



**UNITED STATES DEPARTMENT OF LABOR**  
Employment and Training Administration

# > A Brief Review of the DOL Performance Regression Model

## **TANF – DOL Joint Forum**

**August 14-16, 2013**  
**Atlanta, Georgia**

Winston Tompoe

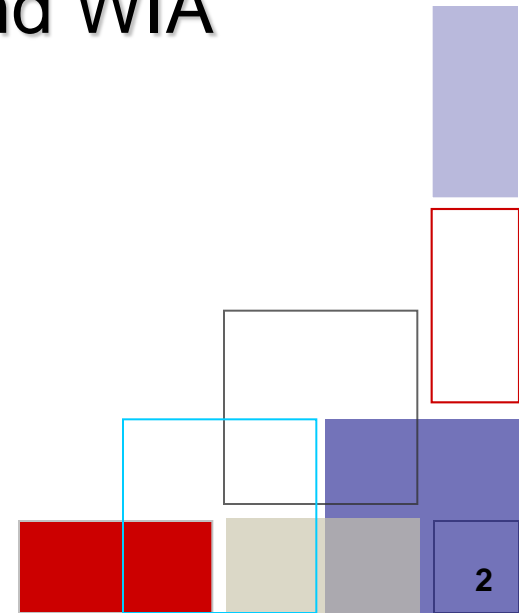
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## > Session Overview

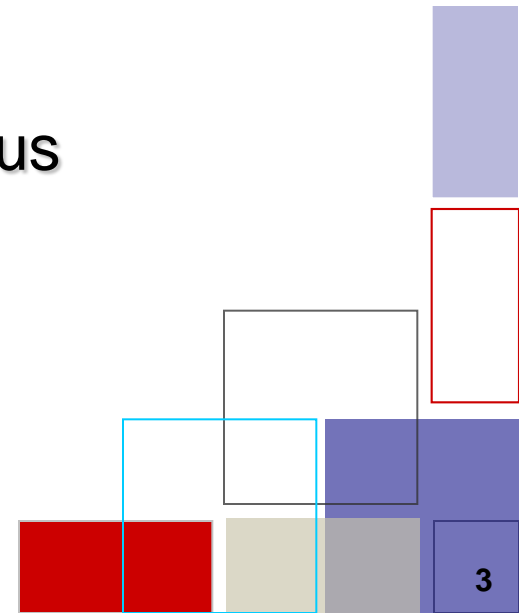
- Why Do We Negotiate Targets?
- The Regression Adjustment Model
- Continuous Improvement
- Customers to Be Served
- So what does this all mean to TANF and WIA Practitioners?





## > Why Do We Negotiate Targets

- GPRA requires that performance targets be set for programs at the national level.
- GRPR goals provides information by which Congress and OMB evaluate the success of Federal programs, including those operated by states and localities
- WIA (Section 136) requires that performance targets be set for WIA programs at the state and local level.
- Targets help provide an incentive for continuous improvement.





## > The Regression Adjustment Model

- In 2010, ETA piloted the regression methods in 9 states to test a regression-based method for negotiating and setting performance target at the national, state, and local levels for WIA.
- A number of tools are used during the negotiations process -- the regression adjustment model is just one of those tools. Over the past few years, ETA has developed tools and process guidelines to aid in providing a uniform framework for negotiating with States.





## > The Basic Framework

- **Identify a set of variables measuring the:**
  - characteristics of participants and
  - conditions of the labor market (economic and demographic variables)
- **How Is Regression Modeling Used?**
- **To estimate how much each factor influences the performance**
- During negotiations, ETA may adjust performance targets to accommodate States serving a significant number of at-risk individuals who need higher levels of service to achieve a positive labor market outcome and who are not accounted for in the regression model.





# > Regression Adjusted Model Sample

<b>State:</b>					
<b>Measure:</b>	<b>Adult Retention Rate</b>				
<b>State Fips Code</b>	1	2011			
<b>Actual Outcome</b>	84.1	2011			
<b>Total Adjustment</b>	-0.1	2013			
<b>Target</b>	84	2013			
<b>VARIABLES</b>	<b>Base Year</b>	<b>Current Values</b>	<b>Difference</b>	<b>Weights</b>	<b>Effect Per Factor</b>
Female	57.25053	60.45741	3.20688	0.07828	0.25103
Age 26-35	35.69491	35.57469	-0.12021	0.02794	-0.00336
Age 36-45	20.80193	20.60285	-0.19908	0.01235	-0.00246
Age 46-55	14.04884	13.31567	-0.73317	0.01616	-0.01185
Age 56-65	3.40669	3.44485	0.03816	-0.03024	-0.00115
Age 66+	0.18089	0.19874	0.01785	-0.47905	-0.00855



# > Regression Adjusted Model Sample – cont'd

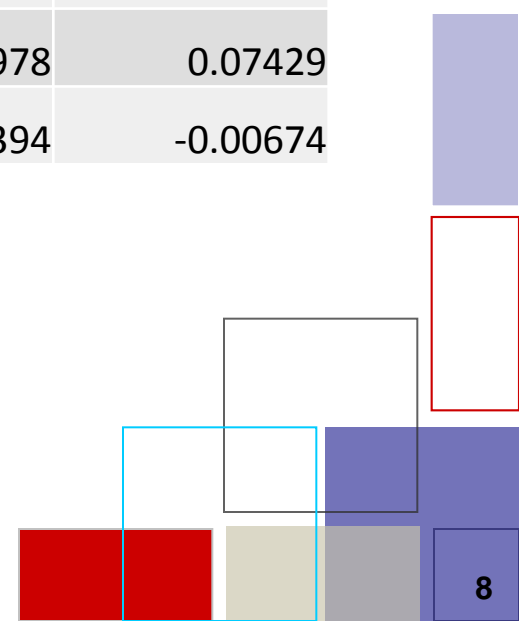


VARIABLES	Base Year	Current Values	Difference	Weights	Effect Per Factor
Hispanic	1.04103	0.30623	-0.7348	0.00126	-0.00093
Asian	0.39804	0.61245	0.21441	0.03144	0.00674
African American	46.47887	49.84689	3.36801	-0.06336	-0.2134
Native Hawaiian or Pacific Islander	0.03062	0.20415	0.17353	-0.01402	-0.00243
American Indian or Alaska Native	0.42866	0.23818	-0.19048	-0.09403	0.01791
Multiple Races	1.3166	0.64648	-0.67012	-0.06236	0.04179
Highschool Dropout	10.01811	6.79033	-3.22778	-0.09191	0.29665
AA or PS	3.3796	5.16727	1.78767	-0.00006	-0.00011
BA or MA+	3.621	4.33919	0.71818	0.04121	0.0296
Disabled	1.7179	1.8218	0.10389	-0.05506	-0.00572
Veterans	5.60579	5.39914	-0.20665	-0.05014	0.01036
Wage Before Participation	43.39964	33.25605	-10.14359	0.04863	-0.49327

# > Regression Adjusted Model Sample – cont'd



VARIABLES	Base Year	Current Values	Difference	Weights	Effect Per Factor
Coenrolled in WP	75.01507	75.35608	0.34101	-0.01522	-0.00519
Limited English	0.18105	0.16562	-0.01543	0.00829	-0.00013
Single Parent	10.83283	9.37396	-1.45887	0.00673	-0.00982
Low Income	83.52444	90.59291	7.06847	0.00309	0.02187
Homeless	0.39228	0.79497	0.40269	-0.06419	-0.02585
Offender	1.99155	2.21928	0.22773	-0.04257	-0.0097
UI Claimant	25.31684	22.82213	-2.49471	-0.02978	0.07429
Unemployment Rate	9	7.2917	-1.7083	0.00394	-0.00674





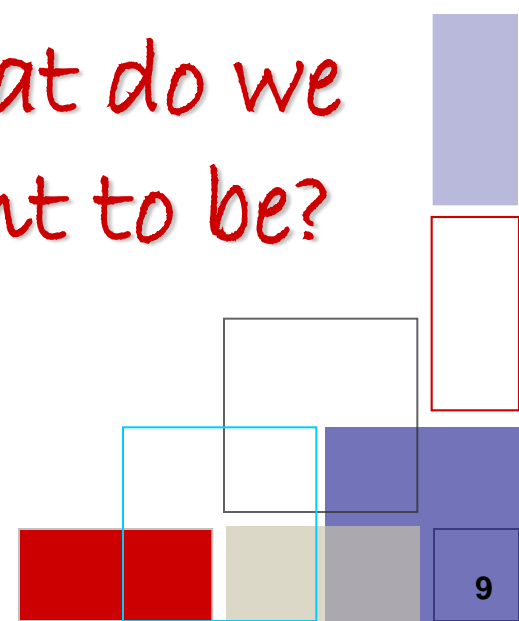


# > Continuous Improvement

- WIA Section 136 (b)(3)(A)(iv)(III) encourages continuous performance improvement to ensure optimal return on the investment of federal funds. Continuous improvement should be considered in all aspects of the negotiations process.



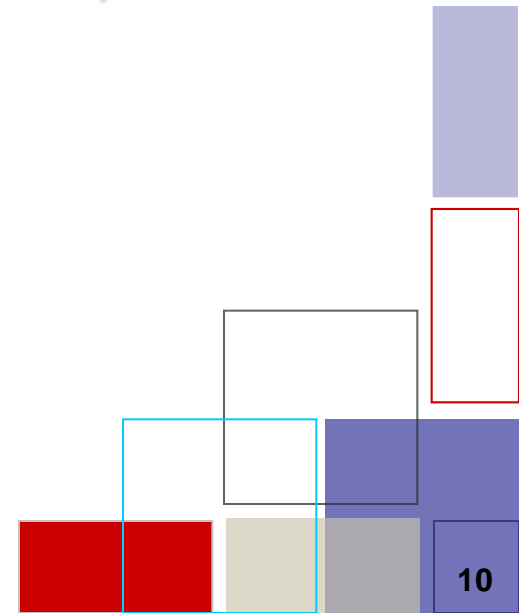
*What do we  
want to be?*





## > Customers to be Served

- Customers served by the local area may have a significant impact on outcomes depending on the type of services provided and other factors unique to the population.
- Services should be targeted to “*those who can benefit from, and who are most in need of, such opportunities.*”
- WIA Section 195(1); (38 U.S.C. 4215)





## > Customers to be Served

- ETA encourages States to serve those individuals with barriers to employment and individuals more at-risk of not connecting to the labor market, including those who were:
  - incarcerated,
  - homeless,
  - individuals with disabilities, and
  - out-of-school youth
- NOTE: Veterans are entitled to priority of service in all employment and training programs funded in whole or in part by the Department of Labor.





## > Adult Program

- WIA requires that when funds are limited, priority “shall” be given to “recipients of public assistance” and other “low-income” individuals for intensive and training services. WIA Section 134(d)(4)(E ).
- In negotiation with the feds, states may propose efforts to increase access to services for special populations who may face significant barriers. However, they should provide evidence of how these new efforts will impact WIA Adult, WIA Dislocated Worker and/or Wagner-Peyser. Serving more TANF/other public assistance population is one way to positively impact state and local performance levels.





## > Adult Program

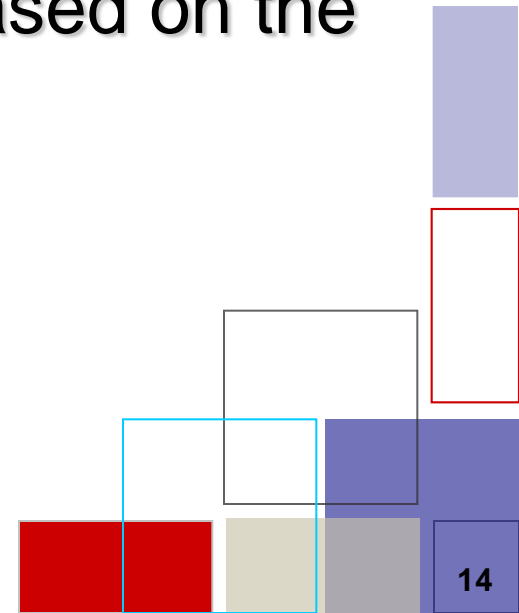
- Populations that can impact performance include:
- veterans
- older workers
- individuals with disabilities
- migrant or seasonal farm workers
- Indian and Native Americans
- Temporary Assistance for Needy Families recipients





## > Adult Program

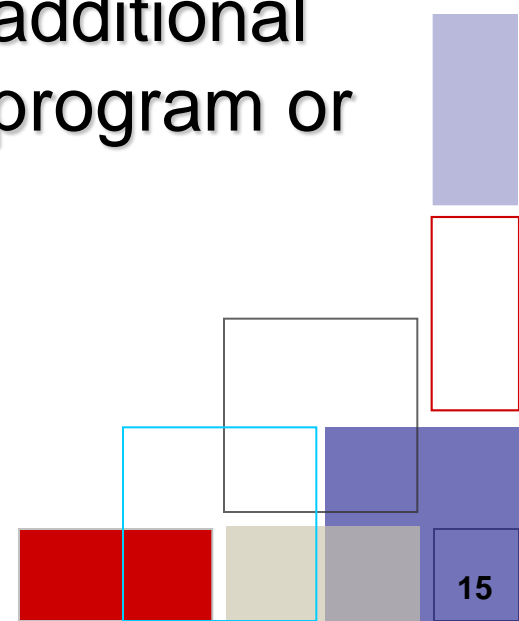
- NOTE: If these populations are included in the regression adjustment methodology, then changes in these groups are already accounted for. If the groups are not included, the State should provide evidence that quantifies the level of impact to expect. ETA is able to include adjustments for these populations in the regression targets based on the State's WIASRD submission.
- References: Section 112 (b)(17)(A)(iv)





## > Youth Program

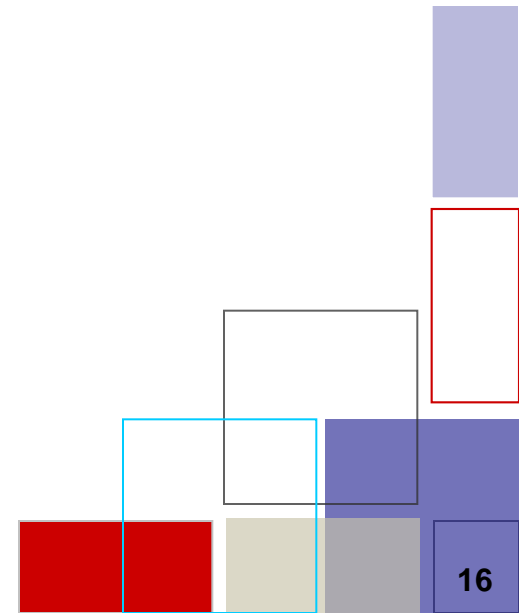
- There are 5 criteria for WIA eligibility under the youth program. One of the primary criteria requires youth to be “low-income individual,” including recipient of TANF, Food Stamp; another requires they are basic skills deficient, a “school dropout, homeless, a runaway or foster child, pregnant or parenting, an offender, or an individual who requires additional assistance to complete an educational program or hold employment.”





## > Youth Program

- The regression model accounts for many, if not all, of these groups related to the youth goals:
- out-of-school youth,
- youth in foster care,
- youth in the juvenile justice system,
- children of incarcerated parents,
- migrant youth,
- youth with disabilities, and
- Native American youth.
  - Reference: WIA Section 101(13)

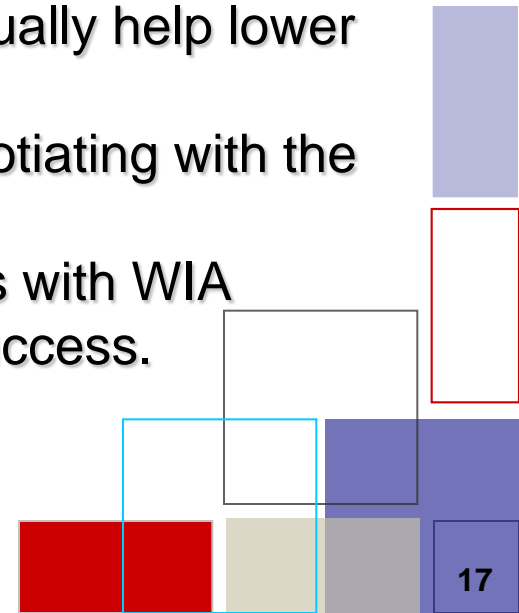






## > So What Does This all Mean to TANF and WIA Practitioners?

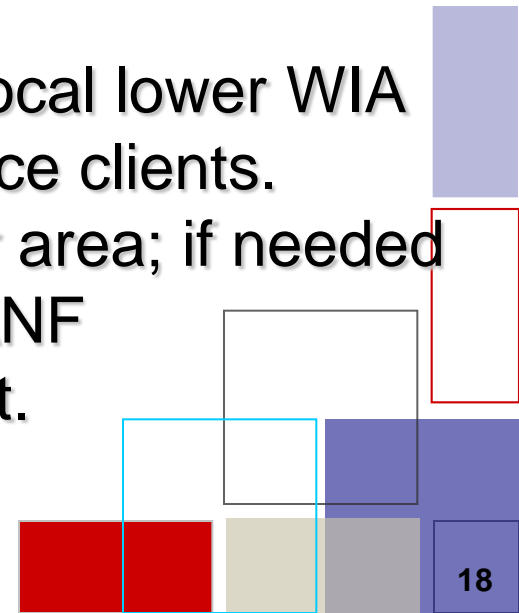
- That collaborations between both programs benefit the TANF clients
- For WIA local area:
  - TANF and public assistance clients are a required priority of service population; funds are limited.
  - Regression model provides a level playing field to serve hard-to-serve population; adjust service design to accommodate this.
  - Serving TANF/public assistance population may actually help lower your performance levels.
  - Gives you a better negotiation advantage when negotiating with the state.
  - Better integrate TANF supportive services resources with WIA resources to enhance long-term employment and success.





## > So What Does This all Mean to TANF and WIA Practitioners?

- For TANF Service Providers:
  - Develop referral mechanism with LWIA in your area; become part of the One-Stop (AJC) partner system.
  - Conduct better assessment of clients to determine critical barriers to address during WIA training and or employment services; coordinate strategies with WIA.
  - Identify supportive services that can enhance WIA service strategy.
  - Know that the regression model may help local lower WIA performance level for TANF/public assistance clients.
  - As to join the business service team in your area; if needed help them focus on industry sectors that TANF clients may better be suited for employment.



# > Questions?

