

1-1-2010

Summary and Conclusions in **Solving the Reemployment Puzzle: From Research to Policy**

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Citation

Wandner, Stephen A. 2010. "Summary and Conclusions." In Wandner, Stephen A. *Solving the Reemployment Puzzle: From Research to Policy*. Kalamazoo, MI: W.E. Upjohn Institute for Employment Research, pp. 439-455.

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# 11

## Summary and Conclusions

This book has examined the impact that research has had on U.S. employment and training policy and programs over the past 25 years. It has identified employment programs that work and employment programs that do not work. Some programs that work have been pursued, but so have programs that have had little objective analysis. Sometimes policymakers wait for the results of research before acting, but often they make decisions without or despite research findings. At other times policymakers are totally uninterested in the research findings or, for political reasons, want to subvert and suppress them.

Over the past 25 years, there were two periods when interest in research was greatest at the Department of Labor (USDOL). In 1985–1987, Secretary of Labor Bill Brock sought ways to make American workers more competitive in the world economy and was willing to invest in research to find optimal approaches. Later, from 1993 to 1997, when Robert Reich was Secretary of Labor, the department took a particular interest in examining research findings and applying them to formulate public policy. By contrast, during the George W. Bush administration, when Elaine Chao was secretary of labor and Emily DeRocco was assistant secretary for employment and training, many research findings were ignored, misrepresented, and suppressed.

The intellectual framework for this book has been best stated by Bill Brock. (See Chapter 2.) Since the 1980s, Brock has believed that for U.S. workers to succeed in a global economy the government must invest in human development. Human development requires investments in training and education, as well as in what Brock calls “job transition assistance.” This book has looked both at job transition assistance and job training. Job transition assistance includes public labor exchange services, comprehensive job search assistance, unemployment insurance eligibility reviews, reemployment bonuses, self-employment assistance, and work sharing. All of these job transition interventions seek to help workers shift from unemployment to new jobs smoothly, quickly, and efficiently. Job training includes skill and occupational training provided in the classroom and on the job.

## RESEARCH USED OR MISUSED

For most of the past decade, employment research has been neglected. The USDOL's program of applied employment research withered, and existing research findings were not used to support public policy. Looking to the future, employment policy can and should be guided by research findings. While many knowledge gaps remain, much is known about what works and what does not work.

## PROGRAMS THAT WORK

Much of the analysis in this book has concentrated on program interventions for dislocated workers that were tested by the experiments and by policy-oriented research. Together, the research has revealed a number of programs and approaches that work.

### Comprehensive Job Search Assistance

The Worker Profiling and Reemployment Services (WPRS) system was based on the New Jersey Experiment and a number of other rigorous tests of the effectiveness of comprehensive job search assistance. The body of completed research reviewed in the USDOL (1995b) publication *What's Working (and what's not)* convinced researchers and policymakers that WPRS made sense and would be a cost-effective intervention.

An important component of WPRS was its early intervention approach. Unemployed workers would receive comprehensive job search assistance in the first few weeks of their job loss. Since the targeted workers were found to be likely to exhaust their entitlement to UI benefits, providing job search assistance services early offered the prospect of reducing the compensated unemployment of these workers so that WPRS would provide net benefits to the government sector.

Another key component of the WPRS system was its narrow targeting to a specific group of dislocated workers—those likely to exhaust their unemployment insurance (UI) benefits. Worker profiling became

an allocation and targeting device to get reemployment services to the unemployed workers who could make more effective and efficient use of the limited funding that was available.

Meyer (1995) recommended providing comprehensive job search assistance to a broader group of workers, rather than targeting the smaller group most likely to exhaust their UI entitlement. Worker profiling still would be used as an allocation tool because funding for job search assistance and other reemployment services is likely to remain limited. Annual funding for the reemployment services component of WPRS, however, has to be permanently maintained at or above levels provided for under the American Recovery and Reinvestment Act (ARRA) of 2009. The ARRA levels were higher than the level that existed from 2001 through 2005, before the Bush administration terminated WPRS in June 2006.

### **Self-Employment Assistance**

Self-Employment Assistance (SEA) was enacted on a temporary basis with solid preliminary empirical research from the interim evaluation report on the Massachusetts SEA Experiment (Benus et al. 1992). The SEA program follows the successful Massachusetts experiment design, which provided periodic self-employment payments, rather than the unsuccessful Washington State experiment design, which provided lump-sum payments. Uncertainty remained, however, about how the Massachusetts net impact and benefit-cost analyses would turn out. The final evaluation (Benus et al. 1995) provided strong research findings that the Massachusetts SEA Experiment was cost-effective, providing a sound basis for making SEA legislation permanent in 1998.

Self-Employment Assistance is a small but effective program in a small number of states. While similar programs serve considerably more workers in other major industrial nations, it is not clear that the SEA program will expand in the United States. The program will remain small unless a reliable source of entrepreneurial counseling and training is found to provide to workers participating in the SEA program. States with SEA programs frequently have no steady source of entrepreneurial counseling and training.

The Department of Labor currently has two entrepreneurship programs—1) the SEA program and 2) Workforce Investment Act (WIA)

entrepreneurial training. Historically, only small numbers of workers have been interested in starting their own businesses. The department could help workers create their own jobs and jobs for other workers who are hired by new small firms. The WIA entrepreneurial training program has failed because of the strange way in which it assesses program performance: the department searches for owner-operators of successful unincorporated microenterprises established by WIA trainees among those entering wage and salary employment in the UI wage records. Not surprisingly, these owner-operators can never be found by searching the UI wage records. Entrepreneurial training should be assessed by conducting surveys to determine if trainees become self-employed. The department should increase funding for WIA entrepreneurial training as well as create a partnership with the Small Business Administration so that department programs can work with the Small Business Development Centers—which provide entrepreneurial counseling and training—at the state and local level.

### **Targeted Reemployment Bonuses**

Four reemployment bonus experiments were conducted. The first experiment was conducted in the state of Illinois, and its results were hailed by economists when the results were published in the September 1987 *American Economic Review* (Spiegelman and Woodbury 1987). Reemployment bonuses received widespread support from many economists in 1987 but doubt grew as further research was conducted. Confidence by researchers had diminished sharply by 1994 when the Clinton administration proposed reemployment bonuses as part of the Reemployment Act of 1994.

The Clinton reemployment bonus proposal used the worker profiling targeting mechanism that was already being used by the WPRS system. The proposal consisted of a low-value bonus equal to four times the UI weekly benefit amount, or about \$1,000. The combination of worker profiling and a low-value bonus made reemployment bonuses more cost-effective, but research findings did not demonstrate its effectiveness.

In 2003, reemployment bonuses were proposed again by the Bush administration as a component of the Personal Reemployment Accounts (PRA) initiative. Unfortunately, the final design of PRAs was flawed

and was not based on the research findings; e.g., the reemployment bonuses were too large and were paid out too early. Political rather than research considerations had a strong influence on the final PRA design. Fortunately, that PRA design was not made a permanent component of federal law.

Stronger findings about targeting low-value bonuses only became available when a simulation analysis using the worker profiling mechanism was applied to the Washington State and Pennsylvania reemployment bonus experiment data (O’Leary, Decker, and Wandner 2005). This analysis suggested that limited offers of reemployment bonuses to dislocated UI claimants could be a cost-effective policy option. A reemployment bonus using this program design should be enacted.

### **Targeted Reemployment Services**

A variety of approaches to job transition assistance (or reemployment services) have been shown to be cost-effective. They include 1) comprehensive job search assistance (discussed above and not considered here); 2) the public labor exchange function; and 3) administration of the work test—i.e., enforcing work search requirements.

Jacobson and Petta (2000) found the public labor exchange to be cost-effective. Public labor exchanges administered by the state workforce agencies also have been shown to be more cost-effective than providing these services either privately or by public agencies other than the state Wagner-Peyser Act agencies. The department commissioned an evaluation to determine whether public, merit-staff labor exchanges administered by the state workforce agencies were more cost-effective than providing the services through private providers or public agencies other than the state workforce agencies. The evaluation findings indicated that the state workforce agencies performed far better than the private or public demonstration states (Jacobson et al. 2004). The evaluation findings should have resulted in retaining state labor exchange service providers and discontinuing the temporary demonstrations. The Bush administration elected, instead, to suppress the evaluation and recommend the elimination of the public employment service that provides labor exchange services. The department should reestablish the United States Employment Service, provide more funding for Employ-

ment Service–funded reemployment services, and terminate the temporary demonstrations.

Eligibility reviews of UI claimants to determine if they continue to be eligible for participation in the UI program are cost-effective. A variety of other work search measures are also cost-effective. Work search measures are particularly effective in speeding the return to work when combined with the provision of reemployment services (O’Leary 2006). The department should expand eligibility reviews in their current form of Reemployment and Eligibility Assessments and coordinate them with the provision of ES-provided reemployment services and training.

### **Targeted Longer-Term Training**

Generally, education and training programs are more cost-effective when they are either targeted longer-term classroom training or work-based learning programs, including on-the-job training and apprenticeship. Jacobson, LaLonde, and Sullivan (2002) examine the impact on dislocated workers who enrolled in community college courses. The study identifies “high return” classes that improved the annual earnings of participants. Participants experienced high economic returns from taking and completing courses that provided technical academic and vocational skills—including courses in health, engineering, math, and science. The study’s findings suggest that workers can greatly improve their economic returns to training by taking courses concentrated in the high-return classes. Other analyses also have shown that long-term education and training are key to having employment and earnings gains (USDOL 1995b).

## **PROGRAMS THAT DO NOT WORK OR ARE UNPROVEN**

The Bush administration proposed a number of workforce development legislative initiatives, none of which were enacted into federal law. Most of these proposals either flew in the face of research findings or were proposed without first being tested.

## **Workforce Development Program Consolidation**

The Bush administration's proposed approach of consolidating and block-granting employment and training programs was a bad idea. Specifically, it would have done three things: 1) eliminated the Employment Service (ES), 2) combined the WIA programs into a single program, and 3) block-granted the remaining consolidated program. None of these ideas would have worked separately, and they certainly would not have worked in combination.

First, eliminating the ES would have been contrary to a wide body of research. The ES is a highly cost-effective provider of inexpensive public labor exchange and other reemployment services. It has been shown to be more cost-effective than labor exchange services provided in three demonstration states (Jacobson and Petta 2000; Jacobson et al. 2004). The conclusion from evaluations of the ES is that it is cost-effective and should be retained. Similar program evaluations of other services provided by the ES—conducting UI eligibility reviews and providing reemployment services—also have proven them to be cost-effective (O'Leary 2006).

The logic of the Bush administration's WIA consolidation proposal depended on ignoring or suppressing studies that showed substantial state demand for public employment service programs. Each year states show their support of the ES by committing their own state funds to augment Wagner-Peyser Act grants to states. States also have committed a substantial portion of funds from the 2002 Reed Act distribution to supplementing Wagner-Peyser Act grants that they receive each year: 25 states spent \$438 million on ES administration (CESER 2004). A study of rural One-Stops has shown the key role played by the ES in rural areas, where few other agencies join the ES in affiliated One-Stops (Dunham et al. 2005).

The public employment service provides the vast majority of reemployment services under the WPRS system (Dickinson et al. 1999). Thus, the ES is key to the effectiveness of the WPRS system. Since comprehensive job search assistance provided through the WPRS system has been proven to be highly cost-effective, the reemployment services grants to states provided under WPRS, which were discontinued by the Bush administration in June 2006, should be continued at or above ARRA levels.

Second, evaluations of the WIA Adult and Dislocated Worker programs also show that the programs are effective. The findings warrant keeping these two programs as separate categorical programs. Instead, the results were either ignored or suppressed (Barnow and King 2005; Hollenbeck et al. 2005).

Finally, block grants—the method of providing federal employment services that was principally endorsed by the Bush administration—have tended to be a subterfuge for cutting and eliminating programs. The history of block grants reveals that their funding tends to be cut shortly after they are put in place. The programs that they support inevitably become less viable as funding levels are ratcheted down (GAO 1995).

### **Personal Reemployment Accounts**

Personal Reemployment Accounts were a bad idea. The PRAs' design combined training vouchers and reemployment bonuses. While training vouchers and reemployment bonuses can be effective if implemented separately, combining them should have been done with care. The Bush administration botched combining a reemployment bonus with a training voucher.

The Bush administration proposed PRA legislation in 2003. The legislative design ignored past research, combining a training grant that was not generous enough with a reemployment bonus grant that was too generous. The design had other flaws as well. I managed to obtain approval to have two analyses of PRAs done; these were conducted by O'Leary and Eberts (2004) and Decker and Perez-Johnson (2004). The studies pointed out the numerous program flaws and indicated that PRAs would not work. Nonetheless, the department proceeded both with a PRA legislative proposal and a PRA demonstration project. The legislation did not pass, and the demonstration did not work (Kirby et al. 2008).

### **Career Advancement Accounts**

In 2006, the Bush administration proposed Career Advancement Accounts (CAAs), a component of President Bush's larger "Ownership Society" initiative. Since this was a big new initiative without

new funding, the administration carved most of the funding for CAAs out of WIA programs. The money for CAAs would have been made available to workers through training accounts that each worker would “own.” CAAs were training vouchers offered in the amount of \$3,000 for one year and would have been available in the same amount for a second year. The department recommended offering CAAs over the Internet, since the proposed administrative funding for the program was minuscule.

Career Advancement Accounts would have required closing most of the One-Stop Career Centers. CAAs would have received 75 percent of the state workforce development grants—both WIA and Wagner-Peyser Act state grants—and an additional 3 percent of these grants would have been made available for CAA administration. The remaining 22 percent would not have been enough to keep many One-Stops open, since state funding levels would have been reduced to barely over one-fifth of their former levels. If CAAs had been enacted, a massive closure of the One-Stops would have occurred.

The CAA proposal ignored and misread, perhaps purposefully, the research findings on training. The marketing of CAAs broadcast that they were following the “free choice” model for training vouchers, and that this model did not require any counseling, suggesting that having training vouchers on demand was a viable model. In fact, the Individual Training Account Experiment process evaluation found that, under the free choice voucher model, unemployed workers actually received a significant amount of counseling—an average of five hours—before they were offered a training voucher (McConnell et al. 2006). The CAA proposal also ignored evaluations showing the limited effectiveness of short-term, untargeted, inexpensive public job training. Finally, the CAA proposal did not propose a rational mechanism for allocating funds for the training vouchers despite the fact that the demand for training vouchers would have greatly exceeded the federal funding.

### **Wage Supplements**

Over the past 25 years, wage supplements (sometimes known as “wage insurance”) have been proposed mostly by Brookings Institution staff as an income transfer to respond to the wage loss of experienced dislocated workers (Baily, Burtless, and Litan 1993; Brainard 2007;

Burtless 2007; Burtless et al. 1998; Lawrence et al. 1984; Lawrence and Litan 1986). Wage supplement proposals provide temporary, partial wage supplementation to dislocated workers who lose their jobs due to either a domestic or an international dislocation. Under most proposals, affected workers usually receive up to half of their lost wages based on their predislocation wage, usually for a period of up to two years. The maximum annual supplementation is usually between \$5,000 and \$10,000 per year.

Wage supplements have generally been proposed as a complement to UI, not as a substitute. Under these proposals, the UI program would continue to protect workers from wage loss while they remain unemployed, while wage supplements would continue to protect workers from wage loss after they become reemployed. In both cases, the UI and wage supplement programs represent partial, temporary wage replacement.

The Alternative Trade Adjustment Assistance (ATAA) program is a small wage supplement program that has been part of the Trade Adjustment Assistance (TAA) programs since 2002. The ATAA program has been very small, and it has not been evaluated.

However, a random assignment experiment tested wage supplements in Canada in the 1990s. The results were not conclusive, and the design of the program was not applicable to the United States because of Canada's very different institutional environment (Bloom et al. 1999). It is not clear whether wage supplements would work in the United States, and, if so, what would be their optimal design. Before the United States expands wage supplements, the supplements should be tested using rigorous experimental methods to determine how American workers would respond behaviorally to wage supplement offers.

### **Untargeted, Short-Term Training**

Research findings suggest that short-term, low-cost training is cost-effective for adult women, but generally not for anyone else. There is little evidence that it works for adult men or for dislocated workers. Short-term training seems to be particularly ineffective for youth. These research findings derive from the U.S. experience, but they have been replicated in the other industrial nations (LaLonde 1995; Martin and Grubb 2001; USDOL 1995b, pp. 58–59).

Training tends to be more cost-effective when it is long-term and targeted to high-return courses. Nevertheless, most department-sponsored training has concentrated on short-term training that is not necessarily targeted to high-return course work. Training must be rethought and tested through a variety of demonstration projects. Based on current research, it appears that training is likely to be more effective if it is provided more intensively over a longer period of time. Such training is not likely to be viable unless it provides stipends to workers that allow trainees to complete training. Alternatives to classroom training with stipends are programs that allow workers to earn a living while they are trained. The most promising options are expanded apprenticeship and on-the-job training.

## **IMPROVING EXISTING PROGRAMS**

A great deal could be done to improve existing employment programs. Some programs have not been implemented as intended. Other programs are underfunded or need new participation incentives. Still others need to find more effective and efficient designs.

### **Worker Profiling and Reemployment Services**

WPRS consists of two components: 1) a statistical worker profiling model and 2) a menu of reemployment services. While efforts to retain, improve, and update worker profiling models continued in the 2000s, the provision of a reemployment services component was neglected and then abandoned. Unfortunately, WPRS systems cannot function properly without the widespread availability of reemployment services. “Reemployment services” became a prohibited phrase at the Employment and Training Administration (ETA) for much of the Bush administration. Policy emphasis focused solely on training, to the neglect of all employment services. Indeed, the special funding for WPRS in the form of Reemployment Services Grants was terminated in June 2006.

Restoring the WPRS system to functionality requires reinvigorated support for the provision of reemployment services and the institutions that provide them. The primary funding for reemployment services

should be provided to the ES in the form of permanently reestablished Reemployment Services Grants to the states.

### **Self-Employment Assistance**

Self-Employment Assistance currently is available in seven states. Where it exists, the program is small—mainly because of the limited funding for entrepreneurial training. The SEA program is mistakenly seen as a UI program because its authorizing legislation is contained in the UI section of the Social Security Act. The program is more accurately viewed as a workforce development program under which workers can create a job for themselves and, possibly, for other workers.

No stable source of funding for entrepreneurial counseling and training exists in most states. Funding for training should be provided by the Workforce Investment Act and Small Business Administration (SBA) programs. The department should work with the SBA to gain the cooperation of the SBA's microenterprise program to provide counseling and training to SEA participants. The department should also ensure that its WIA Dislocated Worker Program participates in SEA.

### **Work Sharing**

The current work sharing program suffers from two problems. These problems have potential solutions. First, the department has interpreted the 1992 federal legislation as technically deficient because it did not explicitly give the department the ability to expand the scope of work sharing beyond the five provisions specified in the federal statute. This issue can be addressed either by a federal statutory amendment or by a more expansive interpretation of the law by the secretary. The department also should provide the states with technical assistance and encourage states to adopt and use the work sharing programs, especially in recessionary times.

Second, the federal government should encourage businesses to use work sharing, particularly during recessions, by providing incentives for firms to participate. The federal government could greatly increase participation if the cost of work sharing benefits were borne by the Federal Unemployment Tax Act (FUTA)-governed account—instead of by the individual state accounts—in the Unemployment Trust Fund. Firms

also would be freed from paying the cost of work sharing (i.e., benefits would not be charged to employers' UI accounts), and work sharing would be treated as if it were a part of the extended benefit program rather than the basic regular UI programs. The change is warranted for work sharing programs, particularly during recessionary periods.

### **Job Training**

Public training programs in the United States have relied on short-term training, which generally does not work. While short-term training helps to employ adult women, it has not worked well for men and youth. It is time to shift attention to longer-term training for some, particularly making use of community colleges and four-year colleges.

Nonetheless, a large-scale effort should be taken to determine how public job training can be improved and expanded. There is a lack of information about what works. A great deal of additional research must be conducted before the most cost-effective forms of training emerge and a consensus develops about what works. The key to finding more cost-effective training programs is conducting a series of large-scale demonstrations and evaluations of various approaches to training. Given that much public job training is general, untargeted, and short-term, these program characteristics should be reexamined and variations should be tested. Demonstrations should examine particular types of training (e.g., on-the-job training, apprenticeship, customized, classroom), targeting of training (e.g., high-return training courses, training by type of provider), and longer-term and more concentrated training.

## **TARGETING EMPLOYMENT SERVICES**

Targeting employment services to those workers who can most benefit from them is important both as an allocation tool and as a way to increase the cost-effectiveness of employment services. The recent acute shortage of funding for employment services calls out for a more rational method of allocating services among the many individuals who seek services from the workforce development One-Stop centers.

Targeting is also a key tool for increasing the cost-effectiveness of reemployment services in general. Targeting in the form of worker profiling has been developed for use in operating the WPRS system as well as the SEA programs. Worker profiling also would be available for use by a reemployment bonus program if federal legislation were enacted to permit the operation of such a program.

Targeting has been shown to make various treatments more cost-effective, including comprehensive job search assistance, self-employment assistance, and reemployment bonuses. More recently, targeting methods have been used for a number of programs such as Temporary Assistance for Needy Families (TANF), welfare-to-work, and training and education programs (Eberts, O'Leary, and Wandner 2002). Better uses of targeting methods can improve the effectiveness of existing programs. Targeting also should be considered for use by other employment and training programs.

Targeting can be applied more comprehensively to provide a broad array of employment services, including job matching, provision of labor market information, and selection of cost-effective employment services. The Frontline Decision Support System (FDSS) was tested as a demonstration in Georgia to provide decision support to unemployed workers in the provision of reemployment services. The FDSS incorporated a comprehensive approach to targeting reemployment services for workforce development programs at local One-Stops. The FDSS systematically helped dislocated workers return to work by matching them with job openings, by helping them search for work, and by referring them to targeted, cost-effective reemployment services (Eberts and O'Leary 2002). The public workforce system requires a substantial increase in funding. Targeting is not a substitute for more funding, but it can make the limited funds more cost-effective.

## **FUNDING**

The responsibilities of the workforce development system have greatly expanded since the mid-1990s. The implementation of One-Stop Career Centers provided for the availability of core services to all workers whether they were unemployed, employed, or not participat-

ing in the labor force. The demand for reemployment services also has grown as the problem of worker dislocation has spread. Researchers and policymakers have increasingly understood that American workers must improve their skills to compete in a global economy. Yet new programs, such as WPRS, and new systems, such as the One-Stop Career Centers, have been created but have not been reasonably funded. Moreover, while federal funding has declined in monetary terms, it has declined even more sharply in real terms. (See Table 6.1.) To provide the services to American workers that Congress has deemed critical, the federal workforce system must have a sustained increase in funding.

## **THE NEED FOR MORE RESEARCH**

A book on the impact of research on employment and training policy cannot possibly end without a call for more rigorous research and evaluation. After a period of profound neglect, research on getting America's workers back to work is especially needed. The new research should be applied research that aims at helping to improve American human resources. Once again, public policymakers should pay attention to the research findings.

As Bill Brock told me, the success of the U.S. economy depends upon its workers, and the federal government must do a great deal more to improve human development, including education, training, and transition assistance.<sup>1</sup> Training and transition assistance come, in part, from USDOL-funded programs, and these programs must be updated and improved. Research, demonstrations, and evaluations can ensure that the states and localities administering these programs have the information about what works and what does not. For program administration to be effective, however, the federal government must release the research results, provide technical assistance, encourage states to carefully consider the research findings, and then make use of the findings to guide its own public policy and programs.

The research capacity of the ETA was sharply reduced during the Bush administration. Secretary Chao, Assistant Secretary DeRocco, and her deputy, Mason Bishop, systematically starved a structure that

had been built over half a century. It will not be easy to revive and reinvigorate it. But it needs to be done.

Research needs to be conducted to better understand workforce development programs: how they work, whom they serve, and what the short- and long-term impacts of the programs are on individuals and their families.

Employment programs will work better if they are guided by evaluations that are conducted frequently and at regular intervals, e.g., every five years, using administrative data and quasiexperimental methods. Random assignment evaluations should be used, but only for large, nonentitlement programs, such as the WIA and Job Corps programs. Smaller programs should have more modest evaluations and should use more modest methods (Balducchi and Wandner 2009).

Demonstrations should be widely used to look for new, modified, and improved programs, and they should be used for the major populations that are served by the department and other federal agencies, including disadvantaged adults and youth, dislocated workers, and UI recipients. Large demonstration projects should use random assignment methods so that the findings are convincing when they identify cost-effective treatments. Some demonstrations that are needed include the following: wage supplements; employment bonuses for low-wage workers; various types of training (by training type, training duration, and types of training courses); and employment and retention services for former TANF recipients, prisoners reentering the labor force, and other low-wage workers.

Other, more qualitative research is needed as well. Since training is provided by many federal and state agencies other than those sponsored by the USDOL (Mikelson and Nightingale 2005), the relationship of these training programs to department-sponsored programs should be studied closely. The department should pay particular attention to customized training, which is funded by an offset against state UI taxes in some states (Duscha and Graves 1999, 2007). Research is also needed on the close relationship between job training and education programs, as well as on institutions such as community colleges, which provide both education and workforce training in one place.

The central message of this book is that employment, unemployment, and training programs are too important to be the product of weak data, poor analysis, and callous marketing. Research and analysis

should be carefully designed and used to determine what works and what does not. This analysis should be the basis for federal and state policy. Policy should follow good research—and, one hopes, good policy is good politics.

The Department of Labor should provide the major funding for employment and training research. The department should provide technical assistance to the states for the twin purposes of 1) assuring that they have the best information for use in designing, implementing, and refining programs that will help all workers have an opportunity to achieve the American Dream, and 2) serving American workers and their employers, who are, after all, the key to the economic success of the U.S. economy.

The Great Recession has presented many public policy challenges to the United States, particularly given the prospects of a weak and slow job recovery. Workforce public policy will be particularly critical during a period of labor market weakness. Workforce policy must be guided by solid research and evaluation, and new research and evaluations should be conducted to help shape public policy in the years to come.

### **Note**

1. William Brock, telephone interview with the author, October 24, 2008.