



# Making the Transition

Interim Results of the National Guard Youth Challenge Evaluation

Megan Millenky  
Dan Bloom  
Colleen Dillon

**mdrc**  
BUILDING KNOWLEDGE  
TO IMPROVE SOCIAL POLICY

MAY 2010



**Making the Transition**  
**Interim Results of the National Guard Youth Challenge**  
**Evaluation**

**Megan Millenky**  
**Dan Bloom**  
**Colleen Dillon**



**May 2010**

Funding for this evaluation was provided by the U.S. Department of Defense and Bill & Melinda Gates Foundation, Charles Stewart Mott Foundation, The Edna McConnell Clark Foundation, The John D. and Catherine T. MacArthur Foundation, the MCJ Foundation, The Robert Wood Johnson Foundation, and The William and Flora Hewlett Foundation.

Dissemination of MDRC publications is supported by the following funders that help finance MDRC's public policy outreach and expanding efforts to communicate the results and implications of our work to policymakers, practitioners, and others: The Ambrose Monell Foundation, The Annie E. Casey Foundation, Carnegie Corporation of New York, The Kresge Foundation, Sandler Foundation, and The Starr Foundation.

In addition, earnings from the MDRC Endowment help sustain our dissemination efforts. Contributors to the MDRC Endowment include Alcoa Foundation, The Ambrose Monell Foundation, Anheuser-Busch Foundation, Bristol-Myers Squibb Foundation, Charles Stewart Mott Foundation, Ford Foundation, The George Gund Foundation, The Grable Foundation, The Lizabeth and Frank Newman Charitable Foundation, The New York Times Company Foundation, Jan Nicholson, Paul H. O'Neill Charitable Foundation, John S. Reed, Sandler Foundation, and The Stupski Family Fund, as well as other individual contributors.

The findings and conclusions in this report do not necessarily represent the official positions or policies of the funders.

For information about MDRC and copies of our publications, see our Web site: [www.mdrc.org](http://www.mdrc.org).

Copyright © 2010 by MDRC.® All rights reserved.

# Overview

Young people who drop out of high school face long odds of success in a labor market that increasingly values education and skills. This report presents interim results from a rigorous, ongoing evaluation of the National Guard Youth ChalleNGe Program, which aims to “reclaim the lives of at-risk youth” who have dropped out of high school. ChalleNGe is an intensive residential program that currently operates in more than half the states. More than 90,000 young people have completed the program since it was launched in the early 1990s. MDRC, a nonprofit, nonpartisan research organization, is conducting the evaluation in collaboration with the MacArthur Foundation Research Network on Transitions to Adulthood. Several private foundations and the U.S. Department of Defense are funding the evaluation.

The 17-month ChalleNGe program is divided into three phases: Pre-ChalleNGe, a demanding two-week orientation and assessment period; a 20-week Residential Phase built around eight core components designed to promote positive youth development; and a one-year Postresidential Phase featuring a structured mentoring program. During the first two phases, participants live at the program site, often on a military base. The environment is “quasi-military,” though there are no requirements for military service.

The evaluation uses a random assignment design. Because there were more qualified applicants than slots, a lottery-like process was used to decide which applicants were admitted to the program. The young people who were admitted (the program group) are being compared over time with those who were not admitted (the control group); any significant differences that emerge between the groups can be attributed to ChalleNGe. About 3,000 young people entered the study in 10 ChalleNGe programs in 2005-2006.

## Interim Results

A comprehensive survey was administered to about 1,200 young people in the program and control groups an average of 21 months after they entered the study. Key findings from the survey include:

- **The program group was much more likely than the control group to have obtained a high school diploma or a General Educational Development certificate (GED) and to have earned college credits.** For example, about 61 percent of the program group had earned a diploma or a GED, compared with 36 percent of the control group.
- **At the time of the survey, program group members were somewhat more likely to be engaged in productive activities.** For example, 72 percent of the program group were working, in school or training, or in the military, compared with 66 percent of the control group.
- **Young people in the two groups were equally likely to have been arrested in the year prior to the survey, but the program group was less likely to have been convicted of a crime or to have engaged in certain delinquent acts.**
- **There were few differences between groups in measures of physical or mental health.** Differences between groups that were measured at an earlier point in the study had disappeared by the 21-month point.

These interim results are impressive, but longer-term follow-up will be critical to understanding the full story of the program’s effects. Results from a 36-month survey should be available by late 2010.



## Preface

High school dropout rates remain stubbornly high even as broad economic shifts continue to erode opportunities for workers without postsecondary education. Finding ways to reengage high school dropouts and help them move forward in education and the labor market is a pressing national priority. The National Guard Youth ChalleNGe program has served more than 90,000 young high school dropouts since it was created in the early 1990s. The program, which now operates in more than half the states, uses an unusual model that combines an intensive residential phase with military-style discipline, a comprehensive focus on activities thought to promote positive youth development, and a postresidential mentoring program.

The rigorous, random assignment evaluation of ChalleNGe described in this report is particularly timely, as the current administration has emphasized the importance of obtaining hard evidence on the effectiveness of federally funded programs. Early results from the evaluation, released in 2009, have already drawn attention to ChalleNGe, and Congress recently voted to increase the share of program costs that can be paid by the U.S. Department of Defense, a critical change for cash-strapped states.

The evaluation represents a true collaboration. It is funded by a group of private foundations and the Department of Defense, and is led by MDRC, working closely with scholars from the MacArthur Foundation Research Network on Transitions to Adulthood. Twelve state ChalleNGe programs agreed to participate, and 10 of them were eventually able to enroll about 3,000 young people into the study sample.

The interim results presented here are based on a survey administered to young people in the program and control groups an average of 21 months after they entered the study, when most were 18 or 19 years old. The program group members had completed the ChalleNGe program by that time. The survey found that young people who had access to ChalleNGe were much more likely than those in the control group to have obtained a high school diploma or a General Educational Development (GED) certificate. They were also somewhat more likely to be working, attending college, enlisted in the military, or engaging in other productive activities.

While encouraging, these interim results are not the final word on ChalleNGe. Another survey, administered about 36 months after young people entered the study, is nearing completion. It will be critical to see how the participants in the study have fared over a longer period, particularly because the survey was administered at a time when unemployment rates for disadvantaged youth have reached crisis levels. Those results should be available by the end of 2010.

Gordon Berlin  
President





## Acknowledgments

The ChalleNGe evaluation has been an immensely complex undertaking, and many people have contributed to its success to date.

Officials at the U.S. Department of Defense have provided ongoing support and assistance since the study's planning phase. In the Office of Secretary of Defense, we wish to thank former Deputy Assistant Secretary Jennifer Buck and Ernie Gonzales. In the National Guard Bureau, thanks to Anthony Kissick, Joe Padilla, and James Tinkham (now at the National Guard Youth Foundation).

Space does not permit us to list all of the state-level ChalleNGe program staff who have contributed to the study, but it would have been impossible without their dedication. We are especially indebted to the 12 program directors who made the difficult decision to open their programs to rigorous scrutiny in order to build knowledge about the program's effectiveness. Special thanks to the following current and former directors and staff: Arizona: Charles McCarty and Tom Fox; California: Nancy Baird and Suzy Elwell; Florida: Danny Brabham, James Ransom, and Tammy Russell; Georgia: Frank Williams and Janet Zimmerman; Illinois: Peter Thomas, Terry Downen, and Hattie Lenoir-Price; Michigan: Roger Allen, James Luce, and Ben Wallace; Mississippi: William Crowson and Kirri Martin; New Mexico: Arthur Longoria and Terry Luginbill; North Carolina: Edward Toler, Dale Autry, and Billy King. Texas: Peggy Baldwin, Mike Weir, and Grayling Alexander. Virginia: Thomas Early and Delphoney Nash; Wisconsin: Michael MacLaren and Michael Brown.

Pat Antosh of AOC Solutions provided guidance on the use of data from the ChalleNGe Data Management and Reporting System. Louise Hanson of Westat, Inc. has ably directed the surveys. Members of the MacArthur Research Network on Transitions to Adulthood, led by Frank Furstenberg, have been partners in the study from its inception. Special thanks to Network members Connie Flanagan, Wayne Osgood, and Jean Rhodes for their contributions to the analysis.

At MDRC, Gordon Berlin, Fred Doolittle, and Robert Ivry developed the study and Tom Brock led its early stages. John Martinez, Vanessa Martin, Donna Wharton-Fields, and David Butler served as liaisons to the programs. Joel Gordon and Galina Farberova designed the random assignment system. Jo Anna Hunter led the competition to select the survey firm, and Justin Preston and Beni Price have served as the primary liaisons to Westat. Gordon Berlin, David Butler, Fred Doolittle, Charles Michalopoulos, and John Hutchins reviewed drafts of the report. Johanna Walter provided technical advice on data management issues, and Ihno Lee and Asa Wilks assisted with programming. Margaret Bald edited the report, Stephanie Cowell prepared it for publication, and Joseph Broadus provided coordination and fact-checking assistance.

Finally, thanks to all the young people who contributed to the study by answering surveys and speaking with the research team during site visits.

The Authors



## Executive Summary

Young people who drop out of high school face long odds of success in a labor market that increasingly values education and skills. Nationally, about 30 percent of high school freshmen do not graduate in four years; in the 50 largest U.S. cities, the dropout rate is closer to 50 percent.

This report presents interim results from a rigorous, ongoing evaluation of the National Guard Youth ChalleNGe Program, which aims to “reclaim the lives of at-risk youth” who have dropped out of high school and give them the skills and values to succeed as adults. ChalleNGe is an intensive residential program that currently operates in more than half the states. More than 90,000 young people have completed the program since it was launched in the early 1990s. MDRC, a nonprofit, nonpartisan research organization, is conducting the evaluation in collaboration with the MacArthur Foundation Research Network on Transitions to Adulthood. Several private foundations and the U.S. Department of Defense are funding the evaluation.

### The ChalleNGe Program

The ChalleNGe approach grew out of a project by the Center for Strategic and International Studies (CSIS) in the late 1980s and early 1990s that sought to develop new approaches for out-of-school youth. Staff in the National Guard Bureau in the U.S. Department of Defense developed the specific program model. They had concluded that many existing programs for disadvantaged youth were “focused on the symptomatic behaviors without understanding and addressing the underlying causes” and “placed limited, if any, focus on the post-program phase.” Thus, they designed ChalleNGe to be:

...an intervention, rather than a remedial program. We would deal with the symptoms and underlying causes in a construct that fully embraced a “whole person” change and readied the students for the post-program environment. We would arm them with the skills and experiences necessary to succeed and we would ensure there was “a way back” to mainstream society.<sup>1</sup>

In 1993, Congress funded a 10-site pilot of ChalleNGe. Funding was made permanent in 1998, and today there are 32 ChalleNGe programs in 27 states and Puerto Rico.

States operate ChalleNGe programs under a Master Cooperative Agreement with the National Guard Bureau. Most states operate a single “100-bed” ChalleNGe program, serving a

---

<sup>1</sup>Donohue (2008).

total of about 200 participants per year in two class cycles. A few states operate multiple programs or larger programs. The funding level for ChalleNGe — about \$14,000 per participant — has not changed since the early 1990s. The federal government currently pays 60 percent of the cost of the state programs, and states pay the remaining 40 percent.<sup>2</sup>

Although there is considerable room to tailor the program model to local conditions, the basic structure of the ChalleNGe program is the same in all states. The program is open to young people between the ages of 16 and 18 who have dropped out of (or been expelled from) school, are unemployed, drug-free, and not heavily involved with the justice system.<sup>3</sup> The program is open to both males and females, though about 80 percent of the participants are male. There are no income-based eligibility criteria.

The 17-month program is divided into three phases: the Pre-ChalleNGe Phase (two weeks), the Residential Phase (20 weeks), and the Postresidential Phase (one year). During the first two phases (totaling 22 weeks), the participants live at the program site, often on a military base.

The first phase, Pre-ChalleNGe, is a physically and psychologically demanding assessment and orientation period. Candidates are introduced to the program's rules and expectations; learn military bearing, discipline, and teamwork; and begin physical fitness training.

Candidates who complete Pre-ChalleNGe are formally enrolled in the program as “cadets” and move to the second phase. The curriculum for the 20-week Residential Phase is structured around eight core components that reflect current thinking about how to promote positive youth development: Leadership/Followership, Responsible Citizenship, Service to Community, Life-Coping Skills, Physical Fitness, Health and Hygiene, Job Skills, and Academic Excellence. Cadets spend the largest share of each day in the education component. Most programs help participants prepare for the GED exam, but a few of them can offer a high school diploma.

The program environment is described as “quasi-military”: The cadets are divided into platoons and squads, live in barracks, have their hair cut short, wear uniforms, and are subject to military-style discipline. The daily schedule is highly structured with almost no “down time,” and the cadets are closely supervised by staff at all times. While ChalleNGe uses

---

<sup>2</sup>The ChalleNGe legislation was amended in late 2009, raising the maximum federal share of program costs to 75 percent.

<sup>3</sup>In order to be eligible for ChalleNGe, candidates must be 16 to 18 years of age and enter the program before their nineteenth birthday; a high school dropout/expellee; a citizen or legal resident of the United States and a resident of the state in which the program is conducted; unemployed; not currently on parole or on probation for anything other than juvenile status offenses, not serving time or awaiting sentencing, not under indictment or charged, and not convicted of a felony or a capital offense; and drug-free.

military structure, discipline, facilities, and staff to accomplish its objectives, participation in the program is voluntary, and there are no requirements for military service during the program or afterward.

Toward the end of the Residential Phase, the cadets work with staff to arrange a post-residential “placement.” Acceptable placements include employment, education, and military service.

The cadets who successfully complete the Residential Phase move into the one-year Postresidential Phase, which involves a structured mentoring program. The ChalleNGe mentoring program is unusual, in that young people nominate their own mentors during the application process. ChalleNGe initiates the mentoring relationship partway through the Residential Phase, after the staff screen and train the mentors. The staff then maintain contact with both the program’s graduates and their mentors at least monthly during the Postresidential Phase to help solve problems and to monitor the youths’ progress.

## **The ChalleNGe Evaluation**

The National Guard Bureau collects extensive data on program participation and participants’ outcomes. However, for some time, officials in the Department of Defense and many ChalleNGe program directors have been eager to obtain more rigorous data on what difference the program makes. The National Guard Bureau’s outcome data do not address this question because there is no way to know to what extent the outcomes that program participants or graduates achieve are actually attributable to their participation in ChalleNGe; the program serves relatively motivated young people who were determined to make a change and thus might make progress without ChalleNGe. Thus, in 2004, the officials and directors began working with MDRC and the MacArthur Foundation Research Network on Transitions to Adulthood to explore the possibility of conducting a random assignment evaluation of the program. Ultimately, the Department of Defense agreed to fund 20 percent of the evaluation, and MDRC raised the remaining 80 percent from private foundations.

In 2005, 12 state ChalleNGe programs agreed to participate in the evaluation. These programs were not chosen randomly. Rather, there was an effort to identify programs that had stable staffing and that tended to receive more applicants than they could serve.

The evaluation uses a random assignment research design in which a group of young people who applied to ChalleNGe and were invited to participate (the program group) is being compared over time with a second group (the control group) who applied to ChalleNGe and were deemed acceptable, but were not invited to participate. Random assignment was

conducted only during class cycles in which there were substantially more applicants than program slots.

Because the study's participants were assigned to the program group or the control group through a random process, one can be confident that any significant differences that emerge between the groups over time — for example, differences in educational attainment or employment rates — suggest that ChalleNge was effective. These differences are described as *impacts*.

Ultimately, random assignment was conducted for 18 class cycles across 10 programs in 2005 and 2006 (two of the sites that agreed to participate were unable to conduct random assignment because there were not substantially more qualified applicants than slots). About 3,000 young people entered the study.

A series of surveys is being administered to the program and control groups over time. The first survey, a very brief interview, was conducted about nine months after the young people entered the study — not long after participants in the program group had completed the residential phase of the program. The results from that survey, presented in an earlier report, were quite promising.

This report presents the results from the second survey, a much more extensive interview conducted an average of 21 months after participants entered the study, after the postresidential phase of the program had ended. Just under 1,200 young people were interviewed, and the response rate was 79 percent. Most respondents were either 18 or 19 years old when they were interviewed.

## Results from the 21-Month Survey

- **The program group was much more likely than the control group to have earned a GED and somewhat more likely to have obtained a high school diploma; the program group was also more likely to have earned college credits.**

As shown in the top panel of Table ES.1, about 61 percent of the program group reported on the survey that they had earned a high school diploma or a GED. The corresponding figure for the control group was 36 percent. The asterisks show that the difference between groups — about 24 percentage points — was statistically significant, meaning that it is very unlikely to have arisen by chance. As expected given the program model, many more program group members had earned a GED than a high school diploma, and the program's impact was concentrated on GED receipt. Nevertheless, there was also a statistically significant increase in the percentage of sample members with a high school diploma. Program group members were

**National Guard Youth ChalleNGe Program**

**Table ES.1**

**Impacts on Selected Outcomes from the 21-Month Survey**

Outcome	Program Group	Control Group	Impact	P-Value <sup>a</sup>
<b><u>Educational attainment</u></b> (%)				
Earned high school diploma or GED certificate	60.5	36.4	24.1 ***	0.000
High school diploma	22.0	16.3	5.7 **	0.013
GED certificate	48.3	21.9	26.5 ***	0.000
Earned any college credit	24.8	9.6	15.1 ***	0.000
<b><u>Current status</u></b>				
Currently in (%)				
High school or GED prep	16.1	26.0	-9.9 ***	0.000
College courses	11.6	7.0	4.6 ***	0.009
Job training	7.2	6.5	0.7	0.648
Currently working (%)	55.0	50.1	4.9 *	0.093
Average weekly earnings (\$)	209	169	39 ***	0.009
Currently enlisted in the military (%)	10.9	6.2	4.7 ***	0.004
Currently involved in any of the above activities <sup>b</sup> (%)	72.1	66.4	5.7 **	0.033
Has high school diploma or GED certificate and is currently involved in any of the above activities <sup>b</sup> (%)	45.5	23.1	22.4 ***	0.000
<b><u>Crime and delinquency</u></b>				
In the past 12 months				
Arrested (%)	26.3	25.4	0.9	0.719
Convicted (%)	8.9	13.2	-4.2 **	0.020
Any self-reported delinquency (%)	62.6	66.5	-3.9	0.168
Number of delinquent incidents	1.6	1.9	-0.3 **	0.014
<b><u>Health</u></b> (%)				
Overall health good or excellent	71.0	69.4	1.6	0.548
Obese <sup>c</sup>	9.8	11.3	-1.5	0.425
Serious psychological distress <sup>d</sup>	5.4	5.1	0.3	0.844
Sample size (total = 1,196)	736	460		

SOURCE: MDRC calculations from responses to the 21-month survey.

NOTES: Estimates are regression-adjusted using ordinary least squares, controlling for sample member characteristics. Statistical significance levels are indicated as follows: \*\*\* = 1 percent; \*\* = 5 percent; \* = 10 percent.

Rounding may cause slight discrepancies in sums and differences.

<sup>a</sup>Standard errors are presented in this report for all impacts with a p-value of 0.000. Following are the standard errors for all impacts with a p-value of 0.000 (presented in the order in which they appear on the table): 2.827, 2.773, 2.264, 2.358, and 2.734.

<sup>b</sup>This measure includes any employment, school or GED programs, vocational training, military activities, or any residential programs (not listed separately above).

<sup>c</sup>A person is defined as obese if his or her Body Mass Index (BMI) is 30 or higher.

<sup>d</sup>The K6 scale is the sum of the responses to six questions asking how often a respondent experienced symptoms of psychological distress. The scale ranges from 0 to 24. A score of 13 points or more on the K6 scale is considered an indication of serious psychological distress.

[http://www.hcp.med.harvard.edu/ncs/k6\\_scales.php](http://www.hcp.med.harvard.edu/ncs/k6_scales.php).

more than twice as likely to report that they had earned at least one college credit, though relatively few people in either group reported that they were currently in college when interviewed (second panel).

- **Young people in the program group were more likely to be engaged in productive activities.**

The second panel of Table ES.1 describes sample members' activities at the point that they responded to the survey. The table shows that control group members were more likely to be in high school or a GED preparation program, and that program group members were more likely to be in college, working, or in the military.

Overall, about 72 percent of the program group was engaged in one of these productive activities, compared with 66 percent of the control group. A separate measure examined the percentage of each group that had completed a diploma or GED and was engaged in a productive activity, a rough indicator of progress in the transition to adulthood. The program group was about twice as likely to be in this status.

- **There was no significant difference between groups in the percentage arrested in the year prior to the survey; the program group, however, was less likely to have been convicted of a crime and to have engaged in certain types of delinquency.**

As shown in Table ES.1, relatively large percentages of both groups reported involvement with the criminal justice system or delinquent activities. For example, about one-fourth of each group reported being arrested in the previous 12 months, and almost two-thirds of each group reported that they had engaged in at least one of 13 specific delinquent activities (for the most part, the delinquent activities were relatively minor, such as fighting). Although there were no significant differences between groups in either of these measures, the program group was less likely to report a conviction and also reported fewer delinquent activities.

- **There were no systematic differences between the groups on measures of current physical or mental health; most respondents in both groups reported being in relatively good health.**

At the nine-month point, the program group reported better health and less obesity. However, as shown in Table ES.1, those differences were no longer evident at the 21-month point. There was also no difference between groups in a general measure of psychological distress. Other analyses, not shown in the table, found few differences in living arrangements or other measures of well-being.



## **Conclusions and Next Steps**

The results presented here constitute the second chapter in the unfolding story of the ChalleNGe program's impacts. Twenty-one months after entering the study, at age 18 or 19, young people in the program group, who had access to ChalleNGe, were substantially more likely to have earned a high school diploma or a GED and were also more likely to be engaged in productive activities such as working or attending school. Those in the program group were also less likely to have been convicted of a crime and appeared to have engaged in few delinquent activities.

While quite promising, the 21-month results also suggest some reasons for caution. As might be expected, many of the differences measured between the groups at 21 months were smaller than the corresponding differences at the nine-month point. Moreover, because many members of the control group were attending high school or GED preparation classes when they were interviewed, the program group's advantage in high school completion may continue to narrow over time. Relatively few program group members were in college, so it is not yet clear how many ChalleNGe graduates will use their high school credentials to obtain further education or training that may qualify them for higher-paying jobs.

Results from the 36-month survey, scheduled for late 2010, will fill in the next chapter in this important story. The next report will also expand on analyses that are presented in preliminary form in this report — for example, analysis of the program's impacts on measures of psychosocial development, and an examination of the program's impacts for different types of youth or different ChalleNGe programs.

## About MDRC

MDRC is a nonprofit, nonpartisan social policy research organization dedicated to learning what works to improve the well-being of low-income people. Through its research and the active communication of its findings, MDRC seeks to enhance the effectiveness of social and education policies and programs.

Founded in 1974 and located in New York City and Oakland, California, MDRC is best known for mounting rigorous, large-scale, real-world tests of new and existing policies and programs. Its projects are a mix of demonstrations (field tests of promising new program approaches) and evaluations of ongoing government and community initiatives. MDRC's staff bring an unusual combination of research and organizational experience to their work, providing expertise on the latest in qualitative and quantitative methods and on program design, development, implementation, and management. MDRC seeks to learn not just whether a program is effective but also how and why the program's effects occur. In addition, it tries to place each project's findings in the broader context of related research — in order to build knowledge about what works across the social and education policy fields. MDRC's findings, lessons, and best practices are proactively shared with a broad audience in the policy and practitioner community as well as with the general public and the media.

Over the years, MDRC has brought its unique approach to an ever-growing range of policy areas and target populations. Once known primarily for evaluations of state welfare-to-work programs, today MDRC is also studying public school reforms, employment programs for ex-offenders and people with disabilities, and programs to help low-income students succeed in college. MDRC's projects are organized into five areas:

- Promoting Family Well-Being and Child Development
- Improving Public Education
- Promoting Successful Transitions to Adulthood
- Supporting Low-Wage Workers and Communities
- Overcoming Barriers to Employment

Working in almost every state, all of the nation's largest cities, and Canada and the United Kingdom, MDRC conducts its projects in partnership with national, state, and local governments, public school systems, community organizations, and numerous private philanthropies.