RMC Ray Marshall Center for the Study of Human Resources

TEXAS LBJ School

The University of Texas at Austin

Lyndon B. Johnson School of Public Affairs

EVALUATING SERVICES FOR TEXAS OPPORTUNITY YOUTH (ESTOY)

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PROJECT SUMMARY

- Support from JPMorgan Chase, the UP Partnership, and the Aspen Institute
- Identify and describe ecosystem of OY service providers in Austin, Dallas, Houston, and San Antonio
- Conduct 5-year study: education and labor market trajectories taken by Opportunity Youth
- Identify and articulate policy and practice recommendations emerging from qualitative and quantitative studies

RESEARCH QUESTIONS

1. **Who provides services** for OY in the target cities, how do they operate, and what services do they provide
2. What ***trends*** can be identified for OY in each of the four cities
3. What are the **fields of study** for OY enrolled in post-secondary education (2-year, 4-year) or workforce training?
4. Are opportunity youth **earning industry-based credentials** from their post-secondary institution? Which credentials?
5. What are **the industries** that opportunity youth enter?
6. What are their **wages once they enter the workforce**, and how do their wages change over time?
7. How do these metrics **disaggregate by race and gender**?
8. Are opportunity youth earning a **livable wage**, and, if so, how much time does this take?

THREE COMPONENTS

1. Qualitative Evaluation
2. Service Provider Impact Evaluation
3. Quantitative Evaluation
    a) Focus for today

THIRD COMPONENT: QUANTITATIVE RESEARCH

QUANTITATIVE EVALUATION OVERVIEW

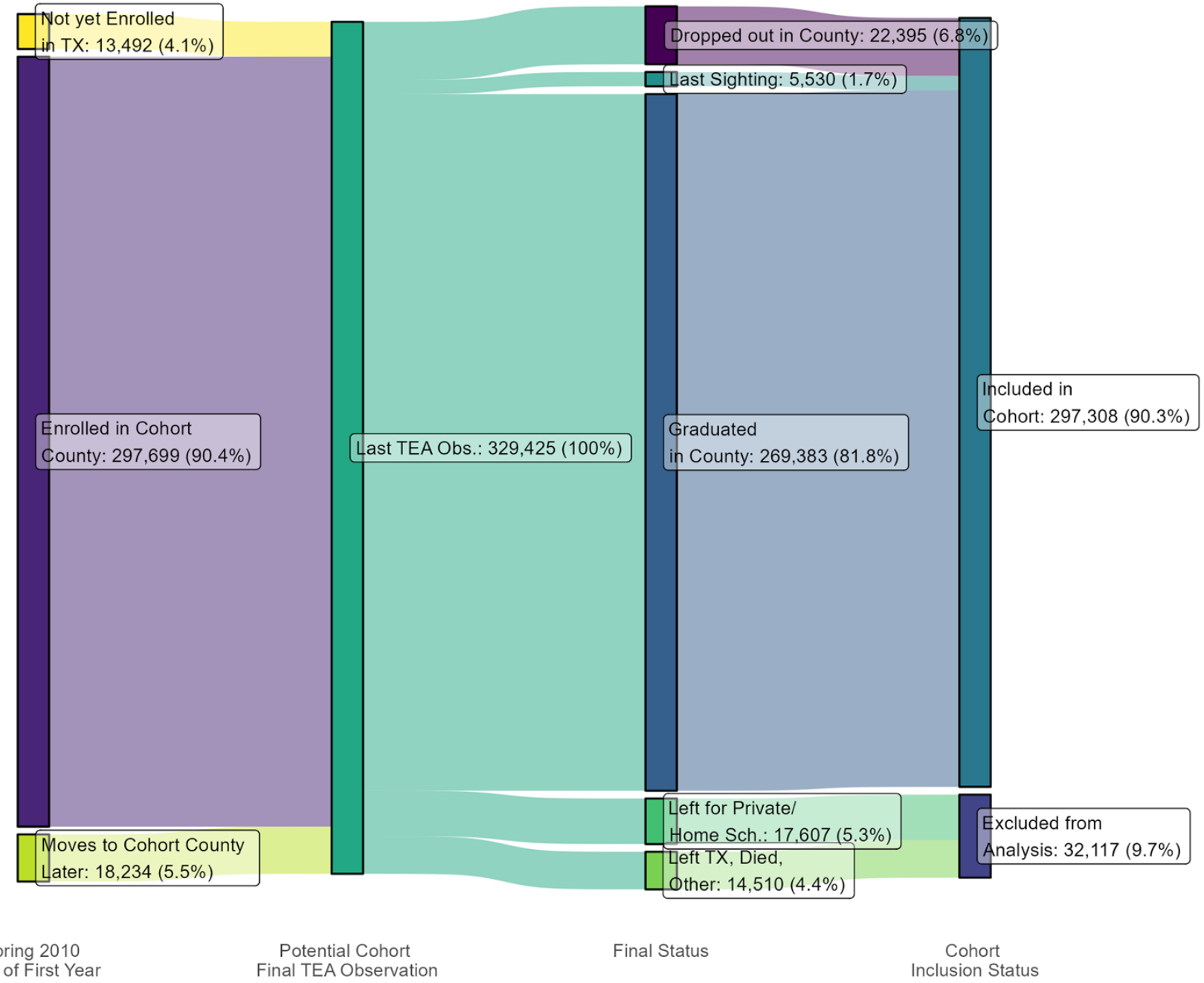
- RMC researchers **define and track cohorts** from ages 16-24 on a quarterly basis
  - Test Cohort: All Texas public school students who would be 16 on Sept. 1, 2010 (n ≈ 329,000)
  - Regional focus: Austin, Dallas, Houston, San Antonio

- Map **ERC administrative data** onto balanced panel
  - 52 quarters x 329,000 potential cohort members x 100+ related measures
  - Texas Education Agency (TEA)
  - Texas Workforce Commission (TWC)
  - Post-secondary data from Texas Higher Education Coordinating Board (THECB) and National Student Clearinghouse (NSC)
  - All data is administrative, not self-reported; includes ages 15-27.

- **Identify disconnection**: quarters of non-work, non-study, adjusted for attrition

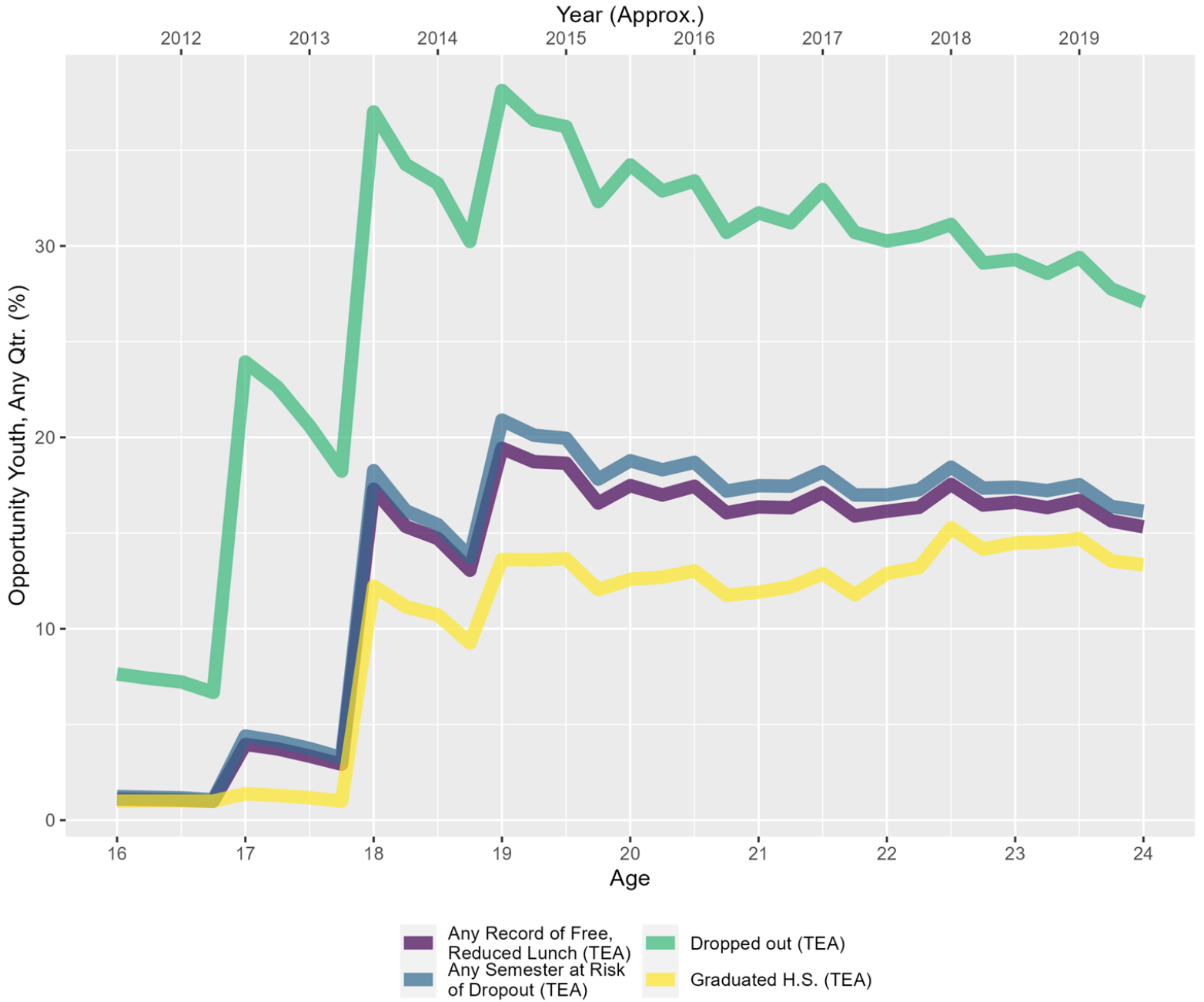
COHORT DESI

- All Texas public school students who would be 16 on the first day of class in 2011
- Included sample: 297,308 students
- Excludes non-trackable TEA exit reasons: private/home school; moved outside Texas etc.
- County, district, campus cohorts defined based on final TEA appearance (i.e. site of graduation, dropout)



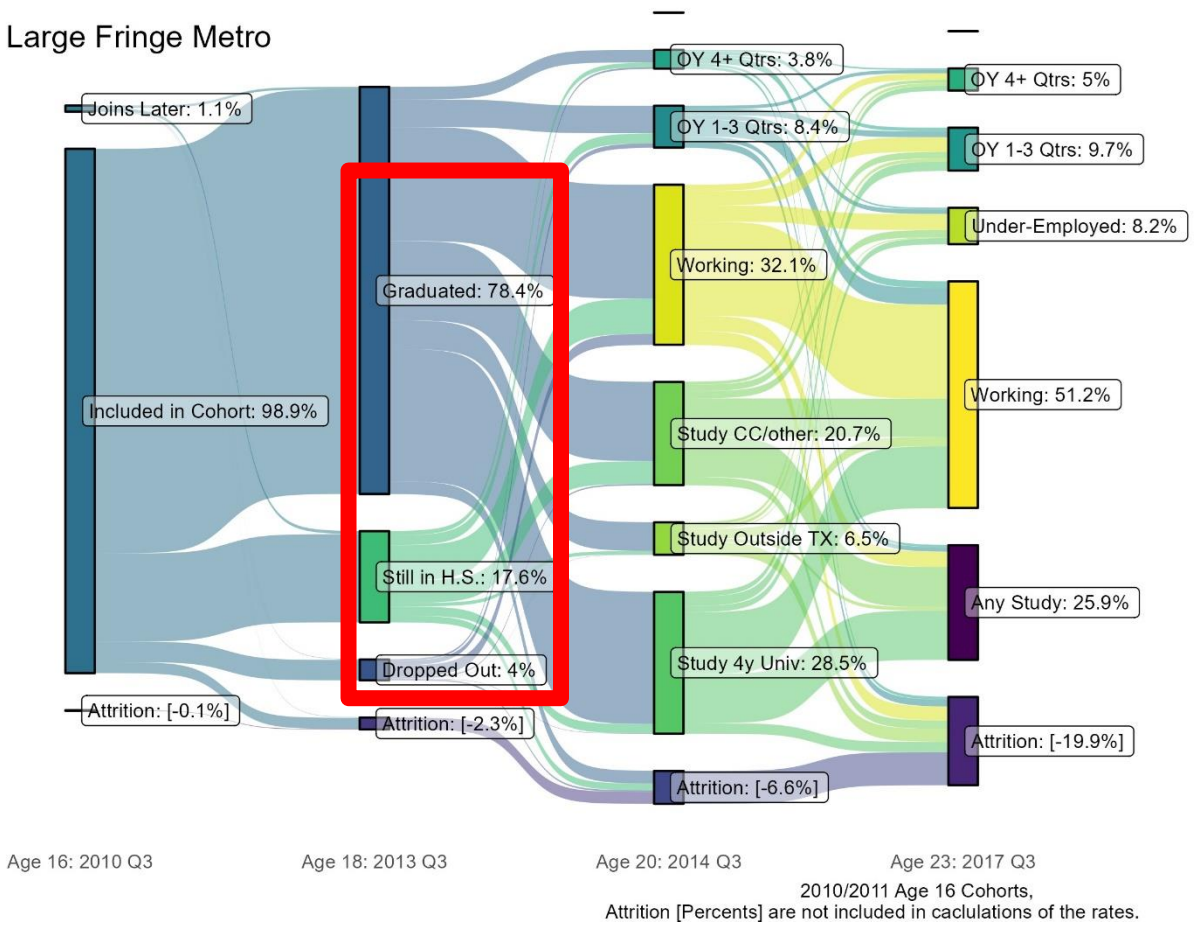
DISCONNECTION FOR DROPOUTS REMAINS HIGHER THAN PEERS FOR ENTIRE PANEL

- The gap in disconnection among graduates and other groups narrows during the panel, especially after post-secondary study years
- Dropping out results in early and persistently high rates of disconnection



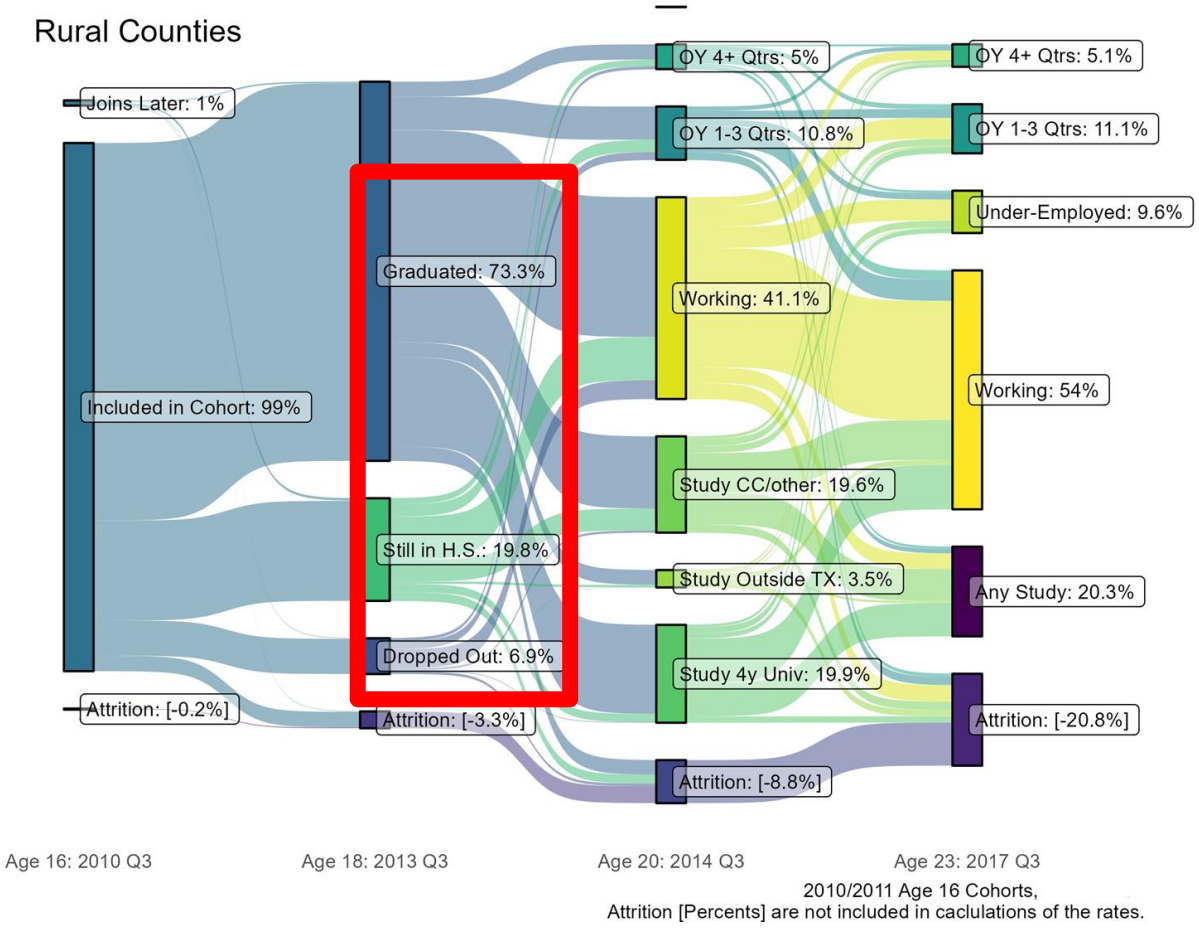
All of Texas, Age 16 Cohorts, 2010/2011: Values below 1% are masked.

Suburban Youth:
High rates of post-secondary study
Low rates of short-term disconnection



2010/2011 Age 16 Cohorts,
Attrition [Percents] are not included in caclulations of the rates.

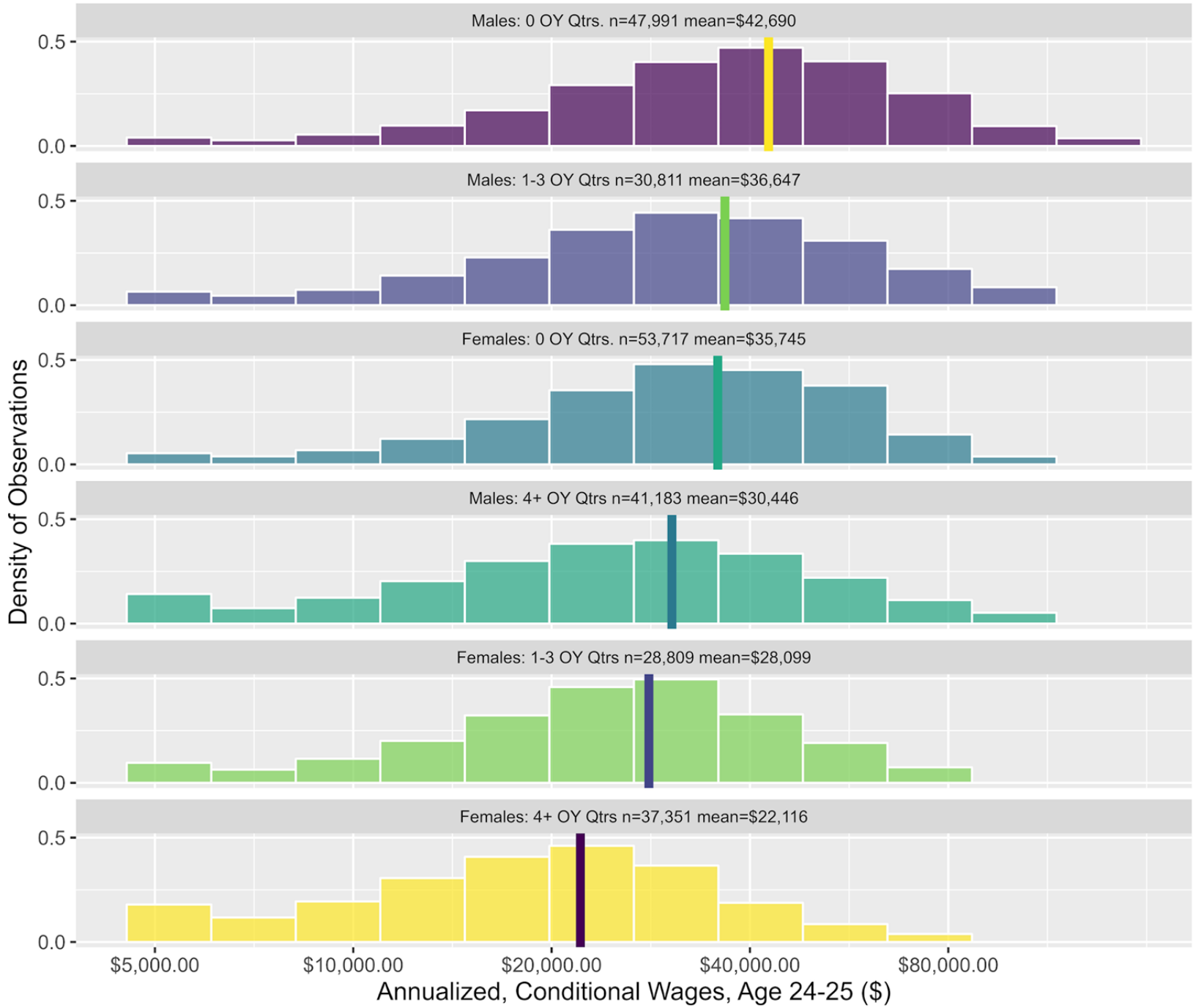
Rural Youth:
High rates of work by age 20
High rates of short-term disconnection



2010/2011 Age 16 Cohorts,
Attrition [Percents] are not included in caclulations of the rates.

WHAT IS THE EFFECT OF DISCONNECTION FROM 16-24 ON WAGES AT AGE 25?

- Female youth wages:
  - No disconnection : $35,745
  - 1-3 qtrs: $28,099
  - 4+ qtrs.: $22,116
- Male youth wages:
  - No disconnection : $42,690
  - 1-3 qtrs: $36,647
  - 4+ qtrs.: $30,446
- OY status and sex (TEA) both matter
- Alternative test: OY status by age (e.g. 16-20 vs 20-24)



Marginal wage values are censored for privacy.

NEXT STEPS

- Estimate economic costs of disconnection
- Predictive model for disconnection's effects on wages
- Predictive model for types of disconnection, based on person- and campus-level attributes
- Compile directory of OY programs in each of the four participating metros
- Creating a website

THANK YOU

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For more information on methods/design, follow the QR code to a supplementary document (from TWIC)