



# Workforce Development Training Fund

## 2019 Assessment

Prepared for the  
Idaho Workforce Development Council

**IDAHO**  
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In collaboration with  
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## Introduction

The Workforce Development Training Fund is the state's most flexible financial resource for providing workforce training. Established in 1996, the fund's initial use was to provide an incentive to new and existing employers to relocate or expand in Idaho. However, more recently, the fund has been used to reimburse qualified employers for the cost of training new and incumbent workers, and to support sector and community-based efforts. This use of the funds has promoted training partnerships between businesses and educational institutions to develop industry-specific skills training to help build a talent pipeline and find solutions to workforce challenges.

The purpose of this evaluation is to gain insight into the effectiveness of the training fund and its utilization and impact on developing Idaho's workforce. In the past, evaluations have focused only on employer grants. To gain a more comprehensive understanding of the effect of the Workforce Development Training Fund (WDTF) statewide, additional grant types including industry sector and innovation grants are included in this evaluation to develop a baseline report.

## Executive Summary

In this evaluation, all contracts ending between July 1, 2016, and June 30, 2018, were included in the analysis. However, because industry sector grants are being evaluated for the first time, and to develop a baseline, three additional industry sector grants ending earlier were also included. Grants in this evaluation reflect a selection of those awarded between 2012 and 2016.

More than 40 grants were reviewed with the majority being employer and innovation grants, reaching nearly 2,000 Idahoans<sup>†</sup> throughout the state. More than half of the innovation grants and nearly half of the employer grant participants were in rural designations and the rest in urban. Partners of industry sector grants were scattered throughout the state.

Of the \$6.2 million awarded, grant recipients spent \$4.3 million. Innovation grant recipients used an average of 79 percent of the amount awarded, more than other grant types. Among employer grants, the final cost per trainee had decreased significantly from prior evaluations. Contracts analyzed showed a final cost of \$960 per trainee, less than 40 percent the cost per trainee in prior evaluations.

Participants who received training through employer grants realized an average wage increase of 23 percent in the year following training completion for all years in which training occurred and beginning as early as 2014. Eighty-three percent of trainees remained in Idaho, and 68 percent remained at the same employer. Of those who changed employers, 34 percent remained in the same industry.

<sup>†</sup> This is likely an underestimate for the number of trainees. Prior to the administrative changes, innovation grants did not require social security numbers. Because the number of trainees is based on the number of distinct SSNs, estimates exclude trainees that did not submit their SSN.

For the grants analyzed, 16 percent of trainees aligned with Idaho's in-demand occupations with a majority 8 percent in the production industry.

## Key Findings

- Employer grant trainees realized an average annualized wage increase of 23 percent one year following program completion.<sup>†</sup>
- The aggregate economic impact of jobs created was estimated to increase local taxes by \$3.2 million and state taxes by \$2.6 million.
- Wage increases for new hires were more than double those for incumbent workers.
- More than half the innovation grants and nearly half the employer grant participants were trained in rural counties.
- Thirty-four percent of employer grant trainees who found employment at a different company remained in the same industry.
- On average, employers used 65 percent of the contract amount awarded, while innovation grant recipients used 79 percent and industry sector grants used 71 percent.
- The final cost per trainee for employer grants during the evaluation period decreased to \$960.

## Data Collection & Reporting Changes

The Workforce Development Council (WDC) underwent major changes in its administration following the governor's executive order signed on Oct. 25, 2017. This included a shift from the organizational model previously affiliated with the Idaho Department of Labor (IDOL), to the Executive Office of the Governor to provide the council with greater independence to conduct its affairs. The change provided the ability to be industry-driven, have a dedicated staff and make the funding decisions for the Workforce Development Training Fund (WDTF). Transitioning from the advisory of the IDOL, an executive director was hired for the council to implement such changes and maximize the effectiveness of the WDTF.

As a result of changes made to the WDC, changes were also made in data collection, grant scoring and reporting methods. While the WDC and IDOL were effectively separated as a result of the governor's executive order, they were not fiscally separated until July 1, 2018. At that point, a different reporting methodology was embraced and additional information collected. Grant scoring practices have been updated to allow for improved transparency and balanced scoring.

While the majority of grants considered in this review were fully administered prior to the Workforce Development Council's administrative changes, there were some that remained active through the transition. Hence, record keeping practices changed and grantees in this situation were given the option to adapt to the new reporting methodology or continue with the previous method. Certain data fields are included in the new methodology to improve accuracy, such as whether the trainee was an incumbent or new hire, as this information is currently based on wage records. Additionally, some

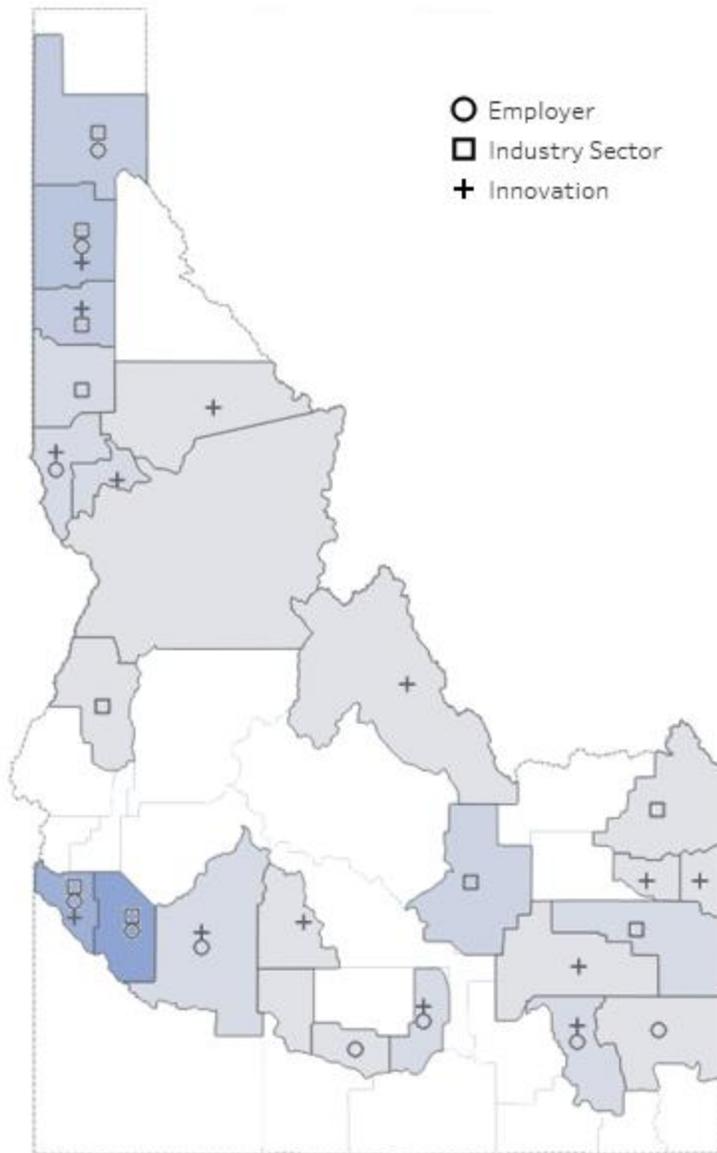
<sup>†</sup> Reasons for wage increases are based on many factors and cannot be solely attributed to training received.

participant records were unable to be recovered and therefore were not included in the analysis. More details on the administrative changes can be found in Appendix A.

For grants administered following the transition, additional information is being tracked in an effort to understand fully the impact of the training fund. Detailed spending on capital expenditures have been collected since late 2018. Additional detail on this metric will be included in future evaluations.

## **Methodology**

Metrics such as wages, employment retention and whether the trainee was a new hire or an incumbent worker, were based on certain reported data fields. These include training start and end date and were used to determine the calendar quarter in which to assess wage increases or hire status. For wages, the final quarter in which training occurred was gathered from the latest training date reported. In cases where this field was not reported, the contract end date was used. Wages from this date were compared to those four quarters later. Whether an employee was a new hire or incumbent worker was inferred by checking if the trainee reported wages from that company in the quarter prior to the training start date (or contract start date if training dates were not reported).



**Figure 1.** Counties colored with darker colors reflect more grants over the evaluation period. Note that industry sector grants were mapped by the location of their industry partners.

## Regional Impact

Over the evaluation period, three types of grants were distributed to a variety of employers and educational establishments – these included employer grants, industry sector grants and innovation grants. Employer and innovation grants were the most common, followed by industry sector grants. Figure 1 shows the statewide distribution of various grant types. Note that industry sector grants were mapped by the location of their industry partners.

A nearly equivalent number of trainees through employer grants participated in training activities in counties designated as rural or urban. Additionally, as there were fewer industry sector grants included in the chart than either employer or innovation grants, it can be seen that the effect of this grant type is distributed to counties well beyond the location of the primary training establishment. The map shows darker coloring where more grants (or industry partners) were located. Ada, Canyon, Kootenai and Bonner counties were among those with a greater concentration of grants.

## Costs

Costs were analyzed for employer grants that closed over the evaluation period. Due to the nature of industry sector grants where costs are much more variable, a trend analysis was not appropriate in evaluating this type of grant. However, contract amounts and final amount spent was aggregated for each type.

For the 20 employer grants awarded that were evaluated, a total of \$2.8 million was awarded with \$1.6 million spent upon contract completion. Considering the 18 employer grant recipients that spent some

of their grant funding, an average 65 percent of the amount awarded was spent by contract end. Seven out of the 20 employers that were awarded grants spent at least 90 percent of the funds granted to them. The average award amount for employer grants was \$138,652. Table 1 shows the average cost per trainee for contracts in the evaluation period, in comparison to previous evaluations. This calculation is based on the amount spent and the number of trainees.

**Table 1.** Cost of employer grants ending during the evaluation period, by evaluation timeframe.

	2000-2009	2009 - 2016	2016-2018
Total Award Amount	\$62M	\$34M	\$2.7M
Total Amount Reimbursed	\$29.4M	\$19.7M	\$1.6M
Number of Trainees	17,700	7,944	1,687
Final Cost Per Trainee	\$1,700	\$2,480	\$960

Grants during this evaluation period have shown a significant reduction in the final cost per trainee in comparison to the previous evaluation – a reflection of increased efficiency in awarding training funds. Table 1 shows the final cost of training per trainee had dropped to less than 40 percent the cost of training for contracts ending between 2009 and 2016.

Five industry sector grants closed during the evaluation period. As this is the first evaluation conducted for industry sector grants, an additional three that ended prior to the start of the evaluation period (in 2016 Q3) were also included to develop a baseline moving forward. A total of \$3 million was awarded to these eight grants, with \$2.4 million spent at contract end, an average of 71 percent utilization per contract.

Eighteen innovation grants were funded in a variety of counties throughout the state. A total of \$442,301 was awarded with \$346,468 spent. While some contracts spent a minimum of the grant funding, on average, grant recipients spent 79 percent of the amount awarded.

**Figure 2.** Total grant funding awarded / spent by contract type.

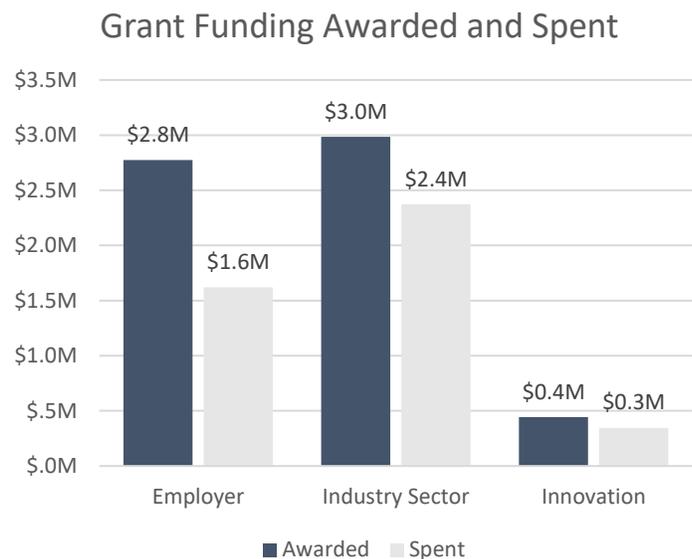


Figure 2 shows the comparison of total grant funding awarded and spent by contract type. For contracts ending during the evaluation period, the majority of funds were awards to industry sector grants, with a similar amount to employer grants. While innovation grants received the least funding, grant recipients used the greatest amount of total funds available to them.

## Employer grants

Overall, 20 employer grants were available for this review. These include all grants with a contract end date between June 30, 2016, and June 30, 2018. Of the 20 contracts, two did not materialize and one was missing participant records and was not evaluated. A total of 1,687 trainees participated in training activities through employer grants, with employers training a varied number of employees – from one employer training three participants to other employers training more than 500 employees. Half of the employer grants were used for smaller training groups with 20 participants or less.

## Wages

Participants realized an overall increase in total wages of 23 percent from what they earned during the final quarter of training to one year after training completion, regardless of where they were employed. Although all trainees are required to be employed as a condition of the employer grant, there were some that do not have wage records.

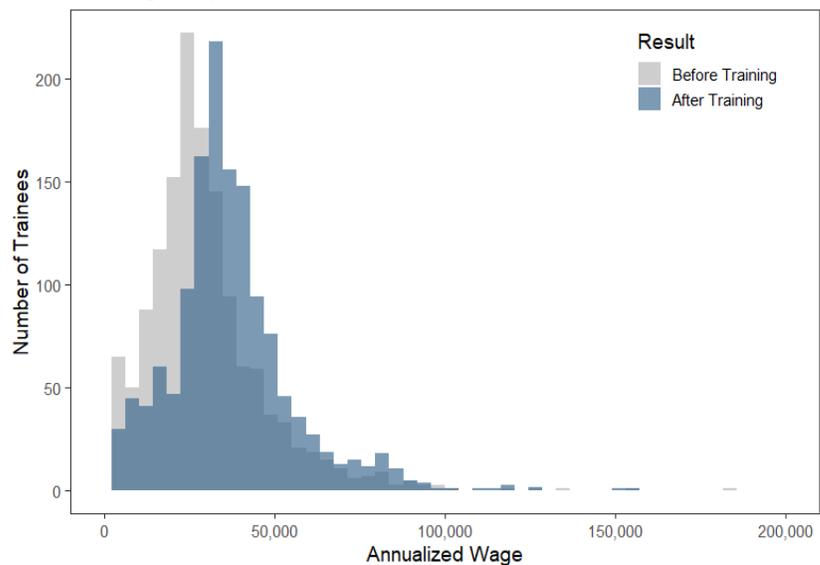
Generally, this is a result of incorrect Social Security numbers or poor reporting practices. However, reporting practices have improved over time and this will be the last evaluation to include grants that were awarded prior to the 2014 improvements to data collection practices.

The follow-up wages used include only those participants who were employed and remained in Idaho. In Figure 3, the distribution of annualized wages compare those in the final quarter of training with wages one year later. This timeframe was used to ensure seasonal fluctuations in employment did not skew the results. The average annualized wage prior to program completion was \$29,693, and following program completion it increased to \$36,568.

From 2014 through 2017, training resulted in higher wages for every year. Training ending in 2015 had the highest average post-training wages – one year later - at \$42,445. However, those with training ending in 2014 had the highest increase at 44 percent. Annualized wages in that year increased from \$20,822 to \$29,882 one year following training completion. It's important to note that there are many factors that contribute to wage increases and that it cannot solely be attributed to training.

While there is fluctuation year over year regarding wages, and a downward trend since 2015, there is a consistent and significant increase in wages following training. The decreases since 2015 can be

**Figure 3.** Wage distribution by number of trainees one year following training completion.



**Figure 4.** Annualized wages at final training quarter and one year later.



to more than 20 percent higher than follow-up trainee wages for each of the years, except 2015. In 2015, follow-up trainee wages surpassed the state average wages by 8.5 percent, potentially a reflection of investment in training for higher paying jobs.

**Employment**

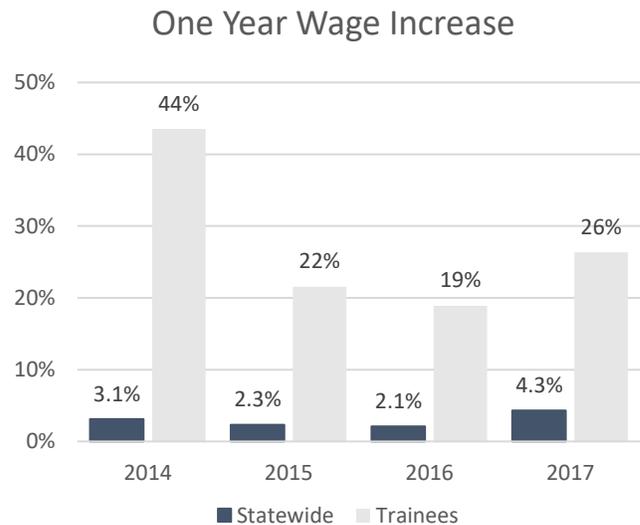
Of the participants included in the 17 employer grants evaluated, 63 percent received training in the manufacturing industry – a total of 1,063 trainees. Another 35 percent of trainees received training in the administrative and support services industry, totaling another 590 trainees. Trainees in those two industries made up more than 95 percent of all participants in this evaluation for employer grants. As seen in Table 2, all employer grants evaluated fell into one of four industries.

While 68 percent of trainees who were employed during the follow-up quarter remained at the same employer, 34 percent of trainees that were employed elsewhere remained in the same industry. The manufacturing industry had the greatest number of trainees with 88 percent employed at the time of follow-up. Although there was only a single contract for each of the health & social services and the wholesale trade industries, both of these contracts retained roughly 90 percent of their trainees in Idaho.

explained by wage differences in the various industries that were awarded grants, changes made to the WDTF scoring matrix, different selection criteria or improved spending on employer grants. Figure 4 shows the comparative changes in annualized wages by year, considering wages in final quarter of training and wages one year later – whether or not they were employed at the same establishment.

In comparison with wage increases statewide, trainees realized a wage increase more than five times what is typical statewide for that same year, regardless of base wages (see Figure 5). It is worth noting that even with the large wage increase one year following training, the average state wages remain anywhere between 5 percent

**Figure 5.** Comparison of one year wage increases between statewide workers and trainees.



**Table 2.** Employer retention, share of trainees employed in Idaho, and the share of employed participants that remained in the same industry.

	Number of Contracts	Number of Trainees	Employer Retention	Retained in Idaho <sup>†</sup>	Industry Retention <sup>**</sup>
Administrative & Support Services	1	590	58%	78%	61%
Health & Social Services	1	10	10%	90%	90%
Manufacturing	14	1063	74%	88%	76%
Wholesale Trade	1	24	67%	92%	71%

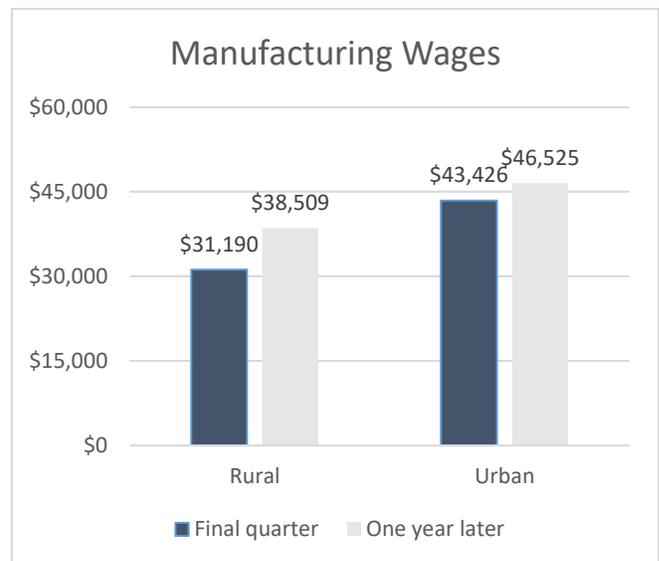
<sup>†</sup> This reflects the only share of trainees reporting Idaho wages – unemployed trainees in Idaho are excluded.

<sup>\*\*</sup> Industry retention refers the share of trainees who remained in the same industry regardless of employer

### Urban & Rural Designations

While Idaho has a few population centers, much of the state is rural. The Idaho Department of Labor definition for a rural county is the largest city / township in that county having a population less than 20,000 residents. According to 2018 population estimates, there were nine counties having an urban designation and the remaining 35 counties designated rural. Employer grants were awarded to six employers in rural locations and 11 in urban counties, serving nearly the same number of trainees in each designation. Employers in the manufacturing industry comprised all grants in rural areas. More than 90 percent of the trainees remained in the same rural / urban designation following training. Participants with reported wages from the remainder of trainees suggest they relocated from a rural to urban location or visa versa.

**Figure 6.** Comparison of rural and urban manufacturing wages from employer grant trainees.



A comparison of manufacturing wages between rural and urban counties is shown for grant participants in Figure 6. While trainees in both rural and urban designations had experienced a wage increase, trainees in rural counties had a 23 percent wage increase and those in urban counties had a 7 percent increase. Following training, trainees in rural counties had annualized wages 21 percent less than those in urban locations. Compared to a 40 percentage point difference prior to training, this suggests that training activities may be helping to shrink wage differences between rural and urban designations.

When considering all industries, the annualized wages of trainees in rural and urban designations were more similar, as was retaining employment in Idaho following training. Table 3 displays the full results for all industries by rural and urban counties.

**Table 3. Employer trainee outcomes by rural or urban designation.**

	Number of Employers	Number of Trainees	Prior Wage	Post Wages	Wage Increase	Retained in Idaho <sup>†</sup>
* Rural	6	864	\$29,400	\$36,072	23%	86%
Urban	11	822	\$27,111	\$36,624	35%	82%

\* Results for rural counties only reflect outcomes from the manufacturing industry; all other sectors were located in urban areas.

<sup>†</sup> This reflects the only share of trainees reporting Idaho wages – unemployed trainees in Idaho are excluded.

## Industry Performance

Although there were fewer industries during this evaluation, continuity from prior evaluations was tabulated in order to track industry performance over time. Both prior evaluations covered several more years of employer grants, hence, more information was available across all industries. For the 2019 evaluation, the manufacturing industry comprised nearly the same share of trainees as the 2017

**Table 4. Allocation of trainees to various industries and wage changes, in comparison to previous evaluations.**

		2012	2017	2019
Share of Trainees	<i>Administrative &amp; Support Services<sup>†</sup></i>	43%	2.3%	35%
		8.3%	91%	51%
Percent Wage Change	<i>Construction</i>	0.4%	2.4%	—
		-14%	14%	—
	<i>Finance</i>	3.2%	8.4%	—
		10.4%	20%	—
	<i>Health Care and Social Assistance<sup>†</sup></i>	—	1.8%	0.5%
		—	9.7%	18%
	<i>Information</i>	7.6%	8.0%	—
		15%	9.0%	—
	<i>Management of Companies and Enterprises</i>	0.0%	3.4%	—
		9.0%	-7.4%	—
	<i>Manufacturing</i>	34%	61%	63%
		5.0%	6.9%	20%
	<i>Other Services (except Public Administration)</i>	1.9%	0.1%	—
		-2.8%	-11.3%	—
	<i>Professional, Scientific, and Technical Services</i>	4.2%	4.2%	—
		4.6%	51.3%	—
	<i>Retail Trade</i>	1.2%	1.2%	—
		-2.3%	12.9%	—
	<i>Transportation and Warehousing</i>	0.7%	3.9%	—
		9.5%	17.5%	—
	<i>Utilities</i>	0.1%	0.1%	—
		-2.7%	-12.9%	—
	<i>Wholesale Trade<sup>†</sup></i>	2.4%	3.6%	1.4%
		8.3%	15.5%	8.3%

<sup>†</sup> Calculations for 2019 are from a single employer and may not reflect the industry average.

evaluation, but with a greater wage increase at 20 percent. While a higher wage increase was seen in the 2019 evaluation for the manufacturing and health care and social assistance industries, the wage increase for administrative and support services, and the wholesale trade industries, was smaller than those realized in the 2017 evaluation. The full breakdown by industry and evaluation year is shown in Table 4.

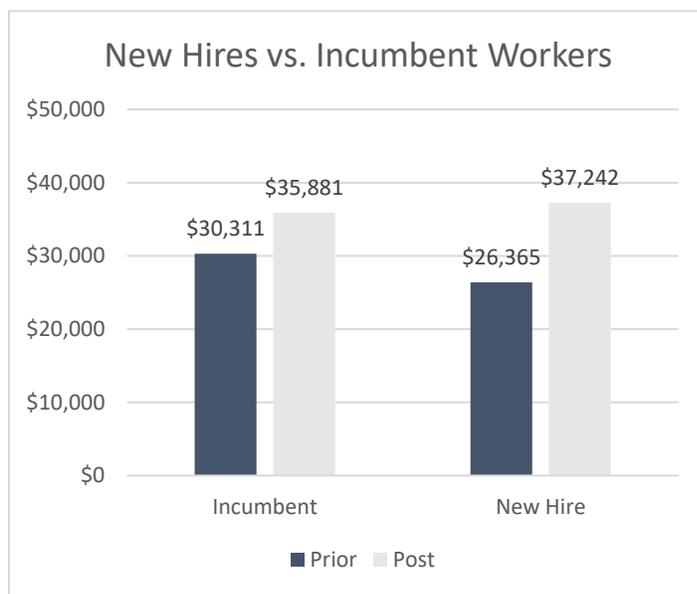
### New Hires and Incumbent Workers

Employers have the option of using grant funds for the creation of new jobs by hiring prospective employees or retraining incumbent workers. A worker was inferred to be a new employee if they did not have wages from that employer the quarter prior to training. If records did not contain these dates, then the earliest training end date or the contract start date was used instead.

Half of the employer grant participants were retrained employees. Not surprisingly, the prior wages of the incumbent workers were higher than new hires, making an average of \$4,000 more annually. Figure 7 shows the changes in annualized income one year post training. While incumbent workers realized an 18 percent wage increase, new hires had annualized wages 41 percent higher one year later.

Although new hires tended to realize a greater wage increase, incumbent workers remained more dedicated to the industry. In fact, incumbent workers were 15 percent more likely to remain employed within the same industry and 25 percent more likely to stay with the same employer. Table 5 shows the full disaggregation of trainee outcomes by worker type.

**Figure 7.** Comparison wage increase for new hires versus incumbent workers.



### Occupations In-Demand

Retrospectively, training during the evaluation period was matched with the Idaho’s 2016 – 2026 top 100 in-demand occupations as reported by the Idaho Department of Labor. This was used to illustrate whether positions that were trained in the evaluation supported Idaho’s in-demand occupations.

**Table 5.** Employer trainee outcomes by worker type.

	Number of Trainees	Average Wage Increase	Retained by Employer	Retained in Idaho <sup>†</sup>	Industry Retention <sup>††</sup>
<i>Incumbent Workers</i>	843	18%	75%	88%	76%
<i>New Hires</i>	846	41%	60%	80%	65%

<sup>†</sup> This reflects the only share of trainees reporting Idaho wages – unemployed trainees in Idaho are excluded.

<sup>††</sup> Industry retention refers the share of trainees who remained in the same industry regardless of employer

Positions listed in the proposed training plan were used to evaluate which of those matched the in-demand occupation list. Because most of the records in this evaluation existed prior to the administrative changes in WDC, many of the records were missing. Only 793 of the 1,687 employer trainees had proper records for analysis and, consequently, results do not fully reflect the comprehensive impact of the training fund in helping to alleviate in-demand occupations.

The production industry had the greatest share of trainees matching in-demand occupations at 8 percent, adding 64 jobs. In total, 16 percent of the trained occupations matched. Table 6 shows the full breakdown by industry and occupation, the share of trainees in that occupation, the number of jobs created and the hot job ranking for that occupation.

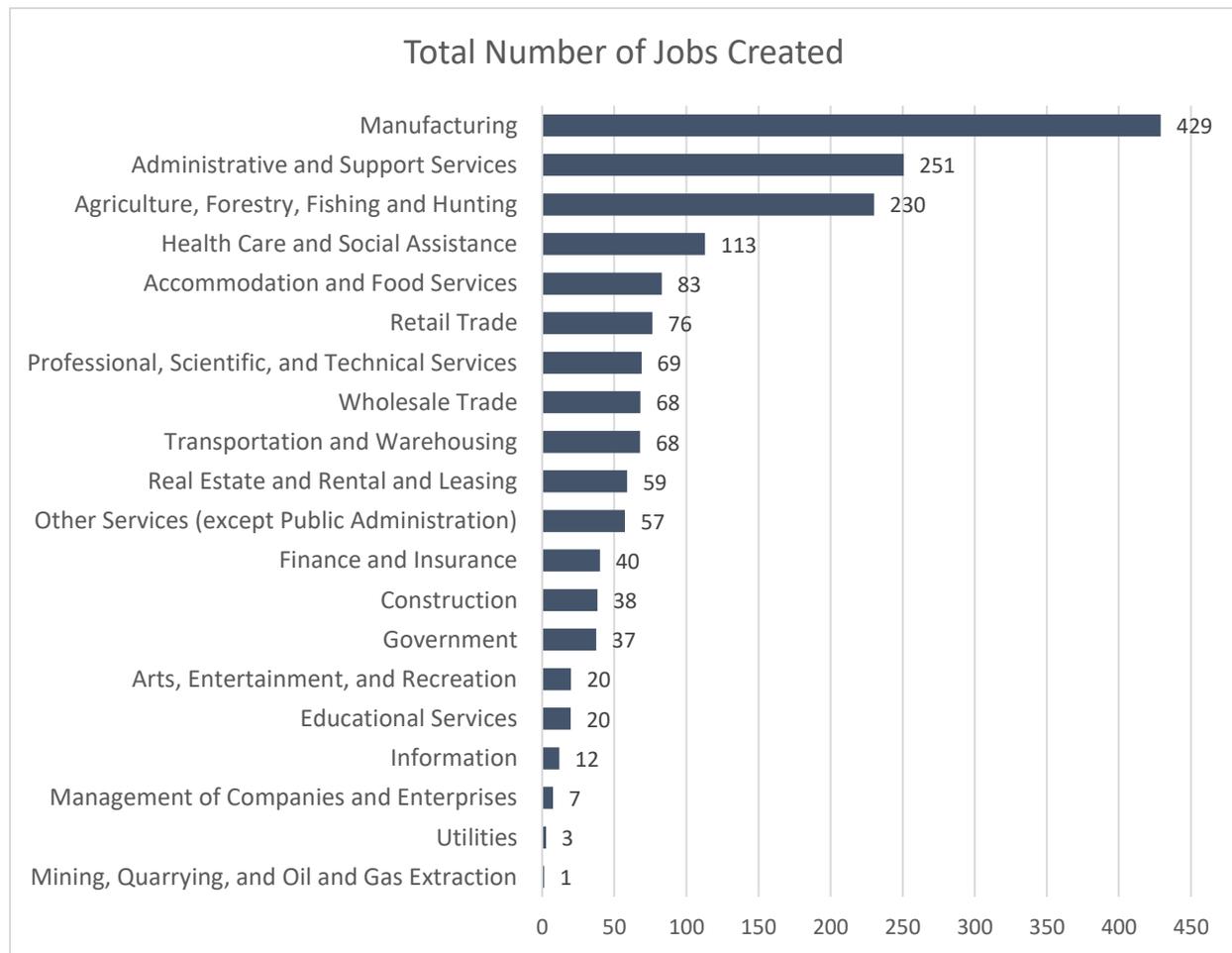
**Table 6.** How do trained occupations match up with 2016 – 2026 occupations in demand?

	<b>Occupation</b>	<b>Hot Job Rank</b>	<b>Number of Jobs</b>	<b>Share of Total</b>
<i>Production</i>	Welders, Cutters, Solderers, and Brazers	59	31	3.9%
	First-Line Supervisors of Production and Operating Workers	35	13	1.6%
	Food Batchmakers	95	12	1.5%
	Packaging and Filling Machine Operators and Tenders	79	8	1.0%
	Industrial Machinery Mechanics	6	6	0.8%
<i>Installation, Maintenance and Repair</i>	Millwrights	99	5	0.6%
	Maintenance Workers, Machinery	26	4	0.5%
	Maintenance and Repair Workers, General	78	3	0.4%
	First-Line Supervisors of Mechanics, Installers, and Repairers	36	1	0.1%
<i>Healthcare Practitioners &amp; Technical</i>	Registered Nurses	1	17	2.1%
<i>Sales &amp; Related</i>	Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products	87	8	1.0%
	Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	25	5	0.6%
<i>Transportation &amp; Material Moving</i>	Industrial Truck and Tractor Operators	93	11	1.4%
<i>Architecture &amp; Engineering</i>	Industrial Engineers	13	2	0.3%
	Electrical Engineers	86	2	0.3%
<i>Business &amp; Financial Operations</i>	Accountants and Auditors	16	1	0.1%
	Cost Estimators	19	1	0.1%
<i>Computer &amp; Mathematical</i>	Computer Occupations, All Other	63	1	0.1%
<b>Total</b>	All above occupations	-	131	16.4%

## Economic Impact

Considering only the new hires that remained in the same industry following training, an economic impact analysis was performed to calculate the trickle-down effects of the newly created jobs. This includes additional jobs created as a result of the new positions, including all direct, indirect and induced jobs. For the 562 new hires that remained in the same industry following training, the total impact of jobs created is 1,682 positions across several industries, as seen in Figure 8. The majority of total jobs created were in the manufacturing industry, followed by the administrative and support services, and agricultural industries.

**Figure 8.** Total number of jobs created including new hires plus any direct, indirect and induced jobs, by industry.



Creating these jobs additionally impacted the taxes collected on productions and imports. This includes tax liabilities such as general sales and property taxes. The aggregate effect of these is estimated to include \$3.2 million more in taxes collected locally and \$2.6 million more statewide.

## Industry Sector & Innovation Grants

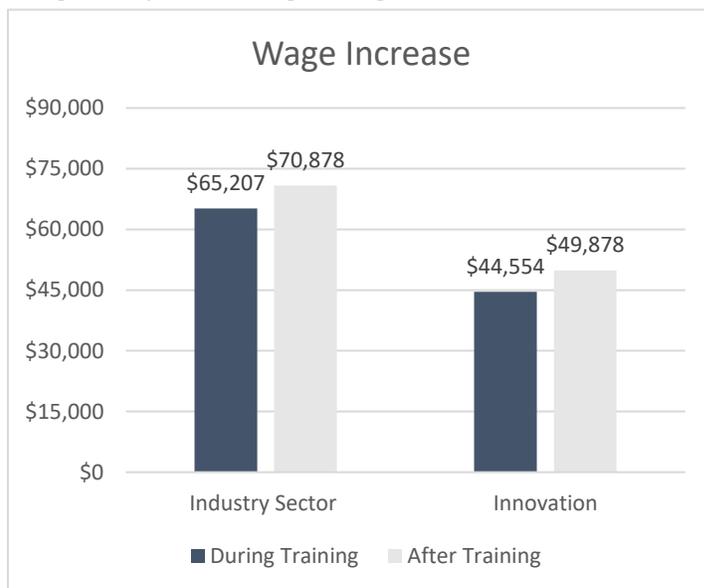
Over the evaluation period, three industry sector grants involved 205 participants and were awarded to educational institutions located in northern, central and eastern Idaho. Five innovation grants had 69 participants.

While participants in both of these grant types are not required to be employed, wage increases were seen in both. One year later, innovation grant participants realized a 12 percent wage increase while industry sector grant trainees experienced an eight percent increase (see Figure 9).

More importantly, however, is whether the participant was employed one year following training. For industry sector grants, 92 percent of participants were employed one year following training completion, compared to 72 percent of participants trained with innovation grants.

While more employer grants were awarded to urban areas than rural, industry sector and innovation grants had a greater reach to rural counties. Educational institutions with industry sector grants partnered with consortium partners scattered throughout the state, and innovation grants were directed at several cities in rural designations. Of the innovation grants analyzed, more than half served rural counties.

**Figure 9.** Comparison of Industry Sector & Innovation grant wages one year following training



## Conclusion

Over the evaluation period for contracts ending between July 1, 2016, and June 30, 2018, there were more than 40 employer, industry sector and innovation grants awarded in both rural and urban counties throughout the state. For these contracts, a total of \$6.2 million was awarded with \$4.3 million spent. Innovation grantees generally spent more of the amount funded at an average of 79 percent. While employer grants typically were awarded more funding at an average of \$138,652, employers tended to use the least amount at 65 percent.

Employer grants were effective in increasing overall wages. Evaluating wages one year following the end of training, annualized wages for participants increased for training ending every year from 2014 to 2017. Overall, annualized wages increased from \$29,693 to \$36,568 one year following program completion, an increase of 23 percent.

Employer grants served four industries during this evaluation. Sixty-three percent of participants received training in the manufacturing industry – a total of 1,063 trainees. Another 35 percent of trainees received training in the administrative and support services industry, totaling another 590

participants. These two industries made up for more than 95 percent of trainees through employer grants.

The vast majority of employees remained in Idaho, with 88 percent of those in the manufacturing industry employed in Idaho during the follow-up period one year later. Additionally, while 68 percent of trainees who were employed during the follow-up period remained at the same employer, 34 percent of trainees that were employed elsewhere remained in the same industry. Considering only the new hires that remained in the same industry following training, the aggregate economic impact is estimated to have increased local taxes by \$3.2 million and state taxes by \$2.6 million.

More than half the innovation grants and nearly the same number of participants in employer grants were in rural designations. Manufacturing wages in rural designations increased significantly more than urban wages in the one-year follow-up period, bringing rural wages closer to urban wages following training. There was a similar trend between new hires and incumbent workers, where new hires realized a 41 percent wage increase compared with 18 percent for incumbent workers. However, it's worth noting that the calculation for new hire wage increases may be based on incomplete data. Wages are reported quarterly and a new hire may not have been employed for its entirety, potentially inflating the annualized wage increase.

In consideration of catering grant funding toward Idaho's in-demand occupations, it was found that 16 percent of the training evaluated matched up with the top 100 occupations in demand. A majority 8 percent of those were in the production industry. Because this was the first analysis of its kind, only 793 trainees had proper records for use. With the changes in reporting requirements, future evaluations will provide a more complete picture of the impact the training fund is having on in-demand occupations.

Overall, participants of the grants during this evaluation resulted in increased wages, the majority employed in Idaho. Varied types of grants were awarded to both rural and urban designations throughout the state. The next annual evaluation will consider grants fully administered following the changes in the WDC.

## **Recommendations**

Many of the assessments made in this report are based on the accuracy of reported data. While there have been vast improvements made following the administrative changes, it is worth noting some of the improvements that can be made following this report. Certain metrics such as training end date is useful for tracking wage changes following the final quarter of training. Often this is reported instead as the quarter end date for the reporting quarter, or it is missing altogether. Other shortcomings for data collection seen in this report (i.e. new hire metric) have already been implemented following the administrative changes. However, the impact will not be seen until the following evaluation.

## Appendix A

This appendix outlines in detail specific changes and recommendations as noted by the Workforce Development Task Force to be effective July 1, 2018, as well as changes in the WDTF scoring matrix for awarding grants.

### Administrative & Policy Recommendations

- Transition the WDC organizational model such that it is industry-driven, can hire dedicated staff, coordinate efforts amongst state agencies and remain independently accountable.
- Ensure the majority of the council is comprised of industry members.
- Establish a sustainable funding mechanism for the Workforce Development Training Fund.

### Changes in the WDTF scoring matrix

- The employer tax rate class metric was removed in order to improve scoring transparency.
- Average wages were replaced with a metric that measures the relationship between average wages from the employer and the average wages from the county where it resides.
  - This new metric is intended to balance scoring of employers that have different local economies.
- Wages and education were split to allow each metric to exert greater independent influence on the final grant score.
- Weights and total available metric points were adjusted accordingly.
- Methodology for scoring education was adjusted; applicants are now only required to supply the number of trainees receiving a particular training activity.
  - The new methodology includes a weighted average of the number of participants in a given training classification, relative to the total number of participants in all training activities, as some participants attend more than one training activity.