

# **Non-Experimental Evaluations of Job Training Programs**

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# Experimental vs. Non-Experimental Evaluation

- Experimental evaluation is held up as the gold standard for evaluating a program
- This is generally true when the experiment is well designed

# Experimental vs. Non-Experimental Evaluation

- However, it is important to recognize that social experiments have important limitations
  - Costly
  - Time consuming
  - Often have significant limitations placed on how they are implemented
  - Can only address a limited number of questions
  - There are some questions that can never be addressed through experiments: returns to schooling

# Experimental vs. Non-Experimental Evaluation

- Given these limitations non-experimental evaluations based on administrative data will always play an important role in evaluating training programs
  - Should be interaction between the two methods
- Important to ensure that we are conducting well designed non-experimental evaluation

# Well Designed Non-experimental Evaluation

- Recent research suggests that a well designed non-experimental evaluation has a few key elements
- While it is important to choose the appropriate estimator, given large sample sizes, estimates appear to be relatively insensitive to choice of technique
  - Most techniques are equivalent to nonlinear, weighted regressions

# Well Designed Non-experimental Evaluation

- Instead emphasis should be placed on understanding the data generating process and ensuring you have an appropriate comparison sample
  - Sample selection into and out of the program
  - Comparability of treatment and comparison samples prior to treatment
  - Dynamics of outcome measure
  - Robustness of results to alternative comparison group and treatment sample

# Ask More Interesting Questions

- Most evaluations focus on estimating Average Effect of Treatment on the Treated
- While this is one important estimate, there are many other estimates that are useful for assessing the efficacy of a program
  - Many not be the most useful for a policy maker

# Ask More Interesting Questions

- Other interesting questions include
  - Effect on the marginal participant
  - Distribution of effects
  - Effect of various sub-programs
  - Effect on various demographic groups
  - General equilibrium effects

# Experimental vs. Non-Experimental Evaluation

- Two different methodologies should influence each other
  - Experimental estimates should drive specification of non-experimental evaluations
  - Results from non-experimental evaluation should drive questions asked in subsequent experimental evaluations