

**Workforce Investment Act
2007-2008 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 still 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 show a degree of job growth.

The statewide unemployment rate, seasonally adjusted, was at 6.1 percent as of December 2008, well below the June 2008 national unemployment rate of 7.4 percent. The Texas unemployment rate, while on the rise, was still beating the national unemployment rate throughout the 4th quarter of 2008.

Texas employers actually added 149,134 jobs between 4th quarter 2007 and 4th quarter 2008, seasonally adjusted, compared with job losses of roughly 3.6 million nationwide during the same period.

Seed Records

The Labor Market and Career Information (LMCI) department of TWC received 449,456 duplicate seed records for the WIA program from The Workforce Information System of Texas (TWIST). We grouped the records by Social Security Number (SSN) and grant type and then deleted the records with invalid grant type or registration dates outside the study period. This left us with 49,946 usable duplicate seed records. Seed records were unduplicated by SSN and records with invalid SSNs were then expunged. This left 48,891 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 2008 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 Wage Record Interchange System (WRIS) to determine any participants who found employment outside of Texas, and the Federal Employment Data Exchange System (FEDES), which includes 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 2008. 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. Seed records were linked to the Texas Bureau of Vital Statistics (TBVS) in order to determine if any former program participants were deceased. All records with positive matches have been excluded from further analysis. After all exclusions, there were 48,732 records retained for subsequent analysis.

Finally, seed records were linked to the Wage Record Interchange System (WRIS) to find participants who may have been employed in other states. The results of the WRIS linkage can be found in Appendix A.

Results

Excluding Unknowns, Females had a slightly higher percentage of cohort members employed, 72.9 percent (Table 1), than males, with employment of 71.0 percent. Each side of the table has been sorted independently of the other, with the overall cohort total included in the sort. This allows for the ranked display of two different pieces of information in the same table, and it also allows us to see how the groups compared to the total employment and earnings. The overall employment for the WIA cohort in the 4th quarter of 2008 was 72.1 percent. Cohort members of unknown gender had the highest median quarterly earnings in the 4th quarter of 2008 with \$9,210. Median earnings for male participants were \$6,265. Overall the cohort had a median quarterly earnings figure of \$5,182 for the study period.

Table 1. Employment and Earnings by Gender

% Working	N	Gender		N	Median Earnings
74.3	109	Unknown	Unknown	109	\$9,210
72.9	27,908	Female	Male	20,715	\$6,265
72.1	48,732	Total	Total	48,732	\$5,182
71.0	20,715	Male	Female	27,908	\$4,608

Table 2 displays employment for the WIA cohort by racial sub-group regardless of ethnicity. Participants whose race was classified as “Other/Unknown” had the highest percentages of cohort members employed with 74.7 percent, followed closely by Asians with 73.7 percent. Whites, the largest ethnic sub-group, had an employment rate of 73.2 percent for the study. Participants in the Asian sub-group had the highest median earnings, \$6,805, during the study period. Hawaiian Native or Pacific Islanders had the second-highest median earnings with \$6,433. Whites had post-exit median quarterly earnings of \$5,507.

Table 2. Employment and Earnings by Race (without Regard to Ethnicity)

% Working	N	Race		N	Median Earnings	
74.7	8,491	Other/Unknown		Asian	933	\$6,805
73.7	933	Asian		Hawaiian Native or Pacific Islander	166	\$6,433
73.2	23,264	White		Other/Unknown	8,491	\$5,692
72.9	166	Hawaiian Native or Pacific Islander		White	23,264	\$5,507
72.1	48,732	Total		Total	48,732	\$5,182
68.9	15,310	Black		American Indian	568	\$4,926
67.8	568	American Indian		Black	15,310	\$4,298

WIA funds are allocated to the Local Workforce Development Boards (Boards) in the form of block grants, and these grants are broken down into different categories based on which population the funds are intended for. The WIA Adult program aims to increase employment, job retention, earnings and career advancement of U.S. workers.¹ The WIA Dislocated Worker program assists workers who have been laid off or have been notified that they will be terminated or laid off (see footnote 1). The WIA Youth program prepares youth for the 21st century workforce.² Table 3 shows employment percentages and median earnings for the cohort by the type of WIA grant. Participants receiving funds from WIA Dislocated Worker grants had the highest employment at 76.6 percent, while other program participants had the second-highest employment at 74.7 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. Dislocated Worker participants had the highest median earnings during the 4th quarter of 2008, \$6,394. We usually expect higher earnings, given the typically greater labor force attachment of participants in the Dislocated Worker category. Participants receiving services funded through the WIA Adult program had the second-highest median earnings with \$5,710.

Table 3. Employment and Earnings by WIA Program Type

% Working	N	Program Type		N	Median Earnings
76.6	6,340	Dislocated		6,340	\$6,394
74.7	3,894	Other ³		30,160	\$5,710
73.7	30,160	Adult		Total	48,732
72.1	48,732	Total		Other	3,894
61.3	8,338	Youth		Youth	8,338
					\$2,732

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 programs are those that are not specified Adult, Youth, or Dislocated, such as the Hurricane Katrina National Emergency Grant or the LEP Preparedness – Upper Rio Only program.

Not all WIA participants receive occupationally-specific vocational training. In fact, only 21.1 percent of WIA participants received such training. WIA participants receiving Vocational training services, unsurprisingly, had higher employment than those who did not receive training, 76.5 percent versus 70.8 percent (Table 4), 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. The Vocational training group had higher median earnings as well, with \$5,679. 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 4. Employment and Earnings by Training Category

% Working	N	Category		N	Median Earnings
76.5	10,304	Vocational Training		Vocational Training	\$5,679
72.1	48,732	Total		Total	\$5,182
70.8	38,428	No Training		No Training	\$5,015

Clearly there is strong correlation between education attained by clients prior to program entry and subsequent employment outcomes. Excluding those in the “No grade” category (participants did not provide data), participants with a baccalaureate degree (BA) and above had the highest employment at 81.7 percent, while those with more than a high school diploma at program entry had the second-highest employment percentage in the study with 77.9 percent (Table 5). Participants listed as entering the program with no grade completed had the highest median quarterly earnings over the period, \$12,706. Those with a BA and above had the second highest median earnings for the quarter with \$10,502. Those with more than high school were next on the earnings list with median earnings of \$6,746.

Table 5. Employment and Earnings by Education at Entry

% Working	N	Education at Entry		N	Median Earnings
86.4	1,989	No grade		No grade	\$12,706
81.7	2,716	BA and Above		BA and Above	\$10,502
77.9	11,094	More than HS		More than HS	\$6,746
72.1	48,732	Total		Total	\$5,182
69.6	29,920	High School/GED		High School/GED	\$4,356
56.7	3,013	Elementary/ESL		Elementary/ESL	\$2,900

Employment varied considerably across Local Workforce Development Area (LWDA) regions. The North Texas LWDA had the highest employment in the target quarter with 89.7 percent of participants employed (Table 6). Texoma LWDA was close behind with 87.9 percent employed. The Gulf Coast LWDA had 13,967 participants, the most of any LWDA, and had employment of 69.1 percent. Participants from the Texoma LWDA had the highest median quarterly earnings with \$11,624. Capital area LWDA was next with earnings of \$8,130. Permian Basin LWDA rounded out the top three with median quarterly earnings of \$7,316. Gulf Coast LWDA participants had median quarterly earnings of \$4,995.

Table 6. Employment and Earnings by LWDA

% Working	N	LWDA		N	Median Earnings	
89.7	369	North Texas		Texoma	423	\$11,624
87.9	423	Texoma		Capital Area	1,564	\$8,130
85.1	933	Deep East Texas		Permian Basin	242	\$7,316
79.5	653	Heart of Texas		Golden Crescent	571	\$6,976
79.1	115	Unknown		Brazos Valley	691	\$6,931
78.8	297	Panhandle		Dallas	4,231	\$6,815
78.5	1,564	Capital Area		North Central	2,372	\$6,776
78.2	691	Brazos Valley		North Texas	369	\$6,771
78.1	571	Golden Crescent		Southeast Texas	1,418	\$6,741
77.9	208	South Plains		Deep East Texas	933	\$6,676
77.6	474	East Texas		Unknown	115	\$6,547
76.8	1,418	Southeast Texas		Panhandle	297	\$6,245
76.7	249	Concho Valley		Rural Capital	467	\$6,085
76.5	467	Rural Capital		Heart of Texas	653	\$6,036
75.5	392	South Texas		South Texas	392	\$5,702
75.5	2,372	North Central		Tarrant County	2,376	\$5,264
74.9	590	Cameron County		South Plains	208	\$5,228
74.7	1,139	North East Texas		Total	48,732	\$5,182
74.2	4,231	Dallas		Coastal Bend	944	\$5,069
74.1	479	Middle Rio Grande		Gulf Coast	13,967	\$4,995
74.0	242	Permian Basin		East Texas	474	\$4,972
73.3	671	Central Texas		Concho Valley	249	\$4,965
72.5	2,819	Alamo		Alamo	2,819	\$4,862
72.1	48,732	Total		Central Texas	671	\$4,559
71.4	944	Coastal Bend		West Central	3,611	\$4,245
69.9	3,611	West Central		North East Texas	1,139	\$4,211
69.1	13,967	Gulf Coast		Upper Rio Grande	3,150	\$3,965
67.7	3,317	Lower Rio Grande Valley		Middle Rio Grande	479	\$3,806
67.5	3,150	Upper Rio Grande		Cameron County	590	\$3,783
66.4	2,376	Tarrant County		Lower Rio Grande Valley	3,317	\$3,393

Table 7 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 \$11,608, followed by Limited-Service Eating Places. Exiters working in the Offices of Physicians industry had the second-highest median earnings with \$5,763.

Table 7. Top 10 Industries of Employment by 4-digit NAICS Code

Industry of Employment	N Working	Median Earnings	NAICS Code
Employment Services	2,764	\$3,315	5613
General Medical and Surgical Hospitals	1,845	\$11,608	6221
Limited-Service Eating Places	1,510	\$1,954	7222
Elementary and Secondary Schools	1,149	\$4,578	6111
Home Health Care Services	952	\$2,655	6216
Full-Service Restaurants	842	\$2,273	7221
Nursing Care Facilities	839	\$4,684	6231
Other General Merchandise Stores	814	\$3,365	4529
Offices of Physicians	745	\$5,763	6211
Business Support Services	684	\$3,797	5614

Table 8 shows the Classification of Instructional Program (CIP) titles of the top 10 areas of enrollment for program participants who were found enrolled in postsecondary education during the fall semester of 2008. A large number of participants were found receiving instruction in the Nursing - Registered Nurse Training (RN, ASN, BSN, MSN) instructional area. General Studies was the second most common area of study, followed by Liberal Arts and Sciences/Liberal Studies.

Table 8. Top 10 Areas of Enrollment, by 6-digit CIP Code, for All Participants Enrolled in Postsecondary Education in the Fall Semester 2008

CIP Title	N
Nursing - Registered Nurse Training (RN, ASN, BSN, MSN)	509
General Studies	386
Liberal Arts and Sciences/Liberal Studies	305
Undeclared	174
Multi-/Interdisciplinary Studies, Other	161
Licensed Practical /Vocational Nurse Training (LPN, LVN, Cert, Diploma, AAS)	155
Business Administration and Management, General	137
Business/Commerce, General	106
Criminal Justice/Safety Studies	83
Nursing - Registered Nurse Training (RN, ASN, BSN, MSN)	509

Table 9 shows the ten postsecondary institutions with the largest number of program participants found enrolled in the fall semester of 2008. South Texas College had the largest number of exiters enrolled, followed by the El Paso Community College District. Houston Community College was the third most popular destination for program participants found enrolled in the fall semester of 2008.

Table 9. Top 10 Postsecondary Institutions with the Highest Number of Participants Enrolled in the Fall Semester 2008

Institution	N
South Texas College	265
El Paso Community College District	245
Houston Community College	198
University of Texas - Pan American	129
University of Texas at El Paso	102
Austin Community College	84
Angelina College	80
Texas Southern University	74
Texas State Technical College Harlingen	74
Cisco College	70

Appendix A

Table A1. WRIS Linkage Outcomes

% Working	N	State		N	Median Earnings
100.0	464	LA	LA	464	\$3,734
100.0	290	CA	CA	290	\$5,473
100.0	147	GA	GA	147	\$5,615
100.0	136	AR	AR	136	\$3,956
100.0	113	NM	NM	113	\$4,919
100.0	110	FL	FL	110	\$3,552
100.0	101	TN	TN	101	\$5,006
100.0	93	IL	IL	93	\$4,199
100.0	88	OK	OK	88	\$5,730
100.0	72	NC	NC	72	\$5,863
100.0	71	MN	MN	71	\$4,672
100.0	69	AZ	AZ	69	\$4,594
100.0	63	OH	OH	63	\$5,263
100.0	62	KS	KS	62	\$6,028
100.0	60	AL	AL	60	\$5,345
100.0	57	IN	IN	57	\$8,361
100.0	55	MO	MO	55	\$5,892
100.0	54	WA	WA	54	\$5,575
100.0	49	IA	IA	49	\$4,490
100.0	49	MS	MS	49	\$4,990
100.0	48	NE	NE	48	\$4,686
100.0	46	WI	WI	46	\$4,187
97.7	44	NV	NV	44	\$4,674
100.0	37	PA	PA	37	\$9,831
100.0	36	MI	MI	36	\$4,026
100.0	35	UT	UT	35	\$3,196
100.0	31	KY	KY	31	\$5,600
100.0	29	SC	SC	29	\$5,793
100.0	28	NY	NY	28	\$5,352
100.0	28	VA	VA	28	\$4,873
100.0	21	MD	MD	21	\$7,873
100.0	20	WY	WY	20	\$7,439
100.0	17	NJ	NJ	17	\$4,529
100.0	16	OR	OR	16	\$5,615

% Working	N	State		N	Median Earnings	
100.0	10	MA		MA	10	\$8,464
100.0	10	ND		ND	10	\$3,484
100.0	8	DE		DE	8	\$4,127
100.0	7	CT		CT	7	\$9,604
100.0	7	ID		ID	7	\$3,350
100.0	6	AK		AK	6	\$3,973
100.0	5	SD		SD	5	\$4,261
100.0	n/a	DC		DC	n/a	\$8,999
100.0	n/a	ME		ME	n/a	\$4,901
100.0	n/a	MT		MT	n/a	\$3,886
100.0	n/a	RI		RI	n/a	\$8,002
100.0	n/a	VT		VT	n/a	\$4,147
100.0	n/a	NH		NH	n/a	\$2,812
100.0	n/a	WV		WV	n/a	\$160
70.4	46,025	TX		TX	46,025	\$5,206
72.1	48,732	Total		Total	48,732	\$5,182

Note: Cells with values less than 5 are marked "n/a" to protect the privacy of cohort members.

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