

Evaluation of the Projects With Industry Program

Final Report

December 2003

Prepared for:

Rehabilitation Services Administration
U.S. Department of Education

Submitted by:

RTI International
Research Triangle Park, NC



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Michael Tashjian
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DISCLAIMER

The contents of this report were developed under a contract from the Department of Education. However, those contents do not necessarily represent the policy of the Department of Education and you should not assume endorsement by the Federal Government.

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The RTI study team included Todd Arrington, Linda Bailey-Stone, Barbara Elliott, Diana Goss, Becky Hayward, Dan Levine, Lisa McCaskill, Mike Massey, Kimrey Millar, and Mike Tashjian.

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EXECUTIVE SUMMARY

Projects With Industry (PWI), a discretionary grant program administered by the Rehabilitation Services Administration (RSA) of the U.S. Department of Education, provides support to a variety of organizations to assist individuals with disabilities obtain competitive employment. Established by the 1968 amendments to the Rehabilitation Act, the PWI program was created to serve as a vehicle for promoting greater participation of business and industry in the vocational rehabilitation (VR) process. PWI program regulations state that the purposes of the PWI program are to:

- create and expand job and career opportunities for individuals with disabilities in the competitive labor market by engaging the talent and leadership of private industry as partners in the rehabilitation process;
- identify competitive job and career opportunities and the skills needed to perform these jobs;
- create practical settings for job readiness and job training programs; and
- provide job placements and career advancements.

In the period of project performance covered by this report (Fiscal Year [FY] 2001), RSA awarded approximately \$22 million to support a total of 102 PWI grants (new and continuation). All PWI projects must provide job development, job placement, career advancement services to eligible individuals with disabilities, and such support services as may be required in order to maintain the employment and career advancement; most PWIs also provide a range of optional services such as job readiness training, job skill training, and post-placement assistance. All PWIs are to establish Business Advisory Councils (BACs) that include representatives of private industry, organized labor, individuals with disabilities and their representatives, state VR agency representatives, and others. BACs are to identify available jobs in the community, consistent with the current and projected local employment opportunities identified by the local Workforce Investment Boards (WIBs) established under the Workforce Investment Act (WIA) of 1998, identify the skills necessary to perform those jobs, and prescribe appropriate training or placement programs for project participants. Project performance in assisting individuals with disabilities obtain competitive employment is reported annually by all grantees through the PWI compliance indicators reporting system. In order to receive continuation funding for the third, fourth and fifth years of the five-year grant, grantees must achieve minimally acceptable levels of performance on the indicators.

Study Purposes and Objectives

In October 2000, Research Triangle Institute (RTI) initiated an evaluation of the PWI program under a contract with the U.S. Department of Education. The broad purpose of the evaluation was to examine the role and performance of the PWI program as one component of the broader set of employment-related services available to individuals with disabilities, with a particular focus on the extent to which PWI projects fulfilled their intended goal to create and expand job opportunities for individuals with

disabilities at the project level. Accomplishment of this purpose required achievement of six study objectives:

- Describe the structure and operations of PWI projects with respect to type of grantee organization, project foci, funding, staffing, types of services provided, and other variables.
- Describe the relationship of the PWI program to the employment community in terms of BACs, local employers, and WIA entities.
- Identify the characteristics of individuals served by PWIs in terms of demographic and disability characteristics, types of PWI services received, and employment outcomes obtained.
- Describe the degree to which there is cooperation and coordination between the PWI and state/federal VR programs, and compare the characteristics and outcomes of PWI participants with those of VR consumers.
- Identify the degree to which PWI compliance indicators influence project operations and are supported by accurate and reliable data.
- Describe the extent to which PWI projects vary in how they pursue program purposes and identify how the PWI model might be improved in ways that would enhance its ability to function as a complement to the VR services program.

Overview of Study Design

The PWI evaluation collected the data needed to address these study objectives through (1) a survey of all PWI projects funded as of October 2000, and (2) on-site data collection at 30 randomly selected PWI projects. We conducted data collection activities during May through September, 2002. Seven data collection instruments were used to gather the information needed to respond to study issues:

- **A survey of all PWI projects** funded as of October 2000.
- **PWI staff interview guide.** We used this guide to focus our discussions with PWI project directors and other project staff.
- **BAC member interview guide.** We spoke with two or three BAC members at each of the projects visited, and attempted to maximize the number of BAC members who represented private industry with whom we interviewed.
- **Local VR office staff interview guide.** We spoke with one or more representatives of local VR agency offices with which the PWI project interacted most often.
- **WIB Chair/one-stop director interview guide.** We discussed the necessity or appropriateness of administering this instrument with PWI project directors during site visit arrangements; not all PWIs have established linkages with one-stops or local WIBs.
- **Employer focus group guide.** With assistance from PWI project directors, we attempted to convene focus groups of four to six employers at each project visited.
- **PWI participant case file abstraction form.** We randomly selected for review the case files of 20 percent of all individuals whose participation in the PWI program ended at any time in FY 2001, regardless of outcome.

We weighted the data abstracted from the project files for 584 individuals whose participation in the PWI program ended in FY 2001 to represent the universe of such individuals (approximately 11,000 persons), allowing us to describe the characteristics, services, and outcomes for all former PWI participants. To obtain comparable data on VR consumers, we obtained the RSA-911 data (case service records) from those VR districts most proximate to the projects we visited. We also obtained from RSA compliance indicator data submitted by PWI projects for FY 2001.

Summary of Findings

In FY 2001, 88 organizations located in 32 states and the District of Columbia operated 99 PWI projects. The program provided services to approximately 13,300 individuals with disabilities and assisted approximately 7,000 of these persons to obtain competitive employment. In the remainder of this executive summary we review study findings related to the first five study objectives, discuss the extent to which projects vary in pursuit of program purposes, and offer a few suggestions for improvement of the PWI model and the program overall.

Describe the structure and operations of PWI projects with respect to type of grantee organization, project foci, funding, staffing, types of services provided, and other variables.

Types of Grantee Organizations

- Over one-half of all PWI grantees (58 percent) characterized their organizations as a not-for-profit community-based rehabilitation program; another 17 percent were private nonprofit; and 12 percent were educational institutions.

Project Foci

- Seventy-seven percent of PWI projects responded to one or more invitational priorities in their grant application.¹
- Forty-three PWIs served an Enterprise Community (EC) or Empowerment Zone (EZ); all of the project directors we spoke with whose projects served such areas believed doing so had a negative influence on project outcomes (i.e., the number of placements obtained).
- Nine projects reported targeting consumers with a specific disability for PWI services; 34 projects targeted consumers for participation by factors other than disability type. Directors of these projects reported that targeting influenced project operations by increasing the need for disability-specific services.

¹ Organizations applying for PWI funding may, in their application, respond to one or more “invitational priorities,” which invite applicants to focus their project efforts in an area of particular interest to the Department of Education, such as collaboration with welfare-to-work programs or with school-to-work transition programs. Introduction of such priority areas, in 1991, expanded further the diversity in project operations that the PWI program had always exhibited. Under 34 CFR 75.105(c)(1) the Department does not give an application that meets one or more of the invitational priorities a competitive or absolute preference over other applications.

Project Funding and Staffing

- The average PWI grant was \$212,636 and average total funding was \$264,564. The federal PWI award accounted for 80 percent of total project funding. Sixty percent of all projects relied exclusively on the federal award and in-kind contributions to support project activities.
- On average, PWI projects allocated 72 percent of their funding to PWI participant services, 16 percent to employer services, six percent to other services, and six percent to all other expenses.
- On average, PWIs employed a total of 6.1 full-time equivalent (FTE) staff positions; approximately 70 percent of all staff positions were supported through PWI grant funds.

Services Provided

- Nearly all projects reported providing mandated services of job placement and job development services; 75 reported providing career advancement services, and 74 projects provided supportive services.
- Optional services provided by PWIs included job readiness training (82 projects), job skill training (67 projects), and worksite modifications (49 projects).
- Nearly one-half of all PWIs (49 percent) relied entirely on PWI funding to provide participant services; the most frequent source of additional funding for services reported was state VR programs.
- Virtually all projects provided employers with employee recruitment and placement and post-placement assistance or follow up; other frequently reported employer services included Americans with Disabilities Act (ADA) assistance, orientation on people with disabilities, and help with worksite modifications.

Describe the relationship of the PWI program to the employment community in terms of BACs, local employers, and WIA entities.

Business Advisory Councils

- The average BAC consisted of 32 persons, a majority of whom (54 percent) represented private industry; most BACs met on a quarterly basis and used committees to address specific functions.
- The vast majority of BACs, according to survey data, pursued their legislated functions of identification of job openings and career availability (99 percent), and identification of necessary skills for those jobs (92 percent); somewhat fewer BACs actually prescribed participant training or placement programs (77 percent).
- BAC effectiveness varied considerably across the 30 sites we visited according to PWI staff, BAC members, and RTI site visitors. Fifty percent of PWI directors we spoke with believed additional business and industry representation on the BAC was needed.

Employer Linkages

- One in five of the projects we visited had entered into formal agreements with employers; staff in most other projects indicated employer reluctance to commit to hiring a specified number of persons over a given time period.
- The principal means by which PWIs retained employers was through extensive follow up on individuals placed by the program. Projects attracted additional employers through networking by BAC members, job fairs, presentations at Chambers of Commerce and cold calling.

- The most common ways through which PWIs involved employers in the program, beyond the hiring of individual participants, included employer-specific training, employer surveys, and mutual involvement with WIBs, one-stops, and Business Leadership Networks (BLNs).

Employers' Perspectives on PWI

- Employers learned about the PWI program most often through direct contact by project staff. Motivations to hire individuals through PWI projects reported by employers included a need for qualified employees without regard to disability, a desire for increased diversity in the workforce, and prior positive experiences in employing persons with disabilities.
- Employers almost unanimously identified PWI projects' regular post-placement follow up as the single most important feature of the program, one that distinguished PWI from both the VR services program and private placement services employers had used.
- The most frequent recommendations for PWI program improvement offered by employers included increasing community outreach and awareness activities, and increasing the number of referrals to their companies.

Linkages with WIA Entities

- Nearly two-thirds of PWI projects (65 percent) reported being a partner with one or more local one-stops; 38 projects are represented on local WIBs and 37 have entered into a memorandum of understanding with the center or local WIB.

Identify the characteristics of individuals served by PWIs in terms of demographic and disability characteristics, types of PWI services received, and employment outcomes obtained.

Participant Characteristics

- Fifty-eight percent of PWI participants who exited the program in FY 2001 were men; the average age was 37.
- Minority representation in the PWI program has nearly doubled over the last two decades, from 22 percent in 1983 to 42 percent in 2001.
- Individuals with mental illness represented 22 percent of all former participants, followed by individuals with learning disabilities (15 percent), nonorthopedic physical impairments (13 percent), orthopedic impairments (12 percent), alcohol or substance abuse (11 percent), and hearing impairments (10 percent). Individuals with mental retardation accounted for nine percent of all former PWI participants, followed by individuals with visual impairments (five percent) and persons with traumatic brain injury (TBI) (one percent).
- Eighty-three percent of all former participants for whom documentation was available had a "significant" disability.
- Seventeen percent of all former PWI participants were employed at entry to the program; on average these individuals worked 25 hours per week and earned \$7.83 an hour.
- Nearly half (49 percent) of former participants were active VR service consumers at entry to PWI, another 21 percent had a prior experience with the VR agency, and 30 percent had no experience with the VR program.
- State VR agencies were the largest single source of referral to the PWI program (58 percent), followed by self, family, or friends (16 percent), schools (10 percent), and community rehabilitation providers (10 percent).

Participant Services Obtained

- In FY 2001, at least 13,000 persons applied for PWI services, of whom over 11,000 (86 percent) were accepted; nearly half of all projects (45) reported that all applicants were accepted.²
- PWI services most frequently received by former participants, according to evidence in participants' case files, included job placement (62 percent), job readiness training (59 percent), and job development (42 percent). Less frequently received services included job skills training (25 percent), supportive services (17 percent), worksite modifications (two percent), and career advancement services (two percent).
- On average, former participants received PWI assistance for 8.7 months; persons who obtained employment following PWI participation were PWI consumers for an average of 9.6 months; persons who exited without employment averaged 6.5 months.

Participants' Outcomes

- Overall, 62 percent of former PWI participants either obtained employment (60 percent) or retained employment (two percent).
- The most common reasons why some individuals exited the program without obtaining employment, according to evidence in project files, included dropouts (59 percent), medical issues (11 percent), administrative decisions³ by project staff (10 percent), participants moving to another area (eight percent), and consumers obtaining employment through some other means (eight percent).
- On average, PWI participants who obtained employment worked for 31 hours per week and earned \$8.94 per hour (median of \$8.00); most jobs were in either the service sector (38 percent), or retail sales (28 percent).
- Only 23 percent of employed former participants obtained some form of employment-related benefits, most often health or medical insurance, received by 91 percent of those with any job-related benefit.
- Participant outcomes varied considerably by type of primary disability; at one end of the spectrum, 80 percent of individuals with mental retardation exited into employment; at the other end, 51 percent of individuals with visual impairments exited the program in FY 2001 into employment.
- A significantly higher percentage of persons who exited the program into employment received job placement services than did individuals who exited without employment; we found no significant differences in receipt of other services by participant outcome.
- One-fifth of all former participants, including 14 percent of those who exited without an employment outcome, were placed in more than one job during their PWI experience.
- Former participants who had some prior involvement with the VR program were significantly more likely to be female, white, and have a significant disability than were former participants who had no prior VR experience.
- PWI participants were 11 percent more likely to obtain or retain employment following PWI services if they had some prior experience with the VR program.

² The study did not collect data on reasons why some individuals who applied for services were not accepted. The survey asked only for aggregate data on the number who applied and the number found eligible.

³ "Administrative decisions" includes a variety of specific reasons for an individual exiting the program without achieving an employment outcome, including consumer failure to show up for appointments, behavioral problems, or other concerns that led the project's staff to decide not to continue serving the individual.

Describe the degree to which there is cooperation and coordination between the PWI and state/federal VR programs, and compare the characteristics and outcomes of PWI participants with those of VR consumers.

PWI-VR Coordination

- Eighty-two percent of PWI projects reported having a formal cooperative agreement with one or more state VR agencies; however, the specifics of these agreements were not well known among the individuals we spoke with representing both PWI projects and state VR agencies.
- Fifty-seven percent of all former PWI participants were referred to the projects by a state VR agency. Only 38 percent of PWI projects reported that specific referral criteria were used to guide this process. Where used, the most frequent criteria included significance of disability (12 projects), job readiness (nine projects), or high school completion (eight projects).
- PWI and state VR agency staff agreed that PWI services do not duplicate VR agency services; individuals served by both program tend to receive placement assistance only through the PWI program, with any training usually provided or at least funded by the VR agency.
- Ways in which PWI projects reported coordinating services for mutual VR consumers, aside from regular telephone or e-mail communication between placement specialists and VR counselors, included regular case conferences (90 percent), PWI staff attendance at VR meetings (83 percent), PWI designated liaison to the agency (83 percent), and joint staff training (49 percent). PWI staff were co-located at VR agency offices in 34 projects (37 percent).
- Two-thirds of the PWI directors we spoke with believed coordination between the two programs could be improved, primarily through increased sharing of information on mutual clients and better specification of referral criteria.

PWI Participants Compared with VR Consumers

- In comparison with VR service consumers in the same localities, PWI consumers were more likely to be significantly disabled (83 percent for PWI participants compared to 64 percent of VR consumers).⁴
- We found no statistically significant differences between PWI participants and VR consumers with respect to the percentage who achieved an employment outcome or with regard to the average earnings of those who obtained employment following program participation.

Identify the degree to which the PWI compliance indicators influence project operations and are supported by accurate and reliable data.

Project Performance in FY 2001

- Based on compliance indicator data submitted by 99 PWI projects for 2001, 15 projects failed to pass both primary indicators and two of the three secondary indicators.
- Two-thirds of all projects (67) failed to achieve an actual cost per placement that was 115 percent or less of projected cost per placement. Eleven projects failed the placement rate indicator, five failed the indicator on percent placed unemployed, four failed the change in earnings indicator, and one project failed to achieve acceptable performance on the percent placed with significant disabilities indicator.

⁴ Nationally, 89 percent of individuals served by the VR program in 2001 were individuals with significant disabilities.

- Actual average cost per placement for all projects in FY 2001 was \$8,282 (median of (\$4,536); when limited to only projects in at least their second year of operations, the average decreases to \$6,060 and the median to \$4,190.

PWI Staff Perceptions on the Indicators

- Broadly speaking, PWI staff welcomed the accountability represented by the compliance indicators and noted their utility in ensuring that program purposes are adhered to and in providing information useful in documenting the program's achievements. A majority of PWI project staff did not believe the indicators unduly influenced project operations in a negative, or counterproductive fashion.
- The most frequent concern voiced about the indicators by PWI staff was their failure to measure project activity in securing private sector involvement or in assisting persons with disabilities in ways other than employment. About one-third of the projects also believed the time needed to collect and maintain the requisite data was unduly burdensome.
- A majority of BAC members and VR agency representatives we spoke with were not familiar with the compliance indicators.
- PWI staff offered few criticisms of specific indicators; four respondents suggested deleting the cost per placement measure, and another two respondents believed it should be calculated only on the basis of the amount of the federal PWI grant (as opposed to total project funding).

PWI Data Collection and Maintenance

- Six of the 30 project directors with whom we spoke cited routine difficulties in collecting and maintaining the data needed to report performance on the indicators, and another four cited only minor problems. The area in which projects reported the most difficulty was in tracking former participants' employment status over time.
- Our own review of participant files indicated that approximately one-fourth of the projects did an excellent job of collecting and maintaining data required by the compliance indicators; 50 percent did an adequate job, and about one-fourth did a poor job.
- Lack of standardized forms for documenting participants' characteristics at entry, PWI services received, and participant outcomes achieved, resulted in wide variations across projects with respect to the types and level of data maintained in individual participants' files.

Conclusions

The strength of the PWI program continues to be its emphasis on job placement and rigorous follow up with former participants and employers. Employers of former PWI participants cite project follow up as the most attractive feature of the program and identify it as the reason they believe the PWI program is a better source of qualified employees compared to the VR services program or private employment agencies. Individual PWI projects pursue the program's purpose in a multitude of ways and vary considerably with respect to scope, type of consumers served, priority areas addressed, types of services provided, and other factors. Various combinations of these factors appear equally effective with respect to participant outcomes, in that the percentage of persons who obtained employment (as calculated from survey data) varied little when examined by these variables.

Each PWI project occupies a specific niche in the spectrum of available employment-related programs for persons with disabilities in their communities, and the design or approach evident at any one project often reflects this configuration of local resources, as well as the broader purposes pursued by the grantee organizations. Typically, PWI funding is one of several programs operated by grantee organizations, and the specific role of the PWI project at many, especially larger grantee organizations, is shaped by the other programs available at the grantee organization. Although difficult to quantify, overall project effectiveness is likely in part a function of how well the PWI project complements other grantee programs and the extent to which projects coordinate their services with those of other locally available programs, including especially VR. In fact, we found that PWI participants who had received VR services more often obtained employment than did participants who had not received VR services.

PWI projects vary dramatically in terms of the extent to which they have strong private sector involvement. Statutory requirements regarding the role of the BAC may not be reasonable given the voluntary nature of BAC services, ongoing changes in BAC membership, and the infrequency with which most BACs convene. The emergence of Business Leadership Networks (BLNs) in many states represents an additional opportunity for the PWI program to strengthen its ties to the private sector. Many projects have already established a cooperative relationship with one or more BLNs, often through membership on project BACs. Further exploration, at the federal and project levels, of how the two initiatives may better pursue their shared purposes is appropriate; the ability to capitalize on existing business alliances whose goal is improved employment outcomes for people with disabilities would allow PWI projects to spend less time on BAC maintenance and more on services to consumers.

The outcomes of the PWI program, with respect to the percentage of persons served who exited into employment and the average hourly earnings of those individuals, are comparable to those of the VR services program. The role of the PWI program in assisting individuals with disabilities served by the VR program varies considerably: while some projects obtained 100 percent of their participants through VR agency referrals, others served few or no VR consumers, and still others (school-to-work projects) served individuals with disabilities prior to their receipt of VR services.

Individuals served by the PWI program do not differ much from those served by VR at the aggregate or program level; typically, PWI projects serve a specific subset of the population served by one or more local VR offices. Differences that may be apparent at the project level are not evident program-wide. The services provided by PWI projects complement, rather than duplicate, those of the VR agency, mainly because individuals served by both programs tend to receive placement assistance only through the PWI program, with any training usually provided or at least funded by VR. Wider use of specific criteria for referral of VR consumers to PWI projects, as well as increased communication between PWI

projects and referring VR agencies regarding mutual consumers, would be beneficial in many PWI projects.

PWI coordination with WIBs and one-stop job centers is in the early stages of development. As PWIs are not mandated partners under WIA and bring relatively fewer resources to the table than do other agencies or programs, improved coordination between PWIs and one-stops in many localities likely hinges on full implementation of WIA and maturation of one-stop policies and procedures regarding individuals with disabilities. Given PWI's traditional relationship with the VR program, which is a mandated partner, the nature and extent of coordination between PWIs and one-stops may also reflect the extent to which the VR program is fully invested in and operational at one-stops.

Individual PWI projects face competing priorities, which may serve to reduce their effectiveness in increasing the number of individuals who obtain meaningful employment through the program. Although not a major problem identified by project staff, the advent of invitational priorities and concern over meeting compliance indicator performance levels have the potential to work against serving the maximum number of persons with disabilities in the community who might benefit from PWI services. Similarly, projects that serve EZs or ECs also must ensure that, in the aggregate, characteristics of individuals served comply with program requirements. Moreover, none of these features of the PWI program serves to enhance projects' ties to local industry, which is by design the program feature that most distinguishes PWI from state VR programs.

While projects voiced few complaints concerning the compliance indicators as currently configured, the requirement to place individuals who have been unemployed for six months or longer appears somewhat inconsistent with the program's mandate to pursue career advancement. As it now stands, the mandate to emphasize career advancement is rather vague and difficult to measure. As the integration of employment training programs, as represented by WIA, continues to evolve, the necessity for PWI projects to track and report employment and earnings retention will likely be formalized. This, in turn, could further divert attention and energy away from the program's principal purposes of job placement and expanding employment opportunities in general.

With respect to PWI project performance relative to the compliance indicators, we found only one area that requires immediate attention. The compliance indicator that measures actual average cost per placement against projected average cost per placement needs modification. The 115 percent threshold for acceptable performance should be increased; projects must do a better job of projecting average costs, or the actual vs. projected measure should be dropped altogether in favor of a minimally acceptable actual average cost per placement.

Finally, PWI projects' data collection practices continue to undermine the program's ability to accurately measure its achievements. Development and use of standardized forms for documenting participants' characteristics at entry to the program, receipt of PWI services, and participants' outcomes would go a long way toward improving the consistency with which case files include all data needed to support reporting on the compliance indicators.

CHAPTER 1

STUDY OVERVIEW

Projects With Industry (PWI), a discretionary grant program administered by the Rehabilitation Services Administration (RSA), a component of the Office of Special Education and Rehabilitative Services in the U.S. Department of Education, provides financial assistance to nonprofit organizations, educational institutions, private corporations, State Vocational Rehabilitation (VR) agencies, Indian tribes, labor unions, trade associations, and other organizations to assist individuals with disabilities obtain competitive employment.⁵ Established by the 1968 amendments to the Rehabilitation Act and codified at 29 USC §795 with implementing regulations at 34 CFR Part 379, the PWI program was created to serve as a vehicle for promoting greater participation of business and industry in the VR process. PWI program regulations state that the purposes of the PWI program are to:

- create and expand job and career opportunities for individuals with disabilities in the competitive labor market by engaging the talent and leadership of private industry as partners in the rehabilitation process;
- identify competitive job and career opportunities and the skills needed to perform these jobs;
- create practical settings for job readiness and job training programs; and
- provide job placements and career advancements.⁶

PWI grants are awarded for a period of up to five years and may not exceed 80 percent of the total costs of a project. During the period of project performance covered by this report (Fiscal Year [FY] 2001), PWI funds of approximately \$22 million supported a total of 102 PWI grants (new and continuation). All PWI projects must provide job development, job placement, and career advancement services to eligible individuals with disabilities, and such supportive services as may be required in order to maintain the employment and career advancement; most PWIs also provide a range of optional services such as job readiness training, job skill training, and post-placement assistance. All PWIs are to establish Business Advisory Councils (BACs) that include representatives of private industry, organized labor, individuals with disabilities and their representatives, state VR agency representatives, and others. Each BAC is to identify available jobs in the community consistent with the current and projected local employment opportunities identified by the local Workforce Investment Board (WIB) established under the Workforce Investment Act (WIA) of 1998, identify the skills necessary to perform those jobs, and prescribe appropriate training or placement programs for project participants.

⁵ Rehabilitation Act of 1973, as amended, Title VI, Part A, Section 611

⁶ 34 CFR Section 379.1

PWI projects vary considerably in terms of the types of individuals they serve. PWI participants are referred to individual projects from a wide variety of sources; traditionally a majority of participants are referred from the VR program. Eligibility criteria for PWI services are the same as for the state/federal VR program, as we discuss later. In FY 2001, the program served at least 13,300 persons and assisted approximately 7,000 individuals to obtain competitive employment.⁷ Project performance in assisting individuals with disabilities obtain competitive employment is reported annually by all grantees through the PWI compliance indicators reporting system. In order to receive continuation funding for the third and subsequent years of the five year grant, grantees must achieve minimally acceptable levels of performance on the indicators, which measure the number of persons placed into employment, participants' change in earnings, the percentage of persons placed who have significant disabilities, the percentage who were unemployed for at least six months at entry to PWI, and actual average cost per placement as a percentage of projected cost per placement.⁸

Study Purposes and Objectives

In October 2000, Research Triangle Institute (RTI) initiated an evaluation of the PWI program under a contract to the U.S. Department of Education. The broad purpose of the evaluation was to examine the role and performance of the PWI program as one component of the broader set of employment-related services available to individuals with disabilities, with a particular focus on the extent to which PWI projects fulfilled their intended goal to create and expand job opportunities for individuals with disabilities at the project level. Accomplishment of this purpose required achievement of six study objectives.

- Describe the structure and operations of PWI projects with respect to type of grantee organization, project foci, funding, staffing, types of services provided, and other variables.
- Describe the relationship of the PWI program to the employment community in terms of BACs, local employers, and WIA entities.
- Identify the characteristics of individuals served by PWIs in terms of demographic and disability characteristics, types of PWI services received, and employment outcomes obtained.
- Describe the degree to which there is cooperation and coordination between the PWI and state/federal VR programs, and compare the characteristics and outcomes of PWI participants with those of VR consumers.
- Identify the degree to which PWI compliance indicators influence project operations and are supported by accurate and reliable data.
- Describe the extent to which PWI projects vary in how they pursue program purposes and identify how the PWI model might be improved in ways that would enhance its ability to function as a complement to the VR services program.

⁷ The exact number of individuals served and placed by the program varies by data source; data from each available source are discussed in Chapter 4.

⁸ Compliance indicators are discussed in detail in Chapter 6.

Overview of Study Design

The PWI evaluation collected the data needed to address these study objectives through a survey of all PWI projects funded as of October 2000, and on-site data collection at 30 randomly selected PWI projects. The 30 PWI projects we visited are identified in Appendix A of this report. Earlier study activities included (1) meeting with RSA officials to review study goals and objectives, (2) reviewing grantee applications and other materials on file at RSA, (3) developing and pre-testing a set of draft data collection instruments, and (4) establishing a Panel of Experts to assist in refining the study design, including development of final data collection instruments. Appendix B identifies members of the study's Panel of Experts.

At each of the 30 projects we visited, we randomly selected 20 percent of former participants' files for on-site review and abstraction of information. We included in this process the files of all persons whose participation in the program ended during FY 2001, including persons who obtained an employment outcome following receipt of PWI services and individuals who exited the program without achieving employment for any reason. Appendix C contains a summary of the procedures we used to randomly select PWI projects and PWI participants' files at the 30 projects visited.

We conducted data collection activities during May through September 2002. Seven data collection instruments were used to gather the information needed to respond to study issues.

- **A survey of all PWI projects** funded as of October 2000.
- **PWI staff interview guide.** We used this guide to focus our discussions with PWI project directors and other project staff.
- **BAC member interview guide.** We spoke with two or three BAC members at each of the projects visited, and attempted to maximize the number of BAC members who represented private industry with whom we interviewed.
- **Local VR office staff interview guide.** We spoke with one or more representatives of local VR agency offices with which the PWI project interacted most often.
- **WIB Chair/one-stop director interview guide.** We discussed the necessity or appropriateness of administering this instrument with PWI project directors during site visit arrangements; not all PWIs have established linkages with one-stops or local WIBs.
- **Employer focus group guide.** With assistance from PWI project directors, we attempted to convene focus groups of four to six employers at each project visited.
- **PWI participant case file abstraction form.** We randomly selected for review the case files of 20 percent of all individuals whose participation in the PWI program ended at any time in FY 2001, regardless of outcome.

Table 1-1 presents the response rates for each of the study’s data collection activities.

Table 1-1. Response Rates for Data Collection Activities

Instrument	Number Expected	Number Completed	Response Rate, %
Mail survey of PWI projects	99	92	93
PWI Staff interview	30	30	100
BAC interviews	90	72	80
VR staff interviews	30-40	38	100
WIB/one-stop interviews	17	17	100
Employer focus groups	30	30	100
Participant file abstractions	NA	584	100

At the outset of the study, we obtained from RSA a list of 102 PWI awards. Three of these grantees ceased operations at some point during FY 2001, and were thus not asked to respond to our survey. We received completed surveys from 92 of the remaining 99 projects—a response rate of 93 percent.

We weighted the data abstracted from the project files for 584 individuals whose participation in the PWI program ended in FY 2001 to represent the universe of such individuals (approximately 11,000 persons), allowing us to describe the characteristics, services, and outcomes for all former PWI participants. To obtain comparable data on VR consumers, we obtained the RSA-911 data (case service records) from those VR districts most proximate to the projects we visited. Where the PWI project served an entire state, we obtained the RSA-911 for the state; in other localities where the PWI project served a particular region, we obtained VR agency data for several local offices that worked with the project. Overall, we obtained RSA-911 data from 25 VR agencies, including agencies that exclusively serve blind persons. Finally, we obtained from RSA compliance indicator data submitted by PWI projects for FY 2001.

The primary reason we selected a random sample of 30 PWI projects for on-site data collection was to generate a nationally representative sample of PWI participants’ case files from which we could generalize findings to the universe of individuals who exited the PWI program in FY 2001. Information obtained through our on-site interviews is also representative of all PWI projects; however, because most of the information we obtained through on-site discussions is qualitative in nature and not amenable to quantification, we typically summarize findings from interview data by providing the raw number of respondents (as opposed to a weighted number or a percentage) who cited a particular policy, practice, procedure, perspective, or opinion. We rely on survey data to provide percentage distributions for PWI projects on important variables wherever possible and useful (e.g., targeting individuals for services, use of specific referral criteria).

Organization of the Report

The remainder of this report summarizes study findings. Each chapter is organized to respond to one of the study's six major objectives. Chapter 2 provides an overview of the PWI program, relying chiefly on data obtained from the project mail survey and interviews with PWI staff and BAC representatives. We present study findings on the number of PWI awards, geographic distribution of PWI grantees, the number of PWI project sites, types of grantee organizations, PWI project funding and staffing, and information on the types of services provided by PWI projects. Chapter 3 summarizes study findings on PWI linkages with the private sector, providing separate discussions of the role and function of BACs, employer perspectives on the PWI program, and PWI project coordination with WIA entities (i.e., WIBs and one-stop career centers). Chapter 4 discusses the demographic, disability and other characteristics of individuals who received PWI services in FY 2001; the types of services received; and the outcomes achieved, including information on employment and earnings. Chapter 5 describes coordination between PWI projects and state VR agencies and compares the characteristics, services, and outcomes of PWI participants with those of VR consumers. Chapter 6 discusses the PWI compliance indicators, including project performance as measured by indicator data for FY 2001, and PWI staff's perceptions on the utility of the indicators. The final Chapter summarizes study findings and offers some conclusions on overall program effectiveness in fulfilling its intended purpose.

CHAPTER 2

PROFILE OF THE PWI PROGRAM

In this chapter we provide a profile of the PWI program and describe project variation along a number of dimensions of interest to the study. The remainder of this chapter summarizes study findings on the total number of projects funded, where PWI services are provided or geographical coverage, the total number of project sites supported by PWI funding, project age or the number of years grantees have received PWI funding, the type of organizations that received PWI grants, and PWI project funding, staffing, and services.

Number and Location of PWI Grantees

In FY 2001, RSA awarded 102 grants to support PWI activities. Of these, three ceased operations during the year, leaving a total of 99 projects. The number of PWI projects has remained relatively stable over the last 20 years or so, owing primarily to level funding for the program.⁹ The majority of grantees have operated PWI projects for many years; in fact, nine grantees have received PWI funding for over 30 years and 64 percent have received funding for a minimum of 10 years. On average, the 92 projects that responded to our survey have received PWI program funding for 14.4 years.

Eleven grantees operated more than one PWI project (i.e., received more than one PWI grant) in FY 2001. Grantees with the largest number of awards included Abilities, Inc., in New York, with six PWI grants; Abilities, Inc., of Florida, with four grants; and Life's Work of Pennsylvania, with three grants. Eight grantees operated two PWI projects in FY 2001, including Project Hired in California, Kansas Elks Training Center, the Electronic Industries Foundation in Virginia, BDL employment in Maine, and three different Lodges of the International Association of Machinists (IAM). Overall, 12 IAM grantees operated a total of 16 PWI projects in FY 2001, including two through a subcontract with the National Senior Citizens Education and Rehabilitation Center.

PWI grantees were located in 32 states, including the District of Columbia. As a result of the 1986 amendments to the Rehabilitation Act, RSA is required to make new awards only to organizations that

⁹ In FY 1983, RSA awarded 98 grants.

propose to serve unserved or underserved areas.¹⁰ Exhibit 2-1 shows the geographic distribution of the 99 PWI grants in FY 2001.¹¹ Twenty states had more than one PWI grantee. The highest concentrations of grantees were in New York with 10 grants (including five to a single grantee, Abilities, Inc.), California with nine, and Florida and the District of Columbia with seven each. Other states with five or more PWI grantees included Washington, Pennsylvania, and Texas. Sixteen states had a single PWI grantee and 18 states had no PWI grants in FY 2001.

Number of PWI Project Sites

Ninety PWI projects provided usable data on the number of project sites. As shown in Table 2-1, these 90 projects operated a total of 470 sites, including 255 (54 percent) supported at least in part by PWI funding and 280 (60 percent) that were supported at least in part by other funds. Forty-six respondents, or 51 percent of the 90 projects that provided a response, reported that all projects sites are supported entirely with PWI grant funds.

Table 2-1. Average Number of Project Sites (N=90)

Number of PWI Project Sites	Total	Project Mean	Project Median	Project Minimum	Project Maximum
Project sites supported at least in part by PWI funds	255	2.8	2.0	1.0	13.0
Project sites supported at least in part by other funds	280	3.1	0.0	0.0	87.0
TOTAL	470	5.2	3.0	1.0	88.0

Twenty-one grantees, or 23 percent of those responding to this item on the survey, reported operating a single project site. On average, responding projects operated a total of 5.2 sites (median of 3). As the data indicate, the mean number of sites supported by sources other than the federal PWI award and the mean total number of sites are considerably skewed by a single project that reported a total of 88 sites, 87 of which were supported by means other than PWI funds. This project, the Tri-County Industries/Hardee's PWI in Rocky Mount, North Carolina, is one of the few PWI projects national in scope. If we remove this one project's total from the analysis the mean number of total project sites drops from 5.2 to 4.3.

¹⁰ 34 CFR Section 379.2 (b).

¹¹ The geographic location in which PWI participants receive services is not always the same as that of the PWI grantee; a grantee located in one state may operate project sites in other states.

Exhibit 2-1. Number of PWI Grantees Per State



Grantee Organizations

By design there is considerable diversity in the types of organizations that operate PWI projects. The statute¹² identifies as potential grantees community rehabilitation programs, Designated State Units (DSUs) (VR agencies), employers, Indian tribes or tribal organizations, labor unions, nonprofit agencies, trade associations, or “other agency with the capacity to create and expand job and career opportunities for individuals with disabilities.”¹³ Table 2-2 summarizes the number and percentage of PWI projects operated by different types of grantee organizations, as reported by the 92 projects that responded to this item in the project survey.

Table 2-2. Number and Percentage of PWI Grantees, by Type of Grantee Organization (N=92)

Type of Grantee Organization	Number of Projects	Percentage of Projects
Not-for-profit community-based rehabilitation program	53	58
Other private nonprofit organization	16	17
Educational institution	11	12
For-profit community-based rehabilitation program	3	3
Private corporation	3	3
Trade association	2	2
State VR agency	2	2
Indian tribe or tribal organization	1	1
Labor union	1	1

According to grantees’ self-reports, three-fourths (75 percent) of PWI projects are operated by nonprofit organizations, including 58 percent by community rehabilitation programs and 17 percent by other private nonprofit organizations. Another 12 percent of grantees characterized themselves as educational institutions. For-profit community rehabilitation programs and private corporations each represented three percent of all projects, while trade associations and state VR agencies each operated two projects. Tribal organizations and labor unions each operated a single PWI project.

To a certain extent, grantee self-reports on organizational type may not reflect actual organizational affiliations. For example, as we noted earlier in the report, the IAM Lodges operated a total of 16 PWI projects in FY 2001, either directly or through subcontracts with other organizations. The IAM Center for Administering Rehabilitation and Employment Services (IAM CARES) is a non-profit organization founded in 1980 by the IAM and Aerospace Workers to promote employment opportunities for

¹² Rehabilitation Act of 1973, as amended, Title VI, Part A, Section 611.

¹³ 34 CFR Section 379.2 (a).

individuals with disabilities. Thus, while affiliated directly with a specific trade association, the majority of responding IAM projects characterized their organization simply as a nonprofit. Similar affiliations may exist among other PWI grantees, but we are not able, on the basis of grantee names alone, to identify them.

To provide some context, we compared the types of organizations holding PWI grants in FY 2001, as reported by grantees, with the organizations that operated PWI projects in 1983? the period covered by the last national evaluation of the program. Although precise comparisons were not possible owing to differences in how organizational types were characterized, overall, the distribution had not changed dramatically. Twenty years ago, “rehabilitation facilities,” or associations of rehabilitation facilities, accounted for 41 percent of all PWI grants, followed by social service agencies (24 percent), and educational institutions (13 percent). As is true today, considerably fewer projects were operated by private corporations (six percent), labor unions (five percent) or trade associations (three percent).

Project Foci

Although all PWI projects share a central purpose of assisting individuals with disabilities to obtain meaningful employment, projects vary considerably with respect to the manner in which they pursue this purpose and in the types of consumers they serve. Organizations applying for PWI funding may, in their application, respond to one or more “invitational priorities,” which invite applicants to focus their project efforts in an area of particular interest to the Department of Education, such as collaboration with welfare-to-work programs or with school-to-work transition programs. Introduction of such priority areas, in 1991, expanded further the diversity in project operations that the PWI program had always exhibited. Moreover, some grantee organizations, which often have a broader mission than the PWI program and receive funding from a variety of other federal and nonfederal sources, target for services individuals with a particular type of disability, often in addition to the priority areas they may address.

Over three-fourths (77 percent) of the 92 projects that responded to our survey indicated that their application for PWI funding responded to one or more invitational priorities. Table 2-3 summarizes the number and percentage of projects that addressed specific invitational priorities. As these data indicate, 39 projects (42 percent) addressed workplace apprenticeships and employer-based training, 34 focused on the school to work population, 33 had a priority to collaborate with one-stop job centers, 31 were intended to provide alternative training or work settings, 26 emphasized collaboration with minority-owned businesses, and 16 were intended to work with welfare-to-work programs.

Table 2-3. Number and Percentage of Projects that Address Specific Invitational Priorities (N=92)

Invitational Priority	Number of Projects	Percentage of Projects
Workplace apprenticeships and employer-based training	39	42
School-to-work transition	34	37
Collaboration with one-stops	33	36
Alternative training or work settings	31	34
Collaboration with minority-owned business	26	28
Collaboration with welfare-to-work programs	16	17

Table 2-4 reports the numbers of invitational priorities to which PWI projects responded in their applications. As indicated, 24 projects reported two invitational priorities, 10 projects had three priorities, 11 projects responded to four priorities, and eight projects were designed to address five or more priority areas. On average, PWI projects responded to two invitational priorities in their applications for project funding.

Table 2-4. Distribution of PWI Projects, by Number of Invitational Priorities Addressed (N=92)

Number of Invitational Priorities	Number of Projects	Percentage of Projects
None	21	23
One	18	20
Two	24	26
Three	10	11
Four	11	12
Five	6	7
Six	2	2
TOTAL	92	100

Average = 2 priorities addressed.

Another design factor that distinguished PWI projects from one another is whether they served an Empowerment Zone (EZ) or Enterprise Community (EC). EZ and EC areas were designated by the federal government (i.e., Department of Agriculture in rural areas and Department of Housing and Urban Development in urban areas) to “facilitate the empowerment of the disadvantaged and long-term unemployed such that they may become economically self-sufficient,”¹⁴ in part through the awarding of federal grants to these areas. Over half of the individuals served and placed by PWI projects serving an EZ or EC must reside in the targeted area(s).

¹⁴ 7 CFR Sections 25.1 and 25.2.

We asked all projects if they served an EZ or EC in the project mail survey. About half (51 percent) of the projects that responded to this question indicated that their project served an EZ (14 percent), an EC (11 percent), or both (26 percent), as indicated by Table 2-5. Seven respondents indicated that they did not know if their project served an EZ or EC.

Table 2-5. Distribution of PWI Projects, by Requirement to Serve an Empowerment Zone or Enterprise Community (N=85)

Empowerment Zone or Enterprise Community	Number of Projects	Percentage of Projects
Empowerment Zone only	12	14
Enterprise Community only	9	11
Both	22	26
Neither	42	49

We also asked PWI project directors during on-site data collection if their projects served either an EZ or EC and, if so, whether this influenced in any way their project operations or outcomes. Twelve PWI directors responded that their project did serve one or the other or both, 12 responded that they did not serve either an EZ or EC and six did not know. All of the PWI directors whose projects served an EZ or EC believed that doing so negatively influenced project outcomes. The most frequently reported influence, cited by six respondents, was increased difficulty in achieving successful job placements, owing primarily to relatively higher rates of poverty, substance or alcohol abuse, lack of social supports, and other social problems. Two respondents indicated that the VR agency did not serve many individuals from the EZ/EC and thus project participants from these areas typically lacked other community supports and were relatively less “job ready” than participants residing in other areas. Other concerns identified by respondents included that the zones’ boundaries are artificial, often dividing a single street, which complicated project outreach efforts, and resulted in denying services to some individuals out of concern for meeting the 51 percent rule. Finally, two respondents believed that the zones as currently identified are out of date and do not now correspond with their communities’ areas of greatest need.

Targeting Consumers for Services

PWI projects also vary with respect to the types of consumers they serve. Some projects focus their efforts entirely or principally on individuals with a specific type of disability, while others serve consumers with a wide range of disabilities. The survey asked PWI project directors if they targeted individuals with specific types of disabilities for participation in the project and whether they targeted individuals by factors other than disability, such as minority status. Targeting specific consumer populations for services does not mean that the project serves such individuals exclusively, only that the project makes a focused effort to reach out to and serve the population(s). Overall, 38 projects, or 41 percent of respondents, reported targeting individuals for participation by either disability type or other

characteristic, including four that target only by disability, 29 that target only by characteristics other than disability, and 5 that target by both disability and other characteristics.

Nine of the 92 respondents to the project mail survey (10 percent) reported targeting individuals for project services by disability type. Table 2-6 summarizes the types of disabilities targeted by PWI projects. Individuals with visual impairments and hearing impairments were each the focus of three projects while persons with physical disabilities other than orthopedic impairments were targeted by two projects. Only one project each reportedly focused on individuals with orthopedic impairments, mental illness, mental retardation, other developmental disabilities, or learning disabilities. Other target populations cited by project directors (the “Other disabilities” category) included persons with traumatic brain injury (TBI), adult onset physical disabilities, and neurological disabilities.

Table 2-6. Distribution of PWI Projects Targeting Individuals for Services, by Specific Type(s) of Disability (N=92)

Types of Disabilities Targeted	Number of Projects	Percentage of Projects
None	83	90
Visual impairments	3	3
Hearing impairments	3	3
Other physical disabilities	2	2
Orthopedic impairments	1	1
Mental illness	1	1
Mental retardation	1	1
Other developmental disabilities	1	1
Learning disabilities	1	1
Other disabilities	3	3

Note: A single project may target for services more than one group of individuals.

Thirty-four projects (or 37 percent of those responding) reported targeting individuals for participation by some factor other than disability type. As shown in Table 2-7, nearly one-fourth of all projects (24 percent) reported targeting individuals with minority backgrounds for services, and 16 projects (17 percent) placed a particular emphasis on serving transitional youth. Other targeted populations included dislocated workers (five projects), welfare recipients (five projects), older individuals (three projects), and injured workers (two projects).

Examination of survey data indicates that while there was a relationship between the invitational priorities addressed by a project and the types of individuals it served, that relationship was not universal. For example, 13 projects that provided focused outreach to students and youth responded to an invitational priority to work with the school-to-work population; however, the other 21 projects that responded to an invitational priority to work with school-to-work populations did not indicate conducting focused outreach to that population in response to our survey.

Table 2-7. Number and Percentage of Projects Targeting Individuals for Services, by Factors Other than Disability Type (N=92)

Target Populations	Number of Projects	Percentage of all Projects
None	58	63
Minorities	22	24
Students/youth	16	17
Dislocated workers	5	5
Welfare recipients	5	5
Older persons	3	3
Injured workers	2	2

We asked PWI project directors during on-site data collection if targeting specific types of consumers for services in any way affected project operations. Twelve of the 30 directors we interviewed responded that their projects focused on one or more specific target populations, including three that focused on transitional youth, two on blind persons, one on persons with hearing impairments, one on immigrants, one on individuals with developmental disabilities, and one on substance abusers. In general, directors of these projects reported that having a disability-specific focus influenced project operations only to the extent that more disability-specific services were required. For example, projects serving blind persons must provide mobility and orientation services. One director, whose project served persons with mental illness, noted that “for every two individuals you place, one will leave the job, so you have to work twice as hard” to obtain adequate numbers of placements. All of the other project directors we spoke with whose projects targeted a specific type of consumer for participation believed that having such a focus did not influence the types of services provided or the nature of consumer outcomes obtained.

PWI Project Funding and Resource Allocations

Enabling legislation for the PWI program specifies that federal PWI funds may be used to cover up to 80 percent of project costs; the other 20 percent must be obtained from other funding sources. The 20 percent “match” may be provided through in-kind contributions from the grantee organization or other sources or through cash contributions from a variety of sources. We obtained data on project funding through two sources, the PWI project mail survey, and from data submitted by the projects to RSA as part of their reporting requirements associated with the PWI compliance indicators. The mail survey asked about sources and amounts of funding, the amount of in-kind contributions from all sources, and estimated project expenditures. Data reported through the compliance indicator submissions included the amounts of federal and nonfederal funding received. These data indicated that, with few exceptions, projects relied to the maximum extent possible on federal grants for PWI project operations.

Based on data from the project mail survey, the average PWI grant award was \$212,636 and the median was \$228,392, with average total project funding of \$264,564. On average, federal PWI grant funding accounted for approximately 80 percent of the total number of dollars controlled by the 92 responding projects in FY 2001 (approximately \$24 million). When in-kind contributions are included in the total, federal PWI grants accounted for approximately 68 percent of the total. Seventy-seven projects reported receiving some amount of in-kind contributions in FY 2001, totaling approximately \$4.8 million. On average, the estimated dollar value of in-kind contributions received by these projects was \$62,846 (median \$56,500). Analysis of compliance indicator data for FY 2001 shows total program funding of \$25.7 million, including \$21.3 million in federal funds (80 percent) and \$5,680,168 in nonfederal contributions (20 percent).

The majority of all PWI projects that responded to the mail survey (55 or 60 percent) have no source of funds other than the PWI grant (and any in-kind contributions) to support project activities. Other sources of funds reported by the remaining 37 projects included state VR agency funds, BAC contributions, private contributions, state or local governments, and other federal sources. Table 2-8 indicates the number of projects that reported receiving funding from each of these sources and the means, medians, minimums, and maximums associated with each source.

Table 2-8. Sources and Amounts of PWI Project Funding

Funding source	Mean	Median	Minimum	Maximum
Federal PWI award (N=92)	\$212,636	\$228,392	\$61,945	\$257,040
Other federal sources (N=4)	\$184,939	\$181,877	\$24,000	\$352,000
State VR funds (N=15)	\$109,910	\$52,634	\$4,500	\$674,721
State government (N=6)	\$77,195	\$58,327	\$32,000	\$187,611
Local government (N=3)	\$44,345	\$54,234	\$5,000	\$73,800
BAC contributions (N=9)	\$30,004	\$1,500	\$50	\$187,762
Private sources (N=9)	\$51,788	\$27,743	\$150	\$183,557
Other sources (N=16)	\$55,312	\$43,634	\$1,000	\$307,269
TOTAL FUNDING (N=91)	\$264,564	\$238,000	\$104,534	\$1,916,707

As shown, state VR agencies contributed funding to 15 projects, with an average of approximately \$110,000 and a median of \$52,634. BAC members provided cash contributions to nine projects, private sources contributed funding to nine projects, state governments (other than the VR agency) to six projects, other federal sources contributed to four projects, and local governments to three projects.

In an effort to measure the priority that PWI projects placed on participant services relative to other project activities, the survey asked respondents to estimate how the project allocated its total funding during FY 2001. Respondents were directed to allocate staff salaries and other resources proportionately to categories according to the time spent on each type of activity. Based on the results of our pretest of data collection instruments and procedures, and guidance from the study's advisory panel, we limited the

categories of expenditure to four, as indicated in Table 2-9. As these data indicate, on average, PWI projects allocated 72 percent of total funding to participant services, 16 percent to employer services, and six percent each to other services and all other expenses (including administration). As a point of comparison, the last evaluation of the PWI program, using data from FY 1983, found that 76 percent of project funds were spent on participant services and 12 percent on employer services.

Table 2-9. Allocation of Project Funds (N=85)

Category of Expenditure	Percent	
	Average Allocation	Range
Services to participants	72	30-100
Services to employers	16	0-47
Other services	6	0-34
All other expenses	6	0-48

PWI Project Staffing

We asked PWI project directors to report the number of full-time equivalent (FTE) staff employed by the project, by category, during FY 2001, and to report separately those FTEs supported by PWI grant funds from those supported by other funding sources. We identified various staff categories from our review of grantee applications for PWI funding. A summary of the data provided in response to this survey item is found in Table 2-10.

Table 2-10. Full-time Equivalent Staff Positions, by Category (N=92)

Staff Categories	Funded by PWI Grant	Funded by Other Sources	Total FTEs	Average FTEs per Project
Project director	39.0	23.8	62.8	0.7
Project coordinator	45.3	13.8	59.1	0.6
Job development specialist	63.7	13.7	77.4	0.8
Placement specialist	124.5	18.4	142.9	1.6
Vocational counselor	9.2	9.3	18.5	0.2
Training specialist	15.0	16.0	31.0	0.3
Job coach	16.0	26.6	42.6	0.5
Clerical/secretary	37.1	15.2	52.3	0.6
Data specialist	7.2	7.8	15.0	0.2
Other	31.8	24.1	55.9	0.6
TOTAL	392	169	561	6.1

Based on these data, the 92 responding projects employed a total of 561 FTE staff positions, for an average of 6.1 FTEs per project. Of these FTEs, approximately 70 percent were supported through PWI grant funds, with the remaining 30 percent supported by other funding sources.

Project management (i.e., project director and/or project coordinator) accounted for approximately 22 percent of all FTEs (and of FTEs supported by PWI grant funds), while direct services staff (i.e., job development specialists, job placement specialists, vocational counselors, training specialists, and job coaches) represented 56 percent of all FTEs (and 58 percent of FTEs supported by the PWI grant). Clerical workers, data specialists, and other staff accounted for another 22 percent of all FTEs and 19 percent of staff supported by PWI funds. On average PWI projects employed 1.3 FTE management staff, 3.4 direct service staff, and 1.4 administrative support and other staff.

PWI Project Services

PWI projects provide two basic types of services: those intended to assist individual participants obtain or maintain employment, and services intended to encourage and assist employers to hire persons with disabilities. In terms of *consumer services*, PWI projects must provide job development, job placement, career advancement services, and supportive services intended to enhance job maintenance and advancement.¹⁵ Optional services include training in realistic work settings, and modification of employers' facilities and equipment. Although the statute does not mandate the provision of *employer-oriented services*, it does identify a few such services that “may” be appropriate, including assistance to employers in hiring individuals with disabilities, improving and developing relationships with employers and organized labor, and helping employers understand the requirements of the Americans with Disabilities Act (ADA).

We obtained information on PWI project services from two sources, the survey of PWI projects and former participants' case files. The survey of PWI projects included items that solicited information on the types of participant services projects provided; identification of services that were funded, at least in part, by sources other than the federal PWI grant; employer services provided; and an open-ended question on other services or activities PWI projects conducted. We included in our abstraction of information from PWI participant files the types of services received through the PWI project. In this chapter we summarize data from the mail survey on the types of services provided by PWI projects. Data from participants' files on the number of consumers who received specific services are summarized in the following chapter.

¹⁵ 34 CFR Section 379.10 (b) and (d).

PWI Services to Participants

As noted, program regulations mandate that all PWI grantees provide job development, job placement, career advancement services, and supportive services that may be required in order to maintain employment and career advancement. Data available from the PWI project survey indicate that while nearly all projects reported providing job placement (99 percent) and job development (98 percent), only 82 percent reported providing career advancement services and 80 percent reported providing supportive services (see Table 2-11).

Table 2-11. Number and Percentage of PWI Projects Offering Specific Participant Services (N=91)

Participant Services	Number of Projects Offering Service	Percentage of Projects Offering Service
Job placement	90	99
Job development	89	98
Job readiness training	82	90
Career advancement services	75	82
Supportive services	74	80
Job skill training	67	74
Worksite or equipment modification	49	54

Program regulations define career advancement services as “services that develop specific job skills beyond those required by the position currently held by an individual with a disability to assist the individual to compete for a promotion or achieve an advanced position.”¹⁶ Thus, any service that develops job skills that eventually leads to a promotion or increase in earnings, including other services PWI projects provide (notably job skill training), may be considered a service that promotes career advancement. As a result, it is difficult for PWI projects to quantify, in a meaningful way, the number of “career advancement services provided.”

In an effort to clarify the range of services that might be considered appropriate to assist individuals achieve career advancement, we asked PWI project staff to identify the types of services they had provided that led to a career advancement. Of the 30 PWI staff interviews we conducted, 14 identified what would otherwise be considered to be job readiness services, such as resume preparation and interviewing skills training, as being career advancement services. Seven respondents specifically identified training intended to enhance participants’ existing job skills, and four others identified job skill training in a new field. Other responses included the provision of assistive technology devices or

¹⁶ 34 CFR Section 379.5(b)(1).

services, routine follow up with employers to ensure participants' success on the job, and assisting participants to pursue a goal of self-employment.

Of some interest, three respondents noted that career advancement is not a high priority for their projects and that they accept for services very few persons who are already employed. As we discuss in subsequent sections of this report, this view is related, at least in part, to project concerns over meeting compliance indicator requirements regarding the percentage of individuals served who have been unemployed for six months or longer.

Eighty percent of PWI projects reported providing some form of supportive services to participants. Supportive services may include transportation, housing assistance, clothing, assistance in securing identification, and other forms of personal assistance that support employment or career advancement. Table 2-12 reports the number of PWI projects that identified specific types of supportive services they provide in response to an open-ended question. Because these data were provided in response to an open-ended item, the numbers reported here are almost certainly less than the actual number of projects that provided each service.

Table 2-12. Number and Percentage of PWI Projects that Provided Specific Support Services (N=74)

Support Services Provided	Number of Projects	Percentage of Projects
Transportation	21	28
Personal assistance	16	22
Meals/clothing/ID cards	15	20
Referral to other agencies	10	14
Interpreting services	8	11
Education/GED/textbooks	7	9
Housing /relocation assistance	5	7
Substance abuse counseling	1	1
Child care	1	1

As shown, transportation was the support service most frequently provided, followed by personal assistance, assistance with basic needs (clothes, food, or identification), referral to other agencies, interpreting services for the hearing impaired, educational assistance, and housing assistance.

Although not specifically required by program regulations, 90 percent of PWI projects provided job readiness training and nearly three-fourths of all PWI projects provided some form of job skill training. Job readiness training includes a variety of specific activities intended to prepare an individual for obtaining a job, such as job-seeking skills training, resume or job application preparation, interviewing skills, or participation in a job club. As we discuss in Chapter 4, job readiness services are among the most frequently received by PWI participants.

Job skill training may include occupational skills training, internships, on-site job coaching, or any type of training to enhance basic work skills. The following are examples of the types of job skill training available to PWI participants in the sites we visited.

- Lion’s World Services PWI in Little Rock Arkansas, which serves individuals with visual impairments, offers job skill training in several areas, including horticulture, office occupations, small engine repair, and training to become a Microsoft Certified Systems Engineer. The project also provides three Internal Revenue Service (IRS) training programs.
- Atlanta Goodwill PWI offers entry level clerical training, “Office TECH,” and Bank TECH, which adds financial classes to the Office TECH programs’ core classes to prepare participants for jobs with Bank of America’s customer call center.
- The Vermont Association of Business, Industry and Rehabilitation PWI, in collaboration with the VR agency, operates program Clean Sweep, through which individuals hold a housekeeping internship at an area hospital and eventually obtain a permanent placement either at the hospital or with another area employer.

Many other PWI projects, while not providing job skills training directly with PWI funds, often accept as participants individuals who have completed some form of skill training through other programs operated by the grantee organization. For example, the National Center for Disability Services, which houses the Abilities, Inc., Career Options PWI in Albertson, New York, offers occupational training in laboratory assistant, computer literacy (Microsoft Office), and retail sales. Consumers who participate in these training services (paid for by the state VR agency) are not considered Career Options PWI participants until they have completed their training, at which point they are referred to the PWI program for job development and placement.

The survey asked project directors to indicate if any of the services they provided to participants were funded, at least in part, by sources other than the PWI grant and, if so, to identify the funding source(s). Just less than one-half of the projects (49 percent) reported funding all participant services entirely with federal PWI grant funds. Table 2-13 indicates the number of the remaining 46 projects who reported using funding from other sources to support the provision of specific participant services.

As might be expected, support services were funded by sources other than the PWI grant more often than any other single service type. Thirty projects, or 41 percent of those projects that provided such services, reported relying on other funding sources. State VR agencies provided funding used for support services in five projects, schools were cited by four projects, other federal funds by two projects, and charitable organizations, one-stops, other state agencies, and private sources by one project each.

Job skill training was the next most frequent service provided through other funding sources, cited by 24 projects, or 36 percent of those projects that provided job skill training. State VR agencies were again

the most frequent source of outside funding, cited by nine projects. Other funding sources used to provide job skill training included the grantee organization (6 projects), schools (3 projects), another state agency, a local one-stop, or a charitable organization (2 projects each), and another federal grant (1 project).

As indicated in Table 2-13, other specific services were far less likely to be supported by funding from sources other than the federal PWI grant award. Fourteen projects reported using other funds to support job placement and/or development services, 13 projects used other funding sources to defray some of the costs of job readiness training, and 12 projects provided worksite or equipment modification using funds from sources other than the PWI grant. In all instances, the state VR agency was the most frequently reported source of additional funding. Only five projects relied on other funding sources to provide career advancement services—two relied on funds from the grantee organization, one from a school, one from a local one-stop, and one from another state agency.

Table 2-13. Number and Percentage of Projects Using Funding Sources Other than the Federal PWI Grant to Support Specific Participant Services (N=46)

Participant Services Funded with Other than a PWI Grant	Number of Projects that Used Other Funding Sources	Percentage of Projects Offering Service
Support services	30	41
Job skill training	24	36
Job placement and job development	14	16
Job readiness training	13	16
Worksite or equipment modification	12	24
Career advancement	5	7

Employer Services

One defining feature of the PWI program is its relationship with the business community. This close coordination with and responsiveness to area employers are intended to distinguish the PWI program from the state/federal VR program. The nature and extent of PWI project involvement with area employers and employer perspectives on the PWI program is discussed in detail in the following chapter. Here, we briefly review the types of employer-oriented services provided by PWI projects.

PWI projects typically provide various services to employers that are intended both to increase the likelihood that individual participants will obtain and maintain employment and to increase employers' general receptivity to hiring individuals with disabilities. Program regulations authorize the Secretary to include in agreements with PWI grant recipients authority to provide technical assistance to:

- assist employers in hiring individuals with disabilities;
- improve or develop relationships between grant recipients or prospective grant recipients and employers or organized labor; or
- assist employers in understanding and meeting the requirements of the ADA, as it relates to the employment of individuals with disabilities.¹⁷

Table 2-14 indicates the number and percentage of projects that reported providing these and other specific employer-oriented services.

Table 2-14. Number and Percentage of PWI Projects that Provided Specific Employer Services (N=92)

Employer Services	Number of Projects	Percentage of Projects
Routine follow up or post-placement assistance	91	99
Employee recruitment and placement	91	99
ADA assistance	88	96
Orientation on abilities of people with disabilities	82	89
Help with job or worksite modification	81	88
Training on working with people with disabilities	73	79
Assistance with Work Opportunity Tax Credit	70	76
Interpretive services for deaf employees	38	41
Reader services for blind employees	16	17
Other employer services	14	15

As all PWI projects are intended to function as a placement service within their communities, it is not surprising that nearly all projects reported providing employee recruitment and placement services to employers (99 percent) and post-placement assistance to those employers with whom they work (99 percent). Other widely available services intended to increase the likelihood of individual participants' employment success with specific employers included help with job or worksite modification (88 percent), training on working with people with disabilities (79 percent), and assistance with claiming the Work Opportunity Tax Credit (76 percent). Fewer projects reported providing interpretive services for deaf employees (41 percent), and reader services for blind employees (17 percent), as might be expected given their focus on specific types of disabilities. Most PWI projects also provided two services whose goal is to increase general awareness among area employers of the merits of employing individuals with disabilities: ADA assistance (96 percent) and orientation on the abilities of persons with disabilities (89 percent). We examine employer perspectives on the PWI program in the following chapter.

¹⁷ 34 CFR Section 379.11.

CHAPTER 3

PRIVATE SECTOR INVOLVEMENT IN THE PWI PROGRAM

Congressional intent that the PWI program focus on the labor market system, as contrasted with the VR program’s focus on individualized services and specific jobs, is clearly stated in the statement of purpose included in the most recent reauthorization of the program in the 1998 Amendments to the Rehabilitation Act.

*The purpose of this part is to create and expand job and career opportunities for individuals with disabilities in the competitive labor market by engaging the talent and leadership of private industry as partners in the rehabilitation process, to identify competitive job and career opportunities and the skills needed to perform such jobs, to create practical job and career readiness and training programs, and to provide job placements and career advancements.*¹⁸

Thus, by design, the local business community is to be integrally involved in the structure and operations of PWI projects and an important project outcome is to engage the talent and leadership of private industry in the creation and expansion of career opportunities for individuals with disabilities.

In their application for funding, applicants must describe how they will involve private industry in the design of the project, and “the manner in which the project will collaborate with private industry in planning, implementing, and evaluating job development, job placement, career advancement activities, and to the extent included as part of the activities to be carried out by the project, job training activities.”¹⁹ The principal mechanism for securing such involvement is through the BAC.

By law, the BAC must include representatives of private industry, business concerns, organized labor, individuals with disabilities and their representatives, and the DSU, or the state VR agency. As we discuss in the following section, BACs vary in size, with membership reflecting both the industries targeted by the project as sources of placement and the function of the grantee organization. BACs may also vary in terms of structure; some BACs use a committee structure to deal with specific functions, such as planning, placement, training, marketing, and resource development. The prescribed role of the BAC is to identify job and career availability within the community, identify the skills needed to perform those jobs, and prescribe for individual PWI participants an appropriate training or placement program.

¹⁸ 29 USC §795(a)(1) (emphasis added).

¹⁹ 34 CFR Section 379.21(a)(5).

In addition to the role of the BAC, private sector involvement in PWI project operations is also secured through the projects' relationships with local employers who may hire PWI participants or assist the project in other ways. A focus on the labor market system is also reflected through linkages that many PWI projects have recently establish with WIA entities, including local WIBs and local one-stop job centers. The remainder of this chapter summarizes study data concerning private sector involvement in the PWI program and organizes the discussion into three broad areas (1) the role and function of BACs, (2) employer involvement, and (3) linkages with WIA entities.

Business Advisory Councils

Our discussion of study findings on the role and function of BACs begins with a brief background section that includes information on the type of firms represented on BACs and what prompted individual members to become involved with the PWI program. We then summarize the various ways in which BACs are structured, including the types of organizations represented, the frequency of BAC meetings, and the use of committees to carry out the work. We then describe in detail the specific functions that BACs perform and conclude with broad observations on BAC effectiveness from a variety of perspectives.

Background

We interviewed 72 individual BAC members as part of on-site data collection at 30 randomly selected PWI projects. These individuals represented a wide range of industries, agencies, and professional interests. We asked PWI directors helping us to arrange the visits to try to secure for the BAC interviews of individuals who represented private industry. BAC members with whom we spoke were often Human Resource professionals; however, BAC respondents also included attorneys, daycare workers, one-stop directors, restaurant managers, hospital administrators, flower vendors, nursing home employees, temporary staffing agency workers, and individuals representing many other industries.

When asked what prompted them to serve on a PWI advisory committee, 30 respondents indicated that they had a prior relationship with the project, typically as a source of qualified employees. PWI directors with whom we spoke confirmed that many BAC members agreed to serve on the committee after having hired someone from the project, and data from the mail survey indicated that approximately 30 percent of all BAC members have hired PWI participants in the past. Other reasons cited by BAC members for donating their time and efforts to PWI projects included an opportunity to network with other employers and a personal interest in improving services and outcomes for persons with disabilities. When asked why their association with the PWI was valuable to them, 32 BAC members cited a personal commitment to increasing the percentage of persons with disabilities who succeed in entering the

workforce. Another 28 respondents said that the PWI was a valuable source of qualified employees and that their experiences with former PWI participants demonstrated the value of the program.

About half of the BAC members with whom we spoke that represented private industry indicated that their employers had supported or facilitated their work on the BAC, most frequently by providing them with flexible work schedules or by simply allowing them to take paid time off from work. Fourteen respondents reported that their companies had made some form of in-kind donation to the projects such as space for meetings or equipment loans.

Business Advisory Council Structure

The Rehabilitation Act, as amended, requires that BACs comprise (1) representatives of private industry, business concerns, and organized labor; (2) individuals with disabilities and representatives of individuals with disabilities; and (3) a representative of the appropriate DSU (i.e., state VR agency).²⁰ We asked PWI directors in the project survey to report the total number of BAC members representing a variety of organizations. Their responses are summarized in Table 3-1.

Table 3-1. Number and Percentage of BAC Members Representing Specific Types of Organizations (N=92)

Type of Organization	Project Average	Project Percentage	Program Total	Program Percentage
Private industry that hired or trained PWI participants	10	31	901	30
Private industry that did not hire or train PWI participants	8	25	708	24
State VR agency	3	9	246	8
Individuals with disabilities or their representatives	2	6	194	7
Educational or training organization	2	6	178	6
Community rehabilitation program	1	3	120	4
Labor union	1	3	86	3
Recipient organization	1	3	104	3
Local WIB or one-stop	1	3	100	3
Trade association	--	--	32	1
All other	2	6	187	6
Total	32	100	2,981	100

The 92 projects that responded to our survey reported a total of nearly 3,000 BAC members, an average of 32 per project. BACs ranged in size from a low of seven members to a high of 138. Program wide, private industry representatives accounted for 54 percent of all BAC members, including 30 percent

²⁰ 29 USC Section 795 (a)(2)(A)(i).

from firms that had hired PWI participants and 24 percent from other private sector organizations. State VR agency representatives accounted for eight percent of all BAC members program wide, followed by individuals with disabilities or their representatives (seven percent), schools or other educational organizations (six percent), and community rehabilitation programs (four percent). Representatives of labor unions, grantee organizations, and one-stop job centers each accounted for three percent of BAC membership, while trade associations represented one percent of all BAC members.

One-half of the PWI directors we spoke with, when asked if they believed there was adequate business representation on their BACs, indicated that additional private sector involvement was needed. Thirteen directors indicated either a need for more business representation in general, or a specific need to involve additional types of industries on their BAC, while two directors reported that turnover on the BAC had resulted in a constant need to recruit additional members. During the course of our conversations with both PWI directors and BAC members, respondents noted that the recent downturn in the economy had resulted, at least indirectly, in individuals leaving the BAC.

We asked PWI staff and individual BAC members about how their committees were structured and the frequency with which they convened. Although there was considerable variation across projects with respect to how BACs were organized, most projects operated a single advisory committee that convened on a quarterly basis. One-half of the projects we visited convened their BAC four times each year, while five projects convened their BACs monthly. Overall, 13 of the 30 projects we visited employed some form of committee structure to facilitate BAC operations, including 8 projects that established BAC committees by functional area, such as planning, placement, or VR relations. In some of the larger projects, separate BACs or subcommittees were established for each type of participant training program offered by the project or by industry type. For example, Abilities, Inc., PWI in Albertson, New York, maintains a separate BAC for each of its occupational training areas, including laboratory assistant, computer literacy, and retail. Other projects, such as the Harbor House PWI in New Jersey, maintain a more fluid BAC structure, forming ad hoc committees to address specific issues as they arise.

Business Advisory Council Functions

As noted earlier, according to program regulations, BACs are to identify job and career availability within the community, identify the skills needed to perform those jobs, and prescribe for individual PWI participants an appropriate training or placement program. Other functions BACs may elect to pursue include raising general awareness of the employment potential of persons with disabilities and of the PWI project itself through networking, public relations, and other activities. The survey of all PWI projects asked respondents to indicate the specific functions performed by their BACs. Table 3-2 summarizes their responses.

Table 3-2. Number and Percentage of PWI Projects Reporting Specific BAC Functions (N=92)

BAC Functions	Number of Projects	Percentage of Projects
Identification of career availability	91	99
Participation in delivery of project services	88	96
Identification of skills necessary to perform jobs	85	92
Recruiting other companies to hire PWI participants	81	88
Participation in project planning	80	87
Public relations	77	84
Participation in evaluation of project effectiveness	76	83
Prescription of training or placement programs	71	77
General oversight of project activities	70	77
Participation in design of project services	69	75
Fundraising	27	29
Participation in recruitment/selection of project staff	19	21

According to PWI project directors, these data show the vast majority of BACs fulfilled, at least to some extent, their legislated functions of identification of job openings and career availability (99 percent), and identification of the skills needed to perform those jobs (92 percent). However, only 71 project directors (77 percent) indicated that their projects' BAC actually prescribed participant training or placement services or programs. At least three-fourths of all BACs, according to PWI directors, recruited other companies to hire PWI participants; assisted in project design, planning, service delivery and evaluation; and conducted public relations activities. Far less often BACs conducted fundraising on behalf of the PWI projects (29 percent) or participated in the recruitment or selection of project staff (21 percent).

BAC efforts to expand and create job and career opportunities for individuals with disabilities included a wide variety of activities, including most often the convening of job fairs or career information days, holding disability awareness seminars at local chambers of commerce, and developing and disseminating videos, brochures and newsletters advertising the services of the PWI project. The most common impediments to the expansion of career opportunities for individuals with disabilities reported by BAC members are stereotypes, misconceptions, and skeptical or negative attitudes among employers. BAC members attempted to counter such attitudes by including in their presentations and marketing materials specific examples of employment successes achieved by former PWI participants and other persons with disabilities.

Another BAC function is to identify job and career availability within the community, consistent with the current and projected local employment opportunities identified by the local workforce investment board for the community under section 188(b)(1)(B) of the Workforce Investment Act of 1998. We asked PWI directors to comment on the extent to which their BAC assumed a leadership role in the collection

and analysis of labor market information. Of the 30 directors with whom we spoke, 12 responded that the BAC did, in fact, take a lead role in this area, while 16 directors indicated that more often it is project staff who obtain the information and brief BAC members as part of BAC meetings. Two directors noted that BAC input on labor market information was limited to those jobs BAC members were personally aware of through their own employment.

We also asked BAC members with whom we spoke about the extent to which the BAC was involved in the collection and analysis of labor market information and to comment on the sources of such information. BAC responses were fairly consistent with those of PWI directors. Overall, 23 BAC representatives (or 32 percent) indicated some level of involvement in the analysis of labor market information, 32 (44 percent) reported no involvement, and 17 (24 percent) who had no direct such experience did not know if other BAC members were involved. Most often BAC members who were involved in this activity relied on information available through the local WIB or a local one-stop career center, or from the state's Department of Labor website. As we discuss in the following section, coordination between PWI projects, local WIBs, and one-stops has facilitated the identification of career opportunities in many PWI projects. Many BAC members also relied on industry-specific information regarding available and projected job openings they were aware of through their own employment and through membership in professional or trade associations.

BAC involvement in direct service delivery occurred in a variety of forms. PWI directors at all 30 of the projects we visited indicated some amount of BAC involvement in direct service delivery to participants. Fifty of the 72 BAC representatives (69 percent) were personally involved in providing services to individual project participants. According to project staff and BAC respondents, BAC members were most often directly involved with individual participants through mock interviews (22 of 30 sites), assisting individuals in resume preparation (9 sites), or providing internships or job shadowing experiences (8 projects). Individual BAC members also served as guest speakers at PWI training classes, participated in the operation of job clubs, and assisted individual participants in a variety of other ways.

Business Advisory Council Effectiveness

Of the 30 PWI directors with whom we spoke, 16 believed that their BAC had been very effective in fulfilling its purpose. Another nine directors thought their BAC was somewhat effective, four thought their BAC was not effective, and one director of a recently funded project thought it was too early to render a judgment on BAC effectiveness. A majority of BAC members (42) also thought that the BAC was effective, and another 10 members indicated that their BAC was somewhat effective.

We asked PWI directors and BAC members how BAC effectiveness might be improved. The most frequent response, provided by one-third of PWI directors, and 11 BAC members, was to increase

membership. Other means of improving BAC effectiveness offered by PWI directors included increased work in raising public awareness of the PWI program (6), more frequent meetings (5), and encouraging the BAC to assume a greater leadership role (3). BAC representatives believed better organization and planning on the part of PWI staff would facilitate their work (11 respondents), as would more frequent or regular meetings (6 respondents). Six of the 30 PWI directors and 15 of the 72 BAC members with whom we spoke believed the BAC functioned well and that no significant improvements were necessary.

As one might expect, the effectiveness of BACs, or the extent to which BACs assumed a leadership role and acted as a decision making body providing direction to project staff, as intended, varied greatly across the 30 projects we visited. At several projects, the BAC did not appear to function especially well and individual BAC members with whom we spoke appeared to be unaware of their responsibilities. In a few of these projects this lack of awareness was understandable owing to the newness of the projects, or to the recency with which the individual respondent had assumed BAC responsibilities. At more established PWIs we visited, an apparent lack of effectiveness appeared to be more a function of project staff expectations and a conscious decision to place a higher priority on consumer services than on issues surrounding the BAC. An issue worth considering in this context is the extent to which legislative and regulatory requirements for the BAC are unrealistic. That is, to what extent is it reasonable that a voluntary advisory body, whose membership is constantly evolving, and that meets as few as four times in a year, be expected to assume a leadership role and actually identify the goals and objectives of project operations?

Employers

In addition to the central involvement of BACs, the involvement of the local business community in PWI project operations and outcomes is also provided through relationships with area employers who hire PWI participants and sometimes support the project by providing internships, mentoring, mock interviews, or other services intended to help participants achieve employment. In this section we discuss (1) formal agreements between PWI projects and employers, (2) PWI project efforts to retain existing employers and attract additional employers, (3) private sector involvement beyond the direct hiring of participants, and (4) employer perspectives on the PWI program.

Formal Agreements

We found few projects that had entered into formal agreements with local employers. PWI staff told us that many employers are reluctant to commit to hiring a specified number of individuals over a given time period because they are uncertain how the economy will fare over the long term and would rather

maintain maximum flexibility with regard to the number of persons they will train or hire. Of the 30 projects we visited, six had entered into some type of agreement with one or more area employers.

- The TCI/Hardee’s project headquartered in Rocky Mount, North Carolina, is a national project and had a formal agreement with Hardee’s (since bought out by another company) for job placement in entry-level positions at their restaurants nationwide.
- Life’s Work PWI in Pittsburgh, Pennsylvania, has agreements with over 20 employers that outline the role and responsibilities of the project in providing and supporting employees.
- The Atlanta Goodwill PWI has a memorandum of understanding with the Bank of America to train personnel for data entry positions through its Bank TECH program.
- The PWI operated by the Hawaii VR agency (first funded in FY 2000) has a formal agreement with Taco Bell through which eight former participants have been hired and is now working to establish similar agreements with other employers.
- The IAM District Lodge 71 PWI in Kansas City has a cooperative agreement with Hyatt Hotels under which it trains PWI participants for specific jobs, such as cooks, dishwashers, or cleaning services jobs.
- The PWI project operated by the Boston Public Schools, which serves a school-to-work population, has several agreements with area employers that establish criteria for job readiness, provide for disability awareness training for employers, and ensure ongoing PWI project support to employers.

Other projects have long established relationships with one or more large employers, but have not entered into formal agreements. For example, in the absence of any formal agreement to do so, the IRS has reportedly hired hundreds of former participants of the Lions’ World Services PWI in Arkansas.

At least three other projects we visited had established various agreements with staffing agencies. For example, Project Hired, a deaf-focused initiative in Santa Clara, California, has a collaborative agreement with Hire Temps, an in-house temporary staffing agency used by PWI employment specialists. The agreement allows individuals to be referred first to Hire Temps, and the PWI provides basic job readiness skills training; if placed on a job, the PWI staff provide job retention and follow up services as needed. The Vermont Association of Business, Industry, and Rehabilitation PWI also has a temp-to-hire program with a local staffing agency, through which the PWI can contract for positions.

Retention of Existing Employers and Attraction of New Employers

In our on-site discussions, we asked PWI staff to describe the ways in which they retained existing employers (i.e., those who had hired PWI participants) and attracted additional employers. The principal means through which they retained employers, cited by half of all respondents, was by ensuring the employers’ satisfaction with the individuals referred by the PWI project through regular follow-up telephone calls and personal visits, and responding immediately to any employer concerns. According to PWI directors, most of their employers had hired more than a single person through the PWI project, including 15 directors who said that over 50 percent of their employers had hired more than one PWI

participant. They attributed this repeat business to project follow-up activity and quick response when issues arose—providing transportation, job coaches, interpreters, and any other support as necessary. Several PWI directors mentioned that ensuring customer satisfaction started at the job referral stage and that referral of only the most qualified and job-ready candidates was the single most important element in securing repeat customers. Another way in which PWI projects attempted to retain employers is through employer recognition or appreciation programs, cited by half of the PWI directors with whom we spoke.

Methods reported by PWI project directors to recruit additional employers included networking by individual BAC members (15 projects), career fairs (10), presentations at chambers of commerce, (9) cold calling (8), personally visiting employers at their place of business (5), and sending out newsletters (5). BAC members identified many of the same methods, as was previously discussed. Both PWI directors and BAC members also frequently mentioned that they relied on informal methods to identify potential employers of PWI participants. For example, in the course of carrying out routine activities such as shopping or dining out they might start up a conversation with someone who works in a store or restaurant that ends with an informal agreement by the employer to consider hiring someone from the PWI. Further contact of the employer by project staff may then formalize the commitment.

Other Private Industry Involvement

Of the 92 projects that responded to our survey, 54 indicated some form of private sector involvement in the project other than the contributions of individual BAC representatives or the direct hiring of employees through the project. We summarize the responses from these 54 projects in Table 3-3 below. In reviewing these data it is important to know that this was an open-ended question: the number of projects that actually involved private sector organizations in the ways described is undoubtedly higher than reflected in the table.

Table 3-3. Number and Percentage of Projects Reporting Employer Involvement in PWI Projects Beyond the BAC (N=54)

Nature of Involvement	Number of Projects	Percentage of Projects Responding
Employer specific training	16	30
Employer surveys, symposium/newsletters	13	24
Workforce development WIB	9	17
Business Leadership Network	7	13
Mock interviews	7	13
Provide apprenticeships or internships	5	9
Diversity recruitment	4	7
Job shadowing	3	6

Sixteen projects identified the provision of employer-specific training as one way through which they attracted additional employers to become involved in the project. PWI projects may provide training to local organizations on a variety of topics, including, most often, ADA requirements and general disability awareness. Other ways through which PWIs involved area employers in their projects included employer surveys or newsletters, mentioned by 13 projects, or through interactions with the local WIB or one-stop center (discussed in detail in the following section).

Seven projects, in response to this open-ended question, identified project collaboration with the local Business Leadership Network (BLN). According to their website,²¹ the BLN is a “national endeavor of the U.S. Department of Labor Office of Disability Employment Policy, supported by the U.S. Chamber of Commerce.” It is a business-led initiative that promotes best practices to “enhance employment opportunities to candidates and provides exceptional services to customers with disabilities.” First conceived in 1994 by a small group of employers, the initiative’s central operating principle is analogous to the idea behind the PWI program; namely, that employers listen to other employers and that if employers talk about the benefits of hiring people with disabilities, then other employers will follow. To date, 30 states have started BLNs.

BLNs function in ways similar to PWI projects. Participating employers hire individuals with disabilities, attend forums on disability employment issues, conduct job seeking skills sessions for individuals with disabilities, serve as mentors to postsecondary students with disabilities; recruit at disability fairs, provide internships and other work experiences and market the BLN to other employers. While the federal government does not provide any funding for the BLN initiative, some state networks

²¹ See <http://www.dol.gov/odep/programs/business.htm>

have received funding from state VR agencies, Developmental Disabilities Councils, and large employers, such as IBM.

Although we did not ask PWI projects to specifically report their involvement with BLNs, the topic arose in the course of several interviews, and as the data in the preceding table indicate, in the course of their responses to survey items. Several PWI directors are themselves involved in BLN activities, as are BAC members. In fact, the IAM District lodge 24 in Portland, Oregon, merged their BAC with other local agency BACs, creating one large BLN that serves all employment-related projects. In other words, the BLN is the BAC for this project. Other projects that reported BLN involvement either directly by the PWI director or through the BAC included the Life's Work PWI in Pittsburgh; Project Hired in Santa Clara; the Delaware PWI, which has established relations with the BLN in Pennsylvania and is working to develop one in New Jersey; UCPA in Washington, D.C.; the Department of Economic Security in Minnesota; and the Association for Habilitation and Employment of the Developmentally Disabled in Pennsylvania.

In addition to employer training, employer surveys, and PWI interactions with WIBs or BLNs, PWI projects also involved area employers in their activities by securing agreements to provide mock interviews, internships, or job shadowing opportunities for participants. Several PWI staff persons with whom we spoke mentioned that when cold calling employers looking for job openings and told that the company is not hiring, they often ask if the employer would be willing to assist an individual participant by providing a mock interview. In some instances, according to PWI staff, the employer is sufficiently impressed with the PWI participant that they either hire the individual or put the person's name on a waiting list in the event a job becomes available.

Employer Perspectives on the PWI Program

Our focus groups with employers of former PWI participants involved 93 individuals representing diverse industries. Among the more frequently represented industries were temporary staffing agencies (8), hospitals or medical facilities (8), fast food or restaurants (7), city, county, or state government (7), food delivery services (6), manufacturing (6), financial institutions (4), telephone marketing centers (4), and department stores (4). Because we did not randomly select employers for participation in focus groups, this list is not intended to be representative of employers of PWI participants nationally; however, it does serve to illustrate the variety of industries in which former PWI participants are now employed.

The broad intent of the employer focus groups was to obtain employer perspectives on the PWI program and to identify their overall level of satisfaction with the employees they had hired through PWI. Specific topics of discussion included (1) how employers first learned of the PWI, (2) employer motivations to hire individuals with disabilities, (3) the nature and extent of interactions between

employers and PWI projects following placement, (4) how PWI participants fared with respect to advancement on the job, (5) how PWI services compared with those employers received from the state VR program and private placement agencies, and (6) employer suggestions for PWI program or project improvement. We summarize our findings from the employer focus groups in each of these areas in the remainder of this section.

Forty of the 93 employers who participated in our focus groups first learned about the PWI program by being contacted by PWI staff who were involved in job development activities and seeking to identify job openings for project participants. Twelve other respondents learned about the program through attendance at career fairs held intentionally to attract additional employers, an indication that BAC activities in this area met with some success. Several other employers became aware of the PWI project as a source of qualified employees through someone else at their company who had prior experience with the program (11 employers) or as a result of some type of prior relationship with the grantee organization (6 employers). Two employers were themselves former PWI participants, and two other employers first learned about PWI by being contacted directly by a PWI participant during a job search.

When asked what motivated them to hire an individual with a disability, 15 focus group participants indicated that it was simply a matter of needing qualified employees and that disability issues had little to do with their decision. Another 12 employers identified their companies' desire for increased diversity in the workplace as a motivating factor, while 11 other employers knew from prior experience that individuals with disabilities "made good employees." Nine respondents noted that they did not know the person had a disability when they made the hiring decision, and found out about the PWI program after the fact. Other motivations included having a friend or family member with a disability that led to a personal commitment to hire such individuals, and at least three employers themselves had disabilities. Only two respondents specifically mentioned the availability of a tax credit as a motivation to hire someone with a disability.

We asked focus group participants if they had any initial concerns about employing individuals with disabilities. Thirty-two employers, or about one-third of all focus group participants, indicated that they did not have any concerns, typically because of some prior successful experience. The most common concern voiced by other respondents was the individual's ability to do the work (26). In the majority of these instances, such concerns were allayed through assurances from PWI project staff that they would be available to help resolve any issues that arose after initial job placement. Only a few employers expressed initial concerns over legal liability or safety.

We asked employers to discuss the nature and extent of their interactions with the PWI projects from which they had hired one or more individuals, and to comment on the responsiveness of PWI staff to any post-placement issues that had surfaced. Employers were nearly unanimous in their belief that the single

most attractive feature of the PWI program was the follow up provided by PWI staff. Most employers responded that they had needed little post-placement assistance, and that the project's routine follow up with them to ensure both the participant's and the employer's satisfaction often precluded the need for them to contact the project for assistance. In the vast majority of instances mentioned by employers who did have a need for post-placement assistance, the PWI project was able to resolve the issue by providing specific services, including worksite accommodations, interpreters, or a job coach or other project staff to fill in for an absent employee.

Although the study's methodology precludes our ability to quantify the number of former PWI participants who received a promotion or a salary increase,²² we did ask employers to comment in broad terms about how individuals referred to them by the PWI project had fared relative to other new employees. Thirty-four focus group members indicated that the employees they had hired through PWI had been successful enough to assume greater responsibilities on the job. Many of these individuals noted that, relative to other employees in similar position, former PWI participants tended to take the job more seriously and had far fewer problems with attendance. Twenty-four focus group participants who had hired more than one individual from a PWI noted that they had had "mixed success" with PWI-referred employees. Thirteen participants said the nature of the job held by PWI participants offered little potential for advancement, and 10 others believed it was too early to have expected any advancement on the job. Only seven of the 92 focus group participants (eight percent) reported having terminated the employment of a referred individual for any reason.

To obtain some sense of the value of the PWI program relative to the state VR program or private placement services, we asked employers to discuss their experience with other sources of potential employees and to comment on how the PWI program compared. Overall, 58 employers indicated having hired at least one person directly from the state VR agency. Thirteen of these employers thought that the PWI program and the VR program were very similar with respect to the job readiness of referred employees, while the majority of the other employers believed the PWI program did a better job of screening candidates to ensure a good job match. Eleven employers with some prior experience with the VR program specifically mentioned the follow up provided by PWI projects as a major advantage over the VR program.

Employers also favorably compared the PWI program with private placement services they had used. Twenty-three of the 80 employers with some experience with private placement agencies believed the

²² We drew our sample from the universe of persons who exited the PWI projects in FY 2001. Since data collection occurred only 5-18 months later, the opportunity for job promotion or salary increase would be minimal at best, and any reporting of data on career advancements would be misleading.

PWI project did a better job of screening candidates and 22 employers noted that the PWI program did a much better job of following up with them and providing ongoing support, as necessary. Ten employers believed the quality of referred individuals was about the same.

Finally, we asked employers to offer any suggestion they might have for how the PWI could improve its ability to respond to employers' needs and otherwise assist individuals with disabilities to get and keep good jobs. Thirty-seven respondents (40 percent) thought the project with which they interacted functioned very effectively, and offered no suggestions for improvement. The most common recommendation, suggested by 24 focus group participants, was to increase outreach and awareness activities and to more heavily market area employers. Seven other participants, many of who represented firms with a regional or national presence, thought the program should expand into other regions. Other recommendations included increased program funding, increased availability of transportation assistance, and increased referrals of qualified job candidates to employers, all of which were cited by six focus group participants.

The issue of increased referrals from PWI projects to employers came up in our discussions with PWI directors and staff as well as in our focus groups with employers. From the employer perspective, they were generally pleased with the quality and performance of the individuals that had been referred to them by the PWI projects and several employers expressed a degree of frustration that their request for additional referrals had not yet been fulfilled or had taken too long to be fulfilled. From the PWI project staff perspective, ensuring that individuals referred to employers are appropriate for the job, with respect to job skills, social skills, prior experience, and a variety of other factors is vital to maintaining credibility with area employers. PWI directors frequently spoke of a balance they tried to maintain between job development activities on the one hand, and job placement on the other. The approach used by PWIs in matching individuals with specific jobs requires time and attention to detail; referral of potentially inappropriate candidates could jeopardize employers' willingness to accept further project referrals.

PWI Linkages with Workforce Investment Act Entities

The purpose of the WIA of 1998 (P.L. 105-220), which became law on August 7, 1998, and contains the Rehabilitation Act as Title IV, is to consolidate, coordinate, and improve employment training, literacy, and VR programs in this country. Title I of WIA requires the establishment of a one-stop career center system, administered by the Department of Labor, through which federally funded education and training programs, including the state/federal VR program, will recruit and serve their customers. Title I also requires state and local WIBs to oversee the development of the one-stop system and identifies four core indicators through which program performance will be measured. All partners under WIA must

develop a memorandum of understanding with their WIBs that specify how their services and system operating costs will be funded.

In its notice inviting applications for new awards under the PWI program for FY 2000 (Federal Register, August 11, 1999), ED established an invitational priority for projects that “demonstrate effective collaboration with the one-stop delivery system under the WIA.” As noted in Chapter 2, 33 PWIs reported coordination with one-stops as a priority area. One mechanism for ensuring coordination between PWI projects and other partners in the one-stops that is explicitly identified in the statute concerns the role of the BAC. The BAC’s identification of job and career availability within the community must be consistent with the current and projected local employment opportunities identified by the local WIB. Another explicit linkage between PWI projects and WIA entities concerns data collection requirements, the annual review and evaluation required of each PWI project (for continuation funding) must now conform with annual reporting and data collection requirements under section 136(d) (2) of the WIA, “to the extent determined by the Secretary to be relevant in assessing program performance.”²³

We obtained information on linkages between the PWI program and local WIBs or one-stops through (1) the project survey, which included a few broad items soliciting information on PWI-WIA coordination; (2) interviews with PWI directors and staff and with individual BAC members; and (3) interviews with representatives of local WIBs or one-stop centers. We knew from our review of grantee files and other preliminary research activities that not all PWI projects had established linkages with WIA entities. Thus, we determined the need for, or utility of, conducting interviews with WIB or one-stop representatives in conversations with PWI directors at the time we scheduled and arranged the 30 site visits. Accordingly, we conducted interviews with one or more WIB/one-stop representatives in 17 of the 30 PWI projects visited.

The project survey asked respondents to indicate if their PWI was a partner with one or more local one-stop job centers and, if so, whether the project had entered into a memorandum of agreement with the one-stop, or if the PWI was represented on the local WIB. We summarize the data on the items below.

- Sixty PWI projects (65 percent of those responding) are a partner with one or more one-stop career centers.
- Of these 60 PWIs, 37 (or 62 percent) have entered into a memorandum of understanding with the center or the local WIB.
- Of those 60 projects, 38 (or 63 percent) are represented on the local WIB.

²³ 29 USC Section 101(a)(10)(B). These requirements, which include collection of performance data on WIA’s core indicators of entry into employment, earnings, job retention, and attainment of a recognized credential, are not fully implemented.

In our on-site discussions, directors of 23 projects indicated some degree of coordination between the PWI and local one-stop centers, although in several instances the extent of interaction was minimal and only beginning to take shape. In many localities, WIBs and one-stops are still dealing with a number of broader issues, such as governance of the system, entering into Memorandums of Understanding with mandated partners, resolving cost allocation issues, establishing data management and performance measurement systems, and otherwise pursuing full implementation. Because PWI is not a mandated partner and brings considerably fewer resources to the table than do other agencies or programs, coordination with the PWI program is not a high priority for most WIBs or one-stop center directors.

The most frequent type of interaction identified by those PWI directors where some degree of coordination was present was locating PWI staff at one-stops, typically for a few hours for one or two days a week. Of the 23 project directors who indicated some level of involvement with one-stops, 11 reported co-location of staff. Other methods of coordination identified by PWI staff in on-site discussions included having BAC members on the WIB (nine projects), entering into a memorandum of understanding (two projects), and receiving referrals from one-stops or referring PWI participants to one-stops (three projects). At two of the projects we visited, both of which had collaboration with one-stops as a priority area, PWI participants are required to register with the local one-stop at the time of acceptance into the PWI project.

With respect to coordination between BAC activities and WIBs, 27 of the 72 BAC members we spoke with reported that the BAC coordinated their efforts to identify job and career availability in the community with those of the WIB. In one-third of these instances, the BAC member involved was also a member of the local WIB. Thirty-three BAC members reported that they did not coordinate their efforts with the WIB, while 12 respondents did not know if the BAC coordinated its labor market information activity with that of the WIB.

Information obtained from our discussions with WIB and one-stop representatives at 17 project sites was consistent with that collected from PWI staff and BAC members. Fourteen identified the PWI project as a partner in one-stop operations, including two who reported PWI involvement through the state VR agency. Nine reported co-location of PWI staff at the one-stop for some amount of time, often as little as four hours per week. Other means of coordination reported included referrals from the one-stop to the PWI and vice versa, co-registration of participants, and in one locality dual case management of mutual clients.

CHAPTER 4

PWI PARTICIPANT CHARACTERISTICS, SERVICES, AND OUTCOMES

This chapter describes the population of individuals with disabilities who completed their participation in the PWI program in FY 2001. We begin by reviewing available data on the number of persons served and placed into competitive employment by the PWI program in FY 2001. We then describe the demographic and disability characteristics of former PWI participants, and their status at entry into the program with respect to education, prior experience with the VR program, employment status and earnings, and other variables. The next section describes participants' experience in the PWI project including eligibility determination, the types of PWI services obtained, and the duration of PWI program participation. The final section of this Chapter describes PWI participant outcomes, including employment status, types of occupations, job titles, earnings, and hours worked per week; and describes variations in participant outcomes by selected variables.

Wherever possible and useful, we compare the findings on PWI participant characteristics, services, and outcomes with analogous data collected by the last national evaluation of the program, which covered project year 1983. In the following chapter on PWI-VR coordination, we examine RSA-911 data (case service records) collected from local VR agency offices in the same localities as the PWI projects whose files we abstracted to identify the extent to which PWI participants differed from VR consumers in the same localities in important ways.

Our chief data source in this chapter is information obtained through a review of a random sample of PWI case files for persons who completed their PWI participation at any point during FY 2001, including persons who obtained employment as a result of PWI services and those who did not. We also draw on information obtained from the PWI project mail survey and from on-site interviews with PWI staff to illustrate or clarify issues arising from our examination of case file data.

Number of Individuals Served and Placed

Data on the number of persons served by the PWI program in FY 2001 and on the number of individuals who exited the program into competitive employment are available from the PWI mail survey, from compliance indicator data submitted by the projects to RSA, and from weighted estimates obtained through our random sample of former participants' files. Based on mail survey data provided by 91 projects, the PWI program served a total of 13,290 individuals with disabilities in FY 2001, an average of 146 per project (median of 109). These 91 projects helped 6,989 persons obtain competitive

employment, an average of 77 per project (median 60). As only 91 of the 99 projects operating during FY 2001 provided data, these figures underrepresent the actual number of persons served and placed.

Data from compliance indicator reports submitted to RSA by 99 projects indicate that the program served a total of 11,459 individuals with disabilities during FY 2001; however, for purposes of the compliance indicators, “person served” is defined as “all persons who completed the project’s intake process and who were approved for receipt of project services during the reporting period.”²⁴ Explicitly not included are individuals whose participation in the program began prior to the reporting period. Based on data submitted by projects in response to compliance indicator requirements, the program placed 7,258 persons into competitive employment in FY 2001.

Case file data examined in this Chapter are based on a weighted estimate of 10,850 individuals who exited the program during FY 2001, including 6,750 who exited into employment and approximately 4,100 who exited without employment. (Details of our sampling and data weighting procedures are provided in Appendix C.) All of the percentage distributions presented in this chapter are based on data obtained from participant’s case files.

It is reasonable to expect that data obtained from a variety of sources on the same or similar variables will vary to some extent; however, data from all three sources are fairly consistent. Thus, while the precise numbers of persons served and placed by the program are not available from any one data source, it is reasonable to estimate that approximately 13,500 persons received services, of whom approximately 11,500 entered the program in FY 2001 and were, therefore, included in compliance indicator reports of “persons served.” It is also reasonable to estimate that approximately 7,000 persons exited the program into employment during the year.

Participant Characteristics at Entry to the PWI Program

In this section we describe the demographic and disability characteristics of individuals who exited the PWI program in FY 2001. We also summarize participants’ status at program entry with respect to education, employment, receipt of Social Security benefits, prior experience with the VR program, and sources of referral to the PWI program.

Before we proceed to review these data it is important first to mention that our ability to obtain comprehensive data on several items of interest related to the PWI participant experience was constrained

²⁴ Instructions for completing the reporting form for PWI compliance indicators and annual evaluation plan.

by a lack of documentation in participant files. Table 4-1 summarizes the percentage of case files for which data were missing on selected variables of interest.

Table 4-1. Percentage of Missing Data on Selected Variable of Interest as Obtained from Review of Former PWI Participants' Files

Data Element	Percentage of Files Where Data Were Not Available
Ethnicity	7
Significance of disability	18
Highest grade completed	11
Receipt of SSI/SSDI	11
Employment status at entry	8
Documentation of eligibility	6
Reasons for exit without employment	4

We present this information here in order to facilitate the examination of the data that were available. Specific discussion of the quantity and quality of data available in participant files is provided in Chapter 6.

Demographic Characteristics

Fifty-eight percent of PWI participants exiting in FY 2001 were male, 42 percent were female. Table 4-2 summarizes the case file data on former participants' age at entry into the PWI program. Nearly one-fourth of participants (23 percent) were 24-years-old or less at entry into the PWI program; however, an even larger percentage of participants were 45 or older (30 percent). The average age of PWI participants in FY 2001 was 37; in 1983 the average PWI participant was 33.

Table 4-2. Distribution of Former PWI Participants, by Age at Entry

Age of Former Participants at Entry to PWI	Percentage of Former PWI Participants
Less than 25 years	23
25-34	19
35-44	28
45-54	21
55-64	8
More than 65 years	1
Average age = 37 years	

Minority representation among PWI participants has nearly doubled over the last two decades. Fifty-eight percent of PWI participants for whom we collected data on ethnicity were white; 32 percent were African-American, three percent were Asian or Pacific Islander, two percent were Native American, and

four percent were other (Table 4-3). Ten percent of PWI participants in FY 2001 were of Hispanic origin. In FY 1983, individuals from a minority background accounted for just 22 percent of all participants, compared to 42 percent in FY 2001. As we noted earlier in this report, nearly one-fourth of all funded projects reported targeting minority populations for PWI participation, and these efforts, reflecting the broader emphasis in the Rehabilitation Act on increased services to traditionally unserved or underserved populations, appear to have succeeded.

Table 4-3. Distribution of Former PWI Participants, by Ethnicity

Race/Ethnicity	Percentage of Former PWI Participants
White	58
Black/African American	32
Asian/Pacific Islander	3
American Indian/Native	2
Other	4

Types of Disability

Although specifically targeted for program participation by only one project of the 92 that responded to our survey, individuals with mental illness represented 22 percent of all persons who exited the PWI program in FY 2001, the highest percentage of any single disability type. Table 4-4 summarizes the data on PWI participants' primary disability as obtained through our review of former participants' files. As indicated, individuals with learning disabilities represented another 15 percent of all program completers, followed by nonorthopedic physical impairments (13 percent), orthopedic impairments (12 percent), alcohol or substance abuse (11 percent), hearing impairments (10 percent) and mental retardation (nine percent). Individuals with visual impairments accounted for five percent of all program completers and persons with TBI represented one percent. Case files for 30 percent of all former participants identified a secondary disability.

Table 4-4. Distribution of Former PWI Participants, by Primary Disability

Primary Disability	Percentage of Former PWI Participants
Mental illness	22
Learning disabilities	15
Nonorthopedic physical impairment	13
Orthopedic impairment	12
Alcohol or substance abuse	11
Hearing impairment	10
Mental retardation	9
Visual impairment	5
Traumatic brain injury	1
All other conditions	<1

Although a strict comparison with the data obtained in the 1983 study is not possible, owing to differences in how disability types were categorized, a few observations are possible. In comparison with 1983, the program in 2001 served somewhat lower percentages of individuals with mental illness (22 percent in FY 2001 and 24 percent in FY 1983) and individuals with mental retardation (nine percent compared to 14 percent). The percentage of PWI participants represented by persons with sensory impairments remained roughly the same (14 percent in 1983, 15 percent in 2001). Learning disabilities and alcohol or substance abuse were not among the disability types for which data were specifically obtained in the prior study.

Significance of Disability

In addition to type of disability, wherever possible we obtained information on the significance (formerly severity) of disability from former participants' files. Under law, state VR agencies must give priority to persons with the most significant disabilities. The PWI program, although emphasizing services to individuals with significant disabilities through its compliance indicators, is not legally required to assign priority to persons with most significant disabilities. According to statute, "individual with a significant disability" means an individual with a disability who:

- has a severe physical or mental impairment which seriously limits one or more functional capacities (e.g., mobility, communication) in terms of an employment outcome;
- whose vocational rehabilitation can be expected to require multiple services over an extended period of time; and
- who has one or more physical or mental disabilities resulting from certain specific physical or mental conditions (e.g., blindness).²⁵

Table 4-5 summarizes case file data on significance of disability for former PWI program participants. As we noted at the outset of this section, information on significance of disability was not available in 18 percent of the files we reviewed, a problem also noted in the last evaluation of the PWI program, so these data should be interpreted with some caution. As shown in the table, 83 percent of former participants' files that did include documentation of significance of disability indicated a significant or most significant disability while 17 percent documented a disability classified as "not significant."²⁶ In 1983, 68 percent of participants for whom data were available had a disability classified as "severe."

²⁵ 29 USC Section 705 (21).

²⁶ Most PWI projects do not distinguish between "significant" and "most significant" in their records.

Table 4-5. Distribution of Former PWI Participants, by Significance of Disability

Significance of Disability	Percentage of Former PWI Participants
Most significant or significant	83
Not significant	17

In our conversations with PWI project directors, we asked them to identify how they determined the significance of disability for persons applying to the PWI project. Eighteen of the 30 PWI directors with whom we spoke responded that they relied on the state VR agency to make this determination, while another three project directors indicated relying on the VR agency only for VR referrals. Twelve project directors reported making their own decisions regarding significance of disability, based on prior guidance obtained by project staff from the state VR agency.

Educational Status at Entry into the PWI Program

Information we collected on educational status of former participants included the highest grade level obtained and receipt of special education services. Table 4-6 summarizes these data. As indicated, nearly one-fourth of participants had less than a high school education at the time of entry into the PWI program (24 percent). Thirty-seven percent had completed high school or obtained a GED, 39 percent had some amount of postsecondary education, including nine percent with an associate’s degree and another nine percent with a bachelor’s degree. We found evidence of receipt of special education in 13 percent of the files.

Table 4-6. Highest Grade Level Obtained by Former PWI Participants

Education Completed	Percentage of Former PWI Participants
Less than high school or GED	24
High school graduate/GED	37
Postsecondary with no degree	18
Associate’s degree	9
Bachelor’s degree or above	9
Postsecondary – degree not indicated	3
Evidence of special education	13

In 16 percent of the files we found evidence that the individual was a student at the time of entry into the PWI project.

Employment Status and Earnings at Entry

Seventeen percent of former participants were employed at the time of entry into PWI, including 15 percent who worked in competitive employment and two percent who held noncompetitive jobs (see Table 4-7). At least 53 percent were unemployed for a minimum of six months or had never worked. Time of unemployment was not available in nine percent of the files we reviewed.

Table 4-7. Distribution of Former PWI Participants, by Employment Status at Entry into the Program

Employment Status at Entry	Percentage of Former PWI Participants
Competitive employment	15
Noncompetitive employment	2
Unemployed less/equal to six months	22
Unemployed more than six months	44
Unemployed time not indicated	9
Never worked	9

The average hourly wage earned by PWI participants employed at the time of entry into the project was \$7.83 (median of \$7.00). On average, these individuals worked 25 hours a week (median of 25).

Vocational Rehabilitation Program Status at Entry

Seventy percent of PWI participants who exited the program in FY 2001 had some form of prior experience with the VR services program. Forty-nine percent were either VR applicants or actively receiving VR services at the time of PWI entry, while another 21 percent had previously received VR services. Only 30 percent of former participants entered the PWI program with no prior experience with the state/federal VR program, according to information available in case files (see Table 4-8).

Table 4-8. Distribution of Former PWI Participants, by VR Status

VR status at entry	Percentage of former PWI participants
VR applicant or consumer at entry	49
VR consumer prior to entry	21
No prior VR experience	30

Source of Referral to the PWI Program

As might be expected, in light of the data just reviewed on former participants' experience with the VR program, state VR agencies are the largest single source of referral to the PWI program. As indicated in Table 4-9, 58 percent of all former participants were referred to PWI by a state VR agency. We provide a more detailed discussion on coordination between VR agencies and PWI projects during the

referral process, including use of specific referral criteria, in the following chapter on PWI-VR coordination.

Table 4-9. Distribution of Former PWI Participants, by Source of Referral

Source of Referral	Percentage of Former PWI Participants
State VR agency	58
Self/family or friends	16
School	10
Community rehabilitation programs	10
Hospital or doctor	2
Employment service	1
Other	3

Three other referral sources accounted for an additional 36 percent of PWI participants: self, family members or friends (16 percent), schools (10 percent), and community rehabilitation programs (10 percent). No other source of referral accounted for more than two percent of all referrals of persons exiting the program in FY 2001. “Other” sources of referral included grantee organizations, one-stops, employers, and law enforcement agencies, each of which represented less than one percent of the total.

PWI Services to Participants

In this section we describe PWI eligibility determination practices and review the types of services received by former PWI participants.

Eligibility for PWI Services

According to program regulations, an individual is eligible for services under the PWI program if:

- the individual has a disability or a significant disability;
- the individual requires vocational services to prepare for, secure, retain, or regain employment;
- the determination of eligibility is consistent with section 102(a) of the Rehabilitation Act of 1973, as amended.²⁷

Data obtained from 92 projects that responded to our survey indicate that 13,054 persons applied for PWI services in FY 2001, and 11,235 (86 percent) were accepted for services. Nearly one-half of all

²⁷ 34 CFR Section 379.3(a).

responding projects (45 of 92) reported that all persons applying for PWI services were determined to be eligible and accepted for services.²⁸

Section 611(a)(3)(A) and 611(a)(3)(B) of the Rehabilitation Act of 1973, as amended by the Rehabilitation Act Amendments of 1998²⁹, modified the authority for determining the eligibility of an individual applying for services under the PWI program. Whereas in prior years the PWI program was required to have the state VR agency make or confirm the determination of eligibility, the 1998 amendments allowed PWI projects to make their own eligibility decisions, as long as they do so in a manner consistent with the requirements that govern state VR agency decisions. Program guidance does, however, recommend that PWI projects, in developing eligibility-related policies and procedures, seek guidance from the state VR agency or the Regional RSA office.³⁰

Eligibility criteria articulated in section 102(a) (2) of the Rehabilitation Act specify that an individual with a disability must be presumed by the VR agency (or PWI project) to be able to benefit from services in terms of an employment outcome. Section 102 (a) (3) also makes clear that if an individual receives (or is determined eligible to receive) Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI), that individual is presumed eligible for VR (or PWI) services.³¹ One-third of former PWI participants whose files we reviewed included evidence of receipt of SSI or SSDI.³² PWI projects are advised to use existing information “to the maximum extent possible” in making eligibility determinations, and to ensure that there is appropriate documentation in the case file to support the existence of an impairment, such as a medical or psychological reports. Individuals referred to PWI projects by state VR agencies are among those presumed eligible.

Table 4-10 summarizes the types of documentation we found in former participants’ files concerning eligibility to receive PWI services. Consistent with earlier findings regarding participants’ experience with the VR services program, state VR agency referrals were the basis of eligibility decisions for 63 percent of individuals exiting the PWI program in FY 2001. Medical or psychological records documented eligibility for another one-fourth (25 percent). Other sources of documentation included

²⁸ The study did not collect data on reasons why some individuals who applied for services were not accepted. The survey asked only for aggregate data on the number who applied and the number found eligible. We limited our selection of case files to those individuals who received services from PWI projects (i.e., those determined eligible).

²⁹ 29 USC Section 795(a)(3)(A) and (B).

³⁰ Technical Assistance Circular RSA-TA-00-01, Guidance on Determining Eligibility Under the PWI Program, February 8, 2000.

³¹ 34 CFR Section 361.42(a)(3) and 34 CFR Section 379.3(c).

³² Most PWI projects’ record keeping practices do not distinguish between receipt of SSI and SSDI.

records from referring community rehabilitation programs (five percent), school records (four percent), receipt of SSI or SSDI (three percent), and functional assessments (one percent).

Table 4-10. Distribution of PWI Participants, by Documentation of Eligibility

Documentation	Percentage of Former PWI Participants
VR referral documents	63
Medical or psychological records	25
Community rehabilitation provider records	5
Educational records	4
Receipt of SSI/SSDI	3
Functional assessment	1

In our on-site discussions with PWI directors and staff we asked them to describe the process they used to determine the eligibility of individuals applying for PWI services. In 12 of the 30 projects (including two operated by state VR agencies), the PWI project relied on the state VR agency for all eligibility determinations. Another 12 projects relied on the state VR agency only for those individuals they referred to the project. Seven projects reported that they made all of their own eligibility determinations based on training project staff received from the state VR agency.

PWI Services Obtained³³

As we discussed in the previous chapter, PWI projects must make available to their participants job development, job placement, and career advancement services, as well as supportive services intended to enhance job maintenance and advancement. Optional services include job skill training and modification of employers' facilities and equipment. Table 4-11 summarizes data we obtained from former PWI participants' files on the types of services they obtained through the PWI program.

³³ The categories of participant services discussed here, including specific types of job skill training and job readiness training, are based on federal regulations defining PWI services (34 CFR Section 379.5).

Table 4-11. Distribution of PWI Participants, by Receipt of Specific Services, Based on Information Available in Participants' Files

Receipt of PWI Services	Percentage of Former PWI Participants
Job placement	62
Job readiness training	59
Job development	42
Job skills training	25
Supportive services	17
Worksite or equipment modification	2
Career advancement	2
Other services	18

Overall, 62 percent of PWI participants who exited the program in FY 2001 received job placement services in FY 2001. The next most frequently received services included job readiness training (59 percent), job development (42 percent), job skills training (25 percent), and supportive services (17 percent). Very few PWI participants obtained a worksite or equipment modification (two percent) or “career advancement” service (two percent), based on information available in participants’ files.

As noted earlier, job readiness training may include a variety of specific services intended to increase an individual’s “job readiness.” These services, and the percentage of PWI participants who received each, are presented in Table 4-12. Of those who received any form of job readiness training, 81 percent obtained assistance in the preparation of resumes or job applications (48 percent of all participants), 55 percent received training in job seeking skills (33 percent of all participants), 53 percent refined their interviewing skills (31 percent of all participants), and 23 percent participated in a job club (13 percent of all participants).

Table 4-12. Distribution of PWI Participants, by Receipt of Specific Types of Job Readiness Training

Types of Job Readiness Training	Percentage of Those Who Received Job Readiness Training	Percentage of All Former Participants
Resume or job application preparation	81	48
Job seeking skills training	55	33
Interviewing skills	53	31
Job club	23	13
Other	13	8

The type of job skill training most often received by PWI participants in FY 2001 was occupational skill training, received by 62 percent of those who obtained any form of job skill training, and by 16 percent of PWI participants overall (see Table 4-13). Other forms of job skill training obtained by former participants included on-site job coaching (24 percent of those who received some type of job skill

training and six percent overall), internships or work experience (19 percent and five percent), and job skill upgrade (17 percent and four percent).

Table 4-13. Percentage of Former PWI Participants Who Received Specific Types of Job Skill Training

Type of Job Skill Training	Percentage of Those Who Received Job Skill Training	Percentage of All Former Participants
Occupational skills training	62	16
On-site job coaching	24	6
Work experience/internship	19	5
Job skill upgrade or enhancement	17	4

Information on the number of individuals who received specific project services during FY 2001 was also available from the 92 projects that responded to the project survey, which asked respondents to report the total number of persons who received each service provided by the project. The percentages of all participants served who obtained specific services, based on data obtained from the survey, were higher than the percentages we calculated on the basis of information available in participants' files, with the exception of job placement services, for which survey data indicate receipt by 61 percent of persons served. This is somewhat surprising for two reasons: (1) we obtained data from only 92 of the 99 funded projects on the mail survey, while case file data were weighted to represent the universe of program completers; and (2) percentages derived from survey data were calculated on the basis of all persons served during the year, some of whom must have only recently initiated their participation in the program and had yet to receive many services. In Chapter 6 we discuss project record keeping practices, including possible reasons for such discrepancies in the data reported by projects in the mail survey with what we found in our review of participants' files. Important to understanding the data in this chapter is that the percentages reported probably underestimate actual figures to the extent project files lacked essential documentation of service receipt.

Time in PWI

We used information from participants' files to calculate the length of time individuals received PWI services (see Table 4-14). We used the date of application for PWI services as the starting point and the date of exit from PWI services as the end point? using the date of initial job hire plus 90 days to obtain a date of "closure" for individuals who exited PWI into employment. Overall, participants averaged 8.7 months in PWI projects (median of 6.4 months), including an average of 9.6 months for individuals who exited into employment (median of 7 months), and 6.5 months for those who exited without an employment outcome (median of 4.6 months).

Table 4-14. Average Number of Months in PWI

Month in PWI	Months		
	Percentage of All PWI Participants	Percentage of PWI Participants Who Achieved an Employment Outcome	Percentage of PWI Participants Who Exited Without Employment
Mean	8.7	9.6	6.5
Median	6.4	7.0	4.6
Minimum	<1	3.0	<1
Maximum	56	56	49.0

PWI Participant Outcomes

In this section we identify the outcomes of program participation with respect to employment status. We also identify reasons why some participants did not achieve an employment outcome. Data summarized for participants who achieved an employment outcome include the type of job obtained, receipt of job-related benefits, earnings, and number of hours worked per week. We also examine the extent to which PWI participant outcomes varied with respect to participant characteristics and PWI services received.

Employment Outcome

Based on information we obtained from a random sample of case files for individuals who exited the PWI program in FY 2001, 62 percent of PWI participants either obtained or retained employment, while the remaining 38 percent exited without achieving an employment outcome (Table 4-15). Based on aggregate data reported by 91 projects on the PWI survey, 68 percent of all persons exiting the program in FY 2001 obtained an employment outcome. In order to fully appreciate these data, and to begin to understand possible explanations for discrepancies in placement rate estimates obtained from two sources, it is necessary to understand the manner in which PWI projects maintain participants' case files and how they determine when to cease providing services to individual participants or "close" a case.

Table 4-15. Distribution of PWI Participants, by Employment Outcome

Participant Outcome	Percentage of PWI Participants
Obtained employment	60
Retained employment	2
Exited without employment	38

Unlike state VR agencies, many PWI projects, according to their directors, do not officially "close" participants' files. Individuals who exit the program after having achieved employment for 90 days may continue to be contacted by the project for up to a full year after placement to ensure that the former

participant (and often the employer) remained satisfied with the job and to determine if there is anything the project may do to assist the individual to retain employment or to advance in employment.

Nevertheless, because the PWI compliance indicators require projects to report to RSA the number of persons who achieve placement, data on the number of persons who maintain employment for 90 days are readily available from the projects.

However, PWI projects do not routinely report to RSA the number of individuals who “exit the program without achieving an employment outcome” and the criteria projects use to determine when to cease providing services to individuals (other than those placed) varies. Twelve projects indicated to us in our on-site discussions that they close a case, or cease providing services to an individual, only when that person directs them to do so. The remaining 18 projects used a variety of criteria and time frames to decide when to stop serving individuals. Typically, in such projects there are few formal criteria, and it is largely up to the staff to determine at what point to stop serving the individual after a participant fails to show up for appointments, does not return calls, or otherwise loses interest in obtaining employment. Even in these types of situations, a project may not formally close the case, but rather place it into an “inactive status” until such time as they hear back from the individual. Three projects, in response to a mail survey item, reported that no individuals exited the program without an employment outcome in FY 2001, including one that served nearly 200 persons.

Reasons for Exiting PWI Without Placement

To further explore the issue of how many individuals exited PWI projects without achieving an employment outcome, we asked project directors to discuss the extent to which attrition was a concern and to identify the primary reasons why some consumers do not achieve employment as a result of PWI services. Only four of the directors with whom we spoke identified attrition as a concern, with an additional 10 responding that it was not a concern; the remaining project directors were either unsure of the extent to which attrition was a problem or did not respond.

From the perspective of PWI directors, the chief cause of participants exiting without achieving employment was medical problems (including drug and alcohol abuse issues), a factor cited by 19 of the 30 directors with whom we spoke. Another frequently reported cause for attrition included participants deciding they did not really want to work, cited by 10 project directors, including seven who specifically mentioned that such decisions often reflected a concern over the loss of SSI or SSDI benefits. Other reasons reported by PWI directors for attrition included an inability to contact participants and participants’ failure to follow through on appointments, each of which was reported by 10 project directors. Other less frequently cited causes of attrition included unrealistic job expectations on the part

of participants (3), participants returning to school (3), family or personal problems (2), and incarceration (2).

We also obtained information on why some participants exited the program without achieving employment from our review of case files, and we summarize these data in Table 4-16. As shown, consumers’ decisions to drop out of the program, for a variety of reasons not always clear in case file documentation, accounted for 59 percent of all participants who exited the program without employment in FY 2001. Other reasons included medical problems (11 percent), administrative decisions by PWI staff (10 percent)³⁴, participants moving to another community (eight percent), and participants obtaining employment on their own, with help from VR or another agency, or through other means (eight percent).

Table 4-16. Distribution of PWI Participants Who Exited the PWI Program Without Achieving an Employment Outcome by Reason

Reason for Exit Without Employment	Percentage of PWI Participants Who Exited the Program Without Achieving an Employment Outcome
Dropout	59
Medical problem/substance abuse	11
Administrative decision	10
Moved to another area	8
Individual obtained employment through other means	8
Other	5

Types of Employment Obtained

Of those PWI participants who achieved an employment outcome, 38 percent held a job in the service sector, 28 percent worked in a clerical or sales position, 20 percent obtained employment in a professional, managerial, or technical occupation, and 13 percent in other types of occupations, as summarized in Table 4-17.

³⁴ “Administrative decisions” includes a variety of specific reasons for an individual exiting the program without achieving an employment outcome, including consumer failure to show up for appointments, behavioral problems, or other concerns that led the project’s staff to decide not to continue serving the individual.

Table 4-17. Distribution of Employed Former PWI Participants, by Occupational Type

Type of Occupation at Placement	Percentage of PWI Participants Who Achieved an Employment Outcome
Service	38
Clerical or sales	28
Professional, managerial or technical	20
Other ¹	13

¹ Other includes benchwork; agricultural, fishery, or forestry; processing; machine trades; structural work; and miscellaneous.

To obtain a more in-depth understanding of the types of employment PWI participants obtain, we recorded, whenever available, employed former participants' specific job titles (see Table 4-18). To create meaningful categories, we collapsed multiple job titles into a single category, attempting to preserve, to the maximum extent possible, essential differences among jobs with respect to the level of work involved. For example, "general office worker" includes such job titles as office clerk, secretary, typist, office helper, mailroom worker, and receptionist, while we used job titles such as accountant, computer programmer or others that may be in an office setting, to create other categories.

Table 4-18. Distribution of Employed Former PWI Participants, by Job Title

Job Title at Placement	Percentage of PWI Participants Who Achieved an Employment Outcome
General office worker/clerk/typist	16
Retail sales	14
Restaurant work	12
Computer related work	7
Custodial or maintenance work	7
Grocery clerk	6
Assembly or packing	4
Construction	3
Child care or care giver	3
Teacher or teacher's aide	2
Housekeeper	2
Truck driver or equipment operator	2
Nursing assistant	2
Hotel porter	2
Editor/writer/researcher	2
Warehouse work	2
Counselor or counselor aide	1
Lab assistant	1
Project manager	1
Auto mechanic	1
Draftsman	1
Bank clerk	1
Greeter	1
Other	6

As these data indicate, general office work was the most frequent type of job obtained by former participants, representing 16 percent of all job titles. Retail sales accounted for another 14 percent of all jobs, while restaurant work represented 12 percent. Computer-related jobs and custodial or maintenance work each represented seven percent of all jobs, while grocery store positions accounted for six percent. No other single type of job represented more than four percent of all jobs obtained by former PWI participants. To an extent, the distribution of job titles represented here reflects the specific types of job skill training provided by PWI projects. As discussed earlier, several PWI projects offer training in specific occupational areas, such as clerical work or computer skills.

Receipt of Job-related Benefits

For former PWI participants who exited the program into employment, only 23 percent of the case files included evidence that the individual received job-related fringe benefits. As shown in Table 4-19, of these individuals, 91 percent received health or medical insurance through their job (15 percent of all employed former participants), 38 percent received vacation leave (six percent of all employed former participants), and 25 percent received retirement benefits (four percent of all employed former participants).

Table 4-19. Distribution of Employed PWI Participants Who Received Job-related Benefits, by Type of Benefit

Job-Related Benefits Received	Percentage of PWI Participants Who Received Job-Related Benefits	Percentage of All PWI Participants Who Obtained Employment
Health/medical insurance	91	15
Vacation leave	38	6
Retirement	25	4
Other	11	2

Average Hourly Earnings and Hours Worked Per Week

As shown in Table 4-20, PWI participants who achieved an employment outcome through the program earned, an average of \$8.94 an hour at job entry. The median hourly wage was \$8.00. The average number of hours worked per work was 31, with a median of 40.

Table 4-20. Average Hourly Earnings and Hours Worked Per Week for PWI Participants Who Achieved an Employment Outcome

	Earnings at Placement	Hours Worked per Week
Mean	\$8.94	31.0
Median	\$8.00	40.0
Maximum	\$45.67	60.0
Minimum	\$2.02	4.0

Differences in PWI Participant Outcomes by Disability Type

We analyzed case file data to determine the extent to which participant outcomes (i.e., placement rates) varied by type of primary disability. These data are summarized in Table 4-21.

Eighty percent of individuals with mental retardation (who represented nine percent of all former participants who exited the PWI program in FY 2001) achieved an employment outcome (i.e., obtained or retained employment). The percentage of individuals with orthopedic impairments (72 percent), or hearing impairments (71 percent) who achieved an employment outcome also exceeded the program’s overall success rate of 62 percent. In contrast, only 50 percent of those with visual impairments and 51 percent of persons with TBI were employed at exit from the PWI program.

Table 4-21. Percentage of PWI Participants With Specific Types of Disability Who Achieved an Employment Outcome

Primary Disability	Percentage of All Former PWI Participants	Percentage of PWI Participants with Disability Who Exited Into Employment
Mental retardation	9	80
Orthopedic impairment	12	72
Hearing impairment	10	71
Nonorthopedic physical impairment	13	63
Alcohol or substance abuse	11	58
Mental illness	22	55
Learning disabilities	15	55
Traumatic brain injury	1	51
Visual impairment	5	50
All other conditions	<1	57

PWI Participant Outcomes by Receipt of Specific Services

We analyzed case file data on receipt of PWI services by participant outcome to determine whether individuals who obtained employment following program participation more often received specific services. These data are summarized in Table 4-22. As one would expect, the major difference between PWI participants who obtained an employment outcome and those who did not, with respect to the types

of services received, is that a significantly higher percentage of persons employed following PWI participation received job placement services (73 percent compared to 32 percent).

Table 4-22. Percentage of PWI Participants Who Received Specific Services, by Employment Outcome

Receipt of PWI Services	Percentage of PWI Participants Who Achieved an Employment Outcome	Percentage of PWI Participants Who Exited Without Employment
Job placement*	79	32
Job readiness training	59	60
Job development	43	39
Job skills training	28	20
Supportive services	20	11
Worksite or equipment modification	3	<1
Career advancement	3	1

* Indicates a significant difference ($p < .05$) between PWI participants who achieved an employment outcome and PWI participants who exited without employment.

The percentages of participants who received job readiness training were nearly the same, while somewhat higher percentages of participants who exited into employment received job development services, job skills training, and supportive services. Our analyses indicated no statistically significant relationship between receipt of PWI-provided job skill training and achievement of an employment outcome, a finding that may be explained by the fact that many PWI participants received some form of job skill training through the state VR program prior to entry into the PWI program.

That nearly one-third of all persons who exited the PWI program without obtaining an employment outcome received job placement services reflects the focus of the PWI program on job placement and the requirement that individuals maintain employment for 90 days before an official “placement” is obtained. In our review of participants’ files, we looked for evidence of “unsuccessful” placements, or instances where a participant obtained employment, yet either failed to hold the job for the 90 days required, or left the job after 90 days and returned to the PWI project for further services. As indicated in Table 4-23, 20 percent of all PWI participants were placed in more than one job during their participation in the program, including 23 percent of those individuals who ultimately maintained employment and 14 percent of those individuals who exited the program without achieving an “official” placement.

Table 4-23. Percentage of PWI Participants Who Were Placed in More than One Job, by Employment Outcome

Placed in More Than One Job	Percentage of All PWI Participants	Percentage of PWI Participants Who Achieved an Employment Outcome	Percentage of PWI Participants Who Exited Without Employment
Yes	20	23	14
In at least one job lasting 90 days	14	20	4
In at least one job less than 90	11	11	11
No	80	77	86

Fourteen percent of all participants were placed in at least one job lasting 90 days (other than the one for which they were ultimately counted as “employed”), and 11 percent of all participants obtained at least one job that lasted less than 90 days, including 11 percent of those individuals who exited the program without achieving an employment outcome. In fact, the 11 percent of individuals who exited PWI projects without achieving an employment outcome, on average, held two jobs lasting for less than 90 days prior to exiting the project.

PWI Participant Characteristics and Outcomes by Vocational Rehabilitation Status

We analyzed PWI participant case file data to identify any differences between participants who had some prior experience with the VR program and those who did not in terms of demographic and disability characteristics and status at entry. Persons categorized as having some prior VR experience included individuals who were active VR consumers at the point of entry into the PWI program, and persons whose VR experience preceded PWI entry. Table 4-24 summarizes these data.

Table 4-24. Selected Demographic and Disability Characteristics of PWI Participants, by Prior Receipt of VR Services

Characteristics	Percentage of PWI Participants with Prior VR Experience	Percentage of PWI Participants With No Prior VR Experience
Gender*		
Male	55	63
Female	45	37
Minority status*		
White	64	47
Not White	36	53
Disability type		
Mental illness	22	23
Learning disability	13	17
Orthopedic impairment	14	6
Other physical impairment	9	19
Alcohol or substance dependency	9	14
Hearing impairment	12	7
Mental retardation	10	7
Visual impairment	7	1
Traumatic brain injury	2	<1
Other	1	5
Significance of disability*		
Significant or most significant	87	75
Not significant	13	25
Education		
Less than high school completion	18	25
High school completion or more	82	75
Employment status at entry		
Employed	18	14
Not employed	82	86
Receipt of SSI or SSDI		
Received SSI or SSDI	35	28
Did not receive SSI or SSDI	65	72

* Indicates a significant difference ($p < .05$) between PWI participants with prior VR experience and PWI participants with no prior VR experience.

As shown, individuals with no prior VR experience were significantly more often male (63 percent compared to 55 percent with prior VR experience) and nonwhite (53 percent compared to 36 percent), and less likely to be categorized as significantly disabled (75 percent compared to 87 percent). These persons were also more likely to be learning disabled (17 percent compared to 13 percent) or have alcohol or substance abuse as their primary disability (14 percent compared to nine percent). Persons with VR experience were more often orthopedically impaired (14 percent compared to six percent), or have a hearing or visual impairment (19 percent compared to eight percent). Finally, PWI participants with no prior VR experience were less likely to be employed at entry (14 percent compared to 18 percent), to have completed high school (75 percent compared to 82 percent), and to receive either SSI or SSDI (28 percent compared to 35 percent), although these differences are not statistically significant.

We also analyzed PWI case file data to determine if PWI participants' status with the state/federal VR program influenced participant outcomes, including the achievement of an employment outcome and the average earnings of those participants who did obtain employment. Table 4-25 indicates the employment outcomes of former PWI participants in FY 2001 by prior receipt of VR services: the first data column presents the data for individuals who were actively being served by VR at the time of entry into PWI, the second column summarizes data for individuals who received VR services some time prior to PWI entry, the third column consolidates the information from the first two columns (i.e., all persons who had any VR experience), and the final data column shows the findings for persons with no prior VR experience.

Table 4-25. Distribution of PWI Participant Outcomes, by VR Status

PWI Participant Outcome	VR Consumer at Entry	VR Consumer Prior to Entry	VR Consumer During or Prior to Entry	No Prior Experience with VR
Obtained employment	65	61	64	50
Retained employment	1	2	2	5
Exited without placement	34	37	35	45

PWI participants were somewhat more likely to obtain or retain employment following PWI services if they had some prior experience with the VR program. Sixty-six percent of PWI participants with some prior VR experience obtained or retained employment, compared to 55 percent of PWI participants with no prior VR experience. PWI participants who were also VR consumers at the time of participation in PWI fared slightly better than participants whose VR experience preceded entry into the PWI program. Our analyses indicated that none of these differences is statistically significant.

In terms of average hourly earnings, participants with prior experience in the VR program earned \$0.82 less than did participants with no prior VR experience; however, the medians for both groups of former PWI participants was \$8.00 an hour (see Table 4-26). Although not statistically significant, active VR consumers fared better with respect to earnings than did individuals whose VR experience ended prior to PWI participation.

We found little variation between those with VR experience and those without with respect to the number of hours worked per week (Table 4-27).

Table 4-26. Average Hourly Earnings, by PWI Participants' VR Status

Average Hourly Earnings	VR Applicant or Consumer at Entry to PWI	VR Consumer Prior to Entry Into PWI	VR Consumer During or Prior to Entry	No Prior VR Experience
Mean	\$9.04	\$8.06	\$8.75	\$9.57
Median	\$8.00	\$7.00	\$8.00	\$8.00
Maximum	\$35.0	\$26.81	\$35.00	\$45.67
Minimum	\$3.75	\$2.02	\$2.02	\$5.15

Table 4-27. Average Hours Worked per Week, by PWI Participants' VR Status

Hours Worked per Week	VR Applicant or Consumer at Entry to PWI	VR Consumer Prior to Entry Into PWI	VR Consumer During or Prior to Entry	No Prior VR Experience
Mean	32.0	28.2	31.0	31.3
Median	40.0	30.0	40.0	40.0
Maximum	40.0	60.0	60.0	40.0
Minimum	4.0	5.0	4.0	10.0

CHAPTER 5

PWI COORDINATION WITH THE STATE/FEDERAL VOCATIONAL REHABILITATION SERVICES PROGRAM

The state/federal VR program provides eligible individuals with disabilities those services that will help them prepare for and engage in gainful employment. VR services are administered by state VR agencies, or DSUs; some states have a separate DSU to serve persons who are blind. VR agencies must target services to those individuals with the most significant disabilities. Central to the VR process are VR counselors whose role is a combination of clinical skills and service brokering and who provide counseling and guidance to consumers in their caseloads, which traditionally exceed 100 cases. Services may include evaluation, physical and mental restoration, education and training, and job placement to name but a few, and are provided under the terms of an individual plan for employment in which consumers are afforded maximum choice in the selection of goals, services, and providers. A consumer is considered a success by the VR system if he or she maintains employment for at least 90 days after job entry (as is also true of PWI participants).

Since inception, PWI projects have been expected to coordinate their activities with state VR agencies, the nation's primary employment-related service delivery network for persons with disabilities. VR agencies have traditionally been the primary source of referral for most PWI projects, and many projects included on their BACs representatives of the VR agency long before the 1998 Amendments mandated such representation. The PWI program was originally conceived as a demonstration program intended to provide prototypes of public-private partnerships to improve job placement for persons with disabilities for eventual adoption by state VR agencies. However, potential problems with VR agencies running a PWI, including employers' hesitancy to become directly involved in a state-operated program, agencies' lack of established linkages with the private sector, and potential conflicts between placement staff and counselors over the job readiness of consumers, led many to believe that the PWI approach was not suitable for replication within the bureaucracy of a state agency. Nevertheless, VR agencies may operate PWI projects as a result of the 1984 Amendments: two current PWI grantees are VR agencies, one in Minnesota and the other in Hawaii.

One of the important issues for this evaluation was to identify types of relationships PWI projects have established with VR agencies, including the extent to which the two programs complement each other with respect to services provided. Specific study objectives were to describe the nature and extent of cooperative agreements between PWI projects and state VR agencies, identify means used to coordinate referrals and participant services, describe the nature and intensity of VR agency participation

on the BAC, and compare the characteristics and outcomes of PWI participants with those of VR agency consumers in the same localities.

Although cooperative agreements between the two programs typically are established at the state level, actual coordination more often occurs at the service delivery level. Depending in large measure on the size or scope of its operations, a single PWI project may coordinate with several local offices of a single state VR agency. Moreover, the service area covered by a single PWI project may extend into more than one state, such as projects located in Washington, DC, that serve participants living in bordering states of Maryland and Virginia. As a result of this overlap in service areas, we interviewed more than one VR agency representative in seven sites, and completed 38 VR agency interviews overall. Wherever the VR agency specifically designated an individual as a liaison to the PWI project, we attempted to schedule that person for an interview; in most other visits the person interviewed was the local VR office director.

In the following section of this Chapter we discuss the nature and extent of PWI-VR coordination, relying on information from the survey of PWI projects and interviews with PWI staff and VR agency representatives. Specific topics discussed include PWI and VR agency staff perspectives on the relative missions of each program, use of cooperative agreements, the process used to refer VR consumers to PWI projects, and means used to ensure a coordinated approach to services delivery. We then provide a comparison between individuals served by the PWI program with those served by state VR agencies, using participant-level data abstracted from PWI case files and information from RSA-911 data obtained from local VR agency offices with which the PWI projects we visited work most frequently.

PWI and Vocational Rehabilitation Staff Perspectives on the Relative Role of PWI

The extent to which two or more programs operate in a coordinated fashion often hinges on a shared understanding of the relative roles of each program in serving a similar population. Therefore, we began our interviews with both PWI staff and VR agency representatives by asking respondents to briefly describe how the purpose or mission of the PWI program differed from that of the VR services program. Overall, VR agency respondents were less likely to articulate specific differences between the two programs' missions than were PWI directors and staff. Of the 38 VR agency representatives interviewed, 15 (39 percent) believed that the mission of the PWI was essentially the same as that of the VR program? to assist individuals with disabilities to obtain employment. When asked the same question, only five of 30 PWI directors (17 percent) indicated that they thought the two programs shared a similar, or the same, purpose without further elaboration.

The most frequent response provided by PWI staff to the question of how the PWI program mission differed from that of the VR program was its focus on establishing and maintaining relationships with employers, cited in one-third of our discussions with PWI directors and staff. In comparison, only three VR agency respondents specifically mentioned a focus on employers in describing the differences between the two programs. Roughly one-third of respondents from both programs also cited PWI's relatively narrower focus on job placement, and PWI's focus on a particular subset of the VR program's population. Using data from PWI participant files, we explore in detail later in this chapter the nature and extent to which individuals served by the PWI program do, in fact, differ from the broader population served by the VR program. First, we briefly review the extent to which the two programs operated under the terms of formal written agreements, examine criteria used to guide the referral of VR consumers to PWI projects, and discuss means used to coordinate services to participants.

Cooperative Agreements

Based on data from the project survey, 82 projects (or 89 percent of those responding) have a formal cooperative agreement in place with the state VR agency. However, the specifics of these agreements were not well known among the individuals we spoke with during our discussions with PWI directors and VR agency representatives at 30 randomly selected projects. When asked if there was a formal agreement with the state VR agency, and if so, to comment on its terms and effectiveness, PWI directors at 19 of the projects we visited believed there was an agreement in place, six said there was no agreement, two indicated that an agreement was under development, and three were not sure if there was a formal agreement.

Among the 19 PWI directors we spoke with who indicated that an agreement was in place, many were not sure of the specifics, only that one existed and that they were to cooperate with the VR agency. A majority of VR agency representatives we spoke with (17, or 45 percent) also reported having a formal agreement with the PWI project, 12 others indicated that there was no agreement, and 6 did not know. Many VR agency representatives regarded the agreements that were in place as merely symbolic of an intent to cooperate and were not aware of the specific terms and conditions.

Where cooperative agreements were in place, they tended to focus on when in the VR process and under what conditions a referral to the PWI project was made, the role of each party to determine eligibility for PWI services, and PWI responsibilities for providing reports on the services provided and progress achieved by referred individuals. Where PWI projects provided specific types of job training for VR consumers, cooperative agreements also typically specified the terms of such service provision, including the costs. In one PWI project we visited that focused exclusively on the school-to-work population and worked regularly with three local VR agency offices, their formal agreements with the VR

agency (letters of understanding) focused on the development of plans to transition students from the PWI project to the VR agency upon their completion of high school. However, in most other projects, it is the VR agency that referred individuals to the PWI projects. We review the information collected on VR agency referral of individuals to the PWI program in the following section.

Vocational Rehabilitation-PWI Coordination of Referrals

As we noted in the previous chapter, based on data obtained from PWI participant files, approximately 57 percent of all participants were referred to the program from the state VR agency. According to aggregate data reported by 88 PWI projects on the study’s survey, 56 percent of all PWI participants served in FY 2001 were referred by a state VR agency. However, as the prior section suggested, the extent to which PWI projects relied on VR agencies for referrals varied widely across projects in FY 2001. Table 5-1 summarizes information we obtained from PWI projects through the project survey on the percentage of persons served who were referred to them by the VR agency.

Table 5-1. Distribution of PWI Projects by Percentage of Persons Served Referred by State VR Agencies

Percentage of Participants Served Who Were Referred by VR	Number of Projects	Percentage of Projects
Zero	3	3
1-9	6	7
10-19	12	14
20-29	7	8
30-39	5	6
40-49	7	8
50-59	7	8
60-69	6	7
70-79	2	2
80-89	10	11
90-99	8	9
100	15	17
<hr/>		
Average = 56		

As shown in the table, the percentage of referrals from VR varied from zero, reported by three projects, to 100 percent in 15 projects.

The project survey also asked if the PWI project and the local VR agency had established specific criteria for referrals of individuals with disabilities to the PWI project. Thirty-five PWI projects, or 38 percent of those surveyed, reported that specific referral criteria were in place. We examined survey data to determine if use of specific referral criteria was related to the extent to which specific PWI projects relied on the VR program for referrals and found no relationship between use of specific referral criteria and the percentage of persons served by the projects who were referred by VR agencies: some projects that used referral criteria obtained 10 percent or less of their referrals from VR agencies, while

several projects who only served VR agency referrals did not use specific criteria to guide the referral process.

Table 5-2 indicates the number and percentage of PWI projects that used specific criteria to guide the referral of individuals from VR agencies to PWI projects, in those projects where such criteria were used.

Table 5-2. Number and Percentage of PWI Projects that Used Specific Referral Criteria to Guide Referral of VR Consumers, for Projects With Criteria (N=34)

Referral Criteria	Number of Projects	Percentage of Projects with Criteria
Most significantly disabled	12	35
Job readiness	9	26
High school graduate or GED	8	24
Specific type of disability	4	12
Need/desire for specific type of training offered by PWI	4	12
Unemployed 6 months or more	2	6

Note: Respondents could identify more than one criterion for referral.

The single most frequently reported criterion for the referral of persons from VR agencies to PWI projects was significance of disability (12 projects). Other frequently reported referral criteria included that the individual be determined “job ready,” reported by nine projects, and that the individual be a high school graduate (or hold a GED), reported by eight projects. As discussed previously, examination of PWI participant data by prior VR status reflect to some extent these emphases on significance of disability and educational status. Less frequently reported referral criteria included that the individual have a specific type of disabling condition (four projects), require or choose a specific type of training available at a PWI project (four projects), or have been unemployed for a minimum of six months (two projects).

We discussed use of specific criteria for VR agency referral of individuals to PWI projects with both PWI staff and local VR office representatives during our visits to 30 PWI projects, and their responses essentially confirmed the data presented above. Fourteen of the 30 PWI staff we interviewed identified specific VR agency referral criteria; the most frequently reported were significance of disability and job readiness (each identified by eight respondents), and specific type of disability or need for specific type of training (four respondents). Two PWI staff persons reported that only persons unemployed for six months or more were referred by the VR agency. VR agency representatives reported nearly identical information on referral criteria, although they more often identified “job readiness” as the single most important criterion (14 respondents). Typically, when a PWI project receives an application for services from someone who they determine not “job ready,” they will refer that individual to the VR agency for

needed services; 67 of the projects responding to the survey reported referring individuals to the state VR agency for services prior to accepting the person for PWI services.

Coordination of Services

We asked PWI staff and VR agency representatives if they thought PWI projects in any way duplicated the services provided by the VR services program. Virtually all respondents reported that services received by consumers from PWI projects complement, rather than duplicate, services received from state VR agencies, mainly because individuals served by both programs tend to receive placement assistance only through the PWI program, with any training typically provided or at least funded by the VR program. The PWI program was reported to complement the VR services program through its focus on intensive job placement assistance to a particular subset of VR consumers, and its typically more intensive follow up service for individuals who obtained placement.

Means used by PWI projects to coordinate their activities with the local VR offices included a number of particular practices. Perhaps the principal mechanism for ensuring a coordinated approach, at least as intended by regulation, is VR agency representation on the BAC. As we noted previously, each BAC is to include a representative of the state VR agency, and many project directors with whom we spoke during on-site data collection identified VR agency participation on the BAC as the chief means through which they ensure a coordinated approach to serving mutual clients. However, our analysis of mail survey data on BAC membership identified seven projects among the 92 who responded (eight percent) that did not include such representation.³⁵

When asked to describe the nature of VR agency participation on the BAC, most PWI directors with whom we spoke (21 of 30) reported that the VR representative(s) did a good job of keeping the project informed about agency policies and practices relevant to the PWI project. However, four respondents indicated no agency representation on the BAC, and another three reported that the VR agency's role on the BAC was largely ineffectual.

Of the 38 VR agency representatives with whom we spoke, 12 were not the agency's BAC representative, and 19 of the remaining 26 (who were on the BAC) reported having no specific role other than to keep the PWI project apprised of agency policy or practice that might impact the PWI. When asked to comment more specifically on whether the agency had contributed in any way to the design of the PWI project, 13 VR agency representatives identified a specific contribution. The most frequently

³⁵ See Chapter 3 for a summary of BAC membership.

reported VR agency contributions included specification of the frequency of meetings between VR and PWI staff, negotiating fees PWI projects could charge for training services, and specification of information to be included in monthly reports the project submitted to the agency on mutual clients.

In addition to agency representation on project BACs, PWI-VR coordination is pursued through co-location of staff, PWI staff attendance at VR agency staff meetings, shared case notes, and other practices. Table 5-3 presents the number and percentage of PWI projects that reported using specific means to coordinate its activities with local VR offices.

Table 5-3. Number and Percentage of PWI Projects that Used Specific Means to Coordinate With Local VR Offices (N=92)

Means of Coordination	Number of Projects	Percentage of Projects
Regular case conferences	83	90
PWI staff attend regular VR staff meetings	76	83
PWI designated a liaison to the VR agency	76	83
Joint staff training	45	49
PWI staff located at local VR agency offices	34	37
VR staff located at PWI offices	21	23

As indicated, 90 percent of responding PWI projects indicated that a coordinated approach is pursued through regular case conferences between PWI and VR agency staff to review the progress of individual consumers. Other means of coordination included PWI staff attendance at VR agency meetings or designation of a PWI staff member to serve as the liaison to the agency (83 percent each), joint staff training (49 percent), locating PWI staff at VR agency offices (37 percent), or locating VR agency staff at PWI projects (23 percent).

We also asked PWI directors we spoke with at 30 project sites to comment on the methods they used to coordinate their activities with the VR agency. Two-thirds of respondents (20 projects) reported relying primarily on frequent telephone or e-mail communication between PWI staff and the referring VR counselor. Other specific means of coordination reported by PWI project directors during on-site discussion included case conferences (13 projects), providing monthly status reports to the VR agency (eight projects), shared files (six projects), and PWI staff attendance at VR agency meetings (three projects). One project director reported holding focus groups with VR agency and PWI staff to discuss how the two programs could work more effectively together.

When asked how coordination with the VR agency could be improved, 11 of the 30 PWI directors with whom we spoke thought that no major improvements were necessary. A majority of the remaining 19 respondents indicated that the two programs needed to do a better job of sharing information on mutual clients. Other needed improvements reported by PWI staff included better specification of referral

criteria (six projects), co-location of staff (two projects), and better agency representation on the BAC (two projects). Asked to recommend ways the PWI might better serve mutual clients, 15 of the 38 VR agency representatives we spoke with identified specific improvements. Most often these suggested improvements focused on increased communication between the two programs, through case conferences, IPE meetings, or more detailed PWI reports to the VR agency.

Although somewhat less of a concern in PWI projects operated by state VR agencies, coordination between the two programs is nevertheless pursued there as well. Respondents at these two projects indicated few problems coordinating services since PWI staff are located alongside regular VR agency counselors and have access to VR agency files. At one of these projects, staff who work on the PWI project are introduced to individual consumers as soon as these consumers are identified as likely PWI referrals, and these staff maintain some involvement in the consumer's VR experience well before the point of entry into the PWI to ensure continuity of service to the individual consumer and a more seamless transition from VR agency to PWI services.

PWI Participants Compared With Vocational Rehabilitation Agency Consumers

One of the issues of interest to this study was the extent to which individuals served by the PWI program differed in meaningful ways from individuals served by the state/federal VR services program. In this section we discuss our findings on this issue, drawing from information obtained through our discussions with PWI project staff, as well as from data obtained through abstraction of PWI participant files and analyses of RSA-911 data obtained from those local offices with which the PWI projects we visited work.

Demographics and Disability

We asked PWI project directors and staff to comment on whether they believed the individuals they served through the PWI project differed in any way from individuals served by the local VR agency. Most PWI directors thought that persons served by their projects represented a specific subset of the broader VR agency population and served a higher percentage of individuals with specific types of disabilities, within specific age groups, or with certain other characteristics, largely as a result of their priorities or consumer targeting. Seven directors responded that they believed there were few, if any, differences between PWI participants and consumers of VR services.

Our analyses of PWI case file data and RSA-911 data available from those local area offices that worked with the PWI projects we visited revealed few important differences between the two populations with respect to demographics and disability characteristics. As shown in Table 5-4, a majority of

consumers of both programs were male? 58 percent of PWI participants and 55 percent of VR consumers. The average age of PWI participants was 37 years, compared to 38 years for VR consumers in the same localities. One-third (33 percent) of PWI participants received SSI or SSDI at entry into PWI, compared to 29 percent of VR consumers. Finally, an equal percentage of consumers in both programs were employed at program entry (17 percent).

Table 5-4. Selected Demographic and Disability Characteristics of PWI Participants and VR Consumers

Characteristics	Percentage	
	Percentage of PWI Participants	Percentage of VR Agency Consumers
Gender		
Male	58	55
Female	42	45
Ethnicity		
White	58	67
Not White	42	33
Disability type		
Mental illness	22	25
Learning disability	15	12
Other physical impairment*	13	10
Orthopedic impairment*	12	18
Alcohol or substance dependency	11	12
Hearing impairment	10	5
Mental retardation	9	11
Visual impairment	5	4
Traumatic brain injury	1	3
Other	<1	<1
Significance of disability*		
Significant or most significant	83	64
Not significant	17	35
Education		
Less than high school completion	24	27
High school completion of more	76	73
Employment status at entry		
Employed	17	17
Not employed	83	83
Receipt of SSI or SSDI		
Received SSI or SSDI	33	29
Did not receive SSI or SSDI	67	71

* Indicates a significant difference ($p < .05$) between former PWI participants and former VR consumers.

PWI participants were significantly more likely to be significantly disabled (83 percent compared to 64 percent of VR consumers); however, the amount of missing data on significance of disability for PWI participants suggests that these findings be interpreted with caution. The only other statistically significant differences we found between former PWI participants and VR consumers were that PWI participants were more likely to have a physical impairment (other than an orthopedic impairment) as their primary disability and less likely to have an orthopedic impairment.

Comparison of Outcomes

We also found few important differences between PWI participants and VR consumers with respect to individual outcomes. We summarize comparative data on employment outcomes, type of occupation, earnings, and hours worked per week in Tables 5-5 through 5-8. To ensure an equitable comparison, data on earnings and hours worked for VR consumers are limited to individuals who achieved a competitive employment outcome.

As these data indicate, the percentage of individuals who achieved an employment outcome (i.e., obtained or retained employment) following services was comparable: 62 percent for the PWI program and 60 percent for consumers served by the VR agencies in the same localities from which our sample of PWI participants was drawn (Table 5-5).

Table 5-5. PWI Participant and VR Employment Outcomes

Employment Outcome	PWI	VR (26 and 28 Only)
Obtained or retained employment	62	60
Exited without employment	38	40

Average hourly earnings and hours worked per week for those consumers who did achieve an employment outcome were very comparable. PWI participants who achieved an employment outcome earned an average of \$8.94 per hour (median of \$8.00), compared to VR agency consumers in the same localities, who earned an average of \$9.03 (median of \$8.00). PWI participants averaged 31 hours worked per week (median of 40), compared to an average of 33.5 hours for VR consumers who obtained employment (median of 40 Tables 5-6 and 5-7).

The only significant difference with respect to the types of employment obtained by participants in the two programs was that a higher percentage of PWI participants obtained jobs in the service sector (38 percent compared to 24 percent for VR consumers). Accounting for most of this difference, a significantly higher percentage of VR consumers obtained jobs in the “other” category, which includes processing, machine trades, benchwork, and structural work (Table 5-8).

Table 5-6. Average Hourly Earnings at Program Exit for PWI Participants and VR Consumers

Earnings at Placement	PWI	VR
Mean	\$8.94	\$9.03
Median	\$8.00	\$8.00
Maximum	\$45.67	\$77.50
Minimum	2.02\$	\$2.04

Table 5-7. Average Hours Worked per Week for PWI Participants and VR Consumers

Hours Worked at Placement	PWI	VR
Mean	31.0	33.5
Median	40.0	40.0
Maximum	60.0	79.0
Minimum	4.0	1.0

Table 5-8. Type of Jobs Obtained by PWI Participants and VR Consumers

Type of Job at Placement	PWI	VR
Service*	38	24
Clerical or sales	28	24
Professional, managerial or technical	20	17
Other*	13	35

* Indicates a significant difference ($p < .05$) between former PWI participants and former VR consumers.

CHAPTER 6

PWI COMPLIANCE INDICATORS

PWI was the first program authorized by the Rehabilitation Act for which RSA developed evaluation standards and compliance indicators. The 1984 Amendments to the Rehabilitation Act of 1973 (P.L. 98-221) required RSA to develop and publish standards for evaluation of the program. These standards were intended to serve as the basis for a comprehensive national evaluation of the program and to provide a mechanism for self-evaluation and self-reporting by PWI projects. The 1984 amendments required that evaluation standards be developed in seven specific areas: (1) number and types of individuals served, (2) types of assistance provided, (3) funding sources, (4) funds allocation, (5) participants' change in employment and earnings, (6) project collaboration with other agencies and organizations, and (7) comparison of program activities from one year with the prior year. The National Council on the Handicapped approved final evaluation standards for the PWI program in January 1985.

The 1986 amendments to the Rehabilitation Act (P.L. 99-506) required RSA to develop and implement “indicators of what constitutes minimum compliance consistent with the evaluation standards.” In response, RSA, with considerable input from PWI project representatives, developed project compliance indicators implementing minimum performance levels, performance ranges, and points for each of nine indicators. RSA first used data on the compliance indicators to make continuation awards in 1990. These indicators did not change much until 1998, at which time RSA proposed major revisions to the system. One of these revisions was to reduce the number of indicators from nine to five. Another was to eliminate the composite scoring system, under which projects could fail to meet the established threshold for acceptable performance on multiple indicators and still achieve sufficient points to “pass” the indicator system overall, in favor of a system that required projects to pass four of five indicators.³⁶

In the remainder of this chapter we summarize available data on the PWI compliance indicators. We begin with an overview of how the current indicators system operates, including definitions of each indicator, identification of minimally acceptable performance levels on each indicator, and how overall PWI project performance is assessed. We then review compliance data submitted by PWI projects for FY 2001, identify the number of projects that failed each indicator and the number that failed overall, and summarize average project performance on each indicator. The third section reviews the information we

³⁶ As we explain in the following section, final regulations require projects to pass two “primary indicators” and two of three “secondary indicators.”

obtained through discussions with PWI project staff at 30 randomly selected projects to provide a summary of practitioner perspectives on the utility of the indicators and to identify any issues or problems associated with specific indicators. Finally, we summarize study findings on project data collection practices from the projects' perspective as well as our own.

Compliance Indicators Defined

In April 2000, RSA published final regulations implementing the revised compliance indicators system, which took effect in October 2000.³⁷ The current system includes five compliance indicators: we define each indicator and identify minimal acceptable performance levels for each below.

- *Placement rate: the percentage of individuals served who obtain competitive employment (for a minimum of 90 days).* In FY 2001, projects were to place no less than 50 percent of all individuals served; this percentage increases to 55 percent by FY 2005.
- *Change in earnings: the average change in earnings of all individuals who are placed into competitive employment by the PWI from the point of entry into the project to the point of project exit into competitive employment.* The minimum level of acceptable performance for most projects is a \$125 increase in average weekly earnings; projects in which at least 75 percent of individuals placed into employment are working 30 hours or less per week must show an average increase in weekly earnings of \$100.
- *Percent of individuals placed who have significant disabilities: the percentage of all individuals who obtain a competitive employment outcome following PWI services who have disabilities categorized as "significant."* At least 50 percent of all individuals placed into competitive employment must be individuals with significant disabilities.
- *Percent of individuals placed previously unemployed: the percentage of all individuals who obtain a competitive employment outcome following PWI services who were continuously unemployed for at least six months at the time of project entry.* At least 50 percent of all individuals placed into competitive employment must be individuals who were unemployed for at least six months at the time of entry into the project.
- *Average cost per placement: average cost per placement (as calculated by dividing total project funding by the number of individuals placed for a minimum of 90 days) compared to projected cost per placement (as calculated by dividing total funding by the number projected to be placed in grantee applications).* Average cost per placement must not exceed 115 percent of the projected cost per placement.

The first two indicators, placement rate and change in earnings, are designated as "primary indicators" and projects must meet the established performance levels for both indicators to continue to

³⁷ While the standards and indicators measure outcomes at the project level, Government Performance and Results Act (GPRA) indicators assess the performance of the program overall. The GPRA indicators for the program were established from data elements included in the compliance indicators, which predate GPRA by a number of years. The GPRA indicators are (1) the percentage of individuals served who are placed in competitive employment will increase, (2) PWI projects will report that participants placed in competitive employment increase their earnings from entry by an average of at least \$218 per week, and (3) the percentage of previously unemployed individuals served who are placed into competitive employment will increase.

receive funding. This designation reflects RSA’s view that the most important aspect of PWI projects is to improve the employment and earnings of individuals with disabilities. The remaining three indicators, percent placed who have significant disabilities, percent placed who were unemployed at entry, and average cost per placement as a percentage of projected cost per placement, are considered to be “secondary indicators.” Projects must meet the established performance level on any two of the three to continue to receive funding. Allowing projects to fail one of the three secondary indicators reflects RSA’s belief that the indicators system should be sufficiently flexible to allow projects to serve individuals with disabilities who do not have significant disabilities and individuals who are employed at entry and require only career advancement services.

Under the compliance indicators system, a project may receive its second-year funds (first continuation award) before data from the first year are available. To receive continuation funding for the third or any subsequent year of a PWI grant, a PWI project must pass both primary indicators and at least two of the three secondary indicators. If a project fails to achieve minimum performance, it may submit data from the first six months of the following year to demonstrate improvement in performance sufficient to meet the minimum performance levels before losing its PWI funding.

PWI Project Performance on the Compliance Indicators, Fiscal Year 2001

In this section we briefly review PWI projects’ performance on the five compliance indicators in FY 2001 based on data submitted to RSA. Compliance indicator data were available for a total of 99 projects. Table 6-1 indicates the average project performance on each indicator and the number of projects that failed to achieve minimally acceptable performance on each for all 99 projects. Overall, 15 projects “failed” the indicators, including 10 that failed one or both of the primary indicators, two that failed two of the three secondary indicators, and three that failed one or both primary indicators and two secondary indicators. The reader is reminded that nearly all the projects completed their initial application for funding prior to implementation of the revised compliance indicators system in April 2000.

As shown, the average “placement rate” was 63 percent (median of 64 percent); 11 projects did not achieve a placement rate of at least 50 percent and thus failed to pass the indicators overall, since this is one of the two primary indicators, each of which must be met. In examining these data it is important to remember that what is being measured is the percentage of persons served who achieved placement, rather than the percentage of all persons who exited the program, which is one of the measures traditionally used by state VR programs (rehabilitation rate) to assess agency success.

Overall, average project performance on the second primary indicator, change in weekly earnings, was \$247, with only four projects failing to meet established thresholds for acceptable performance. Of the 99 projects that submitted data, 12 reported that at least 75 percent of the individuals they placed into employment worked for 30 hours a week or less, and two of these projects failed to meet the minimum performance level for these projects of \$100. Two of the remaining 87 projects failed to meet the minimum performance level for all other projects of a \$125 increase in weekly earnings.

Table 6-1. Summary of PWI Project Performance on the Compliance Indicators, for All Projects, for FY 2001 (N=99)

Indicator	Acceptable Performance	Project Mean	Project Median	Number Failed
Placement rate	50	63.1	64.0	11
Change in earnings				
All projects		\$246.78	\$248.00	4
Projects with <75 percent (N=87)	\$125/week	\$262.23	\$261.00	2
Projects with >75 percent (N=12)	\$100/week	\$134.75	\$123.50	2
Percent placed significantly disabled	50	87.7	93.0	1
Percent placed unemployed	50	75.2	79.0	5
Percentage change in actual average cost per placement from projected average cost per placement	</=115	237	137	67

As indicated, average project performance on the percent of persons placed who are persons with significant disabilities far exceeded the minimum threshold of 50 percent; only one project failed this indicator. Based on the indicator data, an average of 88 percent of individuals placed were persons with significant disabilities (median of 93 percent).³⁸ Performance on the indicator that measures the percentage of persons placed who were unemployed for a minimum of six months also greatly exceeded minimum expectations. On average, 75 percent of individuals placed had been unemployed for six months or more at project entry (median of 79 percent); although five projects did not meet the 50 percent minimum.

Average projected cost per placement across all 99 projects was \$3,895. Average actual cost per placement for these projects was \$8,283; or 234 percent of the projected average cost per placement, or an average increase of 137 percent from the projected average cost (median of 38 percent increase). More than two-thirds of all projects failed to achieve an actual average cost per placement that was 115 percent or less of their projected average cost per placement.

³⁸ Data from former participant case files indicate that 83 percent of all participants who exited the program during FY 2001 had significant disabilities.

Of the 15 projects that failed the compliance indicators overall, seven were projects whose first year of funding was FY 2000. We recalculated project performance on the compliance indicators for FY 2001 after having removed from the calculations all projects whose first year of operations was in FY 2000. Table 6-2 presents average project performance under the compliance indicators once these 12 “new” projects are deleted from the analyses. Overall, 8 of the 87 projects “failed” the indicators, either by virtue of failing one of the two primary indicators (four projects), two of the three secondary indicators (two projects), or some combination thereof (two projects).

Table 6-2. Summary of PWI Project Performance on the Compliance Indicators, Excluding First-Year Projects, for FY 2001 (N=99)

Indicator	Project Mean	Project Median	Number failed
Placement rate	66.8%	66.0%	4
Change in earnings			
All projects	\$251.97	\$251.00	3
Projects with <75 percent (N=77)	\$266.45	\$262.00	2
Projects with >75 percent (N=10)	\$140.40	\$123.50	1
Percent placed significantly disabled	88.5	93.0	0
Percent placed unemployed	74.8	77.0	5
Percentage change in actual average cost per placement from projected average cost per placement	170	137	56

As the data indicate, once new projects are removed from the analyses, average performance improves on all of the indicators except percent of persons placed who were unemployed for six months or more, which essentially remained unchanged. The percentage of persons served who achieved placement increased to approximately 67 percent, average weekly change in earnings increased to \$252, percentage of persons served who were significantly disabled increased to 89 percent, and average change in actual versus projected average cost per placement decreased from 237 percent to 170 percent.

After new projects are removed, 11 fewer projects failed to keep actual costs per placement to within 115 percent of projected costs per placement, but the number of projects that failed this indicator is still substantially higher than the number that failed any other indicator. Fifty-six projects, or approximately 64 percent of projects in at least their second year of operations, did not meet the acceptable performance level for this indicator. However, 2001 is the first year of implementation of the revised indicators system, and RSA has stated its intent to review the data on a periodic basis to determine if adjustments to the minimum performance levels are warranted.³⁹ It would appear from these data that some adjustments to the indicator might be appropriate, or that further consideration be given to altering how the system measures project costs.

³⁹ Federal Register, Vol. 65, No. 67; April 6, 2000, page 18,217.

Removal of new projects substantially reduced the average actual cost per placement for PWI projects. The average cost per placement for all 99 projects, based on indicator data, was \$8,283. The median is a substantially lower figure, \$4,536, which indicates considerable dispersion across projects on the average cost per placement, especially at the higher end. As shown in Table 6-3, the minimum average cost per placement reported by all projects was \$1,298 and the maximum reported was \$79,800. Limiting the analyses to projects in at least their second year of operations reduced the actual average cost per placement to \$6,060 and the median to \$4,190.

Table 6-3. Average Cost per Placement

Average Cost Per Placement	Mean	Median	Minimum	Maximum
All projects (N=99)	\$8,283	\$4,536	\$1,298	\$79,800
Projects in at least the 2 nd year (N=87)	\$6,060	\$4,190	\$1,298	\$66,486

PWI Staff Perceptions on the Utility of the Indicators

We asked PWI staff we spoke with several questions that solicited their views regarding the compliance indicators. Specifically, we asked respondents to comment on the most positive and negative aspects of the indicators, to report whether concern about meeting established performance levels influenced in any way the types of individuals they served or the types of services they provided, and to offer any suggestions they might have for necessary revisions to the indicators. In general, about one-third of respondents expressed positive views regarding the influence of the indicators, one-third emphasized negative consequences or aspect of the indicators, and another third were essentially neutral, citing no particular influence one way or the other.

The most frequent positive aspect of the indicator system identified by PWI staff was that it provided a level of accountability to which the program overall and individual projects must respond. Project staff in 10 of our on-site discussions explicitly welcomed such accountability, citing its utility in ensuring that program purposes are adhered to and in providing information useful in documenting the program's (and individual projects') success. Several of these respondents remarked that the mere presence of the indicators helped them focus their activities, by ensuring that they placed a priority on serving certain types of individuals, notably those with significant disabilities, and/or who had been unemployed for six months or more, or by encouraging them to emphasize placement in competitive employment over other allowable project activities. Many of the respondents who welcomed the accountability represented by the indicators specifically noted the importance of the data in helping to advertise the program to important constituents and thereby promote the program's continued existence, if not expansion.

The most frequent concern expressed about the indicators overall, mentioned by 11 respondents, was the failure of the system to include measures of project activities other than job placement and subsequent increases in participants' earnings. The two such activities most often mentioned were (1) contributions to PWI participants' quality of life other than employment, and (2) the extent of business involvement in project activities through the BAC and other means. As currently structured, the indicators place near total emphasis on consumer outcomes. Some PWI practitioners and others interested in the program have speculated that this focus on consumer-level outcomes may have adverse effects on the extent to which PWI projects expend resources to expand job opportunities (not specific jobs) in the primary labor market, an activity that earns the project no credit under the current system. In the Federal Register announcing final regulations concerning the compliance indicators, RSA recognized this concern and responded; "the most effective method of ensuring BAC involvement in a PWI project is to monitor the extent to which a BAC complies with the statutory requirements regarding BAC functions."⁴⁰

Another "negative" aspect of the indicators overall reported by PWI staff concerned the time required to collect and maintain the necessary data. Eight respondents identified the burden associated with record keeping as a negative consequence, and believed that time spent collecting and maintaining data would be better spent providing services to participants. We discuss issues associated with case file documentation in the following section.

PWI staff offered few criticisms of specific compliance indicators. Two respondents suggested that too narrow a focus on placement rates could lead to less attention being paid to the quality of employment obtained. However, one might counter these criticisms by noting that the other primary indicator's focus on participants' change in earnings would promote an emphasis on high-quality employment (at least as measured by wages earned) and thus establish some balance between the quality and quantity of employment outcomes obtained by a project. At the same time, the acceptable performance level on this indicator is set fairly low, relative to actual performance; a weekly increase of \$125 for a population that is 83 percent unemployed at entry is at best a marginal indicator of "quality employment."

Another specific criticism, voiced by three respondents, concerned the requirement that 50 percent or more of all individuals placed must be persons who were unemployed for a minimum of six months at project entry. The concern articulated regarding this indicator was that it discouraged projects from serving individuals who were employed at entry and seeking job retention or career advancement services. A related concern was that in the event a former PWI participant was terminated from

⁴⁰ Federal Register, April 6, 2000 (Volume 65, Number 671). See "Analysis of Comments and Changes" under Section 379.51—What Are the Program Compliance Indicators.

employment, the project might hesitate to assist that individual obtain another job for fear of not meeting the performance level on this indicator. However, as the data indicate, average project performance on this indicator (75 percent) substantially exceeds the minimal level of performance (50 percent), and only five projects failed to reach the 50 percent level. Moreover, as noted earlier, failure on this indicator alone would not result in loss of project funding.

Finally, four respondents believed that the cost per placement indicator should either be altered or dropped altogether. Two respondents suggested that cost per placement be calculated using only the federal PWI grant award amount, instead of total project funding. These individuals argued that using total funding as the basis for determining cost per placement essentially discourages projects from soliciting additional funds that might greatly benefit the project at no cost to the federal government.⁴¹ One respondent noted that cost per placement is an artificial measure in many instances, since it is the VR agency that bears the majority of the cost associated with preparing their projects' participants for employment.

We asked all PWI staff about whether the indicators in any way influenced their relationship with the VR agency and if the indicators reflected the program's contributions to the state/federal VR program. Over two-thirds of respondents believed the indicators did not influence their relationship with the VR agency in any way, with the majority of the other respondents citing a possible minor influence in the type of individuals referred by the agency to the project (i.e., significantly disabled, unemployed for six months). All but two respondents believed the indicators did not reflect the program's contribution to the VR program and most believed it was not especially critical that they did. However, five respondents identified the role that PWI projects play in ensuring the longer-term success of many mutual VR/PWI clients by continuing to follow up with employed former participants beyond the required 90-day period, as an important contribution to the VR services program not reflected in the indicators.

In general, PWI staff suggested few specific improvements to the compliance indicators, with most of the recommended improvements reflecting the concerns noted earlier. Eight respondents thought no changes were necessary. Seven respondents thought the indicators should be expanded to include other areas of project activity, especially business involvement, and three others believed the indicators system should include a narrative section in which they could report qualitative information on important project outcomes. Other specific suggested improvements, offered by one or two respondents, included

⁴¹ If grantees propose in their application to solicit more than the required 20 percent match, the full amount (i.e., federal award plus total match) is used to calculate the cost per placement. Anything above the 20 percent requirement the project did not promise to secure in its application would not be included in the total project funding used to calculate cost per placement.

establishing regional performance levels, dropping the unemployed indicator, restoring the indicator on percentage served who are significantly disabled, allowing projects to revise initial projections on numbers served and placed, reducing the 90-day placement requirement, and dropping the indicator on changes in earnings.

We also asked BAC representatives and VR agency staff with whom we spoke to comment on their awareness of the compliance indicators and to offer any suggestions for improvement. Overall, very few BAC members or VR agency staff had sufficient knowledge about the indicators to comment on their utility or the need for modifications. Approximately 80 percent of the BAC members with whom we spoke reported having little awareness of specific compliance indicators, in some instances owing to the brevity of their tenure on the BAC. Of the remaining 13, the most frequent comments offered included that the system was too “numbers oriented” and should measure project contributions in areas other than job placement, such as social integration. Of the 38 VR agency representatives we interviewed, only six were familiar with specific compliance indicators, another seven were aware they existed but did not know the specifics, and 24 were unaware of the compliance indicators.

PWI Project Data Collection Practices

Another issue this study was intended to address in the area of project accountability concerns project data collection and record keeping practices. Past evaluations of the program, as well as RSA site visit reports,⁴² have consistently noted a deficiency in the comprehensiveness and quality of project documentation, especially regarding job retention and changes in earnings—data elements that will be of increasing importance under WIA, which requires tracking employment retention for up to one year. As part of our study we asked PWI staff whether they had any problems in collecting and maintaining the data needed to respond to the indicators, and to comment specifically on their ability to track former participants’ employment status over time (i.e., up to one year after placement). We also recorded our own assessment of the adequacy and quality of documentation available at PWI projects.

Of the 30 PWI directors we spoke with, 20 reported experiencing no problems collecting and maintaining data; another four cited minor problems, and six identified major or routine difficulties. The problem most commonly reported was difficulty in tracking former participants’ employment status. When asked specifically about their ability to track employment status, 14 cited specific problems, 12

⁴² Fifteen percent of grantees are randomly selected for an annual on-site review to substantiate the data they report, with on-site reviews conducted by a team that includes a PWI director from another grant, a state VR representative, and RSA Regional Office officials. All PWI grantees also receive quarterly off-site reviews via teleconference. If a grantee is determined by program staff to have reported unsubstantiated data, they prepare a corrective action plan that stipulates how the grantee is to correct the problem.

reported no difficulty, and four indicated that they do not follow up with participants beyond the 90-day period required for official placement.

The nature of difficulties encountered by projects in tracking employment retention over time varied. Some of the more frequent concerns in this area include the items that follow.

- Some former project participants, according to PWI project staff, do not want any further involvement with the project after obtaining employment. As one project director noted, many individuals, having achieved their objective, “just want to leave their old problems behind.” Two respondents indicated this to be especially true of individuals with mental illness.
- Most projects obtain a signed form from participants allowing them to contact their employers to track job retention over time; according to PWI staff we spoke with, some participants do not disclose their disability to their employer, and for this reason do not want the project to contact their employers.
- Two directors noted that project participants who change jobs, often leaving the original PWI-assisted placement for a job with higher earnings, are among the most difficult to track over time.
- Three directors specifically mentioned that tracking the employment status of participants who reside in an EZ or EC is especially difficult, owing to relatively increased mobility, lack of telephones, and other problems.

Most of the projects we visited (20) reported tracking the employment status of former participants for up to one year, typically by phoning the individual or the employer, depending on the participant’s preference. Only two projects mentioned using Unemployment Insurance wage record databases, typically maintained by a state’s Department of Labor or Employment Security agency, to track former participants’ employment and earnings status. However, as PWI projects establish stronger linkages with WIBs and local one-stop job centers, access to these data systems may improve.

As noted previously in this report, we frequently encountered files lacking essential information in our review of participant files maintained by the 30 PWI projects we visited, raising doubts about the quality and accuracy of the data that projects submit in compliance indicators reports. The project survey asked all respondents to report “the number of persons who achieved placement (i.e., a competitive employment outcome for a minimum of 90 days) during FY 2001,” information identical to that required by the compliance indicators. A comparison of data submitted by projects on the two forms (i.e., project survey and compliance indicator reports), each of which asks for data from FY 2001, found that 19 of the 92 responding projects reported different numbers for persons placed during the year, including several that differed by more than 50 percent. That one-fifth of the projects provided inconsistent information on such a fundamentally important variable as the number of persons placed raises serious questions about the accuracy of other data reported in compliance indicator submissions.

Overall, eight of the projects we visited did what we characterized as an excellent job of collecting and maintaining the data required by the compliance indicators and the annual project evaluation in individual participant files; another 15 did an adequate job, lacking information in only a small percentage of cases, and the other 7 did what we believed was a poor job, meaning that essential information was not available in a significant number of files we reviewed. Four of the seven projects we characterized as doing less than an adequate job of maintaining comprehensive files were relatively new projects in their first or second year of operation. It is reasonable to expect that data collection practices in these projects will improve over time.

From a federal, or program, perspective, one of the more striking findings in the area of project data collection practices is the wide disparity across the 30 projects we visited with respect to the types and level of data maintained. Only rarely did case files include a single standardized form that included all relevant information (i.e., required data) for each individual served. More often, the information needed to report accurate and reliable data on the indicators was found on several different documents, which were frequently inconsistent within a single file. A particular problem we encountered was the lack of any explicit record of PWI services received; often, a participant's receipt of specific services had to be deduced from case notes, which probably explains, at least in part, why information on the project survey on the number (and calculated percentages) of participants who received specific project services was consistently higher than what we found in participants' files.

Four PWI directors we spoke with mentioned that a software program, specifically designed to capture the information needed to report performance on the indicators, would improve their record keeping. Several of the projects we visited were in the process of automating their data collection systems, such that all project staff would have access to case files as needed. However, even in the absence of a standardized automated system, substantial improvements in the consistency and quality of the program's data could be achieved through a standard intake form that all projects use to collect information on disability type and significance, prior employment status and earnings, prior status with the VR program, source of referral, receipt of SSI or SSDI, and other important data elements, and an analogous "closure" form that recorded information on services received (yes or no), employment status, earnings, and other job-related variables. The consistency with which PWI projects collect and maintain specific data elements on all individuals served would be vastly improved if standard forms were available for such purposes.

CHAPTER 7

SUMMARY AND CONCLUSIONS

In FY 2001, 88 organizations located in 32 states and the District of Columbia operated 99 PWI projects. The program provided services to approximately 13,300 individuals with disabilities and assisted approximately 7,000 of these persons to obtain competitive employment. In the remainder of this chapter we summarize study findings and provide a few conclusions on overall program effectiveness in fulfilling its intended purpose and how the program might be improved. In the following section we review study findings on the first five study objectives; the final section addresses the extent to which projects vary in pursuit of program purposes and offer a few suggestions for improvement of the PWI model and the program overall.

Summary of Findings

Describe the structure and operations of PWI projects with respect to type of grantee organization, project foci, funding, staffing, types of services provided, and other variables.

Type of Grantee Organizations

- Over one-half of all PWI grantees (58 percent) characterized their organizations as a not-for-profit community-based rehabilitation program; another 17 percent were private nonprofit; and 12 percent were educational institutions.

Number of Project Sites

- PWI grants supported a total of 255 project sites; on average, PWI projects maintained 2.8 sites (median 2.0)

Project Foci

- Seventy-seven percent of PWI projects responded to one or more invitational priorities in their grant application.
- Forty-three PWIs served an EC or EZ; all of the project directors we spoke with whose projects served such areas believed doing so had a negative influence on project outcomes (i.e., the number of placements obtained).
- Nine projects reported targeting consumers with a specific disability for PWI services; 34 projects targeted consumers for participation by factors other than disability type. Directors of these projects reported that targeting influenced project operations by increasing the need for disability-specific services.

Project Funding and Staffing

- The average PWI grant was \$212,636 and average total funding was \$264,564. On average, the federal PWI award accounted for 80 percent of total project funding. Sixty percent of all projects relied exclusively on the federal award and in-kind contributions to support project activities.
- On average, PWI projects allocated 72 percent of their funding to PWI participant services, 16 percent to employer services, six percent to other services, and six percent to all other expenses.
- On average, PWIs employed a total of 6.1 FTE staff positions; approximately 70 percent of all staff positions were supported through PWI grant funds.

Services Provided

- Nearly all projects reported providing mandated services of job placement and job development services; 75 reported providing career advancement services, and 74 reported providing supportive services.
- Optional services provided by PWIs included job readiness training (82 projects), job skill training (67 projects), and worksite modifications (49 projects).
- Nearly one-half of all PWIs (49 percent) relied entirely on PWI funding to provide participant services; the most frequent source of additional funding for services reported was state VR programs.
- Virtually all projects provided employers with employee recruitment and placement and post-placement assistance or follow up; other frequently reported employer services included ADA assistance, orientation on people with disabilities, and help with worksite modifications.

Describe the relationship of the PWI program to the employment community in terms of BACs, local employers, and WIA entities.

Business Advisory Councils

- The average BAC consisted of 32 persons, a majority of whom (54 percent) represented private industry; most BACs met on a quarterly basis and used committees to address specific functions.
- The vast majority of BACs, according to survey data, pursued their legislated functions of identification of job openings and career availability (99 percent), and identification of necessary skills for those jobs (92 percent); somewhat fewer BACs actually prescribed participant training or placement programs (77 percent) as required by statute.
- BAC effectiveness varied considerably across the 30 sites we visited according to PWI staff, BAC members, and RTI site visitors. Fifty percent of PWI directors we spoke with believed additional business and industry representation on the BAC was needed.

Employer Linkages

- One in five of the projects we visited had entered into formal agreements with employers; staff in most other projects indicated employer reluctance to commit to hiring a specified number of persons over a given time period.

- The principal means by which PWIs retained employers was through extensive follow up with individuals placed by the program. Projects attracted additional employers through networking by BAC members, job fairs, presentations at Chambers of Commerce and cold calling.
- The most common ways through which PWIs involved employers in the program, beyond the hiring of individual participants, included employer-specific training, employer surveys, and mutual involvement with WIBs, one-stops, and BLNs.

Employers' Perspectives on PWI

- Employers learned about the PWI program most often through direct contact by project staff. Motivations to hire individuals through PWI projects reported by employers included a need for qualified employees without regard to disability, a desire for increased diversity in the workforce, and prior positive experiences in employing persons with disabilities.
- Employers almost unanimously identified PWI projects' regular post-placement follow up as the single most important feature of the program, one that distinguished PWI from both the VR services program and private placement services employers had used.
- The most frequent recommendations for PWI program improvement offered by employers included increasing community outreach and awareness activities, and increasing the number of referrals to their companies.

Linkages with WIA Entities

- Nearly two-thirds of PWI projects (65 percent) reported being a partner with one or more local one-stops; 38 projects were represented on local WIBs, and 37 have entered into a memorandum of understanding with the center or local WIB.

Identify the characteristics of individuals served by PWIs in terms of demographic and disability characteristics, types of PWI services received, and employment outcomes obtained.

Participant Characteristics

- Fifty-eight percent of PWI participants who exited the program in FY 2001 were men; the average age was 37.
- Minority representation in the PWI program has nearly doubled over the last two decades, from 22 percent in 1983 to 42 percent in 2001.
- Individuals with mental illness represented 22 percent of all former participants, followed by individuals with learning disabilities (15 percent), nonorthopedic physical impairments (13 percent), orthopedic impairments (12 percent), alcohol or substance abuse (11 percent), and hearing impairments (10 percent). Individuals with mental retardation accounted for nine percent of all former PWI participants, followed by individuals with visual impairments (five percent) and persons with TBI (one percent).
- Eighty-three percent of all former participants for whom documentation was available had a "significant" disability.
- Seventeen percent of all former PWI participants were employed at entry to the program; on average, these individuals worked 25 hours per week and earned \$7.83 an hour.
- Nearly half (49 percent) of former participants were active VR service consumers at entry to PWI, another 21 percent had a prior experience with the VR agency, and 30 percent had no experience with the VR program.

- State VR agencies were the largest single source of referral to the PWI program (58 percent), followed by self, family, or friends (16 percent), schools (10 percent); and community rehabilitation providers (10 percent).

Participant Services Obtained

- In FY 2001, at least 13,000 persons applied for PWI services, of whom over 11,000 (86 percent) were accepted; nearly half of all projects (45) reported that all applicants were accepted.
- PWI services most frequently received by former participants, according to evidence in participants' case files, included job placement (62 percent), job readiness training (59 percent), and job development (42 percent). Less frequently received services included job skills training (25 percent), supportive services (17 percent), worksite modifications (two percent), and career advancement services (two percent).
- On average, former participants received PWI assistance for 8.7 months; persons who obtained employment following PWI participation were PWI consumers for an average of 9.6 months; persons who exited without employment averaged 6.5 months.

Participants' Outcomes

- Overall, 62 percent of former PWI participants either obtained employment (60 percent) or retained employment (two percent).
- The most common reasons why some individuals exited the program without obtaining employment, according to evidence in project files, included dropouts (59 percent), medical issues (11 percent), administrative decisions by project staff (10 percent), participants moving to another area (eight percent), and consumers obtaining employment through some other means (eight percent).
- On average, PWI participants who obtained employment worked for 31 hours per week and earned \$8.94 per hour (median of \$8.00); most jobs were in either the service sector (38 percent), or retail sales (28 percent).
- Only 23 percent of employed former participants obtained some form of employment-related benefits, most often health or medical insurance, received by 91 percent of those with any job-related benefit.
- Participant outcomes varied considerably by type of primary disability; at one end of the spectrum, 80 percent of individuals with mental retardation exited into employment; at the other end, 51 percent of individuals with visual impairments exited the program in FY 2001 into employment.
- A significantly higher percentage of persons who exited the program into employment received job placement services than did individuals who exited without employment; we found no significant differences in receipt of other services by participant outcome.
- One-fifth of all former participants, including 14 percent of those who exited without an employment outcome, were placed in more than one job during their PWI experience.
- Former participants who had some prior involvement with the VR program were significantly more likely to be female, white, and have a significant disability than were former participants who had no prior VR experience.
- PWI participants were 11 percent more likely to obtain or retain employment following PWI services if they had some prior experience with the VR program.

Describe the degree to which there is cooperation and coordination between the PWI and state/federal VR programs, and compare the characteristics and outcomes of PWI participants with those of VR consumers.

PWI-VR Coordination

- Eighty-nine percent of PWI projects reported having a formal cooperative agreement with one or more state VR agencies; however, the specifics of these agreements were not well known among the individuals we spoke with representing both PWI projects and state VR agencies.
- Fifty-seven percent of all former PWI participants were referred to the projects by a state VR agency. Only 38 percent of PWI projects reported that specific referral criteria were used to guide this process. Where used, the most frequent criteria included significance of disability (12 projects), job readiness (nine projects), or high school completion (eight projects).
- PWI and state VR agency staff reported that PWI services do not duplicate VR services; individuals served by both programs tend to receive placement assistance only through the PWI program, with any training usually provided or at least funded by the VR agency.
- Ways in which PWI projects reported coordinating services for mutual VR consumers, aside from regular telephone or e-mail communication between placement specialists and VR counselors, included regular case conferences (90 percent), PWI staff attendance at VR meetings (83 percent), PWI designated liaison to the agency (83 percent), and joint staff training (49 percent). PWI staff were co-located at VR agency offices in 34 projects (37 percent).
- Two-thirds of the PWI directors we spoke with believed coordination between the two programs could be improved, primarily through increased sharing of information on mutual clients and better specification of referral criteria.

PWI Participants Compared with VR Consumers

- In comparison with VR service consumers in the same localities, PWI consumers were more likely to be significantly disabled (83 percent for PWI participants compared to 64 percent of VR consumers).
- We found no statistically significant differences between PWI participants and VR consumers with respect to the percentage who achieved an employment outcome or with regard to the average earnings of those who obtained employment following program participation.

Identify the degree to which the PWI compliance indicators influence project operations and are supported by accurate and reliable data.

Project Performance in FY 2001

- Based on compliance indicator data submitted by 99 PWI projects for 2001, 15 projects failed to pass both primary indicators and two of the three secondary indicators.
- Two-thirds of all projects (67) failed to achieve an actual cost per placement that was 115 percent or less of projected cost per placement. Eleven projects failed the placement rate indicator, five failed the indicator on percent placed unemployed, four failed the change in earnings indicator, and one project failed to achieve acceptable performance on the percent placed with significant disabilities indicator.
- Actual average cost per placement for all projects in FY 2001 was \$8,282 (median of \$4,536); when limited to only projects in at least their second year of operations, the average decreases to \$6,060 and the median to \$4,190.

PWI Staff Perceptions on the Indicators

- Broadly speaking, PWI staff welcomed the accountability represented by the compliance indicators and noted their utility in ensuring that program purposes are adhered to and in providing information useful in documenting the program's achievements. A majority of PWI project staff did not believe the indicators unduly influenced project operations in a negative, or counterproductive fashion.
- The most frequent concern voiced about the indicators by PWI staff was their failure to measure project activity in securing private sector involvement or in assisting persons with disabilities in ways other than employment.
- A majority of BAC members and VR agency representatives we spoke with were not familiar with the compliance indicators.
- PWI staff offered few criticisms of specific indicators; four respondents suggested deleting the cost per placement measure, and another two respondents believed it should be calculated only on the basis of the amount of the federal PWI grant (as opposed to total project funding).

PWI Data Collection and Maintenance

- Six of the 30 project directors with whom we spoke cited routine difficulties in collecting and maintaining the data needed to report performance on the indicators, and another four cited only minor problems. The area in which projects reported the most difficulty was in tracking former participants' employment status over time.
- Our own review of participant files indicated that approximately one-fourth of the projects did an excellent job of collecting and maintaining data required by the compliance indicators; 50 percent did an adequate job, and about one-fourth did a poor job.
- Lack of standardized forms for documenting participants' characteristics at entry, PWI services received, and participant outcomes achieved, resulted in wide variations across projects with respect to the types and level of data maintained in individual participants' files.

Conclusions

The strength of the PWI program continues to be its emphasis on job placement and rigorous follow up with former participants and employers. Employers of former PWI participants cite project follow up as the most attractive feature of the program and identify it as the reason they believe the PWI program is a better source of qualified employees compared to the VR services program or private employment agencies. Individual PWI projects pursue the program's purpose in a multitude of ways and vary considerably with respect to scope, type of consumers served, priority areas addressed, types of services provided, and other factors. Various combinations of these factors appear equally effective with respect to participant outcomes, in that the percentage of persons who obtained employment (as calculated from survey data) varied little when examined by these variables.

Each PWI project occupies a specific niche in the spectrum of available employment-related programs for persons with disabilities in their communities, and the design or approach evident at any one project often reflects this configuration of local resources, as well as the broader purposes pursued by the

grantee organizations. Typically, PWI funding is one of several programs operated by grantee organizations, and the specific role of the PWI project at many, especially larger, grantee organizations is shaped by the other programs available at the grantee organization. Although difficult to quantify, overall project effectiveness is likely in part a function of how well the PWI project complements other services available at grantee organizations (funded through other sources) and the extent to which projects coordinate their services with those of other locally available programs, including especially the VR program. In fact, we found that PWI participants who had received services from the VR program more often obtained employment than did participants who had not received services from the VR program.

PWI projects vary dramatically in terms of the extent to which they have strong private sector involvement. Statutory requirements regarding the role of the BAC may not be reasonable given the voluntary nature of BAC services, ongoing changes in BAC membership, and the infrequency with which most BACs convene. The emergence of BLNs in many states represents an additional opportunity for the PWI program to strengthen its ties to the private sector. Many projects have already established a cooperative relationship with one or more BLNs, often through membership on project BACs. Further exploration, at the federal and project levels, of how the two initiatives may better pursue their shared purposes is appropriate; the ability to capitalize on existing business alliances where the goal is improved employment outcomes for people with disabilities would allow PWI projects to spend less time on BAC maintenance and more on services to consumers.

The outcomes of the PWI program, with respect to the percentage of persons served who exited into employment and the average hourly earnings of those individuals, are comparable to those of the VR services program. The role of the PWI program in assisting individuals with disabilities served by the VR program varies considerably: while some projects obtained 100 percent of their participants through VR agency referrals, others served few or no VR consumers, and still others (school-to-work projects) served individuals with disabilities prior to their receipt of VR services.

Individuals served by the PWI program do not differ much from those served by VR agencies at the aggregate or program level; typically, PWI projects serve a specific subset of the population served by one or more local VR offices. Differences that may be apparent at the project level are not evident program wide. The services received by consumers from PWI projects complement, rather than duplicate, those received from the VR agency, mainly because individuals served by both programs tend to receive placement assistance only through the PWI program, with any training usually provided or at least funded by the VR program. Wider use of specific criteria for referral of VR consumers to PWI projects, as well as increased communication between PWI projects and referring VR agencies regarding mutual clients, would be beneficial in many PWI projects.

PWI coordination with WIBs and one-stop job centers is in the early stages of development. As PWIs are not mandated partners under WIA and bring relatively less resources to the table than do other agencies or programs, improved coordination between PWIs and one-stops in many localities likely hinges on full implementation of WIA and maturation of one-stop policies and procedures regarding individuals with disabilities. Given PWI's traditional relationship with the VR program, which is a mandated partner, the nature and extent of coordination between PWIs and one-stops may also reflect the extent to which the VR program is fully invested in and operational at one-stops.

Individual PWI projects face competing priorities, which may serve to reduce their effectiveness in increasing the number of individuals who obtain meaningful employment through the program. Although not a major problem identified by project staff, the advent of invitational priorities and concern over meeting compliance indicator performance levels have the potential to work against serving the maximum number of persons with disabilities in the community who might benefit from PWI services. Similarly, projects that serve EZs or ECs also must ensure that, in the aggregate, characteristics of individuals served comply with program requirements. Moreover, none of these features of the PWI program serves to enhance projects' ties to local industry, which is by design the program feature that most distinguishes PWI from state VR programs.

While projects voiced few complaints concerning the compliance indicators as currently configured, the requirement to place individuals who have been unemployed for six months or longer appears somewhat inconsistent with the program's requirement to provide career advancement services. As it now stands, career advancement is difficult to measure. As the integration of employment training programs continues to evolve, and more uniformity in accountability across programs is pursued, the necessity for PWI projects to track and report employment and earnings retention will likely be formalized. Emphasis on career advancement services could divert energy away from the program's principal activity of job placement and expanding employment opportunities in general.

With respect to PWI project performance relative to the compliance indicators, we found only one area that requires immediate attention. The compliance indicator that measures actual average cost per placement against projected average cost per placement needs modification. If the measure is to be retained as is, projects must do a better job of projecting average costs. RSA will need to provide further guidance to projects regarding how to project costs in their applications. Other possibilities include increasing the 115 percent threshold for acceptable performance; or dropping the actual vs. projected measure in favor of a minimally acceptable actual average cost per placement.

Finally, PWI projects' data collection practices continue to constrain the program's ability to accurately measure its achievements. Development and use of standardized forms for documenting participants' characteristics at entry to the program, receipt of PWI services, and participants' outcomes

would go a long way toward improving the consistency with which case files include all data needed to support reporting on the compliance indicators.

APPENDIX A

PWI Projects Selected for On-site Data Collection

Lions World Services for the Blind
Little Rock, AR

Dorothy Kret & Associates, Inc.
Tucson, AZ

Westside Center for Independent Living
Los Angeles, CA

Project Hired, Deaf-Focused Initiative
Santa Clara, CA

Lt. Joseph P. Kennedy Institute
Washington, DC

Community Options, Inc.
Washington, DC

Abilities of Florida/Miami
Clearwater, FL

Abilities, Inc. of Florida
South Miami, FL

Goodwill Industries of Atlanta, Inc.
Atlanta, GA

Hawaii Department of Human Services
Honolulu, HI

IAM District Lodge 776
National Senior Citizens Education and
Research Center
Silver Spring, MD

IAM CARES
National Senior Citizens Education and
Research Center
Baltimore, MD

Boston Public Schools
School-to-Career Office
Boston, MA

Pine Lake Fund
Plainwell, MI
Department of Economic Security
St. Paul, MN

Rise, Incorporated
Employers Association of Minnesota
Spring Lake Park, MN

PWI Training and FlexWork Project
RESOURCE, Inc.
Minneapolis, MN

Advent Enterprises
Columbia, MO

IAM District Lodge 71
Kansas City, MO

University of Montana/Rural Institute
Missoula, MT

Harbor House Projects With Industry
Paterson, NJ

Abilities, Inc./Career Options
Albertson, NY

Nassau BOCES
Carle Place, NY

Syracuse BOCES
Liverpool, NY

TCI/Hardee's Capabilities Project With Industry
Rocky Mount, NC

IAM District Lodge 24
Portland, OR

Life's Work of Western PA – Career Connections
Pittsburgh, PA

IAM District Lodge 776
Fort Worth, TX

United Cerebral Palsy Association
Austin, TX

Vermont Association of Business, Industry and
Rehabilitation
Winooski, VT

APPENDIX B Panel of Experts

Nell Carney, Commissioner
Commission for the Blind
Columbia, SC

Ruthanne Cox-Carothers, Director
Projects With Industry
International Association of Machinists District Lodge 24
Portland, OR

Charles Harles, Executive Director
Inter-National Association of Business Industry and Rehabilitation (I-NABIR)
Washington, DC

Tom Lindsley, Vice President for Workforce Development
National Alliance of Business
Washington DC

Paul Marchand, Chairman
Consortium of Citizens With Disabilities (CCD)
Washington, DC

Fred Menz, Director of Research
Rehabilitation Research and Training Center on Improving Community-Based Rehabilitation Programs,
University of Wisconsin at Stout
Menomonie, WI

Francine Tishman, Executive Director
Lana Smart, Project Director
Abilities, Inc./Career Options PWI
Albertson, NY

APPENDIX C

Procedures Used for Selecting Samples of Projects and Participant Files

Selection of PWI Projects

We selected a stratified random sample of 30 PWI project sites for on-site data collection. The sampling frame included all 102 projects funded as of October 1, 2000. We stratified the projects along two dimensions: geographic location and whether the project targeted specific types of consumers for participation. We stratified the projects by geographic location using four regions: Northeast, Southeast, Central, and West. We assigned individual states to one of the regions according to definitions provided by the National Center for Education Statistics (NCES).⁴³ The sampling frame, stratified by these two dimensions, results in eight cells or strata, as shown in Table C-1.

Table C-1. Sampling Frame for Selection of 30 PWI Projects for Site Visit

Region	Consumer Targeting		Total
	Targeted	Nontargeted	
Northeast	26	10	36
Southeast	10	7	17
Central	11	9	20
West	21	8	29
Total	68	34	102

Once the sampling frame was completed, we determined the number of projects in each cell to visit by selecting projects in proportion to their representation in the sampling frame (project universe). For example, the 26 projects in the Northeast region that target specific types of consumers for project services represent approximately 25 percent of all 102 currently funded projects. Thus, we randomly selected from that cell 25 percent of 30, or 8 projects, for site visits. Table C-2 indicates the number of projects selected for site visits in each stratum.

⁴³ The Bureau of Economic Analysis of the U.S. Department of Commerce, the National Assessment of Educational Progress, and the National Education Association use these geographic regions.

Table C-2. Number of PWI Projects in Site Visit Sample by Strata

Region	Consumer Targeting		Total
	Targeted	Nontargeted	
Northeast	8	3	11
Southeast	3	2	5
Central	3	3	6
West	6	2	8
Total	20	10	30

Once we determined the number of projects to be sampled from each cell, we calculated the sampling interval required to yield the appropriate number, selected a random start number, and then systematically selected the desired number of projects from that cell, for a total of 30 sampled projects across all eight cells. We also selected a replacement project for each cell in the event one or more of the sampled projects were unable to participate.

Selection of PWI Participants' Case Files

The second stage of sampling is former PWI participants' files within the sampled projects. From each sampled project, we randomly selected 20 percent of former participants (i.e., those participants who exited the project in FY 2001, including all individuals who received services from the project and exited the project during FY 2001, whether into employment or not). If a project had fewer than 25 persons exiting the project during the year, we selected a minimum of five persons for case file abstraction. We abstracted project files for 584 individuals whose participation in the PWI program ended in FY 2001 to represent the universe of such individuals.

Selection of an equal percentage of case files for abstraction from each project, when the projects were randomly selected, ensured a nationally representative sample of participants from which we could generalize findings to the universe of consumers of PWI services. Individual sampling weights for participant files are the product of the project weight⁴⁴ and the inverse of the individual file's probability of selection within that project. The probability of selection of any one participant file, in turn, is a function of the total number of consumers exiting the program during FY 2001. Case file data examined in the report are based on a weighted estimate of 10,850 individuals who exited the program during FY 2001, including 6,750 who exited into employment and 4,100 who exited without employment.

⁴⁴ The project weight is the inverse of the project's probability of selection.