

# Austin American-Statesman

## Texas job program shows unusually strong, lasting gains, study finds

### Participants jumped from low-income jobs to middle-class careers, study finds.

By [Dan Zehr](#) - American-Statesman Staff  
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A new study finds that the model for a handful of workforce-training initiatives in Texas — including one in Austin — not only lifted low-income residents to middle-class careers, it also led to earnings advantages that expanded over time, making it perhaps the first job-

training program in the country to show sustained increases.

According to [the study](#), which was released Tuesday, the average annual income for people who completed [the Project Quest program](#) in San Antonio rose to roughly \$38,000 in their sixth year after enrolling. Even those who started but didn't complete the program saw their average annual earnings jump to \$28,000, more than double their average \$11,400 annual income before entering.

“Other programs have had large earnings impacts, but they haven't taken people completely out of poverty into the middle class,” said Mark Elliott, a co-author of the study. “That is a stunning achievement.”

More unusual, though, was the growth of the income advantage they gained over a control group who qualified for Project Quest but weren't enrolled.

Most comprehensive studies of job-training programs show that advantages gained by participants “dissipate after a couple years,” said Elliott, president of the New York-based [Economic Mobility Corp.](#) Participants in Project Quest, however, earned an average of \$5,000 more than non-participants by year six, regardless of whether they completed the program.



Jeremy Acosta (UT jersey) and Michael Brown, right, help classmate Woodrow Moses in the computer lab at ACC's Highland campus on Thursday, December 3, 2015. The students were part of the Career Expressway program, a joint effort by the college and Capital IDEA to get more Austin workers in tech jobs.

LAURA SKELDING/AMERICAN-STATESMAN

“People have never seen anything like this,” he said. “Not only were the earnings impacts large and significant and sustained, they grew. They grew by \$1,000 every year.”

Almost 75 percent of the Project Quest participants held year-round jobs in that sixth year, compared with 57 percent of the randomized control group. Participants reported far fewer financial difficulties, such as trouble paying rent or utility bills.

Project Quest served as a model for at least three nearly identical initiatives in Texas, including [Capital IDEA](#) in Austin. Elliott said results at those organizations almost certainly would match the successes found in this study.

“To me, this is the best economic development program anywhere,” he said. “Employers are struggling to fill positions, and you’re training residents who are really unlikely to make it on their own to fill those positions.”

The findings come at a time when a relatively small pool of state funding for these and other effective job-training programs might be eliminated in the Legislature’s upcoming budget negotiations.

The House budget includes almost \$4.6 million for the [Texas Innovative Adult Career Education \(ACE\) program](#), which is administered by Austin Community College. The Senate’s version would eliminate the ACE budget as part of its clampdown on certain higher-education expenses.

While the ACE program isn’t a large source of money for Capital IDEA, the state funding provides an important contribution for an initiative that makes large upfront investments in its participants, said Steve Jackobs, its executive director.

Capital IDEA received about \$360,000 from the pool in 2016, while the Austin and Travis County governments contributed about half of the organization’s \$4.9 million budget that year.

It and the other Quest-based programs cost more than most workforce initiatives because they provide robust support for their participants, assigning personal advisers to each one and covering many of their costs – from tuition and books, to transportation, to some unexpected personal expenses that might arise.

Capital IDEA spent about \$4,900 a year on each person in its program last year, but the intensive approach led its 2016 graduates to jobs that paid an average of almost \$40,000 a year — roughly four times the \$10,500 average income they brought to the program.

“You don’t turn someone into a middle-class taxpayer with a six-week course,” Jackobs said.

An earlier, less-rigorous study — now bolstered by Tuesday’s report — suggested Capital IDEA’s investments pay off for local taxpayers, too. Each public dollar that goes into the program will return \$5.01 in tax receipts and avoided welfare costs over the next 20 years, [according to the 2015 report](#) by the [University of Texas Ray Marshall Center for the Study of Human Resources](#).

“We had more than eight years of post-training results for Capital IDEA,” said Christopher King, a senior research scientist at the center. “We found that the same mobility pattern they found with Quest was holding up” in the seventh and eighth years as well.

The programs work more effectively over time for a few reasons, King said. First, they focus on growing, well-paid occupations that offer opportunities for advancement. A student who gets a nursing certification, for example, might go on to become a licensed practical nurse, a nursing supervisor or a nursing professor.

Second, Project Quest and its offshoots identify candidates who will commit to a rigorous program, and then they provide enough support services to make sure virtually all of them make it the whole way through.

The biggest bang for the buck comes from people who complete the program and receive a certification, King said.

“If you’re looking at someone making north of \$38,000 per year for a family with a couple kids,” he said, “that’s economic self-sufficiency in San Antonio, or even here in Austin.”



*Steve Jackobs, Executive Director*

*Capital IDEA*