

Wisconsin Workforce Innovation and Opportunity Act (WIOA) Title IB Adult Program

Return on Investment Report

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Executive Summary:

The federal Workforce Innovation and Opportunity Act (WIOA), 29 U.S.C. § 3102(1) (2014), was signed into law in 2014 to increase access and opportunities to employment, education, training, and support services toward improving American worker success in the labor market ([WIOA, 2014](#)). The WIOA Title I-B Adult Program provides individualized support to adults, with priority given to people with identified employment barriers. The program targets underused talent pools, specifically people who can most benefit, including individuals who are unemployed, underemployed, and not in the labor force but would be with the right supports. This report provides information on the potential return on investment that the WIOA Title I-B Adult Program is providing to its participants and stakeholders across Wisconsin. We also aim to see if the program impacts individuals based on different demographic factors such as race, ethnicity, gender, region, and other individual characteristics. It is important to note that even when services increase employment rates and wages for adults, it may take time for people achieve economic self-sufficiency.

To determine the WIOA Title I-B Adult Program's return on investment, researchers at the Wisconsin Department of Workforce Development (DWD) analyzed program participant individual characteristics, services, employment outcomes, and cost data. Most data were available in DWD's Workforce Data Integration System (WDIS) Longitudinal Workforce Database (LWD) and service expenditure information from business intelligence cost reports. Our sample consisted of Wisconsin WIOA Title I-B Adult Program participants and a comparison group of participants from Wisconsin's WIOA Title III Program. WIOA's Title III Program, also known as Wagner-Peyser, provides labor exchange services to all job seekers virtually via the Job Center of Wisconsin website and in American Job Centers around the state. Participants in these analyses exited their respective programs during program year 2021 (PY21), from July 1, 2021, to June 30, 2022. The two groups had similar characteristics, with a slightly larger percentage of white and black participants and fewer Hispanic/Latino participants in WIOA Title I-B Adult Program when compared to WIOA Title III Program participants.

In a comparison analysis, participants who received WIOA Title I-B Adult Program career training, and/or support services had statistically significantly higher wages when compared to

WIOA Title III Program participants with similar characteristics. In a subsequent analysis, we compared inflation growth to wage growth after participants received services through the WIOA Title I-B Adult Program. Wages after receiving services from the WIOA Title I-B Adult Program were greater than projected based on inflation. Those who had received training and support services during their participation in the WIOA Title I-B Adult Program saw an even higher increase in wages after service receipt. Estimated wage increases were higher than the calculated service cost, providing preliminary evidence of a positive return on investment.

Introduction and Purpose of Evaluation:

WIOA promotes accountability and transparency by establishing performance indicators and requiring data reporting to assess effectiveness of WIOA programs. These data allow researchers to provide information about the programs' outcomes to partners and stakeholders of the workforce development system. The Wisconsin Department of Workforce Development is responsible for the administration of WIOA Titles I, III, and IV programs. The DWD's Bureau of Workforce Training (BWT), in the Division of Employment and Training (DET), oversees the administration of the WIOA Title I-B Adult Program delivered by Wisconsin's 11 local workforce boards. This report addresses the following research questions:

1. Are the participants of this program seeing increases in wages that outpace inflation?
2. What is the return on investment (wage growth as compared to cost) of this program?
3. Does wage growth vary based on individual characteristics?

Review of Previous Literature:

As the WIOA Title I-B Adult Program is a federally funded workforce program, job seekers, workers, employers, and taxpayers are stakeholders of this program. Workforce system stakeholders benefit from understanding the impact workforce development funding has on helping people reach their career goals, employers fill their workforce needs, and strengthen Wisconsin's economy. Potential participants can make an informed decision about participating in the program when they know more about the program impacts. Insights gained from this analysis also allow program staff to enhance services and pursue continuous improvement from a data-based perspective. It is important to remember in reviewing these data that the impact of these programs may be delayed and not present in the current dataset. Services and training may take time before employment rates and/or wages are increased. Once employed, it may take time until participants' income is high enough to reduce and/or eliminate government funded supports and benefits.

Historically, reemployment services have assisted return to work, reducing time on public benefits (for example, receipt of Unemployment Insurance (UI) benefits). For instance, a review by the United States Department of Labor found that five of seven studies on Reemployment and Eligibility Assessment (REA) programs showed a reduction in UI benefits duration by around 1.3 weeks after participants received services (reducing total benefits paid), whereas short-term employment rates increased by about 2% (Klerman et al., 2020). Most impact was due to the REA-required in-person meeting where a case manager reviewed UI eligibility information, including work search requirements, and some additional impact was observed for participants who received job search assistance.

Employment and training services also assist individuals who are not UI claimants, but are unemployed, underemployed, or not in the labor force but would be with the right supports. For example, one study revealed that youth receiving Supplemental Security Income (SSI) experienced substantial benefits from targeted training and employment services. Hartman et al. (2019) shared that all youth, despite different demographics in areas including age, gender, region, and socioeconomic status, experienced improved employment outcomes after receiving individualized and family case management and wraparound employment, training, and support services. Tailored interventions that address specific needs can improve employment outcomes (Dula, 2021). Specific needs may include limited access to child care, transportation issues, and gaps in skills training. Programs that incorporate wraparound services and specifically target these challenges are more likely to yield positive employment and wage outcomes. When these factors are addressed, individuals can achieve greater workforce inclusion and economic mobility, fostering a more equitable labor market (Anderson et al., 2024).

Part of wraparound services can include connecting to other employment and training services. For example, when low-income youth with disabilities and their parents were connected to WIOA Title III and I-B services, they experienced higher employment rates and wages (Hartman et al., 2024). Similarly, Hollenbeck & Huang (2016) found adult, dislocated worker, and youth Workforce Investment Act services in Washington State yielded a positive return on investment for both participants and the public. Further, in a review of research Mueser and Troske (2023) reported there are more recent, high-quality research studies that found counseling and training programs were related to increased earnings. These programs were similar to WIOA Title I-B programs. Further, improved employment outcomes were observed in youth programs with more intensive job training and targeted training programs aimed to meet sector training needs identified by local employers.

This review emphasizes the critical importance of WIOA Title I-B Adult Program in Wisconsin and advocates for ongoing assessment of its impacts for underutilized talent pools. In the current study, three different types of services were explored: career, training, and support services. WIOA Title I-B Adult Program career services are services that aim to assist participants find employment and advance their careers. Career services include things like providing counseling, job search assistance, and career assessments. Training services include classroom training, on-the-job training, and other types of essential job skill training. Support services are services that help participants overcome barriers to participation in other career and training services. Examples of support services include supports to help participants access transportation, childcare, and housing-related needs.

Methods and Evaluation Process:

The dataset included participant individual characteristics, services, and employment outcomes from the Workforce Data Integration System (WDIS) Longitudinal Workforce Database (LWD) and service expenditure information from the program's fiscal management system. The sample consisted of WIOA Title I-B Adult Program participants who received workforce career, support, and/or training services and exited from services during the 2021 program year, which began on July 1, 2021, and ended on June 30, 2022. This period provided sufficient time after participants exited the program to measure wage growth from program entry to eight quarters after exit. To conduct a difference-in-difference analysis, the researchers created a comparison group of individuals who received WIOA Title III (job center) services and exited in PY2021. The WIOA Title I-B Adult Program participants and the comparison group had similar wages and demographics at entry, with some exceptions. The WIOA Title I-B Adult Program group had a slightly larger percentage of white and black participants, and fewer Hispanic/Latino participants. The selection of WIOA Title III Program participants as a comparison group is grounded in the understanding that both groups are navigating state-supported workforce support. Individuals in these groups are often facing career challenges—such as job loss or shifts in employment—that prompt them to pursue additional assistance. The programs differ in the intensity of services provided. Individuals receive WIOA Title III Program services through the Job Center of Wisconsin online and/or at local American Job Centers through self, staff-assisted, group, and/or individual services provided by DWD's Bureau of Job Service. Individuals in the WIOA Title I-B Adult Program have access to more individualized career services, as well as funding for training and support services ([Job Center of Wisconsin](#)).

Table 1

WIOA Title I-B Adult Program Participant Counts by Workforce Development Area (WDA) in PY2021

	Count	Percent of Sample
Residential WDA		
1 - Southeast	129	8.25%
2 - Milwaukee County	613	39.09%
3 - Waukesha-Ozaukee-Washington	90	5.71%
4 - Fox Valley	53	3.38%
5 - Northeast	126	8.05%
6 - North Central	69	4.42%
7 - Northwest	64	4.09%
8 - West Central	69	4.42%
9 - Western	42	2.66%
10 - South Central	231	14.74%
11 - Southwestern	81	5.19%
Statewide Totals	1567	100%

Table 2

WIOA Title I-B Adult Program Service Counts and Service Costs by Service Type and Workforce Development Area (WDA) in PY2021

	Career		Training		Support	
	Count	Cost	Count	Cost	Count	Cost
Residential WDA						
1 - Southeast	127	\$725,054.23	91	\$263,835.32	97	\$52,671.45
2 - Milwaukee County	602	\$1,863,009.65	397	\$801,907.15	374	\$202,242.20
3 - Waukesha-Ozaukee-Washington	88	\$200,308.31	39	\$232,298.90	21	\$10,712.79
4 - Fox Valley	52	\$203,028.38	37	\$74,227.79	36	\$113,600.83
5 - Northeast	124	\$730,707.19	88	\$326,425.27	87	\$147,328.54
6 - North Central	67	\$543,369.44	63	\$84,646.36	41	\$13,840.20
7 - Northwest	63	\$429,411.94	51	\$59,084.31	46	\$59,437.75
8 - West Central	68	\$325,709.08	57	\$127,595.72	64	\$79,535.20
9 - Western	41	\$328,413.22	41	\$180,969.16	39	\$49,868.62
10 - South Central	227	\$489,155.70	110	\$179,202.49	94	\$60,218.81
11 - Southwestern	80	\$216,384.06	55	\$147,249.33	60	\$67,862.62
Statewide Totals	1539	\$6,054,551.20	1029	\$2,477,441.80	959	\$857,319.01

Three regression analyses were conducted comparing quarterly Unemployment Insurance (UI) wage growth from program entry to eight quarters after exit for participants in the WIOA Title I-B Adult Program cohort. The regression model including individual characteristics was found to be statistically significant with an $F(13, 607) = 4.38$, $p < 0.001$, and the R^2 was computed to be 0.0858, explaining 8.58% of the variance. The coefficient provides an average calculated amount of increased (positive values) or decreased (negative values) wage changes. Looking at the constant coefficient, participants without the identified individual characteristics included in the regression model experienced a baseline quarterly wage increase of \$4,736.46 from program entry to eight quarters after exit. Looking at the coefficients for individual characteristics, wage changes are the coefficient amounts for the employment influencer plus the constant. For example, those with basic skills deficiencies saw a wage increase that was \$2,436.70 less than the baseline but still experienced a \$2,299.76 increase in wages from the WIOA Title I-B Adult Program eight quarters after exiting the program.

Table 3

Individual Characteristics Linear Regression Prediction of Wage Change from Program Entry to Eight Quarters after Program Exit

	Count	Coefficient	<i>p</i> level
Individual Characteristics			
Disability	138	- 290.17	0.766
Basic Skills Deficit	120	- 2436.70	0.022*
Single Parent	494	- 971.41	0.082
Displaced Homemaker	9	2952.62	0.497
Veteran	44	- 4592.42	0.006**
English Language Learners	40	3719.53	0.020*
Low Income	1158	967.57	0.073
Ex-Offender	315	- 1949.84	0.080
Homeless	75	1131.03	0.481
Cultural Barrier	26	- 6228.82	0.013*
Long-term Unemployed	371	1995.02	0.068
Exhausting TANF	15	965.24	0.768
Constant	1567	4736.46	< 0.001****

* $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$

Note: Definitions for individual characteristics can be found on the WIOA Participant Individual Record Layout (PIRL) [resource website](#):

Subsequent regression analysis predicted wage growth based on demographics and WIOA Title I-B Adult Program career, support, and training services. The regression model

including demographics and services was found to be not statistically significant with an $F(6, 614) = 1.07$, $p = 0.3791$, and the R^2 was computed to be 0.0104, explaining 1.04% of the variance. The model did estimate higher wage growth for participants who received training and support services. Participants who received support services had an estimated average growth of \$5,655.27 in wages and participants who received training services had an average growth of \$5,323.39 in wages. Previous literature reports training services are typically associated with larger wages increase than observed with support services (for example, Lynch, 2004). The higher wages observed for Wisconsin WIOA Title I-B Adult Program participants may be because most participants who received support services also received training services.

Table 4

Employment Influencer Linear Regression Prediction of Wage Changes from Program Entry to Eight Quarters after Exit

	Count	Coefficient	<i>p</i> level
Demographics			
Female	310	- 2449.47	< 0.001***
Hispanic	58	148.27	0.878
American Indian Alaskan Native	12	- 2481.03	0.147
Black	255	- 1152.98	0.226
White	287	- 1477.32	0.105
Asian Hawaiian Pacific Islander	24	613.03	0.716
Services			
Training	444	5323.29	< 0.001***
Support	403	5655.27	< 0.001***
Constant	606	4528.69	< 0.001***

* $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$

Wage growth estimates exceeded average cost per participant. All participants received career services. The cost of career services averaged \$3,934.08 per participant and baseline wage growth from program entry to eight quarters after exit was calculated to be \$4,5028.69. Participants who also received training and support services had additional costs but also had larger estimated wage growth. Participants who received training services had an additional average training cost of \$2,407.62 per participant and an added estimated wage growth of \$5,323.29. Participants who received support services had an average additional cost of \$893.97 per participant and an additional wage growth estimated at \$5,655.27.

Table 5

Service Cost Compared to Wage Regression Prediction of Wage Changes from Program Entry to Eight Quarters after Exit

Services	Count	Cost per Participant	<i>Wage Growth Estimate</i>
Career (Constant)	1539	\$3,934.08	\$4,528.69
Training	1029	\$2,407.62	\$5,323.29
Support	959	\$893.97	\$5,655.27
Career and Training	1029	\$6,341.70	\$9,851.98
Career and Support	959	\$4,828.05	\$10,183.96
Career, Training, and Support		\$7,235.67	\$15,507.25

A third regression model explored the influence of education level at program entry, geography, race, and ethnicity. Overall, the regression model was not found to be statistically significant with an $F(10, 606) = 0.44$, $p = 0.926$, and the R^2 was computed to be 0.0072, explaining less than one percent of the variance. In other words, these variables did not explain wage changes overtime.

To determine if increase in wages could be explained by inflation, an inflation rate of 12.6% was used to compare observed wage growth to inflation rate. This inflation rate was calculated using the Consumer Product Index, measuring approximate inflation wage from participants' program exit date to eight quarters after exit. Wage growth due to a 12.6% inflation rate was then compared to the actual wage growth using a t-test comparing the differences between the two average wages. There was a statistically significant difference ($N = 1567$, $p < 0.001$) between the mean of the calculated inflation growth and actual wage change. Actual wage growth averaged \$2,590 more than calculated inflation growth.

To help put this wage increase into context, consider income eligibility amounts of public benefits. To qualify for Wisconsin's Supplemental Nutrition Assistance Program (SNAP) (known as FoodShare), the income of a one-person household would need to be less than \$2,510 per month (Wisconsin Department of Health Services, 2024). On average, WIOA Title I-B Adult participants had an average wage growth of \$2,590 per quarter over inflation. The observed increases in wages may be sufficient to decrease in public benefit use and/or amounts.

To further support our claim of a positive causal relationship between receiving WIOA Title-1B Adult Program services we conducted a Difference-in-Difference (DiD) regression. Through this DiD analysis, we assess the difference in outcomes for WIOA Title I-B Adult Program participants before and after program participation, subtracting the difference in outcomes for the WIOA Title III Program comparison group during the same timeframe. This

methodology allows us to attribute any observed differences in outcomes directly to WIOA Title I-B Adult Program services while controlling for time-varying factors that similarly affect both groups (Neumark & Washer, 2000).

To evaluate the use of Title III participants as a comparison group, we conducted an a priori trends analysis and found that these two groups had statistically similar wages prior to program entry. This supports the causal argument that observed differences in outcomes is a result of the different services received under the WIOA Title 1-B Adult Program. The results from our difference-in-difference analysis largely supported the findings of our linear regression models. The regression model was found to be statistically significant for each of the demographic groups we tested. Overall, wage growth averaged \$2,682 more for WIOA Title I-B Adult Program participants than observed for participants who received WIOA Title III Program services. We also observed differences by demographics and service type. Male participants averaged a higher wage growth than female participants. For race and ethnicity, wage growth was highest for Asian participants, followed by White, Hispanic, and Black participants. Furthermore, wage growth was higher for individuals with disabilities than observed overall, possibly because the value add for individualized career, training, and support services was higher for people with disabilities than people without disabilities.

Table 6

Difference in Difference Wage Growth Comparison between Title III and Title I-B Adult Program Participants

	Coefficient	<i>p</i> level
All	2651.66	< 0.001***
Participant Characteristics		
Veteran	2329.23	0.1025
Hispanic	2238.81	0.0023**
Asian	4822.08	< 0.001***
Black	1389.80	< 0.001***
White	3365.39	< 0.001***
Disability	3051.24	< 0.001***
Male	3458.57	< 0.001***
Female	1929.42	< 0.001***
Services		
Career	1403.59	< 0.001***
Training	1640.05	< 0.001***
Support	1611.39	< 0.001***

p* < 0.05; *p* < 0.01; ****p* < 0.001

Understanding the impact of each service separately with the DiD model proves more complicated than the broader analysis by service category. Many participants who received support services also received training services, so service receipt is correlated, which might explain similar wage growth calculations. When isolating service impact, the model calculates a wage increase for each service type at a lower rate than observed across all participants. When participants received more than one service, the observed wage increases combined. For instance, if someone received both career and training services we would expect to see an increase in wages somewhere between \$1,640.05 to \$3,043.64.

Conclusion

Our study evaluated the return on investment of the WIOA Title I-B Adult Program in Wisconsin, focusing on wage growth among participants who exited the program from July 1, 2021, to June 30, 2022. The research analyzed the growth of wages of WIOA Title I-B Adult Program participants by individual characteristics, geography, and types of services. A subsequent analysis compared WIOA Title I-B Adult Program participants to a comparison group of Title III Program service recipients, controlling for demographic factors and pre-existing trends. The results demonstrate a clear, positive impact of WIOA Title I-B Adult Program participation on participant wages, exceeding the effects of inflation and indicating a ROI for the program.

The central finding of our paper is that WIOA Title I-B Adult Program participants experienced statistically significant wage increases compared to both the comparison group and projected inflation. Specifically, participants' wages were, on average, \$2,590 higher than what would be expected based solely on inflation (12.6% based on the Consumer Price Index). The Difference-in-Difference analysis further strengthened this finding, showing that WIOA Title I-B Adult Program participants had a quarterly wage growth \$2,682 greater than that of Title III Program participants. This supports a possible causal link between WIOA Title I-B Adult Program participation and improved economic outcomes.

The analysis showed that specific services offered within the WIOA Title I-B Adult Program were associated with variable wage gains. Although the correlation between support, career, and training services makes isolating the individual impact of each service type challenging, the combined effect was consistently associated with wage growth. In the linear regression model of only WIOA Title I-B Adult Program participants, differences in wage growth among racial groups were not statistically significant. The DiD regression, in turn, showed

variance in wage growth estimates compared to WIOA Title III Program participants, with Asian participants experiencing the highest wage growth, followed by White, Hispanic, and Black participants.

The study also examined the impact of various individual characteristics and lived experiences on program participants. While some individual characteristics (basic skills deficiencies, ex-offender status) were associated with lower overall wage growth relative to the average participant, it's crucial to note that individuals with these characteristics still experienced significant wage increases after participating in the program. For example, individuals with basic skill deficiencies still saw an increase of quarterly earnings of \$2,299.76 eight quarters after program exit. Certain barriers, such as being an English language learner or unemployed long-term, were positively related to wage increase, indicating higher-than-average wage increases. There were no statistically significant differences in wage gains based on the participants' program entry education level or their WDA region of residence.

These findings have important implications for policy and practice. The wage growth observed among WIOA Title I-B Adult Program participants was higher than program cost, and suggests that the program is effectively helping individuals, including those with significant employment barriers, work towards economic self-sufficiency.

Limitations and Future Research:

While this study provides evidence of the WIOA Title I-B Adult Program's positive impact, some limitations should be acknowledged. The analysis was a preliminary pilot analysis to better understand the trends, and a variety of data analytics were conducted to better understand if data trends were consistent. Wage growth was demonstrated across the models, although statistical significance and variance accounted for differed across the models. The analysis relies on administrative data, which may not capture all relevant factors influencing employment outcomes. Missing data for some participants could introduce bias into the results. While the analysis attempts to account for this, the extent to which missing data affects the estimates is unknown. Future research should more systematically analyze the impact of training on employment outcomes for the WIOA Title I-B Adult Program and other workforce programs. In addition, future research should include qualitative data collection (interviews with participants) to gain a deeper understanding of the program's impact on individuals' lives and the mechanisms driving wage growth. Further investigation into the specific types of services that yield the highest ROI, and exploration of the reasons for the higher-than-expected impact of

support services, would also be valuable. Finally, a longer-term follow-up study could assess the sustainability of wage gains and the program's impact on long-term career trajectories.

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