

**Workforce Investment Act
2006-2007 Exit Cohort**

The Texas workforce system comprises the workforce programs and initiatives administered by eight state agencies and 28 Local Workforce Development Boards (Boards). Under the Governor's leadership, the eight state agencies with workforce programs collaborate on addressing systemic issues through the State Board—the Texas Workforce Investment Council (TWIC)—or through direct interaction with each other. The Texas Workforce Commission (TWC) is responsible for administering Title I of the Workforce Investment Act (WIA) of 1998 and 27 other workforce programs. In accordance with WIA §111(e) and §194(a)(5), and under prior consistent state law, TWIC performs some of the functions of the State Board, while TWC performs others.

The true test of the effectiveness of Texas Workforce Solutions is the vitality of Texas' economy. Despite gloomy national economic statistics, Texas has cause to be optimistic about the future. Our state leaders continue to keep a strong emphasis on economic development, while state tax collections are high, and our labor markets shows job growth combined with low unemployment.

The statewide unemployment rate, seasonally adjusted, was at 4.4 percent as of June 2008. While this is up slightly from 4.3 percent in June 2007, it is below the June 2008 national unemployment rate of 5.5 percent. The Texas unemployment rate is steadily on the rise, as was reported at 5.0 percent in August 2008

Texas employers have created 245,000 jobs between June 2007 and June 2008, seasonally adjusted. The annual job growth rate for Texas is at 2.4 percent, compared with a flat annual job growth rate nationally. Over 47,000 jobs were added in June 2008 while the U.S. lost jobs over the month.

Seed Records

The Labor Market and Career Information (LMCI) division of TWC received 415,114 duplicate seed records for the WIA program from The Workforce Information System of Texas (TWIST). We grouped the records by SSN and grant type and then deleted the records with invalid grant type or registration dates outside the study period. This left us with 54,196 usable duplicate seed records. Seed records were unduplicated by SSN, resulting in 54,196 unique records, and records with invalid SSNs were then expunged. This left 52,959 usable, unique records for the WIA exit cohort.

The seed records were then linked to the UI Wage Records database for the 4th quarter of 2007 to determine employment and earnings. The 4th quarter of 2007 was chosen in keeping with the new methodology we instituted in last year's report, in which we link seed records to the last quarter of the second calendar year in the program year to determine employment and earnings. Earnings were summed across unique SSN and the 4-digit North American Industry Classification System (NAICS) code of the employer that paid the highest wages was retained for analysis. Individuals found earning more than \$25,000 in the snapshot quarter were identified; these records were removed from analysis based on the likelihood of inaccurate wage record data, and to reduce the possibility of inappropriately skewing statistical measures of central tendency.

Supplemental employment linkages were performed with the U.S. Department of Defense (DOD), the U.S. Office of Personnel Management (OPM), and the U.S. Postal Service (USPS).

The seed records were also sent to the Texas Higher Education Coordinating Board (THECB) for linkage to the public postsecondary master enrollment records for the fall semester of 2007. This linkage is used to locate any former WIA program participants who are pursuing higher education at a public postsecondary institution in Texas and therefore may not be found working.

Finally, the seed records were linked to the Texas Department of Criminal Justice (TDCJ) and the Texas Bureau of Vital Statistics (TBVS) in order to determine if any former program participants were either incarcerated or deceased, respectively. All records with positive matches to either of these two databases have been excluded from further analysis. After all exclusions, there were 52,684 records retained for subsequent analysis.

Results

The results for this report have been ranked in descending order *with the cohort total included*. This was done so one can see where labor market outcomes for various participant groups lie in relation to the labor market outcomes for the entire cohort.

Female and male program exiters had the same percentage of cohort members employed, 73.4 percent (Table 1), and that also happens to be the overall employment for the cohort. While it looks odd at first glance, a quick run of the figures through a calculator confirms the findings.

Table 1. Employment by Gender

Gender	N	N Working	% Working
Female	30,152	22,141	73.4
Male	22,312	16,381	73.4
Total	52,684	38,650	73.4
Unknown	220	128	58.2

Cohort members of unknown gender had the highest median quarterly earnings in the 4th quarter of 2007 with \$7,316 (Table 2). Median earnings for male participants were \$6,310. Overall the cohort had a median quarterly earnings figure of \$5,279 for the study period. Annualized over four quarters these earnings would amount to \$21,116 per year.

Table 2. Earnings by Gender

Gender	N	N Working	Median Earnings
Unknown	220	128	\$7,316
Male	22,312	16,381	\$6,310
Total	52,684	38,650	\$5,279
Female	30,152	22,141	\$4,690

Table 3 displays employment for the WIA cohort by racial sub-group regardless of ethnicity. Participants whose race was classified as “Other” had the highest percentages of cohort members employed with 75.8 percent, followed closely by Whites with 75.6 percent. Blacks, the largest ethnic sub-group, had an employment rate of 69.6 percent for the study.

Table 3. Employment by Race without Regard to Ethnicity

Race	N	N Working	% Working
Other	10,075	7,633	75.8
White	22,163	16,750	75.6
Asian	871	639	73.4
Total	52,684	38,650	73.4
Hawaiian Native or Pacific Islander	146	106	72.6
Black	18,881	13,141	69.6
Native American	548	381	69.5

Participants in the Asian sub-group had the highest median earnings, \$8,150, during the study period (Table 4). Hawaiian Native or Pacific Islanders had the second-highest median earnings with \$6,750. Blacks had the lowest post-exit median quarterly earnings of \$4,316.

Table 4. Earnings by Race without Regard to Ethnicity

Race	N	N Working	Median Earnings
Asian	871	639	\$8,150
Hawaiian Native or Pacific Islander	146	106	\$6,750
White	22,163	16,750	\$5,898
Other	10,075	7,633	\$5,842
Total	52,684	38,650	\$5,279
Native American	548	381	\$4,792
Black	18,881	13,141	\$4,316

WIA funds are distributed in the form of grants, and these grants are broken down into different categories based on which groups the funds are intended for. Table 5 shows the employment percentages for the cohort by the type of WIA grant. WIA Adult grants aim to increase employment, job retention, earnings and career advancement of U.S. workers.¹ Dislocated Worker grants assist workers who have been laid off or have been notified that they will be terminated or laid off (see footnote 1). WIA Youth grants are intended to prepare youth for the 21st century workforce.² Participants receiving funds from WIA Dislocated Worker grants had the highest employment at 79.2 percent, while Adult grant recipients had the second-highest employment at 76.2 percent. Since Youth programs have other positive outcomes and are more focused on career preparation rather than immediate employment, the employment statistics for the Youth category are not a surprise, nor should they be a concern.

Table 5. Employment by Grant Type

Grant Type	N	N Working	% Working
Dislocated Worker	6,699	5,305	79.2
Adult	31,186	23,758	76.2
Total	52,684	38,650	73.4
Other ³	8,176	5,479	67.0
Youth	6,623	4,108	62.0

Dislocated Worker grant recipients had the highest median earnings during the 4th quarter of 2007, \$6,209 (Table 6). We usually expect higher earnings, given the typically greater labor force attachment of clients in the Dislocated Worker category. Participants receiving services funded through WIA Adult grants had the second-highest median earnings with \$5,746.

Table 6. Earnings by Grant Type

Grant Type	N	N Working	Median Earnings
Dislocated Worker	6,699	5,305	\$6,209
Adult	31,186	23,758	\$5,746
Total	52,684	38,650	\$5,279
Other	8,176	5,479	\$5,179
Youth	6,623	4,108	\$2,384

¹ U.S. Department of Labor, <http://www.doleta.gov/programs/>

² U.S. Department of Labor, http://www.doleta.gov/youth_services/

³ Other Adult programs administered by the Office of Workforce Investment include Indian and Native American Programs, Services to Farmworkers, Disability Program Navigators, The President's Community-Based Job Training Grants, and the Work Opportunity Tax Credit Program (<http://www.doleta.gov/programs/>).

Not all WIA participants receive occupationally-specific vocational training. In fact, only 21.7 percent of WIA clients received such training. WIA participants receiving Vocational training services, unsurprisingly, had higher employment than those who did not receive training, 76.9 percent versus 72.4 percent (Table 7), although the contrast is not as bad as it has been in previous cohorts. The training is usually targeted toward occupations that tend to be high-growth, high-demand and exiters have updated, marketable skills that can be put to use in the workforce relatively quickly.

Table 7. Employment by Training Category

Training	N	N Working	% Working
Vocational Training	11,409	8,775	76.9
Total	52,684	38,650	73.4
No Training	41,275	29,875	72.4

The Vocational training group had higher median earnings as well (Table 8), with \$5,525. As we have stated numerous times and the data will point out, participants who participate in vocational training activities frequently have better employment and earnings when compared to those who do not participate in training activities.

Table 8. Earnings by Training Category

Training	N	N Working	Median Earnings
Vocational Training	11,409	8,775	\$5,525
Total	52,684	38,650	\$5,279
No Training	41,275	29,875	\$5,180

Clearly there is strong correlation between education attained by clients prior to program entry and subsequent employment outcomes. Those with a baccalaureate degree (BA) and above had the highest employment at 82.3 percent, while those with more than a high school diploma at program entry had the second-highest employment percentage in the study with 78.8 percent (Table 9).

Table 9. Employment by Education at Entry

Education at Entry	N	N Working	% Working
BA and above	3,696	3,042	82.3
More than HS	12,066	9,511	78.8
No grade	1,996	1,505	75.4
Total	52,684	38,650	73.4
High School/GED	32,213	22,926	71.2
Elementary/ESL	2,713	1,666	61.4

Table 10 shows that participants listed as entering the program with no grade completed had the highest median quarterly earnings over the period, \$11,574. Those with a BA and above had the second highest median earnings for the quarter with \$10,920. Those with more than high school were next on the earnings list with median earnings of \$6,509.

Table 10. Earnings by Education at Entry

Education at Entry	N	N Working	Median Earnings
No grade	1,996	1,505	\$11,574
BA and above	3,696	3,042	\$10,920
More than HS	12,066	9,511	\$6,509
Total	52,684	38,650	\$5,279
High School/GED	32,213	22,926	\$4,372
Elementary/ESL	2,713	1,666	\$3,347

Employment outcomes varied considerably across LWDA regions. The Texoma LWDA had the highest employment in the target quarter with 92.0 percent of participants employed (Table 11). Golden Crescent LWDA was close behind with 90.8 percent employed. Panhandle LWDA, Concho Valley LWDA, and Rural Capital LWDA finish out the top five known LWDA's. The Gulf Coast LWDA had 16,724 participants, down considerably from the previous year's 40,362 participants. They had 12,829 participants the year before that. Numbers seem to indicate that the large influx of Hurricane Katrina refugees into the greater Houston metropolitan area may be subsiding.

Table 11. Employment by LWDA

LWDA	N	N Working	% Working
Texoma	1,156	1,063	92.0
Golden Crescent	556	505	90.8
Panhandle	351	294	83.8
Concho Valley	140	115	82.1
Unknown	109	89	81.7
Rural Capital	385	311	80.8
North Texas	366	291	79.5
North Central	2,007	1,590	79.2
East Texas	606	475	78.4
Heart of Texas	457	356	77.9
Deep East Texas	1,148	892	77.7
South Plains	258	200	77.5
Alamo	2,626	2,026	77.2
Permian Basin	338	259	76.6
Capital Area	1,706	1,306	76.6
Dallas	6,493	4,954	76.3
South East Texas	1,226	926	75.5
West Central	1,449	1,085	74.9
North East Texas	419	309	73.8
Total	52,684	38,650	73.4
Brazos Valley	687	503	73.2
Middle Rio Grande	308	225	73.1
Cameron County	847	618	73.0
South Texas	289	209	72.3
Central Texas	752	536	71.3
Coastal Bend	1,220	865	70.9
Gulf Coast	16,724	11,814	70.6
Lower Rio Grande Valley	5,177	3,578	69.1
Upper Rio Grande	2,494	1,713	68.7
Tarrant County	2,390	1,543	64.6

Participants from the Texoma LWDA had the highest median quarterly earnings with \$9,427 (Table 12). Golden Crescent LWDA was next with earnings of \$7,868. Heart of Texas LWDA rounded out the top three with median quarterly earnings of \$7,558.

Table 12. Earnings by LWDA

LWDA	N	N Working	Median Earnings
Texoma	1,156	1,063	\$9,427
Golden Crescent	556	505	\$7,868
Heart of Texas	457	356	\$7,558
Dallas	6,493	4,954	\$7,061
Panhandle	351	294	\$6,689
North Texas	366	291	\$6,577
Capital Area	1,706	1,306	\$6,298
North Central	2,007	1,590	\$6,294
Deep East Texas	1,148	892	\$5,725
Rural Capital	385	311	\$5,705
Coastal Bend	1,220	865	\$5,701
Permian Basin	338	259	\$5,600
South Texas	289	209	\$5,497
Gulf Coast	16,724	11,814	\$5,295
Total	52,684	38,650	\$5,279
Alamo	2,626	2,026	\$5,252
Concho Valley	140	115	\$4,936
Middle Rio Grande	308	225	\$4,900
Unknown	109	89	\$4,799
Brazos Valley	687	503	\$4,710
South Plains	258	200	\$4,574
Central Texas	752	536	\$4,519
North East Texas	419	309	\$4,388
East Texas	606	475	\$4,386
Tarrant County	2,390	1,543	\$4,343
West Central	1,449	1,085	\$4,267
South East Texas	1,226	926	\$4,233
Upper Rio Grande	2,494	1,713	\$3,947
Cameron County	847	618	\$3,801
Lower Rio Grande Valley	5,177	3,578	\$3,440

Table 13 shows the top ten industries of employment, by 4-digit NAICS code, for WIA participants. First on the list was Employment Services. General Medical and Surgical Hospitals was second and had the highest median quarterly earnings at \$9,937, followed by Limited-Service Eating Places. Exiters working in the Executive, Legislative, and Other General Government Support industry had the second-highest median earnings with \$6,770.

Table 13. Top 10 Industries of Employment by 4-digit NAICS Code

Industry of Employment	N Working	Median Earnings	NAICS Code
Employment Services	3,257	\$3,385	5613
General Medical and Surgical Hospitals	1,659	\$9,937	6221
Limited-Service Eating Places	1,443	\$1,837	7222
Elementary and Secondary Schools	1,114	\$4,320	6111
Home Health Care Services	917	\$2,391	6216
Nursing Care Facilities	910	\$4,636	6231
Other General Merchandise Stores	831	\$3,307	4529
Executive, Legislative, and Other General Government Support	814	\$6,770	9211
Full-Service Restaurants	756	\$2,295	7221
Business Support Services	686	\$3,959	5614

Table 14 shows the ten higher education institutions with the most WIA program participants enrolled in the Fall of 2008. The El Paso Community College District had the largest number of program participants enrolled. Overall, only 3.1 percent of the cohort was found enrolled in higher education in 2008.

**Table 14. Top 10 Higher Education Institutions,
All WIA Participants Enrolled in Fall 2008**

Institution	N	% of All Enrolled	% of Cohort
South Texas College	298	7.3	0.6
Houston Community College	197	4.8	0.4
El Paso Community College District	177	4.3	0.3
University of Texas Pan-American	164	4.0	0.3
DCCCD El Centro College	124	3.0	0.2
Grayson County College	116	2.8	0.2
DCCCD Richland College	109	2.7	0.2
Austin Community College	101	2.5	0.2
Texas Southern University	76	1.9	0.1
University of Texas at El Paso	73	1.8	0.1

Table 15 shows the ten programs of instruction with the most WIA participants enrolled in Fall 2008, by Classification of Instructional Program (CIP) title. We see the majority of enrollees were found enrolled in Nursing - Registered Nurse Training (RN, ASN, BSN, MSN). General Studies and Liberal Arts and Sciences/Liberal Studies round out the top three CIP titles, both of which are generally used as a “catch-all” for people who have not decided on a specific program of study.

**Table 15. Top 10 CIP Titles for WIA Program Participants
Enrolled in Fall 2008**

CIP Title	N	% of All Enrolled	% of Cohort
Nursing - Registered Nurse Training (RN, ASN, BSN, MSN)	400	10.0	0.8
General Studies	399	10.0	0.8
Liberal Arts and Sciences/Liberal Studies	250	6.3	0.5
Undeclared	227	5.7	0.4
Business Administration and Management, General	213	5.3	0.4
Multi-/Interdisciplinary Studies, Other	148	3.7	0.3
Licensed Practical /Vocational Nurse Training (LPN, LVN, Cert, Dipl, AAS)	124	3.1	0.2
Business/Commerce, General	108	2.7	0.2
Criminal Justice/Safety Studies	68	1.7	0.1

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