



# Staying on Course

Three-Year Results of the National Guard Youth Challenge Evaluation

*Executive Summary*

Megan Millenky  
Dan Bloom  
Sara Muller-Ravett  
Joseph Broadus

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## Executive Summary

Over the past three decades, broad economic shifts have dramatically reduced the availability of well-paying jobs for workers without postsecondary education. In this context, young people who drop out of high school face particularly long odds of success.

This report presents three-year results from a rigorous 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 100,000 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.<sup>1</sup> This may be the final report in the study; it is unclear whether additional follow-up data will be collected.

### 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>2</sup>

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<sup>1</sup>The study is funded by Bill and 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.

<sup>2</sup>Daniel Donohue, *Designing a “ChalleNGe-like” Program for High School Dropouts and Students Who Are Drifting Through School, Disengaged, and Repeating Grades*. (Fairfax Station, VA: Donohue Associates, LLC., 2008).

In 1993, Congress funded a 10-site pilot of ChalleNGe. Funding was made permanent in 1998, and today there are 34 ChalleNGe programs in 29 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 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 up to 75 percent of the cost of the state programs, and states pay the remaining 25 percent.<sup>3</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>4</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. During the study period, most programs helped participants prepare for the General Educational Development (GED) exam; a few of them were able to offer a high school diploma.

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<sup>3</sup>During the study period, the federal/state funding ratio was 60/40. The ChalleNGe legislation was amended in late 2009, raising the maximum federal share of program costs to 75 percent.

<sup>4</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.

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 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, working with and through mentors 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 attributable to their participation in ChalleNGe; the program serves relatively motivated young people who were determined to make a change and 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 first phase 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 also 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 — are caused by the ChalleNGe program. 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.

In order to preserve the integrity of the random assignment design, the evaluation is following all of the young people who were assigned to the two research groups, even though some of those in the program group did not complete the ChalleNGe program. Data from the program's management information system show that about 83 percent of the program group started the program, 68 percent completed the Pre-ChalleNGe Phase and formally enrolled, and 53 percent graduated (that is, completed the Residential Phase). The graduation rate among enrollees —78 percent — is very close to the national rate for the same time period.<sup>5</sup>

A series of surveys has been 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 the program group had completed the Residential Phase. The results from that survey, presented in the study's first report, were quite promising.<sup>6</sup> The second survey, conducted an average of 21 months after study entry, also yielded a variety of positive results.<sup>7</sup>

This report presents the results from the third survey, which was conducted about three years after participants entered the study, more than a year after the Postresidential Phase had ended. Just under 1,200 young people were interviewed, and the response rate was 78 percent. Most respondents were 20 years old when they were interviewed. The report also discusses the

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<sup>5</sup>The graduation rate among enrollees is calculated by dividing the overall graduation rate for the program group (53 percent) by the proportion of the program group that enrolled (68 percent).

<sup>6</sup>Dan Bloom, Alissa Gardenhire-Crooks, and Conrad Mandsager, *Reengaging High School Dropouts: Early Results from the National Guard Youth ChalleNGe Evaluation* (New York: MDRC, 2009.)

<sup>7</sup>Megan Millenky, Dan Bloom, and Colleen Dillon, *Making the Transition: Interim Results of the National Guard Youth ChalleNGe Evaluation* (New York: MDRC, 2010).

findings from a series of in-depth telephone interviews with ChalleNGe graduates who had recently completed the three-year survey.

## Results from the Three-Year Survey

- **The program group was much more likely than the control group to have obtained a GED and to have earned college credits.**

The top panel of Table ES.1 shows that almost 56 percent of the control group had earned a high school diploma or a GED three years after entering the study. This is broadly consistent with national data, which show that most young people who drop out of high school eventually earn a diploma or, more commonly, a GED.<sup>8</sup> However, the figure for the program group is almost 72 percent, indicating that ChalleNGe substantially accelerated participants' educational attainment. The asterisks show that the difference between groups — about 16 percentage points — is 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 (the difference between groups in high school diploma receipt is not statistically significant). Program group members were almost 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 (third panel). The impacts on educational measures have diminished somewhat since the earlier survey waves.

- **Young people in the program group were more likely to be employed at the time of the survey, and they earned about 20 percent more than their control group counterparts in the year before the survey.**

The second panel of Table ES.1 shows three measures of sample members' employment and earnings in the year before the survey, which was administered during a deep recession that disproportionately affected younger workers. Program group members earned an average of \$13,515 during the period (this figure includes zeroes for sample members who did not work), about \$2,267 (20 percent) more than the control group average. This earnings difference is driven, in part, by the fact that the program group worked more steadily during the period (about eight months of work versus seven months for the control group, on average). The third panel shows that program group members were also more likely to be currently employed at the time of the survey interview.

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<sup>8</sup>David Hurst, Dana Kelly, and Daniel Princiotta, *Educational Attainment of High School Dropouts 8 Years Later* (Washington, DC: National Center for Education Statistics, 2004).

**National Guard Youth Challenge Program**

**Table ES.1**

**Impacts on Selected Outcomes from the 3-Year 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 <sup>b</sup>	71.8	55.5	16.2 ***	0.000
HS diploma	30.3	26.6	3.7	0.162
GED	56.9	34.5	22.4 ***	0.000
Earned any college credit	34.9	18.8	16.1 ***	0.000
<b><u>Employment history</u></b>				
In the past 12 months				
Employed (%)	88.4	84.5	3.9 *	0.051
Earnings (\$)	13,515	11,248	2,266 ***	0.003
Number of months employed	8.1	7.2	0.9 ***	0.001
<b><u>Current status</u></b>				
Currently enrolled in (%)				
High school or GED prep classes	7.3	9.2	-1.9	0.243
College courses	11.4	7.8	3.6 **	0.042
Job training	4.6	3.1	1.6	0.180
Working (%)	57.8	50.7	7.1 **	0.015
Average weekly earnings <sup>c</sup> (\$)	240	210	30 *	0.086
Currently enlisted in the military (%)	8.5	7.4	1.1	0.494
Involved in any productive activity <sup>d</sup> (%)	63.6	59.0	4.6	0.111
Has HS diploma or GED and is currently involved in any productive activity <sup>d</sup> (%)	49.1	37.8	11.4 ***	0.000
<b><u>Crime and delinquency (%)</u></b>				
Since random assignment				
Arrested	50.6	51.4	-0.8	0.777
Convicted	27.6	24.9	2.8	0.294
Sample size (total = 1,173)	722	451		

SOURCE: MDRC calculations from responses to the 3-year survey.

NOTES: Estimates are regression-adjusted using ordinary least squares, controlling for sample member characteristics and weighted by site size, survey response rates, and program versus control ratios. 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 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): 2.766, 2.898, 2.625, and 2.910.

<sup>b</sup>Because this measure includes some respondents who indicated that they earned both a high school diploma and GED certificate, the percentages reported for the separate measures do not sum to the percentages reported for this measure.

<sup>c</sup>Weekly earnings averages include zeroes for respondents who were not employed.

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

Interestingly, despite the National Guard’s sponsorship of the ChalleNGe program, there was no statistically significant difference between groups in the percentage of sample members who were enlisted in the military at the time of the survey. Similarly, the two groups were about equally likely to have enlisted at any point since entering the study (not shown in Table ES.1). This result was confirmed using Department of Defense military enlistment records for active duty personnel.

Overall, program group members reported spending substantially fewer months during the follow-up period being idle, or “doing nothing” — that is, they were not working, in school, or in the military (not shown in Table ES.1).

- **There were few statistically significant differences between groups on measures of crime, delinquency, health, or lifestyle outcomes. A few of the measures showed unfavorable trends.**

The study’s earlier reports found favorable impacts on several measures of criminal justice involvement and health. As shown in Table ES.1, the criminal justice impacts were no longer evident at the three-year point; about half of each group reported at least one arrest since entering the study. Similarly, about two-thirds of each group reported being in good or excellent health (not shown in the table).

Program group members were more likely to report that they were living on their own at the time of the survey (the largest share of respondents in both groups were living with their parents). This may indicate greater progress toward achieving a key adult milestone. On the other hand, other data indicate some potentially unfavorable trends. For example, program group members were more likely to report that they were not using birth control (it is possible that some of them were actively trying to have children) and that they had tried illegal drugs other than marijuana (these outcomes are not shown in Table ES.1).

## **Findings from the In-Depth Interviews**

MDRC staff conducted in-depth telephone interviews with 24 program group members just after they completed the three-year survey. The young people who were interviewed are not representative of the full program group because the in-depth study targeted only sample members who had completed the program’s Residential Phase.

The young people who were interviewed spoke fondly of the ChalleNGe program and described how their participation had resulted in profound, positive changes in their attitudes, expectations, and self-confidence. Nevertheless, many of them struggled to maintain this momentum during the years after they completed the program. Most of the young people did not have strong family support, and few spoke much about the ChalleNGe mentoring compo-



ment. Most had moved through a succession of low-wage jobs; several had started college but had difficulty gaining traction. Such experiences are not unusual for young people in their early twenties, but they point to the challenge of building on the initial success of an intensive program like ChalleNGe.

## Conclusions and Next Steps

Three years after entering the study (and one and a half years after the end of the program's Postresidential Phase), young people who had access to ChalleNGe were doing better than their counterparts in the control group in several respects. They were more likely to have a GED, more likely to have at least started college, and more likely to be working. This is a notable achievement, since most rigorous evaluations of programs for disadvantaged youth have found that early impacts faded over time.<sup>9</sup> The lack of impacts in some other areas, such as crime and delinquency, is somewhat surprising, but since the sample members were only 20 years old, on average, when they responded to the three-year survey, it is too early to know how their transition to adulthood will progress. The advantages program group members have gained as a result of their participation in ChalleNGe may continue to erode as control group members catch up, or they could grow as program group members build on their education and work experience. It is not clear at this point whether the evaluation will be able to collect further follow-up data.

The main goals of the ChalleNGe Residential Phase are to help participants obtain a secondary school credential and develop attitudes and behavior patterns that will help them succeed in the future as students, workers, and citizens. The evaluation's qualitative and quantitative data suggest that this phase succeeds in this respect for many participants. Yet, the data also suggest that it is difficult for many young people to maintain momentum afterward in a society and labor market that offer few opportunities for young people who have limited family support and do not follow a linear pattern from high school to college. The survey data show that several of the program's key impacts have diminished in size over time, and, in the in-depth interviews, some program graduates (like many people their age) appeared to be having difficulty gaining a firm foothold in college or the labor market.

The designers of the ChalleNGe program anticipated this issue and added an innovative Postresidential Phase built around mentoring to try to ease participants' transitions back home. However, the evaluation found that the Postresidential Phase was implemented unevenly across sites. Moreover, while mentors may provide vital emotional support to young

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<sup>9</sup>Dan Bloom and Ron Haskins, "Helping High School Dropouts Improve Their Prospects." Policy Brief, *The Future of Children* (Princeton, NJ: Princeton-Brookings, 2010.)

people, they may not have the practical expertise and connections to help them find good jobs and succeed in college.

Thus, the evaluation results to date suggest that the program may want to experiment with ways to enhance the Postresidential Phase of the program to help young people negotiate the difficult transition from the highly structured and supportive residential program. Possibilities might include:

- Stationing some postresidential staff in the areas where concentrations of former participants live, rather than at the program site;
- Using financial incentives to promote ongoing connections between former participants and the program, or to encourage success in school and/or work;
- Promoting a stronger alumni support network through a combination of social media and face-to-face activities such as “booster weekends” at the program site;
- Developing stronger connections between ChalleNGe and community colleges or other postsecondary institutions in areas where graduates live;
- Building a stronger vocational training component, either during or after the Residential Phase of the program.

Ideally, such enhancements, and others designed by program managers, would be rigorously evaluated to determine whether they increase the program’s long-term impacts. ChalleNGe is an example of a public program that already achieves impressive results, but might be improved through a systematic program of innovation and experimentation aimed at securing and sustaining the gains measured through three years.