# USING LABOR MARKET DATA TO IMPROVE STUDENT SUCCESS



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### THE ASPEN INSTITUTE'S COLLEGE EXCELLENCE PROGRAM

The Aspen Institute's College Excellence Program aims to advance higher education practices, policies, and leadership that significantly improve student outcomes in four areas:

- **COMPLETION.** Do students earn degrees and other meaningful credentials while in college?
- EQUITY. Do colleges work to ensure equitable outcomes for minority and low-income students, and others often underserved?
- LABOR MARKET. Do graduates get well-paying jobs?
- **LEARNING.** Do colleges and their faculty set expectations for what students should learn, measure whether they are doing so, and use that information to improve?

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# INTRODUCTION

Never before has the link between a college education and postgraduate job prospects been more important. College graduates are employed more often and, on average, earn significantly more than those without college degrees.¹ During recent years, as students have moved into a challenging job market, a college education has remained the most reliable defense against unemployment.²

At the same time, investments in higher education can no longer be taken for granted. States—facing their own financial and economic challenges—are making choices about how much and where to invest in higher education. Several are examining which state expenditures will most likely enable students to graduate with the skills needed to fill jobs that will help states' economies grow.<sup>3</sup>

Students too are increasingly considering how to make higher education

choices that offer the best return on their investments of time and money. They are questioning whether a college education is worth pursuing and which of their increasing number of choices for higher education will be both affordable and likely to result in a good job.

Trying to meet the needs and expectations of both states and students, community colleges are often caught in the middle. States are cutting budgets while students expect courses to remain available and tuition to stay low. Especially in states where cuts have been too rapid to be replaced by new tuition or other revenue sources, colleges are making tough choices, assessing which course offerings and programs they should maintain to meet students' needs and which to cut to keep the institution financially viable.

Like their students and state officials, community college leaders know that

there are great divergences in labor market returns for different credentials. Although they can easily determine that nurses almost always earn more than hairdressers, they may not know that a radiation therapist with an associate's degree earns an average of \$75,000 per year,<sup>4</sup> while a veterinary technician, who also needs an associate's degree, earns an average of only \$30,000.<sup>5</sup>

Although states can gain access to the labor data they need to make informed decisions, colleges often cannot. Too often, they have inadequate information to determine which degrees from their colleges lead to high-wage jobs. Community colleges need more and better information on students' post-graduation professional lives to understand how well their educational programs are equipping students to thrive professionally and achieve economic self-sufficiency.

# LIKE THEIR STUDENTS AND STATE OFFICIALS, COMMUNITY COLLEGE LEADERS KNOW THAT THERE ARE GREAT DIVERGENCES IN LABOR MARKET RETURNS FOR DIFFERENT CREDENTIALS.

<sup>1</sup> Carnevale, A. P., Rose, S. J., & Cheah, B. (2011). The college payoff. Washington, DC: Georgetown University, Center on Education and the Workforce. Retrieved from http://cew.georgetown.edu/collegepayoff/

<sup>2</sup> Carnevale, A. P., Jayasundera, T., & Cheah, B. (2012, August). The college advantage: Weathering the economic storm. Washington, DC: Georgetown University, Center on Education and the Workforce. Retrieved from <a href="http://www.georgetown.edu/grad/gppi/hpi/cew/pdfs/CollegeAdvantage.FullReport.081512.pdf">http://www.georgetown.edu/grad/gppi/hpi/cew/pdfs/CollegeAdvantage.FullReport.081512.pdf</a>

<sup>3</sup> See, for example, the labor market findings resulting from a partnership between the Tennessee Higher Education Commission and College Measures in a recent report, Schneider, M., & Vivari, B. (2012, September). The earnings power of graduates from Tennessee's colleges and universities. Rockville, MD: CollegeMeasure.org. Retrieved from <a href="https://www.air.org/files/Earning\_Power\_TN\_Graduates\_Sept12.pdf">https://www.air.org/files/Earning\_Power\_TN\_Graduates\_Sept12.pdf</a>

<sup>4</sup> Bureau of Labor Statistics. (2012, April 6). Retrieved from <a href="http://www.bls.gov/ooh/healthcare/radiation-therapists.htm">http://www.bls.gov/ooh/healthcare/radiation-therapists.htm</a>

<sup>5</sup> Bureau of Labor Statistics. (2011, May). Retrieved from <a href="http://www.bls.gov/ooh/healthcare/home.htm">http://www.bls.gov/ooh/healthcare/home.htm</a>



# THE PURPOSE OF THIS GUIDE

This guide aims to advance colleges' understanding of how to access and use labor market data to improve student success. The three sections that follow provide:

- A description of how colleges can use labor market data.
- An inventory of available data sources.
- Recommendations for what colleges can do to improve labor market data use and access.

The examples in this guide come from community colleges, gathered primarily through explorations related to the Aspen Prize for Community College Excellence. However, four-year colleges are also facing budget challenges and increasing expectations to deliver measurable results. Against this backdrop, this guide can also assist four-year colleges as they seek to understand labor market outcomes for bachelor's degree programs.

# THE POWER OF LABOR MARKET DATA

The need to track the employment and earnings of graduates is by no means new to community colleges. They have reported information about job outcomes for graduates of their career and technical education (CTE) programs to federal and state agencies for decades. In recent years, colleges have also increasingly examined data on regional job trends to align their program offerings with projected labor market needs. Some colleges are now even experimenting with providing students such information to help them choose a major, both as a way to increase the chances of graduation and to improve the chances that students' choices will lead them to living-wage jobs and strong career paths.

However, the availability of rigorous empirical data has not kept up with increased institutional demand.6 Even though most community colleges survey students graduating from CTE programs about subsequent employment, low response rates and biases inherent in self-reporting limit the reliability of such reports.7 Moreover, such surveys are typically conducted only on graduates of CTE programs, and aim to gather information on students only immediately after they graduate. Community and four-year colleges rarely inquire about labor market outcomes for general education degree graduates or investigate the results beyond the first year after graduation for those receiving any credential.

<sup>6</sup> Several states operating independently or in conjunction with the Statewide Longitudinal Data Systems (SLDS) Grant Program (a federal grant system designed to aid states in designing and implementing longitudinal pre-k through workforce data systems) have begun to collect these data. However, even in cases where states have data there is often a lack of capacity to analyze and understand how these data can be used.

<sup>7</sup> This criticism should not be read to suggest that colleges should never use survey data, but rather that steps can be taken to improve its reliability (as described in the section below about Monroe College) and that it should be supplemented by other labor market data described below.

# NEW AND EMERGING SOURCES OF DATA

Today, there is a growing opportunity for colleges to access useful labor market data. States have long collected employment data for purposes of administering unemployment insurance (UI), and now several have started to match UI records with those of college graduates to generate aggregate employment and wage data.8 Twenty-two states have even signed up to share those records with one another, meaning those states now have access to information about the job outcomes of students who leave the state. Although effective and efficient systems for getting these data to colleges are still in their infancy in most states, advanced examples, such as the system used in Florida, illuminate the potential value of pushing for increased access to this important resource.

In addition to UI data, proprietary databases are being used to aggregate job postings from the internet, providing colleges with a new window for understanding labor markets in their communities. By shedding light on job openings that actually exist at any given time, these data sources can help colleges and their students better understand the connection between certain credentials and the employment opportunities and wages those credentials might command.

A third data set was released in June of 2012, when the Department of Education released "gainful employment" reports, containing job placement rates for 3,695 vocational programs at 1,336 institutions, including community colleges, public and private four-year colleges, and for-profit colleges. Although a 2012 court deci-

sion led the Department of Education to rewrite its "gainful employment" regulations and limits the availability of year-to-year updates, the 2012 data sets provide a snapshot colleges can use to assess the effectiveness of some of their programs compared to the same programs at other institutions.<sup>9</sup>

The emergence of these new data sets suggests the dawning of a new era in which labor market data will be increasingly available to colleges, their students, and many other actors seeking to measure and improve student success.

# USING THESE DATA TO INFORM CHANGE

Labor market data provide information that many stakeholders on college campuses—including the president, vice presidents, deans, department chairs, faculty, staff, and students—can use to understand and improve the link between what colleges offer and what happens to students after they graduate. Specifically, labor market data can be used to:

- Decide which college programs to offer and how many graduates a college should aim to produce to fill available jobs related to the program.
- Assess program effectiveness, signaling whether a college's programs provide the necessary skills, both in terms of specific competencies and appropriate rigor, for students to succeed after they graduate.
- Help students make informed choices about which programs to enter, both by accelerating student decision-making

and thereby increase chances for graduation and by enhancing the likelihood they will choose a degree aligned to a well-paid, available job.

 Advocate for the college by using data on graduates' employment outcomes to demonstrate to the state and others that investments in the college are worthwhile, and will go beyond broadening access to delivering graduates able to contribute to their families, communities, and states.

To be clear, labor market data cannot alone provide all of the labor market information colleges need to make good decisions. As the remainder of this guide makes clear, although labor market projections and results can provide critical facts to assess the viability and efficacy of a program, they cannot provide important nuances about local labor markets and trends.

As many effective community college leaders have long understood, deep and regular engagement with employers and others in their communities is essential to understanding how to match student education with job needs. If graduates are not getting jobs, discussions with employers can help a college understand what skills students lack and change the curriculum accordingly. If graduates' wages are increasing, employers can help a college understand whether the trend is likely to continue, informing decisions about how and whether to expand a program and if so by how much. And if jobs in a sector are drying up, employers can help colleges understand the likely trajectory of the future labor market, informing what programs the college can create or expand to replace declining job opportunities.

<sup>8</sup> See for example, Schneider, M., & Vivari, B. (2012, September). The earnings power of graduates from Tennessee's colleges and universities. Rockville, MD: CollegeMeasure.org. Retrieved from <a href="http://www.air.org/files/Earning\_Power\_TN\_Graduates\_Sept12.pdf">http://www.air.org/files/Earning\_Power\_TN\_Graduates\_Sept12.pdf</a>

<sup>9</sup> Association of Private Colleges and Universities, v. Arne Duncan, Secretary of The Department Of Education, and United States Department of Education (2012), Retrieved from <a href="https://ecf.dcd.uscourts.gov/cgi-bin/show\_public\_doc?2011cv1314-25">https://ecf.dcd.uscourts.gov/cgi-bin/show\_public\_doc?2011cv1314-25</a>

# HOW COLLEGES ARE USING LABOR MARKET DATA TO IMPROVE STUDENT OUTCOMES



Labor market data play a powerful role in providing analytic information that cannot be gathered elsewhere and in ensuring higher levels of student success in several key ways. To help colleges understand how this information can become a springboard for institutional or programmatic change, we have provided below examples of colleges that are currently using employment and wage data to improve outcomes for students.

# DEVELOPING PROGRAMS TAILORED TO SPECIFIC JOB OPPORTUNITIES

In Watertown, South Dakota, Lake Area Technical Institute (LATI) frequently receives requests from state agencies, industry, and students to open new programs. A college committee meets regularly to evaluate the potential of new programs through a comprehensive assessment of labor market needs, student demand, and the college's capacity to provide a high-quality educational experience that will lead to students' long-term success.

In response to significant student inquiry in recent years, LATI looked into launching a veterinary technician program. A thorough review of the labor market, including examination of data from the state employment agency and conversations with regional employers, revealed two important insights: (1) demand was low for traditional small animal veterinary technicians, and (2) there was a strong need for expertise with large animals.

The college decided not to pursue a new veterinary technician program, even though such a program would have been directly responsive to student demand. Instead, LATI enhanced an existing agricultural program with an option to focus on working with large animals.

Many colleges cite student demand as the singular justification for opening or maintaining a program, leading to initiation of new programs that increase enrollment and bring in revenue without ensuring that real jobs are available after graduation. By looking at data, leaders at LATI avoided this pitfall.

LATI's decision reflects something important about how the college defines its core mission: to provide students with high-quality education while on campus and to make sure that graduates can flourish professionally after graduating. To achieve this goal, leaders at the college have come to understand that faculty and staff cannot just look at what happens within the four walls of the



college. As LATI Vice President Michael Cartney notes, examining labor market data from a wide range of sources is simply "a way of life" at LATI. As a result, the vast majority of LATI students either are continuing their education or are employed after graduating.

### RIGHT-SIZING EXISTING PROGRAMS

Labor market data can also be extremely valuable to college administrators looking to evaluate the extent to which existing programs are producing the appropriate number of graduates for existing labor market opportunities. Enrollment had always been strong in the medical assisting program at Cabrillo College in Santa Cruz, California, but feedback from an annual survey of graduates of the program revealed that many were not getting jobs in the field.

Located in Northern California, Cabrillo is one of 26 community colleges in the region, many of which offer medical assisting programs. When Cabrillo accessed labor market data from two proprietary databases, reached out to employers, and reflected on the total number of medical assistants produced across the region, the college saw that the market was saturated. Looking back, the college's dean of CTE Rock Pfotenhauer noted, "We didn't pay a great deal of attention to these data while the economy was growing and unemployment was low, but when the recession began, it became clear that we could no longer assume that program completion would result in employment."

Because of this investigation, Cabrillo reduced the size of its program to reduce the odds that its students would be prepared for jobs that did not exist. "Our labor markets are regional rather than local," Pfotenhauer said. "In medical assisting, as in other fields, it became clear to us that there would be many advantages to our students, to employers, and to the college, to our coordinating with other medical assisting programs across the region."

### IMPROVING PROGRAM QUALITY

Information about the labor market and employer needs can do more than just assist colleges in matching program enrollment to projected job openings. When Cabrillo College discovered that its students were not finding employment in the medical assisting field at a rate commensurate with expectations, it triggered a deeper investigation.

Cabrillo reached out to employers to understand these poor student employment outcomes. Pfotenhauer explains, "A frank discussion with employers revealed that they did not feel our program was keeping up with the increasingly high standards required for success in this occupation." The college followed up by inviting over 20 representatives from area employers to a lunch meeting. "We came away from this difficult conversation with a clear understanding that we needed to increase the rigor of our program, particularly in the area of the fundamental skills of English and math," Pfotenhauer describes.

In response, Cabrillo set out to improve program quality. It thoroughly redesigned the medical assisting program, increasing emphasis on the foundational English and math skills that employers noted were lacking. It also shifted the program to a cohort model with greater structure than before, an approach that was showing higher success rates for similar students in other CTE programs.

Although it is too soon to assess the ultimate impact of this redesign, Cabrillo has recently completed the first semester of the new medical assisting program, and results have exceeded expectations. Importantly, college and program leaders know exactly where to look to figure out whether the changes they have implemented work: post-graduation surveys and labor market information, paired with active and ongoing engagement with employers. With this knowledge and a commitment to improving outcomes, the college has established the conditions for further advances in student success.

# CLOSING PROGRAMS WITH LOW RETURNS

Colleges can use labor data to understand which of their programs have the greatest positive returns on graduates' employment and earnings, and which should be closed because those returns are too small. Such analysis is especially important at a time when colleges are facing severe financial challenges.

Monroe Community College in Rochester, New York uses a variety of data sources when evaluating the viability of its CTE programs, including a proprietary labor market database, information from the Department of Labor specific to its region, census data, feedback from industry advisory boards, and survey responses from recent graduates.<sup>10</sup> The college's institutional researcher interprets this information, producing reports that Monroe's administration reviews regularly.

Based on these reports, college leaders assess not just whether their programs are preparing students for available jobs, but also whether those jobs will offer opportunities for advancement. Monroe Vice President Todd Oldham describes the questions used to evaluate program viability: are students getting jobs, are those jobs providing a strong living wage, and do those jobs offer opportunities for advancement and growth over the long term? Oldham emphasizes the college focuses on one key question: "What is the pathway we are putting students on?"

If that pathway results in a dead end, the college shuts it off. For example,

Monroe recently closed its massage therapy program because labor market data made clear that there were simply not enough jobs for graduates to warrant keeping that pathway open. Regular reviews ensure that programs offered to students provide the chance for strong labor market outcomes and robust career pathways.<sup>11</sup>

# HELPING UNDECIDED STUDENTS CHOOSE

Studies show that college students who choose a program of study have higher completion rates than those who remain undecided. This makes intuitive sense; students without a specific goal will have a harder time choosing courses and have less clarity about why they should complete a degree.

Understanding that accelerating decisions can increase graduation rates, community colleges are helping undecided students choose degree programs by making available information about how many jobs exist in different fields, how much those fields are growing, and

how much jobs in those fields pay. For example, Montgomery County Community College in Blue Bell, Pennsylvania uses a proprietary labor market computer application as one of several tools to assist students in choosing programs. Students can search potential occupations to assess earning potential, current and projected job opportunities in the region, and which education and training programs at Montgomery will prepare them for those jobs. Montgomery faculty and staff use this application as a springboard for discussion with their students, referencing it in student orientation materials, handouts provided to students seeking employment guidance, and one-on-one appointments with counselors.

Similarly, Central Lakes College in Brainerd, Minnesota provides employment and wage data to students through an online tool provided by the state and in a career-planning course. During the course, students complete an assignment designed to identify their desired lifestyle and then use software to determine the level of wages they will need to support that lifestyle. Understanding the wages they want to earn, students explore different careers of interest that might offer those wages and the employment outlook for different specific jobs.<sup>13</sup>

# STUDIES SHOW THAT COLLEGE STUDENTS WHO CHOOSE A PROGRAM OF STUDY HAVE HIGHER COMPLETION RATES THAN THOSE WHO REMAIN UNDECIDED.

### **OUTREACH TO POTENTIAL STUDENTS**

Monroe Community College uses labor market data to connect prospective students with career and technical programs that lead to jobs with good salaries. The college's work begins when leaders examine data that reveal which programs currently offered by the college link directly to local hiring opportunities and strong wages. It then makes this information, which is embedded in an easy-to-use web-based tool, available to potential students.

To reach potential students, the college works with partners who regularly

<sup>10</sup> Although the quality of many surveys is hampered, in part, by low response rates, Monroe has achieved an aggregate response rate on its graduate surveys of 70%. The college sends an email survey to its graduates six months after completion, followed by a mailed survey to those who have not responded, and a phone survey to capture feedback from the remaining students. Phone calls are conducted by an external agency.

<sup>11</sup> Monroe reports that it has shuttered approximately 13 programs since 2008  $\,$ 

<sup>12</sup> Jenkins, D. (2011). Get with the program: Accelerating community college students' entry into and completion of programs of study. New York: Community College Research Center. Retrieved from <a href="http://ccrc.tc.columbia.edu/Publication.asp?UID=885">http://ccrc.tc.columbia.edu/Publication.asp?UID=885</a>

<sup>13</sup> Central lakes use of labor data began in response to a mandate from the state legislature requiring all colleges in the Minnesota State Colleges and Universities system provide labor market and wage data to students in all diploma/certificate programs available for financial aid. The state Department of Employment and Economic Development (DEED) provides these data to the colleges.

interact with prospective students, such as the Rochester City School District's Office of Adult & Career Education Services (OACES). The OACES program selects a group of participants who have attained college-ready reading and writing skills and have an interest in further education. Monroe then provides these students a free professional awareness course that uses the web-based career tool to teach them how to select a career path by taking into account job demand and wages. Because it works with adults seeking a high school degree or GED, OACES helps Monroe through this program reach many students who have traditionally been unemployed.

According to Monroe Vice President Todd Oldham, this strategy aims to drive students toward high demand occupations where the local economy is experiencing skills gaps. His years in the field have taught him that many who could benefit from such occupations are unaware of job openings, the salaries they offer, or the credentials needed to secure them. The class and the tool offered by Monroe are designed to help both high school students and adults seeking new training see clear pathways to existing jobs they may have never thought about and then to pursue the higher education needed to take advantage of those opportunities.

Currently, Monroe is applying this strategy to fill a deficit of skilled professionals in advanced manufacturing in the area around the college. According to Oldham, most residents think manufacturing is a "dead profession." Through the tool and classes it offers, Monroe is beginning to reverse this perception, providing additional strong job skills to students, filling employer needs for a labor force with relevant training, and strengthening the local economy along the way.

Central Lakes also uses labor market data to inform prospective students. Each year, the college's Bridges Career Exploration Day draws more than 2,300 regional high school students and over 150 employer representatives, who engage students in hands-on activities to simulate what it is like to work in over 100 different career areas. At the entrance to each career cluster area, staff members distribute wage and career outlook information to interested high school students. Rebecca Best, the college's dean of workforce, economic, and regional development, believes the Bridges Career Exploration Day has had a powerful impact: "Students feel that all of this information has helped them greatly to narrow down their career choices prior to graduating from high school."

# ADVOCATING FOR THE VALUE OF COMMUNITY COLLEGES

Community college leaders can also use labor market data to demonstrate the value of their institutions to legislators and other key decision-makers. In today's fiscal climate, students, their families, and states are making tough decisions about where to spend limited dollars. In the face of competing demands, students and states alike need to know that their choices will be cost-effective and result in significant returns. Specific labor market outcome data for graduates can help a college show the benefits of a college education to prospective students, to companies seeking an educated labor force, and to state government officials aiming to expand economic opportunity and enhance state tax revenue.

Importantly, such analyses can be used to prove the value of job retraining programs that do not issue degrees or certificates, as these programs are often not included in conventional success metrics. By comparing the wages of students before and after such training, colleges can demonstrate that programs of study that may not result in a completed degree nonetheless improve the wages of students who go through the program.

Valencia College in Orlando, Florida created a brief video that provides information on labor outcomes to demonstrate the specific value a degree from their college provides. 14 The video shows that one dollar spent by a student on tuition increases their earnings by an average of \$5.60. It reveals that most of Valencia graduates have a job or have transferred to a four-year school immediately after completing their community college credentials. The video also notes that Valencia graduates add \$781 million to the economy annually, which results in a return on every dollar invested by Florida taxpayers of 8.9%.

The California Community Colleges Chancellor's Office has also used data on the economic value of a community college education as an advocacy tool on behalf of its colleges. Five years ago, the Chancellor's Office worked with state legislators to allow postsecondary education institutions access to labor market data in the state Employment Development Department. Now, by aggregating employment and earnings outcomes data for graduates of the system's 112 community colleges, the Chancellor's Office has been able to assess the statewide return-on-investment for specific certificates and degrees and the system as a whole. For example, recent data indicate that three years after attaining a community college degree, California students graduating earn nearly twice as much as they were earning before college. Vice Chancellor Patrick Perry observes that this kind of information has been enormously helpful in lobbying for continued investment in higher education in an incredibly constrained fiscal environment.

<sup>14</sup> Valencia College. (2012). Valencia counts. Retrieved from http://vimeo.com/41973447.

# INVENTORY OF SOURCES OF LABOR MARKET DATA

There are a wide variety of data sources available to both colleges and students that can illuminate student employment outcomes as well as local, statewide, and national labor markets. Although not every data source summarized below is available to all colleges, each is now being used by many US colleges. Below is an inventory of data sources that colleges may want to consider as they explore the connection between their programs and labor market outcomes.



### UNEMPLOYMENT INSURANCE DATA

Unemployment insurance (UI) is a combined federal and state program to assist unemployed workers, and is funded by taxes on employers based on reported payroll amounts. Every state has UI laws and systems that are similar in most respects (due to federal requirements). Each quarter, states collect from employers the social security numbers and wages of almost all non-self-employed workers. The state then uses these data to calculate unemployment compensation for individuals who lose their jobs and file for benefits.

Because of this mandate, states house a vast amount of information about who is working for whom, for how long they have been working, and how much they earn. By linking UI data to records of graduating students, colleges can learn about the percent of their graduates who are working, how long they have been employed, and how long they had to wait between graduating and their first jobs. Wage data in UI records include average starting earnings, average current earnings, and growth in earnings before and after program completion. These data cover the great majority of workers in each state, cover many years, and tend to be more accurate than most other data sources.<sup>15</sup>

In most states, colleges can request employment and wage data about groups of graduates. To protect the privacy of individuals, wage and employment data are typically provided as averages. For example, a college can send the state a list of all students who graduated in 2005 with a degree in nursing and the state can send back its calculation of the number of students who were employed and their average quarterly wages without indicating any specific graduate's employment status or earnings.

As discussed below, UI data availability varies by state, depending primarily on access limitations written into state law and the capacity of the state to provide reports to colleges. In addition, some states can provide data on graduates who have moved out-of-state, because they either have regional data sharing agreements or have signed on to the federal data sharing agreement known as the Wage Record Interchange System 2 (WRIS2).<sup>16</sup>

A well-constructed guide released by the Collaboratory and FHI360 provides detailed, step-by-step instructions and tools for colleges seeking to acquire and use UI data.<sup>17</sup>

<sup>15</sup> These data sets have a few limitations: First, not all employees are covered (e.g., agricultural and railroad employment are omitted). Second, these data do not include the number of hours that were worked to earn the reported wage, when within the quarterly employment date started, or the occupation of the worker.

<sup>16</sup> See Appendices C and D for more information on WRIS2.

<sup>17</sup> Feldbaum, M., & Harmon, T. (2012). Using unemployment insurance wage data to improve program employment outcomes: A technical assistance guide for community and technical colleges. The Collaboratory and FHI360,



### **BUREAU OF LABOR STATISTICS DATA**

The US Bureau of Labor Statistics (BLS) regularly collects data on employment and earnings of US workers. Two websites provide colleges with readily accessible information on average wages by occupation and by geographic area.

The Occupational Outlook Handbook (OOH) is a web-based tool that provides a variety of information useful to both colleges and their students. For example, OOH provides comprehensive information about hundreds of major occupations, including national projected growth (2010-2020), total number of jobs, and median income. In addition, it offers an easy-to-use tool for job-seekers, allowing them to explore career areas through a search using one or more of the following parameters: median pay, education/training level, and projected growth. This tool is available at: http://www.bls.gov/ooh/.

Another web-based tool, the Overview of Wage Data by Area and Occupation, includes detailed wage data that can be reviewed by occupation and geographic area. It allows users to select a region or state, find a robust list of occupations, and gather information about employment rates and median wages in the region for each occupation. This resource is available at <a href="http://www.bls.gov/bls/blswage.htm">http://www.bls.gov/bls/blswage.htm</a>

# THE CENSUS BUREAU LONGITUDINAL EMPLOYERHOUSEHOLD DYNAMICS PROGRAM

The Longitudinal Employer-Household Dynamics (LEHD) program combines wage data from state agencies, including UI data, with information from the Census Bureau. <sup>18</sup> Included in this program are tools that colleges can use to determine labor market needs and wages in their communities, regions, and states.

The Industry Focus tool allows colleges to search states, counties, and metropolitan areas and gather, for each employment sector, number of employees, growth in employment, number of new hires, average monthly earnings, and other data that will reveal whether there

are well-paying jobs in specific local economies and whether such jobs are growing or contracting. The tool allows for searches by age and gender.

The QWI Online tool also allows users to compare total employment, new hires, and average monthly earnings for their individual locations to statewide results. The tool allows users to narrow the results by age, gender, industry, and geographic location.

These data are usually updated quarterly and lag actual labor outcomes by 9-12 months, and they contain industry but not occupational data. These tools and their corresponding tutorial are available from the homepage: <a href="http://lehd.ces.census.gov/">http://lehd.ces.census.gov/</a>.

BY LINKING UI DATA TO RECORDS OF GRADUATING STUDENTS, COLLEGES CAN LEARN ABOUT THE PERCENT OF THEIR GRADUATES WHO ARE WORKING, HOW LONG THEY HAVE BEEN EMPLOYED, AND HOW LONG THEY HAD TO WAIT BETWEEN GRADUATING AND THEIR FIRST JOBS.

<sup>18</sup> A subset of these data is contained in the Local Employer Dynamics (LED) program.

### PAYSCALE.COM

Payscale.com is a proprietary company that gathers wage data by having individuals fill out self-reports on salary, career, and educational background.<sup>19</sup> The site has collected information from more than 30 million people. Although it provides free information on estimated salaries to individuals who fill out their survey. it charges others who want to research salaries for different positions. PayScale has ranked more than 1,000 US colleges by their college tuition return on investment, although community colleges are not included in this ranking. The ranking shows the cost of enrollment and the estimated average lifetime earnings for graduates of each institution. Individuals can also search for the average salary for BA graduates by college attended. Finally, students can search various degrees (AA and AS included), majors, and occupations to determine average salaries.

# "REAL-TIME" EMPLOYER DEMAND DATA

Burning Glass and Monster.com both sell aggregated information on the number of job postings within a given geographic area by occupation and industry, the foundational and specialized skills employers are looking for, and the credentials and certifications they are seeking. These data—generated from techniques that capture nearly all job postings on the internet—can be particularly useful for colleges seeking to build more effective programmatic responses to local labor market needs. They also provide demandside information that can be useful to colleges conducting analyses of state and local labor market supply and demand.<sup>20</sup>

# OTHER PRIVATE LABOR MARKET DATA PROVIDERS

There are a number of proprietary labor market data providers that offer databased tools and customized services. The best known is Economic Modeling Specialists Intl. (EMSI), which regularly combines data from federal, state, and private sources in a database from which it pulls information relevant to local labor markets. Among other tools, EMSI has data analytic systems on local labor market information and has developed software colleges can use to provide students with customized regional wage information, including number of projected jobs, employment trends by occupation, and job postings.

### **GAINFUL EMPLOYMENT DATA**

In June of 2011, the federal government required colleges with non-degree programs to report to the Department of Education the percentage of former students repaying their loans and the debtto-earnings ratio of graduates. Released in June 2012, the information includes the debt and earnings for students graduating from 3,695 vocational programs at 1,336 institutions. Still in its first year, the data sets have been criticized by some as lacking coverage of many community college programs. Moreover, a 2012 court order striking down the gainful employment regulations led the Department of Education to rewrite its regulations, adding years to the process and slowing the availability of future data. Nonetheless, the 2012 data offer a unique way to assess the relative quality of different programs within a college and similar programs at different colleges. The full data set can be found at <a href="http://studentaid.ed.gov/">http://studentaid.ed.gov/</a> node/275 and the debt to earnings ratios can be accessed through the Chronicle of Higher Education at (http://chronicle.com/ article/A-First-Look-at-Gainful/132589>.

<sup>19</sup> Because the data are collected from people who use the website and self-report wages, these data should be used cautiously.

<sup>20</sup> Real-time data like these should be treated with caution because they can overstate openings when one job is posted in multiple places or remains posted after the job has been filled.

# IMPROVING ACCESS TO AND USE OF LABOR MARKET DATA

Most of the resources described above are available to every college. However, wage data from unemployment insurance systems matched to the records of college graduates, are not routinely available to colleges in all states. Policy makers can and should take steps to increase the availability of labor market data in forms that colleges can readily use, can easily be compared to outcomes for similar colleges and programs, and protect the privacy of individual graduates. However, this is a guide for colleges, not policy-makers. So what can colleges do now to increase their ability to access and utilize labor market information?

## REQUEST WAGE DATA AND ADVO-CATE FOR BETTER, CLEARER ACCESS

As noted above, better access to wage data would enable colleges to more fully understand how to build strong paths to good jobs for their students. Today, some states provide this information to colleges readily, but others have put in place significant hurdles that make it difficult or nearly impossible for colleges to gain access. For example, Michigan law limits colleges' access to UI data to circumstances in which a college is acting as a surrogate for a public official doing research.21 A reasonable reading of this language could easily prevent a college from accessing data that would show the need to build a new program to fill needed jobs skills or close a program that was providing students little economic opportunity.

By asking for these data, colleges can help loosen legal restrictions on data access. To the extent colleges have trouble accessing data, such requests will advance the understanding of which changes are needed in state law and state analytic capacity. Once needed changes are understood, colleges can band together through their state systems or associations to advocate for increased access, using the denial of their reasonable requests as evidence that reforms are needed. Appendix A gives a list of agencies that oversee UI data in all 50 states, along with their

contact information. Legislation that was passed in California that granted the Chancellor's Office access to UI data can be found in Appendix B.

# ADVOCATE FOR YOUR STATE TO SHARE DATA REGIONALLY OR NATIONALLY

One challenge with using UI data to assess the employment and earnings outcomes for graduates is that state UI systems only track graduates who are employed in state. Thus, colleges generally cannot gather labor market information on graduates who leave the state for jobs.

COLLEGES CAN BAND TOGETHER THROUGH THEIR STATE SYSTEMS OR ASSOCIATIONS TO ADVOCATE FOR INCREASED ACCESS, USING THE DENIAL OF THEIR REASONABLE REQUESTS AS EVIDENCE THAT REFORMS ARE NEFDED.

<sup>21</sup> Employment Security Act, Section 4210.11 (viii). Data are "available for use in connection with research projects of a public service nature to a college, university, or agency of this state that is acting as a contractor or agent of a public official and conducting research assists the public official in carrying out the duties of the office" Retrieved from <a href="http://www.michigan.gov/documents/uia\_mesact\_76382\_7.pdf">http://www.michigan.gov/documents/uia\_mesact\_76382\_7.pdf</a>

Some states have solved this problem by creating regional data sharing agreements under which participating states can access information about their colleges' graduates who work in bordering states.<sup>22</sup> Colleges and their associations and systems should advocate for the creation and expansion of such agreements to increase availability of employment and earnings information about out-of state graduates.

In addition, states are beginning to share data through a national agreement through the Wage Record Information System 2. To date, 34 states and Puerto Rico have signed this US Department of Labor agreement, which authorizes participating states to collect unemployment insurance data for specified purposes from other states that have signed the agreement. Although interpretations vary regarding the extent to which WRIS2 data can be made available to colleges, the agreement clearly expands availability in many states for some uses. For this reason, colleges and their associations and systems should take an active role in advocating for states to sign WRIS2 to increase access to cross-state UI data. To see if your state is currently a signatory to the WRIS2 agreement, see Appendix D.

# ADVOCATE WITHIN YOUR STATE FOR REGULAR, CONSISTENT REPORTING ON WAGE OUTCOMES

The process of gathering and assessing UI data that is useful to college administrators and educators requires technical expertise. To ensure efficiency and consistency of reporting, states should develop regular reports designed to inform college decision-making. An example of such reporting comes from the Florida Education and Training Placement Information Program, which provides aggregated data to colleges regarding students who have left the institution, including their employment, wages, and continuing educational pursuits.<sup>23</sup>

For such reports to be most useful, colleges should be actively engaged in their development. Accordingly, college administrators and practitioners should approach systems, providing a list of reports that answer specific questions the college has about the effectiveness of labor market alignment of programs. Then, colleges should work on the development of the actual reports, ensuring that they consider nuances specific to each college's goals and programs.

# BUILD CAPACITY FOR INTERPRETING AND DISSEMINATING UI DATA WITHIN COLLEGES

Whether wage data are gathered by colleges individually or provided by states or systems, having the information is just the first step. Decision-makers on college campuses need to understand these data and how to use them. Colleges should consider and support the kinds of professional development that will enable staff to integrate this additional success measure into existing processes for measuring student outcomes.

For example, if program review is to take employment and earnings data into account, those conducting that review and making recommendations need to understand the reliability and value of the labor market data being considered. If student service professionals are to use these data to help students choose programs, the state needs to put them in formats that provide clear presentations and explanations of the information, and professionals and students need to be trained in how to use them.

<sup>22</sup> See for example, Facilitating Development of a Multistate Longitudinal Data Exchange. This is a data sharing agreement between Hawaii, Idaho, Oregon, and Washington that is funded by Bill and Melinda Gates Foundation through the Western Interstate Commission for Higher Education (WICHE)

<sup>23</sup> In 2012, an additional law (HB 7135) was passed that requires public university and community colleges to create annual system-wide, institution-wide, and discipline-level reports that show the employment and earnings of graduates. These data will be made available to every parent and student.

# CONCLUSION

Educators hold a unique responsibility to make sure their students are prepared for whatever comes after they graduate, which for college students generally means the professional world. By analyzing wage and employment data and engaging in open and honest conversations with employers, colleges can better align the education they offer with what students need to succeed after graduating. They can better ensure that their programs are providing students with the skills and abilities they have a right to expect a college education to confer. Labor market information is increasingly available, and our hope is that this guide promotes its constructive use.



## CONTACTS FOR STATE UI TAX INFORMATION AND ASSISTANCE (As of July 2014)

Alabama Address

Alabama Department of Labor

649 Monroe Street

Montgomery, AL 36131-0099

Telephone / Website

(334) 242-8830

http://labor.alabama.gov/

609 H Street NE, 3rd floor

**District of Columbia** 

Washington, DC 20001-4347

Telephone / Website

Department of Employment Services (202) 698-7550 www.dcnetworks.org

http://dor.myflorida.com/dor/

Office of Unemployment Compensation Tax Division

Alaska

Telephone / Website Address **Employment Security Tax** (888) 448-3527

Dept of Labor and Workforce

Development

PO Box 115509

Juneau, AK 99811-5509

Florida

Georgia

Suite 800

Hawaii

Address

Address

Address

Address Telephone / Website **Unemployment Compensation** (800) 482-8293

Department of Labor

Atlanta, GA 30303-1732

Department of Labor and Industrial Relations

Honolulu, HI 96813-5096

148 Andrew Young Inter Blvd,

830 Punchbowl Street, Room 437

Agency for Workforce Innovation 107 E. Madison St. MSC 229

taxes/reemployment.html

Telephone / Website

Telephone / Website

(808) 586-8913

www.hawaii.gov/labor

(404) 232-3301

www.dol.state.ga.us

Tallahassee, FL 32399-0180

Arizona

Address Telephone / Website Unemployment Tax - 911B (602) 771-6601

Department of Economic Security

PO Box 6028

Phoenix, AZ 85005-6028

https://www.azdes.gov/esa/

www.labor.state.ak.us/estax/

uitax/uithome.asp

**Arkansas** 

Address Department of Workforce Services

PO Box 2981

Little Rock, AR 72203-2981

Telephone / Website

(501) 682-3798

www.arkansas.gov/esd/

http://www.edd.ca.gov/

Employer\_Information.htm

www.colorado.gov/CDLE

Unemployment/More\_

Employers/

Telephone / Website

Telephone / Website

(888) 745-3886

California

Colorado

Address Account Services Group, MIC-90

**Employment Development** Department

PO Box 942880 Sacramento, CA 94280

Department of Labor and Employment

Denver. CO 80201-8789

Idaho

Address

Department of Labor 317 W Main Street Boise, ID 83735-0002 Telephone / Website

(800) 448-2977 www.labor.idaho.gov

Illinois

Address

Indiana

Development

Address

Department of Employment Security (800) 247-4984

33 South State St Chicago, IL 60603 Telephone / Website

Telephone / Website

(317) 232-7436

www.in.gov/dwd

http://www.ides.illinois.gov

Unemployment Insurance Operations (800) 480-8299

Connecticut Address

PO Box 8789

Connecticut Department of Labor 200 Folly Brook Blvd

Wethersfield, CT 61091-1114

Telephone / Website

Telephone / Website

(860) 263-6550 www.ctdol.state.ct.us

www.delawareworks.com

Room SE 106

Indianapolis, IN 46204-2277

Department of Workforce

10 North Senate Ave

lowa

Address Telephone / Website Workforce Development (515) 281-5339

1000 East Grand Avenue www.iowaworkforce.org/ui

Des Moines, IA 50319-0209

Delaware

Address Division of Unemployment Insurance (302) 761-8484

Department of Labor

PO Box 9950

Wilmington, DE 19809-0950

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Kansas

Address Telephone / Website Department of Labor (785) 296-5027 401 SW Topeka Blvd www.dol.ks.gov

Topeka, KS 66603-3182

Kentucky

Address Telephone / Website Department for Employment Services (502) 564-2272

PO Box 948 kentuckycareercenter.ky.gov

Frankfort, KY 40602-0948

Louisiana

Telephone / Website Address Louisiana Workforce Commission (225) 342-2944 PO Box 94094 www.laworks.net

Baton Rouge, LA 70804

Maine

Address Telephone / Website Department of Labor (207) 621-5120

PO Box 259 www.state.me.us/labor

Augusta, ME 04332-0259

Maryland

Telephone / Website Department of Labor, Licensing, (800) 492-5524

http://www.dllr.state.md.us/ & Regulation employment/uitax.shtml

1100 North Eutaw Street Room 414

Baltimore, MD 21201-2201

Massachusetts

Address Telephone / Website Division of Employment and Training (617) 626-5050

19 Staniford Street http://www.mass.gov/lwd/ Boston, MA 02114-2589 unemployment-insur/

Michigan

Telephone / Website Department of Licensing and (313) 456-2180 Regulatory Affairs www.michigan.gov/uia

3024 W Grand Blvd Detroit. MI 48202-6024

Minnesota

Telephone / Website Address Department of Employment & (651) 296-6141

**Economic Development** http://www.uimn.org/uimn/

332 Minnesota Street, Suite E200 employers/

St. Paul, MN 55101-1351

Mississippi

Telephone / Website Address Department of Employment Security (866) 806-0272 PO Box 1699 www.mdes.ms.gov

Jackson, MS 39215-1699

Missouri

Address Telephone / Website (573) 751-3340 Division of Employment Security PO Box 59 www.labor.mo.gov

Jefferson City, MO 65104-0059

Montana

Address Telephone / Website Unemployment Insurance Division (406) 444-3834 PO Box 6339 www.uid.dli.mt.gov

Helena, MT 59604-6339

Nebraska

Address Telephone / Website Department of Labor (402) 471-9940 Box 94600 www.dol.nebraska.gov

State House Station Lincoln, NE 68509-4600

Nevada

Address Telephone / Website Department of Employment Training (775) 684-6300

500 East Third Street

Carson City, NV 89713-0030

New Hampshire

and Rehabilitation

Telephone / Website Department of Employment Security (603) 228-4033

32 South Main Street http://www.nhes.nh.gov/ Concord, NH 03301-4857

New Jersey

Telephone / Website Address Department of Labor & (609) 633-6400 Workforce Development lwd.dol.state.nj.us

PO Box 947

Trenton, NJ 08625-0947

**New Mexico** 

Telephone / Website Department of Workforce Solutions (505) 841-8576

PO Box 2281 www.dws.state.nm.us

Albuquerque, NM 87103-2281

New York

Address Telephone / Website Department of Labor (518) 457-4179 State Campus, Building 12 www.labor.ny.gov

Room 500

Albany, NY 12240-0339

North Carolina

Division of Employment Security

PO Box 26504

Telephone / Website (919) 707-1150

http://www.ncesc1.com/

https://uitax.nvdetr.org

Raleigh, NC 27611-6504

North Dakota

Job Service of North Dakota

PO Box 5507

Bismarck, ND 58506-5507

Telephone / Website (701) 328-2814 www.jobsnd.com

Ohio

Address

Address Telephone / Website Department of Job & (614) 466-2319

Family Services https://unemployment.ohio. PO Box 182404 gov/wp/wps/myportal

Columbus, OH 43218-2404

Oklahoma

Address **Employment Security Commission** 

PO Box 52003

Oklahoma City, OK 73152-2003

Telephone / Website

(405) 557-5362

www.ok.gov/oesc\_web

Oregon

Telephone / Website

(503) 947-1488, option 5 **Employment Department** 875 Union Street NE (503) 947-1537 FUTA

Room 107

Salem, OR 97311-0030

www.oregon.gov/employ/tax

Pennsylvania

Address Dept of Labor and Industry 7th and Forster Street, Room 915

Harrisburg, PA 17121-0001

Telephone / Website (717) 787-7679

Telephone / Website

trabajo.pr.gov

(787) 754-5818

www.dli.state.pa.us

Puerto Rico

Department of Labor and Human Resources PO Box 1020

San Juan, PR 000919

Rhode Island

Address Division of Taxation One Capitol Hill, Ste 36

Providence, RI 29085-5829

South Carolina

Address **Employment Security Commission** 

Columbia. SC 29202-0995

Telephone / Website (401) 574-8700 www.uitax.ri.gov

PO Box 995

Telephone / Website (803) 737-3075

dew.sc.gov

South Dakota

Address

Department of Labor PO Box 4730

Aberdeen, SD 57402-4730 Washington, DC 20001-4347 Telephone / Website (605) 626-2312

http://dlr.sd.gov/

Tennessee

Address Telephone / Website Department of Labor and (615) 741-2486

Workforce Development http://www.tennessee.gov/

220 French Landing Drive Nashville, TN 37243

labor-wfd/

Texas

Address Telephone / Website Workforce Commission (512) 463-2700

PO Box 149037

Austin, TX 78714-9037

www.twc.state.tx.us

Utah

Address Department of Workforce Services

PO Box 45288

Salt Lake City, UT 84145-0288

Telephone / Website

(801) 526-9400

www.jobs.utah.gov

Vermont

Address Department of Labor

PO Box 488

Montpelier, VT 05601-0488

Telephone / Website

(802) 828-4252

www.labor.vermont.gov

Virgin Islands

Address Department of Labor

PO Box 302608

St. Thomas, VI 00803-2608

Telephone / Website

(340) 776-1440 www.vidol.gov

Virginia

Address **Employment Commission** 

PO Box 1358

Richmond, VA 23218-1358

Telephone / Website

(804) 371-7159

www.vec.virginia.gov/

Washington

Address

**Employment Security Department** 

PO Box 9046

Olympia, WA 98507-9046

Telephone / Website (360) 902-9360

www.esd.wa.gov/uitax/

index.php

West Virginia

Address

Bureau of Employment Programs 112 California Avenue

Charleston, WV 25305-0016

Telephone / Website (304) 558-2676

Telephone / Website

www.wvcommerce.org/

business/workforcewv

Wisconsin

Address

Department of Workforce

Development

PO Box 7942

(608) 261-6700 http://dwd.wisconsin.gov/

Madison, WI 57307-7942

Wyoming

Address

Department of Workforce Services

PO Box 2760

Casper, WY 82602-2760

Telephone / Website (307) 235-3217

http://wyomingworkforce.org/

Pages/default.aspx

# Appendix B CALIFORNIA LEGISLATION AUTHORIZING POSTSECONDARY INSTITUTIONS' ACCESS TO EMPLOYMENT DEVELOPMENT DEPARTMENT DATA

### **ASSEMBLY BILL 798 (2007)**

AB 798, Committee on Insurance. Unemployment insurance: unemployment compensation benefits.

- (1) Existing law requires the Director of Employment Development to permit the use of any information in his or her possession to the extent necessary for specified purposes.
  - This bill would additionally require the director to provide, to the extent permitted by federal law, the California Community Colleges Chancellor's Office with each student's quarterly wage information, as provided, to be used for specified purposes.
- (2) Under existing law, unemployment compensation benefits are based on wages paid in a base period that is calculated according to the month within which the benefit year begins. Existing law establishes alternative definitions of base period for claims filed on or after January 1, 1990, and before January 1, 1992.

This bill would delete those alternative definitions that are now obsolete.

- (3) (A) This bill would incorporate additional changes to Section 1095 of the Unemployment Insurance Code, proposed by SB 869, to be operative only if SB 869 and this bill are both enacted, each bill amends Section 1095 of the Unemployment Insurance Code, AB 8 is not enacted, or if enacted, does not amend that section, and this bill is enacted after SB 869.
- (B) This bill would incorporate additional changes to Section 1095 of the Unemployment Insurance Code, proposed by AB 8, to be operative only if AB 8 and this bill are both enacted, each bill amends Section 1095 of the Unemployment Insurance Code, SB 869 is not enacted, or if enacted, does not amend that section, and this bill is enacted after AB 8.
- (C) This bill would incorporate additional changes to Section 1095 of the Unemployment Insurance Code, proposed by SB 869 and AB 8, to be operative only if SB 869, AB 8, and this bill are all enacted, all 3 bills amend Section 1095 of the Unemployment Insurance Code, and this bill is enacted after SB 869 and AB 8.

For the full text of Assembly Bill 798, see <a href="http://www.leginfo.ca.gov/pub/07-08/bill/asm/ab\_0751-0800/ab\_798\_bill\_20071005\_chaptered.html">http://www.leginfo.ca.gov/pub/07-08/bill/asm/ab\_0751-0800/ab\_798\_bill\_20071005\_chaptered.html</a>

### **SENATE BILL X5 1 (2009)**

SB 1, Steinberg. Public schools: Race to the Top.

(1) The Education Data and Information Act of 2008 requires the State Chief Information Officer to convene a working group representing specified governmental entities that collect, report, or use individual pupil education data to create a strategic plan to link education data systems and to accomplish objectives relating to the accessibility of education data.

This bill, in addition, would authorize the State Department of Education, the University of California, the California State University, the Chancellor of the California Community Colleges, the Commission on Teacher Credentialing, the Employment Development Department, and the California School Information Services to enter into interagency agreements in order to facilitate specified objectives regarding the implementation of a longitudinal education data system and the transfer of education data.

For the full text of Senate Bill X5 1, see: <a href="http://www.leginfo.ca.gov/pub/09-10/bill/sen/sb\_0001-0050/sbx5\_1\_bill\_20100107\_chaptered.html">http://www.leginfo.ca.gov/pub/09-10/bill/sen/sb\_0001-0050/sbx5\_1\_bill\_20100107\_chaptered.html</a>

### Appendix C UNDERSTANDING THE WAGE RECORD INTERCHANGE SYSTEM 2 (WRIS2)

### THE ESTABLISHMENT OF WRIS

The Workforce Investment Act (WIA) of 1998 provides funding for states to set up local career centers where citizens can access employment services. WIA also mandates that, to receive federal funds, states have to prove that the programs they run through these centers are effective. When WIA was passed, tracking the effectiveness of WIA programs was difficult because employment and wage data are collected at the state level, making it hard to track the outcomes of people who had participated in vocational programs and then moved across state lines. To facilitate better reporting, a data sharing system was created called the Wage Record Interchange System (WRIS).

Although participation in WRIS is voluntary, all 50 states have signed on to the WRIS data sharing agreement. Any state can now acquire employment and wage data from across the nation by requesting the material from a state agency that aggregates the records and strips them of all private information. These aggregated reports can be used to determine if workforce training programs are effective. Although this data system could produce information useful to many interested in employment outcomes (e.g., companies and colleges), the data gathered under WRIS were originally only allowed to be used for assessing the effects WIA programs.

### **EXPANSION TO WRIS2**

Today, the US Department of Labor is asking states to sign an agreement known as WRIS2, which would allow the sharing of wage and employment data among states for non-WIA related purposes. This new agreement should allow better tracking of educational programs to determine if they align with labor market needs.

Among the permissible uses of the data under WRIS2 is "To obtain wage data to prepare Aggregate Statistical Reports and analyses to satisfy the reporting and performance requirements under federal or state legislation, or federal or state regulation, for . . . secondary and post-secondary education programs." Currently, the Department of Labor is taking a narrow interpretation of the agreement, advising that the data sharing system is limited to specific programs regulated by state and federal governments. However, as state and federal laws increasingly require colleges to track labor market results of their degrees and certificates, WRIS2 should provide a key mechanism for states to assess the effectiveness of colleges and programs.

Thirty-four states and Puerto Rico have signed on to this new agreement (see below list of states signed on as of July 1, 2014). Signatory states now have access to data collected by other signatory states and can get more complete and accurate information than those that have not yet signed.

24 WRIS2 Data Sharing Agreement, 2011, p. 9

### Appendix D WRIS2 PARTICIPANTS

Arizona
Arkansas
Delaware
Florida
Idaho
Illinois
Indiana
Iowa
Kansas
Kentucky
Louisiana
Maine

Maryland Minnesota Mississippi Missouri Nebraska Nevada New Mexico New Jersey North Carolina Ohio Oklahoma

Oregon

Pennsylvania
Puerto Rico
Rhode Island
South Carolina
South Dakota
Tennessee
Texas
Utah
Virginia
Wisconsin
Wyoming





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