

Evaluation of the Virginia Employment Through Entrepreneurship Consortium (VETEC) Program

Final Evaluation Report

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ABSTRACT

This study evaluates the implementation of the *Virginia Employment through Entrepreneurship Consortium* (VETEC) program, as well as its impact on the labor market and self-sufficiency outcomes of randomly assigned program participants. VETEC operated in three Virginia Local Workforce Investment Areas. Its overarching purpose was to provide comprehensive entrepreneurship and self-employment training, mentoring, and technical assistance to WIA-eligible adults and dislocated workers.

IMPAQ implemented a mixed-methods evaluation design that included complementary qualitative and quantitative components. The qualitative component consisted of implementation and process studies; the quantitative component involved a random assignment experimental design impact evaluation. The implementation and process studies documented program implementation and highlighted challenges, best practices, and lessons learned. These studies found that VETEC program staff, partners, and participants held positive views of the program and recommended replicating it in the future, despite some implementation challenges. The impact study showed that VETEC had a positive and statistically significant impact on the likelihood of being self-employed. The report separately analyzes the outcomes of VETEC veterans, who were given the same priority of services they receive under all USDOL-funded job training programs including WIOA/WIA. Although VETEC veterans were significantly less likely than non-veterans to find wage or salaried employment, they earned substantially more than non-veterans once employed, a difference which was statistically significant. This final report also includes recommendations for successful implementation going forward.

Keywords: entrepreneurship, self-employment, employment, training, random assignment design, veteran

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EXECUTIVE SUMMARY

In June 2012, the U.S. Department of Labor (USDOL) awarded \$147 million in Workforce Innovation Fund (WIF) grants to 26 grantees, including state workforce agencies, local workforce investment boards, and one Workforce Investment Act (WIA) ¹ Section 166 grantee serving Indian and Native American communities.² The SkillSource Group Inc. (SkillSource)—the Northern Virginia Workforce Investment Board’s non-profit fiscal agent—was awarded an \$8.35 million WIF grant for the *Virginia Employment through Entrepreneurship Consortium* (VETEC) program, the focus of this final report.

VETEC provided comprehensive entrepreneurship and self-employment training, mentoring, and technical assistance to WIA-eligible adults and dislocated workers interested in starting small businesses and attaining long-term economic self-sufficiency through self-employment. VETEC operated in three Virginia Local Workforce Investment Areas (LWIAs): ENOVATE in Northern Virginia (LWIA #11), Greater Richmond GATE (LWIA #9), and Launch Hampton Roads (LWIA #16). VETEC integrated entrepreneurship services within the existing Virginia state public workforce system, by building on USDOL’s *Growing America through Entrepreneurship* (GATE) initiatives, originally implemented in 2003-2005.³

In fall 2012, SkillSource contracted with IMPAQ International (IMPAQ) to conduct the VETEC Evaluation. To address the study research questions, IMPAQ designed and implemented a mixed-methods evaluation design that included complementary qualitative and quantitative components. The qualitative component consisted of implementation and process studies; the quantitative component involved an experimental design impact evaluation in which non-veteran eligible VETEC applicants were randomly assigned to a treatment or a control group.⁴ This enabled IMPAQ to evaluate VETEC’s impact on the labor market and self-sufficiency outcomes of non-veteran program participants against a rigorously defined *status quo*. A separate study, also reported here, focused on the 206 VETEC-eligible applicants who were veterans; their veteran status conferred the right to become program participants, thus preventing them from being included in the random assignment process. This Final Evaluation Report presents the results of the: (1) Implementation Study, (2) Process Study, (3) Impact Study, and (4) a separate study of VETEC veteran participants.

¹ On July 22, 2014, the Workforce Innovation and Opportunity Act (WIOA) was signed into law, superseding WIA, which was enacted in 1998.

² An initial solicitation announced the availability of approximately \$98.5 million in WIF grants. However, because of the number of responses and applications received, the Department elected to provide \$49 million in additional grants using funds from fiscal years 2011 and 2012.

[Link to ETA News Release on Workforce Innovation Fund Grants](#)

³ ENOVATE and Greater Richmond GATE were part of the original GATE initiatives; Launch Hampton Roads was not.

⁴ Details on the random assignment process are described in Chapter 3.

Key Elements of the Intervention (VETEC and non-VETEC Services)

The VETEC program delivered a variety of self-employment services to program participants that were not available to control group members. These ranged from group-oriented services such as workshops and seminars to one-on-one services such as mentoring and counseling. Almost all non-veteran program participants had engaged in at least one VETEC service type by the 18-month follow-up survey (referred to as follow-up), with just 8 percent not receiving any services. Classroom training was the most popular VETEC service across all three sites.

The services offered by the VETEC program were just one of a number of services available to WIA/WIOA eligible individuals. Both treatment and control group members were free to explore self-employment services offered by other service providers (that is, non-VETEC services). Approximately 34 percent of the randomly assigned eligible applicant group (treatment and controls) had experience with some form of employment service offered under WIA/WIOA in the 12 months prior to baseline; 22 percent of the randomly assigned group continued to receive those services during the follow-up period. Many—mainly, but by no means exclusively, control group members—also sought out alternative self-employment service offerings, the majority going for workshops/seminars.

Program Processes and Implementation

The VETEC program model was designed to provide similar entrepreneurial and training services across the three service delivery areas in Virginia. The IMPAQ team conducted site visits to each of the three sites to collect data for both the implementation and process studies. In addition to documenting the program's operation and services at each site, these studies identified implementation challenges, best practices, and lessons learned.

VETEC program staff, partners, and participants reported very positive views of the program and recommended its replication in the future, despite some implementation challenges. VETEC is distinguished by many unique components including customized entrepreneurial trainings, the use of a cohort model to encourage cohesiveness among participants, and the use of Business Counselors to help participants develop business plans. VETEC is also unique among workforce training programs in its comprehensive approach to entrepreneurship training and follow-through. The program model plays a unique role in the workforce development system and can serve as a model for future efforts to build self-sufficiency through entrepreneurship.

Study findings led to a number of recommendations for future implementation. Major recommendations include:

- Clearly identify the roles and responsibilities of each partner.
- Engage the state employment commission early on to obtain UI waivers.
- Create and leverage a shared program brand.
- Automate the process for registering participants for the information session.

- Use the orientation session to streamline the start of training services.
- Use assessments to tailor program services to participant needs.
- Use the initial consultation to begin development of a business plan.
- Consider the trade-off between shorter and longer training duration.
- Hold regular peer events for current and former participants.

Characteristics at Baseline

The VETEC program received 733 non-veteran eligible applicants, who were all randomly assigned to the treatment group (referred to as program participants) or the control group. Overall, random assignment succeeded in creating comparable treatment and control groups with similar baseline characteristics at the time of application (referred to throughout as baseline). Non-veteran eligible VETEC applicants tended to be women, African American, and ages 45-64 years. They were also more highly educated than the general population nationwide. Two subgroups of particular interest were those who were receiving Unemployment Insurance (UI) benefits at baseline and those who had previous self-employment experience (active or inactive) at baseline:

- Of VETEC's non-veteran eligible applicants, 34 percent were receiving UI at baseline. Members of this group were less likely to be African American than the general non-VETEC population. They were also older, more educated, and averaged higher household incomes over the 12-month period prior to baseline.
- Almost half of the non-veteran eligible applicants had some self-employment experience. The characteristics of this subgroup resembled those of the overall non-veteran VETEC population much more closely than those of the UI recipient subgroup.

Program Participants' Outcomes

We analyzed the outcomes of participants in two ways:

- **Descriptive analysis.** VETEC's primary goal is to promote self-employment by providing self-employment training via the public workforce system. Consequently, a large share of non-veteran participants (43 percent) were **self-employed** 18 months from their date of random assignment, and only 24 (6 percent) who became self-employed at some point during the follow-up period had ended it by the follow-up survey. The majority of participants' businesses were registered as limited liability companies, and funded primarily with personal funds. With respect to **employment in a wage or salary job**, 69 percent of non-veteran participants had at least one salaried job over the follow-up period (with 11 percent working three or more different jobs), and 53 percent were employed at follow-up. Participants' **average earnings in the 12-months prior to follow-up** were far higher for salaried jobs than from self-employment (\$21,498 versus \$7,556). With regard to **self-sufficiency as measured by UI benefit receipt**, another VETEC goal, 27 percent of non-veteran participants reported receiving UI benefits between baseline

and follow-up, the majority of whom reported UI benefit collection for no more than 12 weeks—indicating that few were long-term unemployed.

- **Impact analysis.** Balancing tests to ensure that control and treatment group members were similar in terms of baseline characteristics indicated, as expected, that random assignment produced extremely comparable treatment and control groups. The results of similar tests on a subsample of follow-up survey respondents showed, further, that the successful treatment-control balance was not affected by survey non-response. We used multiple regression analyses to estimate program impacts—comparing the randomly assigned treatment group of non-veteran VETEC participants with their counterparts in the control group, who could not avail themselves of VETEC services but could receive other self-employment training services on their own. **Holding all else constant, among non-veterans, VETEC led to an average 9 percentage point increase in the likelihood of being self-employed at follow-up.** Subgroup analyses revealed that the VETEC program’s overall impacts on being self-employed 18 months after random assignment were strongly driven by older participants (ages 45+ years), for whom the likelihood of being self-employed at follow-up increased more than twice as much (19.5 percentage points).

Veterans

Under the VETEC program, veterans were given the same priority of services they receive under all USDOL-funded job-training programs including WIOA/WIA, and were therefore automatically enrolled in the VETEC program upon application.

There were a number of significant differences between VETEC veterans and the general veteran population in the United States. Nearly 86 percent of VETEC veterans were unemployed at baseline compared to 8 percent nationwide. VETEC veterans were also more likely to be African American, less likely to be married, and were more educated than the general US veteran population. In comparison to non-veteran VETEC participants, veterans were more likely to be male, to be disabled and to have health insurance. The gender gap between men and women VETEC veterans (59 percent male), however, was substantially smaller than the gender gap in the general veteran population.

The veteran uptake of VETEC services was similar to the non-veteran uptake and veterans participated in other self-employment services to the same degree as well. In terms of outcomes, VETEC veterans were significantly less likely than non-veterans (by 13.3 percentage points) to have at least one wage or salaried job that lasted two weeks or longer over the follow-up period. However, once employed, VETEC veterans earned significantly and substantially more than non-veterans from salaried employment (\$54,000 versus \$31,000).

CHAPTER 1. INTRODUCTION

1.1 Background

In 2011, the U.S. Department of Labor’s Employment and Training Administration (USDOL-ETA) established the Workforce Innovation Fund (WIF) with the goal of helping the workforce development system improve the quality of its services to ensure they are cost-effective, demand-driven, and high-impact. Additionally, through the WIF, USDOL sought to evaluate new strategies and expand those that have been particularly successful in reaching populations with significant barriers to accessing employment and educational services.

In June 2012, USDOL awarded \$147 million in WIF grants to a total of 26 grantees—including state workforce agencies, local workforce investment boards (WIBs), and one Workforce Investment Act (WIA)⁵ Section 166 grantee serving Indian and Native American communities.⁶ The SkillSource Group Inc. (SkillSource)—the Northern Virginia Workforce Investment Board’s (WIB’s) non-profit fiscal agent—was awarded an \$8.35 million, 5 year WIF grant for the Virginia Employment through Entrepreneurship Consortium (VETEC) program, the focus of this final report.

VETEC’s purpose is to provide comprehensive entrepreneurship and self-employment training, mentoring, and technical assistance to WIA-eligible adults and dislocated workers interested in starting small businesses and attaining long-term economic self-sufficiency through self-employment. VETEC operates in three Virginia Local Workforce Investment Areas (LWIAs): ENOVATE in Northern Virginia (LWIA #11), Greater Richmond GATE (LWIA #9), and Launch Hampton Roads (LWIA #16). VETEC integrates entrepreneurship services within the existing Virginia state public workforce system by building on USDOL’s Growing America through Entrepreneurship (GATE) initiatives originally implemented in 2003-2005.⁷

VETEC has three main goals:

1. Provide WIA/WIOA-eligible adults and dislocated workers over age 18 with comprehensive entrepreneurship training and technical assistance to start their own business;
2. Promote policy change within Virginia and its local workforce systems, by supporting self-employment as a viable career choice for job seekers; and
3. Improve the prosperity of workers, businesses, and communities.

⁵ On July 22, 2014, the Workforce Innovation and Opportunity Act (WIOA) was signed into law, superseding WIA, which was enacted in 1998.

⁶ An initial solicitation announced the availability of approximately \$98.5 million in Workforce Investment Fund grants. However, because of the number of responses and applications received, the Department elected to provide \$49 million in additional grants using funds from fiscal years 2011 and 2012.

[Link to ETA News Release about US Labor Department awarding Workforce Innovation Fund Grants](#)

⁷ ENOVATE and Greater Richmond GATE were part of the original GATE initiatives; Launch Hampton Roads did not participate.

As part of the WIF funding requirements, grantees were required to engage a third party independent evaluator to evaluate the grant initiative. In fall 2012, SkillSource contracted with IMPAQ International (IMPAQ) to conduct the VETEC evaluation. IMPAQ was responsible for all aspects of the evaluation, which examined the following research questions:

1. Is VETEC effective in assisting participants to become self-employed?
2. Is VETEC effective in increasing employment among unemployed and underemployed participants?
3. Is VETEC effective in increasing earnings among unemployed and underemployed participants?
4. What is the impact of VETEC on number of weeks of UI receipt and UI benefits amounts received by participants?
5. What challenges did grantees encounter when preparing to implement VETEC and after they began enrolling participants in the project? What steps did grantees take to overcome these challenges?
6. What promising practices are recommended by each of the key stakeholders?

To address these research questions, IMPAQ designed and implemented a mixed-methods evaluation design that included complementary qualitative and quantitative components. The qualitative component consisted of implementation and process studies, which documented how the program was implemented in the three regions and highlighted challenges and best practices identified. The quantitative component involved a random assignment experimental design impact evaluation.

The original evaluation period began in October 2012 and ended in October 2016. The evaluation period was extended to June 2017 to allow additional program participants to be included in the evaluation and complete the follow-up survey. Beginning in March of 2013 through January of 2015, non-veteran eligible VETEC applicants were randomly assigned to either a treatment or a control group.⁸ An 18 month follow-up survey was administered to all treatment and control group members and veterans. This allowed IMPAQ to evaluate the impact of the VETEC program on the labor market and self-sufficiency outcomes of participants by comparing randomly assigned program participants to a randomly assigned control group representing the *status quo*.⁹ As part of the quantitative study, IMPAQ conducted a series of analyses of the demographic and socioeconomic characteristics of treatment and control group members, services received, and outcomes attained (including, as noted, an impact analysis).

⁸ Details on the random assignment process are described in Chapter 3.

⁹ Throughout this report, we use the term “participants” to denote individuals in the treatment group and “individuals” to denote those in the treatment *and* control groups. Under the VETEC program, veterans were given the same priority of services they receive under all USDOL-funded job-training programs including WIOA/WIA, and were therefore automatically enrolled in the VETEC program upon application. This prevented a rigorous assessment of their VETEC experiences relative to those of a randomly assigned comparison group.

Importantly, the qualitative implementation and process evaluations serve to complement the impact evaluation, by examining *why* and *how* certain outcomes occurred through a study of the factors that affect program impacts.

1.2 Program Context

In 2016, Virginia's unemployment rate was 3.9 percent, and 1.9 percent of Virginia's workforce was receiving unemployment insurance (UI), compared to 4.7 percent and 2.3 percent, respectively, at the national level.¹⁰ Small businesses play a significant role in Virginia's economy, helping to maintain the state's low unemployment and UI take-up rates. In 2016, small businesses in the state represented 97.7 percent of all employers and employed 46.9 percent of the private-sector labor force (7.5 percent of whom are veterans).¹¹ As these statistics demonstrate, a large source of employment in Virginia is generated by small businesses owners.¹²

Small businesses are often vulnerable and frequently shut down soon after opening. About 25 percent of U.S. businesses do not stay open more than one year, for example, and about 50 percent close within five years.¹³ Because of the complex requirements of starting a business and the many barriers entrepreneurs face, training programs specifically targeted at assisting individuals to start businesses have emerged. Recognizing the strong role small businesses play in Virginia's economy, the VETEC program aimed to promote self-employment as a viable career choice for job seekers, by providing entrepreneurial training to help participants develop their own businesses.

A wide body of existing literature examines the impact of general training programs on their participants' employment outcomes,¹⁴ but most training program evaluations do not show statistically significant changes in employment outcomes among their participants, at least within a two- or three-year period.¹⁵ USDOL-ETA has funded several program evaluation studies on workforce training programs over the past several decades, including a number of evaluations of entrepreneurial training programs within the workforce system. The *Self-Employment Assistance* (SEA) program and Project GATE are two pertinent entrepreneurial training programs that have been rigorously evaluated under USDOL-ETA.

The *SEA program* targets UI recipients judged to be likely to exhaust their benefits, and provides these individuals with self-employment allowances in lieu of UI benefits, along with

¹⁰ Authors' calculations based on the Current Population Survey March Supplement.

¹¹ See [Link to SBA's Small Business Profile of Virginia](#). As of 2016, Virginia had 681,517 small businesses with 500 or fewer employees. These businesses employed 1.5 million individuals, with most jobs coming from firms with 20-499 employees.

¹² See [Link to U.S. Census Bureau Nonemployer Statistics](#). Most non-employers are self-employed individuals operating unincorporated businesses (known as sole proprietorships), which may or may not be the owner's principal source of income.

See ¹³ [Link to US Department of Labor Business Employment Dynamics](#).

¹⁴ Card, D., Kluve, J., & Weber, A. (2015). What works? A meta analysis of recent active labor market program evaluations (No. w21431). National Bureau of Economic Research.

¹⁵ Ibid.

entrepreneurial counseling and training. A 1989-1995 experimental demonstration of two SEA program models (in Massachusetts and Washington State) found that SEA significantly increased the probability of unemployed workers starting a microenterprise. Program participants in Massachusetts were 11 percentage points more likely to start a business compared to the control group; Washington participants were 22 percentage points more likely to start a business compared to their control group counterparts. At the end of the three-year follow-up survey period, 74 percent of Massachusetts participants and 61 percent of Washington participants were still in business; however, these rates were not significantly different from those of control group participants who had started businesses over the same period.¹⁶

Project GATE was initiated in 2003 by USDOL-ETA in seven sites in three states. As part of GATE, American Job Center (formerly One Stop Career Center) participants were offered an initial assessment of their business needs, classroom training, one-on-one business counseling, and assistance in applying for business financing.¹⁷ The program was offered to anyone interested in starting or growing a small business. IMPAQ's evaluation of Project GATE using a random assignment design found that Project GATE had a statistically significant impact on the probability of owning a business, but only in the first few quarters after random assignment. Specifically, at Wave 1 (6 months after random assignment), 44 percent of treatment group members and 38 percent of control group members reported owning a business. By the time of the Wave 3 survey (60 months after random assignment), however, the shares of treatment and control group members who owned a business were the same (37 percent).

Another effort to promote self-employment was the 1987 *Self-Employment Investment Demonstration* (SEID), which was approved by the U.S. Department of Health and Human Services and designed to test the viability of self-employment as a means of helping welfare recipients. Five states - Iowa, Maryland, Michigan, Minnesota, and Mississippi - implemented and funded the model which provided business training, self-esteem training, business counseling, and assistance in securing business financing. Although SEID did not include an impact evaluation, a follow-up was conducted. Of the 1,300 people who enrolled in SEID, 408 started a business during the demonstration, and about half were able to leave welfare.^{18,19} The demonstration suggested that well-targeted programs focused on helping people become self-employed can assist some low-income people in achieving economic self-sufficiency.²⁰

¹⁶ Benus, J., Johnson, T., Wood, M., Grover, M., and Shen, T. (1995). *Self-Employment Programs: A New Reemployment Strategy, Final Report on the UI Self-Employment Demonstration*. UI Occasional Paper no. 95-4, Washington, D.C.: U.S. Department of Labor.

¹⁷ Benus, J., Shen, T., Zhang, S., Chan, M., and Hansen, B. (2010). *Growing America through Entrepreneurship: Final Evaluation of Project GATE*. Retrieved from http://wdr.doleta.gov/research/keyword.cfm?fuseaction=dsp_resultDetails&pub_id=2444&mp=y

¹⁸ Raheim, S., and C.F. Alter. "Self-Employment as a Social and Economic Development Intervention for Recipients of AFDC." *Journal of Community Practice*, vol. 5, no. 2, 1998.

¹⁹ Guy, C., F. Doolittle, and B.L. Fink. "Self-Employment for Welfare Recipients: Implementation of the SEID Program." New York: Manpower Demonstration Research Corporation, 1991.

²⁰ Servon, Lisa J., and Timothy Bates. "Microenterprise as an Exit Route from Poverty: Recommendations for Programs and Policy Makers." *Journal of Urban Affairs*, vol. 20, no. 4, 1998.

Think Entrepreneurs, a USDOL-ETA grant to the Consortium for Entrepreneurship Education (CEE) to research entrepreneurship, found that many opportunities exist within the current public workforce system to provide training and support for aspiring entrepreneurs and their businesses. However, resources are rarely allocated for such activities—going, instead, to traditional strategies designed to place unemployed workers in existing companies.²¹ As part of that grant program, the CEE visited LWIAs in 2008 and 2009 to find examples of targeted programs for self-employment that might be replicated more broadly. It then recommended policy change at the federal and state level to support increased awareness of self-employment as a viable career choice for many unemployed workers.

Consistent with this vision, a number of self-employment training programs were funded by the USDOL-ETA in recent years. For example, a Workforce Innovation Fund (WIF) award was granted to CareerSource North Central Florida, the local workforce development board (LWDB) in Alachua and Bradford counties, to implement the *Startup Quest*[®] entrepreneurial training program in eight LWDBs: Brevard, Broward, Daytona, Gainesville, Jacksonville, Pinellas, Tallahassee, and Tampa Bay. IMPAQ’s evaluation of *Startup Quest*[®] assessed the program’s impact on self-employment outcomes, salaried employment and earnings, and unemployment insurance (UI) reliance (as a measure of self-sufficiency outcomes) using a randomization design. IMPAQ found no impact on self-employment or self-employment earnings. However, the effects on salaried employment increased over time. Although there was no effect on employment after 2 quarters, the treatment group was 11.2 percent more likely to be employed after 8 quarters.²² VETEC represents another such program that not only fosters awareness among its target participants, but also provides an opportunity to obtain necessary skills for self-employment. As well as providing insight into the unique characteristics of the Virginia WIA/WIOA population, IMPAQ’s evaluation of this unique approach also expands the evidence-base for practices in workforce development—specifically in the area of self-employment training programs and especially with regard to employment and self-sufficiency outcomes.

1.3 Report Purpose and Structure

This Final Evaluation Report of the VETEC evaluation presents findings from both qualitative and quantitative components, but focuses particularly on the quantitative studies’ findings. During the evaluation period, IMPAQ prepared implementation and process studies reports in 2014²³ and 2015,²⁴ respectively, based on findings from site visits to each of the three regions implementing the program. This report summarizes findings from those two reports to improve understanding and provide context for interpreting the quantitative findings. The qualitative and quantitative findings together provide important insight for implementers of similar programs in

²¹[Link to ETA publication "Think Entrepreneurs: A Call to Action"](#)

²² Nanda, N., C. Corea, B. Gasperini, A. Middleton and A. Romualdo. “Evaluation of CareerSource North Central Florida’s Workforce Innovation Fund Grant: Startup Quest[®]” IMPAQ International. April 2017.

²³<http://www.impaqint.com/sites/default/files/project-reports/VETEC%20Implementation%20Study%20Report%2005092014.pdf>

²⁴ Gupta, S., Llobrera, J., Cadima, J., & Griffith, T. (2015). *Evaluation of the Virginia Employment Through Entrepreneurship Consortium Program: Process Study Report*. IMPAQ International, LLC.

the future. In addition, findings from the quantitative evaluation contribute to the existing evidence-base related to the effectiveness to self-employment training programs. Specifically, use of a rigorous random assignment evaluation design contributes the highest quality evidence on the effectiveness of VETEC and similar self-employment programs.

Chapter 2 provides an overview of the VETEC program model and organizational structure. Chapter 3 discusses our mixed-methods evaluation design and methodology, including details on the random assignment process and data collection and analyses. Chapter 4 provides a summary of VETEC program implementation based on findings from both the implementation and process studies. Chapter 5 presents a descriptive analysis of non-veteran eligible applicants' baseline characteristics and VETEC services received by non-veteran program participants. Chapter 6 contains analyses of labor market and self-sufficiency outcomes, respectively, including the results of the impact analysis. Chapter 7 ends the report with a special study of the VETEC veterans.

CHAPTER 2. VETEC PROGRAM MODEL

Many of the services provided to WIA/WIOA-eligible adult and dislocated workers in the public workforce system are geared towards traditional employment.²⁵ As a result, workforce system performance metrics focus on the rate of entry into employment, wages and salaries, and retention. Because the emphasis is on assisting individuals to enter traditional wage or salaried employment (referred to hereafter as salaried employment), individuals who may be interested in self-employment often have limited or no access to entrepreneurial training services. VETEC addresses this service gap by integrating entrepreneurship services within the public workforce system, and making self-employment a viable alternative to traditional employment for interested individuals.

This chapter presents the VETEC program model and intended service delivery approach to provide an important baseline for understanding how the program was actually implemented. Section 2.1 presents the VETEC program organization and services areas. Section 2.2 presents the VETEC program theory of change, as well as a logic model that outlines the program inputs and activities intended to achieve planned outputs, outcomes, and program impacts. Section 2.3 presents the VETEC services delivery model. Section 2.4 presents features of the VETEC program that make it unique among self-employment training programs.

2.1 VETEC Program Organization and Service Areas

The VETEC program model was designed to provide similar entrepreneurial and training services across three service delivery areas: ENOVATE in Northern Virginia (LWIA #11), Greater Richmond GATE (LWIA #9), and Launch Hampton Roads (LWIA #16). Although each LWIA had a unique name for its VETEC program and served different geographic areas with different demographic characteristics, as illustrated in Exhibit 2.1, the program's intent was for program participants, regardless of location, to receive the same level and quality of services.

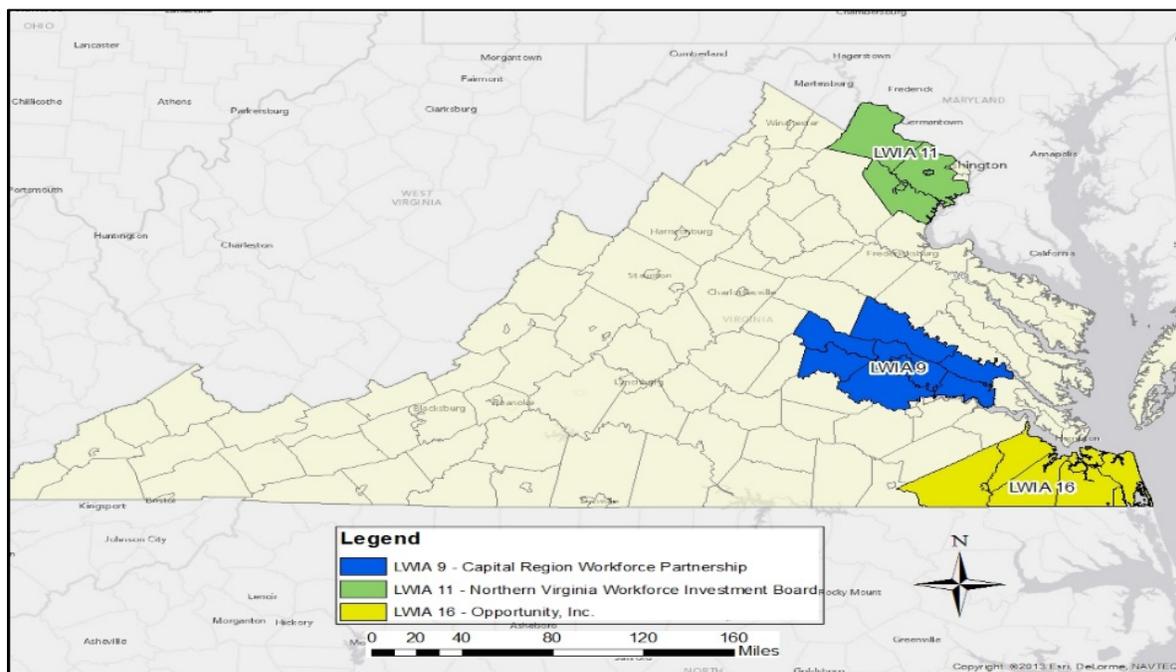
²⁵ This is true even though Section 134(c)(3)(D)(vii) of the Workforce Innovation and Opportunity Act (WIOA) cites "entrepreneurial training" (also known as self-employment training) as an allowable training service for adults and dislocated workers.

Exhibit 2.1: VETEC Projects by LWIA



Exhibit 2.2 shows the locations of the three VETEC LWIAs. Greater Richmond GATE (GRGATE) and Launch Hampton Roads (LAUNCH) both operate in areas with populations numbering about one million. ENOVATE’s service area is almost twice as large, with a population of 1.8 million.²⁶

Exhibit 2.2: Map of VETEC Service Delivery Sites



²⁶ ENOVATE: [Link to Northern Virginia Community Profile](#)

LAUNCH: [Link to Hampton Roads Virginia Community Profile](#)

GRGATE: [Link to Capital Region Workforce Partnership Virginia Community Profile](#)

2.2 VETEC Logic Model

The VETEC model's theory of change requires that program participants participate in all training program components, and that specific workforce system requirements geared towards traditional employment must be waived in order for participants to successfully start businesses that allow them to be self-sufficient and spur economic growth. The program logic model (Exhibit 2.3), based on this theory of change, outlines the program's main features and the relationship between five distinct categories: **inputs, activities, outputs, outcomes, and impacts.**

Core VETEC program elements include activities (such as training and support services) to be accomplished using program inputs (funding, job center and partner staff, and waivers that make self-employment an acceptable employment outcome within the workforce system). These inputs and activities are intended to result in specific program outputs and outcomes. Outputs include number of participants attending business trainings, number of participants redirected to traditional employment, and number dually enrolled in VETEC and WIA/WIOA. Short-term outcomes include participants starting and maintaining businesses. Longer-term outcomes include an increase in number of businesses (including veteran-owned businesses), stimulating job growth within the local economy, and self-employment becoming a viable option for WIA/WIOA job seekers.

UI and WIA/WIOA waivers to exclude VETEC participants from performance measures and requirements related to traditional employment were integral to VETEC program feasibility. Without such waivers, participants would not have been able to meet UI and WIA/WIOA program requirements while participating in VETEC.

Program outcomes lead to program impacts. The following were the intended program impacts:

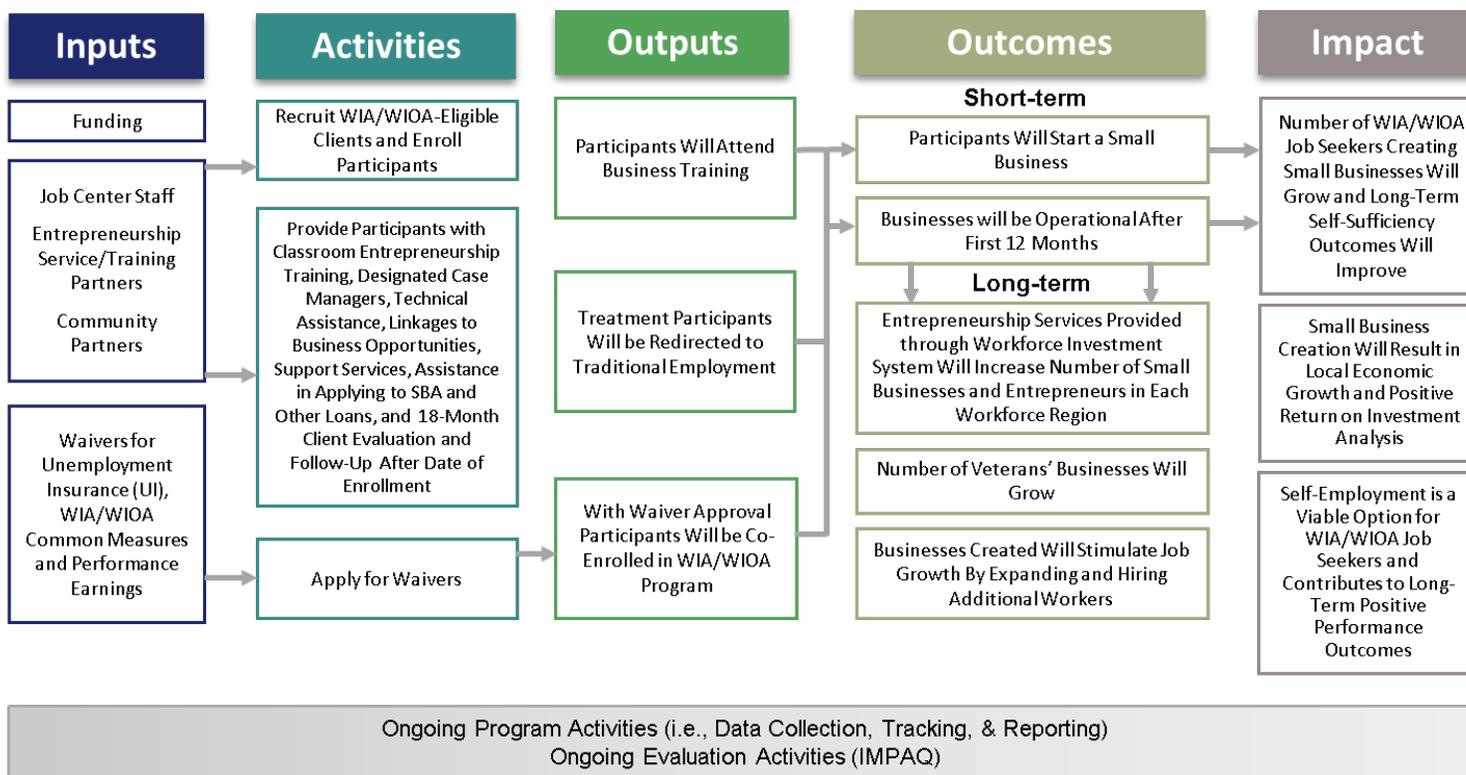
- Grow the number of WIA/WIOA-eligible job seekers creating small businesses and improve the long-term economic self-sufficiency of such individuals.
- Make self-employment a viable option for WIA job seekers, contributing to long-term positive outcomes on program performance measures.
- Create businesses that will stimulate job growth by expanding and hiring additional workers, creating a positive economic return on investment from grant funding.

Exhibit 2.3: VETEC Program Logic Model



Virginia Employment Through Entrepreneurship Logic Model

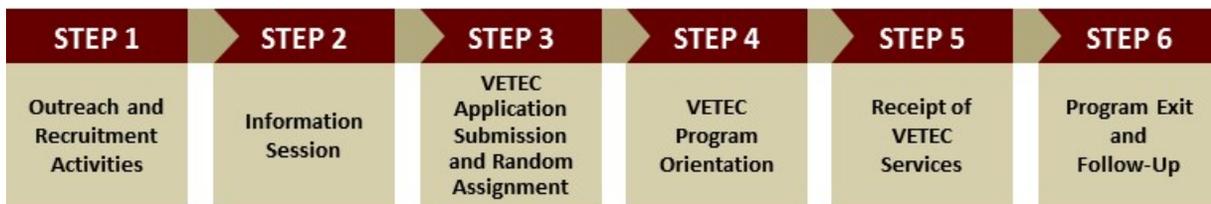
GOAL: To offer self-employment as a realistic option through the Public Workforce System by introducing a fourth Common Measure titled Entry to Entrepreneurship and a waiver of WIA/WIOA Average Earnings Performance Measures (in the first 12 months), by providing entrepreneurship and training services to selected WIA/WIOA-eligible adults and dislocated workers over the age of 18, particularly veterans, in each of the three Virginia Workforce Investment Areas.



2.3 VETEC Service Delivery Model

VETEC’s service delivery model was informed by the program’s logic model which, as noted, utilizes program inputs to implement the service delivery activities in order to achieve planned outcomes and impacts. Exhibit 2.4 illustrates the six steps involved in the delivery of program services to WIA-eligible adults and dislocated workers. These steps/processes cover all activities associated with the VETEC program and its evaluation—from recruiting eligible individuals, to randomly assigning eligible applicants into treatment and control groups, and finally, to exiting program participants from the program and follow-up with treatment group members. A brief overview of these program steps follows.

Exhibit 2.4: VETEC Program Service Delivery Model



Outreach and Recruitment. The VETEC program model outlined a wide range of outreach and recruitment activities to reach WIA/WIOA-eligible workers interested in starting their own businesses. Examples of such outreach and recruitment activities included emailing registered workers in the Virtual One Stop (VOS) system, advertisements in traditional and social media, and presentations in the community.

To be eligible for VETEC services, an individual was required to meet all of the following WIA/WIOA **eligibility requirements**:

- 18 years or older;
- Authorized to legally work in the United States;
- Able to meet military selective service registration requirements (males born on or after January 1, 1960); and
- Fulfilled one of the following:
 - The WIA/WIOA definition of a Low-Income Adult (i.e., individual who receives or is a member of a family who receives public assistance or whose total family income is below the Lower Living Standard Income Level); or
 - The WIOA definition of a Dislocated Worker (i.e., an individual who was either terminated or laid off from his/her most recent job, is approved or eligible for UI compensation, and is unlikely to return to his/her previous occupation).

Source: VETEC Program Management and Process Guide, April 2014.

Information Session. The information sessions are the first formal event potential applicants attend. In this session, attendees learn about the program’s eligibility requirements and hear an overview of the training to be provided. Attendees can also complete eligibility assessments at the conclusion of the session.

VETEC Application and Random Assignment. Once an individual is deemed eligible for VETEC services, a Case Manager schedules an appointment for the individual to apply to the program. The individual meets with the Case Manager to complete the application. The Case Manager adds the applicant’s information to the Participant Tracking System (PTS) and enters all non-veteran eligible applicants for random assignment.²⁷ Veterans and those non-veterans assigned to receive VETEC services (treatment group) are enrolled into the program and considered participants. The remaining non-veterans are the eligible applicants assigned to the control group.

VETEC Program Orientation. Program participants attend a VETEC orientation session to receive a program overview, meet the training providers, and learn about the requirements for successful completion of the program.

Receipt of VETEC Services. Participants receive training on essential skills for entrepreneurship and self-employment. The training includes simple steps for starting a business, business planning, accounting, financing and credit, sales and marketing, website development and social media, mentoring, and where appropriate, specialized training not provided in the classroom.

VETEC Program Completion and WIA/WIOA Exit. Participants successfully "complete" the VETEC program when they meet all program training and business document requirements. Since participants are considered dually enrolled, they are also required to meet the WIA/WIOA requirements for "exit" from the WIA/WIOA program.

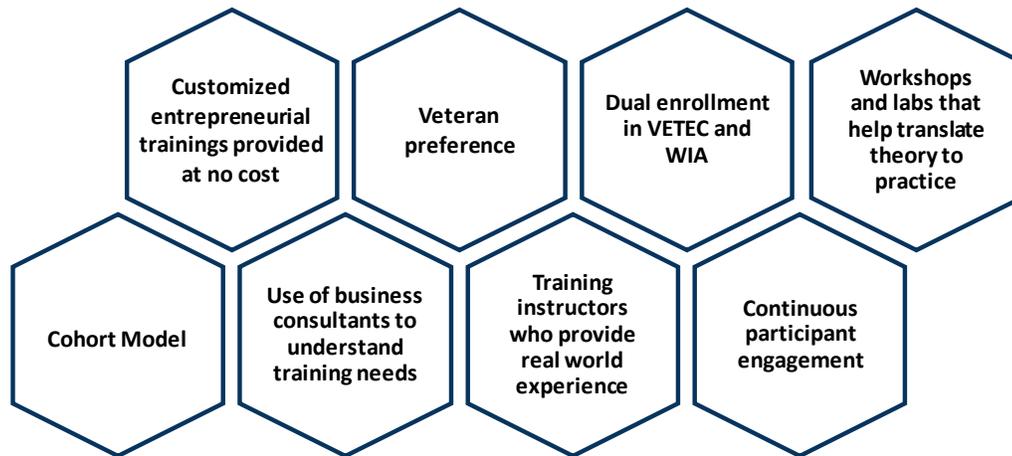
Follow-up. To capture the outcomes needed for the evaluation, each individual (treatment and control group members and veteran participants) is asked to complete a follow-up survey 18 months after application, designed and administered by the research team. Individuals are also included in regular WIA/WIOA 12-month follow-up procedures.

2.4 Unique Features of the VETEC Program Model

The VETEC program model has a number of unique features that distinguishes it from other entrepreneurial training programs, as shown in Exhibit 2.5 and described briefly below.

²⁷ All non-veteran eligible individuals who applied to VETEC program between May 2013 and January 2015 were randomly assigned to either treatment or control group. All program participants that enrolled after 31st January 2015 were not included as part of the study.

Exhibit 2.5: Unique Features of the VETEC Program Model



Customized business and entrepreneurial training provided at no cost to the participant. The training services are customized to prepare participants for starting a business in a comprehensive manner. The curriculum covers a wide range of business-related topics; participants also have access to experienced mentors who provide practical advice to new entrepreneurs.

Veteran preference. Eligible veterans are automatically enrolled in the VETEC program to receive services, because of their categorical eligibility to receive services under WIA/WIOA and all other programs in the public workforce system. Once in the VETEC program, however, they receive the same services under the same conditions as all other VETEC participants.

Dual enrollment in VETEC and WIA/WIOA. With the same eligibility requirements, dual enrollment in VETEC and WIA/WIOA allows participants to access supportive services and training opportunities from WIA/WIOA funds once all VETEC requirements are met.

Cohort model. Building on the GATE model, the sites use a cohort instructional model to encourage cohesiveness among participants within a cohort, keep them engaged in the program, and provide an opportunity to share ideas and challenges.

Use of Business Counselors to understand the training needs of participants. The program sites offer one-on-one Business Counselors to help participants develop their business plans. These Counselors then provide regular guidance and positive reinforcement to VETEC participants throughout their program participation.

Training instructors who provide real-world experience. The VETEC program model uses instructors with real-world experience in consulting or starting their own businesses. These instructors also assist participants who request more personal guidance.

Workshops and labs that help translate theory to practice. Participant role-playing and case study discussions provide participants with experience and context for navigating the process of starting their own business.

Continuous participant engagement through networking events. Current and past participants are continually engaged with the program and its participants through focus groups and networking events.

2.5 Conclusion

This chapter presents an overview of the VETEC program model to provide important context for understanding the evaluation design and methodology as well as the study findings. Understanding the program model as well as the program elements that make VETEC a unique entrepreneurial training program is key in interpreting the evaluation findings. It is equally key to implementing future entrepreneurial programs that build off the VETEC successes and lessons learned. The following chapter provides an overview of the evaluation design and methodology.

CHAPTER 3. EVALUATION DESIGN AND METHODOLOGY

This chapter presents the qualitative and quantitative components of the evaluation design and methodology. The qualitative component consists of implementation and process studies; the quantitative component consists of analyses of baseline characteristics and services received, and both descriptive and causal (impact) analyses of outcomes attained. Section 3.1 outlines the research questions that shaped the evaluation design. Sections 3.2 and 3.3 present the methodology for both qualitative and quantitative components of the study, respectively, including data sources, data collection, and analyses. Section 3.4 concludes the chapter.

3.1 Research Questions

The evaluation design and methodology was informed by, and developed to address, the study research questions, which pertain to program implementation and participant outcomes (including subgroup analyses). We classified these questions as confirmatory or exploratory, as presented in Exhibit 3.1. The confirmatory questions are embedded in either the theory of change or the program goals being tested—questions that can be answered precisely given available data and study constraints. The exploratory questions examine implementation experiences or relationships within the data, to generate findings that may merit additional testing in the future.^{28,29}

Exhibit 3.1: Evaluation Research Questions

Research Questions	Type
Implementation and Process Studies	
1. What are the main program components? How are participating organizations implementing the individual components of the program model?	Confirmatory
2. What challenges did the grantees encounter when preparing to implement VETEC and after they began enrolling participants in the project? What steps did the grantees take to overcome these challenges?	Exploratory
3. What promising practices are recommended by each of the key stakeholders?	Confirmatory
4. What best practices in program implementation are recommended by each of the key stakeholders?	Exploratory
Descriptive Study	
5. What is the rate of program participation and completion in the VETEC program?	Confirmatory
6. How many and/or what percentage of participants attained employment?	Confirmatory
7. What was the average level of earnings, UI benefit duration, and UI benefit amount, among program participants?	Confirmatory

²⁸ Schochet, Peter Z. (2008). Technical Methods Report: Guidelines for Multiple Testing in Impact Evaluations (NCEE 2008-4018). Washington, DC: National Center for Education Evaluation and Regional Assistance, Institute of Education Sciences, U.S. Department of Education.

²⁹ Tashakkori, A., & Teddlie, C. (2003). Handbook of mixed methods in social & behavioral research. Thousand Oaks, Calif: SAGE Publications.

Research Questions	Type
8. Do program participation, completion, and achievement of the above outcomes vary by demographic, socioeconomic, and program specific variables?	Confirmatory
Impact Study	
9. Does VETEC increase self-employment, as measured by how many participants start their own business and do not work for someone else, 18 months after random assignment?	Confirmatory
10. Does VETEC increase salaried employment among the unemployed and underemployed, as measured by how many participants are employed 18 months after random assignment?	Confirmatory
11. Does VETEC increase earnings among unemployed and underemployed individuals?	Exploratory
12. What is the impact of VETEC on the number of weeks of UI receipt and the amount of UI benefits received by participants?	Confirmatory

3.2 Qualitative Evaluation Methodology

The process and implementation studies were designed to document the VETEC implementation process across the three LWIAs, and to understand whether the VETEC model is a viable way to deliver self-employment services. These studies were also designed to examine challenges, methods to overcome such challenges, and the extent to which grantees employ “promising practices.” In addition to answering the associated study research questions, the findings from the implementation and process studies, as noted, provide important context for the findings from the analyses of outcomes and impacts.

3.2.1 Data Sources and Collection

The findings from the implementation and process studies are based on information obtained through two rounds of in-depth site visits (conducted in March 2014 and March 2015) to the three participating VETEC sites.³⁰ The main purpose of the visits was to identify in detail the implementation practices carried out at each of the sites. Each site visit included semi-structured interviews; observations of information, orientation, and training sessions; focus group discussions with participants; and thorough reviews of documents and materials.

To gain a full sense of the sites’ implementation processes, site-visit interviews were conducted with all key program staff—including site managers, case managers, and relevant site partners. Each interview, which lasted about an hour, followed a semi-structured interview protocol. The protocol, structured as an open-ended instrument, invited respondents to explain and document site-specific procedures—from recruiting potential participants to exiting them from the program. The open-ended nature of the discussion allowed the interview to take the form of a

³⁰ The IMPAQ team conducted an initial round of site visits in September and October 2013 to document the recruitment, outreach, and intake activities at the start of the program. Those findings were presented in a stand-alone report ([Link to VETEC Outreach Recruitment and Intake Process Report](#)) and also included in the Implementation Study report.

conversation, providing the interviewer with insights that a close-ended questionnaire might have missed.

As the primary objective of the site-visits was to document program operating procedures and methods, protocols were designed to identify all site activities relevant to implementation of the VETEC model:

- Staff roles, responsibilities, and communication
- Outreach and recruitment methods
- Information session, application submission, and random assignment
- Orientation, training services, program exit, and follow up procedures
- Level of partner involvement
- Timing of all program activities
- Site challenges

Following the interviews, IMPAQ researchers attended information, orientation, and training sessions at each site. After conclusion of the sessions, researchers engaged in focus group discussions with the attendees/participants. The goal of the focus groups was to gauge participant reactions to the sessions, as well as their overall experience with the program process.

3.2.2 Data Analysis

At the conclusion of the site visits, the site visit team analyzed the interview notes from each site visit and developed a summary of the findings. These summaries provided the research team with an overview of the significant takeaways from each visit, and ultimately served as the basis for IMPAQ's understanding of sites' implementation practices. A systematic analysis of the site visit summaries allowed for documentation of program implementation across the three LWIAs, as well as identification of program challenges, lessons learned, and best practices. Recommendations for addressing implementation challenges and improving program delivery were developed based on these findings. Findings from the implementation and process studies were also used, as noted, to help interpret and understand the results from the quantitative analyses.

3.3 Quantitative Evaluation Methodology

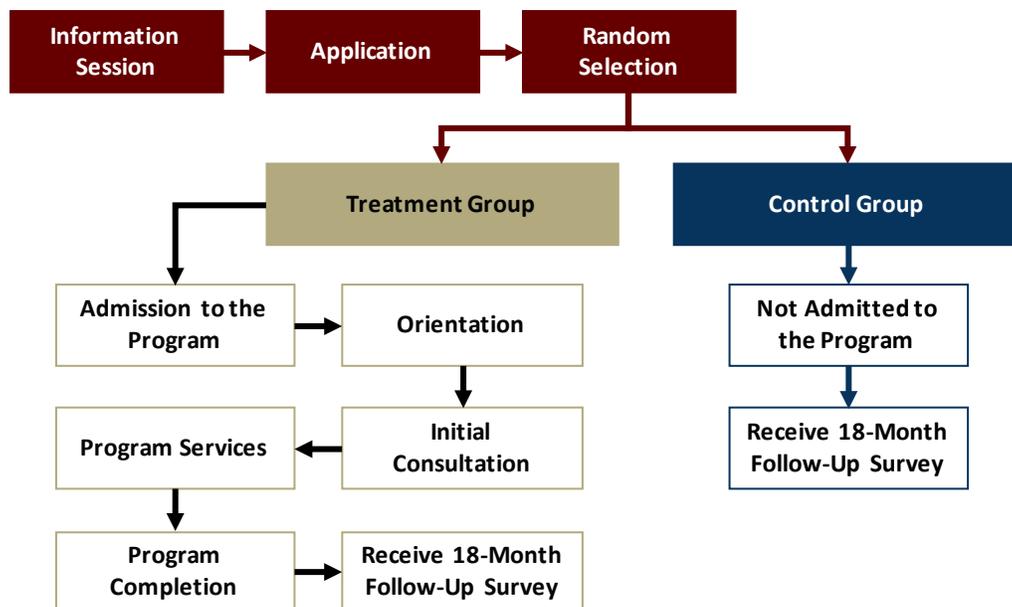
The quantitative component of the evaluation was designed to determine the overall impact of the VETEC program and assess if it was successful in meeting its goals. Using a batch randomization procedure, non-veteran eligible VETEC applicants were randomly assigned into one of two groups: a treatment group for whom VETEC services were available, and a control

group for whom VETEC services were not available.³¹ Outcomes were then compared between these randomly assigned treatment and control groups to measure the program’s impacts. Measured outcomes include likelihood of self-employment, likelihood of wage or salary employment, total earnings, and UI duration and benefit amounts received. Further, the analysis provided a comprehensive picture of the baseline characteristics of treatment and control group members, the types and intensity of program services received, and outcomes attained.

3.3.1 Random Assignment

The key design feature of the VETEC impact evaluation, random assignment, is designed to ensure that observed differences in outcomes between the treatment and control groups can be attributed to receipt of VETEC services with a known degree of statistical confidence. This rigor is possible because a properly conducted random assignment ensures that no systematic observable and unobservable differences exist between the treatment and control groups. Exhibit 3.2 details the random assignment approach used for this study.

Exhibit 3.2: Project VETEC Random Assignment Strategy



Random Assignment Procedures. The outreach materials were used to solicit participation into the VETEC program and stated that eligible job seekers will be randomly selected to receive program services. Potential candidates attended an information session before they could apply for the program. During the information session, the VETEC counselor showed a short video describing some advantages and disadvantages of self-employment; explained the VETEC

³¹ For all the analyses in this report, the treatment and control groups were determined on the basis of each individual’s program assignment status as recorded in the PTS. For those in the treatment group, we did not differentiate on the basis of their service participation intensity (for example, an individual who received just one type of service was treated as identical to an individual who participated in all service types). Therefore, our estimates of program impacts are intent-to-treat (ITT) estimates, rather than average treatment effects (ATEs).

program in detail; described services and resources available for self-employment; and educated candidates on the random assignment process. All interested individual's set-up an appointment with the case manager to determine program eligibility. If determined eligible, they proceeded to complete the application submission process.

In order to be randomly assigned, each individual signed a consent form appended to the application form. As part of the informed consent, IMPAQ asked applicants to acknowledge that:

- VETEC does not have space for everyone. Participants will be randomly selected from eligible applicants. Applicants will be informed of their status in the program approximately within 10 business days.
- IMPAQ will ask to interview applicants approximately eighteen months after random assignment. Although these interviews are extremely important for the study, applicants understand that participation in them is voluntary and will not affect participation in VETEC.
- As part of the study, IMPAQ will gather and use information about applicants from the VETEC program and state agency records on service use, earnings, and Unemployment Insurance benefit receipt.
- Information gathered for the study will only be used for evaluating the program. All information will be kept strictly confidential, unless the law requires disclosure or the applicant requests otherwise in writing.

Following the completion of the application/consent form, VETEC program staff entered the individual's information into the Participant Tracking System (PTS). This information was entered on a rolling basis, with the list of applicants updated daily by VETEC staff at each of the three participating sites. At the end of each business day, IMPAQ staff checked the PTS system to determine if any individuals need to be randomly assigned and conducted the assignment that day using a computer program. This program ensured that each applicant had an equal probability of being assigned to the treatment or the control group.

Batch Randomization. Daily random assignment has the benefit that applicants are matriculated into the program as they apply, but it also creates the potential for unequal group sizes. The 1:1 treatment-control group ratio is only ensured if the number of individuals being assigned is even. However, since VETEC staff submitted to the PTS any number of applicants for random assignment in a given business day, some assignments were conducted with an odd number of applicants. To ensure these applicants are assigned with equal probability of selection, IMPAQ used a 'batch randomization' procedure to carry out the random assignment process. This was accomplished by having each individual random assignment, or 'batch,' produce a treatment-control group ratio of 1:1, so that at the end of the random assignment period, treatment and control group sizes were equal.

Batch randomization was conducted using a custom Excel program written by IMPAQ staff. The program, which used Excel's RAND function, will assign each eligible applicant a random number and generate a randomly sorted list by sorting the applicants by that number. If that day's 'batch'

of applicants is even, the first half was assigned to the treatment group and the second half assigned to the control. If the 'batch' is odd 'batch, the process was the same, the median random number was assigned a new random number, either zero or one. If this number was one, the 'odd' applicant was assigned to the treatment group, and if not the applicant was assigned to the control group. In addition, the PTS flagged veterans and excluded them from random assignment. Once the random assignment was complete, VETEC staff reviewed the results and immediately communicated to the applicant whether they have been assigned to the treatment or the control group. The VETEC staff informed all applicants at the time of application submission that they would learn about the random assignment decision within 10 business days. IMPAQ and VETEC staff communicated on a weekly and ad hoc basis to ensure the validity of the random assignment process and to limit and address any issues that may arise.

3.3.2 Data Sources and Collection

The quantitative evaluation required three types of data: baseline data on demographic and socioeconomic characteristics, program services, and outcomes. Baseline data on characteristics were collected at the time of program application (i.e., referred to as 'at baseline'). The baseline and program services data were tracked and maintained using a PTS developed by IMPAQ. Data on outcomes were obtained from a follow-up survey administered to each individual (treatment and control group members, as well as veteran participants) 18-months following their respective date of random assignment.

Participant Tracking System (PTS). IMPAQ developed a web-based PTS designed to capture baseline data, manage random assignment, and track program data in each of the study regions. The application form used to capture data for the PTS is included in Appendix B. The PTS was mainly used to capture the following types of information:

- Baseline Data – Individuals interested in the VETEC program submitted a program application. Application forms captured information on demographics, employment and entrepreneurial history, veteran status, and other information. Once submitted, application information for eligible applicants was entered into the PTS by a VETEC program worker. Exhibit 3.3 presents the baseline data collected via the program application and tracked in the PTS.
- Program Data –Select program data (information and orientation session attendance and receipt of program services) were reported in the PTS for ease of analysis. Specific data elements entered into the PTS, varied by site.³²

³² The PTS was designed with the intent to capture all program data including information and orientation session attendance, receipt of program services, and outcome characteristics so that all data were consolidated into the PTS and could be used easily for analysis. However, the dual enrollment of participants in the VETEC program and WIA/WIOA necessitated that all the program data be entered into the Virginia Employment Commission's VOS system, the primary case management and labor exchange platform used in the state. Since the Case Managers found it cumbersome to enter the data in two different systems, the sites used the PTS selectively, as best suited their purposes.

Exhibit 3.3: Baseline Data

Element	Information Collected
Contact Information	<ul style="list-style-type: none"> ▪ Complete mailing address ▪ Email Address ▪ Cell phone number ▪ Home phone number ▪ Contact information for three references, such as spouse, family, friends
Background Characteristics	<ul style="list-style-type: none"> ▪ Date of birth ▪ Gender ▪ Race and Hispanic ethnicity ▪ Education level ▪ Household size ▪ Marital status ▪ Household income in the 12 months prior to baseline ▪ Disability or health problem ▪ Primary Language
Pre-program Labor Market Experience	<ul style="list-style-type: none"> ▪ Hours worked per week in last salary/wage job prior to baseline ▪ If currently underemployed, then what the applicant is doing currently ▪ Characteristics of last job (e.g., hours, full-time/par-time, occupation) ▪ Start and stop date of last salary/wage job ▪ Reason for stopping work on last salary/wage job ▪ Earnings before taxes and deductions ▪ Number of years worked in last salary/wage employment
Previous Self-Employment History and Current Business Idea	<ul style="list-style-type: none"> ▪ Any self-employment experience ▪ Self-employment status at the time of application ▪ Is business profitable?
Other Information	<ul style="list-style-type: none"> ▪ Currently receiving public assistance ▪ Currently receiving UI benefits ▪ Number of weeks applicant received UI benefits during 12 months prior to baseline
Informed Consent	<ul style="list-style-type: none"> ▪ Prior to random assignment, eligible participants acknowledge eligibility for the program and agree to participate in the study, including consenting to random assignment; data collection and use, including UI benefit receipt; and participation in a follow-up survey 18 months after random assignment.

Follow-Up Survey. The main source of outcome data was a web-based follow-up survey³³, administered to each individual 18 months following their respective date of random assignment. The survey was administered to treatment group and control group members and veterans. All the individuals who applied to the program between May 2013 and January 2015, received the follow-up survey. The survey instrument collected detailed information on demographic characteristics, income from self-employment and other sources, receipt of public assistance, other kinds of services received from local WIBs, entrepreneurship training received from any alternative programs, and overall usefulness of the program, among other variables.

³³ The survey primarily used a web-based survey tool to impose a lower burden on respondents than in-person/phone surveys.

The survey was approximately 25 minutes long. Telephone follow-up was conducted for participants who did not respond to the survey initially. Exhibit 3.4 presents the survey process. Though a typical batch was in the field for 8 weeks, some batches were extended to 10 weeks to allow additional time for non-responders to complete their survey. IMPAQ sent pre-notification letters to all participants, with a link and log-on information for the web survey portal. Two to three days after sending the letter, IMPAQ emailed the participant with a similar message and a link to the web survey. Approximately four weeks after the start of the web survey, IMPAQ analysts called non-responders to remind them to complete their survey and offer to help them complete it over the telephone. If participants did not complete the survey after the telephone follow-up, additional follow-up emails were sent on a weekly basis until the survey period was closed. The survey instrument is included in Appendix C.

Exhibit 3.4: VETEC Survey Process

Week 1	Week 1	Week 4	Week 5	Week 8-10
Pre-notification Letter	Email Invitation	Telephone Follow-up	Incentive Increase	Telephone Follow-up
<ul style="list-style-type: none"> Information about project Link to web survey Log-on information 	<ul style="list-style-type: none"> 2-3 days after letter Information about project Link to web survey Log-on information 	<ul style="list-style-type: none"> 4 weeks after web survey opens Remind participants to do survey Offer to conduct survey over the phone 	<ul style="list-style-type: none"> 1 week after telephone follow-up starts incentive increase decision made Field period extended by 2 weeks as needed 	<ul style="list-style-type: none"> Batch closed after 8-10 weeks Incentives processed

IMPAQ offered incentives to all participants who completed their survey. An incentive of \$20 was initially provided to everyone. Approximately one-week after the telephone follow-up, IMPAQ reviewed the response rates and made a determination as to whether to raise the incentive amount to \$40.

The survey was launched in November 2015 and concluded in July 2016. The overall response rate for treatment and control group members was 49.8 percent, with a 53.1 percent response for the treatment group and a 46.4 percent response for the control group. Among veterans, the response rate was 51.9 percent.³⁴

³⁴ Section 6.6.3 of Chapter 6 contains the results of analyses that tested for survey non-response bias, which showed no evidence of bias. Nevertheless, as a robustness check, we estimated program impact models that used attrition weights proportional to the probability of survey response. The estimated impacts were substantively similar between models with and without weights (see Section 6.6.4). This analysis is available upon request.

3.3.3 Data Analysis

Our quantitative data analyses consisted of both descriptive and causal analyses, as summarized below:

Descriptive Analysis. Using data from the PTS and follow-up survey, the IMPAQ team developed descriptive analyses of individuals' characteristics and services received. This was supplemented by aggregate analyses of outcomes.

- *Analysis of Characteristics* – The PTS data were used to provide descriptive analyses of the characteristics of treatment and control group members at baseline (i.e., time of application) (see Chapter 5). These analyses provided information on the demographic and socioeconomic characteristics, self-employment experience, and baseline UI receipt of individuals who were randomly assigned. A separate investigation of characteristics was conducted for the veteran participants (who, as noted, were not included in the random assignment process), details of which are described in Chapter 7.
- *Analysis of Services* – We used the survey data to tabulate types of self-employment services availed by participants, as well as cross-tabulations with characteristics to examine differences in services received across different participant types (see Chapter 5). We not only analyzed the types of services received, but also the level of service intensity. As in the case of characteristics, we conducted separate analyses for services on a subgroup of veterans (see Chapter 7).
- *Analysis of Outcomes* – We used survey data for descriptive analyses of labor market and self-sufficiency outcomes across program participants (see Chapter 6). Specifically, we examined likelihood of self-employment, likelihood of salaried employment, total earnings, and UI duration and benefit amounts received. We also conducted cross-tabulations of outcomes with characteristics and the level of service intensity, to determine whether some types of participants were more likely to achieve outcomes than others. Finally, we conducted separate analyses on the veteran participants, compared their characteristics at baseline with those of the non-veteran eligible applicants, and compared their outcomes to those of non-veteran program participants (see Chapter 7).

Impact Analysis. Prior to estimating program impacts, we verified that random assignment to the treatment or control group was done correctly (i.e., baseline equivalence was achieved). We tested for baseline equivalence in two ways: (1) t-tests, to assess if treatment-control group differences in mean values of baseline characteristics were statistically significant; and (2) Probit regression models, where the dependent variable was the probability of being assigned to the treatment and explanatory variables included baseline characteristics. After baseline equivalence was established, causal program impacts were estimated using multiple regression models that compared outcomes between treatment and control group members, controlling for baseline characteristics and prior outcomes. These models were estimated separately for each outcome of interest. Depending on whether the outcome variable was binary or continuous, we estimated Probit or linear regression models. Finally, we examined whether VETEC program impacts were seen for

select subgroups of interest, defined by age, and baseline UI receipt. Details on baseline equivalence tests and program impacts are provided in Chapter 6.

3.4 Conclusion

This chapter provided an overview of the evaluation design and methodology implemented to address the study research questions. The process and implementation studies constituting the **qualitative component** of the evaluation were designed to document program implementation and identify implementation challenges, best practices, and lessons learned that can inform future entrepreneurial training programs. The **quantitative component** was designed to understand the characteristics of VETEC-eligible applicants, identify the types and intensity of services received by program participants, and compare the outcomes of randomly assigned treatment and control group members to estimate program impacts. Detailed findings from both study components are presented in subsequent chapters.

CHAPTER 4. VETEC PROGRAM DELIVERY

This chapter provides a summary of the findings from the implementation and process studies. As noted, IMPAQ prepared implementation and process studies reports in 2014³⁵ and 2015,³⁶ respectively, based on findings from site visits to each of the three regions implementing the program. In addition to documenting the program's operation and services, the findings from these two studies answer the following research questions:

- What are the main program components? How are participating organizations implementing the individual components of the program model?
- What challenges did the grantees encounter when preparing to implement VETEC and after they began enrolling participants in the project? What steps did the grantees take to overcome these challenges?
- What promising practices are recommended by each of the key stakeholders?
- What best practices in program implementation are recommended by each of the key stakeholders?

The findings highlighted in this chapter detail how SkillSource, in collaboration with its partners, implemented the VETEC program model. These findings provide important context for understanding the impact study findings. In addition to documenting program delivery, this chapter also presents considerations and recommendations for future program implementers. While these considerations and recommendations are specific to implementation of the VETEC program, many are potentially applicable to similar entrepreneurial training programs. Section 4.1 details program management and organization. Sections 4.2–4.6 provide detailed information on outreach and recruitment activities, intake process, program services, program completion, and follow-up activities. Section 4.7 concludes the chapter with recommendations for future implementation.

4.1 Program Management and Organization

This section outlines the organizational structure of the VETEC program, including key leadership positions and their responsibilities. The section also delineates the program's communication processes.

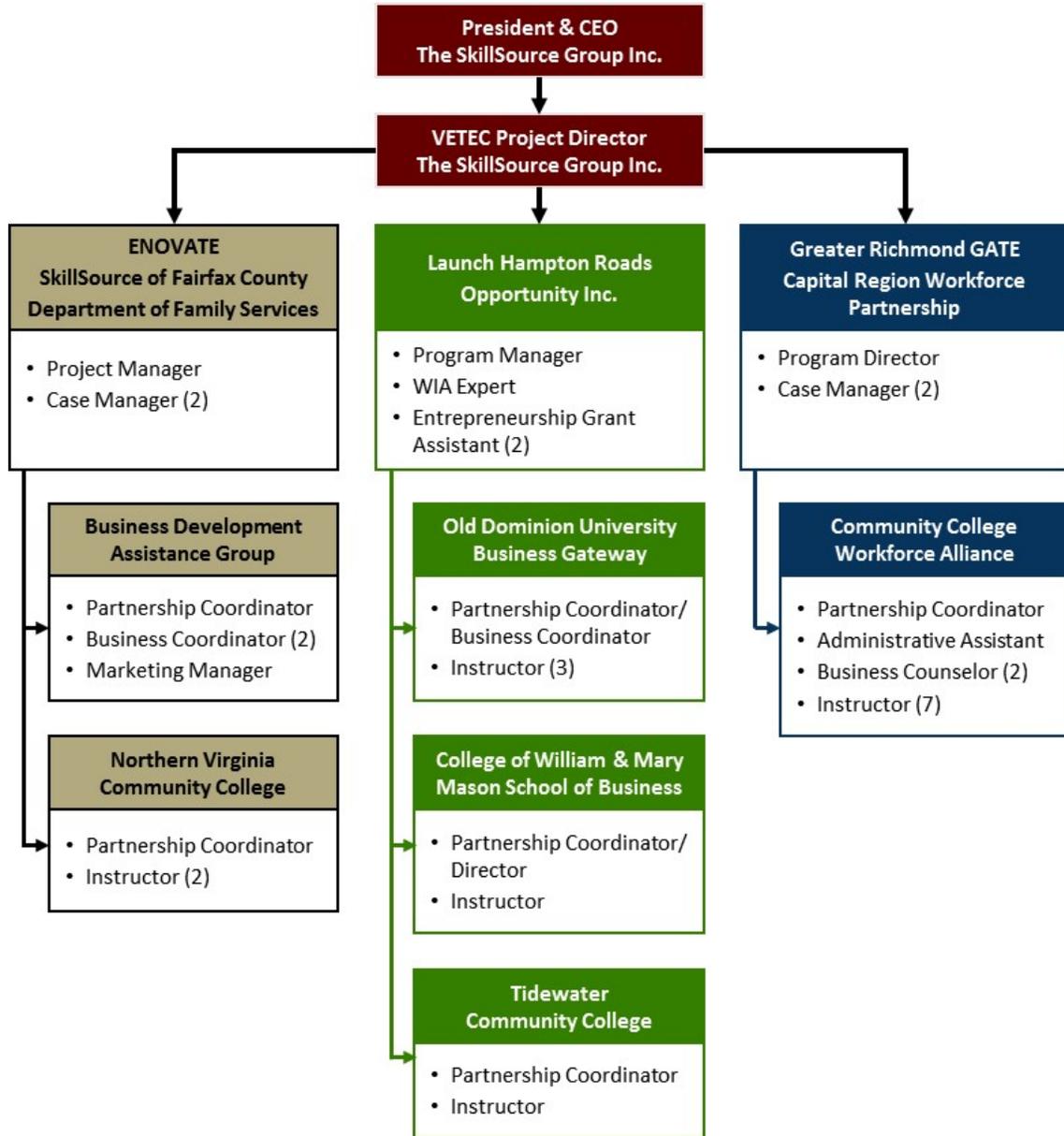
4.1.1 Program Organizational Structure

SkillSource served as lead organization and the entity responsible for program delivery in each service area (Exhibit 4.1).

³⁵ [Link to VETEC Implementation Study Report](#)

³⁶ Gupta, S., Llobrera, J., Cadima, J., & Griffith, T. (2015). *Evaluation of the Virginia Employment Through Entrepreneurship Consortium Program: Process Study Report*. IMPAQ International, LLC.

Exhibit 4.1: VETEC Organizational Chart



The VETEC Project Director (PD) represented SkillSource and was responsible for overall program oversight and for monitoring program operations. The PD led coordination within and among the three sites and provided guidance for program policies and procedures. The PD was also responsible for fiscal oversight, coordinating data collection, assuring performance outcomes, and reporting to USDOL. The VETEC PD worked actively with site-specific staff to resolve key issues potentially affecting individuals’ participation in VETEC or the delivery of services.

The VETEC program model prescribed that each site have a Site Director, Case Managers, and other partners responsible for conducting all the training-related activities of the program. While the program model specified roles and responsibilities for these key players, it also provided

flexibility to enable site-specific staff to tailor their staffing strategies based on participant needs. For example, in addition to their roles and responsibilities as outlined by the VETEC model, Site Directors at all three sites took on responsibilities related case management and outreach. Another difference between site implementation and the program model was identified in LAUNCH, where they did not employ designated Case Managers—opting instead to have the Grant Assistant, Program Coordinator, and Site Director share case management responsibilities. (Exhibit D.1, Appendix D summarizes the roles and responsibilities of the program key players as they were implemented at each site, as well as the roles as dictated by the program model.)

4.1.2 Program Communication

Developing an environment for effective communication across multiple channels is a critical component of any program. In the case of VETEC, as noted, the PD assumed overall responsibility for implementing and facilitating an effective and flexible strategy for communication across sites. Site Directors were responsible for implementing an effective communication system among their site’s staff and with program partners. The PD and Site Directors used a wide range of tools to ensure effective communication—including regional meetings, monthly site meetings, site visits, program reports, policy and procedure memorandums, document sharing platforms, emails, phone calls, and person-to-person communication. (Each channels is described in detail in Appendix D, Exhibit D.2.)

Best Practice: In addition to internal program communication, the program design provided flexibility to the sites to communicate externally to improve the quality of services provided. A contact at a local UI office or at non-profits in the area proved effective in addressing the needs of participants that VETEC staff were unable to meet within the program.

4.2 Outreach and Recruitment

The VETEC program made a concerted effort in conducting outreach and recruitment to ensure the target population was reached. Staff members used a variety of strategies to reach low-income and dislocated workers, such as outreach to the current WIA/WIOA population and to non-profit entities serving similar populations, advertising via traditional and social media, leveraging of staff connections in the community, and referrals from current participants. Once staff members identified individuals in the target population, an intensive effort was made to fully engage and provide them with program information. This section describes the community outreach and recruitment approach the sites used, along with the information sessions all prospective applicants were required to attend.

4.2.1 Community Outreach and Recruitment

The three service delivery sites used a wide range of outreach and recruitment activities to recruit individuals into the program, due to the difficulty in finding individuals interested in starting their own business (and have the financial means to do so) who also meet the low-income or

dislocated worker eligibility requirements. VETEC staff across all three sites pointed to the low-income eligibility requirement as a barrier to recruiting individuals who would otherwise be a good fit for the program. Sites reported greater success in recruiting individuals who were eligible as dislocated workers, because they typically have higher skill levels and access to more resources than those who meet the low-income criterion.

Best Practice: The flexibility provided to the sites to customize their outreach approach and branding materials allowed them to target the specific needs of their service area. However, site-specific flexibility needs to be balanced with the ability to generate greater awareness about the fundamental program model.

Recruiting Strategies. Each site was responsible for developing its own outreach approach and promotional materials to provide information on program eligibility requirements, enrollment procedures, and training services to interested individuals, partners, and other stakeholders. While the sites’ methods of outreach were generally similar, each site customized its outreach activities based on local labor market dynamics. The full range of activities outlined by the VETEC paradigm and used by each site are presented in Exhibit 4.2.

Exhibit 4.2: Recruitment Strategies by Paradigm and Sites

	Recruitment Strategies	VETEC Paradigm	ENOVATE	GRGATE	LAUNCH
1	Advertise in local magazines, newspapers, and newsletters	✓	✓	✓	✓
2	Attend community events, local employment and entrepreneurial events	✓	✓	✓	✓
3	Put advertisements online	✓		✓	✓
4	Send email blasts	✓	✓		
5	Send letters	✓	✓		
6	Target WIA/WIOA eligible individuals through VOS and/or American Job Centers (AJCs)	✓	✓	✓	✓
7	Distribute brochures in different languages	✓	✓		
8	Advertise in public libraries		✓	✓	✓
9	Advertise via radio ads and billboards			✓	
10	Distribute brochures/pamphlets		✓	✓	✓
11	Distribute Information Session Flyers		✓		✓
12	Present program information at incubators			✓	
13	Present program information at veteran organizations and veteran job fairs		✓	✓	
14	Sponsor local entrepreneurship events			✓	✓
15	Use social media			✓	✓

Select recruitment strategies included:

- **Recruiting Individuals through the Public Workforce System.** A primary source of applicants to the program was individuals who came through American Job Centers (AJCs) looking for employment and training services. This served as a natural area for recruitment, because these individuals often met the eligibility criteria for WIA/WIOA and VETEC and were already in contact with the workforce system.

Two sites also used the Virginia Employment Commission's (VEC's) VOS database as a source of contact information for potential program participants. The VOS database is the primary case management and labor exchange platform used in the state. This system contains the contact information for individuals already enrolled in WIOA services or registered in the state labor exchange system. One site used the contact information in the database to send emails directly to individuals eligible for the program, and reported some success with this practice.

Challenge: All sites reported that initially they did not access the VOS database due to the cost of using the state system; one service area reported that access to the list of individuals within the VOS system cost \$900 for 10 days.

Lesson Learned: In the future, sites/workforce development areas implementing similar recruitment efforts could benefit from pooling resources among the sites and thus reduce the cost of obtaining information from the VOS system by pulling individuals' names for each service delivery site at the same time.

- **Advertisements.** Staff at all three sites reported the importance of advertising the program's resources and training services via traditional and social media. For traditional advertisements, sites purchased ads in local newspapers (such as the *Employment Guide*) to recruit individuals. Two of the three program sites also purchased radio advertisements, and one site conducted outreach on television through a local news program.

The sites also used social media platforms including Facebook and Twitter to promote the program and connect with potential applicants. One site, however, was not able to pursue a social media recruitment campaign until late in program implementation, because of an organizational ban on the use of social media sites at work.

Best Practices: Brief write-ups describing the experience of past participants and how the VETEC program helped them launch successful businesses were included on fliers, emails, and newsletters. Program staff using this method reported that prospective participants were encouraged to join or stay with the program after seeing the success of past VETEC participants.

Promotional brochures and advertisements were made available in several languages, with one site producing materials in five. While all VETEC services required the participant to be proficient in English, having materials available in other languages assisted recruitment efforts in communities where most residents have a primary language that is not English.

Strategies to Recruit Veterans. Veterans who expressed interest in the program and met VETEC eligibility requirements, as noted, were automatically enrolled to receive VETEC services. Site staff mentioned attending career fairs for veterans organized by the many Veteran Service Organizations in Virginia, contacting employment representatives in AJCs who work with veterans, attending Transition Assistance Program employment sessions, and advertising in publications geared toward veterans and service members.

Challenge: Program staff noted an inherent tension between the eligibility requirements and the intended program outcomes, because many individuals who met the eligibility requirements were not able to complete the program due to their life circumstances. Since the proportion of the population with the requisite characteristics is extremely small, it was difficult to find these individuals, which helps to account for the lower than expected enrollment figures. **The shortfall in the sample size likely limited our ability to detect statistically significant impacts for many outcomes (see Section 6.6.6 for more details on the power analysis).**

Lessons Learned: Increased sharing of recruitment practices across sites could lead to more effective recruitment strategies to find this narrow segment of the population. Establishing a forum for sites to share effective recruitment practices, such as a SharePoint site, would empower Case Managers and other individuals responsible for recruitment to use the most effective strategies for VETEC recruitment.

Sites could also benefit from a unified branding approach across the entire state, to more effectively leverage their limited resources for outreach and recruitment. Additionally, a single statewide brand would allow each site to benefit from economies of scale in the procurement of advertisements, promotional materials, and staff resources.

4.2.2 Information Session

The information session served as the first entry point for prospective applicants, whose attendance at that session was mandatory prior to application. As with other program components, the program model included specifications for how the information sessions were to be implemented, including their length and content, to ensure all attendees received the same appropriate information on the program. While all three sites generally followed the program model specifications for information sessions, they did make some adjustments and additions to the delivery approach, as outlined below.

Information Session Registration. Outreach materials were aimed at promoting information session registration and directing individuals to each site's website for more information. While registration was not required, prospective applicants could register for information sessions at all three sites online or by phone. ENOVATE and GRGATE also offered the option of registering via email. Two sites, ENOVATE and LAUNCH, provided an email confirming each prospective applicant's registration, which listed the documents participants should bring to the information session to determine their eligibility. Registering for an information session facilitated the

application process. Prospective applicants were able learn about eligibility requirements in advance and begin collecting their documents prior to the date of the session.

Information Session Delivery and Content. Across sites, the information sessions were hosted by a team of one to four program staff and were generally between one and two hours. Program staff knowledgeable about WIA/WIOA eligibility, typically the Case Managers, led the presentations. At some sites, staff knowledgeable about business start-up, such as Business Counselors or training coordinators, were also present.

Best Practice: Although not always feasible, having Business Counselors as well as Case Managers at the session allowed them to answer eligibility questions and briefly address other questions attendees had about business start-up. The practice was ideal for providing information while at the same time keeping attendees engaged and excited about their business idea.

Sessions were held several times a month at locations that included local AJCs, unemployment offices, public libraries, partnering agencies, and community organizations. Information sessions were open to the public, and interested applicants were informed that walk-ins were welcome.

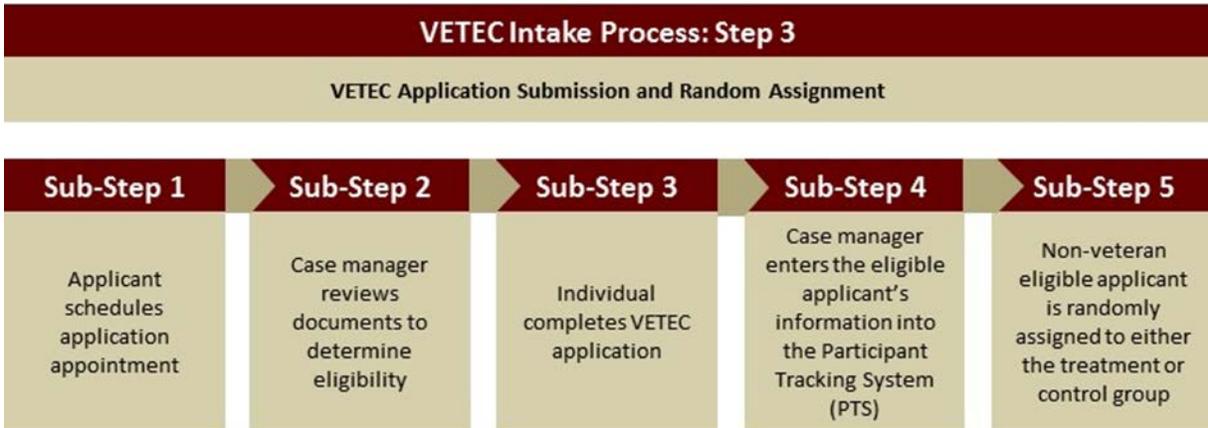
Most of the information sessions were devoted to a program overview, which included eligibility requirements and the application process, training services offered, and program completion requirements. Presenters also discussed the realities of self-employment while trying at the same time not to reduce the excitement generated among attendees about the program. Two of the sites, ENOVATE and GRGATE, conducted eligibility screening during the information sessions if interested applicants brought the required documents. LAUNCH made copies of attendees' documentation and scheduled later appointments to conduct eligibility screening. (The registration process, as well as delivery and content of the information sessions, are further detailed in Appendix D, Exhibit D.3.)

Best Practice: Having access to eligibility documents at the information session helped Case Managers determine more accurately whether the attendee was eligible to apply for the program. Online registration automated the process for sending information to individuals before and after the session. Case Managers also used the registration list to contact non-attendees to assess their interest in attending a future session.

4.3 Application and Intake Procedures

This section outlines the program application and intake procedures. Exhibit 4.3 details the VETEC application process.

Exhibit 4.3: VETEC Application Submission Process and Random Assignment



Application Process. ENOVATE and GRGATE closely followed the application process outlined by the program model. Individuals' WIA/WIOA-related information for all eligible applicants was entered or updated into Virginia's virtual one-stop system (VOS). Completion of WIA/WIOA assessments occurred after Step 5 (random assignment). GRGATE program applicants also had the option of completing the application at the information session if they had all the required documents. Although the program model specified that individuals should enroll into the WIA/WIOA/VOS only after becoming program participants, LAUNCH deviated from the model at step 3 by creating a VOS account for all eligible applicants, including those assigned to the control group.

Timing of Orientation. After being enrolled in the program, all program participants (treatment group and veterans) were scheduled to attend an orientation session. Its general purpose was to bring participants together, acquaint them with the program staff and their cohort group, and get participants excited about the program services and their business ideas. Orientation usually occurred no later than one month from the application date (i.e., baseline).

Best Practice: It was important to schedule the orientation session to occur soon after random assignment but also close to the start date of the training classes. This careful timing reduced the chances of losing participants along the way and helped keep participants engaged in the program.

Format of Orientation Session. The orientation served as a good starting point for delivery of program services. In all three sites the orientation session lasted about an hour, although the format for the session differed across sites. ENOVATE held a group session followed by an

individual session, GRGATE conducted a group session only, and LAUNCH scheduled individual sessions with participants. During the sessions, participants were introduced to key program staff and given detailed instructions on program services and requirements. In the group sessions, participants also introduced themselves to other members of their training cohort and were given the opportunity to briefly mention their business idea. (Exhibit D.4 in Appendix D presents an overview of the orientation session as outlined by the VETEC paradigm and implemented by the three sites.)

Dual Enrollment Completion. At two VETEC sites, enrollment into the WIA/WIOA program occurred in practice around the time of orientation and prior to the start of services. The formal enrollment of VETEC participants into WIA/WIOA usually occurred once they completed a WIA/WIOA assessment and signed an Individual Employment Plan (IEP).

WIA/WIOA Assessment and Forms. Using the VETEC orientation session as a venue to complete the necessary WIA/WIOA procedures with the participant was found an effective way to minimize the amount of effort and appointments needed to get participants started in the VETEC program. If the assessments were complete, the Case Manager reviewed the results with the participant. The Case Manager also collected any other required WIA/WIOA paperwork, including having the participant review and sign the IEP.

4.4 VETEC Services

The services delivered by the VETEC program fall into five general categories: core training on essential entrepreneurship curricula, business counseling, networking and special events, specialized training, and entrepreneurship mentoring. Most participants received services in the order outlined earlier in Exhibit 2.4 (Chapter 2). However, as described in more detail below, there was heterogeneity in services provided across sites.³⁷ This section summarizes implementation of each of these services based on the information gathered during the site visits. We begin by describing the assessment activities and initial business consultation, followed by a description of the entrepreneurship training and technical assistance offered, an explanation of case management and reporting activities, and details on program exit and follow-up procedures.

4.4.1 Assessments

All VETEC participants were required to complete a self-assessment, administered in the form of a PTS Assessment Quiz. Some sites also required participants to complete other assessments, such as CareerScope, the WorkKeys/Career Readiness Certification (CRC), the Test for Adult Basic

³⁷ This heterogeneity in service implementation may have contributed to differential service take-up across participants. As a result, our impact estimates do not represent the average treatment effect (ATE), but are to be interpreted as intent-to-treat (ITT) estimates. For more details see Section 6.6.7. Despite this heterogeneity in service implementation, no elements of the intervention were excluded from the evaluation.

Education (TABE), or the Comprehensive Adult Student Assessment System (CASAS). These assessment tools are summarized in Appendix D, Section D.1.

The sites varied in the type and number of assessments they required of participants. For example, GRGATE did not require participants with college degrees to complete the CRC assessment. The other two sites did not have such an exemption.

Best Practice: By coordinating with the local WIB, program sites were able to identify the assessments most relevant for the participants in their region, and determine which assessments would be required and which ones would be optional. Limiting the assessments participants were required to complete saved program resources and reduced participant burden.

At some program sites, participants were expected to complete the required assessments before the orientation session. By completing the assessments early, participants were able to gain some insight into their business and career goals and their skills and needs. The Case Manager or Business Counselor then had the opportunity to review the assessment results with the participant, although the sites did not use the assessments systematically to design service delivery strategies for program participants.

Challenge: Although Case Managers worked to schedule the assessments prior to the orientation session, coordinating staff and participant schedules to administer assessments often made this impossible.

Solution: To facilitate the completion of assessments, some program sites used self-administered assessments, such as CareerScope, which could be completed by participants on their own time. Some sites also provided access to computers after the orientation session to allow participants to complete their assessments at that time.

4.4.2 Business Consultation

The VETEC program model calls for an initial business consultation conducted by each site's partnered Business Counselor. The counselors provided initial and ongoing business consultation and helped participant create their business plan and acquire the necessary business documents. Sites were given the flexibility to have dedicated Business Counselors available throughout the program, or alternatively, have other program staff assume the role of Business Counselor. (Appendix D, Exhibit D.5 provides details on the business counseling provided across sites as compared to the VETEC paradigm.)

Initial Consultation. Participants in all three sites received an initial business consultation either during (LAUNCH) or after (GRGATE and ENOVATE) the orientation session. GRGATE and ENOVATE had dedicated Business Counselors; in LAUNCH, the Program Coordinator and instructors performed that function. Business Counselors helped guide participants in defining their business development goals and strategy, and outlined the VETEC business training curricula and class

schedule. Based on the results of their self-assessment, participants needing additional training prior to starting VETEC services could enroll in basic skills courses, such as computer training, at the local community college or with the site's educational/training provider.

At the initial consultation, the Business Counselor listened to each participant describe his/her business idea and its objectives, and provided a reality check on the participant's underlying approach and basic strategy. During this consultation, the counselor laid the groundwork for an individualized business strategy, and began assisting each participant to establish and register a business name and obtain the required business documents.

The Business Counselor concluded the consultation by providing the participant with an individualized to-do list, instructing him/her to initiate the basic research steps of a feasibility plan. The objective was not to validate the participant's business idea or strategy, or to make decisions for the participant, but rather to provide objective professional counsel.

Ongoing Business Consulting. At the conclusion of the first consultation, participants and Business Counselors usually scheduled a follow-up consultation. Ideally, the initial consultation was only the beginning of ongoing business counseling and dialogue. To facilitate participant engagement with the program, frequent contact with Business Counselors was considered essential. At two out of three sites, Business Counselors met with participants on a weekly or bi-weekly basis. The third site scheduled additional consultations on an as-needed basis.

Best Practices: Business Counselors coordinated with Case Managers to make sure participants were meeting program requirements and on track toward launching their business. Through close and frequent contact with participants, Business Counselors were often the first to become aware of, and bring to the Case Managers' attention, barriers participants were facing (such as transportation issues).

Business Counselors also served as the "center spoke" for training. Participants reported that their Business Counselors kept them informed about events and opportunities related to their entrepreneurship training. Business Counselors also connected participants to additional services and referred them to other consultants to handle topics such as social media, marketing plans, legal issues, and accounting.

4.4.3 Entrepreneurship Training and Technical Assistance

All VETEC participants enrolled in an intensive entrepreneurship training program, with training services provided by site partners and training providers. Each site developed an entrepreneurship curriculum to serve as the foundation for successful implementation of a participant's business plan.

The VETEC implementation model only stipulated nine core components to be included in the training, with sites specifying schedule and intensity. Given this flexibility, program sites

conducted from 40 to 80 hours of core training followed, by one to 5 weeks of supplemental training. In addition, VETEC encouraged and supported participants in pursuing additional credentials when available and applicable to their chosen business line.

Cohort Model. The VETEC program model specified that all sites should adhere to the cohort system for providing training services, which all three sites adopted. The cohort system provided a supportive peer-learning environment, in which participants could act as resources for one another during and after the program. During the core VETEC training, participants learned how to network and test out their marketing message through interactions with other members of their cohort, either formally through interactive class activities or informally outside class. In a focus group conducted by the research team, participants who had already completed the program still strongly identified with their cohort, even identifying themselves by their cohort number. Some connections between participants lasted beyond the training period.

Core and Supplemental Training. All VETEC participants, regardless of the workforce area in which they were located, received a set of core trainings on essential entrepreneurship topics. Sites were allowed to decide whether to use existing service delivery models (if available) or create an entirely new strategy, but all VETEC participants were to complete the program with the same core skills and receive the same Certificate of Completion (see Appendix D, Section D.2). In addition to the core training, program participants had access to supplemental services, which varied by site (see Appendix D, Section D.3).

Lesson Learned: There was no consensus across sites on the optimal length of training. Conducting the required core training over a shorter period of time may have made it more feasible for participants to attend all the sessions and complete the training. The tradeoff was that participant engagement in the program may have been lower because of fewer contact hours with program staff, instructors, and fellow participants.

Longer training duration had the potential of increasing participant engagement by allowing participants more time to process the information they received in class. The tradeoff here, however, was that a longer duration may have resulted in a greater drop-off in participation, as individuals stopped attending classes because they had to return to work or found a job.

Entrepreneurship Mentoring. In addition to training services, each workforce region coordinated an entrepreneurship mentoring program, in which VETEC graduates and successful small business owners served as mentors and facilitated peer support groups. LWIA #9 (Northern Virginia) and LWIA #11 (Capital Region Workforce Partnership) draw from graduates of the former GATE program initiatives; LWIA #16 (Hampton Roads) adopted the same model, drawing mentors from the pool of successful small business owners, business coaches, subject matter experts, individuals with previous small business mentoring experience in the local Norfolk area, and participants from earlier cohorts of the program who had successfully started businesses. In some cases, course instructors also served as mentors to participants.

Challenge: For a variety of reasons, the program sites encountered difficulty connecting participants with mentors. Staff at one site reported that only about a quarter to a half of participants in a cohort were taking up the mentoring opportunity. Program staff at another site reported that they did not have a single participant use the mentoring service, even though mentors were available.

Lessons Learned: Providing additional structure to the mentoring service could help elevate the role that mentorship plays in the overall program. In some cases, the mentoring service was introduced early in the program, for example, during orientation, but with minimal follow-through—leaving it up to the participant to request a mentor and set up appointments. Having Case Managers or Business Counselors coordinate the initial and follow-up meetings between participants and mentors might help connect more participants with the mentoring service. One program staff member spoke of the difficulty of finding qualified individuals willing to mentor without charge. This could be addressed by allocating funds for mentors and designating a fixed number of sessions/hours for participants to meet with them.

Low engagement with the mentoring service may have also resulted from a lack of understanding about the unique value mentoring offers. A mentor with business experience can help a new entrepreneur develop new skills and abilities, provide guidance on business strategy, offer advice on how to deal with difficulties and setbacks, and expand business contacts and networks. Participants may also have felt their needs were being met by other program staff, such as Business Counselors, or by external mentors. Staff members observed, however, that once participants were connected with mentors, they were likely to continue working with them—evidence of their value to participants.

4.4.4 Case Management and Reporting

The case management function was a vital component of the VETEC program model. Throughout the delivery of program services, Case Managers and program training staff, including Business Counselors and training coordinators, engaged in ongoing data collection, tracking, and reporting of each participant's progress in services received and outcomes. Starting from the day of enrollment, participants received one-on-one intensive case management. The goal was to provide participants with ongoing support and technical assistance as they progress through the program, including administrative support with application forms and services.

Designated Case Manager. The Case Manager served as the point of contact to provide wrap-around services and engage the participant continuously to take care of his/her administrative needs. Of the three sites, ENOVATE and GRGATE assigned a designated Case Manager to each participant, typically assigned at or before the orientation session, based on office location and availability. LAUNCH split case manager responsibilities (see further below) among multiple program staff, however. In the scenario where the Case Manager's role was not clearly defined and spread among several individuals, it could be difficult for the participant to know whom to contact for different activities. This may also have made it difficult to keep an individual continuously involved with the program.

On-going and Effective Case Management. Case Managers were responsible for maintaining contact on a regular basis, at least once a month. Case management involved:

1. Continuously monitoring participants’ progress in the program,
2. Working closely with Business Counselors and training coordinators,
3. Ensuring participant updates were shared and reported in a timely manner, and
4. Maintaining the integrity and flow of program services to the individual.

In addition, Case Managers coordinated services outside VETEC, including WIA/WIOA-funded training services and supportive services, such as gas cards or bus tokens. (See Appendix D, Exhibit D.6 for details of the case management services provided across the three sites.)

Case Management Tools. To track participant progress and outcomes, case managers and other program staff used, and shared, various tools and other resources. These include the PTS, the VOS, internal spreadsheets tracking participant data and progress, and hard copy participant case files. An overview of the information tracked by each tool is shown in Exhibit 4.4 and described in more detail below.

Exhibit 4.4: VETEC Case Management Tools

Tool	Purpose
Participant Tracking System (PTS)	<ul style="list-style-type: none"> ▪ Collect VETEC application information ▪ Maintain random assignment selection outcome ▪ Track VETEC business services
Virginia’s Virtual One-Stop System (VOS)	<ul style="list-style-type: none"> ▪ Collect and submit participant WIA/WIOA application information ▪ Maintain record of participant activities (IEP, training, etc.) ▪ Maintain case manager case notes ▪ Exit participant from WIA/WIOA ▪ Enter WIA/WIOA follow-up information
Internal Spreadsheets/Logs	<ul style="list-style-type: none"> ▪ House participant contact information ▪ Track stages of participant’s application and enrollment ▪ Track attendance at activities ▪ Track participant goals and outcomes
Case Files	<ul style="list-style-type: none"> ▪ House physical copies of application and forms ▪ House eligibility documents ▪ House printouts of case notes ▪ House business documents received/collected

VETEC Progress Reports. Case Managers and program staff worked together to capture and report specific program metrics on a monthly and quarterly basis. Sites collected data on a range of performance measures, including outreach and recruitment, participant progress, and participant outcomes.

Best Practice: Monthly and quarterly reports were an important part of monitoring each site’s recruitment pace and intake against the overall participation targets established in the grant application. Monthly reports provided an overview of participant demographics across all three VETEC sites, such as gender, age, education level, and business idea (by industry). Quarterly reports from each site also provided updates on progress and accomplishments by partners, grant challenges, technical assistance needs, recent success stories, and marketing implementation plan progress.

4.5 VETEC Program Completion

The VETEC program shared a number of program requirements with the WIA/WIOA program. As a result of dual enrollment, VETEC participants were also included under WIA/WIOA’s performance accountability system. In addition to meeting the VETEC program’s “completion” requirements as defined in the grant, participants had to meet WIA/WIOA “exit” requirements.³⁸ Successful participants were those that met the VETEC program completion training requirements and “business start-up” definition, *and also* met WIA/WIOA performance measures of credential attainment and entry to self-employment (see Exhibit 4.5).

Exhibit 4.5: VETEC Program Completion and WIA/WIOA Exit Requirements

WIA Program Exit	VETEC Program Completion
<p>Successful WIA/WIOA Exit for VETEC Participants:</p> <ol style="list-style-type: none"> 1. Complete WIA/WIOA Individual Employment Plan (IEP) 2. Complete a WIA/WIOA assessment 3. Complete a WIA/WIOA credential attainment <ul style="list-style-type: none"> – Complete entrepreneurial training course, and – Obtain <u>at least one</u> of the following: <ul style="list-style-type: none"> ▪ Preliminary business plan ▪ Business name ▪ Federal EIN ▪ DUNS number ▪ Business License 	<p>Successful VETEC Program Completion:</p> <ol style="list-style-type: none"> 1. Attend a VETEC orientation 2. Complete <u>all</u> VETEC entrepreneurial training requirements and obtain course completion certificate 3. Obtain <u>all</u> VETEC business documentation: <ul style="list-style-type: none"> – Preliminary business plan – Business name – Federal EIN – DUNS number – Business License

Note that there was no specific rule regarding the order in which VETEC completion and WIA/WIOA exit should occur. If participants completed all VETEC requirements, they were typically ready to be exited from WIA/WIOA as long as they were not currently receiving any additional WIA/WIOA services. This section describes the scenarios for traditionally employed individuals and non-successful exits.

³⁸ The VETEC grant defined program completion as completion of “all training requirements and starting and growing [a] business.” The definition of a business start-up was clearly defined in the grant as one that has an EIN number, a business license, and a DUNS number.

Training Requirements: To receive the certificate of training completion, VETEC participants at all sites were required to attend a set of core training courses. Other requirements varied by site. Sites could, for example, require participants to attend a certain number of business consultation sessions, additional training classes, and monthly networking and focus group events.

Business Documents: The VETEC program defined a business start-up as one that had a Federal EIN, Business Name, Business License, and DUNS number. Participants were considered to have successfully completed the VETEC program after meeting those specified requirements. Case Managers and program staff commented that participants did not actually “exit” the VETEC program, however, because they were given options to continue their engagement. Those who completed the program were still invited to participate in focus group and networking events. In addition, Business Counselors observed that past participants still contact them for advice and share their progress long after they have met all the program’s requirements.

Traditional Employment. Participants could also successfully exit WIA/WIOA if they had obtained gainful traditional employment—in which case the participant generally had two options with regard to VETEC services. One was to withdraw from the VETEC program and no longer receive VETEC services. The second option, generally offered to participants who expressed interest in completing their business goals (and who had flexible work schedules), was to continue receiving VETEC services until they complete their VETEC program goals.

Non-Completion. Participants failed to exit WIA/WIOA successfully or were withdrawn from the VETEC program for various reasons. The most common reasons included pressing financial needs requiring a steady income, lack of participation in the program, or lack of communication with the Case Managers. Case Managers and program staff reviewed each case, and made every effort to re-engage participants before deciding to withdraw them from VETEC or exit them unsuccessfully from WIA/WIOA. If participants had been inactive, had not met requirements for program completion, and had not communicated with a Case Manager in the last 90 days, staff would proceed to exit them from the program. This included closing their WIA/WIOA activities in VOS and withdrawing them from any VETEC program activity. Business Counselors stated that many participants were not fully committed to starting a business and that this affected their participation in the program.

Lessons Learned: The program also required participants to complete a preliminary business plan. Although these business documents were required by VETEC to be considered a business start-up, many participants and program staff felt that requiring all of them posed an unnecessary challenge. For example, some counties do not require business licenses if income is estimated to be less than a specific amount, while other counties charge a fee of about \$100, a cost many participants could not afford. In one example, a participant had to go to great lengths just to get public transportation to go to the county office to obtain a business license. Also, many participants felt that getting a DUNS number was an unnecessary burden, since they were not planning to contract with the federal government.

4.6 Follow-up

This section describes the performance measures and individual follow-up procedures for both WIA and VETEC.

WIA Follow-up after Exit. All dual-enrolled VETEC and WIA participants agreed to participate in WIA follow-up procedures when they signed the WIA participation forms as part of the VETEC application procedure. The WIA follow-up occurred every 90 days (i.e., quarterly), for a period of 12 months beginning from the participant’s WIA exit date from VOS. During this process, designated WIA staff contacted the exited participant to track outcomes related to WIA performance measures.³⁹ The traditional follow-up measures tracked in VOS include employment retention and employment earnings. If the individual is engaged in non-traditional employment, such as entrepreneurship, other documents can supplement regular employment earnings records. Internal business documentation or supplemental data sources such as business tax files or bank statements may be used to prove employment retention in non-traditional occupations. These measures were used to report outcomes to local WIBs. Details on the WIA performance measures tracked at exit and during follow-up are shown in Exhibit 4.6.

Exhibit 4.6: Tracked WIA Performance Measures⁴⁰

Measure	Definition
Entry to Employment	This measure assesses a participant’s ability to obtain employment. VETEC participants satisfy the entry to employment performance measure when they have obtained any of the following: a preliminary business plan, a Federal EIN, a DUNS number, or a business license.
Employment Retention	This measure approximates a participant’s ability to retain employment in the year following entry to employment. VETEC participants may use any internal business documentation as proof of employment retention, including, but not limited to, quarterly tax returns, sales receipts, or contracts for service.
Average Earnings	This measure assesses traditional wage/salary earnings in the three quarters following program exit. VETEC participants whose entry to employment was determined from supplemental sources (not wage records) are excluded from this measure.* However, VETEC participants who were exited from WIA for traditional employment reasons must still be measured by their average earnings.
Credential Attainment	This measure assesses participants’ ability to obtain a skill or occupational credential from a workforce training program. VETEC participants satisfy the credential attainment measure when they (1) obtain certification of LWIA-approved entrepreneurial training; and (2) obtain any of the following supplemental data sources: a preliminary business plan; a Federal EIN; a business license; or a DUNS number.

* Virginia Workforce Letter #12-04, “[Entry into Entrepreneurship](#),” Revised June 20, 2013, p. 6.

³⁹ Virginia Workforce Letter #12-04, “[Entry into Entrepreneurship](#).” Revised June 10 2013.

⁴⁰ WIOA performance measures were not tracked at program exit.

VETEC Follow-up Survey. All applicants who applied to receive VETEC services prior to the study period end date (January 31, 2015) were required to agree to participate in a VETEC follow-up survey 18 months after their random assignment date (or for veterans, their application date). The research team administered the VETEC survey to the treatment, control, and veteran groups.

4.7 Conclusions and Recommendations

This chapter presented the findings from the implementation and process studies to demonstrate how the program model was implemented by SkillSource and their partners. In addition to outlining how the program was delivered to participants, this chapter also highlighted program best practices, challenges, and considerations for future implementation.

VETEC program staff, partners, and participants reported very positive views of the program and recommended replicating it in the future, despite some implementation challenges. The VETEC program is distinguished by the quality of the intensive, specialized entrepreneurship training and the individualized approach taken with each participant. VETEC is also distinctive in its comprehensive approach to entrepreneurship training and follow-through. The program model fills a unique role in the workforce development system and can serve as a model for future efforts to build self-sufficiency through entrepreneurship. Recommendations for implementing the VETEC program in the future are presented for each program component below.

Organizational Structure and Communication:

- **Clearly identify the roles and responsibilities of each partner.** All partners should meet before program implementation begins, to review the service delivery model along with roles and responsibilities at each stage. Case Managers and training providers should continuously communicate with participants to make sure they are successfully navigating the administrative requirements of the program, and at the same time, acquiring the skills and training needed to launch their business. An online document sharing platform, such as a SharePoint site, could facilitate the sharing of information among partners and participants.
- **Use regional meetings to share best practices.** Despite regular regional meetings, VETEC program staff reported that they had minimal interaction with their counterparts at other program sites. To expand the opportunity for program implementers to learn from the experience of other sites, a portion of the regional meetings could be structured as breakout sessions focused on key implementation processes or challenges.
- **Engage the state employment commission early on.** Obtaining UI waivers was crucial to VETEC success. An important lesson learned during program implementation was the need to engage and coordinate with the state employment commission that administers the UI program even before implementation starts, so processes are in place to handle UI waiver requests from participants. VETEC program staff found that the UI waiver implementation process improved once a single point of contact at the Virginia Employment Commission (VEC) was identified. Future program implementers should ensure they have a single point of contact at the state

employment commission who is familiar with the program and understands the important role UI waivers play.

Outreach and Recruitment:

- **Publicize and promote the larger mission of the program.** To increase buy-in from local organizations, recruitment efforts should promote the next program event or information session, along with the program and its overall mission, as part of a long-term outreach effort. Some program sites were successful in recruiting by getting the word out to local organizations, which, in turn, referred prospective participants to the program.
- **Create and leverage a shared brand.** Future implementers should work across sites to create and operate under a shared program brand. Having the same program name and branding across all sites will lead to greater recognition of the program's brand across the state, enable program staff to share marketing materials, and allow for a common online portal for the program, with links to the individual program sites.
- **Use individuals who have successfully completed the program as ambassadors for it.** Past participants that have launched successful business ventures were shown to be effective spokespersons for the program. Brief write-ups describing the experiences of past participants and how the program helped them launch successful businesses should be incorporated into marketing materials to help encourage individuals to join and complete the program. Program implementers should also invite past participants who started successful businesses to speak at special events or focus groups, to help motivate current participants to stay in the program until completion.
- **Experiment with recruiting methods.** Program staff at all three sites acknowledged the challenge in finding individuals who were interested in starting their own business, had the financial means to do so, but also met the low income/dislocated worker eligibility requirements. To address this challenge, VETEC program staff members worked with a variety of local community organizations to use a range of recruitment activities. Future program implementers should be flexible in their recruitment strategy, making adjustments over time as they identify the most effective methods.
- **Share the expense of VOS database.** Use of the VOS database to send emails to individuals already enrolled in WIA/WIOA services or registered in the state labor exchange system was shown to be an effective recruitment tool, although the cost of accessing the list of potentially eligible individuals within the VOS system proved to be a barrier. Future implementers should consider pooling resources across sites to share the cost burden of accessing/using the VOS database.
- **Provide support services to address transportation issues.** Many VETEC participants faced transportation barriers that discouraged their participation and engagement in the program if left unaddressed. To reduce transportation barriers, some program sites accessed WIA/WIOA funds to provide gas cards and bus cards to participants. Future participants may also have to travel long distances and incur high transportation costs to attend training sessions and program events. In addition to offering financial assistance to cover

transportation costs, program implementers should also work to locate training sessions and program events in venues, and at times, that permit participants to use public transportation.

Information Session:

- ***Make the most of the initial information session.*** Most of the information session should be devoted to providing an overview of the VETEC program. It is important that attendees understand the significant commitment program participation requires in time and effort. They must also understand that the program does not provide seed funding for starting up a business and that starting a business is not without risks. In other words, there is no guarantee of success, and even if the business is successful, it may take a while for it to generate a steady income.

Having a Case Manager and a representative from the training partner present at the information session is important to ensure that any questions that individuals may have, not only about the administrative aspects of the program but also the technical aspects of starting a business, can be addressed. At the end of the session, program staff can use an eligibility checklist to quickly determine if an individual is eligible for the program.

- ***Automate the process for registering for the information session.*** To reduce the burden on Case Managers, program sites should automate the information session registration and confirmation process. Such systems are free and easy to set up and use.

Application & Intake:

- ***Use the orientation session to streamline the start of training services.*** To streamline the program intake process, time should be allotted at the end of the orientation session to allow participants who have not already completed the assessments to do so. Because participants are already on site and training partners may be present, program sites may want to consider starting classes on the same day as the orientation session, so participants with transportation issues do not have to come back again to start the training.

Assessments:

- ***Use assessments to tailor program services to the needs of the participants.*** Case Managers and Business Counselors should review and discuss the assessment results with participants before training begins, to help them formulate personal goals and identify career interests and training needs.
- ***Keep the assessment process streamlined and relevant.*** To facilitate completion of assessments, program sites should schedule a group session immediately before or after the orientation session to allow more time to complete assessments. Program sites should coordinate with their local WIB to determine which assessments should be required of participants and which should be optional.

Business Consultations:

- **Use the initial consultation to begin development of a business plan.** The initial business consultation should be scheduled after the orientation session, so that the Business Counselor does not have to go over information covered during the orientation session and can focus on what the participant needs to do to be successful in the program.
- **Set up the expectations and schedule for ongoing consultation.** To keep participants on track and engaged with the program, the initial consultation should be followed up with ongoing business counseling and dialogue.

Core and Supplemental Training:

- **Emphasize and leverage the cohort model.** Engagement is strengthened when participants feel connected to others in their cohort. Strong cohort interactions help build skills in networking and experience in communicating business ideas. Cohort members may become friends or even business partners, thereby gaining a sense of cohesiveness that may encourage them to remain engaged with the program.
- **Consider the trade-off between shorter and longer training duration.** Participating in VETEC training was a significant time commitment, requiring participants to rearrange their schedules and routines to attend classes and special events. Program implementers need to take into consideration the demographic and socioeconomic characteristics of their participants when deciding on the training duration. For instance, if many participants face transportation constraints or tend to be the primary caregiver for others, a shorter duration may offer these individuals a better chance of completing the program.
- **Hold regular peer events for current and former participants.** Networking events gave current participants a chance to network with past participants, learn from their experiences, and gain encouragement from their progress. Some participants described these events as one of the best things about the program. Program implementers may need to experiment with the timing, frequency, and location of these events to maximize participant engagement. Making attendance at a specified number of events a requirement may help current participants get into the practice of attending these events more often. Selecting popular topics, such as marketing strategy or legal issues, may also boost attendance.
- **Provide additional guidance and structure to the mentorship program.** Program staff observed that participation in the mentorship program was minimal, as noted, and that mentoring remained a peripheral component of the overall program. Guidance on the frequency and duration of contact hours with mentors may help raise the profile of mentorship and integrate it with other facets of the program. Program staff also noted that mentoring was demanding and that not all mentors were willing to commit their time without compensation. Setting aside funding to pay mentors for their services might increase mentor involvement in the program.

Case Management:

- **Assign a dedicated Case Manager to each participant.** To help participants stay on track, each participant should be assigned to a dedicated Case Manager. The Case Manager should be the primary point of contact throughout the participant's time in the program. Having a single point of contact can help build trust and rapport; it also makes a single program staff accountable for a participant's progress.
- **Use online sharing tools, such as SharePoint, to track participant progress.** The program brings together a range of partners, services, and resources to provide training to participants. To keep the program running smoothly and participants on track, communication tools need to be in place to coordinate all program components. The use of online sharing tools will allow Case Managers and site partners to share and monitor real-time participant updates.

Program Completion:

- **Clearly define program exit and completion procedures.** Co-enrollment in VETEC and WIA/WIOA created some confusion among program staff regarding requirements for program completion. Program staff should develop a checklist that clearly lists all requirements needed to complete the program and exit WIOA (if participants are co-enrolled). Such a list should also include any site-specific requirements for VETEC program completion.
- **Streamline requirements by type of business startup.** Program completion requirements should be streamlined to include only those relevant for all types of business startups. For example, the VETEC program requirement that all participants acquire a DUNS number was not applicable to all participants, because it is only needed if an individual is seeking to contract with the federal government. A DUNS number could be considered a requirement for participants who aim to be federal contractors, but should be optional for all other participants.

The next chapter provides a detailed description of the demographic and socioeconomic characteristics of individuals, as well as the VETEC and non-VETEC services they utilized.

CHAPTER 5. BASELINE CHARACTERISTICS AND SERVICES RECEIVED

The previous chapter introduced the reader to the details of the VETEC program, and its implementation across the three sites. Against that backdrop, this chapter provides a detailed description of the demographic and socioeconomic characteristics of the *non-veteran eligible applicants* to the VETEC program (i.e., program participants plus control group members).⁴¹ The chapter also summarizes the rates at which the treatment group engaged in the different types of services offered by the program. We use “treatment group” and “program participants” interchangeably in this chapter.

The VETEC evaluation is based on 733 individuals across the entire VETEC consortium (Exhibit 5.1).⁴² Of these, 373 (51 percent) were randomly assigned to the treatment group, who had access to the full suite of VETEC services (for the differential take-up of those service types among participants see Section 5.5). The remaining 360 were assigned to the control group. The LAUNCH site had the largest evaluation sample (269), followed by ENOVATE (260). The proportions of individuals assigned to the treatment group were similar across the three sites.

Exhibit 5.1: Distribution of Individuals in the Evaluation Sample

Site	Treatment Group	Control Group	Total Individuals
ENOVATE	50% (129)	50% (131)	260
LAUNCH	52% (140)	48% (129)	269
GRGATE	51% (104)	49% (100)	204
All Sites	51% (373)	49% (360)	733

Note: Data from PTS

The chapter proceeds as follows. Section 5.1 summarizes the main findings of the chapter. Sections 5.2 and 5.3 describe the key characteristics of the 733 randomly assigned individuals broken down by site and treatment group status, respectively. Section 5.4 investigates the characteristics of two subgroups of particular interest – individuals with self-employment experience and individuals receiving UI benefits at baseline. Section 5.5 describes the rate of program completion by VETEC participants, and examines how completion rates differ by key subgroups. Section 5.6 catalogues the VETEC services received by participants, and non-VETEC services received by those in the treatment and control groups, and how the rate of service receipt differed across particular subgroups. Section 5.7 concludes the chapter.

⁴¹ As noted, veterans eligible to receive WIA/WIOA services are given the same priority of service they receive under other programs in the public workforce system and were therefore automatically enrolled in the VETEC program to receive services. The VETEC program enrolled 206 veterans, whose characteristics, services, and outcomes are analyzed separately in Chapter 7.

⁴² Four of the individuals entered into the PTS reported a birth year that led them to be recorded as ages two or three years old. Dropping these four from all analyses yielded a final analytic sample of 733 individuals and 365 survey respondents.

5.1 Summary of Main Findings

Exhibit 5.2 provides a snapshot of the main findings in this chapter. The sub-sections that follow present these findings in more detail.

Exhibit 5.2: Summary of Main Findings

- The random assignment procedure was successful in producing a balanced distribution of demographic and socioeconomic characteristics across the treatment and control groups (the analytic sample).
- **Characteristics at Baseline.** Individuals in the analytic sample tended to be women, African American, and ages 45-64 years. They were more highly educated than the general population in Virginia and nationwide. Two subgroups are of particular interest:
 - 34 percent were *receiving UI* at baseline. Baseline UI recipients were less likely to be African American than the general VETEC population. They were also older, more educated, and had higher levels of household income.
 - Almost half of the analytic sample had *self-employment experience* at baseline. This subgroup resembled the overall VETEC population much more closely than the UI recipient subgroup did.
- **Services Received.** Almost all the treatment group engaged with at least one service type, with just 8 percent not receiving any services. The majority of the treatment group across all program sites described the services provided as very useful.

5.2 Demographic and Socioeconomic Characteristics by Site

Exhibit 5.3 presents a summary of the analytic sample’s demographic and socioeconomic characteristics at baseline, as well as prior labor market outcomes—overall and by site.⁴³

- **Age and Gender.** More than 70 percent were women and over half (58 percent) across the consortium were ages 45-64 years. These proportions were similar across sites.
- **Race/Ethnicity.** Over half (57 percent) were African-American; only a small proportion was Hispanic (11 percent). However, the racial composition of the sample differed across sites. ENOVATE had the lowest proportion of African-Americans at 40 percent (compared to 73 percent in the GRGATE and 62 percent in Launch), but the highest proportion of Hispanics (15 percent).
- **Disability and Health Insurance.** Almost one in 10 (9 percent) reported being disabled. About half had health insurance.

⁴³ These data are sourced from the PTS, which compiled data from a baseline survey completed by individuals when applying to the VETEC program. The characteristics therefore refer to an individual’s status at the time of program application.

- **Education and Income.** The vast majority of the analytic sample had at least some college experience (86 percent), with similar proportions at each site. Nearly half (46 percent) averaged at least \$25,000 in annual household income in the 12 months prior to baseline.
- **Prior Outcomes.** The VETEC program tended to attract individuals with self-employment experience (48 percent of the analytic sample). Also, a significant share reported receiving UI benefits at baseline (34 percent), with the ENOVATE share much higher than the overall average (50 percent versus 17-34 percent in the other two sites).

Exhibit 5.3: Baseline Characteristics of the Analytic Sample, by Site

Characteristic	All Individuals	ENOVATE	LAUNCH	GRGATE
Baseline Demographic Characteristics				
Male	29% (215)	35% (90)	22% (58)	33% (67)
Race/Ethnicity				
White	19% (140)	23% (61)	20% (54)	12% (25)
African-American	57% (419)	40% (104)	62% (166)	73% (149)
Other Race	23% (174)	37% (95)	18% (49)	15% (30)
Hispanic	11% (82)	15% (40)	10% (27)	7% (15)
Age Group				
18-29 Years	5% (36)	4% (10)	6% (17)	4% (9)
30-44 Years	33% (239)	31% (80)	35% (93)	32% (66)
45-64 Years	58% (423)	60% (155)	54% (146)	60% (122)
65+ Years	5% (35)	5% (15)	5% (13)	3% (7)
Household Characteristics				
Married	34% (249)	41% (107)	32% (87)	27% (55)
Single	41% (299)	35% (90)	40% (108)	50% (101)
Other Marital Status	25% (185)	24% (63)	28% (74)	23% (48)
Household Size	2.6	2.8	2.5	2.4
Other Characteristics				
Disabled	9% (69)	8% (21)	10% (26)	11% (22)
Citizen	99% (732)	100% (260)	100% (269)	99% (203)
Baseline Socioeconomic Characteristics				
Education				
No High School Diploma	2% (12)	2% (4)	1% (4)	2% (4)
High School Diploma	13% (96)	13% (33)	10% (28)	17% (35)
Some College or Associate Degree	41% (297)	30% (78)	48% (129)	44% (90)
College Degree	45% (328)	56% (145)	40% (108)	37% (75)
Have Health Insurance	53% (385)	57% (147)	52% (139)	49% (99)
Household Income				
Less than \$10,000	27% (195)	17% (43)	30% (82)	34% (70)
\$10,000-\$24,999	27% (197)	21% (54)	32% (87)	27% (56)
\$25,000-\$49,999	23% (172)	29% (75)	21% (58)	19% (39)
\$50,000-\$74,999	9% (67)	11% (28)	7% (18)	10% (21)
\$75,000+	14% (102)	23% (60)	9% (24)	9% (18)
Prior Outcomes				
Self-Employment Experience	48% (351)	44% (115)	49% (133)	51% (103)
UI Benefits at Enrollment				

Characteristic	All Individuals	ENOVATE	LAUNCH	GRGATE
Any UI Benefit Receipt Last 12 Months	34% (247)	50% (131)	17% (46)	34% (70)
Weeks of UI Benefit Receipt	4.0	6.1	2.2	3.8

Note: Data from PTS. Sample mean or proportion is reported. The “Other Race” category includes individuals who are American Indian, Asian, and Other/Mixed races. The “College Degree” category includes individuals with a Bachelor’s degree or higher level of education. The “Other Marital Status” category includes separated, divorced, or widowed individuals. The “Self-Employment Experience” category includes both individuals who were still self-employed at baseline and those who had businesses in the past but which ended. Data from PTS.

5.3 Demographic and Socioeconomic Characteristics by Treatment Group Status

Exhibit 5.4 presents the summary of demographic and socioeconomic characteristics, and prior labor market outcomes of individuals, by treatment status. Examining baseline characteristics by treatment group status is particularly important for determining whether or not the random assignment was conducted successfully. The theoretical and statistical appeal of a randomized control trial for evaluating the effectiveness of policy interventions lies in the fact that a carefully conducted experiment can remove the selection bias inherent in causal inferences drawn from non-experimental data.

Column 2 of Exhibit 5.4 provides the mean for the treatment group, Column 3 the corresponding mean for the control group. Column 4 presents differences in means, with standard errors denoted in parentheses; statistically significant differences at the 5 percent level are marked with an asterisk. The randomization procedure was successful in producing an even distribution of demographic and socioeconomic characteristics across the treatment and control groups. Only one characteristic exhibited a statistically significant difference; individuals in the control group were more likely to hold health insurance than their treatment group counterparts.⁴⁴

Exhibit 5.4: Treatment-Control Differences in Baseline Characteristics

Characteristic	Treatment Group	Control Group	Difference
	373	360	
Baseline Demographic Characteristics			
Male	0.32	0.26	0.06 [0.03]
Race/Ethnicity			
White	0.20	0.18	0.02 [0.03]
African-American	0.56	0.58	-0.02 [0.04]
Other Race	0.13	0.13	0.00 [0.02]
Hispanic	0.12	0.11	0.01 [0.02]
Age Group			
Less than 35 Years	0.11	0.13	-0.02 [0.02]
35-44 Years	0.24	0.26	-0.02 [0.03]
45-54 Years	0.30	0.31	-0.01 [0.03]
55+ Years	0.34	0.29	0.05 [0.03]

⁴⁴The results of more baseline equivalence tests are presented in Chapter 6.

Characteristic	Treatment Group	Control Group	Difference
	373	360	
Household Characteristics			
Married	0.36	0.33	0.03 [0.03]
Single	0.40	0.42	-0.02 [0.03]
Other Marital Status	0.25	0.26	-0.01 [0.03]
Household Size	2.55	2.62	-0.07 [0.11]
Other Characteristics			
Disabled	0.11	0.08	0.03 [0.02]
Citizen	0.99	1.00	-0.002 [0.001]
Baseline Socioeconomic Characteristics			
Education			
No High School Diploma	0.02	0.02	0.00 [0.01]
High School Diploma	0.14	0.12	0.02 [0.02]
Some College or Associate Degree	0.39	0.43	-0.04 [0.04]
College Degree	0.46	0.44	0.02 [0.04]
Have Health Insurance	0.47	0.58	-0.11 [0.04]*
Household Income			
Less than \$10,000	0.25	0.29	-0.04 [0.03]
\$10,000-\$24,999	0.29	0.24	0.05 [0.03]
\$25,000-\$49,999	0.23	0.24	0.00 [0.03]
\$50,000-\$74,999	0.09	0.09	0.00 [0.02]
\$75,000+	0.13	0.14	0.01 [0.03]
Prior Outcomes			
Employed at Enrollment	0.21	0.19	0.01 [0.03]
Self-Employment Experience	0.50	0.46	0.05 [0.04]
UI Benefits at Enrollment			
Any UI Benefit Receipt Last 12 Months	0.33	0.34	-0.01 [0.03]
Weeks of UI Benefit Receipt	4.05	3.94	0.11 [0.65]

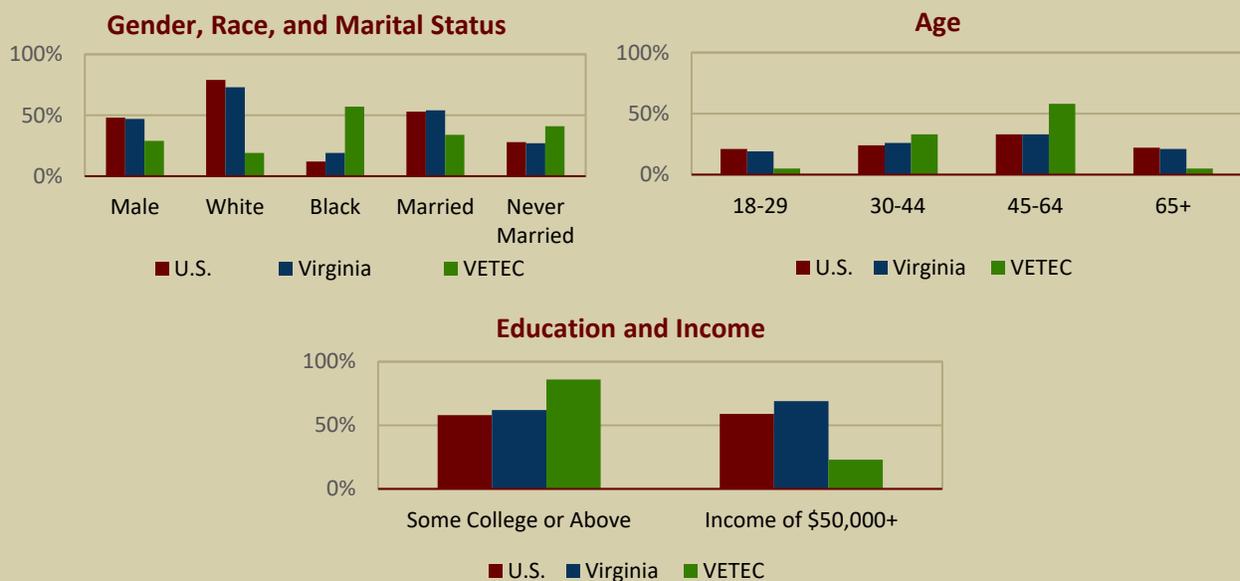
Note: Column 2 provides the mean for the treatment group, and column 3 the corresponding mean for the control group. The last column reports treatment-control group differences in means with standard errors in brackets. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level. The “Other Race” category includes individuals who are American Indian, Asian, and Other/Mixed races. The “College Degree” category includes individuals with a Bachelor’s degree or higher level of education. The “Other Marital Status” category includes separated, divorced, or widowed individuals. The “Self-Employment Experience” category includes both individuals who were still self-employed at baseline and those who had businesses in the past but which ended. Data from PTS.

How representative are non-veteran VETEC-eligible individuals compared to the general population?

The non-veteran eligible applicant population was similar to the general adult population (in Virginia and in the United States) in certain characteristics, but several key differences are notable (Exhibit 5.5):

- **Gender and Race.** Non-veteran eligible applicants were much more likely to be women and African Americans.
- **Marital Status.** A much higher proportion of VETEC participants were never married compared to the general Virginia and U.S. population.
- **Age.** Nearly two-thirds were ages 45-64 years, compared to just one-third of the general population.
- **Education.** A substantially larger share had at least some college compared to the U.S. population (86 percent versus 58 percent).
- **Income.** They tended to be concentrated at the lower end of the household income distribution. This is to be expected, since program eligibility was determined by income level. Just 23 percent were members of households that earned more than \$50,000 in the 12 months prior to baseline, compared to 59 percent of the general population.
- **Veterans.** Not surprisingly, veterans were overrepresented in the overall eligible applicant group, given the program’s goal of serving veterans: 22 percent of VETEC participants were veterans, compared to just 1 percent of the US and 2 percent of the Virginia populations (not shown in graphs below).

Exhibit 5.5: Comparison of VETEC to General Population in the United States and Virginia



Note: Figures for the U.S. and Virginia were calculated using data from the March 2013 supplement of the Current Population Survey for individuals over age 18. Data for the eligible applicant population are from the program Participant Tracking System. Sample size is 733, except for the data regarding veteran status, for which the 21 percent figure is calculated from a total sample size of 943.

5.4 Demographic and Socioeconomic Characteristics for the UI Recipient Subgroup and the Subgroup with Self-Employment Experience

Given the emphasis of the program, it is useful to examine the demographic and socioeconomic makeup of the analytic sample in two key VETEC subgroups: those with self-employment experience, and those receiving UI benefits at baseline.

Exhibit 5.6 investigates these two important subgroups in more detail, and examines how they compare with the analytic sample. **The subgroup with self-employment experience resembled the analytic sample much more closely than did the UI recipient subgroup.** Differences between the two groups at baseline included:

- UI recipients were less likely to be African-American and more likely to be white or other race (47 percent versus 57 percent). This runs counter to general trends in UI receipt, in which whites tend to have lower UI receipt rates.⁴⁵
- Both UI recipients and those with self-employment experience were slightly older on average (2-7 percentage points less likely to be in either of the two youngest age categories [18-29, 30-44], and 0-8 percentage points more likely to be in the two oldest age categories [45-64, 65+]).
- UI recipients had obtained higher levels of education on average (9 percentage points more likely to have received a bachelor's degree or higher). This trend also runs counter to the literature, which has generally found UI receipt to be higher among those with lower education levels.⁴⁶
- Commensurate with the education level comparisons, UI recipients had higher household income levels 12 months prior to baseline (21 percentage points less likely to have less than \$10,000 in household income, and 14 percentage points more likely to have over \$75,000 in household income). This is also contrary to previous research findings.⁴⁷

⁴⁵ Michaelides, Marios, and Peter R. Mueser. "Recent trends in the characteristics of unemployment insurance recipients." *Monthly Lab. Rev.* 135 (2012): 28.

⁴⁶ Ibid.

⁴⁷ Congressional Budget Office. "Family Income of Unemployment Insurance Recipients". 2004, Washington DC. Retrieved on 12/15/16 from:

[Link to CBO Paper "Family Income of Unemployment Insurance Recipients"](#)

Exhibit 5.6: Baseline Characteristics of the UI Recipient and Self-Employment Experience Sub Groups

Characteristics		All Individuals	Baseline UI Recipients	Those with Self-Employment Experience
Gender	Male	29% (215)	32% (80)	33% (117)
Race	White	19% (140)	25% (61)	17% (59)
	African-American	57% (419)	47% (117)	59% (208)
	Other	23% (174)	28% (69)	24% (84)
Ethnicity	Hispanic	11% (86)	12% (30)	11% (40)
Age	18-29 Years	5% (36)	2% (2)	2% (6)
	30-44 Years	33% (239)	26% (65)	30% (104)
	45-64 Years	58% (423)	66% (163)	62% (219)
	65+ Years	5% (35)	6% (14)	6% (22)
Education Level	Less than HS	2% (12)	1% (3)	1% (5)
	High School/GED	13% (96)	9% (22)	13% (47)
	Some College/ Associate	41% (297)	36% (89)	42% (146)
	Bachelor's or Higher	45% (328)	54% (133)	44% (153)
Household Income	Less than \$10,000	27% (195)	6% (15)	28% (100)
	\$10,000-\$24,999	27% (197)	19% (47)	29% (103)
	\$25,000-\$49,999	23% (172)	30% (74)	23% (80)
	\$50,000-\$74,999	9% (67)	17% (41)	7% (26)
	\$75,000+	14% (102)	28% (70)	12% (42)
Total		100% (733)	100% (247)	100% (354)

Note: Data from PTS. Sample proportion is reported.

5.5 Program Completion

Participants were deemed to have officially completed the VETEC program once they had become self-employed according to the VETEC definition of self-employment. This definition required successful completion of a preliminary business plan, in addition to acquisition of four official business documents—a registered business name, a business license, and a federal Employer Identification Number (EIN), and DUNS number.⁴⁸ Exhibit 5.7 shows that 21 percent of participants successfully completed the VETEC program, with completion rates ranging from 20 percent at LAUNCH to 24 percent at GRGATE.

⁴⁸ A summary of the completion rates for each of these steps is provided in Exhibit 6.5.

Exhibit 5.7: Completion Status by Site

Completion Status	All Participants	ENOVATE	GRGATE	LAUNCH
Completed	21% (42)	21% (12)	24% (13)	20% (17)
Not Completed	79% (156)	79% (46)	76% (42)	80% (68)
Total	198	58	55	85

Note: Data from the follow-up survey. Sample is all treatment group members that completed the follow-up survey.

Exhibit 5.8 demonstrates how completion rates differed across key demographic and socioeconomic subgroups. While women were slightly more likely to complete the program than men, the difference was not statistically significant. Neither did completion rates differ significantly by age, race, or self-employment experience. However, participants receiving UI benefits at baseline were significantly more likely to complete the VETEC program compared to those who were not, perhaps because UI recipients were able to devote more time to completing the program. This finding is consistent with the results in Chapter 7 that show, at least for veterans, that those receiving UI at baseline had higher total earnings by the follow-up survey.

Exhibit 5.8: Interaction of Characteristics and Completion

Participant Characteristics	Completion Rate
Gender	
Female	22% (23/141)
Male	19% (11/46)
Race/Ethnicity	
White	24% (11/46)
African-American	21% (23/112)
Other Race	19% (4/21)
Hispanic	21% (4/19)
Age Group	
Less than 45 Years	20% (14/69)
45+	22% (28/129)
UI Benefits Upon Enrolment*	
Receipt in Last 12 Months	28% (20/71)
Non-Receipt in Last 12 Months	17% (22/127)
Self-Employment Experience	
Self-Employment Experience	24% (23/94)
No Self-Employment Experience	18% (19/104)
Total	198

Note: Data from follow-up survey and PTS. Sample is all treatment group members that completed the follow-up survey. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

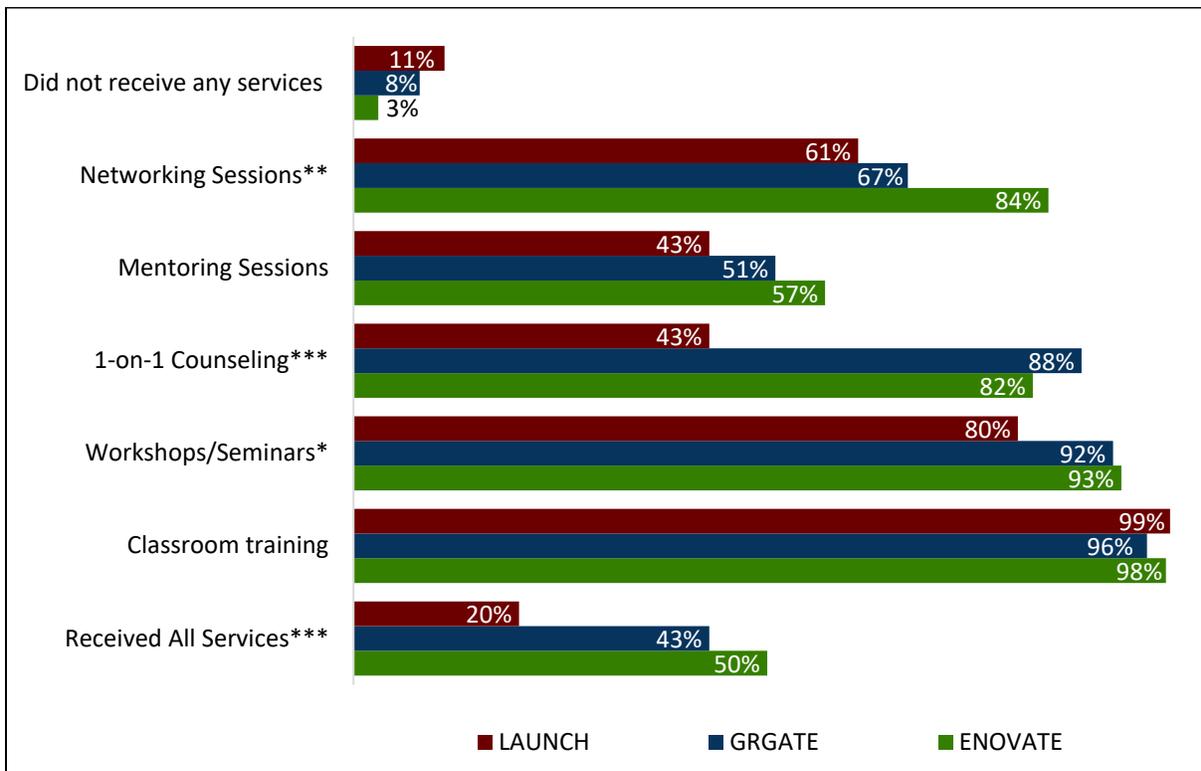
5.6 VETEC and non-VETEC Services Participation by Program Participants

The VETEC program delivered a variety of self-employment services to program participants that were not available to control group members. Both groups could receive non-VETEC services, however. Below we present detailed information on receipt of these services.

5.6.1 VETEC Self-Employment Services

Service Receipt. The intent of the VETEC program design was for all individuals, regardless of location, to receive the same level and quality of services. Exhibit 5.9 presents, by site, the proportion of non-veteran VETEC participants who opted to take advantage of each program service. (See Chapter 3 for a detailed description of these services.) As shown, at each site, almost all engaged with at least one service type, with just three to 11 percent not receiving any services. **Given the basic requirement of core classroom training, it is not surprising that classroom training was the most popular service across all three sites.**

Exhibit 5.9: Receipt of Services across Sites



Note: Data from follow-up survey. Total response numbers were 56 from ENOVATE, 49 from GRGATE and 75 from LAUNCH. Statistical significance is indicated in the labels: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.⁴⁹

⁴⁹ To conduct the statistical tests, the indicator for the receipt of each service type was regressed against a constant and dummy variables for GRGATE and LAUNCH. The estimated coefficient on each dummy variable measures the difference in service take-up at that site compared to the service take-up at ENOVATE. The null hypothesis that the

As discussed in Chapter 4, the VETEC implementation model stipulated a limited number of core components to be included in the training, so that each site had reasonable autonomy in specifying the schedule, structure, and intensity of the offered services. Exhibit 5.9 presents the differential take-up rates among the treatment group for each type of service across the three sites. Testing for statistically significant differences across the sites revealed that a higher proportion of ENOVATE participants made use of workshops and seminars, and networking sessions, whereas GRGATE participants were more likely to take advantage of the one-on-one counselling sessions. Although participants at LAUNCH were the most likely to attend the core classroom trainings, they were less likely to take advantage of the services offered on top of that core training. There was no statistically significant difference among program sites in the likelihood of participants not receiving any services at all; LAUNCH participants were the least likely to take advantage of all services.

Service Intensity. The average non-veteran participant attended more than nine classroom training sessions, which, as noted, was the most popular service given its core role in the program (Exhibit 5.10). The next most intensively used service was workshops, with the average participant attending seven sessions. The total number of sessions attended varied widely, with a majority (59 percent) attending between one and 20 sessions, and 26 percent attending 31 sessions or more.

Exhibit 5.10: Number of Service Sessions

Number of Sessions	Share and Number of Participants
0	0% (0)
1-10	25% (44)
11-20	34% (58)
21-30	16% (27)
31-40	19% (32)
41+	7% (12)
Total	173
Classroom Training Sessions Mean	9.2 (5.7)
Workshops/Seminars Sessions Mean	7.1 (13.3)
1-on-1 Counseling Sessions Mean	4.5 (6.5)
Mentoring Sessions Mean	4.1 (4.4)
Networking Sessions Mean	3.8 (2.7)

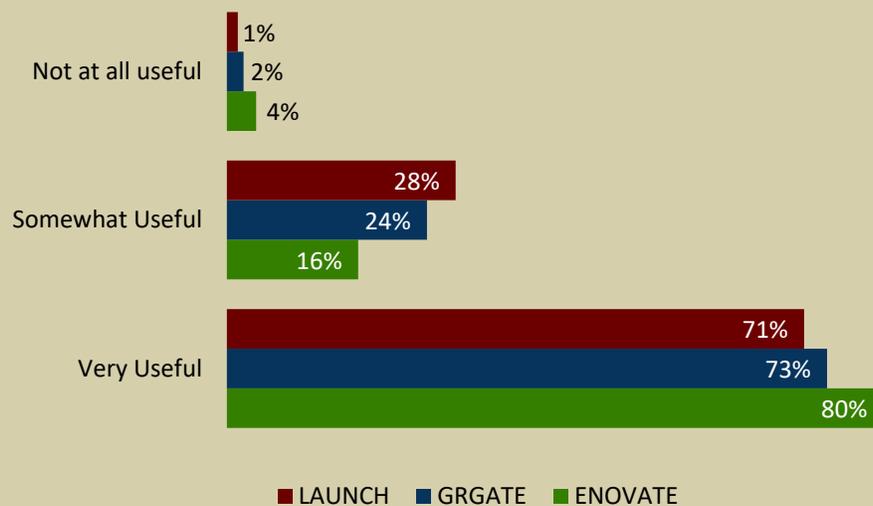
Note: Data from follow-up survey. Standard deviations are in parentheses for the “mean” rows; 17 individuals who did not respond to this question are treated as missing data.

receipt of services did not differ across program sites is equivalent to both coefficients being zero. This hypothesis is tested using the F-statistic calculated from the regression.

VETEC services were very well received by non-veteran participants

Participants were asked to describe the overall usefulness of the VETEC services they received (Exhibit 5.11). **Most non-veteran participants across all three sites (71 percent to 80 percent) described the services provided as very useful;** only 4 percent or less described the services as not at all useful.

Exhibit 5.11: Overall Satisfaction with Services



Note: Data from follow-up survey. Total response numbers were 56 from ENOVATE, 49 from GRGATE and 76 from LAUNCH; these are the denominators used to calculate the respective percentages.

Usefulness by Service Type and Business Goal. Participants that took advantage of at least one service were also asked to describe the usefulness of *each service type*. Exhibit 5.12 offers a closer look at the usefulness of each service by showing the share of non-veteran participants who rated each service type as “very useful.” Although most described every service type as very useful, classroom training was classified as the most useful across each program site, as noted, with 83 percent of participants giving that rating.

In addition to internal program communication, the program design provided flexibility to the sites to use external resources to improve the quality of services provided. Contacts at a local UI office or at non-profits in the local area proved effective in addressing participant needs.

Exhibit 5.12: Services Reported as Very Useful

Service Type	All Participants	ENOVATE	GRGATE	LAUNCH	F-Value ⁵⁰
Classroom training	83% (151)	78% (45)	89% (42)	83% (64)	1.27
Workshops/Seminars	75% (121)	75% (41)	69% (31)	79% (49)	0.91
1-on-1 Counseling	73% (91)	71% (34)	77% (33)	71% (24)	0.20
Mentoring Sessions	78% (70)	75% (24)	84% (21)	76% (25)	0.38
Networking Sessions	63% (80)	65% (31)	55% (18)	67% (31)	0.86

Note: Data from follow-up survey. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

Exhibit 5.13 presents the proportion of non-veteran participants who found the services very useful in *achieving particular goals*. With the sole exception of “providing technical support,” over half described the VETEC services as very useful for achieving all of the prescribed business goals.

Exhibit 5.13: Reporting of VETEC as Very Helpful in Achieving Business Goals

Outcome/Goal	Very Useful in Achieving Goal	Total Participants
Starting Business	72% (131)	181
Growing Existing Business	59% (71)	121
Defining Corporate Structure	56% (87)	154
Creating Business Name	54% (83)	154
Obtaining Business License	64% (103)	161
Obtaining Tax ID/EIN Number	68% (111)	163
Obtaining Dun & Bradstreet Number	63% (102)	162
Developing a written business plan	63% (113)	179
Providing motivational support	70% (129)	185
Providing technical support	41% (68)	166

Note: Data from follow-up survey. “Not applicable” responses excluded from percentages in this table.

5.6.2 Receipt of VETEC Self-Employment Services by Subgroup

Exhibit 5.14 examines how the receipt of services differed across demographic subgroups of non-veteran participants. Key observations are as follows:

- **Gender.** Women tended to be more diligent in attending the VETEC service sessions than men—attending an average of 23.2 sessions during the program (compared to 19.2 sessions for men). Women were also more likely to receive all service types and to describe the services overall as “very useful.”

⁵⁰ To conduct the statistical tests, the indicator for the receipt of each service type was regressed against a constant and dummy variables for GRGATE and LAUNCH. The estimated coefficient on each dummy variable measures the difference in service take-up at that site compared to the service take-up at ENOVATE. The null hypothesis that the receipt of services did not differ across program sites is equivalent to both coefficients being zero. This hypothesis is tested using the F-statistic calculated from the regression.

- **Education.** Participants who did not graduate from high school attended many more sessions on average than better-educated participants and were much more likely to receive all service types. However, they were also more likely to have received none of the offered services. It appears that high school dropouts found it more difficult to commit to the program, but those who did commit ended up committing fully. While one-third (33 percent) of high school dropouts found the services very useful overall, a substantially higher proportion of participants with university degrees (43 percent) did so.
- **Race/Ethnicity.** Although white participants attended fewer sessions than other races on average (19.5 versus about 23), they were more likely to find those services very useful than other race/ethnic groups (45 percent versus 27-35 percent). African-Americans were more likely to receive all types of services than whites (39 percent versus 24 percent); however, Hispanics were the most likely of any race/ethnic group to receive all types of services (53 percent).
- **Age.** Participants ages 35-54 attended more sessions than their younger or older counterparts on average, but participants over 55 were more likely to receive all service types than the younger groups.
- **Household income.** All participants from households with annual incomes between \$50,000 and \$75,000 in the 12 months prior to baseline received at least one type of service. This group also averaged many more sessions than other household income groups (30.1 versus 19.1-22.5), and were most likely to receive all the services (53 percent versus 28-43 percent).
- **Health insurance and Disability.** Although participants with health insurance attended fewer service sessions than those without health insurance, they were also more likely to receive all service types, less likely to receive no services, and more likely to find the services very useful. All disabled participants attended at least one service session (versus 8 percent for non-disabled participants), but were less likely to receive all service types or find the services very useful.
- **Self-Employment Experience.** Having self-employment experience made little difference to the number of sessions attended. But this subgroup was somewhat less likely to find the services very useful, somewhat more likely to receive all service types, and substantially less likely to receive no services.

Exhibit 5.14: Interaction of Characteristics and Services

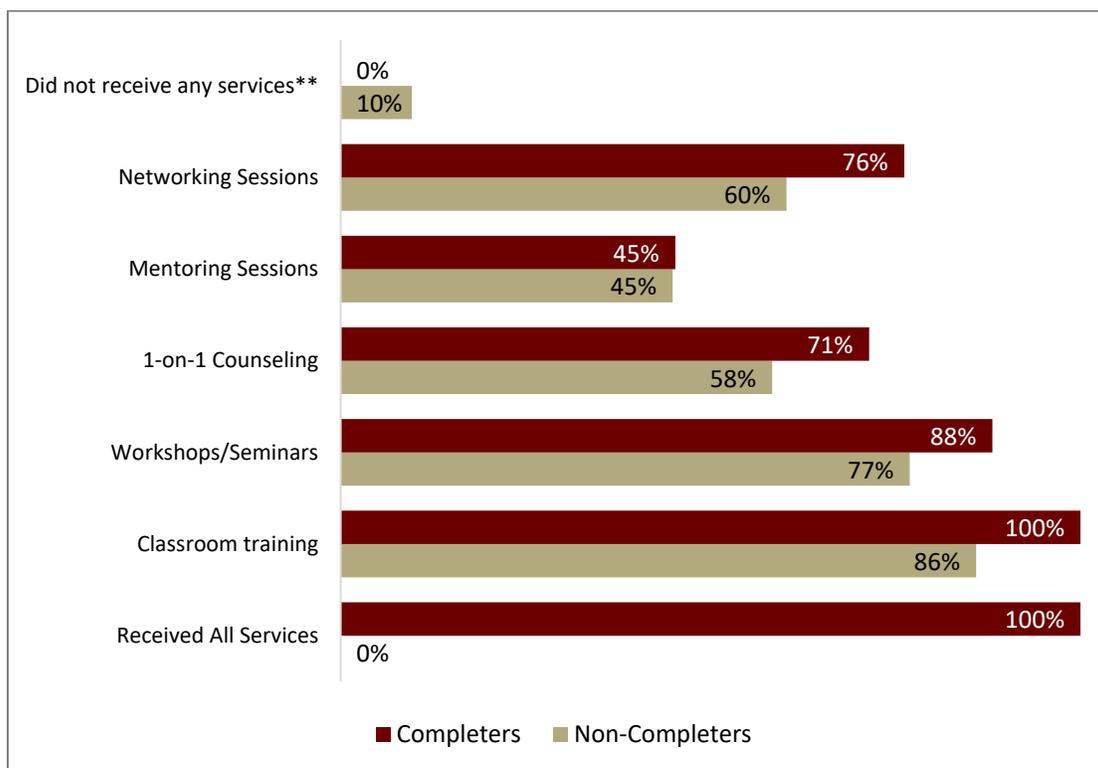
Participant Characteristics	Overall Services were Very Useful	Mean Number of Service Sessions	Received all Services	Received No Services
Gender				
Female	37%	23.2	37%	9%
Male	34%	19.2	32%	5%
Education				
No High School Diploma	33%	40.0	67%	33%
High School Diploma	27%	20.1	35%	6%
Some College or Associate Degree	31%	22.5	38%	9%
College Degree	43%	21.7	33%	6%
Race/Ethnicity				
White	45%	19.5	24%	7%
African-American	35%	22.7	39%	9%
Other Race	33%	22.9	25%	10%
Hispanic	27%	22.6	53%	0%
Age Group				
Less than 35 Years	37%	17.9	22%	13%
35-44 Years	33%	23.9	33%	7%
45-54 Years	36%	24.7	39%	9%
55+ Years	37%	20.0	39%	6%
Household Income				
Less than \$10,000	30%	22.5	31%	11%
\$10,000-\$24,999	31%	20.0	28%	11%
\$25,000-\$49,999	39%	21.8	43%	4%
\$50,000-\$74,999	43%	30.1	53%	0%
\$75,000+	46%	19.4	31%	6%
Health Insurance				
With Insurance	40%	19.4	38%	6%
Without Insurance	32%	24.3	33%	9%
Disability				
Disabled	27%	21.0	18%	0%
Not Disabled	37%	22.0	37%	8%
Self-Employment Experience				
Self-Employment Experience	34%	22.6	39%	5%
No Self-Employment Experience	38%	21.3	32%	10%
Total	180	180	180	180

Note: Data from follow-up survey and PTS.

5.6.3 VETEC Service Participation by Completion Status

Exhibit 5.15 shows the take-up rates for specific service types by completion status. Participation rates in nearly all activities were higher among completers. However, even among non-completers, participation rates were high. What is striking, however, is that every participant that completed the program attended every type of session, seen in the 100 percent take-up rate among completers for the category of “Received all Services.” In contrast, among non-completers, no participant attended all types of service sessions. The only statistically significant difference between completers and non-completers, notably, is for ‘did not receive any services’ (0 percent versus 10 percent).

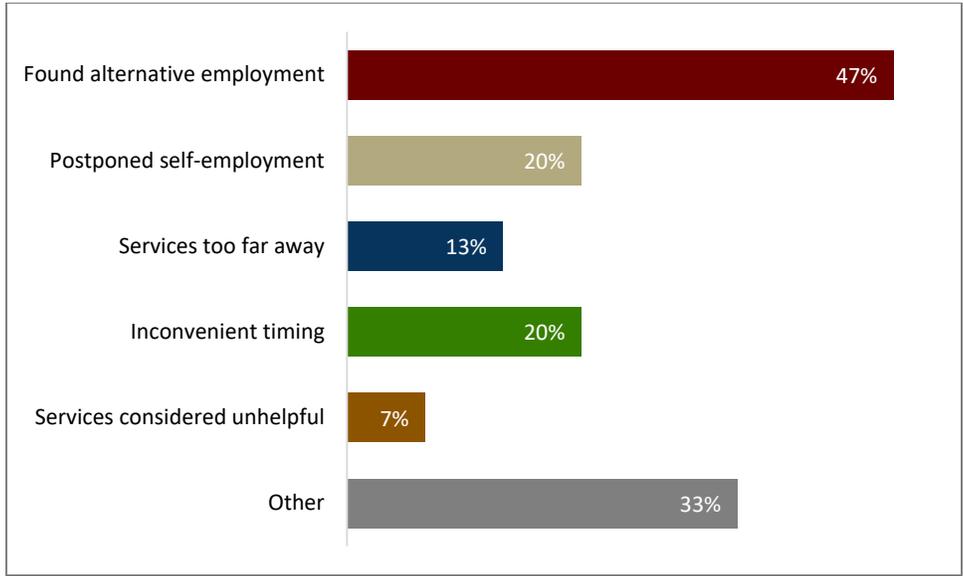
Exhibit 5.15: Receipt of Services by Completion Status



Note: Data from follow-up survey. Sample is all treatment group members that completed the follow-up survey. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

Exhibit 5.16 helps explain why those 10 percent of non-completers decided not to engage in any services. The most common reason stated was that the participant had found alternative employment. The other major reasons (each given by 20 percent of those who did not receive VETEC services) were inconvenient timing of the sessions and deciding to postpone self-employment.

Exhibit 5.16: Reason for non-Participation in any VETEC Services



Note: Data from follow-up survey. Sample is all treatment group members that completed the follow-up survey and opted out of receiving any VETEC services. The sum of percentages exceeds 100% because multiple responses were permitted.

Participants who received at least one type of VETEC service were asked to rate the usefulness of each service type they received (Exhibit 5.17). Non-veteran non-completers were just as likely as completers to find each of the service types they received very useful. The only exception was workshops/seminars, which completers were statistically more likely than non-completers to find very useful.

Exhibit 5.17: Overall Satisfaction with Services Reported as Very Useful

Service Type	Completers	Non-Completers
Classroom training	86% (36)	82% (113)
Workshops/Seminars*	67% (28)	66% (91)
1-on-1 Counseling	64% (27)	46% (63)
Mentoring Sessions	36% (15)	39% (54)
Networking Sessions	52% (22)	42% (58)

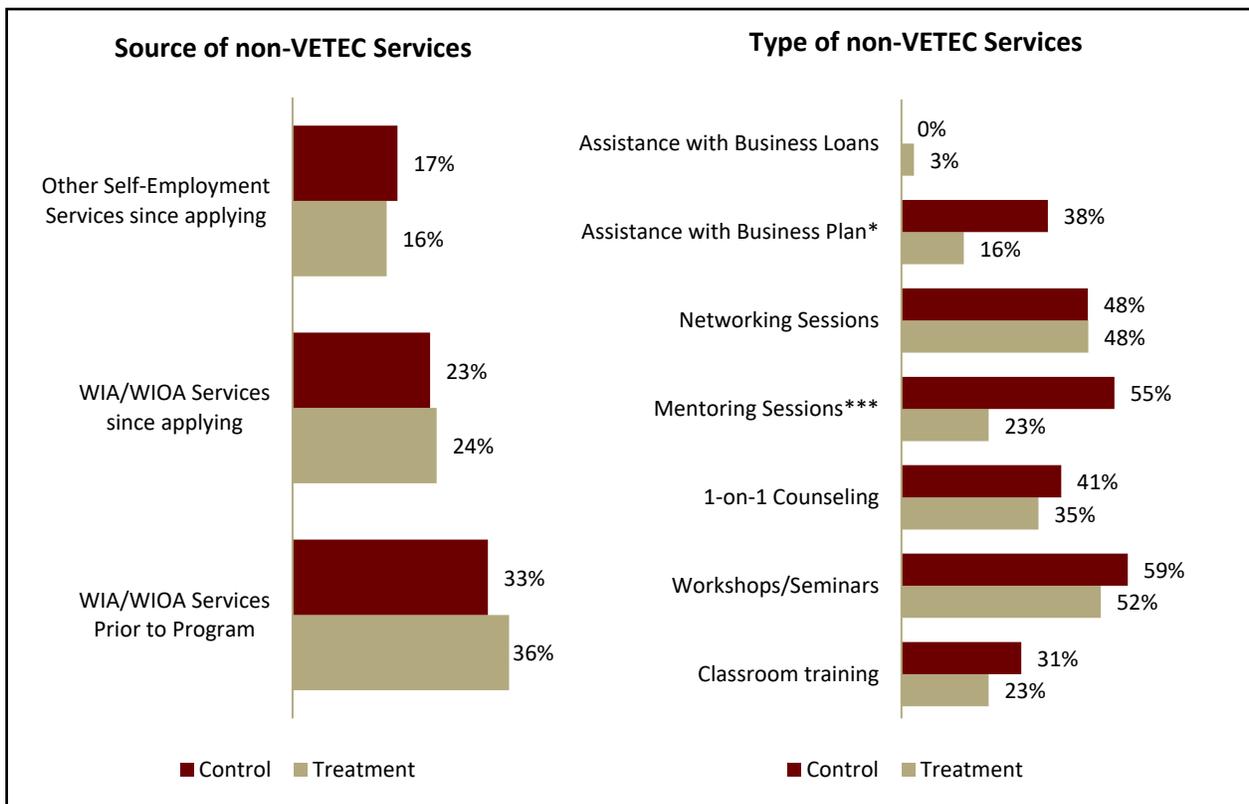
Note: Data from follow-up survey. Sample is all treatment group members who completed the follow-up survey and received at least one service. Statistical significance: ***= 1 percent level, **= 5 percent level; *= 10 percent level.

5.6.4 Receipt of non-VETEC Services

Unlike the services offered by the VETEC program, which were available only to the treatment group, *both treatment and control group members* were free to explore self-employment services offered by other service providers (see Exhibit 5.18).

Substantial proportions of both treatment and control groups received employment services of several types, with treatment control differences only statistically significant for ‘assistance with a business plan’ and ‘mentoring sessions.’ Approximately one-third of both groups had experience with some form of employment service offered under WIA/WIOA prior to baseline (see left panel of Exhibit 5.18). One possibility for the 24 percent of participants receiving WIA/WIOA services and the 16 percent of participants receiving other self-employment services after VETEC enrollment is that, because of previous training at their AJC, these individuals ended up learning about other resources offered via VETEC and using them. For those individuals who opted to seek out non-VETEC self-employment services, workshops/seminars were the most common type of service chosen by both treatment and control group members.

Exhibit 5.18: Receipt of Employment Services from non-VETEC Providers



Note: Data from follow-up survey. Statistical significance: ***= 1 percent level, **= 5 percent level; *= 10 percent level.

5.7 Conclusion

This chapter provides a snapshot of the baseline characteristics of treatment and control members. Non-veteran eligible applicants to the VETEC program (the analytic sample) tended to be more educated than the general Virginia and United States populations, as well as being overrepresented by women ages 30-64. Around one-third (34 percent) had received UI benefits prior to baseline, while three-quarters (77 percent) had household annual incomes of \$50,000 or lower in the 12 months prior to baseline. Almost all VETEC participants received at least one service type, with just 8 percent not receiving any program services. Approximately one-third of treatment and control groups had experience with some form of employment service offered under WIA/WIOA prior to program application.

The next chapter describes the labor market and self-sufficiency outcomes of VETEC participants—specifically, employment, earnings, and UI benefit receipt. It also presents the results of an experimental impact evaluation of these outcomes.

CHAPTER 6. PARTICIPANTS' LABOR MARKET AND SELF-SUFFICIENCY OUTCOMES AND PROGRAM IMPACTS

VETEC's key goal was to help participants attain long-term economic self-sufficiency through self-employment. Chapter 5 provided information on the demographic and socioeconomic composition of the non-veteran eligible applicants to VETEC (the analytic sample of treatment and control group members together), and their self-employment experience and self-sufficiency status at baseline. It also described the types and intensity of self-employment services received by non-veteran VETEC participants (i.e., the treatment group).

This chapter describes key labor market and self-sufficiency outcomes of the VETEC program, including non-veteran participant self-employment status, salaried employment status, earnings, and the duration and amount of UI benefits received during follow-up. We first present attainment rates of these outcomes across the treatment group; analyze what types of participants were more likely to achieve positive outcomes; and the types of businesses developed in terms of size, longevity, product offerings, and management structure. We follow this with the results of an experimental impact evaluation—the objective of which is to assess whether the program was effective in promoting participants' key outcomes, especially self-employment (the flagship outcome), holding constant all else as represented by control group outcomes.

Section 6.1 describes the main outcomes analyzed in this chapter. Section 6.2 presents the research questions and a summary of the main findings. Section 6.3 describes the rate of employment (both self-employment and salaried employment) across the treatment group, by site; Section 6.4 their earnings, by site; and Section 6.5 the duration and amount of UI benefits they received, by site. Section 6.6 presents the framework and results of the impact evaluation—for non-veteran program participants as a whole, as well as for key subgroups. Section 6.7 concludes the chapter.

6.1 Description of Outcomes

We measured the outcomes explored in this chapter using data gathered from a web-based follow-up survey administered to treatment and control group members **18 months from their respective date of random assignment**. Of the 733 individuals randomly assigned to the treatment or control group, the survey was completed by 365, for an overall survey response rate of 49.8 percent. The response rate was 53.1 percent for the treatment group (198 individuals) and 46.4 percent for the control group (167 individuals).

Since some survey respondents did not provide answers to questions needed to construct each outcome, for each outcome analyzed we report results for those who provided answers to the relevant question(s). The key outcomes considered in this chapter fall under four broad domains: self-employment, salaried employment, earnings, and UI benefit receipt, as follows:

- **Self-Employment:** Self-employed at the time of the survey (as a business owner, contractor, and/or consultant)⁵¹
- **Salaried Employment:** Employed in a wage/salary job at the time of the survey⁵²
- **Earnings:** Total earnings from self-employment and/or salaried employment over the 12 months prior to the survey⁵³
- **UI Benefits:**⁵⁴
 - Duration of UI benefits received between program application and follow-up⁵⁵
 - Amount of UI benefits received between program application and follow-up⁵⁶

6.2 Key Research Questions and Summary of Main Findings

To assess whether and how the VETEC program has achieved its goals, Exhibit 6.1 lists the key research questions and outcome measures, grouped into the four domains described above.⁵⁷

Exhibit 6.1: Key Research Questions and Outcome Measures

Domain	Research Question(s)	Research Question Type
Self-Employment	Does VETEC increase self-employment, as measured by how many participants start their own business and do not work for someone else, 18 months after random assignment?	Confirmatory
Salaried Employment	Does VETEC increase salaried employment among the unemployed and underemployed, as measured by how many participants are employed 18 months after random assignment?	Confirmatory
Earnings	Does VETEC increase earnings among unemployed and underemployed participants?	Exploratory
UI Benefits	What is the impact of VETEC on the number of weeks of UI receipt and the amount of UI benefits received by participants?	Confirmatory

⁵¹ For this outcome, the relevant question from the survey is “are you currently self-employed?” The self-employment outcome status encompasses all types of self-employment (business creation, consulting, and/or contracting) and captures a participant’s self-employment status at the time of the survey, regardless of his/her employment status at baseline.

⁵² For this outcome, the relevant question from the survey is “what is your current employment status,” with one of the response categories being “employed working for someone else.”

⁵³ For individuals who held only one of the two types of employment, total earnings are the earnings from that employment type. For individuals who were self-employed *and* held a salaried job, total earnings are the sum of the earnings from each type of employment. Total earnings are zero when earnings from each type of employment are zero.

⁵⁴ We have not used administrative data on UI to study these outcomes. We attempted to procure such data from Virginia’s UI department, but were not successful.

⁵⁵ For this outcome, the relevant question from the survey asked individuals to report the number of weeks of UI benefit receipt. This was asked separately for the respondent as well as any member of his/her household, which we aggregated into one variable.

⁵⁶ For this outcome, the relevant question from the survey asked individuals to report the average weekly UI benefits. This was asked separately for the respondent as well as any member of his/her household, which we aggregated into one variable.

⁵⁷ The Evaluation Design Report (EDR) noted that outcomes would be measured 12-24 months after random assignment. However, the follow-up survey was administered 18 months following random assignment to ensure that participants have sufficient time to complete the program and establish their business. Therefore, it was not feasible to capture outcomes at 12 or 24 months. The research questions are adjusted accordingly to reflect outcomes measured at 18 months.

Exhibit 6.2 provides a snapshot of the main findings from the analyses of outcomes, including the results of the impact evaluation. In the subsections that follow, we present more detailed findings.

Exhibit 6.2: Summary of Main Findings

Employment Rates and Earnings. Overall, the follow-up survey data showed the following:

- At follow-up, over one-third of the treatment group (43 percent) was self-employed.
- At follow-up, just over one-half of the treatment group members (53 percent) were employed in a salaried job.
- At follow-up, the average non-veteran participant had made \$28,492 from self-employment and/or salaried employment earnings in the prior 12 months.

Types of Businesses Created. About 29 percent of the treatment group members, who were self-employed at follow-up, reported having hired at least one other employee. Of the businesses this group created, the majority (59 percent) were registered as limited liability companies. The most common product offered was consulting services of various kinds (management, human resource, and financial), with 25 percent of new business owners providing these services.

UI Benefits. Overall, treatment group members had claimed \$278 in UI benefits since baseline, over an average period of 11.5 weeks.

VETEC Program Impacts. Analyses of program impacts showed the following:

- **VETEC**, which was designed primarily to help participants to pursue self-employment, **led to a 9-percentage point increase in the likelihood of non-veteran participants being self-employed at follow-up.**
- Subgroup analyses revealed that the VETEC program's overall impacts on being self-employed at follow-up was driven by participants ages 45 years or older (their likelihood of being self-employed increased by 19.5 percentage points).

6.3 Employment Rate across Program Participants

In this section, we analyze the rate of employment of treatment group members for the domains of self-employment and salaried employment. We also examine the types of businesses participants created, as well as their funding sources.

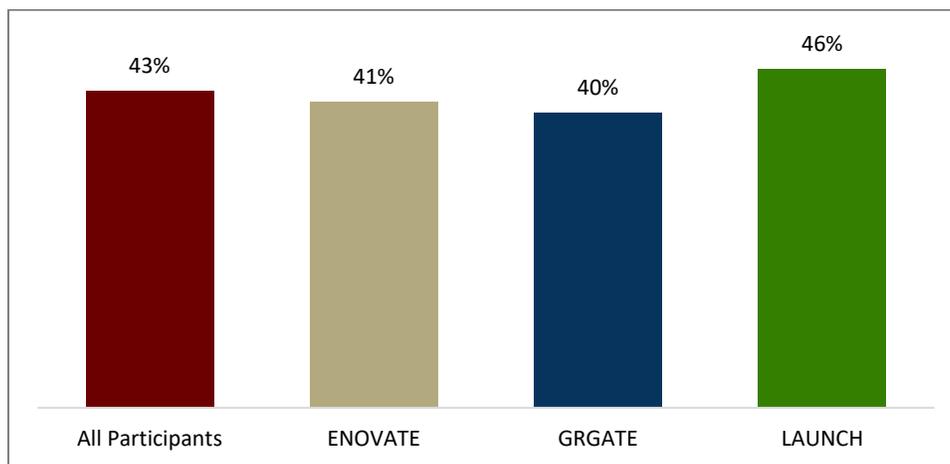
6.3.1 Self-Employment

Self-employment, VETEC's primary goal, can serve both as a method of transitioning out of unemployment, as well as a desirable goal in itself. Furthermore, a central appeal of self-employment is the potential for new business creation to have positive benefits external to the business itself. For example, a new business may not only provide employment for the business owner (entrepreneur), but also for other potential employees.

There was ongoing communication between Business Counselors and participants. Participants reported that their Business Counselors kept them informed about entrepreneurship events, and referred them to other consultants to handle topics such as social media, marketing plans, legal issues, and accounting. This may be why most participants stayed self-employed for a long time.

A substantial share of the treatment group members (43 percent) was self-employed at follow-up (Exhibit 6.3).⁵⁸ Across program sites, LAUNCH experienced the highest rate (46 percent). Furthermore (not shown), only 24 treatment group members who became self-employed at some point during the program had ended it by follow-up. Of the multiple reasons given for ending self-employment, 70 percent said they found a better employment opportunity elsewhere.⁵⁹

Exhibit 6.3: Self-Employment Status among Non-Veteran Participants at Follow-up



Note: Data from follow-up survey. Sample of all treatment group members.

Business Funding Source. Launching a new business usually requires a substantial amount of funding. For those participants who responded affirmatively to having started a business, the follow-up survey asked them to report how they funded their venture (allowing more than one response to the question). The vast majority (89 percent) said they relied on personal funds; 29 percent said they relied on funds from friends or family (Exhibit 6.4). A minority sourced funds from loans or grants (8 percent) or from investors (6 percent).

⁵⁸ The survey question on self-employment status at follow-up (or current self-employment status) was only asked of those who responded affirmatively to the question, “since applying to the VETEC program, have you been self-employed?” In other words, those who did not become self-employed since program application skipped over the question on current self-employment status. For these participants, we replaced their missing values to the current self-employment status question with a 0 if they reported not being self-employed since program application. Given that only one follow-up survey was administered, it is plausible to assume that those who answered “no” to the question on *self-employment since program application* would have answered “no” to the question on *current self-employment status*, had they been asked the latter. This imputation enabled the self-employment status outcome to be comparable to salaried employment status.

⁵⁹ Other reasons given were the income derived from their venture was not enough or too uncertain (46 percent), difficulty raising capital/getting documents/license (42 percent), and personal reasons (25 percent).

Exhibit 6.4: Business Funding Sources

Source	All Participants
Personal Funds	89% (58)
Funds from Friends/Family	29% (19)
Angel Investors/Venture Capitalists/Seed Funding Firms/Crowd Funding	6% (4)
Bank/SBA Loans/Grants	8% (5)
Other	3% (2)
Total	65

Note: Data from follow-up survey. Sample of treatment group members who stated that they owned a business at some point during the VETEC program and reported being self-employed 18 months after baseline. Percentages do not add up to 100% because participants could provide more than one response.

The VETEC Program Definition of Business Creation

The VETEC program defines a participant as being a business owner only if he/she has obtained four major documents, thus establishing a relatively strict threshold. For participants who reported being self-employed at follow-up, Exhibit 6.5 shows the percentage who had acquired each document, along with the rate of self-employment by the official program definition.

According to the official program definition, 24 percent of participants who reported being self-employed had succeeded in VETEC's business creation requirements by follow-up. The rate of self-employment was 23-24 percent at ENOVATE and LAUNCH, and higher (28 percent) at GRGATE.

Exhibit 6.5: Acquisition of Business Documents by Non-Veteran Self-Employed Participants at Follow-Up

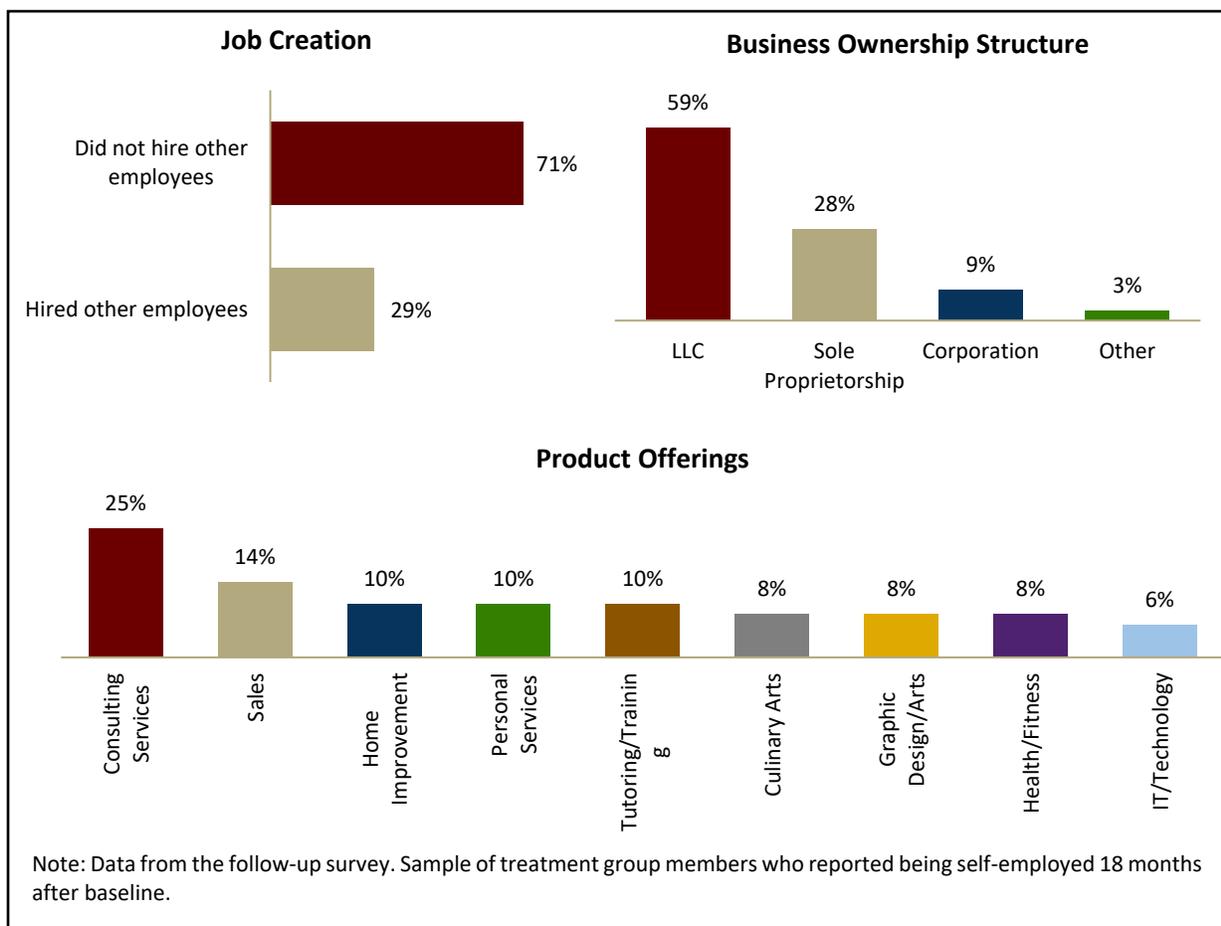
Business Creation Requirements	All Self-Employed Participants	ENOVATE	GRGATE	LAUNCH
Business name	41% (71)	42% (22)	40% (19)	42% (30)
Business license	38% (65)	42% (22)	38% (18)	35% (25)
Federal EIN	41% (70)	43% (23)	40% (19)	39% (28)
Preliminary business plan	31% (54)	30% (16)	36% (17)	29% (21)
Self-employed per VETEC definition	24% (42)	23% (12)	28% (13)	24% (17)
Total	172	53	47	72

Note: Data from the follow-up survey. Sample of treatment group members who reported being self-employed 18 months after baseline. Percentages do not add up to 100% because individuals could provide more than one response.

Business Types. For those participants who responded affirmatively to being self-employed, the follow-up survey asked them questions on the characteristics of the businesses they created. This information is captured in Exhibit 6.6, which shows the hiring practices, ownership structure, and product offerings of treatment group members who said they were self-employed at follow-up.

- **Job Creation.** Of non-veteran VETEC participants who said they were self-employed at follow-up, 29 percent reported hiring at least one other employee. Of these, about half (53 percent, not shown) hired full-time employees.⁶⁰
- **Business Ownership Structure.** The majority of those businesses (59 percent) were registered as limited liability companies (LLC).
- **Product Offerings.** The most frequently offered product was consulting services of various kinds, with 25 percent reporting providing these services.⁶¹ The next most popular business was various types of sales, with 14 percent of the self-employed participants' businesses falling into this category.⁶²

Exhibit 6.6: Types of Businesses Developed



⁶⁰The business owners from the GRGATE program site were more likely to hire other employees. The share of businesses with at least one other employee was 21 percent at ENOVATE, 44 percent at GRGATE, and 25 percent at LAUNCH (not shown).

⁶¹ This includes but is not limited to management, human resource, and financial consulting.

⁶² The "Other Sales" category includes real estate sales, and businesses that sell goods such as books, clothing, shoes, and gift cards.

What types of non-veteran participants are most likely to be self-employed at follow-up?

We examined the interaction of treatment group members' characteristics and service participation intensity with their likelihood of self-employment at follow-up. Statistical tests revealed the following significant differences between subgroups in their self-employment status at follow-up:

- **Gender: Men had a higher likelihood of being self-employed at follow-up** (53 percent of men versus 39 percent of women).
- **Race: Those of other races were more likely than either whites or African-Americans to be self-employed** (58 percent of those of other races versus 39 percent of whites/African-Americans).
- **Ethnicity: Hispanics were more likely to be self-employed than non-Hispanics** (74 percent versus 40 percent).
- **Education: Higher levels of education were associated with higher rates of self-employment.** Only 29 percent of those with only a HS diploma/GED were self-employed at follow-up, as opposed to 54 percent of those with more than a bachelor's degree.
- **Age and Service Participation:** Age and intensity of service participation were not significantly correlated with self-employment.

6.3.2 Salaried Employment

Although self-employment was the flagship outcome of the VETEC program, salaried employment was also a program goal, defined as working for someone else for at least two weeks, and not restricted to a single job. As shown in Exhibit 6.7, 41 percent of participants had only one salaried job at some point during the follow-up period, 18 percent had two, and 11 percent worked three or more different jobs.⁶³ The share with at least one salaried job differed by site, from 76 percent at ENOVATE, to 71 percent at GRGATE, to 64 percent at LAUNCH.

Exhibit 6.7: Number of Jobs Held Since Program Application

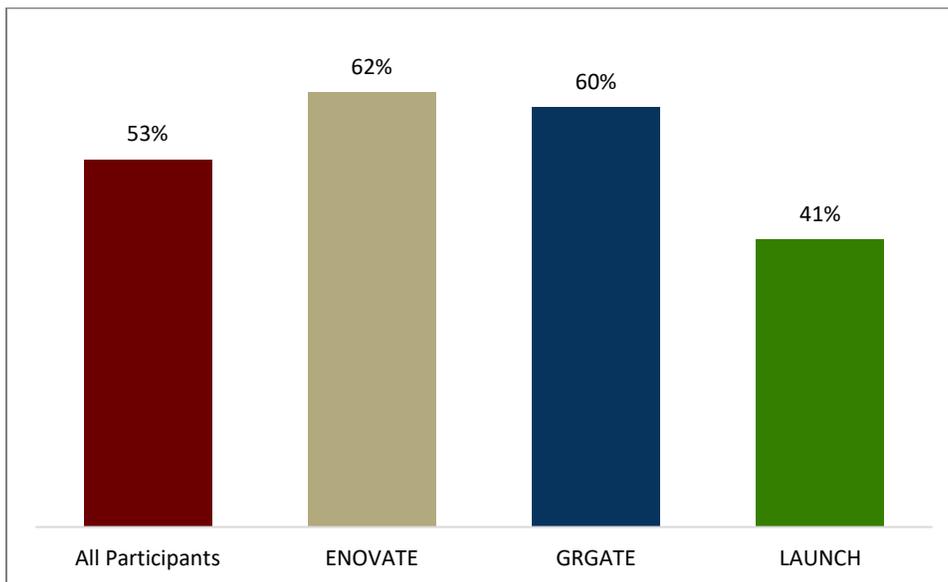
Number of Jobs	All Participants	ENOVATE	GRGATE	LAUNCH
None	31% (61)	24% (14)	29% (16)	36% (31)
One	41% (81)	47% (27)	36% (20)	40% (34)
Two	18% (35)	14% (8)	24% (13)	16% (14)
Three or more	11% (21)	16% (9)	11% (6)	7% (6)
Total	198	58	55	85

Note: Data from follow-up survey. Numbers in parentheses refer to the number of participants. Sample of all treatment group members.

⁶³ This included part-time as well as full-time jobs.

Not everyone who had at least one salaried job at some point in the program was employed at follow-up. Overall, 53 percent of treatment group members were in salaried employment at follow-up (Exhibit 6.8). ENOVATE and GRGATE had very similar shares (at 62 percent and 60 percent, respectively). LAUNCH's share was lower (at 41 percent).

Exhibit 6.8: Non-Veteran Salaried Employment at Follow-up



Note: Follow-up survey. Sample of all treatment group members.

What types of non-veteran participants were most likely to be in salaried employment?

We examined the interaction between treatment group members' characteristics and service participation intensity with their likelihood of salaried employment. Statistical tests identified the following statistically significant differences, by subgroup:

- **Race.** Of the major race groups, African-Americans were most likely to be in salaried employment (57 percent versus 52 percent of whites and 40 percent of other races). This is the opposite of what was observed for self-employment, where African-Americans were the least likely to be self-employed.
- **Ethnicity.** Hispanics were less likely to be employed in a wage or salary job than non-Hispanics (37 percent versus 54 percent). This also contrasts with self-employment, for which the opposite was true.

Unlike for self-employment, the rate of salaried employment did not differ significantly by gender or education. The rate of salaried employment also did not differ significantly by age or intensity of service participation, which matches the findings for self-employment.

6.4 Earnings across Program Participants

In this section, we analyze the earnings of treatment group members by employment type, as well as total earnings resulting from self-employment and/or salaried employment. The estimates are from the follow-up survey, which asked about earnings over the prior 12 months.

6.4.1 Earnings from Self-Employment

The ability of self-employment to provide a genuine alternative to more traditional forms of wage or salaried employment depends on the earnings gained from self-employment. Exhibit 6.9 presents the distribution of earnings from self-employment (including business ownership, contracting, and/or consulting) before taxes and other deductions in the 12 months prior to follow-up.

Overall, treatment group earnings from self-employment over that 12-month period for those who were self-employed averaged close to \$12,000—ranging from \$8,312 at ENOVATE to \$22,322 at GRGATE. A small minority (2 percent) became very successful, averaging more than \$100,000 in self-employment earnings during the period. At the opposite end of the range, 20 percent of those who reported being self-employed had zero earnings from self-employment over the period.

Exhibit 6.9: Earnings from Self-Employment among those Self-Employed

Range of Earnings	All Participants	ENOVATE	GRGATE	LAUNCH
No Earnings	20% (16)	18% (4)	18% (4)	22% (8)
\$1-\$4,999	36% (29)	41% (9)	14% (3)	46% (17)
\$5,000-\$9,999	9% (7)	14% (3)	9% (2)	5% (2)
\$10,000-\$19,999	16% (13)	9% (2)	32% (7)	11% (4)
\$20,000-\$49,999	15% (12)	14% (3)	18% (4)	14% (5)
\$50,000-\$99,999	2% (2)	5% (1)	0% (0)	3% (1)
\$100,000+	2% (2)	0% (0)	9% (2)	0% (0)
Mean Earnings	\$12,162	\$8,312	\$22,322	\$8,410
Median Earnings	\$3,000	\$1,900	\$11,150	\$2,000
Total	81	22	22	37

Note: Data from follow-up survey. Sample is treatment group members who reported being self-employed 18 months after baseline.

6.4.2 Earnings from Salaried Employment

Exhibit 6.10 presents the distribution of earnings of treatment group members from salaried employment before taxes and other deductions in the 12 months prior to follow-up. Since some participants held multiple salaried jobs, the exhibit represents earnings from all jobs held where they were working for someone else.

Unlike the self-employed, very few salaried employees reported zero earnings. Most (68 percent) reported earnings between \$10,000 and \$99,999 for the 12-month period. Participants at the ENOVATE program site tended to earn more. This was the only site with no one reporting zero earnings; and at this site, 9 percent reported \$100,000 or more, compared with 3 percent for LAUNCH and 0 percent for GRGATE). The proportion of \$100,000+ earners overall, though very small, was twice as high among the salary-employed overall as among the self-employed (4 percent versus 2 percent).

Exhibit 6.10: Earnings from Salaried Employment at Follow-up among Non-Veteran Participants Employed

Range of Earnings	All Participants	ENOVATE	GRGATE	LAUNCH
No Earnings	2% (2)	0% (0)	3% (1)	3% (1)
\$1-\$4,999	13% (13)	19% (6)	6% (2)	15% (5)
\$5,000-\$9,999	12% (12)	6% (2)	9% (3)	21% (7)
\$10,000-\$19,999	16% (16)	13% (4)	21% (7)	15% (5)
\$20,000-\$49,999	35% (35)	41% (13)	33% (11)	32% (11)
\$50,000-\$99,999	17% (17)	13% (4)	27% (9)	12% (4)
\$100,000+	4% (4)	9% (3)	0% (0)	3% (1)
Mean Earnings	\$31,009	\$34,395	\$31,507	\$27,340
Median Earnings	\$23,000	\$29,500	\$28,438	\$18,000
Total Participants	99	32	33	34

Note: Data from follow-up survey. Sample is treatment group members who reported being employed in a salaried job 18 months after baseline.

6.4.3 Total Earnings at Follow-Up

Exhibit 6.11 shows the average earnings from each type of employment for the 12 months prior to follow-up, as well as average total earnings. For treatment group members who were self-employed *and* held a salaried job, total earnings are the sum of the earnings from the two types of employment.

For the program as a whole, treatment group members earned far more from salaried jobs than from self-employment. These participants averaged \$28,492 in total earnings (self-employment plus wage/salary earnings) in the 12 months prior to follow-up, most of it from salaried employment. The average participant earned \$7,556 from self-employment in the 12 months prior to follow up—only slightly more than one-third the amount from salaried employment (\$21,498)—with the difference between self-employment and salaried earnings substantially higher at ENOVATE than at the other two sites.

Exhibit 6.11: Mean Earnings, by Employment Type and Overall

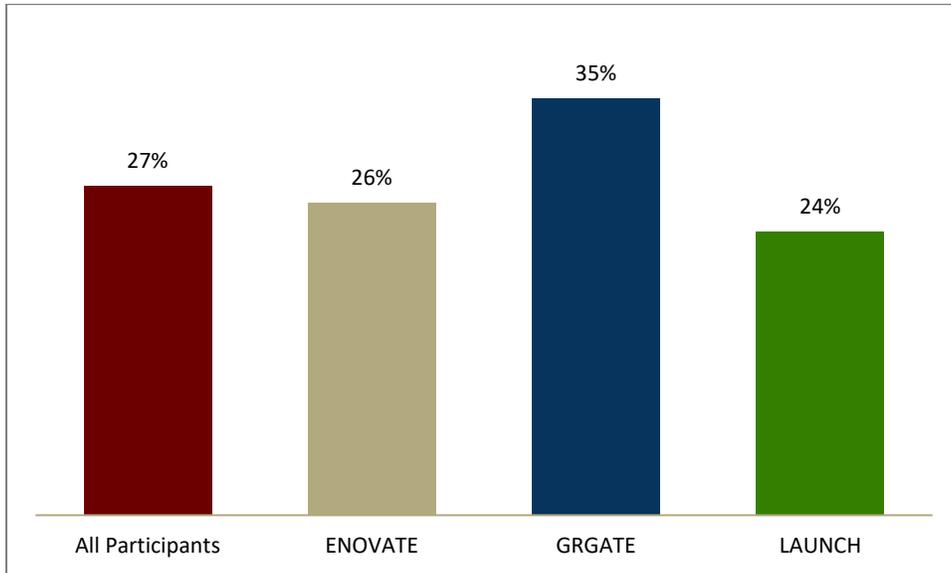
Earnings Type	All Participants	ENOVATE	GRGATE	LAUNCH
Self-Employment Earnings	\$7,556	\$6,122	\$10,931	\$6,068
Salaried Employment Earnings	\$21,498	\$27,084	\$23,538	\$16,196
Total Earnings	\$28,492	\$31,175	\$34,470	\$22,168
Total Participants	152	44	46	62

Note: Data from follow-up survey. Sample includes all treatment group members who reported having a wage or salaried job and/or being self-employed 18 months after baseline.

6.5 UI Benefits at Follow-Up across Non-Veteran Program Participants

Since the overarching goal of the VETEC program was to help participants become more self-sufficient, the evaluation used the rate of UI benefit receipt between baseline and follow-up as a measure of self-sufficiency (Exhibit 6.12). As seen, 27 percent of treatment group members reported receiving UI benefits during the follow-up period. The highest was at GRGATE (35 percent), followed by ENOVATE and LAUNCH (26 percent and 24 percent, respectively).⁶⁴

Exhibit 6.12: Rate of UI Benefit Receipt by Non-Veteran Participants during Follow-Up Period



Note: Data from follow-up survey.

6.5.1 UI Benefit Duration

Exhibit 6.13 presents the distribution of UI benefit duration among treatment group members receiving UI benefits between baseline and follow-up, for the program as a whole and at each

⁶⁴ The ability to be self-sufficient is largely determined by the total income of a household, which is also a crucial determinant of the ability to successfully enter self-employment—given that a majority of business owners were financed through personal or family funds. The results of our descriptive analysis of participants’ household income measured at follow-up are presented in Appendix D.

site. Participants receiving UI benefits (recipients) collected them for an average of 11.5 weeks. LAUNCH recipients averaged the longest (12.8 weeks) and ENOVATE recipients the shortest (9.3 weeks). UI benefit collection lasted no more than 12 weeks for the majority of UI recipients in all three sites, indicating that few were long-term unemployed. This is further confirmed by the fact that only 4 percent of recipients received UI benefits for more than 26 weeks, which is the maximum eligible duration in the state of Virginia.^{65,66}

Exhibit 6.13: Duration of UI Receipt

UI Receipt Duration	All Participants	ENOVATE	GRGATE	LAUNCH
1-12 weeks	72% (36)	80% (12)	81% (13)	58% (11)
13-25 weeks	14% (7)	7% (1)	13% (2)	21% (4)
26 weeks (VA Max)	10% (5)	7% (1)	6% (1)	16% (3)
27 weeks or greater	4% (2)	7% (1)	0% (0)	5% (1)
Median	8.5	6	8.5	12
Mean	11.5	12.3	9.3	12.8
Total	50	15	16	19

Note: Data from follow-up survey. The sample is all participants who reported non-zero duration of UI benefits during the follow-up period. One participant reported receiving UI benefits but reported 0 weeks duration of receipt. The standard Virginia maximum for UI receipt is 26 weeks, with emergency UI benefits available for some thereafter.

6.5.2 Weekly UI Benefit Amount among Non-Veteran Participants

Exhibit 6.14 presents the distribution of UI benefit amounts among treatment group members who reported receiving UI benefits at follow-up, for the program as a whole and at each site. Almost all of that group received less than the state’s maximum weekly eligible amount of \$378⁶⁷, with the overall mean average being \$278 and the largest single benefit range being \$300 to \$378 (received by 46 percent overall). ENOVATE averaged the highest amount (\$330) and LAUNCH the lowest (\$257). This indicates that UI-eligible unemployed ENOVATE participants had higher salaries in previous jobs than LAUNCH OR GRGATE participants, as UI benefits are tied to previous income.

Exhibit 6.14: Amount of UI Receipt

UI Receipt Amount	All Participants	ENOVATE	GRGATE	LAUNCH
\$1-\$99	10% (5)	7% (1)	17% (3)	5% (1)
\$100-\$199	17% (9)	0% (0)	17% (3)	30% (6)
\$200-\$299	15% (8)	21% (3)	17% (3)	10% (2)
\$300-\$378	46% (24)	57% (8)	39% (7)	45% (9)

⁶⁵ See <http://www.vec.virginia.gov/faqs/general-unemployment-insurance-questions#a114>.

⁶⁶ As part of the economic relief plan in the aftermath of the Great Recession, the Middle Class Tax Relief and Job Creation Act provided emergency UI. Those claimants who exhausted their normal UI benefits between September 2, 2012 and December 31, 2013 would be eligible to receive an addition 14 weeks of emergency UI for a total of 40 weeks of eligibility.

⁶⁷ See <http://www.vec.virginia.gov/faqs/general-unemployment-insurance-questions#a114>.

UI Receipt Amount	All Participants	ENOVATE	GRGATE	LAUNCH
\$379-\$499	8% (4)	7% (1)	11% (2)	5% (1)
\$500 or greater	5% (1)	7% (1)	0% (0)	1% (5)
Median	300	330	273	300
Mean	278	330	262	257
Total	52	14	18	20

Note: Data from follow-up survey. The sample is all participants who reported receiving non-zero UI benefits during the follow-up period. As noted, \$378 is the standard Virginia monthly maximum for UI receipt, though some may have received emergency UI benefits.

6.5.3 UI Benefit Duration and Amount, by Baseline UI Status

At baseline, 33 percent of treatment group members were receiving UI benefits. To assess how UI receipt at baseline may be associated with UI receipt thereafter, Exhibit 6.15 presents the distribution of UI benefit duration and amounts based on UI receipt status at baseline. Those who received UI at baseline had both higher average duration (11.9 weeks versus 10.9 weeks) and a higher average amount (\$298 versus \$244), indicating some persistence in UI receipt.

Exhibit 6.15: UI Benefit Duration and Amount Received by Participants by Baseline UI Status

UI Duration	All Participants	Received UI at Baseline	Did not receive UI at Baseline
1-12 weeks	72% (36)	71% (22)	74% (14)
13-25 weeks	14% (7)	16% (5)	11% (2)
26-38 weeks	12% (6)	10% (3)	16% (3)
39 weeks or greater	1% (2)	3% (1)	0% (0)
Mean	11.5	11.9	10.9
Total	50	31	19

UI Amount	All Participants	Received UI at Baseline	Did not receive UI at Baseline
\$1-\$99	10% (5)	6% (2)	16% (3)
\$100-\$199	17% (9)	12% (4)	26% (5)
\$200-\$299	15% (8)	18% (6)	11% (2)
\$300-\$399	50% (26)	55% (18)	42% (8)
\$400-\$499	0% (0)	6% (2)	0% (0)
\$500 or greater	5% (1)	3% (1)	5% (1)
Mean	278	298	244
Total	52	33	19

Note: Data from follow-up survey and PTS. The sample is all non-veteran participants who reported receiving UI benefits during the follow-up period, though some reporting this did not provide benefit amount and duration and one reported receiving UI benefits but reported 0 weeks duration.

What types of non-veteran participants are most likely to receive UI?

We examined the interaction between treatment group characteristics (other than prior UI receipt) and participants' likelihood of UI receipt. Statistical tests identified the following statistically significant subgroup differences:

- **Gender. Men were more likely to receive UI benefits than women** (37 percent versus 23 percent). Notably, prior research on UI benefit receipt found no difference in UI receipt rates by gender.
- **Race. Whites were the most likely major racial group to receive UI benefits** (35 percent versus 25 percent of African-Americans and of other races). This is consistent with prior research, which finds that whites both make up a higher proportion of UI recipients and have higher UI take up rates than other races.

There were no statistically significant differences by age, ethnicity, education, or intensity of service participation.

Prior research source: Michaelides and Muser (2012)⁶⁸

6.6 Estimation of Program Impacts

So far, we have analyzed the rates of employment, distribution of earnings, and UI benefit amounts and duration across the treatment group. In this section, we report the impacts of the VETEC program by comparing treatment and control group outcomes. We consider the five major outcomes for the impact analysis noted in the Evaluation Design Report (EDR), as measured by the 18-month follow-up interview: (1) likelihood of being self-employed, (2) likelihood of being in salaried employment, (3) total earnings, (4) weeks of UI benefits claimed, and (5) UI benefit amount claimed.

6.6.1 The Counterfactual

To conduct an impact evaluation, the outcome of interest (Y) for each individual i , must be observed in two situations: (1) the individual receives the program (*treatment* status Y_{1i}), and (2) the individual does not receive the intervention (*control* status Y_{0i}). Obviously, it is not possible to examine the same individual in both states at a given time, because the individual is either exposed to the program or not. We can obtain an estimate of the average impact of the program on a group of individuals in the program (the treatment group), however, by comparing them to a group that has identical characteristics on average but is not exposed to the program (control group). The average of the differences in outcomes between the two groups — $E(Y_{1i} - Y_{0i})$ — provides a rigorous estimate of the average impact of the program on the outcome of interest.

The definition of the counterfactual (what would have happened without the program) is crucial to the validity of this estimate. A simple comparison of outcomes between the treatment group and some non-randomly assigned comparison group is not a reliable estimate of program

⁶⁸ Michaelides, M., and Muser, P. "Recent trends in the characteristics of unemployment insurance recipients." Monthly Lab. Rev. 135 (2012): 28.

impacts, since it will capture both program effects and any pre-existing differences between individuals in the two groups. This is the problem of selection bias. A control group, by definition, is a valid representation of the counterfactual because it is created by the process of random assignment, in which a single group (in this case non-veteran eligible applicants to the VETEC program) is randomly assigned to either participate in VETEC (the treatment group) or not to receive VETEC services (the control group). The latter group credibly represents the outcome of the treatment group in absence of the program because, on average, they have identical characteristics (observed and unobserved).

Random Assignment – The Gold Standard of Program Evaluation

Random assignment (RA), also called experimental design or randomized control trial (RCT), offers a robust solution to address the problem of selection bias. With RA, individuals in the treatment and control groups are identical, on average, along both observable and unobservable characteristics.

The IMPAQ team used an RA process to determine which non-veteran applicants would receive VETEC program services (treatment group) and which applicants would not receive VETEC program services (control group). **Comparing the outcomes of the randomly assigned treatment and the control groups will reliably determine whether labor market (and other) outcomes of participants improved *because they participated in the VETEC program, relative to the control group.***

To interpret the impact estimation results accurately, it is important to understand control group outcomes. Although control group members did not receive VETEC program services, they could avail themselves of self-employment training services already offered in the community. As noted earlier in the report, both treatment and control group members participated in, or were referred to, self-employment services at their local AJC, either before or after being judged eligible for VETEC and randomly assigned.⁶⁹

⁶⁹ As an example, all individuals received business resource guides at the VETEC information sessions, which even provided lists of local organizations and businesses resources (both free and paid for) available in their local community. However, only members of the treatment group had access to the VETEC-specific services and could decide to receive any, all, or none of them.

How do services received by the control group affect interpretation of the impact estimates?

The impact estimates represent the impact of VETEC compared to “business as usual,” since control group members could receive self-employment training services on their own. In other words, the impact evaluation does not address the effectiveness of the VETEC program compared to receiving *no* self-employment training services. Instead, it addresses the more policy relevant question: **What is the impact of adding the VETEC program to the array of existing self-employment training services offered at each of the three sites?**

Exhibit 6.16 recapitulates the services available to each group. As seen, both treatment and control groups could elect to receive the standard self-employment services offered at their local AJCs. However, only the treatment group had access to the VETEC-specific services (shaded) and could decide to receive any, all, or none of them.

Exhibit 6.16: Services Available to Treatment and Control Groups

Self-Employment Service	Treatment Group	Control Group
Individual counseling related to entrepreneurship	✓	✓
Limited assistance with developing a business plan or marketing plan	✓	✓
Some technical assistance workshops	✓	✓
Entrepreneurship training courses, if the individual agrees to pay full tuition	✓	✓
Limited linkages to business opportunities and support services at local Chambers of Commerce	✓	✓
Limited support in applying for Small Business Administration (SBA) loans	✓	✓
A designated Case Manager	✓	
Additional assistance with developing a business plan or marketing plan	✓	
Intensive entrepreneurship training course/boot camp	✓	
Extensive technical assistance workshops	✓	
Linkages to business opportunities and support services at local Chambers of Commerce	✓	
Extensive assistance with applying to SBA and other small business loans	✓	

6.6.2 Treatment and Control Group Equivalence in Baseline Characteristics

Following random assignment, 373 individuals (50.8 percent) were assigned to the treatment and 360 (49.1 percent) to the control group.⁷⁰ Prior to estimating program impacts, we verify that random assignment was properly implemented. If random assignment was successfully implemented, then control and treatment group members should look similar in terms of

⁷⁰ The treatment and control group shares have been computed of a total sample of 737 non-veterans. Veterans were not assigned randomly to the treatment or control group. A comprehensive study of VETEC veterans is contained in Chapter 7 of this report.

baseline characteristics, that is, there should be few to no statistically significant treatment-control differences in characteristics. This would imply that the probability of treatment assignment is not dependent on the baseline characteristics of individuals. If few to no significant differences are detected, any subsequent treatment-control differences in outcomes can be attributed to the program. We used two methods to confirm that random assignment was successful.

Method 1 (t-tests). We conducted a bivariate analysis using t-tests to assess whether differences in mean values of baseline characteristics between the treatment and control groups are statistically significant. These t-tests (presented in Exhibit 5.4, Chapter 5) indicated that the randomization procedure was successful in producing an even distribution of demographic and socioeconomic characteristics across the treatment and control groups. Only one characteristic, health insurance status, exhibited a statistically significant difference.⁷¹

Method 2 (multiple regression). To further confirm the results from the t-tests, we estimated a Probit regression model, where the dependent variable was the probability of being assigned to the treatment group and explanatory variables included all available baseline characteristics. The coefficient estimates of these baseline characteristics are shown in Exhibit 6.17 as average marginal effects.⁷² Our results show that three of the estimated parameters were statistically significant. Given the large number of variables, it is likely that these variables were statistically significant by chance. Nevertheless, we account for the few significant differences in the impact analysis.

Exhibit 6.17: Regression Results, Probability of Being in the Treatment Group

Explanatory Variable	Estimate
Demographic Characteristic	
Male	0.042 (0.042)
White	0.031 (0.067)
African-American	0.007 (0.058)
Hispanic	0.034 (0.075)
Age:35-44 Years	-0.008

⁷¹ Baseline data were drawn from the PTS, which stored baseline data collected via the program application form. The following baseline characteristics were examined: gender, race, ethnicity, age, marital status, household size, disability status, citizenship status, education, health insurance status, household income, baseline employment status, self-employment experience (baseline self-employment status), and baseline UI status. While this list represents nearly the entirety of information collected at baseline, we lacked data on a few additional variables (e.g., baseline earnings). Data on these were housed in a different system and not available to IMPAQ.

⁷² For the binary explanatory variables that take the value 0 or 1 (e.g., gender) the average marginal effects measure the average percentage change in the probability of being assigned to the treatment group when the explanatory variable moves from the “0” to the “1” condition. For the continuous explanatory variables (e.g., weeks of UI benefits), the average marginal effects measure the average percentage change in the probability of being assigned to the treatment group given a one-unit change in the explanatory variable.

Explanatory Variable	Estimate
	(0.065)
Age:45-54 Years	-0.006 (0.066)
Age:55+ Years	0.036 (0.068)
Married	0.033 (0.056)
Single	-0.010 (0.049)
Household Size	-0.004 (0.014)
Disabled	0.114* (0.064)
Socioeconomic Characteristic	
High School Diploma	0.010 (0.160)
Some College/Associate Degree	-0.055 (0.154)
College Degree	-0.023 (0.154)
Have Health Insurance	-0.121*** (0.039)
Household Income: \$10,000 - \$24,999	0.098* (0.050)
Household Income: \$25,000 - \$49,999	0.052 (0.057)
Household Income: \$55,000 - \$74,999	0.082 (0.076)
Household Income: \$75,000+	0.052 (0.076)
Price Outcomes	
Self-Employment Experience	0.035 (0.038)
Baseline UI Benefit Receipt Status	-0.034 (0.051)
Weeks of UI Benefit Receipt Last 12 Months	0.001 (0.002)
Observations	732
Adjusted R-Squared	0.023
Chi-Squared Statistic	21.880
P-value	0.467

Note: Reported are average marginal effects from Probit models with robust standard errors in Parentheses. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level. Citizenship status could not be included in the regression model as it was perfectly collinear with the other explanatory variables.

Random assignment was conducted with fidelity

As expected, random assignment produced treatment and control groups very similar on the majority of baseline characteristics. Of the variety of characteristics tested, treatment and control group members differed at the 1 percent level of statistical significance only in their health insurance status. This is further confirmed by **Method 2**, which showed that only one of the estimated regression parameters was significant at the 1 percent level (again, health insurance), with two more only at the 10 percent level.

These results confirm that the assignment of applicants to the control or the treatment group was not correlated with the vast majority of observable characteristics. We account for the few instances of significant differences in the impact analyses.

6.6.3 Survey Non-Response Bias

The follow-up survey collected detailed information on key labor market and self-sufficiency outcomes. Of the 733 individuals randomly assigned to the treatment or control group, the survey was completed by 365, for an overall survey response rate of 49.8 percent (53.1 percent for the treatment group and 46.4 percent for the control group). The t-test comparisons showed that this difference is significant at the 10 percent level,⁷³ which indicates the possibility of non-response bias in the impact estimates.

To test for survey non-response bias, we repeated the baseline equivalence tests for individuals who responded to the survey (see Appendix E). **As for the full sample, the results for the survey respondents' subsample are similar to those for the full sample, exhibiting only a few statistically significant differences between the treatment and control groups, thus alleviating concerns about survey non-response bias.**

6.6.4 Overall Program Impacts

To isolate the true impact of the VETEC program from other influences on outcomes, we used multiple regression analysis for two reasons: (1) to improve statistical power by removing variation in the outcome of interest due to observed characteristics; and (2) to remove the influence of the few treatment-control group differences in characteristics that may have occurred by chance.⁷⁴ In the following multiple regression model,

⁷³ The p-value = 0.097 for a two-sided test.

⁷⁴ We consider all the baseline characteristics used in the baseline equivalence tests as explanatory variables in the regression model. However, some of the explanatory variables are aggregated transformations of those used in the baseline equivalence tests, to preserve parsimony. For example, a single age indicator for individuals less than 45 years of age is included in the models (with the base category being individuals greater than or equal to 45 years of age), rather than controlling for each of the four age group categories used in the baseline equivalence t-tests.

$$Y_i = \alpha + \beta X_i + \gamma VETEC_i + \rho Site_i + \varepsilon_i$$

the dependent variable, Y_i , represents an outcome of interest (e.g., likelihood of self-employment) for individual i . Explanatory variables include: (1) α , an intercept; (2) X_i , a vector of demographic and socioeconomic characteristics of individual i ⁷⁵; (3) $VETEC_i$, the treatment indicator (1 if individual i is in the treatment group and 0 if the individual is in the control group); (4) $Site_i$, the site where individual i received services;⁷⁶ and (5) ε_i , a zero-mean error term capturing inherent randomness.

The parameter γ is the parameter of interest, as it captures the relationship between participating in the VETEC program and the outcome under consideration. The outcome differences between treatment group and control groups are the estimated program impacts, formally termed *intent to treat (ITT)* estimates. These estimates apply to participants who are eligible to receive the treatment, and accounts for variation in services received by the participants, and attrition.

The above model is estimated separately for each outcome of interest. For dichotomous variables (e.g., likelihood of self-employment), we use a Probit model to estimate program impacts.⁷⁷ For the continuous outcomes (e.g., earnings), we use linear models with Ordinary Least Squares (OLS). Standard errors are computed using the robust Huber/White sandwich estimator to account for potential heteroscedasticity. For each outcome, we also produce results from both unadjusted (bivariate) and adjusted (multiple regression) analyses to offer an opportunity to compare estimates.⁷⁸

Preserving parsimony is especially important here, given that the large number of individuals who did not respond to the survey leads to a significant loss of sample size for the impact analyses.

⁷⁵ The vector X_i contains the following demographic and socioeconomic characteristics: age, gender, race, ethnicity, education, marital status, health insurance coverage status, baseline household income, disability status, self-employment experience, and baseline UI benefit receipt status. We could not control for individuals' citizenship status, since all survey respondents are U.S. citizens.

⁷⁶ The site fixed effects are included to account for any unobserved differences across sites that may be correlated with both program participation and outcome achievement (e.g., quality of site-specific case managers, heterogeneity in outreach strategies and promotional materials across sites, among others).

⁷⁷ A linear model such as the Linear Probability Model (LPM) is a commonly used alternative to the Probit model for binary or dichotomous dependent variables. The LPM has appeal because it is more straightforward than the Probit model and regression estimates are more easily interpretable. However, one of the main drawbacks with the LPM is that it does not restrict predicted probabilities to fall within the range of 0 and 1 given the assumption of linearity, whereas those from the Probit model are always bounded between 0 and 1 (see p.251 of Wooldridge, J.M. *Introductory Econometrics: A Modern Approach*. Fifth Edition. Mason, OH: Thomson/South-Western).

⁷⁸ Although the baseline equivalence tests conducted for survey respondents did not reveal survey non-response bias, as a sensitivity check, we also estimated weighted regression models to adjust for survey non-response. In this analysis, to construct survey attrition weights, we estimated a logistic regression model where the dependent variable was an indicator that equals 1 if an individual completed the survey and 0 otherwise, and independent variables included baseline characteristics (i.e., gender, race, ethnicity, age, marital status, disability status, educational attainment, income, self-employment experience, and UI benefit status at the time of application). After estimating the model, we predicted the likelihood that each individual would complete the follow-up survey, and then constructed the attrition weights. For each individual in the analytic sample, the attrition weight is equal to the

Impacts on Labor Market Outcomes

Exhibit 6.18 presents the regression-adjusted and unadjusted impacts of the VETEC program on the labor market outcomes—including self-employment, salaried employment, and total earnings—using data from the 18-month follow-up survey. For brevity, only the estimated treatment coefficients are shown (Full regression results are presented in Appendix F.)

As shown, the regression-adjusted impact of VETEC on the probability of being self-employed at follow-up was 0.090, which was statistically significant at the 10 percent level. **Specifically, VETEC led to a 9 percentage point increase in the likelihood of being self-employed at the time of the survey.** The program did not have a statistically significant impact on salaried employment. The adjusted and unadjusted estimates are identical in sign, and very similar in magnitude. For self-employment, for example, the regression-adjusted impact is 9 percentage points compared with the unadjusted impact of 9.9 percentage points; both are statistically significant.

The survey asked individuals to report their earnings before taxes and other deductions over the 12 months prior to follow-up. Since earnings from both self-employment and salaried employment contribute to the individual worker’s financial well-being, we examine program impacts on total earnings.⁷⁹ Here, the unadjusted estimate is bigger than the regression-adjusted estimates and the direction of change is the same. However, the estimated impact of the program on total earnings is not statistically significant, indicating that VETEC had no discernible impact on earnings in the 12 months prior to follow-up. Therefore, while VETEC helped participants to be self-employed, it did not help them earn higher total earnings.⁸⁰

Exhibit 6.18: VETEC Impacts on Labor Market Outcomes

Outcomes	Sample Size	Regression-Adjusted Estimates	Unadjusted Estimates		
			Treatment Group Mean	Control Group Mean	Difference
Self-Employment	365	0.090 (0.048)*	0.429 (0.035)	0.329 (0.036)	0.099** (0.051)
Salaried Employment	365	0.018 (0.053)	0.525 (0.036)	0.515 (0.039)	0.010 (0.053)
Total Earnings	360	720.564 (3273.123)	24,178.79 (2406.029)	23,140.80 (2431.653)	1,037.987 (3444.785)

inverse of the predicted probability that he/she completed the follow-up survey. Finally, these attrition weights were used in all the impact models. Although not shown, the estimated impacts were substantively similar with and without weights, which is consistent with the treatment-control balance in characteristics not being affected by survey non-response.

⁷⁹ The self-employment and salaried employment earnings questions in the survey were only asked of those who reported being/becoming employed. In the impact analysis, for each employment type, for individuals who were not employed at the time of the survey, we replaced the missing earnings values with a 0 if they reported not being employed.

⁸⁰ We also experimented with Tobit models for earnings, with qualitatively similar results.

Note: For the employment outcomes, reported are average marginal effects from Probit models. For earnings, reported are estimates from linear regression models. Robust standard errors are in parentheses. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

Impacts on Self-Sufficiency Outcomes

Exhibit 6.19 presents the regression-adjusted and unadjusted impacts of the VETEC program on two UI outcomes (benefit duration (measured in weeks) and benefit amount (measured as the amount received each week), for both of which a negative sign on the outcome represents improvement).⁸¹ Again, for brevity, only the estimated treatment coefficients are shown (Full regression results are presented in Appendix F.) The adjusted and unadjusted estimates are identical in sign and more or less similar in magnitude. Neither of the estimated coefficients is statistically significant, although the adjusted estimate of UI benefit amount represents a reduction of nearly \$12.⁸²

Exhibit 6.19: VETEC Impacts on UI Benefit Receipt

Outcome	Sample Size	Regression-Adjusted Estimate	Unadjusted Estimate		
			Treatment Group Mean	Control Group Mean	Difference
UI Benefit Duration (Weeks)	360	0.587 (0.786)	2.954 (0.521)	2.564 (0.509)	0.390 (0.736)
UI Benefit Amount	361	-11.596 (14.292)	73.857 (9.891)	83.436 (11.297)	-9.579 (14.954)

Note: Estimates reported from linear regression models. In all models, robust standard errors are reported in parentheses. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

6.6.5 Subgroup Program Impacts

The impact estimates for the full sample presented above could potentially mask underlying program impacts on key subgroups. To assess whether VETEC was (more or less) effective for some subgroups, we report the results of subgroup analyses of program impacts by two major baseline characteristics: receipt of UI benefits and age.⁸³ To implement subgroup analyses for a given subgroup, we estimated regressions with interaction terms between the treatment variable and that particular subgroup. These regressions have the same specification as the main multiple regression model described above, with the addition of the appropriate interaction

⁸¹ The UI benefit duration and amount questions in the survey were only asked of those who reported receiving UI benefits since program application. In the impact analysis, for individuals who did not receive UI benefits since program application, we replaced the missing values for duration and amount with a 0.

⁸² We noted in the EDR the possibility of undertaking analyses to adjust for multiple comparison issues for the UI benefit domain, by considering the two UI benefit outcomes together as a group. Since the individual impacts on each of these outcomes was not statistically significant, we did not undertake this analysis.

⁸³ We also examined whether VETEC had differential impacts on outcomes based on gender and self-employment experience. Our analysis did not yield any statistically significant effects based on these subgroups.

variables. For example, to examine whether the treatment effect varies by baseline UI status, we estimated the following regression,

$$Y_i = \alpha + \beta X_i + Y_0 VETEC_i + Y_1 (VETEC_i * UI_i) + \rho Site_i + \varepsilon_i .$$

This specification allows us to estimate separate program impacts for participants with and without UI benefit receipt at baseline. In this formulation, there are two parameter estimates of interest, interpreted as follows:

- Holding all else constant, the estimate of the parameter Y_0 is the average impact of VETEC for participants who were not receiving UI at baseline.
- Holding all else constant, the estimate of the linear combination of parameters ($Y_0 + Y_1$) is the average impact of VETEC for participants who were receiving UI at baseline.

Program Impacts by Receipt of UI Benefits at Baseline

Of the 733 individuals across the treatment and control groups taken together, nearly 34 percent reported receiving UI benefits at baseline. The employment likelihood of UI recipients who participate in VETEC may be of particular interest to USDOL policymakers for two main reasons. First, positive findings may indicate that self-employment training programs like VETEC may play a particularly important role during periods of economic recession, when there are fewer salaried jobs available for the unemployed. Second, USDOL's Self-Employment Assistance (SEAP) program already provides UI recipients with self-employment training services similar to VETEC program services; positive VETEC findings would potentially indicate effectiveness of programs such as SEAP.

For the subgroup receiving UI benefits at baseline, the VETEC program significantly increased the likelihood of being self-employed at follow-up, by 16 percentage points relative to the control group (Exhibit 6.20). **Since many workforce programs are intended to directly assist UI recipients, the apparent VETEC benefit for this group suggest that such programs are potentially effective**—particularly since the finding is consistent with previous findings that self-employment training programs can be effective at helping unemployed participants gain self-employment.⁸⁴ However, the differential program impact (i.e., the difference between the UI recipient group and the non-recipient group) was statistically significant only for the amount of UI benefits. This suggests that the subgroup analyses based on baseline UI receipt should be considered exploratory rather than definitive.

⁸⁴ Michaelides, M., & Benus, J. (2012). *Are self-employment training programs effective? Evidence from Project GATE*. *Labour Economics*, 19(5), 695-705.

Exhibit 6.20: Regression-Adjusted VETEC Impacts by Baseline UI Receipt

Outcome	Sample Size	Received UI at Baseline	Did not Receive UI at Baseline
Self-Employed	365	0.160 (0.076)**	0.068 (0.059)
Employed in a Salaried Job	365	0.090 (0.083)	- 0.033 (0.065)
Total Earnings	360	-4389.275 (6679.781)	3683.954 (3352.182)
UI Benefit Duration (Weeks)	360	-0.352 (1.756)	1.107 (0.623)*
UI Benefit Amount	361	-50.989 (30.456)*	10.556 (13.089)

Note: Reported are regression-adjusted treatment effects with robust standard errors in parentheses. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

Program Impacts by Age

A fact sheet published in February 2015 by the AARP Public Policy Institute found that older workers are more likely to be self-employed.⁸⁵ Specifically, the article used data from the U.S. Census Bureau to show that the self-employment rate was only 8 percent among those ages 25-49, but nearly twice that (15 percent) for those ages 50+. This is important for the VETEC evaluation, because nearly two-thirds (63 percent) of the 733 individuals across the treatment and control groups taken together were ages 45+ at baseline.

Exhibit 6.21 presents the impact on outcomes for younger and older individuals. As seen, the VETEC program was only effective for workers ages 45 years or older. In particular, the program significantly increased the probability of being self-employed (by 19.6 percentage points) for older workers. The VETEC program also decreased the amount of UI benefits claimed by older participants, by about \$33. None of the estimated impacts on outcomes was statistically significant for younger workers. Additionally, for both self-employment and UI benefit amount, the differential program impacts by age group were statistically significant.

Exhibit 6.21: VETEC Impacts by Age

Outcome	Sample Size	Less than 45 Years Old	45+ Years Old
Self-Employed	365	-0.038 (0.081)	0.196 (0.057)***
Employed in a Salaried Job	351	0.059 (0.084)	-0.014 (0.064)
Total Earnings	360	1034.026 (4975.357)	521.848 (4274.159)

⁸⁵ See Baer, David (2015). *Older Workers are more likely to be Self-Employed*. AARP Public Policy Institute.

Outcome	Sample Size	Less than 45 Years Old	45+ Years Old
UI Benefit Duration (Weeks)	360	2.173 (1.358)	-0.418 (0.886)
UI Benefit Amount	361	22.523 (22.025)	-32.764 (17.831)*

Note: Reported are regression-adjusted treatment effects with robust standard errors in parentheses. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

6.6.6 Program Impacts versus Minimum Detectable Effects

Our analyses provide evidence that the VETEC program was effective in helping participants to be self-employed at follow-up but did not find statistically significant impacts for other outcomes. Our sample sizes were small enough, however, to suggest that the lack of more statistically significant impacts may be due to small sample sizes when in reality VETEC did have additional impacts. The smaller the sample size, the larger the impact has to be in order to be detected.

In the EDR, we computed Minimum Detectable Effects (MDEs)⁸⁶ for three scenarios, all of which assumed an 80 percent response rate to the follow-up survey:

- Scenario 1. Sample size of 960 treatment and control members
- Scenario 2. Sample size of 640 treatment and control members
- Scenario 3. Sample size of 480 treatment and control members

The survey response rate turned out to be much lower than previously assumed. The total number of treatment and control group members who responded to the follow-up survey (and therefore for whom outcomes data were available) was only 365. We compare the MDEs, for each of the three scenarios, with the estimated impacts for the five outcomes analyzed in Exhibit 6.22. The exhibit shows that, except for the likelihood of self-employment, the estimated impacts for all outcomes were far smaller than the MDEs estimated in the EDR (except for the likelihood of self-employment, which is only slightly smaller than the MDE for scenario 3).⁸⁷

The implication of these differences between the estimated impacts and MDEs is as follows. Consider the case of earnings. The estimated impact parameter for earnings is \$720.56, which is far smaller than the MDEs for earnings (\$2,411, \$2,953, and \$3,410, in Scenarios 1, 2, and 3, respectively). Under Scenario 1, for this study to detect an impact of VETEC that is statistically significant on total annual earnings, the actual impact would have to be at least \$2,411 (average earnings difference between treatment and control groups). Since the MDE increases as the sample size falls, the actual impact would have to be higher (at \$3,410) if one considers Scenario 3 (which assumed the smallest sample size). If the true impact was instead \$720.56, we were not able to detect it due to the small sample size available in this study.

⁸⁶ The MDE is the smallest program impact that the evaluation will likely be able to detect for a given outcome.

⁸⁷ For ease of comparison, we have ignored the sign of the impacts.

Exhibit 6.22: MDEs versus Estimated Impacts

Outcome	Estimated Impact	MDE for Scenario 1	MDE for Scenario 2	MDE for Scenario 3
Likelihood of Self-Employment	9.0%	7.4%	9.0%	10.4%
Likelihood of Salaried Employment	1.8%	6.4%	7.9%	9.1%
Total Annual Earnings (Dollars)	\$720.56	\$2,411	\$2,953	\$3,410
UI Benefit Duration (Weeks)	0.586	1.6	1.8	2.2
UI Benefit Amount (Dollars)	\$11.596	\$321	\$394	\$455

To summarize, the fact that we did not find statistically significant impacts on most outcomes is consistent with two alternative explanations:

- The program truly had no impact on those outcomes, or
- The sample was not sufficiently large to detect the program’s real impact on those outcomes.

6.6.7 Limitations

The primary advantage of a random assignment evaluation over quasi-experimental approaches lies in its ability to remove selection bias that can confound causal estimates of a program’s impact. In the VETEC context, the randomization was successfully conducted as measured by balancing tests (for both the general sample and subsamples of survey respondents). Even so, all random assignment evaluations are subject to a few potential limitations, as described below.

First, it is always possible that not everyone in the treatment group accepts his/her assignment, and/or is fully compliant with it. For example, if the treatment was administered to a treatment group of size n_T , only a proportion p_T of the treatment group may end up participating in services offered by the program, and/or participate in some but not all services. Since VETEC individuals could not be compelled to take up services, we were not able to obtain an unbiased estimate of the average treatment effect (ATE), which is only possible if everyone in the treatment group accepted their assignment and was fully compliant. A common solution (and the one followed in the impact analysis reported here), is to compare average outcomes between those who were intended to be treated, and the control group. The intent-to-treat (ITT) estimator is an attenuated estimate of the ATE.

Second, owing to low response rates of the follow-up survey, the sample available for the impact analysis fell well below the target sample sizes assumed in the original power analysis, preventing several program impacts from being precisely estimated. Moreover, several types of services were offered to program participants, ranging from group-based services such as classroom sessions to more individualistic services such as one-on-one counseling. Insufficient sample sizes prevented identification of which treatment component(s) accounted for the overall impact of the VETEC program on self-employment.

Finally, even a successfully implemented random assignment design, although it may ensure internal validity (estimated impacts are indeed attributable to the program), cannot always pass the test of external validity. Since the VETEC program was implemented in a specific context (in this case, within the local WIAs in Virginia), the non-veteran eligible applicant population that was randomized was not a representative sample of what would be the non-veteran eligible population for the state as a whole, let alone the nation as a whole. This prevents saying with certainty that the results can be extrapolated to a broader context. However, this is not unique to the VETEC context. Indeed, the lack of external validity is frequently advocated as one of the limitations of an RCT.⁸⁸ However, it is important that we demonstrated a statistically significant impact of VETEC on self-employment. This implies that the VETEC program is potentially capable of working elsewhere.

6.7 Conclusion

This chapter examined the key labor market and self-sufficiency outcomes, and the impact of VETEC on them. In general, at 18 months after baseline, over one-third of non-veteran participants (43 percent) were self-employed, and over half (53 percent) were in salaried employment. The majority of the new businesses were registered as limited liability companies, and funded primarily with personal/family funds.

For the sample as a whole, the analyses revealed a statistically significant impact of VETEC on the program's flagship outcome of self-employment on non-veteran eligible applicants. Specifically, VETEC led to a 9 percentage point increase in the likelihood of being self-employed at follow-up. Additional analyses of select subgroups of interest show that the program's overall impact on being self-employed was driven by recipients of UI benefits (for whom the overall likelihood of being self-employed increased by 16 percentage points), and for participants ages 45 years or older (for whom the likelihood of being self-employed increased by 19.5 percentage points). Subgroup analyses also showed that the VETEC program led to a decrease in average weekly UI benefit amounts claimed, relative to the control group, by about \$51 and \$33, respectively, among those who were receiving UI benefits at baseline and among workers ages 45+ years.

The following chapter is a study of VETEC veterans, a subgroup of special interest to USDOL policymakers. The chapter examines the characteristics of and services received by veterans, as compared to non-veterans (that is, all non-veteran eligible applicants to the program randomly assigned to either the treatment or control group). The chapter also looks at how veterans fared on key outcomes of interest as compared to their non-veteran counterparts.

⁸⁸ One way to generalize estimates from an impact evaluation of a sample to the broader population is to use propensity score methods. While in the traditional propensity score paradigm one would model the probability of receiving the treatment, for the purpose of generalizability, one would instead model the probability of membership in the RCT sample as a function of baseline characteristics. Then, using the fitted model, we would obtain the predicted probability that individual i is in the RCT sample. Finally, the inverse of those predicted probabilities would be used as weights in the impact estimation model. For such a method to be feasible, we would require data on the target population. For example, if our interest is to generalize the results to the state of Virginia, then we would require data on similar individuals in the state on a set of baseline characteristics. As the geographic unit grows, so would the target population. Due to the lack of data on any target population, we could not implement such a weighting procedure for the VETEC study.

CHAPTER 7. A STUDY OF VETEC VETERANS

Under the VETEC program, veterans were given the same priority of services they receive under all USDOL-funded job-training programs including WIOA/WIA, and were therefore automatically enrolled in the VETEC program upon application. All the previous baseline, outcome, and impact findings in the report apply to the non-veteran eligible applicants to the program (the analytic sample), who were randomly assigned either to treatment or control group. Because there was no control group for the veteran applicants, veterans could not be included in the experimental impact component of the evaluation. Therefore, this chapter describes in detail the experience of the veterans who participated in the VETEC program. We analyze the demographic and socioeconomic characteristics of the VETEC veterans at baseline, in addition to the services they received and outcomes they attained during the follow-up period. Throughout these analyses, we compare and contrast VETEC veterans with their non-veteran counterparts appropriate to the specific analysis.

From October 2009 to September 2010, Workforce Area #11 (ENOVATE) saw 3,082 military servicemen and servicewomen leave the military, Workforce Area #9 (GRGATE) saw 627, and Workforce Area #16 (LAUNCH) saw 7,204.⁸⁹ Despite possessing many transferable skills, many veterans are unable to find jobs after leaving the military, pointing to a significant need for employment and training support for them. As a result, WIAs have an interest in serving veterans.

Nearly 86 percent of VETEC veterans were unemployed at baseline. This was vastly higher than the nationwide unemployment rate at that time (8 percent).* Furthermore, a large share of VETEC veterans had some experience with self-employment before entering the program (42.6 percent). **VETEC therefore appears to be a particularly attractive option for veterans with self-employment experience who were unemployed.**

*Source: Bureau of Labor Statistics, [Link to US Department of Labor Bureau of Labor Statistics Databases, Tables and Calculators by Subject](#). Retrieved 2/13/2017.

Of the 935 eligible applicants to the VETEC program in the three program sites, 733 non-veterans were randomly assigned to the treatment or control group; the remaining 202 were veterans and automatically enrolled in the program. The proportion of eligible applicants who were veterans (22 percent) exceeded the 20 percent VETEC target for veteran representation in the program. Exhibit 7.1 shows the breakdown of the veteran and non-veteran eligible applicants across the three sites. LAUNCH has the largest proportion of veterans, followed by GRGATE and ENOVATE.

Active efforts were made to conduct outreach to the veteran population. For example, site staff attended career fairs for veterans organized by the many Veteran Service Organizations in Virginia, contacted employment representatives in AJCs who work with veterans, attended Transition Assistance Program employment sessions, and advertised in publications geared toward veterans and service members.

⁸⁹ Chmura Economics and Analytics.

Exhibit 7.1: Veterans and Non-Veterans, by Program Site

Site	Veterans	Non-Veterans	Total
ENOVATE	48 (16%)	260 (84%)	308
LAUNCH	107 (28%)	269 (72%)	376
GRGATE	47 (19%)	204 (81%)	251
Total	202 (22%)	733 (78%)	935

Section 7.1 presents the research questions and a summary of the main findings. Section 7.2 contains a review of past and current initiatives aimed at boosting employment among veterans. Section 7.3 contains a description of how the VETEC program served its veterans. Section 7.4 presents analyses of the demographic and socioeconomic characteristics of VETEC veterans and compares them with the characteristics of the non-veteran group (i.e., treatment and control groups taken together) at baseline. Section 7.5 studies the outcomes attained at follow-up by veterans and compares them to the outcomes attained by non-veteran VETEC participants (i.e., the treatment group). Section 7.6 concludes the chapter.

7.1 Research Questions and Summary of Main Findings

Five main research questions guided our study of VETEC veterans:

- What were the demographic, socioeconomic, and labor market characteristics of VETEC veterans? Were veterans in all three sites similar in gender, age, and other characteristics?
- What were the major differences between veteran and non-veteran participants in their demographic, socioeconomic and labor market characteristics?
- What were the participation levels of veterans in program services? Did this vary by site? Were one or more service types preferred? Did veterans avail themselves of services to the same degree as their non-veteran counterparts?
- What was the nature and extent of any outcome disparities between veteran and non-veteran participants regarding employment, earnings, and UI benefits?
- Were some types of veterans more or less likely to achieve positive outcomes than others (e.g., older versus younger veterans)?

Exhibit 7.2 is a snapshot of the main findings of this chapter. The sections that follow present detailed findings.

Exhibit 7.2: Veterans Study Main Findings

Demographic and Socioeconomic Characteristics. The majority of VETEC veterans were men (59 percent), African American (62 percent) and ages 35-54 (55 percent); nearly all had at least some college experience (89 percent). In comparison to the veteran populations in Virginia and the United States, VETEC veterans were disproportionately African American, less likely to be married, and younger.

Composition of Veteran vs. Non-Veteran Eligible Applicants:

- Although the majority of VETEC veterans were men, the majority of non-veteran eligible applicants were women.
- VETEC veterans tended to be older, were slightly more educated, and had higher family incomes than non-veteran eligible applicants.
- VETEC veterans were less likely to have self-employment experience than non-veteran eligible applicants.
- A smaller proportion of VETEC veterans reported receiving UI benefits at baseline, and for a substantially shorter period, than non-veteran eligible applicants.

Service Receipt. Most veterans found the VETEC services very useful. The uptake of VETEC services was similar between veteran and non-veteran program participants, but veterans were more likely than non-veterans to take advantage of other WIA services while enrolled in the VETEC program.

Outcomes:

- The VETEC program appears to have benefited the veteran population in terms of the labor market outcomes as measured by the 18-month follow-up survey:
 - 44 percent of VETEC veterans were self-employed at follow-up.
 - 39 percent of VETEC veterans were employed in a wage or salaried job at follow-up, with average earnings in the 12 months prior to follow-up of \$54,000.
- Veterans were less likely than non-veteran participants (treatment group) to be in salaried employment at follow-up. However, once employed, veterans earned \$23,000 more than their non-veteran counterparts in the 12 months prior to follow-up.
- Outcomes differed significantly across veteran subgroups by age, education level, and self-employment experience. VETEC was particularly successful for veterans who were men, white, and with a college education, as well as those who were receiving UI benefits at baseline.

7.2 Past and Current Employment Initiatives Aimed at Veterans

Veterans face well-known challenges when transitioning to civilian life.⁹⁰ As a result of military service, veterans are more likely than non-veterans to suffer from mental conditions such as post-traumatic stress disorder (PTSD), depression, or anxiety disorders. Some veterans also report discomfort with the lack of structure in civilian life, and a general feeling of being out of place. In particular, veterans can experience difficulty translating their military experience into a civilian job.

Because of the sacrifices these men and women have made and the potential hardships they face after completing service, the U.S. government provides a number of services to veterans. Some services help veterans with transitions to civilian life, others with the physical and mental conditions acquired during service. Many of these programs include employment and training services like VETEC, including:

- **Post-9/11 GI Bill⁹¹:** The Post-9/11 GI Bill offers benefits for service members and veterans attending education and training programs taken at accredited colleges or universities or accredited non-college degree granting institutions. These education benefits include: (1) up to 100 percent tuition and fee coverage; (2) a monthly living (housing) stipend; (3) up to \$1000 a year for books and supplies; (4) a one-time relocation allowance; and (5) the option to transfer benefits to family members.
- **Disabled Veterans' Outreach Program⁹²:** The Disabled Veterans' Outreach Program (DVOP) provides funding through State Employment Security Agencies to support dedicated staff positions to develop and provide employment and job training opportunities for disabled and other qualified veterans. DVOP specialists provide intensive services to meet the employment needs of these veterans, with the maximum emphasis directed toward serving those who are economically or educationally disadvantaged (including homeless veterans and veterans with barriers to employment).
- **Homeless Veterans' Reintegration Program⁹³:** The purpose of the Homeless Veterans' Reintegration Program (HVRP) is to provide customized employment and training assistance services to help reintegrate homeless veterans into meaningful civilian employment. HVRP grantee organizations effectively manage the needed supportive services such as housing, mental and physical health services, and substance abuse treatment once participants are enrolled.

⁹⁰ Make the Connection (2016). *Transitioning from Service*. Retrieved on 11/2/16 from [Link to Make the Connection "Transitioning from Service" website](#)

⁹¹ U.S. Department of Veterans Affairs (2015). *Education and Training: Post-9/11 GI Bill*. Retrieved on 11/2/16 from [Link to U.S. Department of Veterans Affairs Post 9-11 GI Bill web page](#)

⁹² Benefits.gov (2016). *Disabled Veterans Outreach Program (DVOP)*. Retrieved on 11/2/16 from [Link to Benefits.gov Disabled Veterans Outreach Program \(DVOP\)](#)

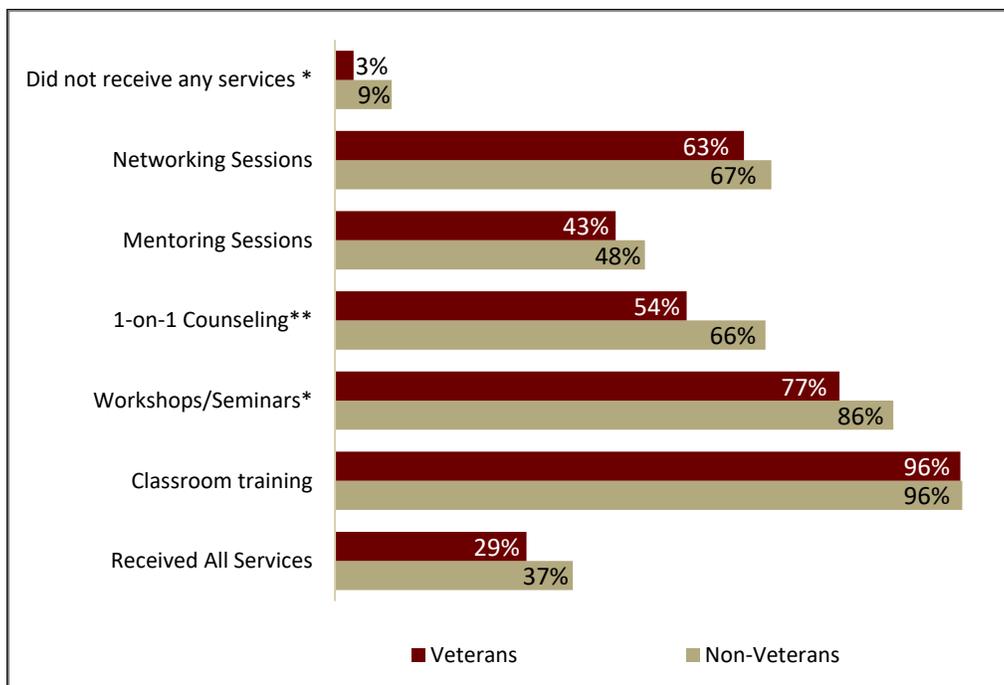
⁹³ U.S. Department of Labor (2016). *Homeless Veterans' Reintegration Program*. Retrieved on 11/2/16 from [Link to U.S. Department of Labors' Homeless Veterans' Reintegration Program](#)

- **Veterans' Preference**⁹⁴: In hiring for federal job positions, veterans are given preference over many other kinds of applicants, which applies to virtually all new appointments in both the competitive and excepted service. However, veterans' preference does not guarantee veterans a job, and it does not apply to internal agency actions such as promotions, transfers, reassignments, and reinstatements.

7.3 Overview of VETEC Services offered to Veterans

Like eligible applicants randomly assigned to the treatment group, VETEC veterans received an array of self-employment services, both through the program and from elsewhere—and availed themselves of those services to about the same extent as the non-veteran program participants. Although proportionally fewer veterans reported receiving each type of service than non-veterans, as shown in Exhibit 7.3, the differences were not generally statistically significant. The single exception was for one-on-one counseling services, with 66 percent of non-veteran participants reporting receiving this service compared to 54 percent of veterans. Veterans were also less likely to not receive any services.

Exhibit 7.3: Receipt of VETEC Services, Veterans versus (Treatment Group) Non-Veterans



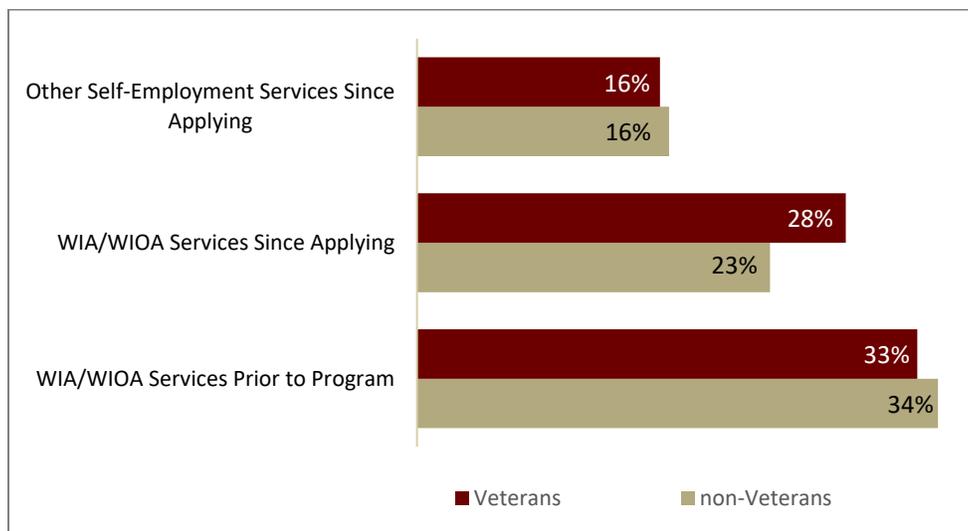
Note: Data from follow-up survey. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

In addition to services received through the VETEC program, all eligible applicants (treatment, control, and veterans), as noted, were free to explore WIA/WIOA and self-employment services

⁹⁴ U.S. Office of Personnel Management (2014). *Veterans' Preference*. Retrieved on 11/2/16 from [Link to Feds Hire Vets' Veterans' Preference program](#)

offered by other service providers. Similar proportions of veterans and non-veteran eligible applicants (treatment and control groups) received WIOA/WIA services *prior* to baseline (Exhibit 7.4). Veterans were as likely as non-veterans to participate in other self-employment services (16 percent) *during the follow-up period* but were slightly more likely to have received WIOA/WIA services from their local job center (28 percent versus 23 percent). This could reflect the priority for veterans across all USDOL programs, although the difference here is not significant.

Exhibit 7.4: Receipt of non-VETEC Services, Veterans versus All Non-Veterans



Note: Data from follow-up survey. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

Overall, 64 percent of veterans reported that the VETEC services were “very useful.” Breaking this down by the type of service, Exhibit 7.5 shows only one statistically significant difference: veterans were 12 percentage points less likely to report that classroom training services were “very useful” as compared to non-veteran participants.

Exhibit 7.5: VETEC Services Reported as Very Useful, Veterans versus (Treatment Group) Non-Veterans

Service Types	Veterans	Non-Veterans	Difference
Classroom training	0.714	0.830	-0.115[0.051]**
Workshops/Seminars	0.709	0.747	-0.038[0.060]
1-on-1 Counseling	0.673	0.728	-0.055[0.073]
Mentoring Sessions	0.705	0.778	-0.073[0.080]
Networking Sessions	0.625	0.629	-0.004[0.074]

Note: Data from follow-up survey. The first two columns report the percentage of veterans and non-veterans reporting that the particular service is “very useful.” The final column reports difference in means with standard error in parentheses. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level. Data from follow-up survey.

7.4 Demographic and Socioeconomic Characteristics of VETEC Veterans

In this section, we present a summary of the demographic and socioeconomic characteristics of VETEC veterans. We first present these characteristics by site, and then compare and contrast the program-wide characteristics of veterans with those of non-veteran treatment and control group members.

7.4.1 Demographic and Socioeconomic Characteristics of Veterans by Program Site

Exhibit 7.6 provides a site-specific summary of the demographic and socioeconomic characteristics of VETEC veterans, in addition to a description of prior outcomes of veterans.⁹⁵ Here are the main findings:

- **Gender.** Across the three sites, more than half the veterans were men (59 percent), with the proportion of men significantly higher at GRGATE than the other sites.
- **Race/Ethnicity.** ENOVATE had the highest percentage of Hispanic veterans and the lowest percentage of African Americans.
- **Age.** There were very few veterans under 35 overall (only 5 percent), although there were almost four times as many under-35 veterans in the LAUNCH program than in the other two sites (7 percent versus 2 percent). Over half (55 percent) were between 35 and 54.
- **Disabled/Have Health Insurance.** For the program overall, 15 percent of veterans were disabled, with the proportion at ENOVATE about half the overall program average (at 8 percent versus 16-19 percent in the other two sites). About two-thirds (67 percent) of the veterans overall had health insurance (a proportion that varied from 60 percent to 71 percent across sites).
- **Education.** VETEC veterans were highly educated overall, with the vast majority having at least some college experience (89 percent) overall. GRGATE had the lowest proportion of veterans with at least some college (at 75 percent, compared with 91 percent at LAUNCH and 96 percent at ENOVATE).
- **Household Income.** Veterans in the ENOVATE program were the most well-off, with 35 percent having household incomes of \$75,000+ in the 12 months prior to baseline compared to only 6 percent at GRGATE and 13 percent at LAUNCH.
- **UI Benefits.** The percentage of veterans at ENOVATE who received UI benefits in the 12 months prior to baseline was substantially higher than at the other sites (63 percent compared to 19 percent at GRGATE and 16 percent at LAUNCH). ENOVATE veterans also had the longest average duration of UI benefit receipt in the 12 months prior to baseline (6.8 weeks compared with one to two weeks at the other two sites).

⁹⁵ The “Other Race” category includes individuals who are American Indian, Asian, and Other/Mixed races. The “College” category includes individuals with a Bachelor’s degree or higher level of education. The “Other Marital Status” category includes separated, divorced, or widowed individuals. The “Self-Employment Experience” category includes both individuals who were still self-employed at baseline and those who had businesses in the past but which ended.

Exhibit 7.6: Characteristics and Prior Outcomes of Veterans by Site

Characteristic	All Program Sites	ENOVATE	GRGATE	LAUNCH
Baseline Demographic Characteristics				
Male	0.59	0.54	0.74	0.54
Race/Ethnicity				
White	0.22	0.29	0.21	0.19
African-American	0.62	0.48	0.70	0.65
Other Race	0.05	0.04	0.04	0.06
Hispanic	0.10	0.19	0.04	0.09
Age Group				
Less than 35 Years	0.05	0.02	0.02	0.07
35-44 Years	0.23	0.23	0.11	0.28
45-54 Years	0.32	0.35	0.43	0.26
55+ Years	0.40	0.40	0.45	0.38
Household Characteristics				
Married	0.41	0.38	0.34	0.45
Single	0.33	0.31	0.32	0.34
Other Marital Status	0.27	0.31	0.34	0.21
Household Size	2.6	2.4	2.8	2.6
Disabled	0.15	0.08	0.19	0.16
Baseline Socioeconomic Characteristics				
Education				
No High School Diploma	0.02	0	0.04	0.01
High School Diploma	0.09	0.04	0.19	0.07
Some College or Associate Degree	0.45	0.44	0.47	0.45
College Degree	0.44	0.52	0.28	0.46
Have Health Insurance	0.67	0.60	0.66	0.71
Household Income				
Less than \$10,000	0.24	0.13	0.43	0.21
\$10,000-\$24,999	0.21	0.13	0.26	0.23
\$25,000-\$49,999	0.22	0.17	0.17	0.27
\$50,000-\$74,999	0.15	0.23	0.09	0.15
\$75,000+	0.17	0.35	0.06	0.13
Prior Labor Market Outcomes				
Self-Employment Experience	0.43	0.35	0.55	0.40
UI Benefits at Enrollment				
Any UI Benefit Receipt Last 12 Months	0.28	0.63	0.19	0.16
Weeks of UI Benefit Receipt	2.9	6.8	0.9	1.9

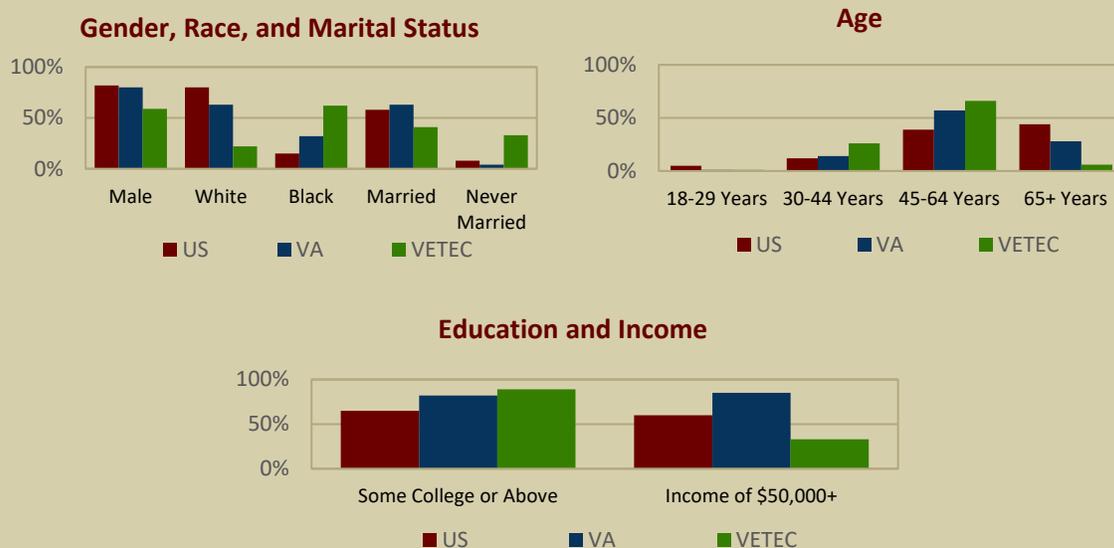
Note: Sample mean is reported. Data from PTS.

Are VETEC veterans representative of veterans in the general population?

Exhibit 7.7 provides a comparison of select demographic characteristics of veterans enrolled in the VETEC program with veterans in the general population of Virginia and the U.S. as a whole.

- **Gender.** While the vast majority of veterans in the general population are men, the gender gap between men and women VETEC veterans was substantially smaller.
- **Race.** VETEC veterans were disproportionately African American compared to veterans in the general population.
- **Marital Status.** VETEC veterans were less likely to be married than veterans in the general population. Furthermore, a much higher share of VETEC veterans reported never having married.
- **Age.** A higher proportion of veterans nationwide are ages 65 years or older than in Virginia and in the VETEC program. This is perhaps due to the prevalence of military bases within the state of Virginia and to the likelihood that, when they exit the military, these veterans remain in Virginia at least for a while before leaving the state.
- **Education.** Both VETEC and Virginia veterans are much more highly educated than the U.S. veteran population.
- **Household Income.** VETEC veterans averaged lower household incomes than veterans in Virginia and nationwide. Only 33 percent of VETEC veterans had annual household incomes of \$50,000 or more, as compared to 85 percent of veterans in Virginia and 60 percent of veterans nationwide.

Exhibit 7.7: Demographic Characteristics Comparison of Veterans

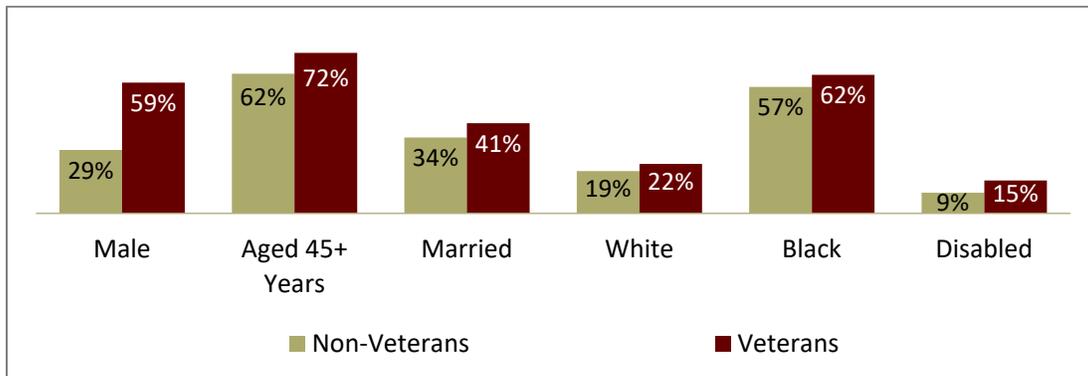


Note: Figures for the US and Virginia were calculated using data from the March 2013 supplement of the Current Population Survey for individuals over the age of 18. Data for VETEC was sourced from responses to the PTS.

7.4.2 Demographic and Socioeconomic Characteristics by Veteran Status

Exhibit 7.8 presents a graphical representation of select demographic characteristics of VETEC veterans and the VETEC-eligible non-veteran group (treatment and control group members).⁹⁶ The gender difference is most striking, with 59 percent men in the veteran group and only 29 percent men in the non-veteran group. Veterans tended to be older than the non-veteran group (72 percent ages 45 years+ as compared to 62 percent). A higher proportion of VETEC veterans were married as compared to non-veterans (41 percent versus 34 percent). Most members of both groups, veterans and non-veterans alike, were African American, with the proportion somewhat higher (62 percent) for veterans than for the non-veteran group (57 percent). Not surprisingly, VETEC veterans were significantly more likely to be disabled than their non-veteran counterparts (15 percent versus 9 percent).⁹⁷

Exhibit 7.8: Demographic Characteristics, Veterans vs. All Non-Veterans



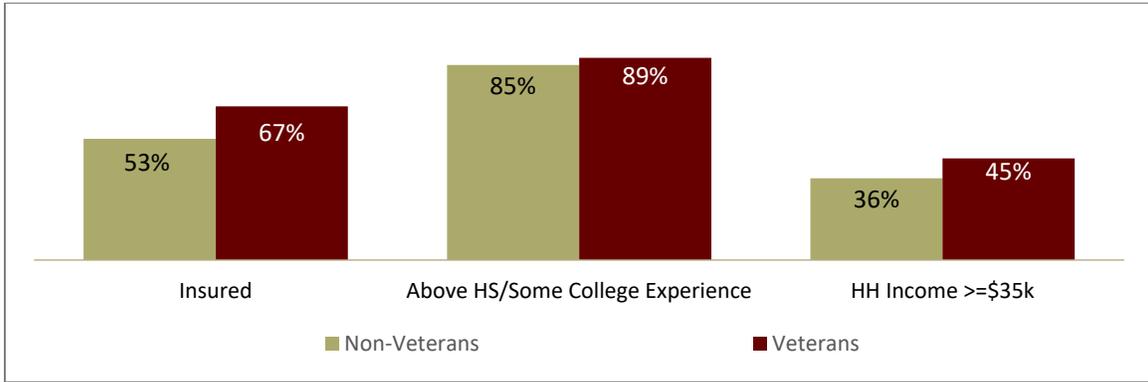
Note: Data from PTS

Exhibit 7.9 shows the differences between VETEC veterans and non-veteran eligible applicants in their socioeconomic characteristics at baseline. A substantially higher share of VETEC veterans held health insurance at baseline (67 percent versus 53 percent), which was likely due to the increased number of healthcare options available to veterans. Veterans tended to be slightly more educated than non-veterans (89 percent versus 85 percent with more than a high school diploma). Finally, veterans tended to have higher household incomes (45 percent versus 36 percent with household incomes at or greater than \$35,000) 12 months prior to baseline.

⁹⁶ For some of the categorical variables, multiple categories have been combined into one for ease of presentation.

⁹⁷ There was no difference in the average household size between veterans and non-veterans. For both groups, the average household size was 2.6. The distribution was very similar with regards to ethnicity too, such that 10.4 percent of veterans were Hispanic, as compared to 11.08 percent of non-veterans.

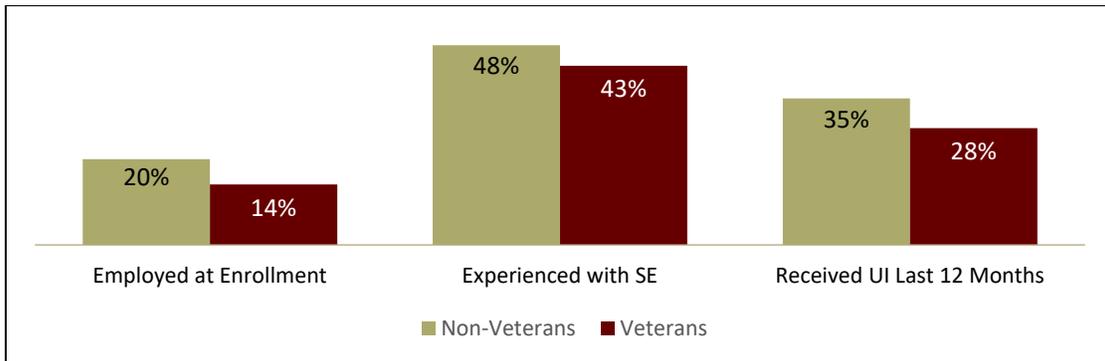
Exhibit 7.9: Socioeconomic Characteristics, Veterans vs. All Non-Veterans



Note: Data from PTS

Exhibit 7.10 presents differences between VETEC veterans and non-veteran eligible applicants with regard to their prior labor market outcomes. Baseline employment was reported at lower rates among VETEC veterans than non-veteran eligible applicants (14 percent versus 20 percent). VETEC veterans were also less likely to have self-employment experience (43 percent versus 48 percent). Because military service constituted a significant portion of their prior work experience, VETEC veterans were less likely to have explored alternative employment opportunities. A smaller proportion of VETEC veterans reported having received UI benefits than the non-veteran eligible applicants (28 percent versus 35 percent) and, not shown, for a substantially shorter period (2.9 weeks versus 4.0 weeks). This may be partially explained by the fact that veterans are often eligible for a military pension after leaving military service.

Exhibit 7.10: Prior Labor Market Outcomes, Veterans vs. Non-Veterans



Note: Data from PTS

7.5 Outcomes Attained by VETEC Veterans

In this section, we compare the labor market and UI outcomes of VETEC veterans (as listed in Exhibit 7.11), how these compare with those of non-veteran program participants (the treatment group), and how these relate to key baseline demographic characteristics (Exhibit 7.11). The 18-month follow-up survey was completed by 107 of the 206 veterans enrolled in the program, for an overall survey response rate of 53.0 percent.

Exhibit 7.11: List of Outcomes

Outcome Domain	Outcome
Self-Employment	Self-employed at the time of the survey (as a business owner, contractor, and/or consultant)
Salaried Employment	Employed in a wage or salary job at the time of the survey
Earnings	<ul style="list-style-type: none"> ▪ Earnings from self-employment over the 12 months prior to the survey ▪ Earnings from salaried employment over the 12 months prior to the survey ▪ Total earnings from self-employment and salaried employment over the 12 months prior to the survey
Self-Sufficiency	<ul style="list-style-type: none"> ▪ Duration of UI benefits between program application and the survey ▪ Amount of UI benefits between program application and the survey

7.5.1 Outcomes Comparison between VETEC Veteran and Non-Veteran Program Participants

Comparison of VETEC veterans with non-veteran program participants (Exhibit 7.12) *holds access to VETEC services constant*, because both groups were provided access to the same suite of services.⁹⁸ Main findings include:

- **Employment:** On the flagship outcome of the program, 43.9 percent of VETEC veterans were self-employed at the 18-month follow-up compared to 43.0 percent for non-veteran program participants, a minor difference that was not statistically significant. For salaried employment, another goal of the program, **VETEC veterans were significantly less likely than non-veterans (by 13.2 percentage points) to have been employed in a wage or salary job at follow-up.**
- **Earnings:** The ability of self-employment to provide a genuine alternative to salaried employment depends to a large extent on the earnings gained from self-employment. On average, self-employed VETEC veterans earned about \$11,000 in the 12 months prior to follow-up compared to \$12,162 for non-veterans, a difference that was not statistically significant. **VETEC veterans earned significantly and substantially more than non-veterans from salaried employment in the 12 months prior to follow-up (\$54,064 versus \$31,010).** This yielded a difference in total earnings in the 12 months prior to follow-up between VETEC veterans and non-veteran program participants of \$4,094, which was not statistically significant.

⁹⁸ Differences between VETEC veterans and non-veteran eligible applicants (treatment and control group members together) are presented in Appendix E.

- **UI Benefit Receipt.** Another key goal of the VETEC program was to help participants achieve a greater level of self-sufficiency as measured by UI benefit receipt. There were no statistically significant differences between veterans and non-veterans in UI duration or benefit receipt over the follow-up period.

Exhibit 7.12: Outcomes Achievement, Veterans versus Non-Veteran Program Participants

Outcome	Veterans	Non-Veterans	Difference
Employment			
Self-Employed	0.439	0.430	0.009 (0.060)
Employed in a wage or salary job	0.393	0.525	-0.133 (0.060)**
Earnings			
Earnings from Self-Employment	\$11,068	\$12,162	- 1,094 (4,002)
Earnings from Salaried Employment	\$54,064	\$31,010	23,054 (9,355)**
Total Earnings	\$36,635	\$32,541	4,094 (12,832)
UI Benefit Receipt			
Duration of UI benefits	12.0	11.3	0.7 (2.7)
Amount of UI benefits	\$310	\$278	31 (29)

Note: For the binary outcomes (that is, the likelihood of self- and salaried employment), the first two columns report the percentage of sample achieving the outcome. For the continuous outcomes (that is, earnings, UI benefit duration and amount, and household income), the first two columns report the mean value of the outcome within that group. Final column reports difference in means with standard error in parentheses. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

7.5.2 Veteran Outcomes by Subgroup

This section investigates whether certain types of VETEC veterans were able to achieve better outcomes than others. We analyze differences in outcomes between subgroups of veterans defined by demographic, socioeconomic, and labor market characteristics. Several differences in outcomes within subgroups were statistically significant (Exhibit 7.13):

- **Gender:** Men veterans were more likely to be employed in a salaried job than their women counterparts at follow-up.
- **Age:** Veterans younger than 45 years were less likely to be employed in a salaried job at follow-up, and averaged UI benefits for 10 and a half weeks longer than older veterans.
- **Race:** White veterans claimed larger amounts of UI benefits than non-white veterans during the follow-up period.⁹⁹
- **Education:** Veterans with a college degree or above earned more overall, and more from salaried employment, than their less educated counterparts in the 12 months prior to the follow-up survey.¹⁰⁰

⁹⁹ The “Non-White” category includes the African American, Asian, American Indian, Hispanic, and mixed race individuals.

¹⁰⁰ The “Below College” category includes individuals with less than a high school diploma, a high school diploma, or with some college or an Associate’s degree.

- **Self-employment experience:** Veterans with self-employment experience were less likely to be in salaried employment at follow-up than veterans without such experience. Those with self-employment experience averaged \$8,934 more from salaried jobs in the 12 months prior to follow-up than veterans without self-employment experience. Furthermore, veterans with self-employment experience received UI benefits for a longer period at follow-up than their counterparts with no self-employment experience. This combination of findings is consistent with a standard model of job search and wage bargaining in a frictional labor market.¹⁰¹ In such a model, those with self-employment experience are prepared to wait longer than others for a job offer with a sufficiently high wage to attract them. This makes it less likely to find such a job, which implies a longer spell of unemployment, but ultimately results in more highly paid employment.
- **Baseline UI receipt:** VETEC veterans receiving UI benefits at baseline received larger amounts of UI benefits after entering the program than veterans who were not claiming UI benefits at baseline—not a surprising finding, since having received UI benefits in the past is a good predictor of future receipt. However, those receiving baseline UI were more likely to find salaried employment over the follow-up period with much larger earnings. A plausible explanation for this combination of findings is that veterans receiving UI benefits at baseline had, by definition, already spent time unemployed and been looking at employment options. The result of longer-job search could well have been greater ability to gain employment that paid more.

¹⁰¹ Mortensen, D. and Pissarides, C. (1994). *Job Creation and Job Destruction in the Theory of Unemployment*. Review of Economic Studies, 61.

Exhibit 7.13: Veteran Outcomes Achievement, by Subgroups

Gender

Outcome	Males	Females	Difference
Employed in a wage or salary job	0.491	0.296	0.194 (0.093)**

Age

Outcome	< Years Old	45+ Years Old	Difference
Employed in a wage or salary job	0.338	0.533	-0.196 (0.104)*
Duration of UI benefits	14.3	3.8	10.5 (5.1)*

Race

Outcome	White	Non-White	Difference
Amount of UI benefits	348	278	70 (32)**

Education

Outcome	Below College	Above College	Difference
Earnings from Salaried Employment	32,087	74,042	-41,955 (24,530)*
Total Earnings	23,883	58,944	-35,060 (14,909)**

SE Experience

Outcome	SE Experience	No SE Experience	Difference
Employed in a wage or salary job	0.295	0.460	-0.165 (0.096)*
Earnings from Salaried Employment	15,738	6,804	8,934 (4,753)*
Duration of UI benefits	18.4	7.9	10.6 (4.2)**

Baseline UI Receipt

Outcome	Received UI at Baseline	Did not Receive UI at Baseline	Difference
Earnings from Salaried Employment	104,873	25,836	79,037 (23,353)***
Total Earnings	78,966	19,984	58,982 (14,530)***
Amount of UI benefits	334	257	77 (34)**

Note: For the binary outcomes, the first two columns report the percentage of sample achieving the outcome. For the continuous outcomes, the first two columns report the mean value of the outcome within that group. Final column reports difference in means with standard error in parentheses. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

7.6 Conclusion

The VETEC program served a large group of veterans (22 percent of the eligible applicant population) interested in returning to work in the civilian economy. Most of these veterans were men and African American, the largest age group was 35-54 years, and nearly all of them had at least some college experience. LAUNCH had the largest proportion of veterans, and correspondingly, the smallest proportion of non-veteran eligible applicants. Compared to non-veterans (the treatment group), veterans were more likely to be men, slightly more educated, and with higher household incomes. Veterans also tended to be older and have less self-

employment experience than non-veterans. A smaller proportion of veterans reported receiving UI benefits in the year prior to baseline, and received such benefits for a substantially shorter period than non-veterans. Veterans took advantage of VETEC services to the same extent as non-veterans, but were more likely than non-veterans to use services provided by other WIA programs.

Our analysis of veterans' outcomes provides promising evidence of the VETEC program's success in providing employment to them and helping them become self-sufficient. Nearly 44 percent of VETEC veterans were self-employed 18 months after baseline, for example, and 39 percent were employed in a salaried job with average earnings from salaried employment of about \$54,000 over the 12 months prior to follow-up. In outcome achievement, VETEC was particularly successful for veterans who were men, were white, had a college education, and were receiving UI benefits at baseline.

APPENDIX A: SAMPLE SITE VISIT INTERVIEW PROTOCOL

WIF VETEC: IMPLEMENTATION STUDY SITE-VISIT DISCUSSION OUTLINE

1. INTERVIEWS

- A. Roles and Responsibilities
- B. Flow of Program Services and Activities
 - i. Identification, Outreach and Recruitment
 - 1. Who is being identified as potential participants
 - 2. How? LMI?
 - 3. Marketing/Advertising methods
 - 4. Activities & Timing
 - ii. Information Session
 - 1. Registration process for attending information session
 - 2. Information presented and length of session
 - 3. Timing of the sessions
 - iii. Application Submission
 - 1. Eligibility Determination
 - a. Requirements
 - b. Communication with Customer
 - c. Assessments
 - 2. Process for customers to submit an application
 - 3. Process for program to accept and key in application (entering into VOS and PTS)
 - iv. Orientation Session
 - 1. Type of information presented and next steps
 - 2. Timing
 - 3. Single or group sessions
 - v. Services
 - 1. Who are the service providers
 - 2. Type of services provided and nature of interactions
 - 3. Scheduling and timing of services and coordinating services (single and cohort services)
 - 4. Documenting services provided (who enters the case notes)
 - vi. Exit and Follow-up
 - 1. What qualifies a customer as being ready to exit
 - 2. Procedure followed to exit an individual out of the program
 - 3. Success and challenges during the exit process
 - 4. What follow-up are you engaging in (including protocols and frequency of follow-up and follow-up information captured)

C. Project Implementation

1. History of creating and implementing the program
2. How the consortium was picked. Who was involved
3. Financing in place
4. Responding to the SGA
5. Issues faced and successes achieved during project implementation
6. Project role out (staffing, contracts, getting partners on board, etc.)

D. Partnerships

- i. Training Providers
- ii. Others

E. Performance Measures

- i. What are the program performance measures
- ii. How are they being used (internally and across sites)

F. Communication

- i. Case Managers
- ii. LWIB / Job Center Employees and Administrative Staff
- iii. Partners
- iv. Customers
- v. VETEC senior leadership and other sites
- vi. Others

G. Final Thoughts / Comments / Wrap-Up

Note: Outline is the same for all the interviews. If some items are not relevant for a particular interviewee, they will be skipped.

2. INFORMATION SESSION

- A. Listening in
- B. Capture all information and items presented. This includes getting copies of all items presented and shared with potential customers.
- C. Conduct a focus group with information session participants
 - i. How did you first hear about the VETEC program?
 - ii. Why did you attend the information session?
 - iii. How useful was the information presented? Why?
 - iv. Will you apply? Why?
 - v. Anything else?

3. ORIENTATION SESSION

- A. Listening in
- B. Capture all information and items presented. This includes getting copies of schedule, all items presented and shared with customers.
- C. Conduct a focus group with information session participants
 - i. Why did you participate in the VETEC program?
 - ii. How useful was the orientation session? Why?
 - iii. What do you want to get from this program? Why?
 - iv. Level of services and time commitment is to much/little/about right?
 - v. Anything else?

APPENDIX B: VETEC APPLICATION FORM



Virginia Employment Through Entrepreneurship Consortium (VETEC) Application Packet



The Virginia Employment Through Entrepreneurship Consortium is funded by the U.S. Department of Labor's Workforce Innovations Fund to support collaborative entrepreneurial efforts in Northern Virginia, Richmond and Norfolk/Virginia Beach.

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Virginia Employment Through Entrepreneurship Consortium (VETEC) Application Packet



Please answer all questions in the application packet. The information collected in this application packet will be kept completely confidential and used only for research and training purposes. You will need to complete the entire packet, but your answers will **NOT** affect your chances of being selected for the Virginia Employment through Entrepreneurship Consortium. There are no right or wrong answers.

The application has three sections:

- Background Information: This section tells us about your family and work situation. It will also touch on your past experience and business idea. The information gathered here may be used for Workforce Investment Act (WIA) eligibility/enrollment purposes.
- Contact Information: This section asks for information that may be used to contact you in the future for follow-up surveys.
- Participation Agreement: This section explains the selection process for VETEC and the types of information we will collect from all participants. By signing this application, you are verifying that you satisfy the eligibility requirements for the demonstration and understand the conditions of the program. **This section must be signed for you to participate in the VETEC program.**

Once you have completed the packet, please fax or mail it to your local area VETEC program:

Northern Virginia
ENOVATE



Myra Mobley
ENOVATE Project Manager
7611 Little River Turnpike, # 326W
Annandale, Virginia 22003

Phone: 703.531.4601
Fax: 703.653.1377
Myra.Mobley@fairfaxcounty.gov

Norfolk/Virginia Beach
LAUNCH HAMPTON ROADS



Stephanie McCombs
Launch Hampton Roads
Program Director
Opportunity Inc. of Hampton Roads
500 E. Plume Street, Suite 700
Norfolk, Virginia 23510

Phone: 757.314.2370
Fax: 757.622.0944
smccombs@oihr.org

Richmond
RICHMOND GATE



Rosalyn Key-Tiller
Richmond Gate Project Director
Capital Region
5410 Williamsburg Road
Sandston, VA 23150

Phone: 804.226.1941
Fax: 804.236.0503
key@co.henrico.va.us



Virginia Employment Through Entrepreneurship Consortium (VETEC) Application Packet, Section 1



Please answer all questions to the best of your ability. The information collected will be kept confidential and used only for research and training purposes. Your answers will **NOT** affect your chances of being selected for VETEC.

Background Information

Part 1, About You:

First Name:	Middle Initial:	Last Name:	
Primary Phone number: () - <input type="checkbox"/> Cell <input type="checkbox"/> Home <input type="checkbox"/> Work <input type="checkbox"/> Other	Alternate Phone Number: () - <input type="checkbox"/> Cell <input type="checkbox"/> Home <input type="checkbox"/> Work <input type="checkbox"/> Other	SSN: - -	
Mailing Address: Apt#	City:	State	Zip Code:
Is above mailing address same as residential address? <input type="checkbox"/> Yes <input type="checkbox"/> No (If no, please provide additional address here)			
Address:		City:	State: Zip Code:
Primary E-mail address:		Birthday (MM/DD/YY) :	Gender: <input type="checkbox"/> Male <input type="checkbox"/> Female
What is your Primary Language?	Are you fluent in English? <input type="checkbox"/> Yes <input type="checkbox"/> No	Please list any other languages in which you are fluent:	
Have you attended an information session? <input type="checkbox"/> Yes (Location: _____ Date: _____) <input type="checkbox"/> No			
How did you learn about VETEC program?			

Part 2, General:

Are you a <input type="checkbox"/> Citizen of the U.S. or U.S. territory <input type="checkbox"/> U.S. Permanent Resident <input type="checkbox"/> Alien/Refugee lawfully admitted to U.S. <input type="checkbox"/> None of the above	Nationality: _____ Date Arrived in USA: ____/____/____ Alien Registration #: _____ Alien Registration # Expiration Date: ____/____/____
Are you registered with the Selective Service (Males born after 1960)? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Documented exemption from registration <input type="checkbox"/> N/A	Are you a US military spouse? <input type="checkbox"/> Yes <input type="checkbox"/> No Spouse Activated? <input type="checkbox"/> Yes <input type="checkbox"/> No
Have you ever served in the US Military? <input type="checkbox"/> Yes <input type="checkbox"/> No Branch: _____ Honorable Discharge? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Entry Date: ____/____/____ Discharge Date: ____/____/____
Please select all that apply: <input type="checkbox"/> Campaign Veteran <input type="checkbox"/> Disabled Veteran <input type="checkbox"/> Recently Separated Veteran	
Have you ever been arrested/convicted of a crime? <input type="checkbox"/> Yes <input type="checkbox"/> No	



Virginia Employment Through Entrepreneurship Consortium (VETEC) Application Packet, Section 1 Continued



Please answer all questions to the best of your ability. The information collected will be kept confidential and used only for research and training purposes. Your answers will **NOT** affect your chances of being selected for VETEC.

Part 3, Employment Information:

Are you currently looking for work? <input type="checkbox"/> Yes <input type="checkbox"/> No	Current employment status: <input type="checkbox"/> Not Working <input type="checkbox"/> Working Full-Time <input type="checkbox"/> Working Part-Time <input type="checkbox"/> Never Worked		
Current/Last Employer:	City:	State	Country
Job Title:	Wage/Salary \$:	Per (hr/mth/yr):	Hours Per Week:
Duties:		Start Date:	End Date:
Reason Job Ended: <input type="checkbox"/> N/A <input type="checkbox"/> Laid Off <input type="checkbox"/> Other: _____			
Are you currently receiving Unemployment Insurance (UI) benefits? : <input type="checkbox"/> Yes (State: _____) <input type="checkbox"/> No			
If yes, how many weeks in the last 12 months have you received Unemployment Insurance? _____			
Is the above employer who you are receiving UI from? <input type="checkbox"/> Yes <input type="checkbox"/> No (If no, please provide employer information)			

Part 4, Additional Information:

<p>1. Do you consider yourself: <i>please mark all that apply</i></p> <p><input type="checkbox"/> White and Hispanic/Latino <input type="checkbox"/> White and not Hispanic/Latino <input type="checkbox"/> Black and Hispanic/Latino <input type="checkbox"/> Black and not Hispanic/Latino <input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> Asian <input type="checkbox"/> Other (please specify): _____</p> <p>2. What is your Marital Status?</p> <p><input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed</p> <p>3a. Including yourself, how many people live with you? Please include those related as well as people who are temporarily away. Answer: _____</p> <p>b. Are any of your family members receiving public assistance? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please circle which service(s): TANF FS GR Other: _____</p>	<p>4a. What is your highest level of education achieved?:</p> <p><input type="checkbox"/> 6 years or less <input type="checkbox"/> 7 to 12 years but no diploma or GED <input type="checkbox"/> Received High School Diploma or GED <input type="checkbox"/> Completed some post-high school education but no Bachelor's Degree <input type="checkbox"/> Received a Bachelors Degree <input type="checkbox"/> Other (vocational, certificate, etc.): _____</p> <p>b. Are you currently attending/enrolled in any schooling?: <input type="checkbox"/> Yes (Specify: _____) <input type="checkbox"/> No, not attending school</p> <p>5a. Do you have a disability or health problem affecting your ability to work? <input type="checkbox"/> yes <input type="checkbox"/> No</p> <p>b. Do you have health insurance coverage? <input type="checkbox"/> yes <input type="checkbox"/> No</p> <p>6. In the last 12 months, what was your total household income from all sources before taxes and deductions? Please include income from yourself and all other members of your household.</p> <table style="width: 100%;"> <tr> <td><input type="checkbox"/> None</td> <td><input type="checkbox"/> \$35,000 - \$49,999</td> </tr> <tr> <td><input type="checkbox"/> Under \$10,000</td> <td><input type="checkbox"/> \$50,000 - \$74,999</td> </tr> <tr> <td><input type="checkbox"/> \$10,000 - \$14,999</td> <td><input type="checkbox"/> \$75,000 - \$99,999</td> </tr> <tr> <td><input type="checkbox"/> \$15,000 - \$24,999</td> <td><input type="checkbox"/> \$100,000 or above</td> </tr> <tr> <td><input type="checkbox"/> \$25,000 - \$34,999</td> <td></td> </tr> </table>	<input type="checkbox"/> None	<input type="checkbox"/> \$35,000 - \$49,999	<input type="checkbox"/> Under \$10,000	<input type="checkbox"/> \$50,000 - \$74,999	<input type="checkbox"/> \$10,000 - \$14,999	<input type="checkbox"/> \$75,000 - \$99,999	<input type="checkbox"/> \$15,000 - \$24,999	<input type="checkbox"/> \$100,000 or above	<input type="checkbox"/> \$25,000 - \$34,999	
<input type="checkbox"/> None	<input type="checkbox"/> \$35,000 - \$49,999										
<input type="checkbox"/> Under \$10,000	<input type="checkbox"/> \$50,000 - \$74,999										
<input type="checkbox"/> \$10,000 - \$14,999	<input type="checkbox"/> \$75,000 - \$99,999										
<input type="checkbox"/> \$15,000 - \$24,999	<input type="checkbox"/> \$100,000 or above										
<input type="checkbox"/> \$25,000 - \$34,999											



Virginia Employment Through Entrepreneurship Consortium (VETEC) Application Packet, Section 1 Continued



Additional Information (continued):

7. Within the last 12 months, have you received a notice of termination or layoff from your job or received documentation that you are separating from military service?
- Yes
 - No
8. Do you have a family member who is currently working and receiving an hourly wage or salary?
- Yes
 - No
9. Have any close friends or relatives ever been self-employed?
- Yes
 - No
10. How much prior managerial experience do you have?
- None
 - 1 year or less
 - 2 to 5 years
 - Over 5 years
11. What is your family support for self-employment?
- Family is very opposed to self-employment
 - Family is mildly opposed to self-employment
 - Family is mildly supportive of self-employment
 - Family is very supportive of self-employment
 - Not Applicable
- 12a. What is your prior self-employment experience?
- None
 - I am still self employed
 - Had a business but it ended
Date business ended: _____
- b. If you had a business or are still self-employed how profitable was or is it?
- Was never profitable
 - Profit was only marginal
 - Profit equivalent to a full-time job for at least one year
 - I am still self-employed
13. How is your credit?
- No credit history
 - Bad credit (619 or below)
 - Average credit
 - Good credit (679 or above)
14. Do you have experience operating another small business similar to the one you propose to start or grow?
- Yes
 - No
15. Will this business build on skills or knowledge developed while at a job or pursuing a hobby?
- Neither job nor hobby
 - Job
 - Hobby
 - Both
- 16a. Which of the following is most accurate?
- I have no idea what business to start
 - I have a vague idea of what business I want to start
 - I have a detailed idea of the business I want to start
 - I have written a formal business plan for the business
- b. Please briefly describe the business you would like to start or grow.
-
-
-
-
-
-
-
-
-
-



Virginia Employment Through Entrepreneurship Consortium (VETEC) Application Packet, Section 2



Applicant Contact Information:

First Name:	Middle Initial:	Last Name:
Telephone Number	SSN: — —	Birthday (MM/DD/YY) :

Applicant's Friend's & Relative's Contact Information:

In the space below, please provide the name, address, and phone number of three close relatives or friends who are likely to know how to contact you six months from now (spouse, family, friends). We will only contact these people if we have trouble contacting you directly. Please complete all three boxes if possible.

Contact 1:

First Name:	Middle Initial:	Last Name:
Home Telephone Number	Alternate Telephone Number	
Address:		Apt #
City:	State:	Zip Code:
Relationship to Applicant:	Email Address:	

Contact 2:

First Name:	Middle Initial:	Last Name:
Home Telephone Number	Alternate Telephone Number	
Address:		Apt #
City:	State:	Zip Code:
Relationship to Applicant:	Email Address:	

Contact 3:

First Name:	Middle Initial:	Last Name:
Home Telephone Number	Alternate Telephone Number	
Address:		Apt #
City:	State:	Zip Code:
Relationship to Applicant:	Email Address:	



Virginia Employment Through Entrepreneurship Consortium (VETEC) Application Packet, Section 3



The VETEC program is funded by the U.S. Department of Labor, Employment and Training Administration (DOLETA). As a requirement of the grant IMPAQ International, an independent research firm, has been contracted to identify whether VETEC provides training and services that assist persons in becoming self-employed. Over the next few years IMPAQ will be studying the program and looking at peoples' experiences before, during, and after receiving VETEC training.

VETEC is a random evaluation study. This means that not everyone in the program will be selected for inclusion. To participate in VETEC, you must understand and agree to the following:

To be eligible for VETEC, you must:

- Have attended an VETEC information session. Date attended: ___/___/_____.
- Have a legal business idea.
- Be 18 years of age or older.
- Be a U.S. citizen or national of the U.S., lawfully admitted permanent resident, or other immigrant authorized to work in the U.S.
- Be determined as a federal WIA eligible adult or dislocated worker.

In addition, you must agree to be part of the Study to apply for VETEC:

- VETEC does not have space for everyone. Participants will be randomly selected from among eligible applicants. You will be informed of your status in the program approximately two weeks from submitting a program application.
- IMPAQ will ask to interview you approximately eighteen months after applying for the VETEC program. Although these interviews are extremely important for the study, your participation in them is voluntary and will not affect your participation in VETEC.
- As part of the evaluation study, IMPAQ will gather and use information about you from the VETEC program and state government files on personal characteristics, employment information, service use, wage records, and unemployment compensation benefit records. * Personally identifiable information obtained from state government files will be disclosed only to authorized IMPAQ personnel for the sole purpose of evaluation of the VETEC program. This authorization will expire on **[End of contract date]**.
- Information gathered for the Study will only be used for evaluating the program. All information will be kept strictly confidential, unless the law requires disclosure or you request otherwise in writing.

I have read, or have had this form read to me, and confirm that I meet the eligibility requirements, consent to the release of confidential information from state government files and agree to participate in the Study.

Signature	Printed Name
Social Security Number	Date

* Characteristics gathered are: Gender, race, ethnicity, education, veteran status, disability status, WPRS profiling score, social security number, date of birth, type of benefit claim (regular, EUC, EB, etc.), date of claim, benefit year begin and end date, weekly/maximum benefit amount, number of weeks of eligibility, date and reason of job separation, occupation code of the job the claimant was separated from, industry code of the job the claimant was separated from, base period earnings, referred/received to reemployment services (yes/no), date of payment, amount of payment, year and quarter or wage information, and total earnings during quarter.



Virginia Employment Through Entrepreneurship Consortium (VETEC) Application Packet, Section 4



CONSENT TO EXCHANGE INFORMATION

I understand that different agencies provide different services and each agency needs specific information in order to successfully assist with small business development. By signing this form, I am allowing agencies to exchange information in order to work together effectively to provide and coordinate services.

Please check those that apply:

- | | |
|---|---|
| <input type="checkbox"/> Assessment Information | <input type="checkbox"/> Educational Records |
| <input type="checkbox"/> Financial Information | <input type="checkbox"/> Employment Records |
| <input type="checkbox"/> Eligible Benefits | <input type="checkbox"/> Job and Business Development Information |

ENOVATE



I want the SkillSource Group, Inc, Virginia Employment Commission (VEC), Northern Virginia Community College, Business Assistance Groups, Training Providers, and Employers to be able to exchange and access the above information for the purpose of coordinating business development and training services, verifying services received, and employment.

Signature

Date

Greater Richmond GATE



I want the SkillSource Group, Inc, Virginia Employment Commission (VEC), Capital Region Workforce Partnership, Community College Workforce Alliance, Training Providers, and Employers to be able to exchange and access the above information for the purpose of coordinating business development and training services, verifying services received, and employment.

Signature

Date

Launch Hampton Roads



I want the SkillSource Group, Inc, Virginia Employment Commission (VEC), Opportunity, Inc., Old Dominion University, Training Providers, and Employers to be able to exchange and access the above information for the purpose of coordinating business development and training services, verifying services received, and employment.

Signature

Date

APPENDIX C: VETEC FOLLOW-UP SURVEY INSTRUMENT

Virginia Employment Through Entrepreneurship Consortium (VETEC)

Participant Survey of the VETEC Program

Responding Participant Group	Group Number	Survey Sections							

FIELD	VARIABLE INSERT
[VETEC FULL NAME]	Employing Northern Virginia Through Entrepreneurship; Greater Richmond Growing America Through Entrepreneurship; Launch Hampton Roads
[VETEC]	ENOVATE; GR GATE; LAUNCH
[SAMPLE MEMBER]	Participant name (First, Middle Initial, and Last Name)
[APP DATE]	Date participant submitted the application (month and year)
[VETEC END]	Date participant ended VETEC services (month and year)
[SCREENER NAME]	Name of screener conducting the call

SECTION A: INTRODUCTION/SCREENER

Token Screen

INTRO: We are conducting a survey of people who applied to the [VETEC FULL] [VETEC] program. I would like to ask you some questions about your experience with employment and self-employment services.

Your opinions and experiences are extremely important. We would appreciate your participation in this study.

The information gathered as the result of this survey will be reported as grouped data and will not be linked directly to you. Only members of the research team will have access to the data.

SECTION B: SERVICES RECEIVED

The first series of questions are about [VETEC] self-employment services. The [VETEC] program provides a mix of self-employment services such as classroom training, workshops/seminars, one-on-one business counseling, business mentoring, networking, and assistance with applying to business loans. The following series of questions will ask you about each of the [VETEC] services that you may, or may not, have received since [APP DATE].

When answering these questions, please refer only to your experience and not the experience of any other person or persons.

SERVICES RECEIVED: [VETEC] SERVICES

B1. Were you selected to receive [VETEC] services.

YES..... 01 → B1a

NO 02 → B12

B1a. Please tell me what self-employment services you have received or attended through [VETEC] since you applied.

INTERVIEWER IF NEEDED: Classroom training refers to a set of classes taught by instructors that cover multiple business topics and may take place over a period of time.

INTERVIEWER IF NEEDED: Workshops or Seminars refer to short training events that concentrate on a specific topic.

INTERVIEWER IF NEEDED: One-on-one business counseling sessions refer to individual meetings with a business counselor to address specific issues related to starting or growing a business . This may include business advice or technical assistance.

INTERVIEWER IF NEEDED: A mentor is an experienced business-owner or manager, generally in a similar industry, who provides business mentoring.

INTERVIEWER IF NEEDED: A referred networking session or peer support group is a group of individuals who are self-employed or trying to start a business who meet to share ideas, strategies, and information.

Classroom training for starting or growing a business01

Workshops or seminars about starting or growing a business.....02

One-on-one business counseling sessions to help with your
business idea or with setting up your business03

Mentoring sessions with a [VETEC] referred business mentor04

[VETEC] referred networking sessions or peer support
group events05

I DID NOT RECEIVE ANY [VETEC] SERVICES06

DON'T KNOW98
 REFUSED.....99

PROGRAMMER:
IF B1a = NO for any of the services, GO TO B1b1
IF B1a = 06 OR 98 OR 99, GO TO B1B2
IF B1a = YES for all services, GO TO B2a

B1b1. You responded in the previous question that you DID NOT receive all the [VETEC] services.

Below is a list of the services that you did not receive. Please indicate if you did not receive the service because it wasn't available to you or because you weren't interested in the service.

PROGRAMMER: ONLY LIST THOSE SERVICES FROM B1A THAT R DID NOT RECEIVE.

- Classroom training for starting or growing a business
- Workshops or seminars about starting or growing a business
- One-on-one business counseling sessions to help with your business idea or with setting up your business
- Mentoring sessions with a [VETEC] referred business mentor
- [VETEC] referred networking sessions or peer support group events

Service was not available01
 Service was available but I was not interested.....02

DON'T KNOW98
 REFUSED.....99

PROGRAMMER: GO TO B2 – B6 BASED ON RESPONSES TO B1a

B1b2. Why did you not receive or participate in any [VETEC] self-employment services?

I got a job working for someone else 01 → B12
 I decided to post-pone self-employment 02 → B12
 The services were located too far away 03 →
 B12 The times were inconvenient 04 →
 B12
 I did not think the services would be helpful 05 → B12
 I did not participate for some other reason 06 → B12

 DO NOT KNOW..... 98 → B12
 REFUSED..... 99 → B12

You said that you attended [VETEC] classroom training on topics related to starting or growing a business.

As a reminder: Classroom training refers to a set of classes taught by instructors that cover multiple business topics and may take place over a period of time.

B2a. How many individual [VETEC] training classes did you attend?

Your best guess or an estimate is fine.

[][][] NUMBER OF TRAINING CLASSES/SESSIONS → B2b1

DON'T KNOW..... 98 → B2b1

REFUSED 99 → B2b1

B2b1. On average, how long did each of these individual [VETEC] training classes last?

INTERVIEWER: RECORD LENGTH AND CODE UNIT OF TIME

[][][] LENGTH..... → B2b2

DON'T KNOW..... 98 → B3a

REFUSED 99 → B3a

B2b2. READ IF NECESSARY: ON AVERAGE, HOW LONG DID EACH OF THESE INDIVIDUAL [VETEC] TRAINING CLASSES LAST?

INTERVIEWER: RECORD LENGTH AND CODE UNIT OF TIME

MINUTES..... 01 → B3a

HOURS 02 → B3a

DON'T KNOW..... 98 → B3a

REFUSED 99 → B3a

IF B1a = 02, GO TO B3a

You said that you attended [VETEC] workshops/seminars on topics related to starting or growing a business.

As a reminder: Workshops or Seminars refer to short training events that concentrate on a specific topic.

B3a. How many individual [VETEC] seminars/workshops did you attend?

Your best guess or an estimate is fine.

[][][] NUMBER OF WORKSHOPS/SEMINARS..... → B3b1

DON'T KNOW..... 98 → B3b1

REFUSED 99 → B3b1

B3b1. On average, how long did each of these individual [VETEC] seminars/workshops last?

INTERVIEWER: RECORD LENGTH AND CODE UNIT OF TIME

[][]LENGTH..... → B3b2

DON'T KNOW..... 98 → B4a

REFUSED 99 → B4a

B3b2. READ IF NECESSARY: ON AVERAGE, HOW LONG DID EACH OF THESE INDIVIDUAL [VETEC] SEMINARS/WORKSHOPS LAST?

INTERVIEWER: RECORD LENGTH AND CODE UNIT OF TIME

MINUTES..... 01 → B4a

HOURS 02 → B4a

DON'T KNOW..... 98 → B4a

REFUSED 99 → B4a

IF B1a = 03, GO TO B4a

You said that you attended [VETEC] one-on-one counseling sessions.
As a reminder: One-on-one business counseling sessions refer to individual meetings with a business counselor to address specific issues related to starting or growing a business . This may include business advice or technical assistance.

B4a. How many of these one-on-one sessions did you attend?

Your best guess or an estimate is fine.

[][] NUMBER OF COUNSELING SESSIONS..... → B4b1

DON'T KNOW..... 98 → B4b1

REFUSED 99 → B4b1

B4b1. On average, how long did each one-on-one session last?

INTERVIEWER: RECORD LENGTH OF TIME.

[][]LENGTH..... → B4b2

DON'T KNOW..... 98 → B4b2

REFUSED 99 → B4b2

B4b2. READ IF NECESSARY: ON AVERAGE, HOW LONG DID EACH ONE-ON-ONE SESSION LAST?

INTERVIEWER: RECORD CODE UNIT OF TIME.

MINUTES..... 01 → B5a
 HOURS 02 → B5a
 DON'T KNOW..... 98 → B5a
 REFUSED 99 → B5a

IF B1a = 04, GO TO B5a

You said that you attended mentoring sessions with a [VETEC] referred business mentor.
As a reminder: A mentor is an experienced business-owner or manager, generally in a similar industry, who provides business mentoring.

B5a. How many meetings in total have you had with this [VETEC] referred business mentor?

[][] NUMBER OF MEETINGS → B5b1
 DON'T KNOW 98 → B5b1
 REFUSED..... 99 → B5b1

B5b1. On average, how long did each mentoring session last?
INTERVIEWER: RECORD LENGTH OF TIME.

[][][] LENGTH..... → B5b2
 DON'T KNOW..... 98 → B5b2
 REFUSED 99 → B5b2

B5b2. READ IF NECESSARY: ON AVERAGE, HOW LONG DID EACH MENTORING SESSION LAST?
INTERVIEWER: RECORD CODE UNIT OF TIME.

MINUTES..... 01 → B6a
 HOURS 02 → B6a
 DON'T KNOW..... 98 → B6a
 REFUSED 99 → B6a

IF B1a = 05, GO TO B6a

You said that you attended [VETEC] referred networking sessions or peer support groups/events.

As a reminder: A referred networking session or peer support group is a group of individuals who are self-employed or trying to start a business who meet to share ideas, strategies, and information.

B6a. How many these networking sessions or events have you attended?

[][] NUMBER OF NETWORKING SESSIONS/
PEER SUPPORT GROUPS/EVENTS..... → B6b1

DON'T KNOW..... 98 → B6b1

REFUSED 99 → B6b1

B6b1. On average, how long was each networking session or event?

INTERVIEWER: RECORD LENGTH OF TIME.

[][][] LENGTH..... → B6b2

DON'T KNOW..... 98 → B6b2

REFUSED 99 → B6b2

B6b2. READ IF NECESSARY: ON AVERAGE, HOW LONG WAS EACH NETWORKING SESSION?

INTERVIEWER: RECORD CODE UNIT OF TIME.

MINUTES..... 01 → B7

HOURS 02 → B7

DON'T KNOW..... 98 → B7

REFUSED 99 → B7

Now, I am going to ask you about any additional services you may have received since you applied to [VETEC].

B7. Since you applied, have you received any help from [VETEC] in developing a written business plan?

Yes, [VETEC] helped me 01 → B8

No, I did not need help 02 → B8

No, help was not available to me 03 → B8 DON'T

KNOW 98 → B8

REFUSED..... 99 → B8

B8. Since you applied, have you received any assistance from [VETEC] in applying for business loans?

- Yes, [VETEC] helped me 01 → B9
- No, I did not need assistance 02 → B9
- No, assistance was not available to me 03 → B9

- DON'T KNOW 98 → B9
- REFUSED..... 99 → B9

B9. Since you applied, have you received any other [VETEC] self-employment services that we have not talked about?

- YES..... 01 → B9a
- NO 02 → B10

- DON'T KNOW 98 → B10
- REFUSED..... 99 → B10

B9a. What other [VETEC] services have you received?

- OPEN END 01 → B10

- DON'T KNOW..... 98 → B10
- REFUSED 99 → B10

B10. Are you currently receiving [VETEC] services?

- YES 01 → B11a
- NO..... 02 → B10a

- DON'T KNOW..... 98 → B11a
- REFUSED 99 → B11a

**B10a. What were the reasons you stopped receiving [VETEC] services?
Please check all that apply**

- I successfully completed the program 01 → B11a
- I got a job working for someone else 02 → B11a
- I decided to post-pone self-employment 03 → B11a
- The services were located too far away 04 → B11a
- The times were inconvenient 05 → B11a
- I did not find the services helpful 06 → B11a
- Some other reason..... 07 → B10a1

- DO NOT KNOW..... 98 → B11a
- REFUSED..... 99 → B11a

B10a1. What was the other reason?

- OPEN END → B11a
- DON'T KNOW..... 98 → B11a
- REFUSED 99 → B11a

B11a. When was the last time you received any [VETEC] service? Your best guess or an estimate is fine.

- OPEN END [MONTH 01 – 12]..... → B11b
- DON'T KNOW..... 98 → B11b
- REFUSED 99 → B11b

B11b. READ IF NECESSARY: WHEN WAS THE LAST TIME YOU RECEIVED ANY [VETEC] SERVICE? YOUR BEST GUESS OR AN ESTIMATE IS FINE.

- OPEN END [YEAR 2013 – 2016] 01 → B12
- DON'T KNOW..... 98 → B12
- REFUSED 99 → B12

B12. Since you applied, has a business partner or family member in your household received any [VETEC] services to help them start and/or grow a business?

- YES..... 01 → B13
- NO 02 → B13
- DON'T KNOW..... 98 → B13
- REFUSED..... 99 → B13

SERVICES RECEIVED: WIA SERVICES

I would like to ask you about any employment and training services that you may have received through your local job center or local One-Stop Center.

B13. Prior to applying to the [VETEC] program, did you receive any types of employment and training services from your local job center or One-Stop Center?

- YES..... 01 → B14
- NO 02 → B14
- DON'T KNOW 98 → B14
- REFUSED..... 99 → B14

B14. Since you applied to [VETEC] until today, have you received any types of employment and training services from your local job center or One-Stop Center?

YES.....01 → B15
 NO 02 → B18
 DON'T KNOW 98 → B18
 REFUSED..... 99 → B18

B15. Since you applied to [VETEC] until today, have you received any job training funded by your local job center or One-Stop Center? PROBE: By this, we mean did your local job center or One-Stop Center help pay for any job skills training course?

YES..... 01 → B15a
 NO 02 → B16a
 DON'T KNOW 98 → B16a
 REFUSED..... 99 → B16a

B15a. What type of job training did you receive?

OPEN END 01 → B15b
 DON'T KNOW 98 → B15b
 REFUSED..... 99 → B15b

B15b. Was this job training related to your business idea?

YES01 → B15c
 NO02 → B15c
 DON'T KNOW..... 98 → B15c
 REFUSED 99 → B15c

B15c. Did you complete this job training?

YES 01 → B16a
 NO..... 02 → B16a
 DON'T KNOW..... 98 → B16a
 REFUSED 99 → B16a

B16a. Thinking about all the services you have received your local job center or One-Stop Center since you applied, when did you first start receiving these services? Your best guess or an estimate is fine.

OPEN END [01 – 12]..... 01 → B16b
 DON'T KNOW..... 98 → B16b
 REFUSED 99 → B16b

B16b. READ IF NECESSARY: THINKING ABOUT ALL THE SERVICES YOU HAVE RECEIVED YOUR

LOCAL JOB CENTER OR ONE-STOP CENTER SINCE YOU APPLIED, WHEN DID YOU FIRST START RECEIVING THESE SERVICES? YOUR BEST GUESS OR AN ESTIMATE IS FINE.

OPEN END [2013-2016] → B17a

DON'T KNOW..... 98 → B17a

REFUSED 99 → B17a

B17a. When did you stop receiving services your local job center or One-Stop Center? Your best guess or an estimate is fine.

OPEN END [01 – 12]..... → B17b

DON'T KNOW..... 98 → B17b

REFUSED 99 → B17b

B17b. READ IF NECESSARY: WHEN DID YOU STOP RECEIVING SERVICES YOUR LOCAL JOB CENTER OR ONE-STOP CENTER? YOUR BEST GUESS OR AN ESTIMATE IS FINE. OPEN

END [2013-2016] 01 → B18

DON'T KNOW..... 98 → B18

REFUSED 99 → B18

SERVICES RECEIVED: SELF-EMPLOYMENT SERVICES OUTSIDE OF [VETEC]

We have asked you about [VETEC] and services available through your local job center or One-Stop Center. Now, we will ask about other types of services that you may have received from self-employment programs other than [VETEC].

B18. Since you applied to [VETEC] until today, have you received any self-employment services from any programs other than [VETEC]?

YES 01 → B18a

NO 02 → C1

DON'T KNOW 98 → C1

REFUSED..... 99 → C1

B18a. Since you applied to [VETEC] until today, what self-employment services have you received from a program other than [VETEC]?

Classroom training 01 → B19

Workshops/seminars 02 → B19

One-on-one business counseling 03 → B19

Business mentoring..... 04 → B19

Networking sessions/peer support groups/events 05 → B19

Assistance developing a business plan 06 → B19

Assistance applying for business loans..... 07 → B19

Other.....08 → B19
 DON'T KNOW 98 → C1
 REFUSED..... 99 → C1

B19. Are you currently receiving these services?

YES..... 01 → B20a
 NO 02 → B20a
 DON'T KNOW 98 → B20a
 REFUSED..... 99 → B20a

B20a. When was the last time you received these self-employment services?

OPEN END [MONTH 01 –12] → B20b
 DON'T KNOW 98 → B20b
 REFUSED..... 99 → B20b

B20b. READ IF NECESSARY: WHEN WAS THE LAST TIME YOU RECEIVED THESE SELF- EMPLOYMENT SERVICES?

OPEN END [YEAR 2013-2016] → C1
 DON'T KNOW 98 → C1
 REFUSED..... 99 → C1

**IF B1a < 06, GO TO C1,
 IF B1a = 06 OR 98 OR 99, GO TO D1**

SECTION C: [VETEC] SELF-EMPLOYMENT SERVICES

This next section is about your experiences with the [VETEC] services you received.

C1. Thinking about all the [VETEC] self-employment services you have received, please indicate how you would rate the overall usefulness of these services?

Were they...

Very useful 01 → C2
 Somewhat useful 02 → C2
 Not at all useful..... 03 → C2
 DON'T KNOW 98 → C2
 REFUSED..... 99 → C2

C2. Thinking about each of the [VETEC] services you received, please tell me how you would rate the usefulness of each individual service? Was the [LIST SERVICE] very useful, somewhat useful or not at all useful?

PROGRAMMER: RESPONDENTS SHOULD PROVIDE A RESPONSE FOR C2a-C2h INDEPENDENTLY BASED ON THEIR ANSWER TO B1a

- C2a.** If B1a = 01: Classroom training?
- C2b.** If B1a = 02: Workshops/seminars?
- C2c.** If B1a = 03: One-on-one business counseling?
- C2d.** If B1a = 04: Business mentoring?
- C2e.** If B1a = 05: Networking/peer support groups?
- C2f.** IF B7 = 01: Assistance writing/developing a business plan?
- C2g.** IF B8 = 01: Assistance applying for business loans?
- C2h.** IF B9 = 01: Other services

Very useful	01
Somewhat useful	02
Not at all useful	03
 DON'T KNOW	 98
REFUSED.....	99

ALL TO C3

C3. Are there any [VETEC] services that you did not receive that could have helped you to start or grow your business?

YES.....	01 → C3a
NO	02 → C4
 DON'T KNOW	 98 → C4
REFUSED.....	99 → C4

C3a. What additional services would have been useful to you?

OPEN END	→ C4
 DON'T KNOW	 98 → C4
REFUSED.....	99 → C4

C4. I am going to read a list of possible ways that [VETEC] services may have helped you. Please tell me whether each [VETEC] service was very helpful, somewhat helpful, not at all helpful, or not applicable in the following.

INTERVIEWER, IF NEEDED: “Not Applicable” means that this was not of interest to you or that it wasn’t relevant to starting or growing your business.

- a. Starting your business?
- b. Growing an existing business?
- c. Defining a corporate structure?
- d. Creating a business name?
- e. Obtaining a business license?
- f. Obtaining a tax Identification Number/EIN number?
- g. Obtaining a Dun & Bradstreet number?
- h. Developing a written business plan?
- i. Providing motivational support?
- j. Providing technical support?

Very Helpful 01 → D1
Somewhat helpful 02 → D1
Not at all helpful 03 → D1
Not Applicable..... 04 → D1

DON'T KNOW 98 → D1
REFUSED..... 99 → D1

SECTION D: [VETEC] EXPERIENCE WITH SELF-EMPLOYMENT

Now I am going to ask you about your experiences with self-employment.

D1. When you applied for the [VETEC] program, why were you interested in being self- employed?

INTERVIEWER: READ ALL OPTIONS AND CODE ALL THAT APPLY

I wanted to make the most of my existing skills 01 → D2 I
wanted flexibility in my schedule 02 → D2
I wanted to increase my income..... 03 → D2 I had
difficulty finding a job working for someone else 04 → D2 I was
interested for some other reason 05 → D2 I WAS NOT
INTERESTED IN SELF-EMPLOYMENT 06 → D2

DON'T KNOW 98 → D2
REFUSED..... 99 → D2

D2. Since applying to the [VETEC] Program, have you been self-employed? This might include starting your own business, working as an independent contractor, or providing consulting services?

Owned business.....01 → D3

Consulting/independent contractor.....02 → D3 Both
03 → D3
 I have not been self-employed.....04 → E1
 DON'T KNOW.....98 → E1
 REFUSED99 → E1

D3. When did you become self-employed? Was it...

PROGRAMMER:
IF B1 = 01, LIST RESPONSE OPTIONS "Before applying", "During program", "After completing"
IF B1 = 02, LIST RESPONSE OPTIONS "Before applying", "After applying"

Before applying to [VETEC] program.....01 → D4a
 After applying to [VETEC] program02 → D4a During
 [VETEC] program.....03 → D4a
 After completing [VETEC] program04 → D4a
 DON'T KNOW.....98 → D4a
 REFUSED99 → D4a

**D4a. In what month and year did you begin self-employment?
 Your best estimate is fine.**

OPEN END (INTERVIEWER CODE MONTH 1-12)..... → D4b DON'T
 KNOW.....98 → D5
 REFUSED99 → D5

D4b. IF NEEDED: IN WHAT MONTH AND YEAR DID YOU BEGIN SELF EMPLOYMENT?

INTERVIEWER: PROBE FOR BEST ESTIMATE

OPEN END (INTERVIEWER CODE YEAR with all 4 digits) → D5
 DON'T KNOW.....9998 → D5
 REFUSED9999 → D5

D5. Are you currently self-employed?

YES01 → D8
 NO02 → D6a
 DON'T KNOW.....98 → D8
 REFUSED.....99 → D8

**D6a. In what month and year did you end self-employment?
Your best estimate is fine.**

OPEN END (INTERVIEWER CODE MONTH 1-12)..... → D6b DON'T

KNOW.....98 → D7

REFUSED99 → D7

D6b. IF NEEDED: IN WHAT MONTH AND YEAR DID YOU END SELF-EMPLOYMENT?

INTERVIEWER: PROBE FOR BEST ESTIMATE

OPEN END (INTERVIEWER CODE YEAR with all 4 digits) → D7

DON'T KNOW.....9998 → D7

REFUSED9999 → D7

D7. Why are you no longer self-employed?

INTERVIEWER: READ ALL REASONS TO RESPONDENT AND CODE ALL THAT APPLY

I sold my business01 → D8

I did not make enough income02 → D8

I had difficulty raising capital/start-up funds.....03 → D8 I had
difficulty getting required documents and licenses04 → D8 The hours
were too long.....05 → D8

The income was too uncertain06 → D8

I got a better opportunity07 → D8

I got a job working for someone else08 → D8

Personal reasons.....09 → D8

Some other reason.....10 → D8

DON'T KNOW98 → D8

REFUSED.....99 → D8

IF D2 = 02 OR 03, GO TO D8. IF D2 = 01, GO TO D10

You indicated that since applying to the [VETEC] program you have been self-employed as an independent contractor/consultant. Next, I have a few questions about the hours that you have worked and income you have received from independent contracting/consulting since [VETEC] program application.

D8. Over the last 12 months, when you were working as an independent contractor/consultant, how many hours did you usually spend consulting/contracting

in an average week ? Please include any time you spent working at home.

THE LAST 12 MONTHS SHOULD BE THE LAST 12 MONTHS FROM TODAY, NOT LAST YEAR

OPEN END..... → D8b

DON'T KNOW.....98 → D8a

REFUSED99 → D8b

D8a. Would you say it was...

INTERVIEWER, IF NEEDED: OVER THE LAST 12 MONTHS, WHEN YOU WERE WORKING AS AN INDEPENDENT CONTRACTOR/CONSULTANT HOW MANY HOURS DID YOU USUALLY SPEND CONSULTING/CONTRACTING IN AN AVERAGE WEEK? PLEASE INCLUDE ANY TIME YOU SPENT WORKING AT HOME.

THE LAST 12 MONTHS SHOULD BE THE LAST 12 MONTHS FROM TODAY, NOT LAST YEAR

Less than 20 hours.....01 → D8b

20 – 34 hours02 → D8b

35 – 44 hours03 → D8b

45 – 50 hours04 → D8b

More than 50 hours.....05 → D8b

DON'T KNOW98 → D8b

REFUSED.....99 → D8b

D8b. Over the last month, when you were working as an independent contractor/consultant, how many hours did you usually spend consulting/contracting in an average week ? Please include any time you spent working at home.

THE LAST MONTH SHOULD BE THE LAST 30 DAYS FROM TODAY

OPEN END..... → D9a

DON'T KNOW.....98 → D8c

REFUSED99 → D9a

D8c. Would you say it was...

INTERVIEWER, IF NEEDED: OVER THE LAST MONTH, WHEN YOU WERE WORKING AN AN INDEPENDENT CONTRACTOR/CONSULTANT, HOW MANY HOURS DID YOU USUALLY SPEND CONSULTING/CONTRACTING IN AN AVERAGE WEEK? PLEASE INCLUDE ANY TIME YOU SPENT WORKING AT HOME.

THE LAST MONTH SHOULD BE THE LAST 30 DAYS FROM TODAY.

- Less than 20 hours.....01 → D9a
- 20 – 34 hours02 → D9a
- 35 – 44 hours03 → D9a
- 45 – 50 hours04 → D9a
- More than 50 hours.....05 → D9a

- DON'T KNOW98 → D9a
- REFUSED.....99 → D9a

D9a. Over the last 12 months, before taxes and other deductions, how much salary did you earn working as an independent contractor/consultant? Salary includes any bonuses, profit distributions or any owner draws you may have taken.

INTERVIEWER: ROUND TO THE NEAREST DOLLAR AMOUNT, PROBE FOR BEST ESTIMATE

THE LAST 12 MONTHS SHOULD BE THE LAST 12 MONTHS FROM TODAY, NOT LAST YEAR

OPEN END [ENTER DOLLAR AMOUNT, MAX IS \$999,999] →

- D9b DON'T KNOW.....98 → D9c
- REFUSED99 → D9c

D9b. READ IF NECESSARY: OVER THE LAST 12 MONTHS, BEFORE TAXES AND OTHER DEDUCTIONS, HOW MUCH SALARY DID YOU EARN WORKING AS AN INDEPENDENT CONTRACTOR/CONSULTANT? SALARY INCLUDES ANY BONUSES, PROFIT DISTRIBUTIONS OR ANY OWNER DRAWS YOU MAY HAVE TAKEN.

INTERVIEWER: ROUND TO THE NEAREST DOLLAR AMOUNT, PROBE FOR BEST ESTIMATE

THE LAST 12 MONTHS SHOULD BE THE LAST 12 MONTHS FROM TODAY, NOT LAST YEAR

- HOUR.....01 → D9c
- DAY02 → D9c
- WEEK03 → D9c
- MONTH04 → D9c
- YEAR05 → D9c
- EVERY TWO WEEKS.....06 → D9c
- TWICE A MONTH (BI-MONTHLY)07 → D9c

- DON'T KNOW98 → D9c
- REFUSED.....97 → D9c

**IF D2 = 01 OR 03 AND D9a = 0, GO TO D10
IF D2 = 02 and D9a = 0, GO TO E1**

D9c. Over the last month, before taxes and other deductions, how much salary did you earn from consulting/independent contracting? Salary includes any bonuses, profit distributions or any owner draws you may have taken.

INTERVIEWER: ROUND TO THE NEAREST DOLLAR AMOUNT, PROBE FOR BEST ESTIMATE

THE LAST MONTH IS THE LAST FULL CALENDAR MONTH

OPEN END [ENTER DOLLAR AMOUNT, MAX IS \$999,999] →

D9d DON'T KNOW.....98 → D10

REFUSED99 → D10

D9d. READ IF NECESSARY: OVER THE LAST MONTH, BEFORE TAXES AND OTHER DEDUCTIONS, HOW MUCH SALARY DID YOU EARN FROM CONSULTING/INDEPENDENT CONTRACTING? SALARY INCLUDES ANY BONUSES, PROFIT DISTRIBUTIONS OR ANY OWNER DRAWS YOU MAY HAVE TAKEN.

INTERVIEWER: ROUND TO THE NEAREST DOLLAR AMOUNT, PROBE FOR BEST ESTIMATE

THE LAST MONTH IS THE LAST FULL CALENDAR MONTH

HOUR.....01 → D10

DAY02 → D10

WEEK03 → D10

MONTH04 → D10

EVERY TWO WEEKS.....06 → D10

TWICE A MONTH (BI-MONTHLY)07 → D10

DON'T KNOW98 → D10

REFUSED.....97 → D10

IF D2 = 01 OR 03, GO TO D10, ELSE GO TO E1

You indicated that your self-employment experiences included starting your own business. The next questions are about your current or most recent business that you have started since applying to the [VETEC] program.

If you have had more than one business since program application, please answer the following questions for the business that you started most recently.

D10. What was the main product or activity of your business?

INTERVIEWER: PROBE FOR MORE DETAILS REGARDING THE INDUSTRY AND TYPE OF WORK THE R IS DOING.

OPEN END01 → D11

DON'T KNOW98 → D11

REFUSED.....97 → D11

D11. How was your business structured?

SOLE PROPRIETORSHIP01 → D12

PARTNERSHIP02 → D12

CORPORATION03 → D12

LIMITED LIABILITY COMPANY (LLC).....04 → D12

LIMITED LIABILITY PARTNERSHIP (LLP)04 → D12 COOPERATIVE
.....05 → D12

OTHER06 → D12

DON'T KNOW98 → D12

REFUSED.....99 → D12

D12. Over the last 12 months, when you had a business, how many hours did you usually work in an average week in this business? Please include any time you spent working at home.

THE LAST 12 MONTHS SHOULD BE THE LAST 12 MONTHS FROM TODAY, NOT LAST YEAR

OPEN END01 → D13a

DON'T KNOW98 → D12a

REFUSED.....99 → D13a

D12a. Would you say it was...

INTERVIEWER, IF NEEDED: OVER THE LAST 12 MONTHS, WHEN YOU HAD A BUSINESS, HOW MANY HOURS DID YOU USUALLY WORK IN AN AVERAGE WEEK IN THIS BUSINESS? PLEASE INCLUDE ANY TIME YOU SPENT WORKING AT HOME.

THE LAST 12 MONTHS SHOULD BE THE LAST 12 MONTHS FROM TODAY, NOT LAST YEAR

Less than 20 hours01 → D13a

20 – 34 hours02 → D13a

- 35 – 44 hours03 → D13a
- 45 – 50 hours04 → D13a
- More than 50 hours05 → D13a
- DON'T KNOW98 → D13a
- REFUSED.....99 → D13a

D13a. Over the last 12 months, before taxes and other deductions, how much salary did you earn from this business? Salary includes any bonuses, profit distributions or any owner draws you may have taken.

INTERVIEWER: ROUND TO THE NEAREST DOLLAR AMOUNT, PROBE FOR BEST ESTIMATE

THE LAST 12 MONTHS SHOULD BE THE LAST 12 MONTHS FROM TODAY, NOT LAST YEAR

OPEN END [ENTER DOLLAR AMOUNT, MAX IS \$999,999] →

- D13b DON'T KNOW98 → D13c
- REFUSED.....99 → D13c

D13b. READ IF NECESSARY: OVER THE LAST 12 MONTHS, BEFORE TAXES AND OTHER DEDUCTIONS, HOW MUCH SALARY DID YOU EARN FROM THIS BUSINESS? SALARY INCLUDES ANY BONUSES, PROFIT DISTRIBUTIONS OR ANY OWNER DRAWS YOU MAY HAVE TAKEN.

INTERVIEWER: ROUND TO THE NEAREST DOLLAR AMOUNT, PROBE FOR BEST ESTIMATE

THE LAST 12 MONTHS SHOULD BE THE LAST 12 MONTHS FROM TODAY, NOT LAST YEAR

- HOUR01 → D13c
- DAY.....02 → D13c
- WEEK03 → D13c
- MONTH04 → D13c
- YEAR.....05 → D13c
- EVERY TWO WEEKS.....06 → D13c
- TWICE A MONTH (BI-MONTHLY)07 → D13c
- DON'T KNOW98 → D13c
- REFUSED.....97 → D13c

IF D13a = 0, GO TO D14, ELSE GO TO D13c

D13c. Over the last month, before taxes and other deductions, how much salary did you earn from this business? Salary includes any bonuses, profit distributions or any owner draws you may have taken.

INTERVIEWER: ROUND TO THE NEAREST DOLLAR AMOUNT, PROBE FOR BEST ESTIMATE

THE LAST MONTH IS THE LAST FULL CALENDAR MONTH

OPEN END [ENTER DOLLAR AMOUNT, MAX IS \$999,999] →

D13d DON'T KNOW98 → D14

REFUSED.....99 → D14

D13d. READ IF NECESSARY: OVER THE LAST MONTH, BEFORE TAXES AND OTHER DEDUCTIONS, HOW MUCH SALARY DID YOU EARN FROM THIS BUSINESS? SALARY INCLUDES ANY BONUSES, PROFIT DISTRIBUTIONS OR ANY OWNER DRAWS YOU MAY HAVE TAKEN.

INTERVIEWER: ROUND TO THE NEAREST DOLLAR AMOUNT, PROBE FOR BEST ESTIMATE

THE LAST MONTH IS THE LAST FULL CALENDAR MONTH

HOUR01 → D14

DAY02 → D14

WEEK03 → D14

MONTH04 → D14

EVERY TWO WEEKS.....06 → D14

TWICE A MONTH (BI-MONTHLY)07 → D14

DON'T KNOW98 → D14

REFUSED.....99 → D14

D14. Next, I have a few questions about the different items someone may obtain or accomplish in order to set-up a business. Please indicate the month and year you accomplished each item or whether you did not obtain the item.

In what month and year did you obtain the...			Did Not Obtain	I do not remember
	Month	Year		
a. most current business name			<input type="checkbox"/>	<input type="checkbox"/>
b. most current business license			<input type="checkbox"/>	<input type="checkbox"/>
c. Employer Identification Number "EIN" or "TAX ID Number" for this business			<input type="checkbox"/>	<input type="checkbox"/>
d. Dun & Bradstreet "DUNS" number for this business			<input type="checkbox"/>	<input type="checkbox"/>
e. most recent written business plan			<input type="checkbox"/>	<input type="checkbox"/>

PROGRAMMER: IF ANY OF D14a-e = DK, GO TO D15, ELSE GO TO D16.

D15. You indicated that you could not remember when you obtained or accomplished certain items for your business. Can you indicate whether you obtained or accomplished these things [IF B1 = 01, LIST “before applying to [VETEC], during the [VETEC] program, or after completing the [VETEC] program?”, IF B1 = 02, LIST “before applying to [VETEC], or after applying to [VETEC]?”]

PROGRAMMER: LIST a-e if D14a-e = DK
IF B1 = 01, LIST RESPONSE OPTIONS “Before applying”, “During program”, After applying”
IF B1 = 02, LIST RESPONSE OPTIONS “Before applying”, “After applying”

In what month and year did you obtain the...	Before Applying	During program	After Applying	After program	Did Not Obtain	I do not remember
a. most current business name	<input type="checkbox"/>					
b. most current business license	<input type="checkbox"/>					
c. Employer Identification Number “EIN” or “TAX ID Number” for this business	<input type="checkbox"/>					
d. Dun & Bradstreet “DUNS” number for this business	<input type="checkbox"/>					
e. most recent written business plan	<input type="checkbox"/>					

ALL TO D16.

D16. Including yourself, [IF D5 = 01 OR 98 OR 99, LIST “what is the total number of employees that currently work” OR IF D5 = 02 OR 98 OR 99, LIST “what was the total number of employees that worked”]in your business? Please include individuals who volunteer their time at this business. “

OPEN END [MAXIMUM IS99] → D17

DON'T KNOW998 → D18a

REFUSED.....999 → D18a

D17. How many of these employees [INTERVIEWER INSERT LANGUAGE: IF D5 = 01 LIST “are working” IF D5 = 02 OR 98 OR 99, LIST “worked”] full-time or 35 or more hours per week in this business?

OPEN END [MAXIMUM CANNOT EXCEED D19]..... → D18a

DON'T KNOW998 → D18a

REFUSED.....999 → D18a

d18a. Below is a list of sources of funding that people might use when starting a business. Please tell me which sources you may have used during the startup phase of your business. INTERVIEWER: READ ALL REASONS TO RESPONDENT AND CODE ALL THAT APPLY

Personal/private funds/savings01 → D18b

Funds from Friends and/or family02 → D18b

Crowd Funding (individual contributions from people typically over the internet)03 → D18b

Angel investors (accredited investors with personal funds)04 → D18b

Venture capitalists (professional managers investing institutional funds)05 → D18b

Seed funding firms (companies that invest company funds)06 → D18b

Bank or Credit Union loans07 → D18b

Grant funding08 → D18b

Small Business Administration loan.....09 → D18b

Some other type of funding.....10 → D18b

DON'T KNOW98 → D18b

REFUSED.....99 → D18b

PROGRAMMER: IF B8 = 01, GO TO D18b ELSE GO TO E1

D18b You mentioned previously that [VETEC] assisted you in applying for business loans. How many loans did [VETEC] help you apply for?

[] [] NUMBER OF LOANS → D18c

DON'T KNOW.....98 → E1

REFUSED.....99 → SECTION E

D18c. Were you granted any of these loans?

YES01 → E1

NO02 → E1

DON'T KNOW.....98 → E1

REFUSED.....99 → E1

SECTION E: EMPLOYMENT, WORKING FOR SOMEONE ELSE

The next series of questions are about jobs you may have had, prior to [APP DATE], where you worked for someone else.

E1a. Prior to applying to [VETEC], did you have any jobs where you worked for someone else? Please include part-time and full-time jobs, and military service.

- YES..... 01 → E1b
- NO 02 → E2

- DON'T KNOW 98 → E2
- REFUSED..... 99 → E2

E1b. Prior to applying, do you have experience working as a manager/supervisor at any of your jobs?

- YES..... 01 → E2
- NO 02 → E2

- DON'T KNOW 98 → E2
- REFUSED..... 99 → E2

The next questions are about jobs that you may have held since applying to the [VETEC] programs, where you were working for someone else. These jobs include part-time and full-time jobs and military service.

E2. What is your current employment status?

INTERVIEWER: READ ALL OPTIONS AND CODE ALL THAT APPLY

- Employed working for someone else01 → E3 Self-employed (at own business or consultant).....02 → E3
- Unemployed but looking for a job with someone else03 → E3
- Unemployed but interested in starting my own business04 → E3
- Unemployed and not looking for work05 → E3 Retired06 → E3
- Unable to work07 → E3

- DON'T KNOW.....98 → E3
- REFUSED99 → E3

E3. Since program application, how many jobs have you had that lasted two weeks or longer where you worked for someone else? Please include part-time and full-time jobs and military service.

- NONE01 → SECTION F

ONE02 → E4a
 TWO03 → E4a
 THREE OR MORE.....04 → E4a

DON'T KNOW.....98 → SECTION F
 REFUSED99 → SECTION F

The next set of questions are about the job you have held for at least 2 weeks since applying to the program.

PROGRAMMER: IF E3 = 03 OR 04, INSERT: "If you have held more than one job for at least 2 weeks, please answer the following questions for the most recent job."

E4a. In what month and year did you start your current or most recent main job?

INTERVIEWER: PROBE FOR BEST ESTIMATE

OPEN END (INTERVIEWER CODE MONTH 1-12).....→ E4b

DON'T KNOW.....98 → E5

REFUSED99 → E5

E4b. READ AS NECESSARY: IN WHAT MONTH AND YEAR DID YOU START YOUR CURRENT OR MOST RECENT MAIN JOB?

INTERVIEWER: PROBE FOR BEST ESTIMATE

OPEN END (INTERVIEWER CODE YEAR with all 4 digits)→ E5

DON'T KNOW.....9998 → E5

REFUSED9999 → E5

E5. Over the last 12 months, when you were working, how many hours did you usually work in an average week at your current or most recent main job? Please include any time you spent working at home.

INTERVIEWER: THE CURRENT OR MOST RECENT JOB BEGAN ON [E4A] [E4B]

PROGRAMMER: FILL IN ABOUT WITH ANSWERS FROM E4A AND E4B

OPEN END→ E6

DON'T KNOW.....98 → E5a

REFUSED99 → E6

E5a. Would you say it is...

- Less than 20 hours.....01 → E6
- 20 – 34 hours02 → E6
- 35 – 44 hours03 → E6
- 45 – 50 hours04 → E6
- More than 50 hours.....05 → E6

- DON'T KNOW98 → E6
- REFUSED99 → E6

**IF E2 = 01, GO TO E6 IF
E2 > 01, GO TO E7a**

E6. Over the last month, when you were working, how many hours did you usually work in an average week at your current or most recent main job? Please include any time you spent working at home.

INTERVIEWER: THE CURRENT OR MOST RECENT JOB BEGAN ON [E4A] [E4B] LAST MONTH IS THE LAST FULL CALENDAR MONTH

PROGRAMMER: FILL IN ABOUT WITH ANSWERS FROM E4A AND E4B

- OPEN END → E7a

- DON'T KNOW.....98 → E6a
- REFUSED99 → E7a

E6a. Would you say it is...

- Less than 20 hours.....01 → E7a
- 20 – 34 hours02 → E7a
- 35 – 44 hours03 → E7a
- 45 – 50 hours04 → E7a
- More than 50 hours.....05 → E7a

- DON'T KNOW.....98 → E7a
- REFUSED99 → E7a

For the next few questions, please think of all of the jobs that you have had for at least two weeks since you applied to the program where you worked for someone else.

E7a. Over the last 12 months, before taxes and other deductions, how much did you usually get paid in total for all the jobs? Salary includes any tips, bonuses, or commissions.

INTERVIEWER: ROUND TO THE NEAREST DOLLAR AMOUNT, PROBE FOR BEST ESTIMATE

THE LAST 12 MONTHS SHOULD BE THE LAST 12 MONTHS FROM TODAY, NOT LAST YEAR

OPEN END [ENTER DOLLAR AMOUNT, MAX IS \$999,999] → E7b

DON'T KNOW.....98 → E7c

REFUSED99 → E7c

E7b. READ AS NECESSARY: Was that per month, per year, or some other time period?

INTERVIEWER: PROBE FOR TIME (I.E. PER MONTH, PER YEAR, ETC).

HOUR.....01 → E7c

DAY02 → E7c

WEEK03 → E7c

MONTH04 → E7c

YEAR05 → E7c

EVERY TWO WEEKS.....06 → E7c

TWICE A MONTH (BI-MONTHLY)07 → E7c

DON'T KNOW98 → E7c

REFUSED.....99 → E7c

IF E7a = 0 OR 98 OR 99 GO TO F1

E7c. Over the last month, before taxes and other deductions, how much did you usually get paid in total for all the jobs? Salary includes any tips, bonuses, or commissions.

INTERVIEWER: ROUND TO THE NEAREST DOLLAR AMOUNT, PROBE FOR BEST ESTIMATE

LAST MONTH SHOULD BE THE LAST FULL CALENDAR MONTH

OPEN END [ENTER DOLLAR AMOUNT, MAX IS \$999,999] → E7d

DON'T KNOW.....98 → SECTION F

REFUSED99 → SECTION F

E7d. READ AS NECESSARY: Was that per month, per year, or some other time period?

INTERVIEWER: PROBE FOR TIME PERIOD (I.E. PER MONTH, PER YEAR, ETC).

HOUR.....	.01 → SECTION F
DAY02 → SECTION F
WEEK03 → SECTION F
MONTH04 → SECTION F
EVERY TWO WEEKS.....	.06 → SECTION F
TWICE A MONTH (BI-MONTHLY)07 → SECTION F
DON'T KNOW98 → SECTION F
REFUSED.....	.99 → SECTION F

SECTION F: SOURCES OF INCOME

Next I am going to ask you if you or your household have received income from a variety of other sources since you applied to [VETEC].

The next few questions are about unemployment insurance benefits you have have received since applying to the program.

F1. Since applying to the program until today, have you or anyone in your household, received Unemployment Insurance (UI) benefits?

No, no one	01 → F10a
Yes, myself.....	02 → F2a
Yes, someone in my household.....	03 →
F6a Yes, both myself and someone in my household.....	04 →
F2a	
DON'T KNOW.....	98 → F10a
REFUSED	99 → F10a

F2a. Since applying to the program until today, how long have you received UI benefits?

OPEN END [MAXIMUM # is 100]..... → F2b

DON'T KNOW998 → F3
REFUSED.....	.999 → F3

F2b. READ IF NECESSARY: SINCE APPLYING TO THE PROGRAM, HOW LONG HAVE YOU RECEIVED UI BENEFITS?

WEEKS01 → F3
MONTHS.....	.02 → F3
DON'T KNOW.....	.98 → F3
REFUSED99 → F3

F3. Are you currently receiving Unemployment Insurance benefits?

INTERVIEWER: By benefits, we are only referring to monetary benefits the RESPONDENT may have received.

YES01 → F4

NO02 → F4

DON'T KNOW.....98 → F4

REFUSED99 → F4

F4. On average, since program application, when you received Unemployment Insurance benefits, how much did you receive each week?

INTERVIEWER: ROUND TO THE NEAREST DOLLAR AMOUNT, PROBE FOR BEST ESTIMATE

OPEN END [ENTER DOLLAR AMOUNT, MAX IS \$999,999] → F5

DON'T KNOW.....98 → F5

REFUSED99 → F5

F5. After receiving the total amount of benefits allowed, some people are eligible to receive additional Unemployment Insurance benefits for additional weeks. These are called "Extended Benefits". Did you receive any Extended Benefits?

YES01 → F6

NO02 → F6

DON'T KNOW.....98 → F6

REFUSED99 → F6

PROGRAMMER: IF F1 = 02 OR 03, GO TO F6a; ELSE GO TO F10a

You indicated that someone in your household received unemployment insurance benefits. The next few questions are about unemployment insurance benefits that someone in your household received since applying to the program until today.

F6a. Since applying to the program, how long has someone in your household received UI benefits?

OPEN END [MAXIMUM # is 100]→ F6b

DON'T KNOW.....998 → F7

REFUSED999 → F7

F6b. READ IF NECESSARY: SINCE APPLYING TO THE PROGRAM, HOW LONG HAS SOMEONE IN YOUR HOUSEHOLD YOU RECEIVED UI BENEFITS?

WEEKS.....01 → F7
MONTHS02 → F7

DON'T KNOW.....98 → F7
REFUSED99 → F7

F7. Is someone in your household currently receiving Unemployment Insurance benefits?

YES01 → F8
NO02 → F8

DON'T KNOW.....98 → F8
REFUSED99 → F8

F8. On average, since program application, when someone in your household received Unemployment Insurance benefits, how much did they receive each week?

INTERVIEWER: ROUND TO THE NEAREST DOLLAR AMOUNT, PROBE FOR BEST ESTIMATE

OPEN END [ENTER DOLLAR AMOUNT, MAX IS \$999,999] → F9

DON'T KNOW.....98 → F9
REFUSED99 → F9

F9. After receiving the total amount of benefits allowed, some people are eligible to receive additional Unemployment Insurance benefits for additional weeks. These are called "Extended Benefits." Has someone in your household received any Extended Benefits?

YES01 → F10a
NO02 → F10a

DON'T KNOW.....98 → F10a
REFUSED99 → F10a

F10a. Since you applied until today, have you or anyone in your household received income from any of the following sources or programs?

Social Security/Disability or Survivors benefits..... 01→
F10b Pensions/Annuities..... 02→
F10b
Other programs..... 03→ F10b
NONE..... 08 → F11a

DON'T KNOW..... 98 → F11a
REFUSED 99 → F11a

F10b. Since you applied until today, on average how much did you receive in funding from these sources or programs per month?

- OPEN END [ENTER DOLLAR AMOUNT, MAX IS \$999,999] → F11a
- DON'T KNOW 98 →
- F11a
- REFUSED..... 99 → F11a

Next I will ask questions about household's total income during the past twelve months. When answering these next questions please consider any and all income received from any and all jobs including self-employment, unemployment compensation, and from any other sources or programs.

F11a. Over the past 12 months, before taxes and deductions, what was the total income of your household from all sources? Please include yourself and all members of the household.

INTERVIEWER: ROUND TO THE NEAREST DOLLAR AMOUNT, PROBE FOR BEST ESTIMATE

THE LAST 12 MONTHS SHOULD BE THE LAST 12 MONTHS FROM TODAY, NOT LAST YEAR
OPEN END [ENTER DOLLAR AMOUNT, MAX IS \$999,999] → F11b

- DON'T KNOW.....98 → F11c
- REFUSED99 → F11c

F11b. **READ AS NECESSARY: Was that per month, per year, or some other time period?**

INTERVIEWER: PROBE FOR TIME PERIOD (I.E. PER MONTH, PER YEAR, ETC).

- HOUR.....01 → F11c
- DAY02 → F11c
- WEEK03 → F11c
- MONTH04 → F11c
- YEAR05 → F11c
- EVERY TWO WEEKS.....06 → F11c
- TWICE A MONTH (BI-MONTHLY)07 → F11c
- DON'T KNOW98 → F11c
- REFUSED.....99 → F11c

PROGRAMMER: IF F11 = 0, GO TO G1; ELSE GO TO F11c

F11c. Over the past month, before taxes and deductions, what was the total income of your household from all sources? Please include yourself and all members of the household.

INTERVIEWER: ROUND TO THE NEAREST DOLLAR AMOUNT, PROBE FOR BEST ESTIMATE

LAST MONTH IS THE LAST FULL CALENDAR MONTH

OPEN END [ENTER DOLLAR AMOUNT, MAX IS \$999,999] → F11d

DON'T KNOW.....98 → SECTION G

REFUSED99 → SECTION G

F11d. READ AS NECESSARY: Was that per month, per year, or some other time period?

INTERVIEWER: PROBE FOR TIME PERIOD (I.E. PER MONTH, PER YEAR, ETC).

HOUR.....01 → SECTION G

DAY02 → SECTION G

WEEK03 → SECTION G

MONTH04 → SECTION G

EVERY TWO WEEKS.....06 → SECTION G

TWICE A MONTH (BI-MONTHLY)07 → SECTION G

DON'T KNOW98 → SECTION G

REFUSED.....99→ SECTION G

SECTION G: HOUSEHOLD COMPOSITION, MARITAL STATUS AND SPOUSE EMPLOYMENT

Next I would like to ask you a few general questions about yourself and your household.

G1. What is your current marital status?

- SINGLE, NEVER BEEN MARRIED..... 01
- MARRIED..... 02
- DIVORCED 03
- SEPARATED 04
- WIDOWED 05

DON'T KNOW..... 98

REFUSED 99

G2. Do you currently have health insurance coverage?

- YES 01

NO.....	02
DON'T KNOW.....	98
REFUSED	99

G3. Including yourself, how many people are currently living in your household? Please include children, people who are not related to you and those who are temporarily away.

(RESPONDANT MUST ANSWER AT LEAST 1, MAX IS 15)

DON'T KNOW	98
REFUSED.....	99

**PROGRAMMER: IF G3 = 1 OR 98 OR 99 GO TO G5;
IF G3 >1, GO TO G4**

G4. How many children under the age of 18 live with you over half the time?

(CHECK G3: ANSWER CAN NOT BE MORE THAN AMOUNT IN G3)

DON'T KNOW	98
REFUSED.....	99

G5. What is your main form of transportation?

CAR/VEHICLE.....	01
RIDES FROM FAMILY/FRIENDS.....	02
PUBLIC TRANSPORTATION.....	03
WALKING.....	04
OTHER	05
REFUSED.....	99

SECTION H: ADDITIONAL COMMENTS

H1. Finally, would you like to share any additional information or comments in regards to the [VETEC] program and your experience with self-employment?

YES, RECORD VERBATIM: _____

_____	01
NO	02
DON'T KNOW	98
REFUSED.....	99

SECTION I: CONTACT INFORMATION

I would like to confirm your contact information so that we can send you your [IF TREATMENT LIST

“\$15”, IF CONTROL LIST “\$20”] check for your participation.

**I1. First, just to make sure I have it right, I have your name and address as:
[POPULATE NAME AND ADDRESS FROM THE SAMPLE FILE]**

Is this correct?

YES, NAME AND ADDRESS CORRECT 01
→ I2 NO 02
→ I1a

I1a. Let me correct that. May I have your name and address would spell it for me please?

OPEN END [MEMO FIELD] 01
→ I2 NO 99
→ I2
DON'T KNOW 98 → I2
REFUSED 98 → I2

I2. Can I have your email and would you spell it for me please?

OPEN END [MEMO FIELD, add in logic to include “@” and “.”] 01 → I3 DON'T

KNOW 98 → I3
REFUSED 99 → I3

I3. Is there another number where you usually can be reached?

YES 01 → I3a
NO 02 → CL2

DON'T KNOW 98 → CL2
REFUSED 99 → CL2

I3a. What is the number?

OPEN END 98 → I3b
DON'T KNOW 98 → CL2
REFUSED 99 → CL2

I3b. Is this a home phone, work phone, or cell phone?

HOME 01 → CL2
WORK 02 → CL2
CELL 03 → CL2

DON'T KNOW.....98 → CL2
REFUSED99 → CL2

SECTION CL: CLOSING

CL1. Thank you. We'll give you a call back.

CL2. Thank you very much for your help. That completes the interview. Your answers, together with the answers of other participants, will be used to study self-employment programs.

APPENDIX D: SUPPLEMENTARY IMPLEMENTATION STUDY MATERIALS

Roles and Responsibilities of Key Site Players
Communication Channels
Details of the Information Session
Details of the Orientation Session
Assessment Tools
Details on Business Counseling Provided Across Sites
Core Training
Supplemental Training
Core and Supplemental Services
Information Sessions
Information Session Delivery and Content
Details of Case Management

Exhibit D.1: Roles and Responsibilities of Key Site Players

Key Players	VETEC Paradigm	ENOVATE	GRGATE	LAUNCH
Site Director	<ul style="list-style-type: none"> ▪ Overall program oversight, fiscal oversight and monitoring ▪ Coordinate with partners ▪ Report to VETEC director periodically about the program status 	<ul style="list-style-type: none"> ▪ <u>Official Title</u>: Program Manager ▪ Overall program oversight ▪ Managed and provided overall guidance to case managers ▪ Actively involved in outreach activities ▪ Reported to VETEC director periodically about the program status 	<ul style="list-style-type: none"> ▪ <u>Official Title</u>: Site Manager ▪ Overall program oversight. ▪ Responsibilities ranged from supply requests, following up with contractors, to reporting on performance measures ▪ Reported to VETEC director periodically about the program status 	<ul style="list-style-type: none"> ▪ <u>Official Title</u>: Project Manager/Entrepreneurship Grant Coordinator ▪ Overall program management ▪ Conducted all outreach activities and each information session ▪ Met applicants for one-on-one application meetings ▪ Reported to VETEC director periodically about program status
Case Managers	<ul style="list-style-type: none"> ▪ Primary point of contact ▪ Communicate with potential participants about the program ▪ Conduct outreach and recruitment ▪ Conduct information sessions. ▪ Confirm eligibility and complete application submission process ▪ Enter participant into VOS and PTS ▪ Maintain WIA/WIOA/VOS files 	<ul style="list-style-type: none"> ▪ Same as program paradigm 	<ul style="list-style-type: none"> ▪ Same as program paradigm 	<ul style="list-style-type: none"> ▪ Grant Assistant, Program Coordinator, and Site Director served partially in this role.
Other Partners	<ul style="list-style-type: none"> ▪ Provide assistance to implement and conduct VETEC program ▪ Involvement in delivery of program services ▪ Role in outreach, and recruitment, is left to the discretion of sites 	<ul style="list-style-type: none"> ▪ <u>Partners</u>: Business Development Assistance Group (BDAG) and Northern Virginia Community College (NOVA) ▪ Responsible for providing training and “boot camps” 	<ul style="list-style-type: none"> ▪ <u>Partner</u>: Community College Workforce Alliance (CCWA) ▪ Conducted information sessions ▪ Responsible for providing training ▪ Employed the GRGATE Training Partnership Coordinator and Training Administrative Assistant 	<ul style="list-style-type: none"> ▪ <u>Partners</u>: Old Dominion University (ODU), College of William & Mary School of Business, Tidewater Community College ▪ Conducted recruitment and outreach ▪ Served as primary point of contact ▪ Played a role in case management ▪ Program director updated participant records in PTS ▪ Site partner and training service providers

Exhibit D.2: Communication Channels

Communication Module	Description
Regional Meetings	Quarterly meetings were often convened at the SkillSource office. The meetings were led by Project Director and included all site Directors, Case Managers and partner representatives. The meetings provided a forum for all sites to address questions and/or challenges related to program implementation.
Monthly Site Meetings	Monthly meetings with the Project Director, site case managers, site partners, and additional program staff. These meetings featured program status updates, discussions of programmatic issues and challenges, as well as tracking program participants. Implementation issues were also discussed, as well as individual participant status, and the Project Director shared best practices from other sites.
Site Visits	The Project Director visited each site and observed an information session, orientation program, training session, and networking events.
Program Reports	Each Site Director submitted monthly and quarterly reports summarizing the site's program status, partner updates, issues, challenges, performance measures, and outcomes, as well as the number of individual participants in the various programs.
Policy Procedures and Memoranda	As needed, the Project Director distributed via email to sites updates and memoranda addressing policy changes that affected program implementation or participants.
Emails and Phone Calls	Staff members who regularly interacted with participants communicated with each other via email and/or phone calls to exchange information and clarify any confusion about services participants received.
Document Sharing Platform	Using a document sharing platform such as SharePoint enabled site partners to update their service tracking logs and spreadsheets, and Case Managers to directly access participant progress updates.
Person-to-Person Communication	The physical location of site partners determined the person-to-person communication dynamic. Geographic proximity enabled participants to meet with their Business Counselors and perhaps their Case Manager in one location. This co-location enabled Case Managers to share physical files and to visit training classes to meet with participants.
Communication across Sites	Communication across VETEC sites was limited to regional meetings. Meetings of similar staff across sites to share strategies may have helped sites overcome challenges encountered across multiple sites. For example, quarterly regional meetings may have been a convenient forum for all staff to address common issues, possibly via breakout sessions.

Exhibit D.3: Details of the Information Session

Information Session Topics	VETEC Paradigm	ENOVATE	GRGATE	Launch HR
Registration	<ul style="list-style-type: none"> ▪ Register online or by phone. ▪ Walk-ins are welcome. 	<ul style="list-style-type: none"> ▪ Registered online or by email/phone ▪ Registrants received confirmation email. ▪ Walk-ins were welcome. 	<ul style="list-style-type: none"> ▪ Registered online or by email/phone. ▪ Walk-ins were welcome. 	<ul style="list-style-type: none"> ▪ Registered online via EVENTBRITE or by phone. ▪ Registrants received confirmation email. ▪ Walk-ins were welcome.
Frequency	<ul style="list-style-type: none"> ▪ Monthly 	<ul style="list-style-type: none"> ▪ Monthly at 6 locations. 	<ul style="list-style-type: none"> ▪ Held every week at one of the three locations. ▪ GRGATE Coordinator scheduled “rapid response” sessions as needed. 	<ul style="list-style-type: none"> ▪ Weekly at workforce center. ▪ Once a month in public library.
Duration	<ul style="list-style-type: none"> ▪ Maximum 60 minutes. 	<ul style="list-style-type: none"> ▪ 45 minutes for presentation. ▪ Additional time for screening. 	<ul style="list-style-type: none"> ▪ 60 minutes for presentation. ▪ Additional time for screening. 	<ul style="list-style-type: none"> ▪ 90 minutes for two-part presentation. ▪ First part (75 minutes) is mandatory. ▪ Additional time was utilized to fill forms and make copies of the documents.
Topics Covered	<ul style="list-style-type: none"> ▪ VETEC informational video. Containing program overview that clearly identifies three sites. ▪ Program eligibility, program services, and effort required. ▪ Overview of the evaluation component, including random assignment.¹⁰² ▪ Veteran’s priority of service. ▪ Time for Q&A. 	<ul style="list-style-type: none"> ▪ Same as specified in paradigm. 		<ul style="list-style-type: none"> ▪ Covered basic information specified in paradigm. Additional components: <ul style="list-style-type: none"> ▪ Information session also discussed WIA/WIOA services available if assigned to control group and follow-up survey to be administered to participants. ▪ Second half of session was spent filling out parts of WIA/WIOA eligibility paperwork (note, final eligibility is determined at later date).
Eligibility Screening	<ul style="list-style-type: none"> ▪ Eligibility screening at the information session or at later date based on site’s discretion. ▪ Make an appointment for a later date to determine eligibility and complete application process. 	<ul style="list-style-type: none"> ▪ If attendees brought the documents to determine eligibility, they were screened at the session. ▪ If no documents, made an appointment with the Case Manager for a later date. 		<ul style="list-style-type: none"> ▪ No eligibility screening. ▪ If attendees brought documents, copies were made. ▪ All interested attendees made an appointment for a later date.

¹⁰² As of February 1st 2015, random assignment procedures are not discussed in the information session.

Exhibit D.4: Details of the Orientation Session

Orientation Session Components	VETEC Paradigm	ENOVATE	GRGATE	Launch HR
Registration Process	<ul style="list-style-type: none"> ▪ Individuals enrolled in the program were to work with the VETEC program staff to schedule an orientation session 	<ul style="list-style-type: none"> ▪ All participants assigned to the treatment group attended an orientation organized by SkillSource 	<ul style="list-style-type: none"> ▪ The Administrative Assistant emailed participants with the cohort number, standard program narrative, and orientation information 	<ul style="list-style-type: none"> ▪ ODU emails participants to schedule an individual orientation and to briefly describe what the orientation will accomplish
Duration	<ul style="list-style-type: none"> ▪ Unspecified 	<ul style="list-style-type: none"> ▪ 60-minutes 	<ul style="list-style-type: none"> ▪ 45 to 60-minutes 	<ul style="list-style-type: none"> ▪ 60-minutes
Format (Group or Individual)	<ul style="list-style-type: none"> ▪ Unspecified 	<ul style="list-style-type: none"> ▪ Group immediately followed by an Individual session 	<ul style="list-style-type: none"> ▪ Group 	<ul style="list-style-type: none"> ▪ Individual
Presenter(s)	<ul style="list-style-type: none"> ▪ Led by program staff, with active participation from site partners and trainings providers 	<ul style="list-style-type: none"> ▪ Led by SkillSource/WIA/WIOA, with active participation from NOVA and BDAG 	<ul style="list-style-type: none"> ▪ Case managers (key presenters) ▪ Coordinator (optional) ▪ Business Counselors (introduced but do not present) 	<ul style="list-style-type: none"> ▪ Grant Assistant
Topics Covered	<ul style="list-style-type: none"> ▪ Introduction to the program ▪ Overview of key program details and expectations ▪ Requirements and milestones ▪ Introduction to site partners and their roles and responsibilities ▪ Description of what will be expected from participants during their participation 	<ul style="list-style-type: none"> ▪ <i>CareerScope</i> assessment is completed and the results are discussed ▪ Case managers work with participants to review IEP ▪ Participant's set-up initial counseling appointment 	<ul style="list-style-type: none"> ▪ Same as specified in paradigm 	<ul style="list-style-type: none"> ▪ Description of Launch Hampton Roads supplemental services ▪ Discussion of results from PTS assessment quiz

The VETEC model does not specify the timing, frequency, or length of program orientation sessions, but the orientation typically lasted about one hour. In the group setting format, the first half of the session addressed the group as a whole and the second half of the session served as an informal one-on-one meeting between a program staff member and the participant.

D.1 Assessment Tools

- ***PTS Assessment Quiz.*** A quiz designed to help determine participants' business and financial readiness, including their training and technical needs, strengths, and weaknesses.
- ***CareerScope.*** A standardized, self-administered online tool designed to measure both interest and aptitude through career assessment tasks. The assessment identifies the user's interest in careers as they relate to USDOL's Interest Areas and aptitudes most critical for high growth and high replacement occupations through 2016. In addition to providing recommendations on careers, it identifies courses or training programs to facilitate the pursuit of those careers.
- ***WorkKeys/Career Readiness Certification (CRC).*** An assessment-based credential that gives employers and career seekers a uniform measure of key workplace skills by testing for competency in applied mathematics, locating information, and reading for information.
- ***Test for Adult Basic Education (TABE).*** A comprehensive academic assessment that provides a foundation for effectively assessing the skills and knowledge of adult learners.
- ***Comprehensive Adult Student Assessment System (CASAS).*** A competency-based assessment designed to assess the relevant real-world skills of adult learners. CASAS measures the basic skills and the English language and literacy skills needed by adults to function effectively at work and in life.

Exhibit D.5: Details on Business Counseling Provided Across Sites

Entrepreneurship	VETEC Paradigm	ENOVATE	GRGATE	Launch HR
Service Provider	<ul style="list-style-type: none"> Site's partnered Business Counselor. 	<ul style="list-style-type: none"> Business Development Assistance Group (BDAG). Consultants whose sole responsibility was to provide business consulting. 	<ul style="list-style-type: none"> Community College Workforce Alliance (CCWA). Consultants whose sole responsibility was to provide business consulting. 	<ul style="list-style-type: none"> Program Coordinator and instructors act as Business Counselors.
Services	<ul style="list-style-type: none"> Guided participants to develop business development goals. Provided outline of training curriculum and class schedule. 	<ul style="list-style-type: none"> Provided initial and ongoing business consultation. Assisted with the development of the business plan. Assisted participants in acquiring an EIN, DUNS number, business name, and business license. 	<ul style="list-style-type: none"> Provided initial and ongoing business consultation. Assisted with the development of the business plan. Assisted participants in acquiring an EIN, DUNS number, business name, and business license. Business Counselors acted as facilitator, coach, guide, mentor, and a resource to participants. 	<ul style="list-style-type: none"> Provided initial and ongoing business consultation. Assisted with the development of the business plan. Assisted participants in acquiring an EIN, DUNS number, business name, and business license.
Supplemental or Other Services	<ul style="list-style-type: none"> Not specified 	<ul style="list-style-type: none"> BDAG acted as an intermediary, facilitated access to third-party sources including: (1) Export-import matters for international markets; (2) Special certifications for new business owners (3) Loan applications. BDAG's Marketing Manager provided assistance in developing a tailored marketing plan. 	<ul style="list-style-type: none"> Integrated participation from the marketing, accounting, and legal consultants. 	<ul style="list-style-type: none"> None offered
Frequency	<ul style="list-style-type: none"> Not specified 	<ul style="list-style-type: none"> Ongoing and continuous. Two directional communication and outreach between consultants and participants. 	<ul style="list-style-type: none"> Ongoing and continuous. Two directional communication and outreach between consultants and participants. 	<ul style="list-style-type: none"> Initial consultation occurs during one-on-one orientation session. After initial consultation services were provided as needed.

D.2 Core Training

- ***Simple Steps for Starting a Business (SCORE)***. This is a nationally recognized curriculum developed and provided through SCORE, a nonprofit association. SCORE operates through the direct mentoring service of volunteers, who bring business expertise from over 60 industries. Areas of focus include creating a business concept outline; how to write an effective business plan; creating a successful marketing and sales strategy, including website design and market research; and financial projections and funding sources, including business loans.
- ***Business Planning***. This curriculum provided in-depth training through a combination of classroom training and individual consultation. It helped participants create an operational business plan, including selection of a legal structure, tax obligations, cash flow planning, and operational planning.
- ***Accounting***. This curriculum covered basic accounting and finance principles for responsible money management. Skills taught included record keeping, tax requirements, financial statement analysis, cash budgeting, investments, and financial management tools.
- ***Finance and Credit***. This curriculum covered financing options available to entrepreneurs. It is designed to help participants understand how a positive credit score and building credit can facilitate the financing needed to start a business.
- ***Sales and Marketing***. A combination of classroom training and monthly group workshops, sales and marketing trainings provided participants with the skills needed to creatively sell their goods or services and effectively market their business, including the development and revision of an effective marketing plan. The curriculum included interactive group workshops to help participants master their marketing message and create a brief “elevator speech” that captures the essence and purpose of their business.
- ***Website Development/Social Media***. Through classroom training and individual consultation, this curriculum taught participants how to build a website, how to communicate effectively through it, and how to create and market their business using social media. Upon completion of the curriculum, the successful participant has a published business website.

D.3 Supplemental Training

- **Networking/Special Events.** The networking curriculum provided tips and techniques that participants could use to build quality business relationships, thus helping participants learn how to effectively network and market their business. Each workforce area worked closely with its local Chambers of Commerce and other local business organizations to send participants notices of networking events and workshops. Each region coordinated monthly or quarterly peer networking and focus groups that provided an opportunity for program participants to learn more about selected topics, use their networking skills, interact with one another, and discuss any difficulties or challenges. Sites could invite speakers to provide guidance and talk about their own experiences in starting a business. Popular topics, such as legal issues or marketing and sales strategies, have been addressed through participant focus group meetings.
- **Specialized Training.** When appropriate, each workforce region conducted specialized training that was not provided through the core curriculum. This training was provided through workshops and consultants. Workshops have covered topics such as federal procurement, government contracts/subcontracts, exporting, and specialized trade businesses. Specialized consultants provided additional training on developing marketing plans and materials, creating a social media presence, and handling accounting and legal issues. Since veterans were a key VETEC target population, program staff conduct workshops on business opportunities for veterans. In addition, staff helped veterans, women, and minorities seek special business certifications based on their ownership of the company. These certifications were intended to enhance their procurement opportunities. Program staff members also assisted participants in securing WIA/WIOA funding for supplemental training related to other certification programs, such as the Project Management Professional (PMP) certification.

Exhibit D.6 provides details on the entrepreneurship training services (core and supplemental) offered by each site.

Exhibit D.6: Core and Supplemental Services

Entrepreneurship	VETEC Paradigm	ENOVATE	GRGATE	Launch HR
Process	<ul style="list-style-type: none"> Following orientation, participants start the training 	<ul style="list-style-type: none"> Same as model 		
Program Format	<ul style="list-style-type: none"> Cohort classroom training Allows for flexibility 	<ul style="list-style-type: none"> Cohort Intensive entrepreneurship training program 	<ul style="list-style-type: none"> Cohort Intensive entrepreneurship training program 	<ul style="list-style-type: none"> Cohort Intensive entrepreneurial training program
Total Classroom Hours	<ul style="list-style-type: none"> Not specified 	<ul style="list-style-type: none"> 80 hours over 2 weeks. 	<ul style="list-style-type: none"> 67 hours over 2 weeks. 	<ul style="list-style-type: none"> 40 hours over 1 week.
Core Training	<ul style="list-style-type: none"> Simple Steps for Starting a Business Business Planning Accounting Finance and Credit Sales and Marketing Website Development/Social Media Networking/Special Events Specialized Training Entrepreneurship Mentoring Program 	<ul style="list-style-type: none"> Entrepreneurship: The Basics (8 hrs) Mastering Sales Magnetism for Small Business Owners (12 hrs) Marketing for Small Businesses (12 hrs) Accounting for Small Business Owners (16 hrs) Understanding QuickBooks Premier (16 hrs) 	<ul style="list-style-type: none"> Getting Started in Business (4 hours) Understanding Credit (7 hours) CORE FOUR Business Planning (28 hours) 	<ul style="list-style-type: none"> Considering Entrepreneurship (8 hrs) Evaluating Your Business (8 hrs) Starting Your Business (8 Hours) Running Your Business (8 hrs) Business Plan Reviews/ Evaluating Your Business (8 hrs)
Supplemental Training	<ul style="list-style-type: none"> Not specified 	<ul style="list-style-type: none"> Understanding QuickBooks Premier SCORE including: Start-up, business concept, marketing plan, financial projections and funding sources Match individuals with mentors 	<ul style="list-style-type: none"> Finance and Accounting for Nonfinancial Managers QuickBooks Premier Networking for Small Businesses Marketing for Small Businesses Social Media for Small Businesses How to Build Your Own Business Website Entrepreneurial E-learning courses Business Counselors act as mentors 	<ul style="list-style-type: none"> Customer Co-Creation: Idea to Innovation. Where Do I Start? Internet Marketing Seminar Independent Study and Workshops. Match individuals with approved mentors.
Training Provider(s)	<ul style="list-style-type: none"> Site partners and training providers 	<ul style="list-style-type: none"> NOVA. SCORE. 	<ul style="list-style-type: none"> Individual instructors hired by GRGATE. 	<ul style="list-style-type: none"> Old Dominion University's Business Gateway.
Attendance	<ul style="list-style-type: none"> Not specified 	<ul style="list-style-type: none"> Participants required to complete 90% of the NOVA courses. 	<ul style="list-style-type: none"> Participants must complete 100% of the core courses. 	<ul style="list-style-type: none"> Participants required to complete 100% of the core courses.

D.4 Information Sessions

Information Session Registration. Outreach materials were aimed at promoting information session registration and directing individuals to the program site’s website for more information. Registration to attend the information session is not mandatory, but the majority of interested individuals did register in advance. They were able to register online using one of the VETEC sites’ sign-up systems, such as SignUpGenius or Eventbrite; from their webpage; or via phone by speaking to or by leaving a message with program staff listed on the outreach material. Case Managers maintained the registration lists, which usually included basic contact information and how the individual heard about the program. When prospective applicants called by phone to register, program staff directed them to the website or registered them over the phone. At that point, staff also were able to respond to questions from the caller about the program and eligibility requirements. This process helped screen out interested candidates who are not eligible for the program.

Once individuals registered for an information session, they received an email confirming their registration. The email listed the documents that participants should bring to the information session to determine their eligibility. The email stated clearly that bringing the documents was voluntary and that they are welcome to attend the information session even if they did not have all the documents. Prospective applicants also received a reminder email prior to the day of the information session. Scheduling of the sessions varied across locations, taking into account job seekers’ schedules and transportation needs as well as the availability of hosting space and conference rooms.

Exhibit D.7: Details of the Information Session

Information Session Topics	VETEC Paradigm	ENOVATE	GRGATE	Launch HR
Registration	<ul style="list-style-type: none"> ▪ Register online or by phone ▪ Walk-ins welcome 	<ul style="list-style-type: none"> ▪ Register online ▪ Registrants receive confirmation email ▪ Walk-ins welcome 	<ul style="list-style-type: none"> ▪ Register online or by email/phone ▪ Walk-ins welcome 	<ul style="list-style-type: none"> ▪ Register online via EVENTBRITE or by phone. ▪ Registrants received confirmation email ▪ Walk-ins welcome
Frequency	<ul style="list-style-type: none"> ▪ Monthly 	<ul style="list-style-type: none"> ▪ Monthly at six locations. 	<ul style="list-style-type: none"> ▪ Held every week at one of the three locations ▪ GRGATE Coordinator schedules what he calls “rapid response” sessions as needed 	<ul style="list-style-type: none"> ▪ Weekly at workforce center. ▪ Once a month in public library.
Duration	<ul style="list-style-type: none"> ▪ Maximum 60 minutes 	<ul style="list-style-type: none"> ▪ 45 minutes for presentation. ▪ Additional time for screening. 	<ul style="list-style-type: none"> ▪ 60 minutes for presentation. ▪ Additional time for screening. 	<ul style="list-style-type: none"> ▪ 90 minutes for 2-part presentation ▪ First part (75 minutes) is mandatory ▪ Additional time was utilized to fill forms and

Information Session Topics	VETEC Paradigm	ENOVATE	GRGATE	Launch HR
				make copies of the documents.
Topics Covered	<ul style="list-style-type: none"> ▪ VETEC informational video. Containing program overview that clearly identifies three sites ▪ Program eligibility, program services, and effort required ▪ Overview of the evaluation component, including random assignment ▪ Veteran’s priority of service. ▪ Time for Q&A 	<ul style="list-style-type: none"> ▪ Same as specified in paradigm 		<ul style="list-style-type: none"> ▪ Covered basic information specified in paradigm Additional components: <ul style="list-style-type: none"> ▪ Information session also discussed WIA/WIOA services available if assigned to control group and follow-up survey to be administered to participants ▪ Second half of session was spent filling out parts of WIA/WIOA eligibility paperwork (note, final eligibility is determined at later date)
Eligibility Screening	<ul style="list-style-type: none"> ▪ Eligibility screening at the information session or at later date based on site’s discretion. ▪ Make an appointment for a later date to determine eligibility and complete application process 	<ul style="list-style-type: none"> ▪ If attendees brought the documents to determine eligibility, they could be screened at the session ▪ If no documents, an appointment was made with the case manager for a later date 		<ul style="list-style-type: none"> ▪ No eligibility screening ▪ If attendees brought documents, copies were made ▪ All interested attendees made an appointment for a later date

D.5 Information Session Delivery and Content

The goal of the information sessions was to provide enough information to allow prospective applicants to make an informed decision about whether or not to apply, and to encourage them to spread awareness about the program among friends and family. Hence, most of the information session was devoted to a program overview, which includes the eligibility requirements and the application process, the training services offered, and the program completion requirements. Presenters also discussed on the realities of self-employment while still trying to excite attendees about the program.

The presentation was often led by program staff knowledgeable about WIA/WIOA eligibility, most often by Case Managers. At some sites, staff knowledgeable about business start-up, such as Business Counselors or training coordinators, were also present.

At the end of the session, Case Managers met one-on-one with attendees to answer questions about the required eligibility documents and provide general advice about whether the

participant is ready to apply to the program. This conversation was also used to inform veterans of their preference status. During the screening, staff members used the eligibility document checklist to check off what documents the applicant had or may need to still collect. If an attendee decided to apply, he or she received a printed VETEC application and scheduled an application appointment with a Case Manager to complete the application.

Exhibit D.8: Details of Case Management

Entrepreneurship	VETEC Paradigm	ENOVATE	GRGATE	Launch HR
Service Provider	<ul style="list-style-type: none"> ▪ Not Specified 	<ul style="list-style-type: none"> ▪ On-site Case Managers ▪ BDAG Business Counselors 	<ul style="list-style-type: none"> ▪ On-site Case Managers. ▪ Business Counselors 	<ul style="list-style-type: none"> ▪ Grant Assistant, Program Manager and Partnership Coordinator split the case management responsibilities.
Services	<ul style="list-style-type: none"> ▪ Primary point of contact. ▪ Outreach and recruitment. ▪ Communicate with prospective program applicants prior to the application process. ▪ Confirm VETEC eligibility. ▪ Review, accept, and submit VETEC applications into PTS. ▪ Enter and maintain WIA/WIOA/VOS files. 	<ul style="list-style-type: none"> ▪ Same as program model. 	<ul style="list-style-type: none"> ▪ Provide individualized support to assist with needs (e.g., gas cards). ▪ Oversee program compliance (e.g., attendance). ▪ Responsible to help participants with the initial setup of their business, including structure and documentation (only Business Counselors). 	<ul style="list-style-type: none"> ▪ Carry out all administrative tasks for providing program services. ▪ Coordinate and schedule trainings and workshops. ▪ Responsible to help participants with the initial setup of their business, including structure and documentation (mostly Partnership Coordinators)

Entrepreneurship	VETEC Paradigm	ENOVATE	GRGATE	Launch HR
<p>Supplemental Services</p>	<ul style="list-style-type: none"> ▪ Not Specified 	<ul style="list-style-type: none"> ▪ None offered 	<ul style="list-style-type: none"> ▪ GRGATE received \$12,000 for the duration of the program to support individual participant needs. ▪ Funds are distributed on a case-by-case basis by Case Managers. 	<ul style="list-style-type: none"> ▪ None offered

APPENDIX E: BASELINE EQUIVALENCE FOR SURVEY RESPONDENTS

**Exhibit E.1: Treatment-Control Differences in Baseline Characteristics
(Survey Respondents Only)**

Characteristic	Treatment Group	Control Group	Difference
	198	167	
Baseline Demographic Characteristics			
Male	0.29	0.23	0.05 [0.05]
Race/Ethnicity			
White	0.23	0.20	0.03 [0.04]
African-American	0.57	0.60	-0.03 [0.05]
Other Race	0.10	0.12	-0.02 [0.03]
Hispanic	0.09	0.07	0.02 [0.03]
Age Group			
Less than 35 Years	0.11	0.13	-0.02 [0.03]
35-44 Years	0.23	0.28	-0.05 [0.05]
45-54 Years	0.27	0.28	-0.01 [0.05]
55+ Years	0.38	0.30	0.08 [0.05]
Household Characteristics			
Married	0.37	0.36	0.01 [0.05]
Single	0.37	0.39	-0.02 [0.05]
Other Marital Status	0.26	0.25	0.01 [0.05]
Household Size	2.43	2.54	-0.11 [0.15]
Other Characteristics			
Disabled	0.08	0.05	0.03 [0.03]
Citizen	1.00	1.00	0.00 [0.00]
Baseline Socioeconomic Characteristics			
Education			
No High School Diploma	0.02	0.01	0.01 [0.01]
High School Diploma	0.086	0.084	0.002 [0.03]
Some College or Associate Degree	0.33	0.39	-0.06 [0.05]
College Degree	0.57	0.52	0.05 [0.05]
Have Health Insurance	0.48	0.62	-0.14 [0.05]***
Household Income			
Less than \$10,000	0.24	0.27	-0.03 [0.05]
\$10,000-\$24,999	0.27	0.26	0.01 [0.05]
\$25,000-\$49,999	0.23	0.22	0.01 [0.04]
\$50,000-\$74,999	0.10	0.10	0.00 [0.03]
\$75,000+	0.16	0.16	0.00 [0.03]
Prior Outcomes			
Self-Employment Experience	0.47	0.44	0.03 [0.05]
UI Benefits at Enrollment			
Any UI Benefit Receipt Last 12 Months	0.36	0.37	-0.01 [0.05]
Weeks of UI Benefit Receipt	4.23	5.18	0.95 [0.97]

Note: Data from PTS. Column 2 provides the mean for the treatment group, and column 3 the corresponding mean for the control group. The last column reports treatment-control group differences in means with standard errors in brackets. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level. The “Other Race” category includes individuals who are American Indian, Asian, and Other/Mixed races. The “College” category includes individuals with a Bachelor’s degree or higher level of education. The “Other Marital Status” category includes separated, divorced, or widowed individuals. The “Self-Employment Experience” category includes both individuals who were still self-employed at baseline and those who had businesses in the past but which ended.

**Exhibit E.2: Regression Results, Probability of Being in the Treatment Group
(Survey Respondents Only)**

Explanatory Variable	Estimate
Demographic Characteristic	
Male	0.042 (0.061)
White	0.090 (0.093)
African-American	0.034 (0.084)
Hispanic	0.084 (0.118)
Age:35-44 Years	-0.036 (0.093)
Age:45-54 Years	0.009 (0.095)
Age:55+ Years	0.084 (0.094)
Married	0.024 (0.080)
Single	-0.002 (0.071)
Household Size	-0.007 (0.023)
Disabled	0.176* (0.102)
Citizen	0.000 (0.000)
Socioeconomic Characteristic	
High School Diploma	-0.291 (0.298)
Some College/Associate Degree	-0.361 (0.291)
College Degree	-0.317 (0.292)
Have Health Insurance	-0.166*** (0.053)
Household Income: \$10,000 - \$24,999	0.070 (0.072)
Household Income: \$25,000 - \$49,999	0.070 (0.084)
Household Income: \$55,000 - \$74,999	0.081 (0.110)
Household Income: \$75,000+	0.091 (0.100)
Prior Outcomes	
Self-Employment Experience	0.022 (0.055)
Baseline UI Benefit Receipt Status	-0.016 (0.070)

Explanatory Variable	Estimate
Weeks of UI Benefit Receipt Last 12 Months	-0.002 (0.003)
Observations	365
Adjusted R-Squared	0.040
Chi-Squared Statistic	19.26
P-value	0.629

Note: Data from PTS. Reported are average marginal effects from Probit models with robust standard errors in parentheses. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level. Citizenship status could not be included in the regression model as all survey respondents were US citizens.

APPENDIX F: COMPLETE IMPACT REGRESSION RESULTS

Exhibit F.1: Full Results

Explanatory Variable	Self-Employed	Employed in a Salaried Job	Total Earnings	UI Benefit Duration	UI Benefit Amount
Treatment Indicator	0.090* (0.049)	0.018 (0.053)	720.563 (3,273.123)	0.587 (0.786)	-11.596 (14.292)
Male	0.071 (0.058)	0.009 (0.061)	5,365.923 (3,882.293)	0.639 (0.901)	18.218 (17.585)
White	-0.057 (0.059)	-0.068 (0.067)	-2,721.651 (4,141.343)	-0.657 (0.914)	12.513 (18.604)
Hispanic	0.189** (0.086)	-0.134 (0.091)	516.378 (6,803.658)	-0.710 (1.291)	-45.486** (22.010)
Age: Less than 45	0.094* (0.051)	0.032 (0.055)	3,043.981 (3,365.412)	0.934 (0.969)	-4.730 (15.380)
Married	0.044 (0.066)	-0.106 (0.070)	-8,335.452* (4,286.527)	0.431 (0.941)	-1.336 (18.807)
Household Size	0.002 (0.020)	0.000 (0.022)	393.000 (1,374.942)	-0.126 (0.282)	-1.731 (5.904)
Disabled	0.016 (0.098)	-0.119 (0.101)	-8,042.993 (5,843.563)	-1.505* (0.848)	-9.882 (16.370)
Education Level: Below College	-0.133*** (0.050)	-0.072 (0.055)	-7,244.006** (3,394.633)	0.249 (0.848)	1.849 (14.954)
Have Health Insurance	0.034 (0.050)	-0.043 (0.054)	3,950.955 (3,448.640)	1.152 (0.767)	-0.226 (14.487)
Household Income: Below \$35k	0.011 (0.059)	0.005 (0.066)	-17,397.142*** (4,695.065)	-0.140 (0.886)	-38.395** (18.768)
With Self-Employment Experience	0.255*** (0.049)	-0.061 (0.053)	3,718.232 (3,361.384)	0.605 (0.761)	11.779 (13.752)
Receiving UI Benefits at Baseline	0.054 (0.058)	0.071 (0.062)	8,307.240** (3,646.543)	4.757*** (1.105)	112.612*** (17.222)
GRGATE	-0.098* (0.059)	0.077 (0.066)	7,053.808* (3,974.360)	-0.937 (0.944)	11.737 (16.951)
ENOVATE	-0.114** (0.055)	0.098 (0.063)	4,847.152 (3,802.660)	-1.921** (0.911)	-7.979 (15.637)
Observations	365	365	360	360	361
R-Squared	-	-	0.162	0.118	0.225
Adjusted R-Squared	0.106	0.038	-	-	-
Chi-Squared Statistic	50.578	18.683	-	-	-
P-value of Chi-Squared Statistic	0.000	0.228	-	-	-
F-Statistic	-	-	3.95	2.65	5.39
P-value of F-statistic	-	-	0	0.001	0

Note: For the binary employment outcomes, reported are average marginal effects from Probit Models with robust standard errors in parentheses. For the continuous outcomes (earnings, UI benefit amount, and UI duration), reported are estimates from linear regression models with robust standard errors in parentheses. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level. Although not shown, all models control for a constant and site fixed effects.

APPENDIX G: DESCRIPTIVE ANALYSES OF HOUSEHOLD INCOME

The ability to be self-sufficient is largely determined by total household income. It is also a crucial determinant of the ability to successfully enter self-employment, given that a majority of VETEC participants who were self-employed (i.e., business owners) were financed through personal or family funds.¹⁰³ The baseline and follow-up surveys both asked participants to report their household’s total income over the prior 12 months, from any and all jobs (including self-employment, unemployment compensation, and from any other sources or programs).

Exhibit G.1 presents the distribution of annual household income, for the program as a whole and across program sites, for treatment group members (i.e., non-veteran program participants) for the 12 months prior to follow-up. Mean household annual income was just over \$43,000. This value is significantly lower than for the Virginia (\$102,511) and U.S. populations (\$83,184).¹⁰⁴ About 17 percent of participants program-wide had household incomes of more than \$75,000. GRGATE participants had markedly lower household incomes than the other two sites (mean household income averaging only around \$36,000).

Exhibit G.1: Household Income

Household Income	All Participants	ENOVATE	GRGATE	LAUNCH
No Income	9% (16)	6% (3)	8% (4)	11% (9)
\$1-\$9,999	18% (33)	20% (10)	12% (6)	21% (17)
\$10,000-\$24,999	20% (37)	10% (5)	24% (12)	24% (20)
\$25,000-\$49,999	24% (43)	27% (14)	28% (14)	18% (15)
\$50,000-\$74,999	13% (23)	16% (8)	14% (7)	10% (8)
\$75,000+	17% (31)	22% (11)	14% (7)	16% (13)
Median	\$25,000	\$31,000	\$27,500	\$20,000
Mean	\$43,625	\$48,432	\$35,865	\$45,367
Total	183	51	50	82

Note: Data from follow-up survey. Sample is all treatment individuals.

Exhibit G.2 presents the rate of *switching* between income brackets between baseline and follow-up.¹⁰⁵ Overall, many participants experienced no change in their income bracket (39 percent). However, it is noteworthy that, among those participants who did experience a change, a larger share (a difference that did not reach statistical significance, however) moved into a higher income bracket than to a lower one (33 percent versus 27 percent). This difference was even higher at

¹⁰³ See Exhibit 6.4 in Chapter 6.

¹⁰⁴ Source: CPS March Supplement, 2013.

¹⁰⁵ Income brackets for this analysis are defined as the ranges in the first column of Exhibit D.1. Moving income brackets refers to the relative change of one’s income bracket between baseline and follow-up. For example, if one’s household income was in the \$25,000-\$49,999 bracket at baseline, but in the \$50,000-\$74,999 bracket at the time of the survey, this participant would have been defined as having “moved to a higher income bracket” in Exhibit D.2.

GRGATE and statistically significant, where 46 percent of GRGATE participants moved to a higher income bracket versus 24 percent of participants who moved to a lower income bracket.¹⁰⁶

Exhibit G.2: Change in Household Income

Change in Household Income Bracket	All Individuals	ENOVATE	GRGATE	LAUNCH
Move to Lower Income Bracket	33% (60)	37% (19)	32% (16)	30% (25)
No change	26% (48)	24% (12)	16% (8)	34% (28)
Move to Higher Income Bracket	41% (75)	39% (20)	52% (26)**	35% (29)
Total	183	51	50	82

Note: Data from follow-up survey. Sample is all treatment individuals. “Change in household income brackets” refers to the number of the income brackets moved up or down from prior to RA to 18 months after RA. Income brackets are those defined in the first column in Exhibit D.1. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.

¹⁰⁶ ENOVATE and LAUNCH did not have statistically significant differences between the likelihood of moving to a higher versus a lower income bracket.

APPENDIX H: OUTCOMES COMPARISONS BETWEEN VETEC VETERANS AND NON-VETERAN ELIGIBLE APPLICANTS

Exhibit H.1 presents a detailed summary of VETEC outcomes for veterans and non-veteran eligible applicants (i.e., treatment and control groups). Qualitatively, the results are very similar to the outcomes comparison presented in Exhibit 7.12 in Chapter 7, which focused on comparing veterans to non-veteran program participants (i.e., the treatment group). Non-veteran participants were more likely to be employed overall and in a wage or salary job. However, VETEC veterans earned more, on average, in salaried employment.

Exhibit H.1: Outcomes Achievement, Veterans versus All Non-Veterans

Outcome	Veterans	Non-veterans	Difference
Employment			
Self-Employed	0.439	0.384	<i>0.056 (0.054)</i>
Employed in a wage or salary job	0.393	0.521	<i>-0.128 (0.055)**</i>
Earnings			
Earnings from Self-Employment	\$11,068	\$13,956	<i>2,887 (3,773)</i>
Earnings from Salaried Employment	\$54,063	\$29,765	<i>24,298 (7,487)***</i>
Earnings	\$36,635	\$36,198	<i>437 (13,375)</i>
Self-Sufficiency			
Duration of UI benefits	12.0	10.2	<i>1.8 (2.4)</i>
Amount of UI benefits	310	285	<i>24 (26)</i>

Note: For the binary outcomes (that is, the likelihood of self- and salaried employment), the first two columns report the percentage of sample achieving the outcome. For the continuous outcomes (that is, earnings, UI benefit duration and amount), the first two columns report the mean value of the outcome within that group. Final column reports difference in means with standard error in parentheses. Statistical significance: ***= at the 1 percent level, **= at the 5 percent level; *= at the 10 percent level.