skocpol's admonition to "target within universalism" could be met. The Act would consolidate several youth-related public policies, bringing them into the fold at the time of their re-authorization.

The aim of the Act would be to promote healthy development among a broad-base of youth (not necessarily and literally "universal" but coverage would appear so in the authorizing language of the Act). Pittman (see Chapter 4) defines healthy development as the building of competencies. She describes that the aim of these competencies is to help young people meet the need for safety and structure in their lives, for belonging and membership, for feelings of self-worth and an ability to contribute, for independence and control over one's life, for closeness and good relationships, and for mastery to perform and function well in society. The Act would give primacy to prevention through the development of healthy young people.

⁶ The proposal here for a Consolidated National Youth Development Block Grant Act should not be confused with real proposals with similar sounding names that have been prepared by public interest groups.

The Act would have three titles covering much of the preceding territory. Unlike traditional "deficit-driven" legislation (e.g., substance abuse, youth unemployment . . .) in which policymakers have established particular outcomes as their measure of performance (and only pay if those outcomes are reached), the youth development strategy would represent a return to the social work programs of the past in which programs were paid for "reasonable" and allowable costs associated with the programming, yet within ceilings established for this purpose:

Title 1, the early adolescent "prevention" component, would be placed under the direction of large community and voluntary institutions such as Boys/Girls Clubs, Scouts, and the YMCA/YWCAs, as well as the many small grass-roots organizations described in this book which have pioneered Afric-centered curricula or similar initiatives for other racial/ethnic groups. Title 1 would focus exclusively on young teens in the 10 to 14 year range. With special financial aid, the community groups, whether big or small, would have the potential of reaching many more very poor youth in after-school and weekend programs than current practices. The service providers would have to demonstrate the capacity for serving young teens and the ability to reach youth generally regarded as "hard-to-serve" (Carnegie, 1993). The self-sufficiency goals of the programs would be promoted through expanded higher education awareness initiatives, community service, entrepreneurship and mentoring. Additional services would encourage: recreation; participation in arts and culture; training in basic health and safety; intra-personal skill and leadership development; preparation for further education and training; and, participation in a host of group identity and racial/ethnic education initiatives. *The legislation would not prohibit or promote any specific curricula, as long as the youth development goals of the programs were consistent with the authorizing legislation.*

Title 2, the school-to-school component, would cover apprenticeship along with Upward Bound and the other Federal "trio" programs. The title would be placed largely under the control of local education agencies working in partnership with labor market boards and higher education associations. The focus would be on strategies whose aim is to increase participation of young people in post-secondary education and training. The Clinton administration's interest in apprenticeship and community service linked to college loans would certainly fit here. This Title would be aimed at students and dropouts in the late middle school and secondary school years. A special focus of this Title would be on new pre-apprenticeship "feeder" initiatives to make sure that young teens are well prepared for testing associated with entrance into "high skills/high wage" apprenticeship.

Title 3, the school-to-work component, would encompass much of what is presently done in the Jobs Training Partnership Act but with a greater emphasis on dropouts and other youth with potential labor market barriers. It would preserve a strong role for local Private Industry Councils and its services would include: summer jobs, job search assistance, counseling, vocational exploration, try-out employment, work

experience, public works, and work crew activities tied to the community service movement.

This new Act would place *professional development of the personnel running programs* on the front burner through expanded spending on technical assistance, certification requirements, credentialing, and, management training.

The Act would also call for a continuation and *expansion of the community-based initiatives* begun by private foundations which have been shown to have positive benefits for young minority teens: creation of community-wide youth serving systems involving urban collaborative board structures, community planning/research activities, community mobilizations with youth involvement, integrated case management systems and referral networks, peer program-to-program technical assistance, etc.

Finally, on the research front, the Consolidated Youth Development Block Grant Act would encourage *new demonstration projects focused on the development needs of 10 to 14 year olds*, as well as research on program implementation -- service concepts, targeting issues, operating strategies, staffing and leadership -- through dissertation support, small grants programs, focused research competitions, and support of implementation studies.

An open question is whether these block grants should bypass or build-up the state government role. Similarly, what entities at the local level should receive the funds to distribute to local programs? In a 1992 Youth Development Block Grant proposal prepared by the national YMCA, their version allocated 95 percent of the proposed funding directly to "local youth development boards." Funds were to be allocated to these boards based on a formula sensitive to both the total number of youth between 6 and 19 and the numbers of such youth living in poverty. The local boards were to emphasize local consolidated programming and planning. Allowable services were to favor coordinated strategies and system integration at the local level, along with participation of parents and children, empowerment strategies and so on. States in this particular proposal received little of the funds. Compare this approach to proposals made by Alice Rivlin (1992). As part of a new social contract, Rivlin suggests that the Federal government should get out of whole areas of social welfare and instead concentrate on a few policy areas which states would be happy to relinquish. In this scenario, youth development could be "blocked out" entirely to the states in return for the Federal government assuming a broader role in other areas.

Another proposal in the youth policy field calls for funding of the largely symbolic Young Americans Act, a piece of legislation passed in 1989 -- but never funded -- and therefore without real meaning currently in the United States. Still another proposal would try to build on the nation's limited but interesting experience with special local tax levy schemes earmarked for children and youth. And then there is the quiet battle

between the generations: some youth advocates have called for higher taxation of Social Security benefits; savings would be earmarked for young people.

* * * * *

Choosing among these proposals and exercising the right policy tools are decisions that should not be left to professional policymakers alone. These are choices we make as a nation. Our deliberations reflect what kind of society we will have and what kind of programs will be put in place to help our youth develop and prepare for a complex new century. Youth development programs alone will not remedy all the problems faced by young African-American males. But with good public policies nurturing our programs, we are likely to have better programs for young people and a better society.

**PROMOTING YOUTH EMPLOYMENT
AND SELF-SUFFICIENCY:
DEVELOPMENTS IN THE FIELD**

By

Andrew Hahn

**A Youth Development Brief
for the
National Conference of Black Mayors**

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Introduction:

African-American mayors understand the crisis in youth unemployment in the United States. Research papers are not necessary for these mayors to see daily what is going on in their communities: the causes of youth idleness and its consequences are found in large cities and medium size ones, in rural pockets of poverty and in big city neighborhoods of persistent poverty.

The National Conference of Black Mayors asked the author, a researcher who has been tracking developments in the youth self-sufficiency field for 15 years, to share observations from his work and that of his colleagues in the several Brandeis research centers. In planning this assignment, we decided to draw upon several recently completed large scale reviews of youth development policies. These syntheses go into greater detail than the present review and are available upon request.¹

Elected leaders do not need tables of statistics showing that youth unemployment rates have worsened during the current recession. Mayors do not have the time to read lengthy analyses which try to explain the factors which account for the worsening gap between black and white youth unemployment rates: is it the rising rate of school attendance over time, the "de-skilling" of jobs, work attitudes, the exodus of jobs, the growth of single parent families, etc.? What might prove more useful for busy mayors is an overview of some POLICY AND PROGRAMMATIC THEMES that have direct relevance for the kinds of initiatives that should be supported in communities of color and which need to be nurtured by new policies if we are ever to develop a coherent, stable youth development policy in the United States.

An Exciting Time in National Youth Policy:

As this paper is written, job creation and training proposals are proliferating in the aftermath of the Los Angeles riots. Job creation bills are making the rounds in Congress and amendments have been submitted to improve the Jobs Training Partnership Act (JTPA), the nation's training response for disadvantaged youth. Various proposals from the administration and others would alter the services provided to disadvantaged youth, the payments that service providers receive, the targeting aspects of the legislation, allocation formulae, contracting techniques and even the termination of the national job training enabling legislation itself through new "sunset" provisions. In addition to the prospects for amendments in JTPA, there are other youth bills recently passed (such as the National and Community Service Act of 1990), pending or likely to be submitted covering apprenticeship, the school-to-college link, vocational education and so on. Some legislators in Congress are considering new legislation to link services and the administration would like to coordinate the many separate programs for youth and adults through an enhancement of the role of local Private Industry Councils. Finally, with the upcoming elections, advocacy and public interest groups have generated many new proposals for separate youth legislation, apart from the JTPA framework.

With all this legislative activity, it is an especially useful time for mayors to consider the roots of the youth components of national employment/training policy. This is especially so if the Congress or the Administration succeeds in introducing "sunset provisions" in the present JTPA system. Such a change would warrant a full scale review of the basic American approach and an examination of such questions as whether a dedicated, separate youth program should be created within existing legislation or should reside separate from it.

Theme 1: Broken Children or Broken Systems?

In the aftermath of Los Angeles, speculation about teens, especially young Black males, has moved center stage in the media industry: the habits and mores of gang members and African-American families are dissected in newspaper articles, talk shows, and television broadcasts. With all this hoopla, it is time to ask (again) whether young black teens are a challenge to programs and social policymakers or whether the nation's policies and programs are a challenge for young blacks? Our review for the U.S. Department of Labor, the National Research Council's "High Risk Youth Panel," and the Urban Institute's Program on "Nurturing Young Black Males" has found evidence that the nation's policies and programs -- particularly employment and training programs for the poor -- frequently makes participation and achieving success difficult for young people. The national delight in what sociologist William Ryan called "blaming the victim" may never go away. Yet this author has found considerable evidence suggesting that there are daunting problems on the institutional side of things. Jobless and untrained youth too often confront the wrong programs, given for the wrong reasons at the wrong times, and often for the wrong groups of youth.

Consider the following findings -- with major implications for the field -- from a recently released study:

- A series of sixteen classical social experiments conducted by Manpower Demonstration Research Corporation for the Labor Department on the effectiveness of national (non-summer) job training programs funded under the Jobs Training Partnership Act (JTPA) reveals that although youth dropouts in JTPA are more likely to finish high school or earn GED certificates than similar youth (controls), JTPA has a substantial *negative* impact on earnings of out-of-school youth, particularly males. In plain English, this national, multi-site rigorous evaluation found that our national "system" of youth programming for out-of-school youth actually harms the post-program earnings profile of former JTPA participants. The reason? JTPA out-of-school youth work less hours than similar youth. JTPA youth, from all ethnic backgrounds, would have been better off, in the short run, if they were not in these programs (MDRC, 1992). Moreover, these negative findings are not explained away by the number of barriers young people bring to the programs, such as involvement in the welfare system or lack of work experience.

America's school-to-work transition system has been called the worse in the industrial world. This criticism is as likely to come from corporate leaders as social workers. *Mayors should be in the vanguard of leaders trying to devise a better approach for preparing young at-risk youth for the world-of-work.* If mayors are silent, a new system will be created around them by others. Meanwhile, the many failings of the present system will continue to be misinterpreted as a failure in the character and development of the children served by the system.

Theme 2: There is Agreement on What Makes a Good Program

If Mayors consulted youth experts in their communities and asked them to design new youth self-sufficiency policies and programs, from the ground up -- approaches that could help young black males and women achieve economic independence -- the list would probably look something like the following:

- *Scale and Targeting:* programs, of whatever character, should be plentiful enough to reach a good share of the young people most in need of services.
- *Comprehensive:* programs should address the developmental needs of young people and should recognize that young people have many needs, ranging from jobs to education, services to recreation, emotional to physical . . .
- *Long-term:* policies which encourage long stays in programs are valuable because young people build relationships with caring adults. When these relationships are severed, both the young people and the programs suffer.
- *Effective:* Policies should support programs demonstrated to have been effective and program managers should be given the tools necessary to deliver effective services. These tools range from staff training to program dollars, as well as assistance with curricula and program content that meet the ethnic/racial sense of pride that young people bring to programs.
- *Preventive:* Whenever possible, policies should support the development of young people and should start earlier in the age continuum rather than later as "last stage" services.
- *Work/Learning Connection:* Early work experience and knowledge of the labor market are needed for a successful transition from youth (and school) to adulthood (and work). Policies are needed to support this school-to-work transition and to help programs combine work and education as integrated services in developing the skills necessary for a changing workforce.

It turns out that the community experts' list of criteria and the principles described by researchers who have studied the field are one in the same: consensus can quickly be

reached that policies must support age-appropriate, developmentally sound, comprehensive, long-term, effective programs.² Mayors know that consensus of this kind is uncommon in other social policy spheres. *The challenge, of course, is in taking these principles and translating them into practices at the local level. Research must now give way to action.*

Theme 3: Mayors Must Manage A Complex Mess

Federal employment/training policy for youth, authorized by the Jobs Training Partnership Act (JTPA) of 1982, is just one component in a broader array of human resource programs encompassing: public education, especially the career education, counseling, and guidance components of secondary schools; the separate vocational education system, with its recent amendments requiring state coordination and targeting of services to the lowest income populations; higher education, especially community colleges and proprietary schools (not to mention the entire system of financial aid in the form of grants and loan programs); private training which goes on daily in the workplace; work/welfare policy and programs; and, community-based programs (GAO, 1990; AVA, 1990).

The "system" of job training for economically disadvantaged young people in the United States might be better characterized as a galaxy of planetary systems, each having its own unique histories, policy debates, linkages with other systems and records of performance.

Mayors must be the forefront of the coordination movement: PICs, vocational educators, public school staff -- all have different calendars, funding streams, performance standards, eligibility criteria, reporting requirements and so on. Mayors must take the lead in the coordination battle, otherwise their communities will continue to be balkanized, with needless overlap and duplication of services, major service gaps and confusion among consumers of services.

Theme 4: The Federal Portion on the "System" is Tiny

Most people forget that most training in the United States is not government-supported or even subject to explicit policy control. Since "private" training is tied to the employment sector and joblessness among poor youth is so high, minority youth do not benefit much from it:

Employer-based training activities account for the bulk of the training of the existing workforce in the country. Estimates go as high as \$210 billion devoted to private training, with perhaps \$25 billion spent on young workers (Lynch, 1989; Carnevale and Gainer, 1989). Despite these broad estimates, not much is known about the actual scale of youth training in the regular economy or the motivations of firms providing the training. Lynch (1989) tried to come up with some figures on the numbers of young people who receive private training of one sort or another in the United States. Although distinguishing

between private and public training is itself a difficult task (for example, many proprietary schools enjoy public subsidies primarily but not exclusively through federal financial support), Lynch tried to derive some estimates. Using the NLS youth cohort (all youth were between 14 to 21 years of age at the end of 1978) and restricting the sample to people who completed their schooling by the 1980 interview, she found that only one in four young Americans between 1978 and 1983 had been involved in some sort of private sector training. She broke training into three types: about 15 percent were involved in private training but it was provided off-site (for example, business colleges, barber or beauty schools, nurses program, training institutes, etc.); 2 percent were in formal apprenticeship programs; and, 4 percent were engaged in private training on the job site. Lynch found that race and sex influenced the probability of receiving different types of training; women and nonwhites were "much less likely to receive training within a firm, either through an apprenticeship or other forms of on-the-job training." (Lynch:1989:22) *Among nonwhites, for example, only 2 percent of all nonwhites were in on-site private sector training compared to 4 percent for white youth.*

If the amount of private sector training of young people is limited, the public side of the American youth training system is also marginal in terms of the size of Federal funding and the ability of the system to reach a healthy share of the "universe of need:"

The GAO (1989) reports that in fiscal year 1989, the Department of Labor operated nine programs with a total funding of \$3.8 billion, most of them under the Jobs Training Partnership Act. This is a tiny figure in terms of the Federal budget, not even one quarter of one percent. It is altogether insignificant in terms of GNP. The under-investment results in a very significant unmet need in the populations designated as eligible for service.

How many youth are actually served by the JTPA second chance system? The author has estimated that the total number of youth of all characteristics in JTPA is approximately 1,117,300. Most -- 54% -- are enrolled in short summer job training programs (GAO, 1990). JTPA is a very small youth system.

Consider the figures for young Black males who terminated the year-round portion (non-summer) of JTPA in Program Year 1989, the last year of available information. The number of young Black men ages 21 and under was 43,619. Of these, approximately 11,000 were dropouts, 20,000 were high school students, and another 11,000 were high school graduates. Now consider enrollments in the residential Job Corps program. It serves about 25,000 additional Black males.

How do these enrollments match the national universe of need? Calculating the latter is a difficult and often subjective exercise. In fact, the concentration of youth problems and the degree to which problems correlate with each other, and with services available, is an area of research that needs more work for national trends as well as for selected communities. Dryfoos (1990) reviews much of the literature on the concentration of youth problems and finds that the preponderance of evidence suggests that about 15 percent of 15-21 year olds are at very high risk, 62 percent at moderate risk, and only 25 percent not at risk. Dryfoos uses as indicators involvement in crime, drugs, and unprotected early sex, rather than family income, employability skills, work experience or similar measures. In any case, since the population in this age range numbers approximately 20 million people, the JTPA program is serving only 5 percent of the total. This is far short of the 15 percent Dryfoos estimates to be very high risk. Consider next the population of African-Americans in the age range generally covered by job training programs: 14 to 24 years. In 1990 there were roughly 1.6 million Blacks between 15 and 17 and 1.6 million between 18 and 20. An assumption that two-thirds were in need of services would translate into a "universe of need" of roughly 2.1 million young African-Americans or 1 million young black males. This may be compared to the 68,000 young black males enrolled in non-summer JTPA components (including Job Corps). *The proportion served is less than 7 percent of the total group needing services.* Other studies have looked at the share of income eligibles nationally that JTPA serves and have concluded that JTPA reaches only 5 percent of all income eligible persons (cf., JTPA Advisory Committee, 1989). By any of these standards, then, the American JTPA program is small for all youth and especially for young black males. Such a small program, even if 100 percent effective, can not be expected to shift aggregate social and economic indicators, for example, the national jobless rate among black teens, or illiteracy, or school completion rates.

Theme 5: If History Is A Guide, American Youth Policymakers Would Rather Intervene with Kids than with Labor Markets

In the American human resource field, analysts have observed that the nation has chosen, as a public responsibility, the provision of services to assist low income youth prepare for the labor market -- but -- with an important caveat: public involvement is limited to ways that minimize interference with labor markets. Put simply, the American approach to job training is interventionist on the side of upgrading and changing people but rather timid of the side of changing institutions and markets. For urban minorities and very disadvantaged young men, this observation predicts that policy in support of human capital upgrading will continue to dominate the field. On the other hand, anti-discrimination measures, minimum wage changes, affirmative action, mandated on-the-job training, wage subsidies, new payroll taxes for training, etc., are likely to meet with considerable resistance

in policy circles. *The history of youth programs should be understood by those who hope to change them.*

Theme 6: Who Should Be Served? American Youth Policy is Confused about Targeting

American youth programs are targeted rather than universal, in contrast to many European and Asian countries. In JTPA there are explicit income guidelines governing participation. Although JTPA programs have official targeted income guidelines which set conditions for program eligibility, informally targeting goes on as well. For example, JTPA makes use of discretionary funds at the Federal, state and local levels to target services on the special problems faced by African-American teens and others who often fare poorly in the labor market or are thought to be "at-risk." This kind of informal targeting in American youth programs is a distinctive feature that stands in contrast to many European and Asian countries (Skoepol, 1989; Osterman, 1988). It also leads to peculiarities such as when a public school serves JTPA eligible youth through a special "pull-out" program while other youth, many just over the income notch of eligibility, are not invited into the programs.

The choice of a targeted approach rather than a universal one has its roots partially in the decision to locate American youth policy under the jurisdiction of the Department of Labor rather than the mainstream of public education which has more of a tradition of "universal" services. Put differently, in America, youth E/T policy has developed as a sub-set of American labor market/manpower policy rather than as a sub-part of education policy. American youth programs have been designed as second-chance programs outside the education system. Grubb (1989:70) points out that the "existence of parallel systems for job-related training extends back at least to the 1930s. The Roosevelt administration, believing that public schools were unsympathetic to the poorest children, established job training programs outside the educational system, both to reach the poorest individuals who might not accept school-based training and to establish a more flexible and shorter-term job training program than were conventional within high schools . . ."

In contrast to the American approach, many European youth manpower schemes have universal characteristics by locating job training in the school sector. Consider one example: in Sweden, the education system is responsible for youth whether they are in or out of formal, school-based programs until they reach the age of 18 (Nothdurf, 1990a; GAO, 1990b).

One might think that a policy of targeted services would avoid the target inefficiencies usually associated with universalistic approaches. However, the American strategy has come under attack by critics who have raised the specter of "creaming" or the phenomenon of programs choosing to serve the most able of the group of eligible economically disadvantaged. (See, for example, Grinker, 1986; Orfield and Slessarev, 1986; Walker et al., 1985). Not surprisingly, this is a contentious issue that has evoked contradictory responses from many quarters. For example, in response to the charge of "creaming," a senior official of the Labor Department has responded that the Reagan administration originally proposed

far narrower eligibility criteria, but that Congress "loosened it up to "economically disadvantaged." We're doing just what the Congress intended." (National Journal, 4/14/90:901. Also, Jones, 1985.) Another problem is stigma; universal programs have been found to generate more political support than targeted social programs. *With all the confusion around targeting, many policymakers are left wondering what to do. Mayors need to be active participants in the targeting debate.*

Theme 7: When Designing New Policies and Programs for Young Black Males and Females, Start with "Young"

Much less is understood about public policies for early adolescents, ages 10-to-15, than older youth from ages 16-to-24. A recent review for the Lilly Endowment by the author has revealed that often overlooked in the debates on the targeting of children and youth services is the role of age itself. Peter Scales (1991) writes in his Portrait of Young Adolescents in the 1990s, that an "ever-sharpening appreciation must be cultivated of the special issues present for different age groups of children and youth."

A mismatch often exists between the organization and curriculum of young teen projects (and even middle schools) and the intellectual and emotional needs of students. When it comes to helping young adolescents about their futures, our review for Lilly Endowment and another for the Edna McConnell Clark Foundation found that many school-based and community programs are constrained and unable to offer the high content, high support, and high expectations that the labor force and society will require (Brandeis, 1991.) This is a general problem made worse by curricula and programming approaches that are insensitive to gender and race realities.

Why, without a firm knowledge base, does this author, like so many others, suspect that age targeting should be examined in greater detail? The reasons are three fold. First, by the time youth reach secondary school age -- the period in which most employment/training services begin -- many are already in serious difficulty. It makes sense to start earlier. Secondly, their difficulties interfere with their ability to benefit from the programs. Programs at an earlier age may mean more success. Third, there is growing evidence that many of the services we used to think are only appropriate for older youth are in fact more appropriate for younger youth. A good example is higher education awareness programs. Most of these now begin when youth are juniors in high school yet 6th graders need to understand the benefits and requirements associated with post-secondary education so they can make informed course selections from junior high school on.

Evidence of the first point -- that we need to intervene earlier -- is seen in the following statistics from a large national survey of American school children. These data illustrate the pressing needs of one segment of the early adolescent population of *eighth graders -- low income, urban African-American males enrolled in public schools*:

Our special unpublished tabulations on urban, low income (under \$15,000 family income) African-American male public school eighth graders in the National Education Longitudinal Study (NELS) reveal some startling facts about the well-being of one of the poorest segments of young teens in America:

- Nearly one third have been held back a grade by eighth grade, a reliable precursor of future dropout behavior.
- Nearly half of all low-income African-American males in urban schools attend schools which are 91-to-100 percent comprised of minorities. One implication of this finding relates to William Julius Wilson's documentation of the growing spatial concentration of poverty in America and the ensuing problems associated with the growth of an urban underclass.
- Eleven percent report that their fathers are dead and only 19 percent report living in a household in which a father is present. The strong connection between family structure and social/economic outcomes is beyond dispute today. Although some see this in moral terms, it is first and foremost an economic issue. Typically, it takes two incomes to escape the poverty associated with low wage jobs. (70 percent of the young boys' mothers work.)
- Forty-four percent of the group have no specific place to study and to do homework. Sixteen percent report that their parents or guardians rarely or never check on their homework.
- Nearly half have not talked to a counselor about planning their high school program or about jobs or careers after high school, yet we know that the educational practice of tracking makes it difficult for students thinking about post-secondary education to assemble the necessary credits and courses without good sound advice in the middle school years.
- Twelve percent think that high school will be their terminal degree and three additional percent of these eighth graders think they will not finish high school.
- Twenty-two percent report that their parents have received a warning about school attendance problems and 53 percent indicate that their parents have received a warning about their poor grades.
- Sixty percent have been sent to "the office" at least once for misbehaving and half indicated that their parents received warnings about their behavior. Twenty-three percent say their classmates view them as either very much or somewhat of a trouble-maker. Twelve percent indicate that someone has offered to sell them drugs at school. Nineteen percent indicate that they do not feel safe at their schools.

The author also looked at these youngsters' involvement in non-school activities, the kind of experiences which can contribute to their development. The NELS data show that about half of these poor young male teens enrolled in public schools are not involved in any out-of-school activities. *These youth are, by eighth grade, unattached, and disconnected.* The figures for the other group are interesting. About half of all studied participate in team sports while 38 percent participate in the Boys Clubs and 26 percent in Scouting. Twenty-eight percent participate in hobby clubs and 28 percent in unspecified neighborhood clubs/programs. Twenty percent of the boys participate in religious youth groups; 11 percent in vocational education clubs; and, 31 percent in special summer programs.

Consider that these are national data from one of the largest American surveys ever undertaken of young teens. The numbers speak to a group of young men who, *by age 14-15, face serious challenges. Programs and policies must begin earlier.*

Theme 8: Policy Doesn't Support Long-Term, Comprehensive Services for Young Adolescents

The fiscal and performance standards aspects of JTPA make it one of the few Federally-funded programs that is results-oriented. Contractors are paid only if they achieve certain performance goals, such as placing a target share of trainees in jobs, arranging alternative education or helping the youth achieve approved competencies believed by community leaders on the Private Industry Council to be useful for entering the labor market (CHR, 1989; NCEP, 1988b).

This outcome-driven approach is rather unique in terms of domestic policy. Most bureaucratic governments fund inputs or, as in national health care, or try to control costs by setting ceilings on approved practices. Public education is a good example of the input approach. Once funds are collected on the basis of local property tax assessments, they are distributed by a formula that builds on "average daily attendance," an example of "inputs." At the Federal level, elementary and secondary education is earmarked to meet certain broad purposes established by Congress. These funds are also distributed on the basis of "inputs" such as the number of needy students in eligible school districts.

The "results-oriented" shape of performance standards has been seen in many quarters as a positive social policy development, worthy of replication. Thus, when the Perkins Vocational Education Act and Family Support Act were considered by Congress, policymakers adapted some of JTPA's performance standards approach.

But an equally strong chorus of critics has emerged to challenge the performance-based system of payments used in national youth employment policy. These critics argue that JTPA youth programs are notoriously short-term in nature (often 12- 20 weeks) because the programs are paid for rapidly placing young people in jobs. From a practitioner perspective, achieving quick placements pays more than providing quality, long-term services for very "at-risk" youth. Moreover, there are limitations on what programs can spend on

supportive services such as counseling or follow-up which also means that youth programs tend to reflect "single services" rather than a comprehensive, developmental approach. *Mayors will have to work for the right set of rules and financial incentives if they want youth programs to improve in their communities.*

**Theme 9: Don't Get Carried Away with Fashionable New Youth Program "Models."
Invest in Youth Development Workers**

The needs of program practitioners are often overlooked by elected leadership and the policymaking community. The reasons for this phenomenon are complex, ranging from ignorance to indifference on the part of officials regarding the complexities of actually managing and running programs.

Consider first how youth programs are described in the general literature. There are several possibilities. First, the programs may be described in terms of the target groups served, for example, Youth Development Programs for Black Males, teen parenting programs, dropout prevention programs, or other "at-risk" youth initiatives. Another alternative is to focus on the sponsoring entity, e.g., school-based services, community programs or business-school partnerships. A third possibility is to describe youth programs in terms of the primary service delivered. Summer jobs programs, work experience, basic skills -- all are terms that aptly describe youth programs.

These descriptions are simple and useful but they do not evoke the inner workings of youth programs, the guts of the programs' implementation. We seldom hear of the xyz outreach program, or the intensive staffing initiative, or the abc case management model. These functions are embedded in youth programs; their meaning is implicit rather than a formal part of the program description.

What we call something reflects the value we place on it. In the youth field, we tend to think of target groups, sponsoring agencies and services as the principle elements which help to explain program success or failure. The youth research and demonstration (R&D) literature is replete with studies of the differential impacts of programs, organized around various client groups, service providers, and services. Less has been written about the generic elements of youth programs, their management functions, and organizational factors.

And yet, researchers have shown that differences between programs can quickly be traced to the variable capacity of the programs to deliver high quality services (Hahn, 1992). If these factors are ignored, policymakers and elected officials face the danger of attributing success or failure to the wrong set of factors.

This author has written *that too few resources, including but not limited to research, have been devoted to addressing the skill levels and needs of practitioners* (Hahn, 1992). Partly as a result, the field is largely a para-professional and ad hoc enterprise, given to improvisation rather than stability and maturity.

How should mayors and policymakers support management of youth programs? Complete answers to this question go beyond the scope of this Brief. Certainly one place to begin is with resources in support of youth program operating strategies. These include operational systems, financing, marketing, human resources, and management control systems. The eternal quest for outside funding, for example, and the complexity of the tasks involved in meeting targeting and performance standards can be significant inhibiting factors in effective youth program management. This is a theme that surveys of youth program managers have consistently revealed. Managers complain of being undercapitalized; having too little money in administrative accounts; having inadequate or no discretionary funds for contingencies; having unworkable demands placed on their fiscal and human resource systems and, of course, of being forced to serve people whom they may not choose to serve through targeting requirements. All of these issues are within the reach of elected officials but the problems are usually discussed as the results of policies rather than the motivating basis for new progressive policies.

In summary, the challenges facing youth program staffers are greater than ever before. In surveys with hundreds of youth program staffers since 1977, the staffers report more problems and more stress related to their inability to find workable solutions now than ever before. Good staff is also getting harder to find and retain, especially those who are interested in and committed to working with at-risk youth.

None of this is surprising when one considers the lack of professional standards for most frontline "counselor/trainer" jobs in youth agencies. Except for a generic college degree (not always required), staff are typically not required to have significant professional counseling or teaching experience with at-risk youth prior to being hired. Many staff, in fact, are former clients of the same agencies. This is not necessarily a bad thing; youth programs, like other neighborhood initiatives, have provided an important route out of poverty for many clients and staff. The problem is that the field has never engaged in a serious discussion of what the prerequisite qualifications of youth workers should be. To what extent, for example, should "community qualifications" (same background, ethnicity, neighborhood as clients) serve as a substitute for formal, credentialed backgrounds? How often are these in conflict, where, why, when? What qualifications, in fact, do youth workers need?

Nor are staff given the specialized training they need prior to or during their employment. According to a 1990 P/PV review of youth programs, "finding and keeping appropriate staff and, to a lesser degree, providing them with the training to do their jobs, are problems facing most of the programs we reviewed."

Compared to the private sector, human resource issues in the second chance system are woefully ignored. The private sector publishes numerous journals, books, tapes; thousands of managers participate in executive seminars, graduate training programs and other upgrading forums. Consider, for example, Burger King: this corporation -- one of the largest employers of disadvantaged youth -- requires prospective franchise managers to attend an 80 hour program before they are even offered a franchise, and then the owners

are required to attend a ten-day intensive course on the technical aspects of the business. In addition, training, technical assistance, and strong quality control are regularly provided by Burger King. According to a New Jersey franchise owner, employee retention is a major problem, and because "these are the (teenagers) first jobs and you have to really relate to them . . . I recently took a course on counseling teenagers so I could do this better." This Burger King manager might have had more training in counseling teens than the average not-for-profit youth development worker.

Theme 10: A Consumer Approach to Youth Development

Public policies have been reshaped and reformulated to meet the consumer revolution in many fields -- consumer protection, drug and health care, children's television, car safety -- but a *consumer perspective does not dominate in the youth development field*.

This is the theme of a fascinating little paper by Max Elzman, "Frankie and His Friends: An Adventure in Social Marketing" (1989) prepared for the well-respected think-tank, MDRC, in New York. Elzman attacks youth program planners for virtually ignoring a consumer/customer approach. He argues that:

"at its simplest, marketing is concerned with only a single question, "What does this person want and what is he or she willing to do in exchange for it?" Only the "customer," not the "seller," can answer this question. Consciously or not, the customer will base the answer on two considerations:

- (1) Price: The time, trouble and expense of acquiring a product or service; and
- (2) Value: The customer's perception of whether it is worth the price . . ."

Repeating some of the themes of the present paper, Elzman calls these concepts commonplace in the private sector but in social services says they are as foreign as "Sanskrit." He then goes on to describe how youth programs concentrate on the "needs" of clients rather than to their "desires" when shaping program designs. He suggests that program managers spend more time doing market research, that is, talking with potential customers to discover what they want and are willing to do to get it.

After interviewing a young Black male, Frankie, and some of his friends, Elzman concludes with some customer-centered implications for reaching young people, including:

- Sequencing services so clients get what they want when they want it . . . Educational services, for example, are a hard sell for newly enrolled older youth and so Elzman calls for work experience and income generating activities in the early stages of program participation. This recommendation is echoed in a

Rockefeller Foundation supported report, the "Minority Single Female Parent Demonstration" (1991).

- Focusing not so much on jobs or income but on what these assets can buy, such as an apartment or the ability to "get mom out of the projects." Some programs, for example, have responded to this challenge by offering a variety of financial incentives for participants.

Similar sentiments are expressed in "Reaching the Hip-Hop Generation" by MEE Productions for the Robert Wood Johnson Foundation. This study of urban black youth was commissioned to help prepare for an educational campaign. According to an AP story in the St. Louis Dispatch (May 29, 1992), these youth would rather risk death than be blackballed by peers for raising issues of safe sex, drug use or similar issues. The authors report that messages must be crafted in ways that address the concerns of peer groups and each young person's fear of being left out of the group. According to one of the authors, "if you come up with arguments kids can use within the peer setting without losing face, then, bang, you've got a winner."

The implications for mayors are numerous. When one member of a peer group is found ineligible for a youth program, what are the impacts on the willingness of others to join? How can groups of youth, rather than individuals, be recruited into programs? Can group empowerment and self-governance be made to work in youth programs? How should the curricula and program content of programs emphasize peer group? Are youth development programs sensitive to these factors or do they replicate inappropriate approaches and methods?

Recent Research on Program Effectiveness

Program activity and evaluation since 1983 has largely been initiated by private foundations through a number of highly visible national demonstration projects. These projects have resulted in carefully crafted evaluations which help inform policy and program work. Public/Private Ventures' Summer Training and Education Program (STEP), JOBSTART (MDRC), and Brandeis University's Career Beginnings are among the myriad multi-site research demonstrations designed to inform youth programming. All had sizeable enrollments of young minority students but only one, STEP, enrolled early adolescents (14-15 years old). This section reviews the major findings from these demonstrations.

The Summer Training and Education Program (STEP) under P/PV's direction was initiated in 1984 to examine the effects of a two-summer program (with limited intervening school year support) on the lives of 14 and 15 year olds who were from poor families and experiencing severe academic difficulty. A majority of the enrollments were young minorities. The program aimed to reduce dropout rates, summer learning decay and teenage pregnancy among these youth by offering a program of academic remediation, work experience and life skills instruction during a critical period in these young people's lives

(transition from middle to high school). Eleven funding sources supported program development in five initial sites across the country. In 1987, after the pilot phase had demonstrated some impressive initial impacts, planning was undertaken to replicate STEP across the country. By 1991, STEP sites existed in fifteen states -- 100 locations in all across the country.

STEP was a classic research demonstration in that it identified a set of outcome measures and used both treatment and comparison groups to study program impacts. The findings, which looked at nearly 5,000 youth in the pilot cities, showed that STEP participants outperformed control group students in reading and math and in improvement on "fertility related attitudes and knowledge." (Anatomy of a Demonstration, Public/Private Ventures, page 38). However, the academic gains did not hold up during the intervening school year, when youth returned to their home schools; and in fact, learning gains were less impressive during the second summer of participation. In addition, summer impacts did not hold up in the long term after participants had left the program. The problems faced by these youth, both participants and controls, grew worse over time. Three and a half years after the STEP experience, 15 percent of the youth were neither in school nor working; over one-fifth of the young women had children and, of these, 64 percent were receiving public assistance.

Several lessons can be culled from the STEP experience. Most notable are the following:

- Short term programs yield short term gains. Even though STEP was longer than YEDPA's short-term programs, it was still a program of less than 24 months. More comprehensive, long term strategies are needed;
- Summer learning loss can be stemmed and academic scores raised in a relatively short span of time; and
- Programs can be successfully replicated, although replication is a labor and resource intensive process. Replication, however, is not one in the same with institutionalization. New sites can be added to a network of programs, but it is uncertain how many will last at the local level when special "demonstration" dollars are no longer present.

Career Beginnings was initiated in 1986 through the research centers at Brandeis University. Career Beginnings is a multi-site program (now in seventeen communities -- over 15,000 youth have been served since the program begun) designed to increase the number of high school juniors from low income families completing high school and entering college. Career Beginnings targeted "tenacious" high school students, those with average grades who were underachieving but not at high risk of dropping out. In the study sample described below, about 61 percent were young African-Americans. The program was developed as a two year intervention (with post-program follow-up) which paired students with adult

mentors. Mentors provided advice and direction on school, college and career concerns. In addition, these high school students received an array of other support services, such as career planning workshops, tutoring, financial aid, family planning skills, and exposure to higher education environments, among others. Services were generally delivered by college staff.

Three evaluations have been conducted on the Career Beginnings initiative, now in twenty-five states; a random assignment experiment by MDRC, a process study and a survey of participants and mentors regarding implementation issues in developing the largely component. Most notably, the random assignment study showed that the program was able to increase college entry rates and raise educational aspirations among participants. Although the gains were not as large as might have been expected (perhaps because program services were more available to control group members than had been expected), the program did succeed in placing more youth in college settings than the control group. Other conclusions drawn from the various evaluations were:

- The importance of providing a package of services for young people, thereby creating a "synergy of benefits," as well as a specifically tailored program for individuals.
- The difficulty of dis-aggregating the program components in order to make judgements about the effectiveness of any single program piece.
- The unevenness of program implementation from site-to-site; hence the importance of careful implementation as a critical component of overall program effectiveness. Sites in the Career Beginnings evaluation that managers rated highly did the best in the random assignment experiment. Poorly run sites did the worse.

The Manpower Demonstration Research Corporation (MDRC) sponsored a demonstration entitled, "JOBSTART," which ran from 1985-88, in thirteen sites. JOBSTART is especially interesting because, unlike most demonstrations, it delivered services to a seriously at-risk, out-of-school youth population (17 to 21 years old), services similar to the YEDPA era Job Corps, but in this case delivered in non-residential settings. About one in five enrollments in Jobstart were occupied by young Black males; most were between 16 and 19 years of age. A recent report presents early findings from the demonstration, based on two years of post-program follow-up.

JOBSTART was intended to test several premises, among them whether local sites could recruit out-of-school youth; whether youth would take advantage of the services and persist in the programs long enough to gain an education credential; whether the credential would have an impact on future employment and earnings; and whether the program could be created within the administrative guidelines of JTPA. Early results of this demonstration were, as follows:

- Program youth participated in services much more than the control group, although attendance was still less than desirable.
- Participation in the program "led to a doubling of the rate of receipt of a high school diploma or GED" (Assessing JOBSTART). This held for young black male participants in the interim period covered by the MDRC report.
- At the two year follow-up, education gains had not led to gains in employment. Young Black males, in fact, experienced no employment gains compared to the control group.
- Site variations were inconclusive in terms of information about service sequence or mode of delivery (i.e., on-or off-the site).

What has been learned from the recent wave of projects? The new demonstrations, like those before them, have had mixed results. On the one hand, each project has been able to cite some gains in some of its planned outcomes. On the other, none of the projects has been able to show success on all fronts and in fact, results have often shown some negative or disappointing conclusions. In addition, these latest demonstration suffer from the limitations common to all youth programs; that is, they serve limited numbers of the population in need of such services and provide relatively short term services to program participants (although many of the demonstrations attempt to lengthen program participation to roughly two years, an improvement over previous practices). It should also be noted that most of the evaluations mentioned above were conducted when the programs were young; the same programs with more years of experience may produce substantially more dramatic effects. This has certainly been the case in other youth programs studied.

Even if the demonstrations showed uniformly positive results, replication of these programs in sufficient numbers to make a difference in broad indicators would remain a significant challenge. A publication of the Children's Defense Fund, "The Lessons of Multi-Site Initiatives serving High-Risk Youth" (1990) speaks to the complexity and difficulty of replicating program models across sites. Among the points made in the publication are the need for incentives to encourage communities to replicate successful programs; the importance of "readiness" in the communities attempting to replicate programs (i.e., a "fit" between program purposes and community goals); and the importance of carefully crafted technical assistance and supplemental funding to accomplish multi-site replication. As Lisbeth Schorr points out, this process is as difficult as devising a successful intervention in the first place.

On the whole, the demonstrations have been able to serve young women somewhat better than young men. In fact, the inability of many youth programs in general to attract and hold young males, particularly black males, is an issue that is receiving considerable national attention. In response to this concern, a new effort -- "The Young Unwed Fathers Demonstration Project" -- has been developed by Public/Private Ventures, with support from

foundation funders and the Urban Institute has embarked on a "Nurturing Young Black Males Initiative."

Another point is worth emphasizing. The problem with many of the new programs, clearly illustrated by the STEP experience, is that even two years of programming cannot produce long term impacts. This is rapidly becoming a "catchphrase" in the employment and training community. The implications of this truism, however, are complex and sobering. Project STEP, Career Beginnings, etc., shows that in order to make a difference in the lives of at-risk young people, program successes must build upon each other. Youth must have a number of these experiences throughout the formative years -- childhood, early adolescence and young adulthood. This calls for a "youth-serving system" not yet fully developed in any community in this country.

There are a number of notable experiments -- typically termed community-wide youth collaborative -- that with foundation support are trying to develop prototypes of these "youth-serving systems" at the urban level. Although little has been published yet about these initiatives, the preliminary findings are likely to show that such attempts are costly and time consuming but clearly worth the effort.

These collaborative seek to enhance young people's present and future prospects while at the same time restructuring various systems (education, human services, employment and training) to make them more responsive to the young clients and their families. Perhaps the largest youth effort of this type in the country is the "New Futures" initiative, sponsored by the Annie E. Casey Foundation. This venture is designed to lower the rates of early school leaving, teen pregnancy and inactivity (unemployment) in six U.S. cities. Policy boards called "oversight collaborative" comprised of major community stakeholders oversee community-wide plans that seek to develop "institutional change" strategies. Other efforts -- the Boston Compact, the Portland Investment, the Teen Parent Self-Sufficiency Project in five cities (many pre-dating the Casey initiative) -- have attempted to create multi-level, multi-organizational partnerships to help youth succeed in school and achieve self-sufficiency.

These efforts will be critical in the future, both in terms of marshalling political support for disadvantaged youth and youth programming, as well as for the development of more consistent, longer term interventions for at-risk youth. Whatever their costs, these efforts at collaboration will likely go forward if for no other reason than communities must re-organize to better address the reality of a greatly reduced federal role in youth programming.

Implications and Recommendations

What are some of the implications from this review of program developments? There are three:

- (1) Mayors should begin to support youth development activities for early adolescents (ages 9 to 15) and especially for young minority males. Although we suspect that community service models, mentoring, pre-apprenticeship, and higher education awareness activities are promising for this group, the knowledge base is rather flimsy compared to what is known about older youth. We need good program pioneers and solid research to document results.
- (2) Mayors must be vigilant to public policies which contribute to short-term, single service program models rather than the more preferred, long-term, comprehensive approaches. Incentive systems must be found to support the latter.
- (3) City or neighborhood-wide efforts aimed at the creation of "youth development *systems*" are worthy of support and attention. With the federal role so diminished in youth programming, enhancement of community and neighborhood institutions becomes critical.

When it comes to targeting decisions, we have described how American youth policy is confused and pulled in conflicting directions. Most experts believe that as a matter of public policy we must think more carefully about which groups should be the targets of employment and training services. This is evident in the recent amendments to the youth components of the Jobs Training Partnership Act which are presently under discussion by Congress. These amendments would focus more resources on youth with multiple barriers in the labor market such as dropouts, teen parents, or young Black males.

On the other hand, in policy circles there has been a clear movement for a job training system for the "forgotten half," that is, the broad group of non-college bound youth who are good candidates for complicated apprenticeship schemes, community college training and so on. This approach is championed by national commission reports (e.g., "The Forgotten Half," "America's Choice: High Wages or Low Skills," and "Beyond Rhetoric") as well as the Presidential candidates. The latter approach argues that the school-to-work transition process for nearly a majority of youth is not working while the former approach indicates that the problem is restricted to a smaller sub-set of youth.

The importance of the connection between work and learning has led these leaders, after looking at the disjointed array of rather small policies and programs, to conclude that we need an American version of the German dual education/work system -- apprenticeship (see Lerman and Pouncy, 1990; Hamilton, 1990; and much of the work of the W. T. Grant Commission in 1991-1992).

There is indeed a growing interest in apprenticeship programs which combine work and education. One version is the 2+2 model combining high school education with simultaneous enrollment in a technical track of a community college. Other versions are

popular as well, and there is even a new intermediary organization that is helping to stimulate research and policy attention in this arena, the Massachusetts-based Jobs for the Future. Proposals for apprenticeship are also popular with the Presidential candidates because they fit well with calls to stimulate American productivity.

Advocates of apprenticeship believe this approach can help the nation remain competitive through the filling of "high skills and high wage" jobs with "smart" workers. But will the American version of apprenticeship benefit inner city minorities? No one can predict the future but there is some feeling (but little research) that apprenticeship is likely to be expensive, complex to administer, and targeted toward the upper crust of young people rather than to the "bottom third" of very poor youth. If these features turn out to be true -- again, there is no inevitability to them -- then the field is in danger of ignoring other schemes that may hold greater promise for poor youth. Put differently, the apprenticeship "movement" has all the ingredients of becoming the next chapter in America's fascination with pilots and experiments. In 1988, community service was the fashion, in 1989 it was mentoring, and in 1992 it may be apprenticeship.

Supporters of apprenticeship-like schemes will debate these fears by citing the America's Choice report with its call for the creation of youth centers for dropouts and low achieving youth, centers that would help all youth prepare for a Certificate of Initial Mastery (a passport to further training run by employers). Since the report is mostly silent on the nature of these centers, how they would be different from present training programs, who would run them, how service providers would be paid, etc., we cannot evaluate the proposal from the vantage point of very disadvantaged youth. Frankly, we believe that skepticism is warranted about this latest movement until more research is available.

A promising approach for mayors is to think about youth policy using the concept of youth "development." While we reported in a previous section that the age factor in youth policy has not been studied adequately in and of itself, we are nonetheless encouraged enough to recommend using the developmental perspective as a kind of template when thinking about policy.

What can be done to promote a youth development policy for young black teens? To summarize, this paper has stated that mayors need to **THINK ABOUT:**

- *Policy* and how it influences program decisions, service groups, etc. Programs by themselves are no panacea. There must be a supportive context for programs provided by public policy.
- *Age* . . . our policies are not sensitive enough to differences among youth between ages 9 and 21. In particular, there has not been enough attention in policy circles on early adolescents, ages 9 to 15.

- *Management, staffing, a consumer approach and implementation:* These are frontline factors that directly effect quality of services. Yet, public policy has rarely taken into consideration the many dilemmas and challenges managers' face in running youth programs.

Notes

Brandeis University, Heller Graduate School, maintains two centers to help policymakers and youth program managers in the youth development field: The Center for Human Resources (CHR) and the Center for Corporate and Education Initiatives (CCEI). Information on both groups can be obtained by calling 800-343-4705 or by joining our new electronic exchange, Youthwire.

Complete references and an expanded bibliography for this YOUTH DEVELOPMENT BRIEF are available upon request. Write: Andrew Hahn, Heller Graduate School, Brandeis University, Waltham, Massachusetts 02178

For information on specific program models, please write to the author.

1. Portions of this paper appear in the following documents: (a) "Better Policies for Programs, Better Programs for Disadvantaged Youth" for the "Nurturing Young Black Males" Initiative of the Urban Institute, Washington, D.C., 1992, (b) "The Mission and Structure of National Human Resource Policy for Disadvantaged Youth," Department of Labor series, Washington, D.C., summer 1992, (c) "Job Training Policy for Poor Youth: Where the Field Has Been, Where It Needs to Go," National Research Council's "High Risk Youth" Panel, 1992, and (d) "Inside Youth Program," a paper prepared for a forthcoming book from Columbia University, Teachers College, Center for Urban Education. Permissions pending.
2. This is certainly the conclusion reached by a large-scale review of youth programming conducted by Brandeis University and Public/Private Ventures for the Department of Labor in 1992. Ten research syntheses and three overview papers will be published by the Government Printing Office the summer of 1992.

**JOB TRAINING POLICY FOR POOR YOUTH:
WHERE THE FIELD HAS BEEN,
WHERE IT NEEDS TO GO**

By

Andrew Hahn

**Background Paper Prepared for
the National Academy of Science,
National Research Council's
"High Risk Youth" Panel**

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INTRODUCTION

One of the most serious social problems facing the United States as we approach the turn of the 20th century is the large and growing number of young people who experience difficulty finding a role in the productive economy. Identifying and keeping a job, even in good economic times, has proved an illusive goal for many young Americans, especially minority youth and those residing in urban communities. All too often these youth remain outside the mainstream of the economy yet they occupy a central place in the social service system designed to deal with crime, teenage pregnancy, the drug culture, welfare and school-related problems.

With more than 30 years of public policies directed at the challenge of helping poor youth prepare for the labor market, it is difficult to point to many successes of sufficient scale to have made a significance difference in this persistent problem. Thus today, in an election year, youth employment is once again on the national domestic agenda, occupying the attention of Presidential candidates. One speech after another, from both sides of the political spectrum, decries America's inability to prepare all youth for jobs and to smooth out what has been called the worse school-to-work transition system in the Western industrial western world.

Sadly, many of our public policies and a generation of public/private initiatives focusing on youth employment and training have had disappointing results. Still other projects have had encouraging results but there have been large variations within and among programs. Even when programs have been found to have been "successful," we still have not had the political will or the technology to replicate and institutionalize successes from pilot sites to the many communities in need of those programs.

There have been two recent waves of research, demonstrations and evaluation in what used to be called the youth manpower field and is now known as the employment/training field, second-chance programming for "at-risk" youth, self-sufficiency programming, etc. One set of projects was from the 1977-1981 "YEDPA" period. The second set of projects is underway today. Both periods are described in this paper.

The first wave was begun in the late 1970s under federal government sponsorship to learn what approaches work and why. In 1977, Congress recognized that despite the large outlays on federal youth programs and considerable funding spent on research, it was still unclear to policymakers which approaches, policies and programs worked best and for whom. Congress was critical, in particular, of the previous generation of policy-relevant studies with their small study samples, crude evaluation techniques, and often contradictory findings. To deal with the challenge of developing new knowledge on youth labor market problems and solutions, Congress passed the Youth Employment and Demonstrations Project Act (YEDPA) as an amendment to the Comprehensive Employment and Training Act (CETA) in 1977. YEDPA required a large scale R&D program under the Secretary of Labor's control; it expanded and evaluated some youth programs which are no longer on

the scene today (such as the Youth Incentive Entitlement Pilot Projects, a test of a school-conditioned guaranteed jobs program for poor youth) and others that are part of the contemporary youth policy landscape (such as the Job Corps and Summer Youth Programs).

A number of syntheses of the many research, demonstration and evaluations authorized by YEDPA were written throughout the late 1970s and into the 1980s. Two studies in particular reviewed the disparate findings and came to similar conclusions. One study, supported by the Rockefeller Foundation as well as the Labor Department, was conducted by Andrew Hahn and Robert Lerman from Brandeis University. Their 1984 book, What Works in Youth Employment Policy (National Planning Association, Washington, D.C.) provided a framework for thinking about national employment/training policy for disadvantaged youth, reviewed the results of the many social experiments, and identified an agenda for new policy developments. A second publication was produced by the National Academy of Sciences' National Research Council, Committee on Youth Employment Programs under the direction of Charles Betsey and Robinson G. Hollister Jr. Their report, Youth Employment and Training Programs: The YEDPA Years, (National Academy Press) was published in 1985. The principal difference between the two studies was in the respective approaches utilized. Hahn and Lerman sought to make sense of the many demonstration projects authorized by YEDPA even when the evaluation methodologies associated with the projects were less than ideal from a research perspective. For example, they summarized the results of quasi-experimental designs and even flawed studies, noting the deficiencies and giving their best assessment of some of the lessons. The National Research Council, on the other hand, excluded, a priori, a number of studies that did not meet their committee's review criteria and then, restricting themselves to a sub-set of the available studies, embarked on a review to make sense of the findings from this narrow group of especially reliable studies.

The second wave of policy "synthesis" is just now being completed and covers a variety of mostly private foundation supported initiatives that were implemented in the late 1980s and early 1990s. The federal government has been a partner in some of these projects and a supporter of the policy reviews, but has not led the second wave of reform as it did in the first wave. Last year, the Department of Labor asked Brandeis' Center for Human Resources in partnership with Public/Private Ventures, a Philadelphia-based group, to synthesize the field of experience since the YEDPA years. A series of ten research reviews have been written on special topics, such as the school-to-work transition, basic skills, coordinated programming, etc., along with several policy reviews for the Department. These publications will be published by the Government Printing Office in the summer of 1992.

The present paper draws on these two waves of research and demonstrations to highlight major lessons, to identify unanswered questions, and to signal some directions for new research, policy and programs. There are three notes about the present paper: First, this background paper prepared for the National Research Council's High Risk Youth Panel has been assembled quickly to meet the time constraints imposed by the project. The paper should, however, assist the NRC panelists in their deliberations and plans for their own final

report. Some of the material in this paper will be expanded as part of a project concerned with African-American males sponsored by the Urban Institute. Second, we relied extensively on some of the materials that will be published as part of the Brandeis/P/PV review of the second wave of research. Readers are referred to this series for a more complete treatment of the ideas described in this paper. Third, a major theme in the paper concerns job training *policy* but "policy" can mean different things to different people. We focus extensively on the major system of federal involvement in job training -- the Job Training Partnership Act (JTPA) -- for our insights and *examples*. Other job training systems, such as the Carl Perkins Vocational Education Act, the National Community Service Act, the McKinney Act to promote employment among the homeless, the employment components of American housing policies -- these are not addressed in the present paper.

This background paper makes one fundamental point and returns to this point throughout the many sections of the paper. *The key point is that the very structure and mission of our national youth employment and training system needs to be examined to make sure that our national goals are being adequately met.* This point may seem obvious until one realizes that most policy development in this field is aimed at shoring up parts of the present system rather than considering how all the pieces fit together or how alternatives to the present system might work. Most of the creative energy in the field is devoted to programmatic pilots, demonstrations, social experiments and other restricted endeavors rather than to broad examinations of the entire field and the respective roles of different layers of government, education, the private sector and so on.¹ In a word, the author believes that it is time to consider the BIG QUESTIONS in youth employability development. This kind of thinking occurs in social policy from time to time -- the present debate about health care is a good example -- and yet when it comes to youth employment and training, we seem content to tinker, amend, experiment and pilot with a system that may have inherent structural difficulties.

The paper is organized in four sections. The first section considers what we know from recent reviews about young people and their needs in the labor market. We ask what this research indicates for tangible policy directions and we conclude that the present policy context may not be a suitable one for implementing many of the sound recommendations made by the basic researchers. The second section addresses the public policy system for job training per se, and notes that most effort has been centered around making the present system work better rather than thinking about a system that might be more suitable. The third section reviews many of the recent youth employment and training programmatic initiatives, focusing mostly on projects that had research and evaluation associated attached to them. The final section presents some implications for National Research Council and others concerned with the challenge of promoting the self-sufficiency of poor youth.

¹ This point is developed in a paper in the DOL sponsored Brandeis/P/PV series by Hahn entitled, "The Mission and Structure of National Human Resource Policy for Disadvantaged Youth" (forthcoming GPO, Washington, D.C., 1992).

1.0 YOUNG PEOPLE AND THE LABOR MARKET: COULD POLICYMAKERS DO WHAT THE RESEARCHERS RECOMMEND?

The lessons of basic research on youth labor markets should be fundamental to discussions of youth employment and training policy. But the problem with this mode of research is that it has often been used rather superficially to help frame the need for public policy rather than to actually help shape public policy. Although basic research is frequently cited to justify the need for labor market preparation programs and policies, the structure of the programs and policies has rarely borrowed from the ideas of labor market researchers. Put differently, policymakers have been eager to take the unemployment figures, employment to population ratios, wage data, and inactivity rates of the labor market researchers to indicate that there are tremendous unmet needs "out there." But the policy people have rarely analyzed carefully what has actually been recommended by the basic researchers when promulgating their policies and approaches.

Consider two recent and excellent reviews of the youth labor market from labor market experts Harry Holzer (Michigan State) and Paul Osterman (MIT). Both review research on the youth labor market, contemporary trends, recent experience with policies and programs, and both make recommendations for policymakers.

Harry Holzer (April 1991) writing in the Brandeis/P/PV series on "Youth and the Labor Market in the 1990s" describes how unemployment rates for young people generally increased in the 1970s, declined in the 1980s, and, of course, have been on the upswing again due to the current recession. In February 1992, the teenage unemployment rate in the United States was 20 percent. It was 38.4 percent for Black teens.

Holzer reviews how in the 1980s, the wage rates of dropouts and even high school graduates deteriorated. Young males dropouts, in particular, saw their real wages decline by some 20 percent since 1973. The labor market of the 1980s was also hard on Blacks whose labor force attachment and employment declined dramatically. Employment growth for youth generally was concentrated in suburban areas rather than central cities throughout the 1980s. In the boom years of tight labor markets, however, gains did trickle down to young people. When Boston was bussing poor teenagers to work in fast food jobs in suburban malls, for instance, the Black teenage unemployment rate was halved from its historical high mark.

Holzer examines a number of factors which impact developments in youth labor markets. These include demographic changes which can impact shifts in labor supply, changes in the occupational and industrial sectors which impact labor demand, declining union membership and declining productivity growth. In particular he asks whether the decade of the 1990s will be one of a persistent skills mismatch for disadvantaged workers? This question, on which there is considerable debate among economists, turns on definitional issues, interpretation of data, the credibility of projections, etc. Holzer concludes that using a broad definition, "it appears quite likely that some mismatch exists in the market for the

less skilled. Whether the situation will worsen in the 1900s from its current status is not obvious" (p.17). He goes on to indicate that "the evidence overall suggests large and continuing problems for disadvantaged workers with limited skills in the labor market. While there remains a great deal that we don't know about future trends, especially in terms of employer policies and procedures, it seems as though *raising high school graduation rates should be a top priority for employment and training policy; while the enhancement of basic literacy and general problem-solving skills among minorities and other disadvantaged groups should be stressed*" (italics added, page 21).

These sound and seemingly straightforward recommendations have not and are not likely to be easily translated into employment/training policy. Consider the first of Holzer's recommendations: raising high school graduation rates. What are some of the barriers associated with translating this recommendation into public policy?

To begin with, this has not been the goal of American youth employment and training policy nor is it likely to become one. American job training policy, as we have written elsewhere (see Hahn, 1991) is organized around a cluster of separate programs at the local level; schools are only one of many service providers in the American system of job training. Moreover, it is a system that traditionally has been focused on vocational preparation and work experience; basic skills instruction is only one, and a small one at that, of the services familiar to job training organizations.

Secondly, the American job training system is tiny; it couldn't have an impact on aggregate dropout rates unless it was expanded by an enormous factor.² When schools do get involved in job training schemes, their involvement is restricted to pilot programs or to a small subset of students involved in JTPA funded initiatives. In other words, job training is part of American education but it doesn't drive or influence it in any fundamental way.

Third, even when schools and job training organizations want to collaborate, there are formidable institutional barriers which make that collaboration very difficult. For example, job training policy is targeted on economically disadvantaged young people but schools (with their mandate to serve all students through universal education) prefer to serve all members of the community. Many studies have documented that public schools have a hard time meeting federal income eligibility requirements for means tested programs.

Fourth, although the dropout phenomenon is a complex one, there is no evidence that national job training policy is the proper vehicle for addressing its causes, such as grade promotion practices, tracking, language, lack of alternative education, etc. (see Hahn and Danzberger, 1987). These are generally beyond the sphere of policy control of job training agencies. Even as a matter of national education policy (in contrast to job training policy),

² Hahn (1991) estimates that in 1989 the Job Training Partnership Act served only 1.1 million youth. About 600,000 were in the summer jobs program, leaving about one half a million in a variety of school year programs. Many of these programs lasted only 12 weeks.

many scholars would argue that the dropout phenomenon has not been addressed adequately. The current federal role is restricted to counting, explaining, demonstrating and admonishing through, for example, the national goals. Real dropout policy is under the direction of local authorities and to a lesser extent state officials; the federal role is rather minimal.

Finally, when job training organizations do get involved in dropout prevention, there is the very real potential that they will make matters worse by making employment too attractive an alternative to public school attendance. Some scholars have pointed to the proliferation of GED and other alternative education training as examples of this phenomenon.

None of this is to suggest that it is wrong to wish to reduce the dropout rate. It may even make great sense to use job training as a way of preventing dropout behavior for a small number of youth. The point here is simply that the job training system, largely outside the schools or a marginal presence in most communities' educational life, can hardly be considered a viable tool for lowering the aggregate dropout rate. In summary, we have a gap between a thoughtful recommendation supported by basic research and the present policy system.

Holzer in another section reviews some of the contradictory findings related to the "spatial mismatch" theory which argues that the suburbanization of jobs increasingly isolates blacks and inner city youth from employment opportunities. Citing the 1980 Census, he concludes that "the 'spatial mismatch' does contribute to the employment problems of young blacks . . . *thus improving the access of young inner-city blacks to suburbanized jobs, especially those with lower skill requirements, should remain on the agenda for policymakers in the next decade* (italics added, page 23).

Holzer turns next to the role that early work experience plays in explaining differences in joblessness for different groups of poor youth. When groups of youth do not have access to "contacts" in the labor market they cannot conduct efficient job searches. The lack of work experience can be highly cumulative; some researchers have described a "scarring" phenomenon that occurs when future employers look for references from previous ones. Young blacks, in particular, experience difficulty in locating good contacts in the labor market because older role models in their communities are themselves out-of-work, or they may come from a household in which the head is unemployed, or they may live in neighborhoods, as described by William Julius Wilson (1987), in which the middle class has escaped to the suburbs. The result is unemployment in the teen years and continuing joblessness in the early 20s. Citing evidence on all these questions, Holzer concludes that there is much to support them. He notes that policies need to "*improve access to employers, particularly in suburban areas, while they are in school and shortly after leaving.*" (italics added, page 38).

These are further examples of terribly important research findings that unfortunately are likely to find little support in public policy. And again, the reason can be traced back

to the very structure and mission of our present system rather than to marginal deficiencies in it. Consider the Job Training Partnership Act (JTPA) system with its Private Industry Councils (PICs) and Service Delivery Areas (SDAs). To implement Holzer's thoughtful comment -- creating access to suburban jobs -- would likely require some form of metropolitan consolidation of job training entities. In other words, as long as the Boston Private Industry Council must respect geographic boundaries, it is unlikely that the Boston PIC's job developers are going to look for jobs for Boston's poor children in the more affluent suburbs where other PICs control contacts with employers. The entire job training system, organized as it is around local labor markets, may not be the best idea if Holzer, William Julius Wilson and others are right about the spatial mismatch theory and the importance of early work experience.

Osterman (1991) uses the National Longitudinal Survey of Youth (NLSY) which followed 11,406 young people between the ages of 14 and 22 in 1979 until 1988. After following the cohort of young people into their late 20s, Osterman concludes that there "is certainly little in these data to indicate a crisis in school to work transition." (page 8). Only 3.5 to 4.0 percent of the sample are unemployed as they approach age 31. For dropouts of both genders the unemployed group was only 6.8 percent -- 85 percent of the men high school dropouts are working by age 31 and 63 percent of the women school leavers are working.

Osterman then goes on to show that the problem is not one of joblessness as the youth get older but rather the quality and training content of the jobs. Simply put, many of the jobs found by age 31 are not steady jobs. Young adults mix work with frequent bouts of unemployment. For many there are jobs but few have good careers.

Osterman looks at all youth, high school dropouts and high school graduates. He finds that about one third of all men in their early 30s have failed to find a job which has lasted for at least a year and another 16 percent have been in their job for only a year. Even among high school graduates, just over 30 percent have not held a job for a year and another 13 percent have only one year of employment at their job. For dropouts by age 31 the situation is the worse: half of the men have been in their current job less than a year and nearly a quarter in their current job for only a year.

Of course the problems that dropouts face in the adult labor market start earlier. Osterman prepared a table from October 1990 for 16-24 year olds who are not enrolled in school. In it he reports that the employment/population ratio of black dropouts (.29) is roughly half that of white dropouts (.57) but both groups do quite poorly in the labor market. Unemployment for black dropouts in their early 20s is .42 and for whites it is .16. Racial gaps are also pronounced in the group with high school education and even among those with some college. Only in the college graduate group do we find that the gap between the races closes.

In a final set of tables Osterman demonstrates how the employment to population ratio (a more reliable measure of hardship than the unemployment rate for young people) for

out-of-school 16-24 year olds has shifted over time. In the 1980s, the E/P ratio improved for whites regardless of education status (e.g., dropouts, high school graduates, some college). For blacks, the situation of dropouts worsened over the decade and for the high school graduates the pattern is somewhat mixed. Only at the college level did Osterman find improvement in E/P ratios throughout the 1980s for Blacks.

Now consider the heart of Osterman's policy themes. He argues strongly that as a matter of public policy we must think more carefully about which groups should be the targets of employment and training policy. On the one hand, we are often concerned with the most disadvantaged of the disadvantaged. As an example, consider the recent amendments to the youth components of the Jobs Training Partnership Act which are presently under discussion by Congress. These amendments would focus more resources on youth with multiple barriers in the labor market such as dropouts, racial/ethnic minorities, teen parents, gang members, etc. On the other hand, in policy circles there has been a clear movement for a job training system for the "forgotten half," that is, the broad group of non-college bound youth who are good candidates for complicated apprenticeship schemes, community college training and so on. This approach is championed by national commission reports (e.g., "The Forgotten Half," "America's Choice: High Wages or Low Skills," and "Beyond Rhetoric") as well as the Presidential candidates. The latter approach argues that the school-to-work transition process for nearly a majority of youth is not working while the former approach indicates that the problem is restricted to a smaller sub-set of youth.

Osterman concludes that *"minority youth, both high school dropouts and those with a high school degree, are facing a catastrophic situation. It is important to think about policies aimed at this group . . ."* (page 20, italics added). But he adds that aiming policies at an identifiable group -- such as Blacks -- still begs the question of whether targeted programs are as effective and as politically acceptable to the American public as universal ones. Theda Skoepol (1989) has also written about the targeting/universalism debate and advises looking for ways to target services within a universal context. For example, she would like to see formal eligibility criteria eliminated so that everyone felt entitled to services but then would encourage those with the most severe problems to quietly use the system the most. She worries about stigma, political support and so on.

To summarize, the labor market researchers have recommended that policymakers find a way to target services to those who need them the most. The response among policymakers has been at best a confused and groping one. This confusion is unlikely to go away unless explicitly addressed by policymakers. After scanning policy developments in the field, we see no evidence of a willingness to tackle this issue directly. Consider the present targeting provision of JTPA and the inconsistencies that these produce:

Blacks make up roughly a third of youth enrollments served by JTPA and dropouts make up roughly one fourth to one third of youth enrollments. How did these results come about? How does targeting work in practice?

A thumb nail sketch of the JTPA system's targeting provisions involves the following often contradictory ingredients: First, the JTPA system gives funds to all communities in the country but funds are released through a formula which is sensitive to overall unemployment levels. In other words, it is not a system in which only some communities (e.g., inner cities) get funds but it is a system in which the communities hardest hit by unemployment, at least among adults, are more likely to get more of the funds. Second, it is a system in which there is extensive use of discretionary funds from the national Labor Department and state governments. The targeting of these funds has been quite uneven but has tended to favor drop-outs, ethnic minorities and others in the most "at-risk" category. On the other hand, the projects in which these groups are served are perpetual pilots and demonstrations rather than broad, institutionalized responses. Third, the system overall is structured around an outcome-oriented performance standard for reimbursement and financing. In practice this has meant that "creaming" has occurred, that is, services tend to go to groups who need them the least since this helps program operators meet their performance goals. On the other hand, there is no specific recent research that has been undertaken to test exactly how pervasive creaming really is and how it really works at the local level. A final factor worth noting (again) is that JTPA is tiny; under present allocations, it serves only 5 percent of the entire eligible population of needy youth. What does targeting mean in this context? One wing of thinking is that under such circumstances programs should serve the most needy of the needy and try to "leverage" other resources in local communities. This is the "JTPA as linchpin of social change" argument. An opposing argument is that the program -- with its performance-based contracting and ever present threat of audits -- should focus on groups most able to benefit from its modest resources, namely those in need of "quick" job placement.

In practice the system of job training demonstrates confusion and inconsistency as it is pulled in different directions about the targeting question. On the research side, some researchers tell us that American job training policy should be targeted and some tell us that universal approaches are more palatable to the American public. It is not clear how to go about making policy on this basis. Is it realistic to think about using the tiny American job training system to reduce the dropout rate or to address the chronic problems of African-American youth? Is the current performance standards system of payment wrong, with its emphasis on paying for tangible results? Would an alternative system -- for example, cost reimbursement of reasonable expenses -- be better for the poorest segments of the youth population? Should job training be connected to the American education system as it is in virtually all European countries or should it remain the "linchpin" of social change in local communities? These are all examples of BIG QUESTIONS that are only infrequently addressed in policy circles.

2.0 MORE . . . ON THE YOUTH EMPLOYMENT AND TRAINING POLICY "SYSTEM"

In the previous section, we highlighted some characteristics of the American job training policy system for poor youth. In this section, we present some additional elements that warrant consideration by those thinking about new strategies and directions.

The following depictions of the American youth training policy system are developed more fully by a variety of authors including Bailis (1991), Barnow et al. (1990), Carnevale (1991), Dryfoos (1990), Hahn (1991), Levitan and Gallo (1988), W.T. Grant (1988), Grubb (1990), and GAO (1991). In a recent historical analysis of the youth manpower field, Hahn (1991) suggests that there are some enduring historical themes:

- A consistent belief that employment and training are private matters, best left to individuals and the marketplace. It follows then that the organization of manpower policy has not actively intervened with the private side of the labor market. "Supply-side" policies aimed at changing clients have dominated youth development policy. Hahn's 1991 paper (as well as Carnevale, 1991; Barnow et al., 1990) gives numerous examples of demand-side research, demonstrations and experiments that would help balance the one-sided American approach to training. These include experimentation with tax levy schemes, individual training accounts, private sector training subsidies, wage subsidies, and expanded use of employee benefits.³
- As associated belief that government involvement should be transitory, rather than a part of the permanent public policy landscape. Even though the United States has had aspects of an "active" labor market policy for the past 30 years, official ideology suggests that government involvement is temporary, a stop-gap measure until the private labor market corrects itself. In this context, it is not surprising that serious consideration of a permanent youth training policy has not developed. Political administrations feel free to endlessly experiment with national manpower policy, every four years, but few are prepared to forward fund a permanent system.
- Youth programs have generally been add-ons and adjustments to a delivery system originally crafted for adults. This has often meant inappropriate results for young people. Today's JTPA system serves young people, but there is no separate youth training legislation in the United States and many features of the present system were inherited from adult systems.

³ Glen Cain and Ross Finnie (1990), using the 1980 Census, estimate that a feasible increase in demand-side factors "would lead to about a 25 percent increase in the employment of black male youth" (page S365). This is a large potential effect and yet policy seems stuck on supply-side explanations for high minority unemployment.

- Fragmentation of responsibility at the Federal level has been a cornerstone of Federal youth policy throughout the modern era of youth programming and policy. Generally, youth programs have been locally managed and Federally funded since the Manpower Development Training Act. Reformers periodically seek to consolidate and coordinate job training systems. The latest example is President Bush's Job Training 2000 strategy. These reform strategies try to make sense of a cluster of overlapping and often redundant programs but rarely address fundamental issues about the entire enterprise. It is worth noting too that attempts to consolidate, coordinate, and streamline programs are not without costs. Such efforts can displace resources that might better be used to expand the scope of programs or used to improve their quality (see Bailis, 1991, on this point).

To summarize:

The Current "System" is No System At All:

The "system" of job training for economically disadvantaged young people in the United States might be better characterized as a galaxy of planetary systems, each having its own histories, policy debates, linkages with other systems and records of performance.

We noted in the previous sections that federal employment/training policy for youth, authorized by the Jobs Training Partnership Act (JTPA) of 1982, is just one component in a broader array of human resource programs encompassing: public education, especially the career education, counseling, and guidance components of secondary schools; the separate vocational education system, with its recent amendments requiring state coordination and targeting of services to the lowest income populations; higher education, especially community colleges and proprietary schools (not to mention the entire system of financial aid in the form of grants and loan programs); private training which goes on daily in the workplace; work/welfare policy and programs; and, community-based programs.

The JTPA Part of the "System" Is Very Small:

Hahn (1991) reviews how few youth are served by the JTPA second-chance system. In fact, he suggests that "JTPA is a good example of social policy trying to 'wring' the most performance out of a relatively small enterprise" (1991:18). Total youth enrollments in 1989, for example, were only 1.1 million youth. Most youth -- 54% -- were enrolled in short summer job training programs rather than academic year programs.

How do these enrollments match the universe of need? Calculating the latter is a difficult and often subjective exercise but researchers have attempted to make sense of the subject. Dryfoos (1990) reviews much of the literature on the concentration of

youth problems and finds that the preponderance of evidence suggests that about 15 percent of 15-21 year olds, the same general age span served by JTPA programs, are at very high risk, 62 percent at moderate risk, and only 25 percent not at risk. Since the population in this age range numbers approximately 20 million people, the JTPA program is serving only 5 percent of the total. This is far short of the 15 percent Dryfoos estimates to be very high risk.

Most of the young people served in JTPA are high school graduates or high school students, especially in the summer components of the legislation. While some classroom training is received by young trainees, the most common services are job search assistance (instruction in how to get a job) and actual placement assistance for work experience in a public, non-profit or private sector job. Average stays in JTPA-funded programs are typically less than four months in the non-summer components.

There is Often Confusion Over The Basic Mission of the Enterprise:

The haphazard growth and ad-hoc nature of employment and training policy for American youth has resulted in a national system with contradictory aims. At the local level, as we have seen in the previous section, there is often disagreement among and between practitioners and policymakers regarding fundamental policy questions, such as who should be served in youth programs and how best to serve them. Even the Government Accounting Office (1990a:12) quotes the enabling JTPA legislation as saying that it is a law that "was enacted to provide training programs to "economically disadvantaged individuals and other individuals facing serious barriers to employment," but goes on to characterize the legislation as providing "only general guidance on how the program is to be targeted among this eligible population." The 1989 report of the Job Training Partnership Act Advisory Committee also points to the "looseness" in the basic mission statement of JTPA and the discretion left to local entities to figure out what services should be delivered to specific populations.

3.0 THE EFFECTS OF EMPLOYMENT AND TRAINING PROGRAMS

In this section we draw on the two waves of previous research and experimentation on youth problems, the YEDPA years and the post-YEDPA years. In both cases we try to identify key themes of interest to the High Risk Youth Panel's deliberations.

YEDPA YEARS: 1977-1983

Many supply-side programs to improve youth employability were studied in this era. Programs to make poor and minority youth more attractive to employers have used work experience (largely in the not-for-profit and public sectors), remedial education, skills

training, and methods to influence work attitudes. A complex set of mixed results has emerged from the evaluations of these programs. To summarize⁴:

Subsidized Work Experience by itself apparently did not raise the employment prospects of participants after leaving the programs. The absence of a positive impact from the Supported Work demonstrations run by MDRC during this era was most clear in the case of high school dropouts. For in-school youth in subsidized part-time jobs and summer jobs there were some very modest effects. But overall, these work strategies did little to increase the attractiveness of poor youth to private employers (Betsey et al. 1985, Hahn and Lerman, 1984).

This finding was seized by policymakers as evidence of the need to enrich youth programs, to go beyond simply providing a job placement and instead to integrate classroom training with work experience. Research from YEDPA did demonstrate that combining subsidized jobs with education and training helped to improve the early job market experience of participating youth from low income families. This was shown in a large program which made jobs available to poor youth if they remained in or returned to school and maintained an adequate attendance and grade record. The Youth Incentive Entitlement Pilot Projects was YEDPA's largest demonstration serving young people in 17 communities. The YIEPP programs succeeded (but in modest ways) in attracting low income dropouts back to school and in keeping many low income high school students in school; however, the added schooling did not appear to raise the share of poor youth who ultimately graduated from high school. Overall, this massive 76,000-student demonstration increased labor force participation rates of eligible youth, brought blacks almost up to the same level as whites, and increased earnings by about \$10 weekly during the program and in a one year follow-up period (DeLone, 1991).

Some smaller demonstrations reviewed by Hahn and Lerman (1984) also found that when subsidized jobs were combined with classroom training in remedial education or vocational skill training, the returns on investment were more positive than a jobs strategy alone.

Intensive skill training over many months and combining a range of activities --work experience, remedial education, social supports, etc. -- was found to be effective in the several residential Job Corps evaluations. Earnings and post-program impacts were found to persist up to four years post-program in the Mathematica evaluations. Moreover, those who stayed the longest in the Job Corps (average duration is six months, for completers it is a year or more) did best in the labor market. On the other hand, early program dropouts did not appear to benefit at all. Cost/ benefit calculations determined that the costs of the Job Corps with its residential component

⁴ This section relies heavily on Hahn and Lerman, 1985.

were high but that the ratio of costs to benefits pointed to a sound social investment.

The evidence on the returns to intensive skills training in non-residential settings from this era of evaluations are not conclusive and reflect more on the nature of the demonstrations than the art of youth programming. In other words, during YEDPA little attention was focused on skill-based vocational training in non-residential settings (e.g., training for trades) and therefore the knowledge payoffs have been uneven and unconvincing. This fact has led the research organization MDRC and its supporters to fashion the JOBSTART demonstration in the post-YEDPA period.⁵

The movement to combine remedial education for basic skills (reading, writing, etc.) in job training contexts begun in earnest during the YEDPA era of programming. Experiments in Job Corps with individualized instruction and competency-based "functional" learning environments (as well as with computer-assisted technologies) were initiated. Although the studies were often flawed from a social scientific perspective, the results showed the promise of remedial education when combined with traditional job training services. In the post-YEDPA period, more rigorous evaluations were undertaken that demonstrated that educational competencies could be raised in the short-run (see for example the P/PV STEP demonstrations and JOBSTART). The long-term relationship between these education "gains" and employability has yet to be demonstrated in a completely convincing manner.

One of the most popular youth program strategies involves attempts to change youth work attitudes. A large literature exists which deals with the social-psychological underpinnings of job search, job holding, job turnover, etc. It should be noted that youth work attitudes are notoriously difficult to capture in standardized tests. In any case, from the reviews of the YEDPA era we learn that work attitudes are difficult to change in short-term government sponsored programs. Hahn and Lerman (1984) found that efforts to improve work attitudes have sometimes succeeded as measured by changes in psychometric tests but that the relationship between the changed attitudes and job market success is rarely clear.

Other strategies from the CETA period include career education programs and self-directed job search assistance programs. When reviewers examined the evidence on programs whose primary purpose was to expose youth to information about careers, they found that these programs did improve knowledge about the reality of the labor market, how it works, what is required, etc. However, just as in the case with work

⁵ The literature on the "returns to vocational education" should be considered here. That research, as reported by John Bishop (1989) and others, supports the YEDPA finding that there should be integration between work and classroom components in training schemes. Bishop, for example, has shown that when vocational education graduates are placed in jobs for which they have received related training, the returns on investment are significant. The problem in vocational education, as in JTPA, is that there is often only a tenuous connection between training and placement.

attitudes, there is no evidence that pure information programs raise employment and earnings in either the short or the long run.

More positive findings were reported from self-directed job search assistance programs. These are programs which teach trainees how to look for work: how the hidden job market works, how to write a resume, apply for a job, etc. The young trainees in job search assistance programs look for work on their own, learning by trial and error, rather than receiving help with job placements from program staff. In a random assignment social experiment, the Brandeis researchers found evidence that self-directed job search assistance improves the employment rate of young people by 14 percentage points (net) three months after the program ends. However these gains erode over time until they disappear altogether after approximately one year. This study has been used to inform policymakers that "you get what you pay for . . . In Job Corps benefits endure for up to four years . . . in a short three week job search assistance program, benefits are dramatic for three months but erode after one year . . ."

Other strategies examined during this era include wage subsidies and tax credits to induce private employers to hire youth whom they normally would not consider for jobs. The use of the Targeted Jobs Tax Credit is an example of the latter, while a series of Wage Subsidy demonstrations during YEDPA showed that firms would alter their hiring behavior in response to the level of generosity tied to the wage subsidies. Unfortunately, the subsidy experiment did not involve a group of no subsidy firms and so this remains an interesting "demand-side" youth strategy for which there is inadequate evidence to make policy.

What has been the payoff of the YEDPA investment? The answer has to be: "Mixed." A number of examples were cited showing that significant change has taken place and important lessons were learned, especially in the short-run. But perhaps the single greatest payoff from this era of social experiments has to do with its interpretation by the field of youth employment practitioners, rather than to a faithful reading of the evaluation results.

"Empowerment" is an over-used word in social policy circles but many experts believe that the real value of the YEDPA era was in saying to youth program managers, "Look, you are part of a *professional* field . . . there are certain practices that work better than other practices, certain program approaches that are better investments than others . . . Just as other professionals must learn "what works best, for whom," so too must you. The YEDPA demonstrations are your knowledge-base. Apply them to your local situations!"

YEDPA was in fact utilized in this manner by groups around the country to help empower, teach, and to "professionalize" the field of manpower services. This has proven to be a critically important developmental passage for the field.

Beyond this role, YEDPA has had some tangible payoffs in policy. In one instance, the research on the slow down in cognitive growth that occurs in the summer months was quickly

recognized by the policy community and used to recommend that basic skills remedial services be added to what had been a pure summer work experience program. Today, as a result of the summer demonstrations started during YEDPA and continuing through STEP (see next section), nearly one third of the 600,000 or so poor youth enrolled in summer programs are assessed for basic literacy skills and many receive follow-up remedial services. This is tangible, real and owes its development to research and demonstration in the YEDPA era.

YEDPA, as noted above, was useful in framing policy choices for managers and funders. Planners learned that: comprehensive programs work better than single purpose services; short-term projects have only short-term effects; specific job training must build on a solid base of "generic" work and literacy skills (although this finding has recently been called into question by the Minority Single Female Parent Demonstration-MSFP); "school-conditioned" work (no school-no work) holds promise, at least during the period of program participation; summer work, summer learning can help close the summer "learning gap;" and, individualized instruction is often more attractive to low income trainees than traditional classroom approaches. Finally, YEDPA demonstrated that a focus on well managed, outcome-oriented programming is often a key factor in predicting which programs succeed and which fail.

Although YEDPA contributed to our understanding of the costs and benefits of various program choices, its critics have stressed the limited range of definitive research answers it provided. P/PV's Tom Smith (1991) suggests that YEDPA is a good case study because its achievements were all too often overshadowed by peoples' expectations for it, as well as by the sheer complexity of a half a billion dollars worth of social demonstrations.

At its conclusion a number of basic questions do remain unresolved: Is work a good or bad thing for young people (toward the end of YEDPA, social psychologists Greenberger and Steinberg (1981) began to warn the youth employment community about the dangers of young people working too much and in poorly supervised settings); should dropouts be given basic skills training to read and write before, after, or coupled with a job (as noted previously, the Minority Single Female Parent Demonstration argues that the sequencing of services is a key variable in predicting the success of programs; evidence from MSFP indicates that young mothers strongly prefer work experience before being placed in classroom settings); what is the best way to assess reading skills and attitudes; how do agencies make collaborative strategies work when trying to assist poor children? These are just some of the questions that have motivated knowledge development activities in the post-YEDPA era.

Fortunately, the YEDPA "story" does not end in 1983. Starting in the early 1980s, private foundations began to invest a new round of youth employment and training demonstrations.

THE POST-YEDPA YEARS: 1983 - PRESENT

Program activity and evaluation since 1983 has largely been initiated by private foundations and a number of highly visible national demonstration projects have been launched. These projects have resulted in carefully crafted evaluations which can further inform policy and program work: P/PV's Summer Training and Education Program (STEP), The Minority Single Parent Demonstration Project (Rockefeller Foundation), New Chance, Project Re-direction and JOBSTART (MDRC), and Brandeis University's Career Beginnings are among the myriad multi-site research demonstrations designed to inform youth programming, especially in the area of promoting self-sufficiency. This section reviews the major findings from four of these demonstrations and highlights themes drawn from this most recent wave of program development and evaluation.

Project Re-direction, begun in 1980 by MDRC with support from the Department of Labor and private foundations, was a program model designed to deliver services to low-income teenagers (17 and under) who were either pregnant or parenting. The purposes of this four site demonstration project were to "enhance youths' education, job-related and life management skills," while working with youth to delay subsequent pregnancies until they became "more self-sufficient." (see Building Self-Sufficiency in Pregnant and Parenting Teens, pg. vii). Project Re-direction was found to produce gains in the number of women who re-entered education programs; it also helped to stimulate modest employment gains.

A second demonstration, The Summer Training and Education Program (STEP) under P/PV's direction was initiated in 1984 to examine the effects of a two-summer program (with limited intervening school year support) on the lives of 14 and 15 year olds who were from poor families and experiencing severe academic difficulty. The program aimed to reduce dropout rates, summer learning decay and teenage pregnancy among these youth by offering a program of academic remediation, work experience and life skills instruction during a critical period in these young people's lives (transition from middle to high school). Eleven funding sources supported program development in five initial sites across the country. In 1987, after the pilot phase had demonstrated some impressive initial impacts, planning was undertaken to replicate STEP across the country. By 1991, STEP sites existed in 15 states -- 100 locations in all across the country.

STEP was a classic research demonstration in that it identified a set of outcome measures and used both treatment and comparison groups to study program impacts. The findings, which looked at nearly 5,000 youth in the pilot cities, showed that STEP participants outperformed control group students in reading and math and in improvement on "fertility related attitudes and knowledge." (Anatomy of a Demonstration, Public/Private Ventures, page 38). However, the academic gains did not hold up during the intervening school year, when youth returned to their home schools; and in fact, learning gains were less impressive during the second summer of participation. In addition, summer impacts did not hold up in the long term after participants had left the program. The problems faced by these youth, both participants and controls, grew worse over time. Three and a half years

after the STEP experience, 15% of the youth were neither in school nor working; over one-fifth of the young women had children and, of these, 64% were receiving public assistance.

Several lessons can be culled from the STEP experience. Most notable are the following:

- * Short term programs yield short term gains. Even though STEP was longer than YEDPA's short-term programs, it was still a program of less than 24 months. More comprehensive, long term strategies are needed;
- * Summer learning loss can be stemmed and academic scores raised in a relatively short span of time; and
- * Programs can be successfully replicated, although replication is a labor and resource intensive process. Replication, however, is not one in the same with institutionalization. New sites can be added to a network of programs, but it is uncertain how many will last at the local level when special "demonstration" dollars are no longer present.

Career Beginnings was initiated in 1986 through the research centers at Brandeis University. Career Beginnings is a multi-site program (now in 17 communities -- over 15,000 youth have been served since the program begun) designed to increase the number of high school juniors from low income families completing high school and entering college. Career Beginnings targeted "tenacious" high school students, those with average grades who were underachieving but not at high risk of dropping out. The program was developed as a two year intervention (with post-program follow-up) which paired students with adult mentors. Mentors provided advice and direction on school, college and career concerns. In addition, these high school students received an array of other support services, such as career planning workshops, tutoring, financial aid, family planning skills, and exposure to higher education environments, among others. Services were generally delivered by college staff.

Three evaluations have been conducted on the Career Beginnings initiative, now in 25 states; a random assignment experiment by MDRC, a process study and a survey of participants and mentors regarding implementation issues in developing the mentorship component. Most notably, the random assignment study showed that the program was able to increase college entry rates and raise educational aspirations among participants. Although the gains were not as large as might have been expected (perhaps because program services were more available to control group members than had been expected), the program did succeed in placing more youth in college settings than the control group. Other conclusions drawn from the various evaluations were:

- * The importance of providing a package of services for young people, thereby creating a "synergy of benefits," as well as a specifically tailored program for individuals.
- * The difficulty of dis-aggregating the program components in order to make judgements about the effectiveness of any single program piece.
- * The unevenness of program implementation from site-to-site; hence the importance of careful implementation as a critical component of overall program effectiveness. Sites in the Career Beginnings evaluation that managers rated highly did the best in the random assignment experiment. Poorly run sites did the worse.

The Manpower Demonstration Research Corporation (MDRC) sponsored a demonstration entitled, "JOBSTART," which ran from 1985-88, in thirteen sites. JOBSTART is especially interesting because, unlike most demonstrations, it delivered services to a seriously at-risk, out-of-school youth population (17 to 21 years old), services similar to the YEDPA era Job Corps, but in this case delivered in non-residential settings. A recent report presents early findings from the demonstration, based on two years of post-program follow-up.

JOBSTART was intended to test several premises, among them whether local sites could recruit out-of-school youth; whether youth would take advantage of the services and persist in the programs long enough to gain an education credential; whether the credential would have an impact on future employment and earnings; and whether the program could be created within the administrative guidelines of JTPA. Early results of this demonstration were, as follows:

- * Program youth participated in services much more than the control group, although attendance was still less than desirable.
- * Participation in the program "led to a doubling of the rate of receipt of a high school diploma or GED" (*Assessing JOBSTART*, page 5).
- * At the two year follow-up, education gains had not led to gains in employment. (Males in fact, trailed females in comparison with the control group).
- * Site variations were inconclusive in terms of information about service sequence or mode of delivery (i.e., on-or off-the site).

Finally, a recent demonstration project, "New Chance," also sponsored by MDRC and various private foundations, has been developed which targets older, teen mothers (16-22) who are high school dropouts and are receiving AFDC. Although results from the sixteen site initiative will not be available until 1993, implementation information from the first six sites has enabled researchers to cite the following conclusions:

- * Education and parenting services are relatively easy to put in place; employability development activities are proving more difficult because of participant motivation and the expertise and versatility required of employability development staffpersons;
- * Skilled staff (familiarity and enjoyment in dealing with this population, coupled with an ability to combine caring with high expectations) is critical to program success;
- * Outreach is a complicated and demanding process; and
- * Participant absenteeism is a lingering problem.

What has been learned from the recent wave of projects? The new demonstrations, like those before them, have had mixed results. On the one hand, each project has been able to cite gains in some of its planned outcomes. On the other, none of the projects has been able to show success on all fronts and in fact, results have often shown some negative and disappointing conclusions. In addition, these latest demonstration suffer from the limitations common to all youth programs; that is, they serve limited numbers of the population in need of such services and provide relatively short term services to program participants (although many of the demonstrations attempt to lengthen program participation to roughly two years, an improvement over YEDPA's practices).

Even if the demonstrations showed positive results, replication of these programs in sufficient numbers to make a difference in broad indicators would remain a significant challenge. A publication of the Children's Defense Fund, "The Lessons of Multi-Site Initiatives serving High-Risk Youth" speaks to the complexity and difficulty of replicating program models across sites. Among the points made in the publication are the need for incentives to encourage communities to replicate successful programs; the importance of "readiness" in the communities attempting to replicate programs (i.e., a "fit" between program purposes and community goals); and the importance of carefully crafted technical assistance and supplemental funding to accomplish multi-site replication. As Lisbeth Schorr points out, this process is as difficult as devising a successful intervention in the first place.

On the whole, the demonstrations have been able to serve young women somewhat better than young men. In fact, the inability of many youth programs in general to attract and hold young males, particularly black males, is an issue that is receiving considerable

national attention and will be addressed in a forthcoming study organized by Ron Mincey of the Urban Institute. In response to this concern, a new effort -- "The Young Unwed Fathers Demonstration Project" -- has been developed by Public/Private Ventures, with support from foundation funders. This six site initiative intends to publish findings in over the next several years.

A final point is worth emphasizing. The problem with many of the new programs, clearly illustrated by the STEP experience, is that even two years of programming cannot produce long term impacts. This is rapidly becoming a "catchphrase" in the employment and training community. The implications of this truism, however, are complex and sobering. Project STEP, Career Beginnings, etc., shows that in order to make a difference in the lives of at-risk young people, program successes must build upon each other. Youth must have a number of these experiences throughout the formative years -- childhood, early adolescence and young adulthood. This calls for a "youth-serving system" not yet fully developed in any community in this country.

There are a number of notable experiments -- typically termed community-wide youth collaboratives -- that with foundation support are trying to develop prototypes of these "youth-serving systems" at the urban level. Although little has been published yet about these initiatives, the preliminary findings are likely to show that such attempts are costly and time consuming but clearly worth the effort.

These collaboratives seek to enhance young people's present and future prospects while at the same time restructuring various systems (education, human services, employment and training) to make them more responsive to the young clients and their families. Perhaps the largest youth effort of this type in the country is the "New Futures" initiative, sponsored by the Annie E. Casey Foundation. This venture is designed to lower the rates of early school leaving, teen pregnancy and inactivity (unemployment) in six U.S. cities. Policy boards called "oversight collaboratives" comprised of major community stakeholders oversee community-wide plans that seek to develop "institutional change" strategies. Other efforts -- the Boston Compact, the Portland Investment, the Teen Parent Self-Sufficiency Project in five cities (many pre-dating the Casey initiative) -- have attempted to create multi-level, multi-organizational partnerships to help youth succeed in school and achieve self-sufficiency.

These efforts will be critical in the future, both in terms of marshalling political support for disadvantaged youth and youth programming, as well as for the development of more consistent, longer term interventions for at-risk youth. Whatever their costs, these efforts at collaboration will likely go forward if for no other reason than communities must re-organize to better address the reality of a greatly reduced federal role in youth programming. A new catchphrase -- "institutional change" -- is likely to dominate the youth program community's attention over the next decade and with it will come the associated problems of evaluation and determining cost-effectiveness.

4.0 IMPLICATIONS AND RECOMMENDATIONS

A number of broad conclusions emerge from this review of the reviews. The author believes that among students of this field there is a growing consensus that:

- Despite the fact that youth employment and training policy has received sustained attention over the last 15 years, the pieces of this jigsaw puzzle have not yet converged into agreement that could help shape and structure a coherent, consistent, stable policy response in the future.
- Part of the problem is that the field of human resource training for poor youth is diffuse and fragmented. Many of the constituent parts are themselves small in scale (relative to the nature of the problems that we, as a nation, are trying to solve) and the federal role has been quite modest.
- Another aspect of the problem is that much of the policy attention in the field has been devoted to shoring up and improving the present system of policies rather than taking a fundamental look at the structure and mission of the enterprise.
- The fact remains that few of the lessons learned in the demonstrations and pilots of the past two decades seem to have had a widespread impact on policy. There has not been meaningful reduction in aggregate indicators of unemployment, joblessness, and school failure, especially for inner-city minorities and school dropouts. On the other hand, the impact on the field itself may be more significant. The research, for example, has stimulated an interest among managers and practitioners to develop a professional, stable field of human resource training for poor youth in the United States. If the development of esoteric knowledge is a prerequisite stage that all fields must pass through, then youth manpower is a field that has recently come into its own.

The challenge of linking research on youth programs to improved management practices is a complex one that has largely alluded the field. In some instances research has not been undertaken with utilization by managers in mind. For example, would community-based program managers really choose not to serve the "middle" group of poor youth even if researchers could prove, with the precision of the research backing the polio vaccine, that programs which serve the most disadvantaged of the disadvantaged yield the largest payoffs? How long would such a group last in the community by turning away "good" kids from its doors?

In other instances, we lack the prerequisite knowledge of how to take lessons from one place and transport them into other locations. Lisbeth Schorr writes, "devising strategies for

surmounting obstacles to widespread replication is as difficult as devising a successful intervention in the first place" (1988). The research organization, P/PV has written that funders and governments should recognize that even a cleverly developed and implemented demonstration strategy (e.g., STEP) is no guarantee of institutionalization (see DeLone, 1990 on this point).

In still other cases, the research has not been disseminated to the right people even though it may be highly relevant to the concerns of local practitioners. The solution here may require concrete efforts to identify an appropriate audience at the service provider level, and fresh attempts to forge working relationships between researchers and managers.

Finally, in many instances, the right research questions -- from an implementation perspective -- have not been asked at all. In Hahn's (1991) paper, "Inside Youth Programs: The Limitations of Research," he describes how youth programs, seen from the vantage point of service organizations, have little research of interest to draw on. The field has a lot of research on program models but very little on implementation themes, such as: developing leaders; sequencing services; consumer perspectives, such as recruitment and attrition prevention techniques; and, the development of distinct organizational cultures and styles.

Some research-derived facts *have* emerged from the reviews that should help inform policy in the future. These include:

- the central role of educational attainment and,
- the importance of work experience, especially when connected in a meaningful way to education.

The connection between work and learning has led some scholars, after looking at the disjointed array of policies and programs, to conclude that we need an American version of the German dual education/work system -- apprenticeship (see Lerman and Pouncy, 1990; Hamilton, 1990; and much of the work of the W. T. Grant Commission in 1991-1992). There is indeed a growing interest in apprenticeship programs which combine work and education. One version is the 2+2 model combining high school education with simultaneous enrollment in a technical track of a community college. Other versions are popular as well, and there is even a new intermediary organization that is helping to stimulate research and policy attention in this arena, the Massachusetts-based Jobs for the Future. Proposals for apprenticeship are also popular with the Presidential candidates because they fit well with calls to stimulate American productivity. Advocates of apprenticeship believe this approach can help the nation remain competitive through the filling of "high skills and high wage" jobs with "smart" workers.

Will the American version of apprenticeship benefit dropouts and inner city minorities? No one can predict the future but there is some feeling (but little research) that apprenticeship is likely to be expensive, complex to administer, and targeted toward the upper crust of young people rather than to the "bottom third" of very poor youth. If these features turn out to be true -- again, there is no inevitability to them -- then the field is in danger of ignoring other schemes that may hold greater promise for poor youth. Put differently, the apprenticeship "movement" has all the ingredients of becoming the next chapter in America's fascination with pilots and experiments. In 1988, community service was the fashion, in 1989 it was mentoring, and in 1990 it is apprenticeship.

Supporters of apprenticeship-like schemes will debate these fears by citing the America's Choice report with its call for the creation of youth centers for dropouts and low achieving youth, centers that would help all youth prepare for a Certificate of Initial Mastery (a passport to further training run by employers). Since the report is mostly silent on the nature of these centers, how they would be different from present training programs, who would run them, how service providers would be paid, etc., we cannot evaluate the proposal from the vantage point of very disadvantaged youth. Frankly, we believe that skepticism is warranted about this latest movement until more research is available.

What can be done? It is beyond the scope of this paper to present a detailed agenda, but here are a few ideas:

- Make self-directed job search assistance training (a short program lasting only four weeks) for all non-college bound youth *universal*. Require all school districts to implement these JSA programs for all non-college bound high school seniors in April or May of graduation year. Require that school dropouts return to their former high schools for JSA training as a condition of getting their drivers license, obtaining public assistance, etc.
- Vastly expand residential training opportunities on the Job Corps model by announcing a program that would use college campuses and closed military bases as training sites.
- Resurrect public works programs for poor youth. These government sponsored job creation projects would focus on community revitalization and neighborhood improvement. The national Youthbuild projects, authorized under the Community Service Act, are one model. P/PV's Ventures in Community Improvement is another. Other models are found in housing projects as well as in the economic development community of programs.
- Expand enriched summer youth employment programs combining literacy and employment . . .

- Replace the youth components of Job Training Partnership Act with a National Youth Development Act starting with early adolescents, ages 9 to 15, and going up to age 21. The Act would have three titles: (a) the early adolescent "prevention" component, largely under the direction of community institutions, (b) the school-to-school component (apprenticeship would go here along with Upward Bound and the other federal "trio" programs -- this title would be under the control of local education agencies, and (c) the school-to-work component (encompassing much of what is presently in JTPA but with a greater emphasis on dropouts and youth with multiple barriers -- under the direction of PICs).
- Place professional development of personnel in the manpower field on the front burner of policy development: technical assistance, professional upgrading, certification requirements, credentialing, graduate training, etc.
- Continue to experiment at the urban level with the development of "systemic" community-wide youth serving systems: collaborative board structures, community planning/research, community mobilizations and citizen/consumer involvement, integrated case management systems and referral networks, peer technical assistance, etc.
- Encourage new research on program implementation -- service concepts, targeting issues, operating strategies, staffing and leadership -- through dissertation support, small grants programs, focused research competitions, support of "process" evaluations, etc.
- Initiate a program of research and evaluations on alternative schemes of financing for the American E&T system. This research would cover, among other things, tax levy and payroll tax schemes; school reform approaches (using average daily attendance -- ADA -- money to fund training vouchers); Individual Training Accounts, etc. Studies are needed on private training and the role of public subsidies . . .
- Finally, and perhaps most importantly, undertake a program of research and comparative analysis on how the American human resource system works as a system and how alternatives might work. Consideration of the latter would require detailed reviews of other countries experiences with job creation strategies, payroll tax schemes, apprenticeship, etc.

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**FIGHTING POVERTY IN THE 1990s:
THE CHALLENGE FOR PHILANTHROPY**

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INTRODUCTION

Under a "thousand points of light," Washington has beat a grand retreat from the urban policy arena. Even now, the follow-up to the 1992 Los Angeles riots is uncertain. Not so very long ago, in a special 1974 issue of the Public Interest, titled "The Great Society: Lessons for the Future," an observer wrote that: "during the past decade American public discourse has moved a long way toward confronting real issues of social circumstance: questions of hierarchy and ownership, of manipulation and choice, and above all of distribution . . . The economic market as a magic guarantor of the rightness of resource allocation and benefit distribution has been discredited."¹

By the 1990s, such judgments seemed not just premature, but quaint. Faith in market solutions were enshrined. "Real issues of social circumstance" were swept clean from the public agenda.

For cities, this default has meant fending for themselves. For private philanthropy, it has meant increased demands that they fill both the leadership and resource vacuum. Yet how can this be done without raising false hopes, misleading cities, and making it easier for government to get off the hook?

The Rockefeller Foundation (RF) like most of the major philanthropies has tried to resolve such a dilemma. Community Planning and Action (CPA) is an initiative aimed at helping groups in six cities address the issue of entrenched urban poverty.² The idea is a simple one: fund local communities to develop the capacity to examine the nature of persistent poverty and then encourage the communities to use that information to mobilize political will. These consciousness-raising campaigns are both more modestly funded than large scale social demonstrations, and more difficult to evaluate. But as the CPA experience shows, sharing knowledge and framing discourse can go beyond reform on the cheap. If put into the right hands, even limited resources brought to bear at points of critical leverage can begin to shift the dynamics of influence within particular communities. Honing skills in what the late Paul Yvilsaker called "the social application of the art of jujitsu," CPA projects have felt out and exploited openings, and worked to tip the balance of local policy.

FOUNDATIONS AND SOCIAL CHANGE

Major foundations like to think of themselves as the venture capitalists of the social market place. Unfettered either by narrow political partisanship or the cumbersome trappings of government bureaucracy, and armed with a sense of purpose that goes beyond the short-term and the bottom line, "the independent sector" is able to play the part of talent-spotter and path-finder. Assets go to test out the practical possibilities of maverick ideas, to cultivate the work of civic entrepreneurs, to provide start-up funds for new forms of democratic enterprise.

Risk-taking agility remains for most foundations an institutional self-ideal rather than a matter of standard practice. However, if program portfolios tend to be weighted in favor of safe, blue-chip stocks (high culture, medical research, etc.), there have been episodes

when philanthropic investment has been avowedly controversial and when the public policy yields produced have been dramatic.

Twenty-five years ago, the scope and reach of the foundation community's social interventionism achieved a high-water mark. Leading the way was the Ford Foundation. Beginning in 1960, with the Great Cities educational grants, Ford undertook a series of projects aimed at revamping urban schools. But foundation planners "discovered that school improvements would be hopelessly inadequate unless students' problems outside the classroom were also attended to."³

This finding led to an ambitious follow-on initiative, the so-called Gray Areas project. In six cities, the foundation gave support to local residents challenging established institutional power. According to Ford officials, this experiment in grass-roots democracy "became the working model for the Great Society programs. Efforts in education, manpower, legal services, housing, health services, and community action were clearly borrowed from these earlier pilot programs . . . providing an unusually clear example of how a private foundation can serve as the leading edge of social reform."⁴ This self-congratulatory assessment was buttressed by a frequent critic of foundations, Waldemar A. Nielsen, who concluded that "the scale and aggressiveness of Ford's assault on problems of race and poverty was unprecedented in the history of American philanthropy."⁵

A second generation of diverse urban reform efforts is now underway. The Annie E. Casey Foundation has launched New Futures, a project aimed at restructuring the delivery of services to at-risk youth in six cities. Ford is operating a comparable though smaller scale demonstration, the Neighborhood and Family Initiative in a number of cities. Mott and Lilly are involved in an attempt to help communities create more effective city-wide programming for teen parents. The Edna McConnell Clark foundation is working with urban middle school systems to develop a pedagogy of "high content, high support, high-challenge" for young adolescents.

These foundations are under no illusion that their resources are by themselves commensurate with the problems being addressed. The hope is that "spread effects" can be produced. Mott Foundation president William White speaks to the importance of "raising the consciousness of public policymakers to what works."⁶ But while foundations routinely describe their role as "catalysts" of social change, their actual capacity to help shape a national agenda is, for a number of reasons, much more limited than it once was.

When foundations served as out-riders during the War on Poverty and Great Society, government was a well-heeled, self-confident patron of new ideas. There was institutional faith in the efficacy of social research and development. In addition, a revolving door shuffled "the best and the brightest" -- executives like Paul Yvilsaker and McGeorge Bundy -- between the White House and private philanthropies. The two worlds were one. And there was a growing economy: philanthropy and government could work together to prepare "human capital" for a place in society. The invisible hand would take over from there.

In contrast, today's market for social innovation seems pathetic and paralyzed. At the federal level, money, political will, and moral commitment are all depleted. Where once

Washington and foundations were allies -- even partners -- they increasingly confront each other as adversaries. In report after report ("The Forgotten Half," "Beyond Rhetoric," "Turning Points," "A Common Destiny"), philanthropies take government to task for derelict leadership, and for sloughing off the job of social protection to fiscally-strapped urban communities. Increasingly, foundations appear to be crying out in the wilderness, with no audience of federal policy makers there to heed calls to reason or conscience.

Given this indifference, to what extent can foundations work to rebuild a moral and political consensus from the bottom-up? Might support for local urban change strategies eventually coalesce into a movement that forces Washington to come to its senses for urban America?

COMMUNITY PLANNING AND ACTION

Since its start up during the civil rights movement, The Equal Opportunity division of the Rockefeller Foundation had relied largely upon litigation to help break down racial barriers. But by the early 1980s, a shift in tactics was underway. The foundation had become concerned about the growing rift between the majority and minority -- especially the African-American -- communities. According to then RF president, Richard Lyman, "The problems of intractable poverty, family disintegration, the drug and crime culture, teen-age pregnancy, and wide-spread illiteracy remain untouched and apparently untouchable by the legal and other mechanisms that have helped others to rise into the middle class."⁷

Little was known about the precise dynamics of this bifurcation, and even less about feasible strategies to close the gap. What did seem apparent was that poverty conditions were becoming more entrenched and persistent, and that greater numbers of the urban poor were trapped within neighborhood enclaves sealed off -- socially, racially, and economically -- from the mainstream. In 1987, this phenomenon became the focus for a major new RF initiative. One part of the initiative involved support for an "invisible college" of researchers (many of them minority scholars) whose investigations, it was hoped, would help separate out the admixture of variables from which new forms of urban poverty were distilled. The other part -- Community Planning and Action -- involved the attempt to stimulate diverse home-grown campaigns organized around issues of persistent poverty.

The CPA strategy was simple and straightforward. Working through community partners, the foundation would set up or support action-oriented social change organizations capable of conducting research in a cross-section of mid-sized cities. Managing agents would work to refocus the vision of their own institutions, as well as to shift the moral lens through which the community at large identified problems of chronic poverty. Grantees included the Greater Washington Research Center, the Boston Foundation, one the country's premier community foundations; the Piton Foundation, a small, twenty-year-old community philanthropy in Denver; the Mandell School of Social Work at Cleveland's Case Western in association with the Cleveland Foundation; and two new stand-alone non-profits started with Rockefeller Foundation funding, San Antonio's Partnership for Hope and the Urban Strategies Council (USC) in Oakland.

For each project, the first order of business was to be knowledge development: credible, up-to-date, non-partisan research that profiled each city's underclass problem -- how it had evolved, and where -- if unchecked -- it might lead. Such studies would in turn be used to educate the project's board, inform the public at large and ground debate in fact rather than conjecture. The project would not only sponsor and "market" this research, but would also bring together various constituencies and interests to analyze the findings, and to work towards an intellectually coordinated response to the issue of persistent poverty. The methodology behind the reports, in many cases, would be applications of state-of-the-art research techniques: for example, mapping out the concentration of poverty conditions and changes over time in particular neighborhoods or assembling human service agency data to get a better feel for how city services are delivered.

Local projects would stimulate and supervise an on-going process of community self-reflection. Persistent poverty, viewed as a local phenomenon, would be held up for collective analysis, and examined in the round. Teen pregnancy, drug abuse, school dropouts, early childhood development, family literacy, etc. would be revealed not as discrete problems but as elements of a system. The need for concerted, coordinated action would be underscored, and from the experience of joint learning, political resolve, institutional trust and moral vision would be strengthened.

Though planners at RF reiterated that each site must tailor-make its own strategy, implicit in the CPA approach was a logic that cut across variations in setting. Belief systems could be altered by "posing the right information in the right context," and by bringing together "natural leaders" to sort through this information for clues to action. The "right information" had to be locally focused and locally produced. Nationally-oriented public interest groups (for example, the Children's Defense Fund) and think tanks provided an important panoramic view. But if the analysis of social problems was to be brought home, then the lens of investigation had to be adjusted for close-up shots. Persistent poverty was experienced as a local phenomenon. Its impacts were felt within Boston's Roxbury and Dorchester areas, Denver's West Side, and Oakland's Castlemont neighborhood. Since the aim of CPA's research agenda was to help frame community discourse on ways to address community problems, then data gathering had to be rooted in distinct urban environments.⁸

LEARNING FROM THE PAST

Community Planning and Action represents an anti-poverty strategy which is modest and politically realistic. Steeped in the legacy of the past, planners at RF and local CPA leadership were wary of interventionism that promised more than it could deliver. Consequently, CPA projects have been careful to scale down "global" ambitions. In fact, the comparatively smaller scale of the Rockefeller Foundation's CPA projects has worked in their favor, protecting local projects against overextending their reach, and safeguarding their coherence of mission. Annually, local sites receive an average of \$350,000 from RF. This sum amounts to roughly one-tenth the equivalent real dollars which the Ford Foundation invested in its Gray Area projects. In retrospect, funding at these higher levels during the 1960s proved both too much and too little. The amount was sufficient to beguile grantees into staking out an often extravagant agenda, and to whet the competitive appetite of local actors for "a

piece of the pie." But it was often not enough to institutionalize the authority of the local projects, or to sustain the diverse purposes which community action set for itself.

By contrast, the more limited support provided through CPA has made it easier for local projects to avoid being seen as either a political threat or a lucrative target. Their stature has been won not through their capacity to distribute fiscal resources, but rather through their ability to stay above the partisan fray by promoting rigorous research, developing and disseminating neutral, sound knowledge, and focusing on policy development -- that is systematic change -- rather than program delivery in a few places. This stands in sharp contrast to community activism in the sixties where 85 percent of the resources went to support programs delivering individual client services.⁹

One might say that here again, limited budgets have made a virtue out of a necessity. Direct program management is an expensive business which CPA sites -- even if they felt so inclined -- would have been hard pressed to afford. But the choice of focus goes well beyond fiscal expedience. Taking sides and becoming an active player in the often messy "implementation game" means sacrificing other, potentially more pivotal roles: community advocate, cheerleader, team manager, impartial referee.

Other factors -- political and demographic -- account for a shift from confrontation and expose, to expert consultation and resource brokerage. Community action, 1960s style, intended -- in part -- to break the political strangle-hold of an entrenched old-guard, out of touch with -- and often hostile to -- the concerns of an increasingly non-white urban citizenry. However, by the time RF launched its initiative, yesterday's insurgents became today's office holders. African-American or Hispanic officials occupied City Hall in all but one of the six sites, and the school superintendency in each. For the seasoned and well-connected minority leadership who in most cases managed local CPA projects, the changing of the guard meant that power was now held by peers and often friends. The challenge became not how to discredit the legitimacy of mainstream institutions, but rather how to replenish it.

CPA's professional leadership has deployed project resources in support of government, community, and neighborhood change strategies:

- **Boston, The Boston Foundation.** The Boston Persistent Poverty Project is a long-term, collaborative campaign to eradicate chronic, intergenerational poverty in Boston. Building on the strengths, assets, and cultural traditions of communities at risk and on Boston's wealth of civic and academic resources, the Project convenes grassroots and institutional leaders for joint strategic planning, research, and community-building initiatives. The Project's action agenda, to be released later this year, is intended to be a blueprint for action and an aid in launching broad strategic anti-poverty initiatives. Projects include a collaborative database on children and families, public policy seminars bringing together academic researchers, policymakers, and practitioners to develop evaluation methodology, and a series of roundtables and focus groups in Boston's racial and ethnic communities to assist in restructuring public, nonprofit, and foundation policies.

- **Cleveland, The Center for Urban Poverty and Social Change and the Cleveland Foundation Commission on Poverty.** The Center uses a comprehensive longitudinal database, often on a neighborhood-by-neighborhood basis, on poverty to provide timely analysis for the Commission and for other advocacy efforts. This analysis is supporting the development of new programs and resources for Cleveland's low-income residents such as the Healthy Start program. The Commission, appointed by the Cleveland Foundation, is undertaking an intensive planning effort to frame a plan of action, to be released later this year for shared policies and programs to strengthen the human, economic, and physical assets of Cleveland's low-income neighborhoods.
- **Denver, The Piton Foundation.** The Denver Poverty Project is a catalyst for public policy change in Denver. It established a group of community leaders, Citizens for Quality Schools, to support school reform efforts and spearheaded the creation of model Family Resource Schools in seven elementary schools. The Project conducts major statewide public information campaigns on Medicaid and the Earned Income Tax Credit and serves as the local clearinghouse for urban demographic data. The Project has also developed several innovative collaborations for involving low-income residents in leadership development training and shaping programs for their communities.
- **Oakland, The Urban Strategies Council.** The Council has established itself as a highly respected resource group for policy and advocacy group on poverty issues. It has become an important voice in shaping welfare reform in Alameda County and school reform in Oakland. It has championed in-school services for teen parents and secured grants to support pilot programs in four high schools. It worked with parents to develop a plan of action, embodied in *Changing the Odds*, that helped revamp Oakland's crisis-ridden child development programs, saving the system from imminent state defunding. It is now overseeing an ambitious district-wide school reform initiative, the Commission for Positive Change in the Oakland Public Schools.
- **San Antonio, The Partnership for Hope.** The Partnership is regarded as a highly reputable advocacy group on poverty issues and an extensive poverty data resource for San Antonio. The work of the Partnership seeks to inform policy at the local and state levels. The Partnership is conducting focus groups on the major policy areas outlined in *Pride and Poverty*, its initial profile of poverty conditions in San Antonio. These focus group discussions will be the basis of a report recommending policies for improving low-income communities in Texas. It has also conducted effective public education campaigns on the Earned Income Tax Credit. And it is conducting studies of the human service delivery system and the legal needs of the poor and is completing a prekindergarten program survey.

- **Washington, D.C., The Greater Washington Research Center's Committee on Strategies to Reduce Chronic Poverty.** The Strategies Committee conducts policy-oriented analysis of persistent poverty in Washington, D.C., with an emphasis on education and training of children and working-age adults. The Committee sponsored the Association of Providers of Employment and Training, which has grown into an effective self-help network for practitioners. The Committee collaborated with the Board of Education to develop recommendations for a new career preparation system, outlined in *Linking Learning with Earning*, and will be helping implement them once adopted by the Board. The Committee has also provided staff and leadership for a major school reform initiative in the District of Columbia.

FROM COMMUNITY ACTION TO SOCIAL ARBITRAGE

CPA projects have largely avoided some of the most treacherous historical pitfalls of community action. Grantees have steered clear of great expectations, the entanglements of direct program management, and organizational rivalries between research and action. Given a bear market nationally for new urban policy investments, a cautious, risk-averse posture has much to recommend it. But even in today's climate, there are niches for small-scale entrepreneurship. Collectively, CPA has been able to size up and exploit these opportunities.

In rekindling local debate around issues of poverty, the skills displayed by grantees are those of social arbitrage. "Arbitrage" has two primary meanings. First, it refers to "the exercise of the functions of an arbitrator." Secondly, it refers to the "bringing of bills of exchange, stocks, etc. in one market and selling them at a profit in another." The social arbitrage model practiced by CPA is consistent with both meanings of the term. Parlaying knowledge development as "the bill of exchange," projects have reaped for themselves stature as neutral, authoritative third parties.

From the beginning, planners at the Rockefeller Foundation understood that each of the six CPA sites represented a distinct market. Since arbitrage possibilities would vary markedly from San Antonio to Boston, from Cleveland to Denver, no fixed rate of return could be expected. Ranking project performance against a common benchmark was therefore explicitly rejected, despite an expectation to do so in the philanthropic community. Furthermore, the foundation had made its initial site selection in large measure on the basis of experienced, well-connected local leadership. If the investment was to pay off, then these veteran activists had to be given the space to exercise their skills as policy freelancers. Issuing a uniform set of marching orders would fetter entrepreneurs in their search for emerging opportunities on which to capitalize.

But such an unqualified commitment to local ownership was seen by some as risky business. Was it prudent to trust grantees with so much discretion? Allowed the choice of strategic focus, would they keep faith with the foundation's original concept of CPA as an

initiative addressing that fraction of the poor who could be classified as members of the underclass?

The six-city Community Planning and Action projects have been consciously informed by the work of William Julius Wilson. His book, The Truly Disadvantaged,¹⁰ (supported in part by the Rockefeller Foundation) helped raise the profile of the underclass among the academic, the public policy, and the philanthropic communities. His fine-grained demographic explorations of Chicago neighborhoods employed multiple methodologies to explore the nexus between macro- and micro-level structures and processes in which concentrated urban poverty seemed enmeshed. Such sophisticated, cross-disciplinary research served as a model for the analysis of local underclass conditions which each of the CPA sites set out to produce. Through his writings, as well through participation at national CPA "seminars" convened by RF, Wilson and others carried on an intellectual dialogue with local project leadership. But however stimulating such encounters might be, their direct strategic utility for community-based change agents remained elusive.

Though the precise aetiology still had to be unraveled, Wilson seemed already to have made a primary diagnosis of the underclass phenomenon. The pressures responsible for the changing spatial distribution of urban poverty were, he suggested, being triggered by regional and even national forces (deindustrialization; immigration flows, movement of jobs and people to the suburbs; marriage patterns; etc.). In the attempt to document local underclass conditions, and expose the far-ranging roots of the problem, might not CPA projects inadvertently highlight how limited each city's span of control actually was?

There were other nagging questions. If the underclass was defined as a distinct demographic sub-set representing no more than a fraction of each city's low-income population, did it therefore follow that local initiatives had to be similarly discriminating? Did this mean focusing efforts within census tracts of concentrated poverty, i.e., where at least 40 percent of residents earned less than the poverty threshold, and suffered from a variety of problems or else targeting young, black males -- the group most often associated with the underclass? If this were the case, what specific policy recommendations would make a difference in reaching those most "at-risk?" Was it even possible to use the term "underclass" without conjuring up the image of a dangerous and exotic sub-species?

Responding to such dilemmas, local projects increasingly treated "the underclass" less as a fine-point of social epistemology than as a way to renew attention to issues that had gone out of style and to put the problem of "the have-nots" back on the political agenda. At issue, they insisted, was a choice of tactics rather than rigid adherence to a principle of "targeting." When many communities felt besieged and helpless, and talk of social triage -- of "writing off an entire generation" -- was commonplace, the resources for civic action had to be carefully husbanded. One grantee freely admitted that its focus -- on the social, educational, and medical needs of young children -- was intended to "engender sympathy . . . in a way that a focus on adults or young people might not. Discussing something in relation to children causes people to want to search for solutions and to have faith that if solutions are applied properly they can make a difference." But this same grantee also indicated that the issue of children represents not so much a political safe haven as an entry point, a political wedge which can open up a much wider policy debate. Children belong to families;

families belong to communities. A conversation that begins by examining the needs of the young quickly expands.

The social arbitrageur understands that data cannot simply be thrown up for interpretive grabs. Knowledge is a strategic asset that requires careful management. As an "influence model," CPA promotes the convening of "the right people in the right context" to examine research findings, and reach consensus on implications for action. Elites must be treated as partners in a dialogue, as participants in a non-partisan civic forum. Urban reform, however, is rarely ignited through this kind of intellectual spontaneous combustion alone. The spark of advocacy is needed. If "facts" are to catalyze community change, their meaning must be made socially and morally articulate.

In planning and carrying out their knowledge development activities, CPA projects have had to keep in balance competing strategic interests. Will the entrepreneur's reputation as neutral, objective broker be put at risk if policy choices and issues are framed in a way that appears too advocacy-oriented and "value-laden?" Conversely, if information is left dangling -- presented without a sharp policy "hook" -- might its relevance be ignored, or even worse, its implications misconstrued?

A REPLICABLE MODEL?

"The fundamental questions," concludes Michael Katz in his recent book, The Underserving Poor (1989), "are not about the details of policies or the sources of revenue; they are, rather, about the basis of community, the conditions of citizenship . . . that is, about our definition of America and just how much we are willing to do to realize it."¹¹ At the core of CPA's information-driven approach to urban reform is the belief that up-to-date, well-presented research can contribute to making the moral discourse proposed by Katz more compelling and credible. Grantees in six cities are carrying out sophisticated research neither to produce "knowledge for knowledge sake," nor solely to evaluate particular programmatic demonstrations. Data retrieval and analysis are activities that anoint the projects, expand the scope and reach of political influence, and raise the platform from which debate can be conducted on community values.

Carol Weiss observes that policy actors "demonstrate their intelligence and the quality of their decisions . . . by appropriate performance of the rituals of information processing." Weiss suggests that "ritualistic posturing" may over time create a dynamic where a community's political decisions grow more responsive to research findings. But in the near term, what matters to the actor who gains "ownership" of knowledge development and exchange is the symbolic, legitimizing potency of that control.¹²

CPA stresses the importance of local entrepreneurs seeking out opportunities for social arbitrage. Though the concept of an "underclass" gave CPA its urgency, sites themselves treated it as a metaphor rather than a rigorous theoretical construct or a social targeting goal. What the six projects have done is to mount broad anti-poverty campaigns, customized to the local terrain. The approach is less to test out the efficacy of a particular program model than to frame policy discourse and galvanize political will. Launching, managing the

implementation and sustaining campaigns are difficult tasks and take great skill, as the various evaluations of these projects show.

Taking a standard score-card approach, the tangible results from four years of CPA implementation experience are mixed. The dividends spawned by CPA projects are substantial and unambiguous at perhaps half of the sites. At the others, the process of knowledge development and diffusion, of convening and of consensus-building, continues to proceed at a pace deemed appropriate by the projects. Yet at convenings in each of the cities, grassroots organizers have been impatient and the occasional local newspaper article, with a touch of sarcasm, might begin: "In war on poverty, minds engage enemy with words." In the absence of compelling, measurable short-term outcomes, how can CPA be depicted as a promising, replicable initiative, one that reveals at least the rough contours of an anti-poverty strategy for the 1990s?

The days are gone when national foundations could act as daring policy mavericks, confident that what they learned would influence White House decision-makers. The axis of reform has shifted from the federal government to the cities and the states themselves but in a context of greatly diminished resources. Given this realignment and devolution, CPA works on behalf of building up local capacity to address and ameliorate growing urban poverty. In a sense, then, this is not a strategy that can even be debated. Given the present choices facing cities and philanthropies, there are few reasonable, alternative strategies to undertake.¹³

CPA holds out no quick fixes. Instead, it offers a painstaking and frankly incrementalist approach. It proceeds on the premise that for citizens to come to grips with the myriad of problems they collectively confront, they need good information on causes and potential remedies. But no matter how well-organized or succinctly put, social knowledge will only stimulate social action if there is a context of shared meaning within which the brute "facts" of persistent poverty are held up to collective scrutiny and brought to moral life.

COMMUNITY PLANNING AND ACTION PROJECTS

- * Use information gathering and research to create an authoritative, credible, up-to-date local profile of persistent poverty conditions . . .**
- * Strengthen linkages between research/planning activities and the designing and evaluation of action initiatives.**
- * Initiate project activities to help frame local discourse and to convene local, strategic coalitions.**
- * Build capacity in community institutions and leverage existing resources toward more comprehensive, research-driven solutions, programs and policies.**
- * Make effective use of the media, neighborhood groups, and social institutions through campaigns to galvanize political will.**

ENDNOTES & SOURCES

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9. Peter Marris and Martin Rein, The Dilemma of Social Reform, Middlesex: Penguin Books, 1972, p. 293 and 320.
10. William Julius Wilson, The Truly Disadvantaged, Chicago: University of Chicago Press, 1987.
11. Michael Katz, The Undeserving Poor, New York City: Pantheon, 1989, p. 232.
12. Carol Weiss, "Ideology, Interests, and Information," in Ethics, The Social Sciences and Policy Analysis, Eds. Daniel Callahan and Bruce Jennings, Plenum Press, 1985, p. 234.
13. Foundations are faced with a rather narrow set of choices: (a) support of basic or applied research, (b) support demonstration projects for limited numbers of people with uncertain outcomes in terms of client results and the ultimate "take-up" by government, (c) support technical assistance and capacity building initiatives aimed at social change. The CPA fits in the latter tradition of philanthropy.

AN OVERVIEW

U.S. DEPARTMENT OF LABOR

The U.S. Department of Labor, the ninth executive department, was created by act on March 4, 1913. With a \$49 billion budget, it currently ranks fifth among the cabinet-level departments. The Department employs over 18,000 persons. Approximately 8,000 of those are stationed in field offices across the nation.

The purpose of the Department is to foster, promote, and develop the welfare of the wage earners of the United States, to promote their working conditions, and to advance their opportunities for profitable employment within a safe workplace.

In carrying out this mission, the Department administers a variety of Federal labor laws guaranteeing workers' rights to safe and healthful working conditions, a minimum hourly wage and overtime pay, freedom from employment discrimination, unemployment insurance, and workers' compensation.

The Department also protects workers' pension rights; provides for job training programs; helps workers find jobs; works to strengthen free collective bargaining; and keeps track of changes in employment, prices, and other national economic measurements.

As the Department seeks to assist all Americans who need and want to work, it makes special efforts to meet the unique job market problems of older workers, youths, minority group members, women, the handicapped, and other groups.

Robert Reich, the Secretary of Labor, is the principal adviser to the President on the development and execution of policies and the administration and enforcement of laws relating to wage earners, their working conditions, and their employment opportunities.

The Department's major organizational components are as follows:

- Occupational Safety and Health Administration. Health and safety standards and enforcement, and consumer information.

- Employment and Training Administration. Training and employment services, unemployment insurance services and programs, work-based learning and apprenticeship programs.

- Mine Safety and Health Administration. Federal mine safety and health inspections, training, and awareness programs.

- Pension Welfare and Benefits Administration. Fiduciary oversight, reporting and disclosure requirements, and regulation of the nation's pension plans.

- Veterans' Employment and Training Service. Administers employment, training, and reemployment programs designed specifically for veterans.

- Employment Standards Administration. Wage and hour standards, contract compliance programs, workers' compensation, labor-management standards.

- Bureau of Labor Statistics. Collects and publishes labor statistics, develops employment projections.

There are four major themes under which the Department of Labor issues should be addressed. These themes are enhancing benefit delivery systems, strengthening enforcement, achieving cost savings and improving personnel systems and practices.

Within the area of **benefit delivery systems**, recommendations are being made to better serve the Department of Labor's various client groups. Improved services can be more economically delivered through implementing recommendations to enhance reemployment of disabled Federal employees, redefine the government's role in immigration labor certification, provide more cost-effective veterans' employment and training services, improve technical assistance to State Employment Security Agencies, create incentives for small businesses to hire from the unemployment roles, refocus the Unemployment Insurance Quality Control Program, and develop a comprehensive worker adjustment strategy.

Recommendations under the **enforcement** theme address a myriad of actions needed for improving the Department of Labor's direct and indirect activities for administering its regulatory and statutory requirements. A major issue in this regard is the need for a "Virtual Enforcement Branch." This Branch would be responsible for projecting a consistent message, inside and outside the Department, achieving economy through shared methods, and rewarding pursuit of a common enforcement mission. Other recommendations call for restructuring the Office of the Solicitor, expanding negotiated rulemaking and alternative dispute resolution, using contractors to help attack chronic safety and health concerns, and increasing assistance to States in collecting delinquent Unemployment Insurance Trust Fund contributions.

Cost savings can be realized by denying unemployment compensation to individuals who voluntarily leave military service, reducing employer workloads for submitting pension plan descriptions, automating forms processing, reducing fraud, and repealing the Davis-Bacon Act.

Finally, with respect to internal **personnel**, the Department needs to revise its promotion procedures, expand training opportunities, and eliminate redundant positions. In regard to the Department's external clients, a recommendation is being made to convene a Summit on the Emerging Employment Contract. The latter action would explore the future direction of the Department of Labor.

Issues related to these four themes are presented in detail in the following issue papers.

Department of Labor Issue Area No. One

Enhancing Benefit Delivery Systems

- a. Enhance Reemployment Programs for Disabled Federal Employees to Return Them to Productive Careers and Reduce Trust Fund Expenditures (Bud Moody)
- b. Enforce or Eliminate Immigration Labor Certification (Marion Metcalf)
- c. Transfer the Veterans' Employment and Training Service Either to the Employment and Training Administration or to the Department of Veterans Affairs (Charles Graffam)
- d. Improve Technical Assistance to State Employment Security Agencies (Jerry Kluempke)
- e. Eliminate Penalties for Termination and Provide Financial Incentives to Small Business Employers Who Hire From the State Unemployment Roster and Involve New Employees in Job Training or Continued Education (Cliff Luber)
- f. Change the Focus of Unemployment Insurance Quality Control Program Reports (Jerry Kluempke)
- g. Develop a Single Comprehensive Worker Adjustment Strategy (Jerry Kluempke)

**Enhance Reemployment Programs for Disabled Federal
Employees to Return Them to Productive Careers
and Reduce Trust Fund Expenditures**

Background

The number of Federal employees receiving long-term compensation payments for work-related injuries and disabilities has been increasing by approximately three percent a year--even though the number of Federal employees has remained relatively constant. Annual expenditures under this Federal Employees Compensation Act program are approximately \$2 billion. More than 50,000 people receive tax-free workers compensation payments.

Until recently, very little had been done by the Department of Labor and other Federal agencies to aggressively pursue return to work programs. In April 1992 the Office of Workers' Compensation Programs commenced a Periodic Roll Management Project in 4 of its 12 field offices. Special teams were formed to review 25,000 cases for continued disability status, reemployment potential and adjustment of benefits. As of March 1993 more than \$160 million in outyear savings has resulted from these efforts.

In a related effort, the Office of Workers' Compensation Programs implemented a four-year Congressionally-authorized demonstration project called Assisted Reemployment in fiscal 1992. This project uses salary reimbursement incentives to encourage Federal or private sector employers to hire injured Federal workers. Incentives can be as much as 75 percent of wages the first year, 50 percent the second and 25 percent the third. Project results to date have exceeded the Office's original projections.

Except for these efforts, Federal employers have done little to help injured workers transition from the Compensation Program to full-time employment. Too often, employees claiming work related injuries or disabilities are viewed by their supervisors as "malcontents" or "lazy." In the absence of other rehabilitation services or reemployment assistance, potentially productive people may instead draw benefits.

Recommendations

Congress should expand the authorizations for the Periodic Roll Management and Assisted Reemployment demonstration projects to all 12 Office of Workers' Compensation Program field offices in fiscal 1994.

Congress should also authorize the Office of Personnel Management to create a government-wide employment pool for matching disabled and rehabilitated employees with jobs they are capable of performing without aggravating their injuries or disabilities. This authority should include provisions for noncompetitive selection and financial incentives to employers.

Legislation should be enacted to require conversion of workers collecting lifetime tax-free disability payments to taxable annuities under the Civil Service or Federal Employees Retirement Systems when they reach age 65.

Implications

By expanding these projects now, instead of waiting until the end of the four-year demonstration period, thousands of people could be returned to productive careers. However, the employing agencies would lose control over placement if it is done from a central pool.

In addition, the Federal government would demonstrate a commitment to the general intent of the Americans With Disabilities Act by focusing on rehabilitation aspects of this program and the accommodations made through the employment pool to better match disabled workers with jobs.

The recommendation for converting workers' compensation claimants to regular retirement at age 65 will raise a considerable interest in Congress about benefit determinations. A major problem will be determining the salary on which the annuity should be based, because many of these employees leave the workforce before achieving the salary level they would have reached at retirement.

Moreover, just as there is litigation over eligibility determinations, salary projections could also become the subject of litigation.

Fiscal Impact

The recommendations would require additional Full Time Equivalent (FTE) authorizations for the Office of Workers' Compensation Programs. For example, the Department of Labor estimates that an additional 150 FTEs will be needed to fully implement the Periodic Roll Management Project in all 12 field offices.

These FTEs would increase the annual staff costs by approximately \$7 million. But, this additional investment would return a accumulative annual savings of approximately \$125 million by Fiscal Year 1998. Combining this with the projected savings from the ongoing demonstration project brings the total savings to over \$265 million with a total staff cost of \$40 million.

Needed staffing could be obtained through reassignment of persons from other areas in which reductions are made, or by filling these positions with persons from the disability rolls. The additional staff cost would also be offset by an increase in income tax revenue derived from the taxable incomes of reemployed annuitants.

Enforce or Eliminate Immigration Labor Certification

Background

Under the Immigration and Nationality Act, the Department of Labor (DOL) certifies whether an employer meets the requirements to obtain a visa for a foreign worker. Some certifications are issued for individual positions; others may be issued for groups of temporary workers. Employers generally must establish that there are no workers in the employer's area who can perform the labor; in some instances, special skills are also a factor in determining eligibility. Once the certification is approved, it is sent to Immigration and Naturalization Service (INS), which issues a visa when a slot comes open for the visa category and home country in question. Employers request over 13,000 certifications each year. This program has been criticized within and outside DOL.

Although the program is based on the premise that the employee is not already in the US, most of the time the employee is in the US, legally or illegally, and often is already working for the employer. (A common scenario involves aliens who enter the US to study, obtain a job while in school, and then find an employer to sponsor them for residency rather than returning to their home countries.)

Although DOL frequently contracts with states to investigate whether a labor shortage exists, the Department is accused of overlooking findings that US workers are available and issues the labor certification. (This issue has been the subject of press articles, one of which noted that in three years DOL had approved 99 percent of the applications submitted in the State of Texas.) In part, the approvals may stem from court decisions which limit DOL's ability to question narrow job requirements developed by employers.

Revisions to the immigration law in 1990 required DOL to develop a list of occupations in specific locations for which a labor shortage exists. This process was designed to allow employers to skip the DOL part of the process and apply directly to INS for the visa. The first such proposal was published in the *Federal Register* in March 1993 and generated a storm of controversy. For example, shortages were found in certain locations for mechanical engineers with master's degrees at a time when many mechanical engineers with bachelor's degrees are looking for work.

Some reviewers argue that because the program generally benefits a specific employer, rather than the entire US economy, and it should be fee-based to cover the costs DOL incurs in processing the application.

The final problem is beyond DOL's control. Backlogs in the visa process can cause considerable delay from the time a labor certification is approved to the time the visa is issued. In the meantime, the individual may have no work authorization but continues to work for the employer, who may or may not understand that this is a violation of the law. As the Zoe Baird nanny problem illustrated, this creates the impression of a system at cross purposes.

Neither American workers, who lose out to foreign workers, nor American employers, who must go through an expensive paper and bureaucratic exercise to hire the workers they want, are well served by this process. This is an issue in which fundamental values conflict. If the purpose is to enable employers to hire the people they want, the steps in the review process and backlogs for visas present obstacles to achieving that end. If the purpose is to protect American workers, the process

appears to be a sham: employers become adept at wording the job descriptions and advertisements to fit the individual they wish to hire. To the extent that employers request certification for employees who are in the US illegally or working outside their status (e.g., someone who entered on a tourist visa) should the government treat this as a violation of the law --apprehend the alien and fine the employer-- or as a commendable effort to come into compliance with the law?

Recommendations

Deny certifications for individuals who are in the US illegally or are working in violation of their status (e.g., tourist visa). DOL would contact INS's telephonic status verification system, and charge the employer for the call. This would probably reduce the number of applications, but potentially increase the degree of fraud, which might not be deterred despite stiff penalties.

Treat the process as a service to the employer. Eliminate the stringent criteria, or eliminate the DOL step altogether. Have employers bear the full cost of the application review process. Consider adding a "surcharge" to fund programs to assist displaced workers.

Alternatively, treat DOL's role as an enforcement one. This would require legislation to overcome court decisions which limit DOL's latitude in reviewing job requirements.

Implications

The main drawback to closing certifications to persons who lack legal status is that labor certification is a "safety valve" through which many people gain legal status in the US when they would otherwise have difficulty qualifying. Immigrants' rights advocates will argue that people who are willing to work should be allowed to stay. These groups are generally better organized, and more vocal, than those who support more restrictive immigration policies.

There are potential policy drawbacks to either eliminating the DOL process or making it more restrictive. Indeed, the current system stems from ambivalence about the relative merits of facilitating the hiring of foreign workers or restricting employers' ability to do so. The process, however, serves no customers well, and does not even serve the bureaucracy, which rarely makes real decisions on these cases.

DOL is considering seeking legislation to repeal the mandate that the Department establish worker shortage categories. The proposals are in the early stages of development.

This may not be a promising area for the NPR, as it involves an extremely contentious issue. However, because it will probably continue to be in the news, it may be an obvious area that we would be accused of "missing." Depending on which issues the Justice team pursues, this may be more appropriately handled in that section of the report if the issue is pursued.

Fiscal Impact

Charging employers for the service would reduce the cost of the program. Other cost analysis might review the total cost to employers of going through the process or the cost of paying unemployment insurance to persons who are not hired because of the process (this involves an assumption that qualified persons are being denied jobs).

**Transfer the Veterans' Employment and Training Service
Either to the Employment and Training Administration
or to the Department of Veterans Affairs**

Background

As its major function, the Veterans' Employment and Training Service (VETS) develops policy for and plans and oversees grants to the states for veterans' employment services. Employees of state employment security agencies, Local Veterans' Employment Representatives (LVERs) and Disabled Veterans' Outreach Program (DVOP) specialists, provide direct services to veteran customers. The DVOP specialists and LVERs must conduct a significant portion of their duties in close cooperation with representatives of the Department of Veterans Affairs. These DVOP specialists and LVERs are prohibited from assisting nonveterans who come into Employment Service offices. When members of the public ask a DVOP specialist or LVER for assistance and are informed they must go to another Employment Service staff member, they often perceive this as a failure of government to adequately meet their needs.

In addition, VETS administer several smaller programs that directly or indirectly benefit service members and veterans. For example, VETS coordinates the larger part of the presentations in the Transition Assistance Program for service members about to leave active duty; contracts for the National Veterans Training Institute for training LVERs and DVOP specialists; works to ensure veterans' reemployment rights; and makes Homeless Veterans' Reintegration Program grants under the Stewart B. McKinney Homeless Act.

The VETS national office has approximately 30 employees. In VETS regional offices, there are 10 Regional Administrators (GM-14), 10 Assistant Regional Administrators (GM-13); and 10 clerical support positions. Each State, the District of Columbia, the Virgin Islands, and Puerto Rico, has a State Director for Veterans' Employment and Training (GM-13). States receive Assistant State Directors (GS 5-12) based on a veteran population formula.

Virtually all other veterans' educational, training, and rehabilitation programs, as well as compensation, pension, medical, and other assistance, fall under the jurisdiction of the Department of Veterans Affairs (VA). Because of VA's special commitment, VA (not Health and Human Services) provides veterans' health care; VA (not Housing and Urban Development) guarantees veterans' home loans; and VA (not the Department of Education) offers G.I. Bill education assistance and vocational rehabilitation to veterans.

Integration of VETS into VA would further consolidate veterans programs and provide a better focus for both veterans and potential employers. Veterans would know to come to VA offices for one-stop shopping for veterans benefits. This consolidation would also make it easier for employers under Federal contracts to provide the various veteran preferences in hiring by having job listings appear in the announcement network for veterans before appearing in Employment Service offices.

Recommendations or Options

Recommendation 1. Relocate VETS to improve service delivery and oversight.

Option a. The entire staff of Federal employees in VETS should transfer to the Department of Veterans Affairs. Funding of the VETS program under the Federal Unemployment Tax Act would also transfer with the agency. VETS would become an administration within VA, on the same level with the Veterans Benefits Administration. The Assistant Secretary of Labor for Veterans' Employment and Training would become Under Secretary for the new administration.

This administration would include not only VETS, but also the present Vocational Rehabilitation Service and the Education Service from VA's Veterans Benefits Administration. This would merge into a single organization all programs for veterans' education, training, employment, and reemployment benefits and assistance. The Under Secretary would advise the Secretary of Veterans Affairs on the most effective means to coordinate the delivery of these services.

Because VA has a regional office structure, VA could eliminate VETS regional administrators and their staffs over time. At first, any of these employees whom VA could not outplace immediately would become part of the national office staff of the new administration. They would work in the nearest VA regional office to their previous locations. As national or State Director positions become open, VA would offer these positions to the former regional office administrators. This allowance for placement as State Directors would require a change in law to permit non-resident former regional administrators and assistant regional administrators to fill these positions. The administration would absorb the regional clerical positions, but may fill these positions as they become vacant only based on current clerical support needs. The Federal government would no longer have to pay rent to the States for regional or State directors.

Training should lead to placement. Given the much higher rate of assistance allowances available from VA, most veterans think of coming to VA for post-service education and retraining rather than the State Employment Service. Once a veteran completes training, VA should be able to continue to complete the veteran's readjustment to the civilian sector by providing employment assistance rather than referring the veteran to the State Employment Service.

The DVOPs and LVERs would continue to work in Employment Service offices and in outbased locations, as the law requires, but the Congress should change the formula to permit more outbasing. This would increase the flexibility of their use by placing them where veterans come to receive most veteran services: for example, in VA hospitals, offices, and veterans centers. VA would require no additional FTE to provide employment services beyond the number specified to transfer from DOL.

Option b. As an alternative to option a, VETS should return to the Employment and Training Administration (ETA) in DOL. If VETS is an "employment and training" service, it belongs in ETA where it could more closely integrate into a comprehensive delivery system of employment and training services. Congress should remove the limitations on DVOPs and LVERs providing employment and unemployment insurance services to nonveterans to allow greater flexibility in providing assistance to the public in State Employment Service offices. Placing limitations on customer assistance from any state employee in the Employment Service office frustrates the public and leads to a poor impression of the service delivery system.

Recommendation 2. Under either of the options in the first recommendation — or even if VETS remains in its current configuration — VETS should institute a policy of improving employment delivery and customer choice of service provider by requiring States to make the delivery of employment services competitive. The law already allows this possibility and would not need to change. State Employment Services could compete for these contracts on the same basis as private sector providers.

Implications

Recommendation 1.

Option a. Employers and veterans would have only one Federal department coordinating the delivery of veterans' benefits and services. Intergovernmental coordination on veterans' issues, such as the Transition Assistance Program, would become simpler. This proposal would permit reductions in staffing within the new administration. Because VA maintains regional offices in nearly every location where VETS now has a regional office or State Director's office, the new administration would no longer have to rent space from the states for VETS offices.

Option b. There would only be one DOL agency responsible for providing Employment Services with guidance and oversight, simplifying DOL staff relationships with the State Employment Security Agencies.

Recommendation 2. This change would make provision of VETS services to veterans more cost effective because the more efficient service provider would have a competitive edge in winning the contracts. Contracts would have to carefully require quality service delivery and not just lead to contractors playing a numbers game as to how many veterans they pushed through the program. All contracts should have clearly stated penalty clauses.

Fiscal Impact

Recommendation 1.

Option a. Annual savings from eventual reduction in VETS regional administration staff if VETS becomes an administration in VA:

Regional Administrators (10 GM-14)	\$650,000	
Asst. Reg. Administrators (10 GM-13)	\$550,000	
Clerical positions (10 GS-7)	\$250,000	
Savings From Reduced Positions		\$1,450,000
Annual savings from not renting state office space		\$
Total Savings		\$

Option b. Fiscal savings from the option moving VETS to ETA would be minimal, although the change may eliminate several positions at the national office. Given program administration centralization in ETA, DOL might also realize some savings in program management.

Recommendation 2. Savings should result, but cannot be determined at this time.

Improve Technical Assistance to State Employment Security Agencies

Background

The Employment Service, established under the Wagner-Peyser Act of 1933, operates a labor exchange program designed to bring together individuals seeking employment and employers seeking workers. State governments have primary responsibility for Employment Service program design and operation. The Department of Labor retains responsibility for monitoring compliance with the law and providing technical assistance to help states improve program performance. A 1985 Labor study reported that technical assistance from the Federal level sharply diminished after 1982.

State Employment Security Agencies are situated to network with other partners in the development and coordination of employment and training programs. The core programs--unemployment compensation, labor exchange, and labor market information--give the state agencies access to employers and workers. In addition, 36 state agencies administer the Job Training Partnership Act, and many run state job training programs.

State Employment Security Agencies are being called upon to re-invent themselves and to redefine their mission. The problems are significant: New responsibilities are continually added to an already overloaded system without serious analysis of the mission. The Employment Security System is fully funded from the Federal Unemployment Tax Act while the various job training programs, including JTPA, are funded from general revenues sometimes confusing the efforts to implement an effective employment strategy. The 50 state job services are essentially independent with partial responsibility to governors and part to the Secretary of Labor.

The U.S. Congress, General Accounting Office, and the Interstate Conference of Employment Security Agencies, have called for improvement in the way the Federal government and the states provide assistance to the approximately twenty million men and women who seek jobs each year through the state managed Employment Service.

In the August 1991, U.S. General Accounting Office report titled , *Employment Service: Improved Leadership Needed for Better Performance*, the GAO said that the Department of Labor "...has played a limited role in helping states manage their Employment Service programs. Labor's annual program planning, review, and reporting activities focus on state compliance with basic Federal requirements, rather than meaningful assessment of program quality or effectiveness."

According to the General Accounting Office, 125 Federal programs provide various forms of employment and training assistance to adults and out of school youth at an annual cost of more than \$16 billion. The programs are administered by 14 Federal departments or independent agencies with the major portion assigned to the Department of Labor and the Department of Education. The large number of programs creates the potential for overlapping services and confusion on the part of local service providers and to individuals seeking assistance. The GAO report states:

Labor does not have a system for distributing information among states on effective service delivery strategies, encouraging innovative state projects, or promoting state improvements through seminars and workshops. Infrequent contact with state and local Employment Service offices limits Labor's knowledge of state programs and impedes identification of areas where states need technical assistance. (Page 5)

DRAFT June 3, 1993

The quality of labor market information has not kept up with the growing demand for data at the Federal, state, and local levels. Decisions on funding for major programs, such as the Job Training Partnership Act and the Employment Service are made using inadequate data for state/local areas. Accurate labor market information is crucial to the states in supporting their program objectives.

Recommendations

Specifically, the Secretary of Labor should:

- Develop a new philosophy of shared federal-state-local responsibility for program performance that emphasizes outcomes.

- Establish performance standards in cooperation with the states.

- Strengthen technical assistance provided to the states to encourage state and local program innovation.

- Encourage competition in program funding at the state and local level.

- Develop a comprehensive system of "labor management information." Current and accurate information on employment opportunities, education and training programs, and on government programs and services is crucial to the delivery of effective programs at all levels--local, state and Federal.

Implications

State Employment Security Agencies report that more than 10 million unemployed Americans received benefits in Fiscal Year 1992, adding more than \$35 billion in unemployment insurance benefits to communities throughout the nation. The Employment Service reports that 19 million Americans were helped in areas such as job placement, testing and counseling, job training, and community service referrals. In addition, priority service was provided to veterans.

State Employment Security Agencies are grounded in a Federal-state partnership. The states have a major responsibility to be responsive to their customers' needs, to provide needed services and to explore constantly new methodologies for delivery of services. The Department of Labor must look to the states for assistance in defining the needs of the workforce and in delivery of workforce services to employers and jobseekers. Strengthening State Employment Security Agencies complements other initiatives such as the "One Stop Shopping Center."

Final Impact

A partnership between the U.S. Department of Labor and the states is critical in solving problems related to the effective management of State Employment Security Agencies. The virtual absence of a Federal presence in the Employment Security System has reduced the effectiveness of the program in recent years. Improvements in the administration of the program would ensure that State Employment Security Agencies are major partners in designing and implementing workforce development strategies.

**Eliminate Penalties for Terminations and Provide Financial Incentives to Small Business
Employers Hiring from the State Unemployment Rolls**

Background

Businesses are penalized when they take the risk of hiring someone from the state unemployment rolls, and then that person does not remain with the employer. This burden falls especially hard on small businesses. Furthermore, there are no government provided financial incentives to encourage the employer to facilitate meaningful training or continued education for the employee.

Each new employee adds to the employers' unemployment insurance (UI) taxes (@ 2.5% of gross wages in Md.). If an employee is "let go," and then successfully files a new claim for unemployment benefits, the employer's UI base rates are automatically increased. NOTE: The base rates go up, so that the employer begins paying a higher rate against the gross payroll of remaining employees. Additionally, except in special cases, employers have no financial incentives to involve and encourage new employees (from the unemployment rolls) to continue their education. Employee education and training can be deducted as a business expense, but that's not sufficient.

The current system should be replaced with a "no penalty for bad hires" system; and a financial incentives system that jointly benefits both parties, so that they can both prosper and benefit from the employees continued employment, education, and training. A system should be designed where both can gain -- the employee from the employment, training and education; and the employer through tax incentives, and the improved skills of an employee. Such a system would be viewed as a partnership, win/win opportunity for both parties.

Under the present system, small business employers are extremely reluctant to hire from state unemployment rolls, and they see little benefit in supporting an employee's continued learning through education or training. It should also be noted that small businesses represent over 99% of American business establishments and they employ over 50% of the American workforce.

Recommendations

Congress should amend the unemployment insurance law so that when small businesses hire from state unemployment rolls, unemployment taxes for the employee should be suspended (while the employment continues) for a 2- to 5-year period. If for any reason the employee is "let go," the employer's UI base tax rates should not increase. An additional Federal business tax deduction should be allowed to provide incentives to employers to support the employees learning/training efforts.

Implications

Employers, especially small business employers, will be less reluctant to hire from the unemployment rolls. This will result in fewer people on the unemployment rolls, and subsequent decreases in state unemployment payments. Through financial incentives, employers will be encouraged to continue the employment of individuals recruited from the unemployment rolls. Employers, through financial incentives, will be encouraged to support the education and training efforts of their employees.

Job seekers will have extra "tools" in their kits to offer to potential employers; i.e., employers can save on UI taxes; if employees are discharged for any reason, the employers base tax rates will not increase; if the employer is willing to support educating and training the employee, then the employer can be financially compensated beyond actual cost; and, should the employer/employee relationship not be successful, the employer will not face the usual increase in the UI tax base rates.

NOTE: (1) This issue endeavors to inspire a better working relationship between the small business employer and the State employment offices. The aim is to encourage more hiring from the unemployment rolls, with ensuing higher levels of retention and development of these employees. (2) The focus of this issue must be placed on the development of hiring incentives for small business employers and the elimination of the current financial disincentives. Of lesser importance is the scheme for calculating and delivering the financial benefits.

Fiscal Impact

This needs to be calculated based on reducing the number of people on state unemployment rolls, and the corresponding decreases in state/federal staff time associated with finding jobs and training programs for unemployed clients.

Change the Focus of Unemployment Insurance Benefits Quality Control Program Reports

Background

Each State Employment Security Agency is required to submit Benefits Quality Control (BQC) reports on the unemployment insurance program to the Department of Labor (DOL). State agencies say that these quarterly reports (1) Use scarce staff resources to identify the same types of payment errors quarter after quarter, year after year; (2) measure only one aspect of the quality of the unemployment insurance program; (3) require excessive staff time; (4) provide the same information each reporting period; and (5) fail to improve the quality of the program.

States are required to audit in-depth a sample (size determined by DOL) of weekly unemployment claims to determine whether the payment was proper. This involves interviewing the individual, verifying base period wages, verifying job search contacts during the week in question, and all other aspects of the individual's eligibility. The average time spent per weekly claim audited is about 8 hours; some take much longer.

From these audits, proper payment rates and payment error rates are developed. Data about the audits including demographic data about the individuals audited are continually transmitted electronically to DOL. The errors identified most frequently include those related to an individual's failure to meet work search requirements and errors by employers in reporting wages, for example, reported when earned rather than when paid or vice versa. DOL apparently does make some use of the reports but appears to have done a poor job of explaining how the information is applied to the effective management of the company.

Recommendation

Change the Federal Government's focus from error measurement and enforcement to a process that promotes continuous improvement in state unemployment insurance programs. As an initial step, DOL should identify the five states with the poorest records and send teams to those states to correct the problems. States with error rates of less than three percent could be appropriately rewarded for the quality of their work.

The states take the position that something must be done because the data is not being used in a manner that justifies the cost. Alternatives might include (1) Abolishing the report in full, (2) reducing the number of cases reviewed and therefore reducing the cost of the program, or (3) a combination of actions which would include an explanation of how the data is improving the quality of the program.

Implications

The approximately \$36 million currently spent on an error measurement system could be redirected to improving services to unemployed workers and employers and training staff to prevent errors. This would switch the focus from the individual claimant to organizational behavior--a change which could have an impact on many claimants.

This recommendation is supported by the Interstate Conference of Employment Security Agencies. Alternative proposals will be discussed with Bob Schaerfl, Director of U.S. Employment Service and Mary Ann Wyrsh, Director, Unemployment Insurance.

Fiscal Impact

Approximately \$36 million was allocated to states to operate BQC in FY 1993. These funds or some portion of the funds should be redirected to quality improvement. A substantial number of DOL employees oversee operation of BQC and compile data sent in by the states.

Develop a Single Comprehensive Worker Adjustment Strategy

Background

Assistance for dislocated workers is currently available through several programs. The major ones are: (1) the Economic Dislocation and Worker Adjustment Assistance Act (EDWAA) which provides approximately \$525 million annually for retraining, placement and supportive services administered by state and local entities for the general dislocated worker population, and (2) the Trade Adjustment Assistance (TAA) program which provides retraining and income support to trade-affected workers only. TAA's annual funding of approximately \$300 million is run by the State Employment Security Agencies.

EDWAA is authorized under Title III of the Job Training Partnership Act. Services provided by EDWAA are supplemented by two appropriations--\$150 million from the Defense Department to implement the JTPAs Defense Conversion Adjustment (DCA) program, and \$50 million authorized under JTPA to assist workers who lose their jobs due to enforcement of new clean air standards. The North American Free Trade Agreement (NAFTA) raises the prospect of another assistance program for yet another class of dislocated workers.

Recently a group of workers from a leading defense contractor were laid off; therefore, qualifying for assistance under the Trade Assistance Act. A few weeks later, defense cutbacks resulted in more layoffs at the firm allowing employees to qualify for benefits through the Defense Conversion Adjustment program. People from the same plant, therefore qualified for benefits from two separate government programs administered through separate agencies. This tends to result in excessive administration and duplication of services. It also is confusing for organizations such as State Employment Security Agencies that are faced with delivering the meriad of government programs and services.. This helps illustrate why the "reason" a person was laid-off should not determine the benefits to which the individual is entitled.

There has been a sharp increase in the number of displaced workers under Title III of the JTPA to 4.4 million in 1991 from 2.5 million in 1990. The success of the program in providing long-term training has stretched the Title III dollars so that programs can no longer enroll displaced workers and are putting people on waiting lists.

Currently the Department of Labor operates (through the Office of Assistant Secretary for Veterans' Employment and Training) the Transition Assistance Program, a three-day job search workshop for separating active duty military on 180 military bases throughout the United States. The Employment and Training Administration administers \$150 million in Defense Conversion Act grants to states to respond to the impact of diminished defense contracts on local communities. In addition, the Department of Defense has numerous operational transition programs targeted toward civilian employment.

Approximately 250,000 active duty military will be separated annually, even after military downsizing has achieved its target level. Resources are targeted to special groups including overseas military, DOD civilians, and defense contractor employees. Department of Labor programs have the capability of responding to all transition support needs.

Recommendations

The Secretary of Labor should develop a single worker adjustment program for jobless workers which disregards the specific cause of dislocation. Such a proposal should also provide an opportunity to offer skills improvement training and retraining to currently employed workers who are vulnerable to dislocation. Worker dislocation assistance programs authorized through the North American Free Trade Agreement, and other newly proposed programs should be met through a single worker adjustment program.

The Congress should give the Secretary of Labor a clear mandate to (1) Develop a plan that will provide early intervention programs for all individuals affected by defense downsizing, (2) provide leadership in coordinating all Federal programs designed to assist individuals affected by defense downsizing, and (3) utilize the findings of the Defense Conversion Commission in developing transition strategies and programs in order to maximize coordination and efficiency and minimize duplication of services.

Implications

A comprehensive worker adjustment strategy could improve services to dislocated workers--and those at substantial risk of dislocation--while making better use of resources available for adjustment assistance.

The Department of Labor recommended that the following issues should be addressed in developing a plan: (1) The entire universe of eligibility should be included in the design, and (2) Vouchers should be used as an incentive to seek out effective retraining programs by increasing individual choice in selecting the training provided. The DOL is developing proposed legislation

Fiscal Impact

Current expenditures include: (1) Economic Dislocation and worker Adjustment Assistance Act, \$525 million; (2) Trade Adjustment Assistance program, \$300 million; (3) Defense Conversion Adjustment program, \$150 million; and (4) The Enforcement of new clean air standards, \$50 million.

A single worker adjustment program would reduce the administrative cost, provide early intervention, and strengthen the services provided to the public.

Department of Labor Issue Area No. Two

Strengthening Enforcement

- a. Create the "Virtual Enforcement Branch" within the department of Labor (Marion Metcalf)
- b. Restructure the Office of the Solicitor (Richard Smith)
- c. Expand Negotiated Rulemaking and Improve Up-front Teamwork on Regulations (Marion Metcalf)
- d. Expand Alternative Dispute Resolution (Marion Metcalf)
- e. Use Federal Contracts to Attack Chronic Safety and Health Concerns (Richard Smith)
- f. Shift the Burden of Safety and Health Standards Enforcement (Richard Smith)
- g. Authorize Research and Development for the Mine Safety and Health Administration (Cliff Luber)
- h. Provide Alternatives for Setting MSHA Equipment Standards (Marion Metcalf)
- i. Reduce the Costs of Affirmative Action Promotion in Federal Contracts (Richard Smith)
- j. Increase Assistance to States in Collecting Delinquent Unemployment Insurance Trust Fund Contributions (Bud Moody)
- k. Automate the Citation and Penalty Process (Marion Metcalf)

Create The "Virtual Enforcement Branch" within the Department of Labor

Background

The Department of Labor (DOL) enforces laws designed to ensure that employees receive the compensation to which they are entitled, that they have a safe environment in which to work, and that pensions and other benefit programs are properly administered. The enforcement agencies within DOL have distinct cultures and missions. Cross communication and adoption of other components' methods appears the exception, not the norm. DOL needs to project a consistent message, inside and outside the agency; achieve economy and quality through shared methods; and reward pursuit of the mission.

1. Project a consistent message, inside and outside the agency.

Integrated goals and missions. DOL has taken some steps in recent years to develop more coherence among its enforcement branches. In 1990, Secretary Dole mandated a review of all enforcement programs after the Inspector General criticized their effectiveness, which led to several changes. For instance, several agencies developed Memoranda of Understanding (MOUs) within and outside DOL.

DOL developed a small handbook that provides an overview of labor laws applicable to most employers. The handbook is available to employers but also used by officers, who previously were placed in the position of admitting ignorance of laws they did not enforce (e.g., an OSHA inspector might be asked questions about wage and hour laws while conducting a health and safety inspection). Such efforts have yet to be reinforced through training. Ironically, a cross-training program between the Immigration and Naturalization Service (INS) and the Employment Standards Administration appears more comprehensive than cross-training within DOL.

Anomalies in Labor's penalty structure. Penalties are the "performance measures" through which the justice system communicates expectations to the public. Public perception that the "penalty fits the crime" promotes compliance with the law. Weak or absent penalties undermine compliance by communicating to the public (and to others in the justice system, such as U.S. Attorneys who decide which cases to prosecute) that a violation is not very serious. An across-the-board review of the penalties available to DOL's officers suggests that the message communicated to employers is an inconsistent one. The law requires employers to maintain records that establish hours worked and wages paid. However, there is no penalty for failing to maintain the records, even though a lack of records undermines the officer's ability to establish whether a violation has occurred. The law requires employers to maintain a safe working environment. However, if failure to do so results in the death of an employee, the employer is subject only to a misdemeanor. (Under present law, you're in bigger trouble if you get caught illegally duplicating a videotape.)

DOL also needs better tools to address the repeat violator. In other arenas, "career criminal" or "habitual offender" provisions provide enhanced penalties for persons with a clear history of breaking the law. Measures to address this problem may take various forms. For example, the Mine Safety and Health Administration (MSHA) is considering a licensing mechanism which could preclude individuals with a history of operating unsafe mines from opening new unsafe operations.

2. Achieve economy and quality through shared methods.

Targeting strategies. Most enforcement programs are primarily or entirely lead and complaint-driven. OSHA has a small random sampling program; Wage/Hour in ESA does not do sampling.

Sampling programs are helpful in developing a national picture of compliance, and thus judging the performance of the enforcement program. While such programs are sometimes criticized for diverting scarce resources from efforts directed at likely violators, they can also have a deterrent effect by communicating that anyone is subject to enforcement (the potential of a random audit by the Internal Revenue Service is commonly credited with promoting compliance with the tax laws). Targeted sampling may be useful industries for which complaints/leads are less likely to be received, an important point for DOL given that labor law violators in some industries tend to hire recent immigrants who would not speak the language or know how to complain.

"Full court press." DOL components have attempted to identify areas in which shared leads make sense, while noting that the kinds of employers who violate, say, wage/hour laws are not the most significant safety and health violators. Some within the agency have suggested the need to be more systematic about selecting joint targets, while ensuring that all officers are aware of certain violations. This approach might be expanded beyond DOL, so that any federal officer would have general information about how to recognize and report certain serious violations. A recent interagency experiment in the area of child agricultural labor may provide a good model. For this approach to work, selected priority areas should require little training and involve commonly-supported laws.

"Warning" mechanism. DOL developed an MOU with Agriculture following a disastrous fire in a poultry processing plant in North Carolina. Agriculture inspectors had been to the plant more recently than North Carolina's health and safety inspectors and had done nothing about the fact that exits were blocked. However, because safety and health priorities tend to focus on such hazards as dangerous chemicals, it is not clear that a report of blocked exits would have received priority action.

The Wage/Hour initiative with the INS may offer a better model than referrals. Wage/Hour inspectors review employers' records of their employees' work eligibility, required under the immigration laws. If they find a violation, the inspectors issue a warning notice documenting the deficiencies. If the INS follows up and finds the deficiencies uncorrected, INS may impose a penalty. DOL should consider developing a warning mechanism for its officers to use when they find easily-recognized violations of DOL laws beyond that officer's specific jurisdiction.

3. Reward pursuit of the mission.

Performance measures. DOL has made the [Financial Managers' Fiscal Integrity Act] (FMFIA) requirements its vehicle for coordinating development of performance measures. The measures developed to date focus on inputs rather than results, and fail to measure progress towards cooperative goals, such as referrals to other components. A generic cross-training program was abandoned in the face of budget cuts, in part because managers did not perceive it as related to accomplishing the objectives on which they're being measured.

The process through which performance measures have been developed under the FMFIA leaves much to be desired. Operational performance measures were developed with little or no input from the operational divisions. The hard issues of how to measure the effectiveness of enforcement programs have not been joined. It is not clear that FMFIA, aimed at internal management accountability, is the right vehicle for developing such measures.

Recommendations

To communicate a consistent message within the agency, DOL should develop a common mission statement for the enforcement programs. **To communicate a consistent message outside the agency,** DOL should review its penalty structure across the board and introduce legislation to, at a minimum, create a paperwork penalty for the wage and hour recordkeeping requirements; create a more significant penalty for deaths in the workplace due to serious health and safety violations; and prohibit "habitual offenders" from continuing operations.

To achieve economy and quality through shared methods, DOL should adopt sampling strategies for all enforcement programs, and consider having the sample receive a general review of all major requirements under Labor's jurisdiction. Targeted sampling should be used in industries for which complaints/leads are unlikely. DOL should also identify one or two priority areas to receive a "full court press." DOL should consider testing this concept in the area of child labor laws. The "full court press" should include other agencies, so that there are certain violations that virtually every federal officer would be asked to be alert to and know how to report. Finally, DOL should develop a "warning" mechanism for labor inspectors to employ when they encounter violations of other components' laws.

To reward pursuit of the mission, DOL must continually review and modify the agency's performance measures to ensure that cooperative efforts, prevention programs, and high quality work are rewarded. DOL should establish a cross-component team of field officers, analysts, and managers to develop measures that reflect results.

Implications

Penalties. Legislation to amend the penalties has been proposed in the past. [need to learn more about why it failed. Business groups appear to fear making DOL more powerful.]

Performance measures. The implementation of the FMFIA may be a larger issue than one agency team may address. As currently implemented, it creates the premise that an agency's comptroller will be held accountable if an enforcement component fails to investigate a high enough percentage of complaints.

Fiscal Impact

Not easy to estimate. Some savings might result from improved effectiveness. Sampling programs will require some up-front costs in database and statistical support.

Restructure the Office of the Solicitor

Background

With a staff of over 750, the Office of the Solicitor has been characterized as either the second or third largest law firm in Washington, DC. Currently, the Solicitor has an inadequate tracking system for the cost of lawyers and the use of their time. As a result, the Solicitor and the Department of Labor have no real handle on the effectiveness of the Solicitor's Office.

The Solicitor's Office, several years ago, gained approval to have some non-supervisory grade 15s. There is still excessive layering in the organization. The Solicitor-designee and the Acting Solicitor appear to support fewer "bands" and believe this could help them use staff more effectively. Currently, staff members are doing unnecessary work; e.g. reviewing all testimony.

In addition, concern was expressed over inadequate training. With across-the-board budget cuts, training is often the first thing to go. Attorneys need training both in their specialized areas and in skills such as trial advocacy. Inexperienced attorneys, against big companies with expensive legal talent, cost the government money.

Recommendations

The Department of Labor (DOL) should restructure the Office of the Solicitor. These restructuring efforts should include streamlining the current hierarchy of the Solicitor's Office, eliminating unnecessary functions, and providing the attorneys within the Solicitor's Office the authority to charge back costs to the program offices.

As an initial step, DOL should designate specific areas of the Solicitor's Office to begin charging costs back to program offices. The Solicitor's Office has attorneys who specialize in several different areas, including occupational safety and health, employment standards, mine safety and health, and employment and training. One or more of these areas could be serve as a pilot site.

As a part of this proposal, DOL may allow attorneys in the designated areas and pilot sites the ability to collect a certain percentage of the cost savings as the pilot sites begin to get a handle on costs. Another option would be to allow the attorneys to obtain a percentage of the awards that are won through litigation, similar to the private sector practice.

Instead of providing individual attorneys with either a percentage of the costs savings or a percentage of awards won through litigation, DOL may place these monies in a training fund to further enhance the efforts of the pilot site's attorneys.

Implications

The recommendation to streamline the Solicitor's Office and provide the Solicitor's Office with the authority to charge back costs to the program offices would streamline the Solicitor's Office, begin to help measure the true cost and effectiveness of the Solicitor's Office, and should lead to costs savings and improved service delivery. OMB encouraged further development of this issue.

Opposition to the proposed recommendation may include, general concerns about public servants making money beyond their public servant salary and the specific concern that making money from cases, for either an individual or a training fund, may act as a disincentive to settling cases (using methods such as Alternative Dispute Resolution). Allowing attorneys to make money from cases may also lead to their neglect of smaller dollar amount cases. In addition, the opportunity for some DOL staff members to make money for themselves while non-attorneys cannot, or even a dedicated training fund, may lead to resentment within other DOL components. Resentment may be lessened if, within this specific proposal, DOL proposed expanding the establishment of a dedicated training fund to other components within a certain timeframe and modified its award system for other employees.

Fiscal Impact

Since the true costs of the Solicitor's Office have not yet been identified, at this time it would be difficult to estimate how much this proposal could save. The Assistant Inspector General for Audit at DOL has suggested that currently costs could be twice as much as necessary. Further research is needed to determine how much is being awarded for lost cases and how this may be related to training and structure.

Expand Negotiated Rulemaking and Improve Up-Front Teamwork on Regulations

Background

DOL's rulemaking process has been characterized as cumbersome, slow, and adversarial. Because there are strong and organized interests on opposing sides of most issues, rules are commonly litigated after they are promulgated. The result is that the rule development process becomes one of preparing to defend the regulation in court. Concerns are raised within and outside DOL that the process of developing rules and standards has become paralyzed due to concerns about reversal in court. The agency may need to accept litigation as a fact of life -- as one manager pointed out, litigation is a "tool available to the public." At the same time, DOL should seek opportunities to foster consensus through rulemaking, streamline the development process, and reduce the volume of rules.

Recommendations/Options

Negotiated rulemaking. Negotiated rulemaking brings together parties affected by a regulation, the government agency, and a neutral mediator to develop a proposed rule for publication in the *Federal Register*. The process has been codified in the **Negotiated Rulemaking Act**, which provides a mechanism for creating advisory groups to work on the rule; the advisory group terminates when the rule or process is completed. OSHA has experimented some with negotiated rulemaking. DOL should expand use of this technique for discrete issues where the interested parties may be readily identified.

Team approach to rule development. DOL components use a variety of procedures to develop regulations. Only sporadically do program, policy, and legal staff work as a team to develop regulations, an approach that often helps build consensus and avoid delay.

Most of the enforcement programs have a dedicated staff for standards setting. MSHA does not have a self-contained standards office; instead, a small staff works to facilitate standards development by bringing together teams of field staff, technical experts, and attorneys. This approach offers more efficiency than the more common method of having program offices draft a regulation and send it to the Solicitor's office for review. In addition, the inclusion of field personnel ensures consideration of practical implementation issues. (In addition, it provides field officers with an opportunity to develop new skills.) If DOL adopted MSHA's model in other administrations, the size of some of the standards offices might be reduced and the process made more efficient.

Review need for regulations. Some people we've talked to have questioned whether regulations are really needed for some of the areas the Solicitor's office thinks they are. This might be worth more exploration. Could some regulations be replaced with less formal advisory processes? Should the agency set quantitative goals for reducing the volume of regulation?

Implications

Executive Order 12838, pertaining to advisory committees, requires all executive branch agencies to cut the number of advisory committees by a third. New committees can be created only if required by statute or through detailed justification to and approval by the head of OMB. The executive order

strongly implies that approval should be granted sparingly. Appears to have had chilling effect on use of the process. Want to explore whether an exception can be carved out for processes like reg-neg, but do not believe that the NPR final report is the right vehicle.

Fiscal Impact

Negotiated rulemaking involves substantial up-front costs. The potential savings come from reduced litigation. Since virtually all OSHA rules get challenged in court and relatively few negotiated rules have been to date, we might be able to cost out along the lines of "if this process reduced litigation by only 10 percent, the savings would be..."

Team approaches to rulemaking offer savings in staff time devoted to the process and a possible reduction in the size of some of the standards offices (data not yet available).

Expand Use of Alternative Dispute Resolution

Background

The litigious nature of labor regulation is an overriding problem in DOL's responsiveness to changing conditions. Rulemaking and enforcement processes are geared toward anticipating litigation, often delaying action.

Following enactment of the 1990 alternative dispute resolution act, the Department of Labor pilot tested the concept in its Philadelphia regional office. The test proved extremely successful and demonstrated that mediation has tremendous potential for resolving DOL cases.

DOL has yet to follow up on the success of the Philadelphia pilot..

Recommendations/Options

Expand use of ADR nationally.

Identify program areas not covered by the pilot for which ADR might be appropriate.

Identify and eliminate obstacles to use. (Explore need to modify administrative case process -- deadlines to file appeals, etc. Confirm whether ADR can be used in contracting arena.)

Implications

Additional use of ADR could help reduce the adversarial nature of at least some of DOL's dealings with the public.

The issue of ADR expansion may be picked up by the internal DOL reinvention team. Will continue to monitor.

Fiscal Impact

ADR involves some up-front investment in training, and also can entail covering some costs for participants. It appears to be generally much less expensive and time consuming. Pilot project report has some good caveats about assessing the cost impact of the approach.

**Use of Federal Contracts to Attack Chronic
Safety and Health Concerns**

Background

On average, at least 13 U.S. workers die each working day from injuries in the workplace, and about another 11,000 are injured seriously enough to lose work time or to experience restricted work activity.

The Department of Labor's Occupational Safety and Health Administration (OSHA) has about 1,000 inspectors to enforce safety and health standards for almost 90 million workers at close to 6 million worksites. Federal and State programs do not have the resources to timely inspect all workplaces that pose a safety and health hazard to employees. Even employers in high-hazard, targeted industries are rarely inspected.

Federal and State programs do not have the resources to inspect all workplaces that pose a safety and health hazard to employees.

This is an opportunity for the Federal government to look toward prevention rather than cure. Requiring Federal contractors to develop a safety and health plan before beginning work on a project is a step in that direction. The proposal below, with a recommendation for the construction industry, could be used as a model within other industries. In addition, the formation of labor-management teams to develop these safety and health programs can be a model.

Recommendations

The President should sign an executive order requiring each Federal agency responsible for the procurement or funding of new construction or renovation or demolition of buildings, structures, streets, or highways to ensure that each construction bidder certify implementation of a safety and health program as well as a good accident and inspection experience for a specified period of time before the submission of the bid.

The executive order would specify the responsibilities of the bidders, the contracting agencies, and the Department of Labor. One of the bidders' responsibilities should include the establishment of a joint labor-management team to develop the safety and health program, providing workers a voice in safety and health matters.

In addition, the Order would provide a list of the possible sanctions and penalties. The Order should target the construction industry because more workers are killed in construction each year than in any other industry. In addition, Federal or Federally assisted procurement of construction accounts for approximately 25 percent of all construction in the United States.

Implications

This recommendation would improve current enforcement efforts, reduce injuries and time lost on the job (cost-effective to the contractors and subcontractors), and was recommended by GAO at one time. OSHA drafted an executive order within the last few years covering this topic and still strongly supports the idea. Currently, the Comprehensive Occupational Safety and Health Reform Act of 1993 incorporates a similar idea but on a broader scale. The Administration has not taken a position on the legislation.

In the past, there has been strong industry opposition to this idea, in particular, with the costs involved in establishing safety and health programs. Also, there is possible overlap with the Construction Safety Act [Further research is needed to determine whether this is true].

Fiscal Impact

At this time the fiscal impact has not been determined. Industry will incur costs for developing these programs. Insurance costs should go down as safety improves. The Federal government will incur costs connected with the contracting certification process but should reduce costs for enforcement as industry develops stronger safety and health programs.

**Shift the Burden of Safety and
Health Standards Enforcement**

Background

On average, at least 13 U.S. workers die each working day from injuries in the workplace, and about another 11,000 are injured seriously enough to lose work time or to experience restricted work activity. Every year 60,000 are permanently injured and tens of thousands die prematurely from long-term occupational diseases. The annual cost of workplace injuries alone is estimated to be \$83 billion a year.

The Department of Labor's Occupational Safety and Health Administration (OSHA) has about 1,000 inspectors to enforce safety and health standards for almost 90 million workers at close to 6 million worksites. There are only enough Federal inspectors to inspect even the most hazardous workplaces once every 13 years. The civil and criminal sanctions available to OSHA provide limited deterrence to employer noncompliance. Typically, OSHA reduces an assessed fine by almost 80 percent and there is virtually no follow-up.

Federal and State programs do not have sufficient resources to inspect all workplaces that pose a safety and health hazard to employees. Many employers do not feel ownership of the problem, but rather rely on unions, employees, and State and Federal inspections to identify safety and health hazards. Therefore, many employers appear reluctant to admit that there are safety and health hazards and are slow to take appropriate actions.

Recommendations

Congress should revise the Occupational Health and Safety Act of 1970 to require employers with over a certain number of employees and employers in industries that have been demonstrated to pose a safety or health hazard to arrange for a safety and health inspection by a private inspection company once every three years.

OSHA Responsibilities.

Prescribe inspection and reporting standards:

Develop a table of penalties to be used for when fatalities or serious injuries occur (reporting of incidents should continue); and

Review inspection reports of private companies and enter into data base for analysis of possible trends and require OSHA to statistically select certain reports for an on-site quality review and to follow-up on any fatalities or very serious injuries.

Inspection Company Responsibilities.

Conduct inspections of worksites and submit report to OSHA; and

Liable for failure to comply with the inspection and reporting standards as well as negligence.

Employer Responsibilities.

Arrange and pay for safety and health inspections;

Disclose inspection results on annual financial statement; and

Develop corrective action plans and submit them to OSHA.

This shift in responsibility is clearly a radical departure from the current enforcement approach. Initially, the Department of Labor may want to identify laboratories to develop this initiative such as Federal agencies, certain States, or even a specific industry.

Implications

Private enforcement of safety and health standards should substantially increase current enforcement efforts, save approximately \$195 million (not including potential savings from safer workplaces), create new jobs in the private sector while reducing the size of the Federal workforce, and reduce injuries and time lost on the job.

The recommendation would be opposed by employers because of the costs involved in arranging for and paying for private inspections and could increase opportunities for circumvention.

Fiscal Impact

GAO estimates that approximately two-thirds of OSHA's program costs are for enforcement activities. From the fiscal year 1994 request of over \$294 million the estimate of \$195 million was derived. Annual savings would depend on how this proposed plan was implemented. There would continue to be costs for OSHA in its oversight role.

At this point no estimate exists for how much this would cost employers. Although Federal employees would lose jobs, there would be many private inspection companies looking for people with their knowledge and expertise.

**Provide Research and Development Authority for the Office of the
Assistant Secretary for Mine Safety and Health**

Background

In a recent meeting with the Acting Assistant Secretary for Mine Safety and Health (MSHA), he alluded to a recent "scandal" regarding the methods used to sample dust particles in underground coal mines. Among the ensuing issues of concern was the continued use of an antiquated device used to take dust samples from underground mines. At best, the current device is technically unsound even when properly used, but more importantly, it is extremely easy to alter a sample taken by simply reversing the airflow within the device by blowing into the output end. This has the effect of purging dust particles from the device and thereby improving the air-quality reading of the sampling.

MSHA feels confident that a higher-quality tamper-proof instrument can, and should, be developed to improve the integrity of this critical mine safety program. However, current regulations require MSHA to rely on the services of the Department of the Interior, Bureau of Mines (BOM), to provide the research, development, and acquisition of a state-of-the-art dust sampling instrument. MSHA is concerned that their requirements are frequently not given a deserved top-priority treatment by the BOM, and this translates into unnecessary and unacceptable time and cost overruns.

Recommendations

The Office of the Assistant Secretary for Mine Safety and Health should be granted the authority to directly procure all services and products necessary to maintain a state-of-the-art mine safety program. This would require changing the Federal statute that requires the Department of Labor, Office of Mine Safety and Health to process requirements for technological devices and instruments through the BOM. The BOM should remain a source of advice and expertise, but the existing forced source dependency relationship should be eliminated.

Implications

The recommendations would eliminate the time and cost delays associated with the additional layer in the current process: i.e., BOM. In addition, it would shift additional capabilities and controls to MSHA, the organization that has the ultimate responsibility for mine safety.

Fiscal Impact

If implemented, this recommendation will improve the effectiveness of the DOL, Office of Mine Safety, by increasing its authority and controls over the research and development of necessary state-of-the-art instruments and devices. Additionally, but of lesser consequence, are the cost and time savings that will be derived from a more streamlined acquisition process.

Provide Alternatives for Setting Mine Equipment Standards

Background

The Mine Safety and Health Administration (MSHA) regulates certain kinds of mining equipment by setting standards, reviewing manufacturers' proposals for conformance with the standards, and inspecting the equipment used in mines to ensure that it is MSHA-approved. MSHA staff express concern that the review and approval process may deter some manufacturers from entering the mine equipment business.

Recommendations/Options

MSHA should be authorized to turn the standards setting process over to a neutral body, along the model of the Underwriters' Laboratory. This group would set the standards in consultation with MSHA, manufacturers, and other interested parties. Manufacturers could use those standards in designing and producing the equipment. MSHA would continue to inspect mining equipment on site.

This approach may be a model for other DOL activities.

Implications

MSHA believes that this approach would provide equally effective standards setting in an area where the federal government does not need to "do the rowing." They anticipate, however, that unions might initially oppose such a change.

Fiscal Impact

MSHA is going to provide data on the resources currently expended on this process. It is anticipated the level of resources could be reduced, but not totally eliminated. [Should be able to provide more information next week.]

Reduce the Costs of Affirmative Action Promotion In Federal Contracts

Background

In the Employment and Standards Administration (ESA) of the Department of Labor, the Office of Federal Contract Compliance Programs (OFCCP) has a staff of 900 and a budget of approximately \$50 million to fulfill one mission: deter underutilization. The concept is to use Federal contracts as leverage to have contractors go beyond the minimum equal opportunity standards. OFCCP, through enforcement of affirmative action and equal employment opportunity requirements, has helped integrate minorities, women, the disabled, and veterans into the workforce.

OFCCP and ESA have refused to define "underutilization," despite court demands to do so. This lack of a definition has resulted in ESA's inability to win a single civil lawsuit to enforce this standard. OFCCP has no bars on contractors who do not comply and has brought no criminal prosecutions to date. OFCCP attempts to win cases through persuasion and negotiation, where it has had some measure of success. Although some have praised the Office's advocacy, the Assistant Inspector General for Audit said he "could not justify this organization on any grounds."

Recommendations

The ESA should devote the necessary resources to coming up with an acceptable definition for underutilization by a specified date. In attempting to reach an acceptable definition, ESA should consider hearings and other means to obtain public input and focus the issues. The definition is essential to compliance efforts in this area. The Equal Employment Opportunity Commission (EEOC) should be a part of this effort. The intent of this overall proposal is to eliminate OFCCP; therefore, a specific timeframe should be established for completion of work on this definition.

After a definition is established, the President should issue an executive order that would remove compliance authority from OFCCP. Compliance authority should be provided to either the EEOC or the individual Departments. Providing Departments and Agencies with this authority would effectively reverse Executive Order 11246 of 1978 that took the compliance authority from the Departments and placed it within OFCCP. By providing compliance authority to the EEOC, efforts to deter underutilization would still be centralized (which may be more cost-effective) and would be enforced by an organization that has earned considerable respect in the area of affirmative action.

Implications

Providing EEOC with the compliance authority could save \$30-40 million, should substantially improve compliance and enforcement efforts in the area of underutilization, and would reduce the size of the Federal workforce. (The OMB liaisons to the NPR Labor team generally concurred with providing the authority to the EEOC.)

Although other approaches could be effective, this recommendation may be perceived as backing off from a commitment to affirmative action. The Reagan administration advocated scrapping Executive Order 11246 altogether; this proposal could be seen as too similar. It is important to note, OFCCP enjoys widespread, bipartisan support in Congress, as well as support from unions and contractors.

Fiscal Impact

ESA would need funding as it worked toward defining underutilization. At this point no estimate exists for what that activity would cost.

The rough estimate of \$30-40 million (of the approximately \$50 million provided to OFCCP) is based on reducing current costs incurred by OFCCP, but providing additional monies to the EEOC or other Federal Departments for their compliance and enforcement efforts in this area.

Increase Assistance to States in Collecting Delinquent Unemployment Insurance Trust Fund Contributions

Background

State governments collect Unemployment Insurance Trust Fund contributions from employers using a prescribed formula. As of fiscal 1993 more than \$1.6 billion in contributions from employers are delinquent.

This shortfall in the Unemployment Insurance Trust Fund causes a decline in available benefits. Moreover, the States experiencing these shortfalls must borrow from the Unemployment Insurance Trust Fund to cover their operating costs.

So far, the Department of Labor has taken a passive role in helping the States improve their collection activities. A few States have improved collections on their own by initiating pilot programs.

Recommendations

The Department of Labor needs to work with State governments to develop more aggressive programs for collecting delinquent Unemployment Insurance contributions. Possible solutions include adapting the programs successfully used by a few States in improving their collections as models for others.

Labor should pursue with the Internal Revenue Service possible data checks in income tax filings to identify employers who are underpaying their Unemployment Insurance contributions.

Implications

State governments will likely ask for funding from the Unemployment Insurance Trust Fund to cover collection activities. In addition, objections will probably arise within the employer groups concerning Internal Revenue Service data matches.

The Department of Labor may also oppose an increased role for itself by arguing that collection activities are the responsibilities of the States, not the fiduciary.

Many of the delinquent employers may be small businesses in financial trouble. As such, the likelihood of collecting the full tax due would be low.

Fiscal Impact

States with inadequate reserves must repay the loans from the Unemployment Trust Fund with interest, thus further increasing the drain on their general revenue funds. While some additional costs may be incurred to implement the recommendations, the gain in revenue from collections should greatly exceed these increases.

Automate the Citation and Penalty Process

Background

The Department of Labor (DOL) enforcement components impose penalties against employers who violate labor laws. In most cases, the employer is given a notice prior to the imposition of a citation and provided a specified amount of time to contest the citation. Employers who do not contest the citation receive notice requiring payment.

The Mine Safety and Health Administration (MSHA) has recently completed a pilot project automating this process in a small office. The automated process saved significant resources because data had to be entered only once and the notices were automatically generated.

This area appears worth exploring across DOL components. At this stage, no information has been collected from the other enforcement components on how they process penalties. If the citation process is handled manually, however, there is the potential for improved efficiency and cost cutting.

This recommendation might be folded into the "virtual enforcement branch" paper, but is treated separately for now because of the potential for concrete cost estimates.

Recommendations

The MSHA project should be expanded; other components should also automate.

Implications

Fiscal Impact

MSHA will be providing additional cost information from the pilot project.

Department of Labor Issue Area No. Three

Achieving Cost Savings

- a. Deny Unemployment Compensation to Service Members Who Voluntarily Leave Military Service (Charles Graffam)
- b. Abolish the ERISA Requirement for Summary Plan Descriptions to Reduce Employer Workloads (Bud Moody)
- c. Improve the Processing of IRS Forms 5500 to Cut Costs and Delays in Obtaining Pension Plan Data (Bud Moody)
- d. Reduce or Eliminate Unemployment Benefit Fraud (Richard Smith)
- e. Repeal the Davis-Bacon Act (Jerry Kluempke)

Deny Unemployment Compensation to Service Members Who Voluntarily Leave Military Service

Background

Service members who leave active duty voluntarily may receive Unemployment Compensation. In contrast, an individual who voluntarily leaves a job in the civilian sector is not eligible for this compensation. States pay the same rates of compensation to these former service members as to civilians who lose their employment involuntarily.

The Federal-State Unemployment Insurance Program was designed to assist individuals who lose employment for reasons beyond their control. Most military personnel separating from service do so voluntarily, although the percentage leaving service involuntarily is projected to increase dramatically for the next 5 years. Although the general public would not seek to reduce benefits for involuntarily separating service members, the current law appears inequitably favorable to veterans who leave service voluntarily.

Given the wide range of assistance available to service members and veterans, it is difficult to justify continuance of this special unemployment compensation benefit to voluntarily separating service members. Upon voluntary separation, a large number of service members will draw retirement pay or payment under one of the voluntary separation incentive and special separation benefit programs. In the next several years, there should be very few service members separating voluntarily who do not receive either retirement pay or some form of financial inducement to separate.

Veterans electing to train or pursue further education following service may do so under the Montgomery GI Bill or, if service-disabled, in the Vocational Rehabilitation Program. These programs have subsistence benefits built into them. Receipt of these benefits indicates school status, which precludes receipt of unemployment benefits.

Recommendation

Congress should change the public law governing the Federal-State Unemployment Insurance Program to put service members leaving active duty on the same footing as civilians who leave employment. Voluntarily separating service members would not be eligible for Unemployment Insurance.

Implications

The Congressional Budget Office has recommended this change in policy. Service and veterans organizations will probably oppose this change, arguing that military service is intrinsically different from civilian employment. They may argue that many service members will leave active duty with skills not readily useful to civilian employers, reducing their immediate employability. In addition, they may present the difference in Unemployment Insurance as a basic inducement to enter military service voluntarily, although doubtless very few newly sworn-in service members make their service commitments as a result of the possibility of unemployment benefits several years in the future.

The implementation of this recommendation will restore equity to the award of Unemployment Insurance to service members. Nearly all civilian workers will approve of this change and see it as a fairness issue. This will even include former service members, many of whom never availed themselves of Unemployment Insurance following discharge or release from active duty. For service members who leave active duty without marketable skills, the Department of Veterans Affairs can provide education, training, and vocational rehabilitation for the large majority to obtain the needed skills and knowledge. While in training, however, these individuals are not eligible for unemployment insurance. Military service is unique in many respects, but none of these argues strongly enough for the preservation of this inequitable provision of unemployment insurance benefits to voluntarily separating service members who can plan well ahead to prepare for adjustment to the civilian sector.

Although this is an equity issue, the President may not want to pursue this recommendation if it will further exacerbate his relationship with the military and retirees at the same time he is making other policy changes which active duty and retired service members oppose.

Fiscal Impact

The Congressional Budget Office estimates that the cumulative savings in outlays from fiscal year 1994 through 1998 would be \$1.4 billion. These savings are the same for both budget authority and outlays, broken down as follows:

Annual Savings (Millions of Dollars)

1994	1995	1996	1997	1998
320	280	270	260	270

**Abolish the ERISA Requirement for Summary Plan Descriptions to
Reduce Employer Workloads**

Background

The Employee Retirement Income Security Act (ERISA) requires all employers with benefit plans to provide Summary Plan Descriptions to all participants and beneficiaries and the Secretary of Labor. The Secretary of Labor makes no use of the data in these documents, but is required to have them available for public disclosure.

The Pension and Welfare Benefits Administration (PWBA) receives an average of 150,000 documents annually in fulfillment of this requirement. PWBA date-stamps the documents, indexes them through a data-entry system, and boxes and ships them to a warehouse for storage.

Direct costs for this system are approximately \$52,000 annually. This consists of \$42,000 for contractor services and \$10,000 for executive direction and management control over the contractor. In addition, PWBA reports that over 100,000 public burden hours are incurred in fulfilling this requirement.

On average, about one percent of the documents received by PWBA are requested by the public. During fiscal 1992 there were 1,017 requests for Summary Plan Descriptions which resulted in disclosure of 3,910 documents. So far this fiscal year, a total of 691 requests have been received for 1,200 Summary Plan Descriptions.

Recommendations

Amend Sections 101, 102, 104, 106 and 109 of ERISA to eliminate the requirement for filing all Summary Plan Descriptions with the Department of Labor.

Implications

Given the small number of requests for these plans, it would seem cost-effective to delete the statutory requirement for filing them with the Department of Labor. The current procedure could be replaced by a requirement to provide the plans to the Department of Labor on request, or for the employers to respond directly to the requestor.

Fiscal Impact

Aside from the \$52,000 yearly savings in contract and administration costs, the costs of the 100,000 annual public burden hours solely devoted to printing and mailing these plans to the Department of Labor would be greatly reduced.

Improve the Processing of IRS Forms 5500 to Cut Costs and Delays in Obtaining Pension Plan Data

Background

Sections 104 and 4065 of the Employee Retirement Income Security Act (ERISA) require employers with benefit plans covering 100 or more employees to annually file Form 5500 with the Internal Revenue Service (IRS). Form 5500, titled "Annual Return/Report of Employee Benefit Plan," is a public access document containing data used by IRS, Social Security Administration, Pension Benefit Guarantee Corporation and the Pension Welfare Benefits Administration (PWBA).

The Pension Welfare Benefits Administration uses the data on the Form 5500 to monitor pension plans and to identify plans having financial difficulty. However, because of IRS' filing requirements and processing delays, it does not provide these data timely to PWBA. Additionally, PWBA has experienced a 20 percent error rate in the data IRS processes. PWBA has complained to IRS about the errors and the delays, but was told "this is as good as it gets."

IRS processes approximately one million Form 5500s a year for which PWBA reimburses it \$12 million, or \$12 per form. The IRS' service centers manually process these forms. And, because of IRS' filing requirements and processing delays, PWBA does not receive the data until two years after the reporting period captured on the Form 5500.

PWBA has sought to develop computer software for electronic filing of these data, but IRS has been adverse to developing software for filers. IRS has taken the position that filing software should be privately developed and purchased on the commercial market.

Recommendations

Congress should amend ERISA to allow PWBA to provide for collection and processing of the Forms 5500. This would include the authorization for developing or purchasing software that are provided to filers for generation and, where possible, electronic filing of the forms.

Implications

IRS and OMB have previously denied PWBA's requests for allowing anyone other than IRS to control IRS forms. Other than consistently doing business the same way, there is little rationale for continuing the existing practice. The data on the Form 5500 are public access and the manual preparation and processing are time consuming and costly to both IRS and the filers.

There would likely be some offsetting costs if PWBA were to take over the acquisition and processing of Forms 5500. These costs are as yet undefined, but would include expenses for personnel, facilities and publications.

Fiscal Impact

PWBA estimates that it could save about \$9 million in processing costs by providing computer software to the pension plan filers. This savings would be compounded by the reduced processing costs incurred by the filers who manually prepare the forms.

Reduce or Eliminate Unemployment Benefit Fraud

Background

In several discussions with Department of Labor (DOL) staff, the issue of fraud in unemployment benefit programs was raised. Two issues were specifically raised. One concerning the Federal Employees' Compensation Act (FECA) and the other concerning the Unemployment Insurance (UI) program.

Currently, a person applying for benefits fraudulently under FECA can be fined not more than \$250,000 or imprisoned for not more than five years. However, that person can still receive FECA benefits. GAO has prepared a report on this issue. OMB agrees that this is a problem but has characterized the issue as "chicken feed". The Department though raised this issue at two separate meetings and provided NPR team members with draft legislative language.

As a result of UI fraud, the Office of the Inspector General (at DOL) approximates that as much as \$100 million may have been lost to wrongful claims made in the state of California alone over a 15-20 year period. A number of the other, southern border states experience a similar problem with fraudulent UI claims, the extent to which has not yet been determined.

The problem occurs when a person files a claim attesting to their desire for work, availability for work, attempts at finding work, and inability to find a job. For example, a migrant farmworker may attest to the fact that he or she meets the above mentioned conditions and actually live hundreds of miles away from the state that they are filing the claim against, and still receive benefits.

People have established "brokerage houses" that will provide workers with an address that they can have their check sent to with the condition that the "broker" will keep a certain percentage. The address, set up in the state where the employees formerly worked, is usually a post office box. In recent raids at four "brokerage houses", over \$500,000 in checks and close to \$150,000 in cash were recovered.

Although the Federal role in this specific issue is only an administrative role, the NPR offers an opportunity to enhance Federal oversight and help states.

Recommendations

Congress should amend the Federal Employees' Compensation Act, and Section 1920 of Title 18, United States Code to strengthen the language to include a provision concerning a person who knowingly and willfully makes a false or misleading statement or representation.

Congress should amend Section 8102(a) of Title 5, United States Code to provide that an individual convicted of a violation under the amended statute forfeit all entitlement to any benefits as of the date of conviction.

Congress should amend Section 8116 of Title 5, United States Code to provide no benefits to an individual confined in a jail, prison, or other penal institution or correctional facility if that individual's conviction constituted a felony under this law. During this period of incarceration, the dependents of an above mentioned individual would receive a percentage of the benefits that would have been payable to such individual.

The Department should convene a joint meeting between the Employment and Training Administration (ETA) and the Interstate Benefits (IB) Committee of the Interstate Conference of Employment Security Agencies (ICESA) to discuss the recommendations of the (UI) Fraud Prevention Task Force.

The Task Force recommended a number of options available at the Federal level that the NPR could support in its report; including examining the oversight of the IB program, and ways to improve the Federal role in oversight; reexamining the program to conduct periodic eligibility review interviews (ERIs) on a national basis, to determine the usefulness and effectiveness of ERIs; and holding a national Benefits Payment Control conference.

Implications

These recommendations could stop payment of benefits to persons who filed fraudulent claims; achieving a cost savings by not providing fraudulent benefits and removing administrative costs connected with these benefits. Over the past several years, the relationship between ICESA and DOL has been strained, some would say nonexistent. The recommendation concerning UI may help to strengthen this relationship. Others may feel that the Federal government should not interfere with the States on the UI issue.

Fiscal Impact

The fiscal impact on the FECA issue still needs to be determined. Estimates will be obtained for the number of cases that fall into this category, the amounts involved and the costs involved with administrating these cases. Savings will be greater for the States, concerning UI, rather than the Federal government. (Savings estimates currently do not exist for either level).

Amend the Davis-Bacon Act

Background

The Davis-Bacon Act requires that each contract for the construction, alteration or repair of public buildings or works in excess of \$2,000, to which the Federal government is a party, set forth in detail the minimum wages to be paid to various classes of laborers and mechanics. The minimum wages, including fringe benefits, are those determined by the Secretary of Labor to be "prevailing" for the laborers and mechanics employed on projects of a similar character in the area in which the work is to be performed.

The Davis-Bacon Act (40 U.S.C., a), passed in 1931, was the first Federal legislation requiring the payment of minimum wages to employees working on Federally financed construction projects. The Act was intended to discourage non-local contractors from successfully bidding on government projects by hiring cheap labor from outside the project area, thus disrupting the local wage structure.

During the 1930's, a huge Federal construction program and a chaotic labor market led to serious labor abuse. Unscrupulous contractors were thought to be winning government contracts by employing itinerant bands of unskilled laborers and paying them exploitive wages. This practice took jobs away from local contractors and resulted in inferior work, since the laborers were only marginally skilled.

An *Issue Alert* prepared by the U.S. Small Business Administration's Office of Advocacy in 1986 states that the key to understanding the issues raised in the debate over Davis-Bacon are the administrative procedures used by the Department of Labor in making its wage determinations. The paper states:

To provide the necessary wage and fringe benefit information for government construction contracts, DOL issues two types of wage determinations: area determinations and project determinations. Area determinations are issued in markets where wage patterns are felt to be stable where there is a large volume of construction activity. Where area determinations are not applicable, DOL issues individual wage determinations for specific construction projects. In Fiscal Year 1983, DOL issued 1,297 area determinations and 12,287 project determinations. Thus, DOL is faced with a truly gargantuan task in attempting to administer the Act.

The February 1992 Congressional Budget Office report, *Reducing the Deficit: Spending and Revenue Options*, states "Procedures for determining prevailing wages in the area of a construction project, as well as the classifications of workers receiving them, favor union wage rates in some cases... The act also restricts use of lower wage, less-skilled workers such as helpers. Under current regulations, wages for helpers are usually not determined separately, with the result that most helpers on covered projects are paid at the higher journeymen's rates."

The Congressional Budget Office said that Federal outlays for construction could be reduced by allowing unrestricted use of helpers and by raising the threshold for determining the projects to be covered by the Davis-Bacon Act.

Options

Option 1: Repeal the Davis Bacon Act. The Act no longer serves the purpose for which it was intended.

Option 2: Amend the Davis Bacon Act to allow unrestricted use of helpers and raise the threshold of applicable contracts from \$2,000 to \$1 million.

Implications

Supporters of Davis-Bacon, primarily labor unions, argue that the Federal prevailing wage law promotes fair competition and quality construction based on local labor standards. By stabilizing wage rates, they say the Act helps to maintain a long-term supply of skilled labor in the inherently unstable construction labor market.

The Office of Advocacy (SBA) pointed out in its 1986 *Issue Alert* that the Act causes construction workers on Federal projects to be paid rates above those that would ordinarily prevail; limits the opportunities of non-union contractors to bid on public projects; disfavors small businesses and minority groups; imposes onerous administrative and paperwork burdens which fall most heavily on small contractors; and generally raises the cost of Federal construction, thus contributing to inflation.

Trade and business organizations say the Act is unnecessary and an expensive drag on the economy. Organizations calling for repeal of the Davis-Bacon Act include the U.S. Chamber of Commerce, the National Federation of Independent Business, and Small Business United. Government agencies that have called for reform include the U.S. General Accounting Office, Congressional Budget Office, and the Office of Advocacy of the U.S. Small Business Administration. The more than 1600 delegates to the 1986 White House Conference on Small Business ranked repealing the Davis-Bacon act as their seventh most important recommendation out of 60 reported to the President and to Congress.

Fiscal Impact

Relaxing Davis-Bacon requirements would reduce the cost of Federal construction projects. In addition, easing restrictions on the use of helpers would increase employment opportunities for less skilled workers on Federal projects. These changes would, however, lower the earnings of some construction workers.

According to the Congressional Budget Office, allowing unrestricted use of helpers would reduce outlays by about \$600 million a year. Raising the threshold of applicable contracts from \$2,000 to \$1 million would exclude about 30 percent of the contracts and save the Federal government approximately \$800 million annually.

Department of Labor Issue Area No. Four
Improving Personnel Systems and Practices

- a. Introduce More Flexibility in Promotions and Expand Training Opportunities (Marion Metcalf and Ronnie Loeser)
- b. Improve Operational Efficiency and Effectiveness by Eliminating Redundant Positions in the Department of Labor Field Offices (Bud Moody)
- c. Convene a Summit on the Emerging Employment Contract (Marion Metcalf)

Introduce More Flexibility in Promotions and Expand Training Opportunities for DOL Personnel

Background

In discussions with NPR staff, managers at DOL consistently identified two areas of concern. First, rigidity in the promotion process limits their ability to pay people more without adding to the layers of the bureaucracy. Because persons have to be supervisors in order to qualify for higher grades, the result is lots of supervisors. One relatively new manager described how he was discovering that everything had to be reviewed and checked off by numerous people before items could go forward. "Checks and balances?" one of us asked. "I don't know about balances; it's just checks," was the reply. The NPR Labor team was struck by how often we were told, "if you don't fix anything but that, you'll have made a significant contribution." Discussions with non-managers reveal concerns among the DOL rank and file that the move to flatten the hierarchy will limit their opportunity for advancement.

Equally frequent were expressions of concerns about inadequate training. Many people reported that when the agency faces funding cutbacks, training is always one of the first things to go. Attempts to include a separate training line item in a proposed budget, staff reported, met resistance in the budget process.

Recommendations

If NPR's final report does not address the issue of the personnel structure, allow DOL the latitude to experiment with wider "pay bands" along the lines of the China Lake demonstration project. This would require legislation, although encouraging DOL's personnel staff to exploit the flexibility permitted under existing Office of Personnel Management guidelines might also be helpful.

Create individual training accounts for DOL employees, making the federal workforce a model for the proposal, suggested as requirement for all employers, that a fixed percentage be assigned to each employee as a training account.

Implications

DOL has an unusually strong union, which management has been working to involve closely in all decisions. Successful implementation of the "pay band" approach at DOL would suggest that it could be done elsewhere. At the same time, it should be noted that the union consultation process would probably slow the implementation process. This should not deter selection of DOL as a demonstration site, but should be factored into implementation timetables.

Fiscal Impact

This recommendation could assist in implementing "flattening" of the layers but might not achieve savings. Presumably some supervisory people would be moved into more productive work but at the same rate of pay.

**Improve Operational Efficiency and Effectiveness by Eliminating
Redundant Positions in the Department of Labor Field Offices**

Background

The Department of Labor operates 10 Regional Offices which generally provide services closer to the client organizations. However, many of the positions in the Regional Offices and sub-level field offices are performing what appear to be duplicate functions.

An example of the redundancy in the field structure is the presence of Service Centers for each Regional Office. The Service Centers provide many duplicate services, or add a layer to existing services, available from other parts of the Department. These services include financial management, personnel services and procurement services.

As a result of this hierarchy, the Department's internal and external clients frequently experience time delays, increasing the overall costs of doing business.

Recommendations

After more thorough analysis of the field office structure, we expect to recommend the elimination of redundant organizational components.

Implications

Some resistance to this proposal will be forthcoming from those who manage these areas and wish to justify their continuation.

Fiscal Impact

The total dollar savings from eliminating redundant or nonessential positions have not been captured as yet. However, as an example, eliminating 10 Regional Office Senior Executive Service positions that have no operational responsibilities could produce savings of more than \$1 million a year in salary costs.

Summit on the Emerging Employment Contract

Background

Fundamental changes in our economy are creating a change in the employment contract. As author Tom Peters notes:

There was a time not long ago when people came to work after high school or college, slowly climbed a narrow (and precisely specified) functional ladder, and were pretty much assured of steady employment and a 5 percent raise each year. No more. [Liberation Management, page 145]

A rapidly changing economy is producing more job turnover and more short-term work relationships, yet much of our social security net (pensions in particular) is premised on a long career with a single, usually large, firm. Peters observes, "we need legislation that either forces smaller firms to get on board [in providing services] or social support for workers which is not tied to their employers. This goes for health care, child care, pensions, and training, among other things." [Peters, page 762]

The Department of Labor (DOL) administers a service and regulatory program structure that dates from the 1930s. Many of the assumptions underlying many of its programs are outdated. For example, unemployment insurance, designed for temporary layoffs, now serve displaced workers who are unemployed longer and do not return to their previous employer. The federally funded, state operated employment services have been geared to serving a low-skill workforce; now many technical and white collar workers are displaced.

In the 1930s, when Frances Perkins created the regulatory infrastructure we use now, she did not face an existing structure supported by entrenched interests. Now, even programs that serve yesterday's needs better than today's have strong advocates and supporters. Yet without change, DOL will be less and less able to help workers respond and adapt to the permanent changes our economy is facing.

The reinvention task is potentially as significant as Frances Perkins' challenge. To make fundamental changes, DOL will need to provide leadership in developing consensus on the need for change. In addition, this consensus will need to be shared by the bureaucracy which will be expected to abandon old approaches and implement new ones.

Recommendations

DOL should plan and convene a "summit," modeled on the economic summit, to explore implications of the changing economy for the federal government's role in the workplace. DOL staff must be involved in planning the summit and able to attend and participate. The summit should not focus narrowly on DOL's mission, but broadly on improved understanding of the fundamental changes workers are facing and how the government can best respond to their changing needs. Following the summit, task teams should be formed to explore new legislative options.

Consideration should be given to explicitly working with the Congress in planning and conducting the summit, to provide a "demonstration project" in which the executive and legislative branches jointly pursue new solutions.

Implications

Planning this type of conference will have benefits beyond increased understanding and progress toward consensus. This type of project will necessarily involve a team (network) approach, involving staff from a variety of working levels and components within DOL and from other agencies and organizations. The project can thereby assist DOL in developing the very skills and work habits that the workers it serves must increasingly develop. As a former dean of Berkeley's business school observed, "Today it appears, the more "networks" are used, the more developed they become, and the more use they get." [Ray Miles, quoted in Peters, page 149]

If Policy Board believes that this recommendation is worth pursuing, NPR staff should immediately approach the Secretary to ensure that he is prepared to support this initiative. Consideration should be given to treating the recommendation as a DOL, rather than NPR, proposal.

Fiscal Impact

The costs of hosting a summit would be considerable. NPR should explore creative alternatives for funding -- such as charging participants, seeking corporate sponsorship, selling broadcast rights, or similar mechanisms. Legislation may be required for DOL to accept in-kind donations in support of the summit.