

Social Programs That Work Review

Evidence Summary for the Year Up Program—

Workforce Training for Economically Disadvantaged Young Adults

HIGHLIGHTS:

- **PROGRAM:** A full-time, year-long workforce training program for economically-disadvantaged young adults that focuses on economic sectors with jobs in high demand—namely, information technology and financial services.
- **EVALUATION METHODS:** A well-conducted randomized controlled trial (RCT) with a sample of 2,544 low-income adults ages 18 to 24 with a high school diploma or equivalent, who were neither in school full-time nor employed full-time, carried out at eight urban sites across the United States.
- **KEY FINDINGS:** The program produced a statistically significant 30 percent (\$8,251) increase in average annual earnings in the seventh year after random assignment, versus the control group. These effects showed no sign of diminishing over time. They were also sizable in virtually all study sites and subgroups examined (e.g., gender, race), showing that the effects generalize broadly across settings and subpopulations.
- **LIMITATIONS/OTHER CONSIDERATIONS:** Year Up carefully screens applicants and enrolls those identified as being motivated to succeed and interested in career advancement. The effects may not apply to individuals who fall outside such criteria.

I. Evidence rating: **TOP TIER**

The standard for Top Tier is:

Programs shown in well-conducted RCTs, carried out in typical community settings, to produce sizable, sustained effects on important outcomes. Top Tier evidence includes a requirement for replication – i.e., the demonstration of such effects in two or more RCTs conducted in different implementation sites, or, alternatively, in one large multi-site RCT. Such evidence provides confidence that the program would produce important effects if implemented faithfully in settings and populations similar to those in the original studies.

II. Description of the Program:

Year Up is a national workforce training program for economically disadvantaged urban young adults between the ages of 18 and 24 that focuses on specific economic sectors with jobs in high demand—namely, information technology (IT) and financial services (hence the program’s classification as a “sectoral” training program). The program seeks to enroll young adults who have a high school diploma or equivalent but are neither in school full-time nor employed full-time, have manageable life challenges, and are motivated to succeed.

The program operates in two six-month phases. In the first phase, participants attend full-time training in IT and financial services. The training emphasizes the development of professional skills (*e.g.*, writing, giving presentations, business etiquette) as well as technical skills (*e.g.*, IT, quality assurance, financial operations). The second phase consists of a full-time internship in entry-level positions at local employers, often major firms. The program provides extensive supports, including weekly stipends to help cover transportation and other living costs (typically \$150 per week during the training phase and \$220 per week during the internship phase), mentoring, and post-program job search and placement services. In addition, Year Up partners with local colleges to enroll participants as students and award them college credit for successful completion of Year Up courses.

The cost of the program is about \$28,290 per participant, most of which (\$16,700, or 59%) is borne by employers through payments to Year Up for interns.¹

Year Up’s website is [linked here](#).

III. Evidence of Effectiveness:

Overview of the Study Design:

The study was conducted in eight metropolitan sites: Atlanta, Boston, Chicago, New York City, Providence, San Francisco/San Jose (Bay Area), Seattle, and Washington, D.C. Interested young adults underwent an intensive screening process in order to identify those meeting the target characteristics described above (*e.g.*, high school diploma or equivalent, neither employed nor in school full-time, motivated to succeed). The study randomly assigned 2,544 such individuals to either a treatment group that was admitted to Year Up, or to a control group that was not admitted but had access to available education and training services in the community. 54% of sample members were black, 31% were Hispanic, 59% were male, 68% lived with their parents, and almost all came from low-income families (mean family income of \$27,000 in the prior year). Many had struggled in high school: 40% reported usual grades of C or below, and only 10% reported usually receiving A’s.

¹ All monetary amounts discussed in this summary are 2014 dollars.

Key Findings:

The study found that the program produced a 30% increase in annual earnings in the seventh year after random assignment (*i.e.*, the study’s longest-term follow-up to date on the primary targeted outcome). The increase amounted to \$8,251 (\$35,589 for the Year Up group versus \$27,338 for the control group), and was statistically significant at the $p < .01$ level. The earnings gains were positive and statistically significant starting in the second year after random assignment and continuing through the seven year follow-up period with no sign of diminishing.² The earnings effects were sizable and statistically significant ($p < .05$) in five of the eight study sites, and virtually all subgroups examined (*e.g.*, gender, race/ethnicity, prior educational attainment), showing that the positive effects generalize broadly across subpopulations and settings.³

The study found significant positive effects on some exploratory outcomes but not others. For example, it found no significant effect on the employment rate at the seven-year follow-up (approximately 75% of both the Year Up group and the control group were employed). In the six-year follow-up survey, the study found significant positive effects on many exploratory outcomes related to financial well-being, including a sizable reduction in average debt at the time of the survey (24%, or \$2,200 per person) and a decrease in the percent of households receiving means-tested public benefits in the past month (32% of the Year Up group versus 39% of the control group). The study found no strong pattern of positive or adverse effects on exploratory outcomes related to education and training (*e.g.* receipt of a college degree), family formation, or physical health or psychosocial well-being.

An implementation study found that the program was implemented successfully, in close adherence to the program model, at all eight study sites. 85% of individuals assigned to the Year Up group completed the six-month training, and 75% finished the full program. The study included a cost-benefit analysis, which found that Year Up produced a net gain to society of \$33,884 per Year Up group member. The results imply a social gain of \$2.46 for every dollar spent on Year Up. This is a conservative estimate as it assumes the earnings effects end after the seven-year follow-up period, when in fact they show no sign of diminishing.

Discussion of Study Quality:

Based on our review, we believe this was a well-conducted RCT. Members of the Year Up and control groups were highly similar in their pre-program characteristics (*e.g.*, demographics, education, employment, and income). The study appropriately obtained and analyzed outcomes for all members of the Year Up group, regardless of whether or how long they participated in the program (*i.e.*, the study used an “intention-to-treat” analysis). The study obtained earnings,

² The study’s primary, pre-specified outcome in the most recent report was the effect on average quarterly earnings in quarters 23 and 24 after random assignment. The study found a large, statistically-significant effect on this outcome (\$1,895, representing a 28% increase versus the control group). Our summary focuses instead on the earnings effect in the longest-term follow-up (*i.e.*, the seventh year after random assignment) as it more directly addresses whether the program produces earnings effects that endure over time.

³ The study reported site-level and subgroup effects in quarters 23 and 24 after random assignment, but not quarters 24-27 (*i.e.*, the seventh year post-random assignment). Effects were near-significant ($p < .10$) in an additional two study sites.

employment, and education outcome data for 98% of sample members through access to administrative data sets (the federal National Director of New Hires, and the National Student Clearinghouse). The study had moderate-to-high sample attrition for other, exploratory outcomes measured through a survey six years after random assignment (attrition rates were 33% for the Year Up group and 39% for the control group), somewhat reducing confidence in these exploratory findings. Finally, the study evaluated Year Up as delivered on a sizable scale across multiple U.S. cities, thus measuring its effectiveness under real-world implementation conditions.

IV. Other Studies:

There has been one other RCT of Year Up that found positive effects on earnings over a four-year follow-up period, but the study had limitations that reduce confidence in these findings. For example, the effects in the final year of follow-up were sizable but did not reach statistical significance, possibly because the study had a small sample (194 individuals randomized) and/or has significant “cross-over” (*i.e.*, more than one-quarter of control group members participated in the program in the second year of the study).

V. References:

Fein, David and Samuel Dastrup (2022). *Benefits that Last: Long-Term Impact and Cost-Benefit Findings for Year Up*, OPRE Report #2022-77, Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services.

Fein, David, Samuel Dastrup, and Kimberly Burnett (2021). *Still Bridging the Opportunity Divide for Low-Income Youth: Year Up’s Longer-Term Impacts*, OPRE Report #2021-56, Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services.

Fein, David and Jill Hamadyk (2018). *Bridging the Opportunity Divide for Low-Income Youth: Implementation and Early Impacts of the Year Up Program*, OPRE Report #2018-65, Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services.

Roder, Anne, and Mark Elliott (2014). *Sustained Gains: Year Up’s Continued Impacts on Young Adults’ Earnings*. New York: Economic Mobility Corporation.

Howard Rolston, who is a consultant to Arnold Ventures’ (AV) Evidence-Based Policy team, contributed to the early design and execution of the Year Up RCT in his former position at Abt Associates. He therefore recused himself from the AV team’s review of the study and interpretation of its findings.