

# Measures and Standard Setting for U.S. Employment and Training Programs

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# Performance Measurement Under WIOA

- WIOA requires unified planning across 6 programs and uses same performance measures; programs are:
  - WIA Adult
  - WIA Dislocated Workers
  - WIA Youth
  - Adult Education and Literacy
  - Wagner-Peyser Employment Services
  - Vocational Rehabilitation

# WIOA Measures for Adults

- Percentage of participants employed in unsubsidized employment in the second quarter after exit from the program
- Percentage of participants employed in unsubsidized employment in the fourth quarter after exit from the program
- Median earnings of participants who are in unsubsidized employment during the second quarter after exit from the program
- Percentage of participants who obtain a recognized postsecondary credential or a secondary diploma or its equivalent during participation or within one year after exit from the program
- Percentage of program participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving measureable skill gains toward such a credential or employment
- Indicators of effectiveness in serving employers

# WIOA Measures for Youth

- Percentage of participants who are in education or training, or in unsubsidized employment during the second quarter after exit
- Percentage of participants who are in education or training, or in unsubsidized employment during the fourth quarter after exit
- Median earnings of participants who are in unsubsidized employment during the second quarter after exit from the program
- Percentage of participants who obtain a recognized postsecondary credential or a secondary diploma or its equivalent during participation or within one year after exit from the program
- Percentage of program participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving measureable skill gains toward such a credential or employment
- Indicators of effectiveness in serving employers

# Factors Used in Establishing WIOA Performance Standards

- Comparisons with targets for other states
- Adjustments based on a statistical model
- Targets based on promotion of continuous improvement and optimal return on investment
- Targets that are consistent with GPRA and promote long-term goals in accordance with GPRA
- Note: WIOA includes no incentive payments, but states can be penalized for failure to meet standard in two consecutive years

# Setting Standards for Workforce Programs Prior to WIOA

# Workforce Investment Act and Wagner-Peyser Act

- Standards for states were negotiated, based primarily on prior performance and continuous improvement
- Statistical adjustments were dropped initially during WIA, but reinstated at national level from 2012-2014, in part to deal with continuous improvement during the Great Recession
- Results of the statistical model were used in negotiations with states in those years
- Under WIA, bonuses up to \$3 million were available to states that exceeded standards for WIA, adult education and family literacy, and career and technical education (must exceed standards for all three programs)
- Sanctions of up to 5% of funding could be levied if state's performance below 80% of one or more standards 2 years in a row

# Job Training Partnership Act (Approach in 1998)

- Regression analysis used to predict expected performance for local areas based on participant characteristics and local economic conditions
- Based on results from previous years, standards set so that about 75% of local areas expected to meet or exceed standard using adjustment model
- Rewards and sanctions were available, and failure to meet standards two consecutive years could lead to financial sanctions



# Career and Technical Education

- Career and Technical Education (CTE) provides students at the secondary and postsecondary levels with academic instruction and vocational training that help students qualify for entry into occupations or additional education and training at the postsecondary level
- Most funding for CTE is provided by states and local governments, but the federal government provides substantial resources, over \$1.1 billion in recent years
- Because CTE programs are largely funded by the states, the federal government has given states more latitude in what they measure , how they measure it, and what is considered satisfactory performance than is the case for other workforce programs such as the WIA/WIOA programs for Adults, Dislocated Workers, and Youth

# Setting CTE Standards Prior to WIOA

- The definitions and targets for measures are negotiated with the states, but the Secretary of Education could only regulate if compelling reason
- The Department of Education issued definitions of what valid and reliable measures are and issued guidance to states in establishing measures and targets
- States defined their measures corresponding to concepts in the law and established standards for success
- Under WIA, bonuses up to \$3 million were available to states that exceeded standards for WIA, adult education and family literacy, and career and technical education (must exceed standards for all three programs)

# Adult Education Background

- Program to provide education services to adults 16 and over who are not in school and lack a high school diploma or lack basic skills needed to function effectively in the workplace and their daily lives
- Enrollment includes adult basic education (48%), English as a second language (40%), and secondary education (12%)
- 2014 appropriation for grants to states was \$564 million
- States required to match 25% of federal funds, but some states (especially some large states) match at higher rate
- In FY 2011, funding mix was \$584 million federal and \$1,449 million state funds

# Setting Adult Education Standards Prior to WIOA

- Standards for each state set through a negotiation process, as prescribed by law
- Target levels proposed by each state
- States encouraged to propose targets based on their performance in the prior year, where the suggested target is based on which quartile their previous results were in
- Under the WIA regime, no statistical adjustments used
- States could receive additional funds for exceeding their targets, but there were no penalties for failing to meet the targets

# Concluding Thoughts

- Target setting should be linked to whether performance measurement is high or low stakes (rewards and sanctions)
- U.S. experience includes changing role for federal v. state government in setting standards
- Should standards be relative or absolute?
- Should standards be adjusted, and if so how?