

EXECUTIVE SUMMARY

OVERVIEW

The Austin Metro Area Master Community Workforce Plan (MCWP) lays out a common agenda and establishes a framework for collaboration to coordinate the efforts of the region's workforce development organizations and educational institutions. The overarching vision for this plan focuses on a more demand-driven workforce system that effectively engages employers, community-based organizations, and educational institutions; empowers residents to more efficiently match employers' skills needs; and successfully prepares economically disadvantaged residents for good jobs.

The Austin-Round Rock Metropolitan Statistical Area (Austin Metro Area) is undergoing a period of unprecedented economic growth and prosperity. Total employment in the region grew more than 20% between 2010 and 2015, and the median household income increased by almost 20%. However, not all residents of the Austin Metro Area share in this prosperity.

In the five years following the launch of the MCWP, the Austin Metro Area is predicted to seek more than 60,000 middle-skill jobs including both new and replacement positions. Of these middle skill openings, just over 50% stem from just three occupational sectors which compose the primary, though not exclusive, targeted industries as part of the MCWP: healthcare, information technology, skilled trades and advanced manufacturing. For the region's economically disadvantaged residents—those who earn less than 200% FPG, many of whom are currently employed—this prospective job growth represents better economic opportunity provided they obtain the skills and credentials required to find higher earnings employment.

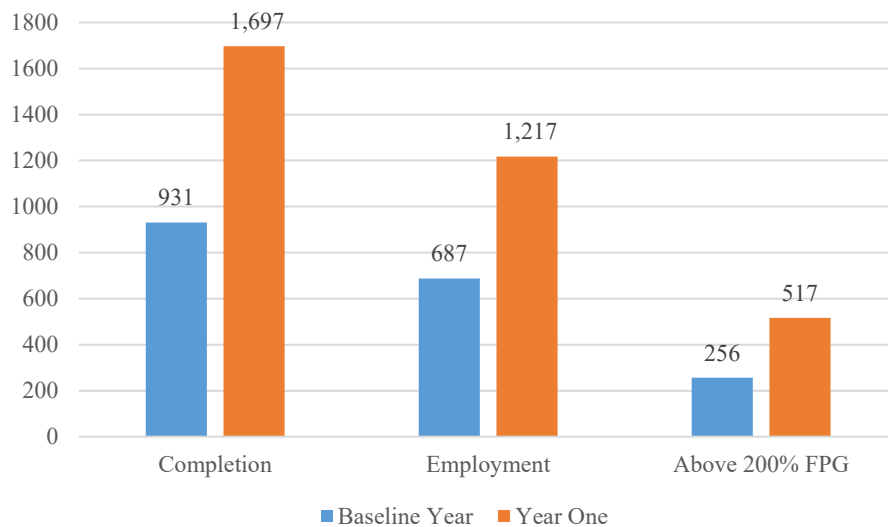
This report employs a comprehensive qualitative and quantitative examination, including the major community based organizations providing services [Goodwill, Capital IDEA, American YouthWorks, Skillpoint Alliance, Workforce Solutions Capital Area, and Workforce Solutions Rural Capital Area] and Austin Community College in its role as a deliverer of workforce training and education. All organizations shared individual-level data allowing researchers to link their records to Texas Workforce Commission's Unemployment Insurance wage records to examine outcomes. This report seeks to determine which relevant services and training the region provided and establish unduplicated records across the workforce system to accurately measure the scale of efforts along with the outcomes of participants, including

program completion, employment, and earnings. As the region continues to implement the MCWP, this Year One evaluation report serves as a reference to how the system is continuing to expand and modify to meet the needs of its population and provides accurate baseline year numbers with which to compare results of ongoing and future regional coordination and collaboration efforts.

HIGHLIGHTS

Though just one year into the implementation of the MCWP, the region is on track to meet the 2021 goals. Despite a decline in regional enrollment numbers from 6,750 to 6,027, the region experienced gains in completion, employment, and the number of completers earning 200% above Federal Poverty Guidelines between the Baseline Year and Year One.

Completion, Employment, and Earnings Outcomes for Year One MCWP Participants



Between the Baseline Year (2015-2016) and Year One (2017-2018), regional enrollment declined from 6,750 to 6,027 led primarily by a decline in enrollment at ACC. Between these two periods, the region experienced an increase in completion. In the Baseline Year, the region completed 931 participants while in Year One the region completed 1,679 participants, representing an increase of 80% for the region.¹

Baseline Year completers found employment in the first quarter after finishing their

¹ The increase in completion for the region occurs even if new organizations added in Year One are removed from the analysis.

program at a similar rate (74%) to Year One completers (72%). The number of completers finding employment increased from 687 for the Baseline Year to 1,217 for Year One completers. Baseline Year completers who found employment earned a median wage of \$5,282 the first quarter after finishing. The quarterly median earnings for MCWP completers in Year One who found employment in the first semester was \$5,839 an increase of \$3,866 from the median of the four quarters prior to enrolling in a program. This represents a 196% increase from their pre-entry average quarterly earnings.

Just over a quarter (27%) of Baseline Year completers earned above 200% FPG in the first quarter following completion, while a higher share (31%) of Year One completers earned 200% FPG in the first quarter following completion. This higher share of completers moved out of 200% FPG poverty between these two years is particularly dramatic when considering the larger size of completers. In the Baseline Year, the region moved 256 participants beyond the 200% FPG threshold; the Year One, the region moved more than double that number: 517.

Despite a decline in enrollment between the Baseline Year and Year One, regional efforts under the MCWP increased the number of individuals who completed a program, found employment, and earned above 200% FPG in the first quarter after finishing their program.

RECOMMENDATIONS

- ❖ *Leverage existing opportunities through direct enrollment relationships.* Formalizing direct recruitment/enrollment to ACC from CBO training and support service providers, as well as high school career and technical education programs that specifically serve low-income individuals and families would likely improve greater uptake of the existing programs.
- ❖ *Co-enroll students to further increase completion rates.* Baseline report data demonstrates that higher shares of completers who co-enrolled at ACC and a CBO earn above 200% FPG than those in just one of the two. By co-enrolling ACC students in support services such as Succeed, Capital IDEA and WIOA case management (in the case of continuing education), students are likely to receive support and resources leading them to complete their program and earning above poverty wages.
- ❖ *Promote unified pathways and a shared outreach model.* For many regional CBOs and even some of the ACC programs, recruitment remains a challenge. Low-income individuals

and families often possess a deficit of knowledge when it comes to understanding the opportunities for training and education available to them, how to apply and how to pay for it, as well as what types of jobs and earnings they can expect to attain upon completion. By developing shared outreach, cross-training staff and continuously updating partners in the Master Plan on their respective services, the region should be able to increase the number of individuals aware of all their options, leading to improved assessment of their optimal pathway, leading to increased enrollment and eventually to completion and employment.

- ❖ *Replicate best practice essential skills across the partnership.* Interview and communication skills, time management, money management and tech literacy all contribute to greater placement outcomes for participants. For organizations that teach these skills well, their model can be shared and replicated with other training and support organizations.
- ❖ *Engage training partners to provide hybrid models of training, such as apprenticeships to provide low-income students the opportunity to earn and learn from day one.* For many low-income families, taking time off from work to learn or re-train is likely a difficult option. When it's a choice between providing for their family or increasing their skillsets through training and education, short-term costs are often too great in relation to the long term wage gain. Apprenticeships, which will be measured in subsequent years in this ongoing evaluation, offer an opportunity to both earn and learn at the same time.
- ❖ *Regional Deep Dive on Credentials:* Create a middle skills credential subcommittee including both ACC and CBO participants to determine how credential data is collected and develop recommendations for improvements in process.

NEXT STEPS

Future MCWP reports from the Ray Marshall Center will describe additional changes brought about by implementation of the plan and compare outcomes from year to year, providing regular and timely updates to the progress of the regional workforce effort.