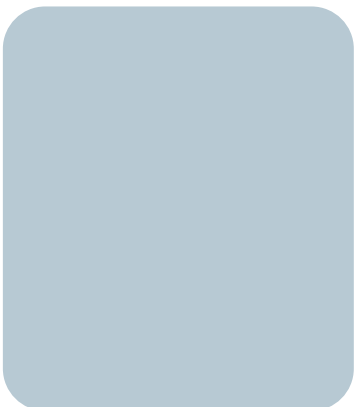


Bridging the Opportunity Divide for Low- Income Youth: Implementation and Early Impacts of the Year Up Program

Executive Summary

May 2018

OPRE Report #2018-65



PACE
Pathways for Advancing
Careers and Education

Bridging the Opportunity Divide for Low-Income Youth: Implementation and Early Impacts of the Year Up Program Pathways for Advancing Careers and Education (PACE)

OPRE Report #2018-65

May 2018

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Executive Summary

As opportunities for college graduates have grown in recent decades, prospects for young adults without postsecondary credentials have steadily worsened. With few chances at well-paying jobs, many give up on school and withdraw from the labor force. Short spells of withdrawal often lead to long-term disconnection and life-long disadvantages. The societal costs are high: lack of opportunity is associated with higher rates of crime, substance abuse, health problems, single parenting, and economic dependency. Tax revenues are diminished, and employers are deprived of millions of workers needed to close skills gaps in growing industries.¹

This report provides encouraging evidence on the implementation and early impacts of Year Up—a national sectoral training program for urban young adults aged 18-24 with a high school diploma or equivalent. Operated by an organization of the same name, Year Up provides six months of full-time customized training in the IT and financial service sectors followed by six-month internships at major firms. The full-time program provides extensive supports—including weekly stipends—and puts a heavy emphasis on professional, as well as technical, skills. Employer payments to Year Up for interns financed 59 percent of the program’s \$28,290 per participant cost. The program grew rapidly following its inception in Boston in 2000, increasing both in the number and size of local offices. During the study period—2013-2014—Year Up served over 3,500 young adults in eight metropolitan areas.

Year Up is one of nine programs Abt Associates is evaluating in the federally sponsored Pathways for Advancing Careers and Education (PACE) evaluation. Each of the nine evaluations includes implementation and impact studies. For the Year Up study, the evaluation team randomly assigned 2,544 young adults to treatment (1,669) and control (875) groups. This report covers the program’s implementation and early impacts, with follow-up centering on 1.5 years and extending to 3 years for some outcomes. Future reports will examine program impacts for up to 6 years after program entry and include analyses of the program’s costs and benefits.

Findings show that Year Up implemented its program with high fidelity to its design and substantially increased the training, support, and employment services young adults received. It had a large positive impact on the confirmatory outcome selected for this report—average quarterly earnings in the sixth and seventh quarters after random assignment. Average quarterly earnings were \$1,895 higher for the treatment group (\$5,454) than for the control group (\$3,559)—a 53 percent impact. Impacts diminished but remained large (about 40 percent) over the following year. As documented briefly in this summary and at more length in Chapter 1, these earnings impacts are the largest reported to date for workforce programs tested using a randomized controlled trial (RCT) design.

¹ See Chapter 1 for literature review and citations.

Program Overview

Gerald Chertavian founded Year Up in 2000 to serve economically disadvantaged urban young adults ages 18 to 24.² The program targets young adults with a high school diploma or equivalent who are motivated and who, with assistance, can overcome challenges and successfully enter careers in fast-growing technical occupations. Year Up and other advocates have labeled this population “Opportunity Youth” to emphasize the positive contributions they could make, given effective interventions.

Year Up’s original model—which it calls the “core program”—is a free-standing program operating in eight urban areas: Atlanta, Boston, Chicago, New York, Providence, the San Francisco-San Jose Bay Area, Seattle, and Washington DC. Abt Associates is evaluating the core program in all eight locations for PACE.³

The program teaches students high demand technical and professional skills, connects them with employers, and provides college credits via agreements with local college partners. A national team headquartered in Boston provides operations assistance (e.g., human resources, marketing, and accounting); facilitates cross-site knowledge building; and provides oversight and troubleshooting of local implementation.

Payments from employers for interns cover 59 percent of Year Up’s costs. Nearly all of the balance (39 percent) of revenue comes from foundations and other private-sector donors, and only two percent is from public agencies.

Recruiting from the general community, the program enrolls participants twice (in March and September) each year. During the first six months of the program—the “Learning and Development (L&D) Phase”—students attend courses at Year Up full-time. Training addresses both occupation-specific and general skills. The focus of technical training varies by office and cohort. Fields include information technology (IT, the most common emphasis), business operations, financial operations, software development, and sales and customer support. General skills courses focus on professional and business communications skills. Students gain experience in writing, giving presentations, interacting with clients and colleagues, and developing critical thinking skills. Year Up sites work with local partner colleges so that students can earn college credit for their participation in Year Up.

“Year Up provides a very consistent structure. ... [I]t’s not loose. You know what to expect: [the hours are] 8:30-3:30, your stipend is this, and [there is] a particular routine. Some of our young people are coming from environments where there was never a routine: you could show up at high school or not show up, do whatever you want to do. But Year Up creates a culture similar to the culture we are trying to have them assimilate in.”

—Year Up staff member

² See Chertavian (2012) on Year Up’s founding and development.

³ Since launching the PACE evaluation, Year Up also has launched pilots of an adaptation of the core program for college settings—the Professional Training Corps (PTC)—aimed at reducing costs and enhancing scalability. Abt Associates is collaborating with researchers at the University of Pennsylvania and Year Up on a separate evaluation of PTC.

Year Up’s “high support, high expectations” model provides extensive services and sets high standards for professional behavior. Each incoming cohort of young adults is organized into groups of about 40 students and staff called “learning communities” to foster supportive social connections. All participants receive advising from Year Up staff members, and every staff member is expected to serve as a student advisor/coach in addition to other duties. Participants also receive mentoring from outside professionals working in related occupations. Each local office maintains a team of social workers who provide direct services and referrals to help students address varied life challenges. Students receive weekly stipends (typically \$150 during the first half and \$220 during the second half of the program) to help cover transportation and other program-related expenses. Students sign a formal contract specifying standards for professional behavior. Infractions trigger stipend reductions and can lead to dismissal from the program. The program teaches techniques for constructively giving and receiving feedback. It hones these skills in “Friday feedback” sessions and encourages practice throughout the week.

“The main thing was that I could be part of something, not so alone. [It] gave me the sense I could be part of something again....”

—Year Up participant

In the second half of the year—the “Internship Phase”—students intern at local firms, often Fortune 500 companies. Students work at their internship sites full-time for four-and-a-half days a week. Students return to Year Up each week for a half-day skills workshop during which they share their internship experiences and plan for education and careers after graduation from the program. Towards the end of internships, the emphasis on job search and placement intensifies. Active efforts to support job search and placement continue for up to four months after graduation.

“[My internship] is exciting—I like it. I’ve learned a lot. ... I hardly knew about SharePoint. Right now, I could say I’m the go-to gal. My manager, she’s pretty impressed that I caught on so quickly. I’ve been practicing every day. If [my manager] wants to change something, I have to figure it out. I’ll just Google it and do it.”

—Year Up participant

Evaluation Design

To implement the impact study’s random assignment design, staff in Year Up’s eight⁴ core offices recruited, screened, and randomly assigned a total of 2,544 young adults to treatment (1,669) and control (875) groups at a 2:1 ratio in 2013-2014. The design generated a treatment group sufficient to fill all seats in each office over two recruiting cycles.

Year Up staff actively engaged treatment group members to encourage follow-through on enrollment, and virtually all (96 percent) did enroll. Control group members were subject to a three-year embargo on Year Up participation but could receive other training and supports in the community. An analysis of baseline data shows that the treatment and control groups were statistically indistinguishable on an array of demographic, economic, and psycho-social characteristics (e.g., motivation, self-confidence, and social support). The career pathways

⁴ Although Year Up has two offices in the Northern California Bay Area—in San Francisco and San Jose—key operations are jointly administered, and the program typically groups the two offices as a single location in performance measures.

framework developed for PACE (Fein 2012) and Year Up's theory of change guided the evaluation team in selecting key research questions and outcome variables.

The impact study draws on three data sources: (1) employer-reported Unemployment Insurance wage data maintained in the federal National Directory of New Hires (NDNH), (2) college enrollment records from the National Student Clearinghouse (NSC), and (3) an 18-month follow-up survey. Survey response rates were 78 and 73 percent for treatment and control group members, respectively.

For the implementation study, the PACE team conducted interviews and observations at four local Year Up offices and at the program's national office in Boston. Fieldwork also included in-depth interviews with 19 treatment and 13 control group members and with employer and college partners. Quantitative analyses of implementation draw on extracts from Year Up's management information system, a survey of local Year Up staff, and the 18-month follow-up survey.

Implementation Findings

Results from field research and quantitative analyses of program data show that the eight local Year Up offices fully implemented all program components and generated strong results on a series of implementation indicators. This is a substantial achievement given the number and complexity of program elements, varying local environments, and the need for tight coordination across many services.

- *Year Up achieved high levels on measures of implementation for recruitment, retention, internships, revenue, and post-program employment. It earned high praise from employers.*

All offices met the study's requirement for expanding recruitment by 50 percent for PACE. They did so while maintaining applicant quality, admitting only one in six applicants as in the past. Nearly all (96 percent) treatment group members actually enrolled in training (Exhibit ES-1). Retention was high: 75 percent of the treatment group (78 percent of those enrolling) completed the program. Staff diligently enforced Year Up's contract: 96 percent of enrollees received at least one infraction, and 45 percent received 10 or more infractions.

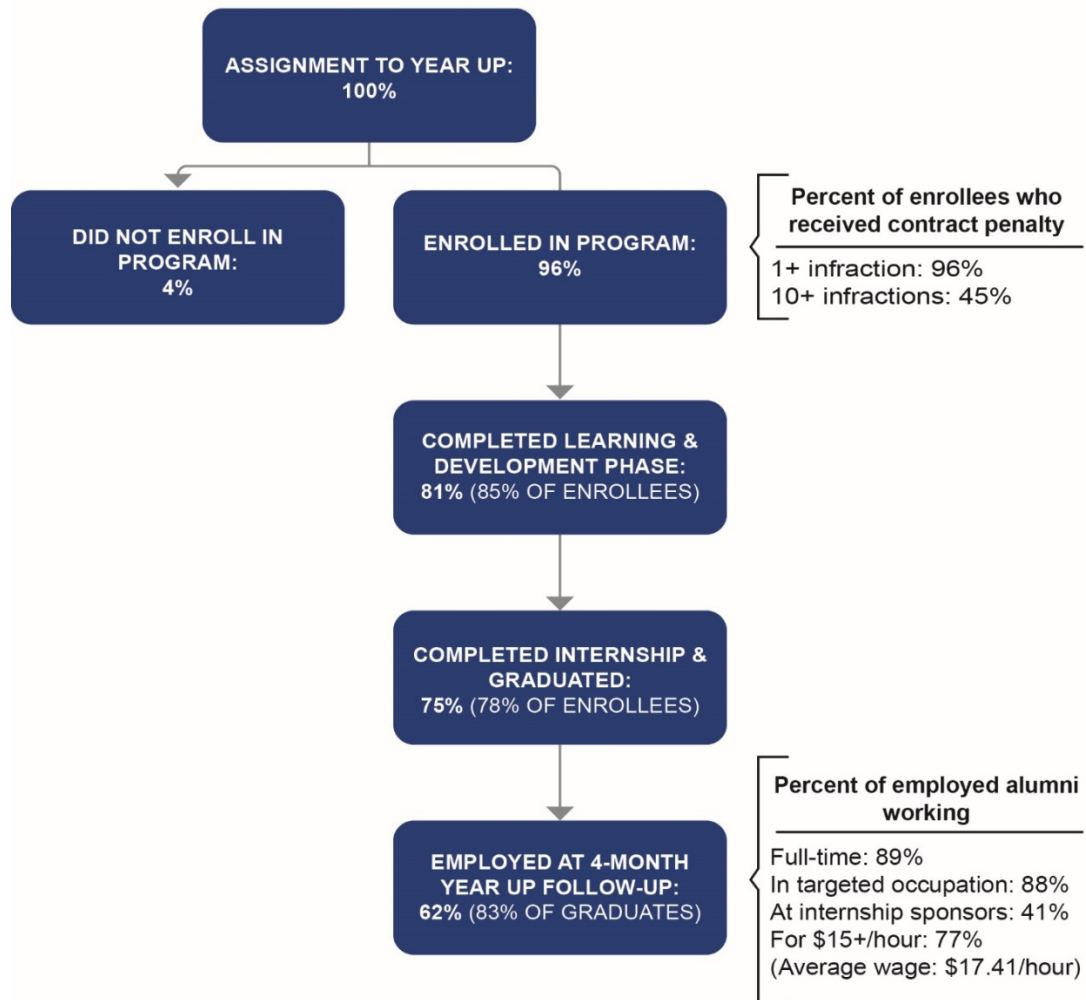
The program placed 99 percent of L&D completers in internships and generated \$22,404 in revenue from employers for the average intern. Averaged across all participants (including those dropping out before internships), this revenue financed 59 percent of the program's \$28,290 per participant cost. Foundations and private donors provided the vast majority of the balance, and only two percent of operating funds came from public agencies.

"I like [the contract]. I think it holds every student accountable. If they didn't have it, everybody'd be doing what they wanted. I don't think that would be fair. Now that we're on internship, we're dressed professional because of Year Up ... not using slang, getting to work on time, actually turning our work in on time too."

—Year Up participant

Four months after graduation, 83 percent of graduates were employed. Of those working, 89 percent were employed full-time, 88 percent were in an occupation relevant to their Year Up's training, 41 percent had jobs with their internship sponsors, and 77 percent were earning \$15 per hour or more.

Exhibit ES-1: Progress through Year Up by Treatment Group Members



Employers' perceptions of Year Up interns were highly favorable. Several employers noted that experience with Year Up interns had led them to revamp career pathways in skilled technical occupations to create new career entry points at lower levels. One large firm heavily re-oriented its entry-level hiring practices to recruit sub-baccalaureate-level interns. For another, creating assignments for interns stimulated the realization that a substantial layer of tasks currently handled by mid-level employees could be performed by Year Up graduates.

"[At Year Up] they get all the right skills ... especially customer service and professionalism. ... Year Up interns hold their own and get hired over the stereotypical college graduate from a stable home. Those [college] kids don't know how to interact with a manager. They don't know how to make small talk in an elevator or with a director. They don't know how to write a professional email that doesn't use text abbreviations, but the Year Up interns do."

"The Year Up kids ran circles around the 45-year-old professionals. They did everything we asked them to. They did it with a smile. They did it confidently."

"They're eager and excited. They want to learn and engage. It helps with our employees as well, keeping up the morale."

—Internship employers

- *Treatment group members reported experiencing promising instructional practices more often at Year Up than control group members experienced at other training providers.*

Virtually all treatment group members participated in Year Up, and over half of control group members received education and training from other providers—mostly community colleges. In the 18-month survey, treatment group members were more likely than control group members who pursued training elsewhere to say that the instruction they received included practices seen as promising in the workforce field. As shown in Exhibit ES-2, Year Up participants were more likely to say that their classes mostly involved project- and group-based work and less likely to say that classes mostly involved lectures. The former also were more likely than the latter to indicate that their classes stressed active learning methods (e.g., discussion and projects), and that classes were relevant to important life pursuits. More students in the treatment group reported taking courses specifically focused on life skills than did students in the control group.

"There's more interaction than lecture. You can talk more, be more communicative ... it's easier interacting with other students. I [also liked] that it was more hands on."

—Year Up participant

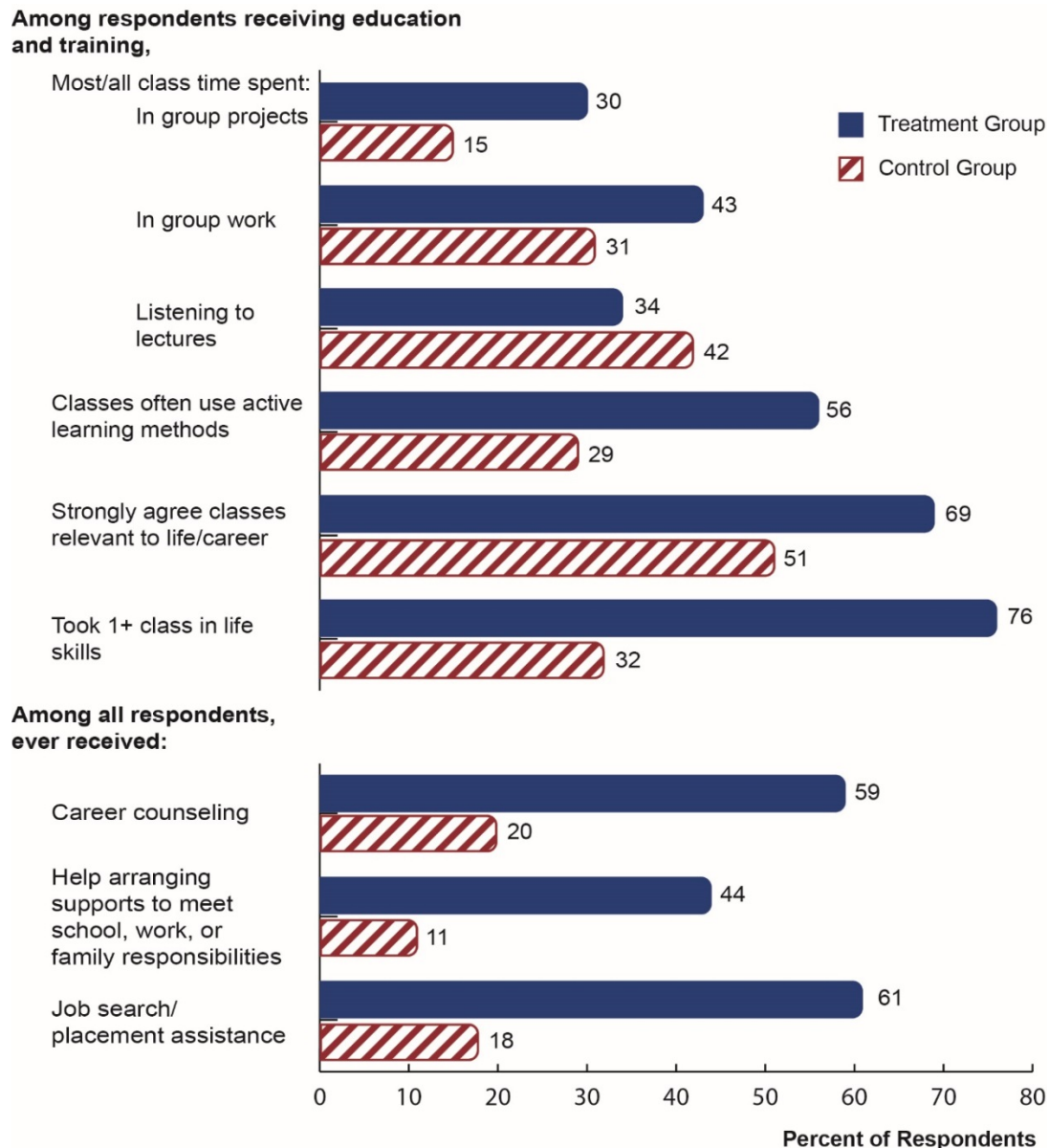
More treatment than control group students said they received supports while in education and training. Year Up students were nine percentage points more likely than control group students to receive academic advising, 18 percentage points more likely to receive tutoring, and nine percentage points more likely to receive financial aid advising (not shown in exhibit). Year Up participants were 13 percentage points more likely to cite receipt of grants or scholarships and 22 percentage points less likely to take out loans than control group members at other schools.

- *Year Up increased receipt of key career supports.*

The 18-month follow-up survey also measured receipt of selected services from any source for all sample members, including those not enrolling in school. The bottom panel in Exhibit ES-2 summarizes these impacts. Year Up increased the likelihood of receiving career counseling by

39 percentage points; supports for meeting school, work, or family responsibilities by 33 points; and job search and placement assistance by 43 points.

Exhibit ES-2: Education and Training Experiences and Receipt of Supports after Random Assignment



SOURCE: PACE 18-month follow-up survey.

NOTES: All treatment-control differences are statistically significant at the 1-percent level (two-tailed tests). Statistics in the top panel apply to the subset of survey respondents attending education and training since random assignment (1,035 treatment, 367 control) and are not regression-adjusted. Statistics in the bottom panel apply to the full survey sample (1,301 treatment, 638 control) and are regression-adjusted.

- *Year Up’s national team used varied strategies to maintain fidelity to the program model following a period of rapid growth.*

The PACE years (2013–2014) followed a period of rapid growth in the number and size of local Year Up offices (see Fein 2016a). This growth brought increased variation in local approaches to key program strategies. It was not always easy for program leaders to distinguish positive adaptations to local conditions from less productive departures from the program model. Rapid growth also heightened the challenge of knitting together increasingly specialized staff members.

One strategy Year Up’s leaders used to maintain model fidelity was promoting alignment on the program’s mission—closing the “Opportunity Divide” for urban young adults. They fostered such alignment through continuous engagement with staff, participants, and other stakeholders (e.g., employers, college partners, and funders) in discussions of the program’s core values (see box).

Year Up’s Core Values

- Respect and value others
- Build trust, be honest
- Engage and embrace diversity
- Be accountable
- Strive to learn
- Work hard and have fun

Fieldwork conducted during the PACE study found many instances of staff and students consciously trying to connect these values to their daily activities. For example, “strive to learn” is one core Year Up value. Intentional efforts to apply this value led students to take responsibility for their studies, local staff to put energy into improving services, national staff to create program-wide mechanisms for continuous improvement, and all to give and accept constructive feedback.

Another salient facet of Year Up’s culture is the unusual degree to which business values, language, and tools are incorporated throughout the program.

Leaders also used the program’s performance measurement system—FM-RADIO—to promote alignment on common goals across different offices and a diverse staff.⁵ This tool provided a way to monitor and troubleshoot varying approaches to services while encouraging innovative adaptation to local conditions. Its measures of multiple outcomes also helped to promote awareness of the relationships between work performed by different staff specialties—highlighting, for example, the connections between admissions screening, L&D retention, and internship revenue.

“One thing that I really, really like about Year Up is the way they do feedback. ... I have never had feedback that way. They focus on your strengths and commend you for what you did right and your strong points. Then they say, ‘With that in mind, I would encourage you to do this.’ See? So it’s not saying, ‘But you do this all wrong.’ They say it in a way that’s going to encourage somebody to keep that growth area in mind. I like that a lot.”

—Year Up participant

Another integrative element of Year Up’s culture is its deliberate cultivation of a strong business ethos. Fieldwork for PACE found pervasive evidence of such an ethos—as exemplified

⁵ The FM-RADIO dashboard tracks outcomes for local offices on key indicators for: Financial Management (revenue covers costs), Retention, Admissions (recruitment), Development (fundraising), Internship sales, and positive Outcomes. During PACE, for example, local offices had to meet a 75-percent overall retention standard, secure internships for all L&D completers, and ensure that 85 percent of graduates were working full-time in Year Up target occupations for at least \$15/hour and/or enrolled in post-secondary education at the four-month post-graduation time point.

in the energetic, entrepreneurial approach of its staff and the infusion of business language, concepts and tools throughout daily activities. Interviews with students, staff, and employers suggested that this aspect of the culture helps to motivate students to work hard and connect well with Year Up's employer partners.

Finally, national leaders took steps to promote consistency by standardizing some services and shifting authority to the national level. The 2013–2014 period brought initiatives to standardize key admissions processes, centralize curriculum planning, and foster a “customer solutions” approach to corporate relations aimed at expanding the number of interns large employers were willing to host.

Year Up's Early Impacts

This section summarizes Year Up's early impacts on earnings, employment, and postsecondary education. It also discusses findings on impacts for subgroups and local Year Up offices. The analysis estimates impacts for each outcome by calculating the difference between average values in the treatment and control groups.

- *Year Up generated a large, statistically significant increase in average earnings in the sixth and seventh quarters following random assignment (the confirmatory outcome).*

The study's confirmatory hypothesis was that Year Up would increase quarterly earnings averaged across the sixth and seventh quarters after random assignment. The evaluation team chose this period to confirm short-term success because these quarters immediately follow Year Up's four-month post-graduation employment services. Measures of average earnings include sample members who did not work (and thus had zero earnings) during each quarter.

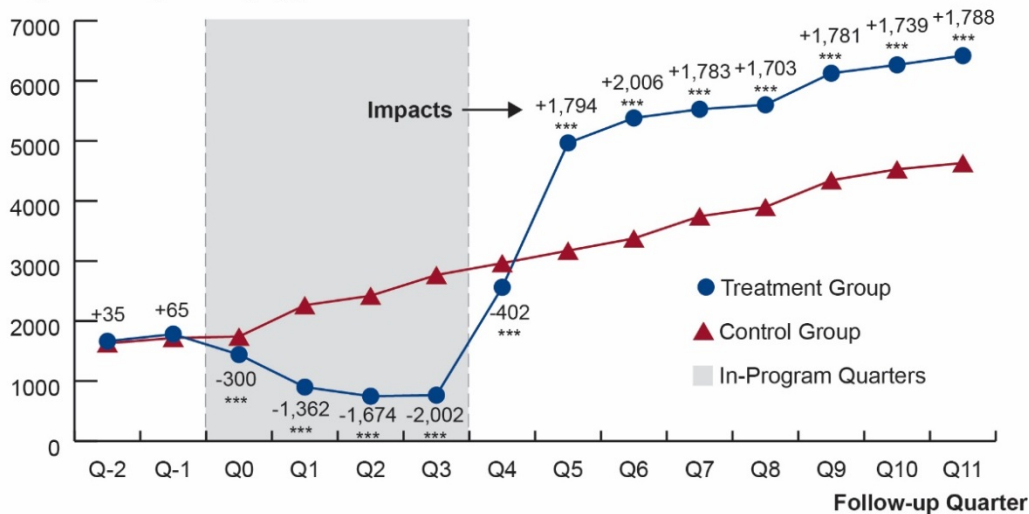
Year Up produced a statistically significant \$1,895 (53 percent) positive impact on average quarterly earnings, which were \$5,454 and \$3,559 for treatment and control group members, respectively. This estimated impact, based on employment records in the NDNH, is very close to independent estimates from the 18-month follow-up survey.

Exhibit ES-3 shows impacts for individual calendar quarters extending for three years after random assignment. It shows that large positive impacts persisted through the end of the third year. Overall impacts are \$5,181 in Year 2 (a 39-percent impact) and \$7,011 in the Year 3 (a 40-percent impact). By comparison, impacts for the most effective workforce programs rigorously tested to date have been smaller.⁶

⁶ For example, the Sectoral Employment Impact Study (SEIS) reported some of the largest earnings impacts to date—\$4,001 (29 percent)—for a pooled sample of adults in three sectoral programs in the second follow-up year (Maguire et al. 2010). The SEIS estimate for 18–24-year olds was \$3,092. Among the three programs tested, Per Scholas, an IT-focused program with some similarity to Year Up, generated the largest impact for adults of all ages—\$4,663 (32 percent)—but had only a small (\$1,339) and statistically insignificant impact for young adults. A recent replication also found substantial, if somewhat smaller, overall Year 2 impacts for Per Scholas but did not provide separate estimates for young adults (Hendra et al. 2016, Schaberg 2017). Although Project QUEST, a health care-focused sectoral program, increased earnings by \$5,080 (22 percent) in Year Six for a general sample of adults, impacts for young adults were statistically insignificant and negative in sign (Elliot and Roder 2017).

Exhibit ES-3: Impact on Average Earnings in Successive Follow-up Quarters

Average Quarterly Earnings (\$)



SOURCE: Match to wage records in the National Directory of New Hires for 1,638 treatment and 858 control group members. NOTES: Impacts appear as numbers giving differences in average earnings for treatment and control group members in each follow-up quarter. *** Impact in a two-tailed test is statistically significant at the 1-percent level, ** at the 5-percent level, * at the 10-percent level.

Training programs typically produce negative earnings impacts in the first follow-up year (the program year), as participants prioritize training over work. Year Up was no exception, with a \$5,338 reduction in the first follow-up year. The Year 1 loss was more than offset by positive impacts totaling \$12,192 over the next two years, however. Moreover, in Year 1 treatment group members also received an average of \$7,172 in Year Up stipend payments not included in the estimated earnings impacts.

- *Survey data indicate that Year Up's impacts on earnings reflect increases in average hourly wages and hours worked rather than increases in the percent employed.*

Although employment rates were identical (at 74 percent) for the control and treatment groups in the 18-month follow-up survey, Year Up increased the total hours worked by an average of 3–4 hours per week relative to control group members (who worked about 24 hours per week on average). Employed treatment group members earned nearly \$4 per hour more than employed control group members and were substantially more likely to be working in information technology (37 versus four percent) and in business and financial occupations (23 versus 14 percent).⁷

Higher earnings contributed to improved financial circumstances: Year Up reduced the percent of individuals citing financial hardships in the past 12 months from 43 percent to 35 percent.

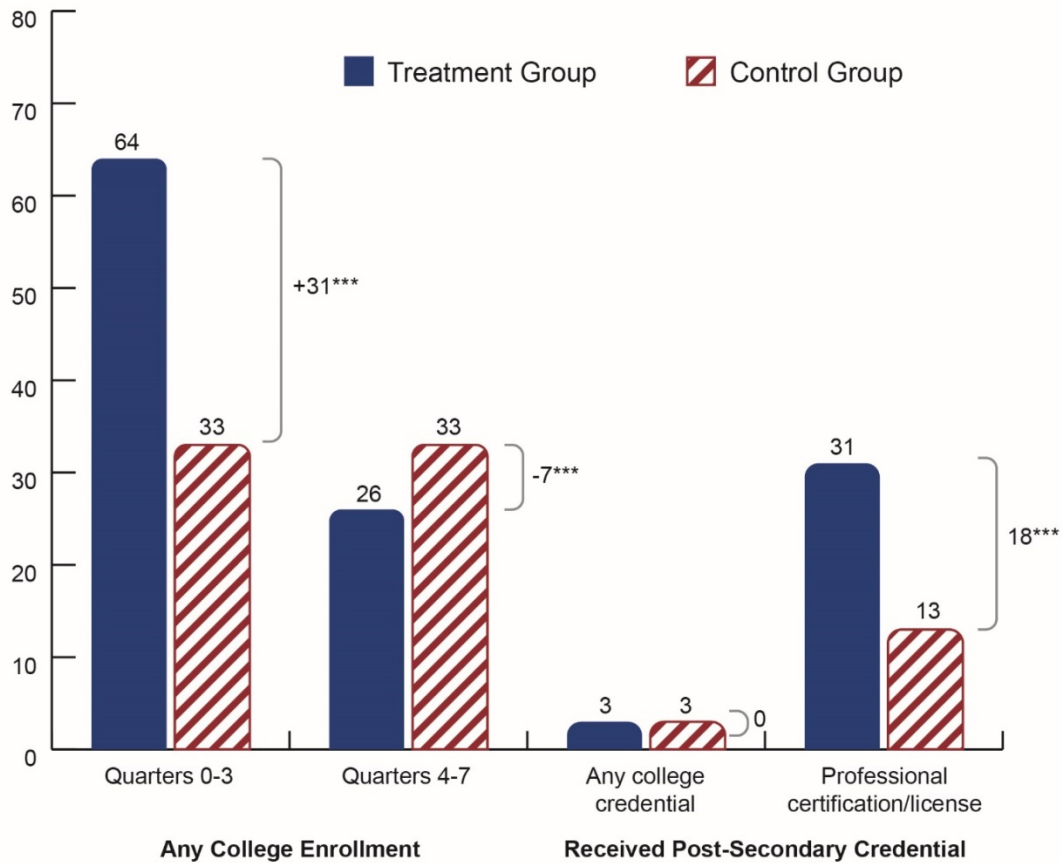
- *Impacts on postsecondary education were mixed.*

Provisions to co-enroll Year Up participants at local colleges led to a doubling in the proportion enrolled in college during the first follow-up year (see Exhibit ES-4). As Year Up graduates went to work in the second year, college enrollment in the treatment group fell to below that of the control group.

⁷ Not shown in exhibit.

Exhibit ES-4: Impacts on College Enrollment and Postsecondary Credentials over the First Two Follow-up Years

Percent of Sample Members



SOURCE: Match to college enrollment records in the National Student Clearinghouse for 1,668 treatment and 871 control group members. Credential receipt as reported in the PACE 18-month follow-up survey for 1,301 treatment and 638 control group members.

NOTES: *** Statistically significant in a two-tailed test at the 1-percent level.

Year Up produced a small increase in the average number of credits earned (4.0 credits) in the first 18 months after entering the program (not shown in exhibit). There was no impact on receipt of college credentials: only three percent of individuals in either group reported receiving a college credential since random assignment. On the other hand, Year Up increased receipt of industry certifications and licenses by 18 percentage points.

- *Year Up increased earnings for every subgroup of participants examined and for all eight local Year Up offices. The size of impacts nonetheless varied for a number of characteristics.*

Impacts on quarterly earnings in Quarters 6–7 were at least \$1,000 and statistically significant in every subgroup across 11 characteristics examined. The size of effects varied substantially, however. Impacts were lower for participants who reported weaker high school performance and those who at study intake expected to work full time over the next few months. Such results suggest possible benefits from strengthened academic supports and help minimizing challenges arising from outside work during the program. Smaller earnings gains for African

Americans may signal that the well-documented disadvantages facing this group—including greater discrimination and social and economic challenges—also require greater effort to overcome (National Research Council 2014).

Although motivation would seem to be critical to succeeding in Year Up, impacts were *more* favorable for participants who rated *lower* on training commitment than for those who rated in the highest category on a 10-item commitment scale.⁸ It suggests that the most motivated recruits were in a somewhat better position to succeed without Year Up—though they still did benefit from the program. The finding also raises the possibility that Year Up may be effective for less motivated young adults than the program historically has targeted. It hints that low motivation may be malleable for some young adults, given sufficient time in a highly structured and supportive program.

Positive impacts in all eight local offices attest to Year Up’s replicability in different urban environments. That said, the size of impacts varied substantially across offices. This variation might arise from differences in local environments, the quality of implementation, or both. Considerable differences in average control group earnings across offices indicate that contextual factors—such as local population characteristics, labor markets, and access to transportation—could play an important role. But indications also suggest variability in implementation.⁹ With only eight offices and many dimensions to context and implementation, it is not possible to identify contributing factors with confidence.

Implications

This report’s findings add to growing evidence on the promise of well-implemented career pathways approaches with a strong sectoral focus. These approaches tend to be intensive and comprehensive, address psycho-social skills as well as occupation-specific competencies, provide opportunities for work-based learning, engage employers, incorporate evidence-based practices, and emphasize continuous improvement.

The PACE findings should allay concerns that programs like Year Up that screen for ability, motivation, and manageable life challenges necessarily are serving young adults who would do just as well without such interventions. Baseline statistics show substantial socioeconomic disadvantages in the young adults Year Up recruited, and the study’s random assignment design establishes that they truly benefitted from the program’s services.

⁸ The PACE Training Commitment scale is based on ACT Inc.’s proprietary Commitment to College scale, modified in consultation with ACT staff to apply to training more broadly. The scale captures commitment to persisting in and completing training. Illustrative items, rated on a 7-point scale ranging from strongly disagree to strongly agree, include: “I am committed to finishing whatever educational program I am in” and “I would stop attending school if I found something more interesting to do.”

⁹ For example, program completion rates ranged from 64 percent in one office to 85 percent in two offices, with the remainder in the 75–79 percent range. While for six offices 30–39 percent of interns were hired by their internship sponsors, outliers included one office with a 21 percent conversion rate and another with a 52 percent rate. Contract enforcement was especially variable, with the percent cited for 10 or more fractions ranging from 21 percent to 60 percent.

Stringent screening does raise the important question of whether Year Up is appropriate for more than a narrow segment of Opportunity Youth. This study's findings of large positive impacts for participants with weaker academic backgrounds, lower motivation, lower incomes, and a wide variety of demographic characteristics hint that the program might be effective with lower-skilled, more disadvantaged populations. But they do not prove that it would be more widely effective or establish how far beyond the current population wider benefits might extend. Future experiments testing the model with expanded target populations would be valuable.

"I could say that I've really grown ... that's what I mean by it changed my life. A year ago I wasn't thinking about nothing like this or being in contact with the people I'm in contact with or doing the things I'm doing. I feel like it's changing how I look at people now, how I look at situations."

—Year Up participant

Year Up's success in engaging employers demonstrates the potential for not only expanding opportunities for work-based learning in fast-growing professional occupations, but also for mobilizing private-sector financing of organizations that serve as intermediaries between newly skilled job seekers and employers. Thus, while exemplifying more familiar forms of engagement such as appointing business representatives to advisory boards and working together in identifying skills in demand and designing training programs, Year Up's experience also highlights the potential for employers to play central roles also in funding and service delivery in workforce programs for economically disadvantaged adults.

"There are so many elements to the program that I feel honestly that if you were to remove one piece you'd have a different ... it's like when you made the best strawberry upside down cake, and then you take a little bit of sugar out, and you're like, 'Damn, this doesn't taste the same.' So the mission-driven staff is one main piece. The programming pieces are great, but you need real people that care enough to do these programming pieces well, and I think it's really the staff that it boils down to. And you really, essentially need the internships. ... It's really that end piece, the internship experience, the job, that says, 'Okay, this is what you would've done.' And having internship partners that believe in the model. ... [Employers] have to believe that we can provide them fantastic interns that can do the job, and we have to provide them fantastic interns that can do the job."

—Year Up staff member

As noted earlier, several employers noted that experience with Year Up interns led them to revamp career pathways in technical occupations to create new career entry points at lower skill levels. Although anecdotal, such reports show how employers can become comfortable substituting a trusted workforce intermediary's "brand" for academic credentials in hiring.

Looking Ahead

While answering one set of questions about Year Up's implementation and early impacts, this report raises many questions for future research. Future data collection and analysis for the PACE evaluation will address some of these questions, whereas others will require separate studies.

One series of questions for the ongoing PACE evaluation concerns how Year Up's impacts will evolve over the longer-term:

- Do impacts on earnings persist or fade?
- To what extent do the program's positive initial impacts on employment in entry-level career-track jobs position young adults to continue along career pathways in occupations Year Up targets?
- What role does college play in these pathways, compared to young adults who did not go to Year Up? At what rates do Year Up graduates return to school and earn college credentials in the longer-term?
- To what degree does career progress affect well-being in other domains?

Future reports on program impacts covering up to six years of follow-up will address these and other questions.

Another important set of questions concerns Year Up's costs and benefits. A planned cost-benefit study will estimate the net financial returns from the perspectives of participants, government, the balance of society, and society as a whole (i.e., summing the first three). Positive earnings impacts and unique features of Year Up's financial model raise interesting questions about longer-term costs and benefits. Although Year Up's costs per participant are relatively high, revenue from employers covers a substantial share of costs, and dependence on public funds is minimal. From participants' perspective, foregone earnings during the program year are more than offset by program stipends. The potential societal benefits are considerable: one set of simulations for the general U.S. population shows economic returns from averting disconnection of around \$600,000 per youth (Belfield et al. 2012).

In describing plans for Year Up, leaders emphasized that substantially expanding the program is the main priority going forward. Having demonstrated the effectiveness of the core program model, the organization has launched several initiatives to develop and test more scalable approaches (Fein 2016a).

As part of these efforts, Year Up is exploring how an increased emphasis on college completion might help to ensure continuing career advancement after participants finish the program. The present study's finding of negative impacts on college enrollment after graduating Year Up attests to the difficulty of combining full-time work and school. A newer Year Up model—the Professional Training Corps, which leverages college facilities and instructional capacity—provides a fertile field for exploring the tradeoffs. It creates intriguing possibilities for moving from two-partner sectoral models focused on career entry to three-partner models that add colleges to support further movement in career pathways.

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