



EMERGING INNOVATIONS IN DATA TRANSPARENCY, GOVERNANCE, AND QUALITY

BY: RACHEL VILSACK

INTRODUCTION

Economic shocks, like a global pandemic, magnify the need for timely, accurate, and complete data that policymakers need to make data-informed decisions that will help workers, businesses, and their communities recover. Good data helps us better understand what's working and what's not in terms of creating greater access to workforce investments and in reporting the measurable economic gains of skills training programs that advance career pathways, build wealth, and expand the well-being of workers. Well-designed data systems, too, are crucial to track progress toward closing equity gaps.

Postsecondary education and training have become essential to the economic mobility of working adults of color, immigrants, and workers with a high school diploma or less. State leaders have recognized the critical importance of postsecondary attainment in meeting equity and economic goals. Credentials are a key component of state postsecondary attainment goals and economic recovery responses, helping workers earning low wages transition into better jobs in expanding sectors and serving to reconnect them to further postsecondary education and training opportunities.

States have made significant advances in data sharing and use, transparency and reporting, data governance, and using their data systems to build knowledge about which credentials have value for workers and businesses. These developments help workers save time and money, make it easier for businesses to identify talent and address emerging skill needs, and help states know how to invest limited resources in high-quality skills training programs to maximize equitable outcomes.

This issue brief outlines emerging and innovative data approaches that states have identified and implemented to better connect individuals with the education, skills training, and other supports needed to close equity gaps. The brief identifies timely opportunities for policymakers and advocates to foster the development of effective approaches and speed up the adoption of innovative strategies.



INNOVATION IN DATA TRANSPARENCY: CONNECTING LEARNERS TO HIGH-QUALITY TRAINING

BACKGROUND: The Workforce Innovation and Opportunity Act (WIOA) provides the primary funding and policy guidance for our nation's public workforce system, designed to help people, including youth and those with significant barriers to employment (e.g. formerly incarcerated adults), secure high-quality jobs and careers, and to help employers hire and retain skilled workers. WIOA established guidelines for states to set up a process for how education and training providers and related credentials would qualify to receive WIOA funds to train eligible adults and youth.

Eligible Training Provider (ETP) lists serve as a resource that can help individuals make strong educational choices to advance their careers in alignment with state or regional economic needs and support equitable access and transparency to the training and education opportunities available for participants in WIOA Title I programs. States align ETP eligibility requirements with training programs that result in credentials aligned to in-demand industry sectors and occupations. States have discretion in how training providers and their programs are eligible to join and remain on their ETP list, including how they measure the quality of the program or training services. Most state and local boards set minimum performance measurement thresholds, such as completion rates, employment rates, and median earnings.

There are many working adults who want to enroll in postsecondary education and training to develop additional skills to advance their careers or reskill within their current careers. But, to succeed, they need to know what opportunities will help them achieve their employment goals. WIOA requires that states collect data from ETPs on the performance outcomes of their students by program of study and make that information easily available to individuals interested in training.

STATES SHOULD ESTABLISH ROBUST QUALITY CRITERIA FOR ELIGIBLE TRAINING PROVIDERS AND REQUIRE DATA DISAGGREGATION OF EMPLOYMENT AND WAGE OUTCOMES FOR PARTICIPANTS OF TRAINING PROGRAMS BY RACE AND ETHNICITY TO ENSURE THAT PARTICIPANTS OF COLOR ARE BEING SERVED EQUITABLY ACROSS AND WITHIN ELIGIBLE TRAINING PROGRAMS.

SPOTLIGHT: NEW JERSEY



New Jersey has reimagined its ETP approval process to bolster quality assurance and transparency to inform consumer choice. The New Jersey Department of Labor and Workforce Development, along with the Heldrich Center for Workforce Development at Rutgers University, developed a model to assess which training providers and their programs are achieving equitable outcomes.

The model analyzes student-level data from ETPs and their programs through five dimensions:

- ▶ **Labor market demand** - Are programs associated with in-demand occupations?
- ▶ **Employment and wage outcomes** - What percent of students are employed, and how have their median earnings changed after training? How do these earnings compare to living wages in the region and state?
- ▶ **Education outcomes** - What is the program completion rate?
- ▶ **Financial impact** - What is the return on investment in first-year earnings gains after a student completes the program? How do program costs compare to median earnings in occupation(s) that students can expect after the training program?
- ▶ **Equity** - How do the measures (above) differ for students by race, ethnicity, gender, disability status, and former justice involvement?

The New Jersey Department of Labor and Workforce Development worked with the state's Credential Review Board – a statutory body created for the purpose of directing the technical credentialing process for the workforce investment system – to adopt the quality assurance framework and model.

Starting July 1, 2022, ETPs in New Jersey are required to begin collecting new data that will measure program quality along the multiple dimensions. Programs scoring in the top 75 percentile will be considered “passing;” those in the 11th to 25th percentile will be encouraged to review the reasons for their poor performance; and those in the bottom 10 percent will be put on probation. Programs in probation will be required to develop a corrective action plan and given two years to improve their performance.

New Jersey intentionally incorporated equity in their quality assurance framework to make sure there was no unintended consequences of incentivizing ETPs to only serve the “easiest to serve” or to avoid serving workers experiencing significant barriers in the labor market. This framework will ensure accountability and consumer protection. And through an updated public information tool that will be released in 2022, those seeking education and training programs will find information on which credentials are worth their investment and participation, and which will be less helpful in their careers.



INNOVATION IN DATA GOVERNANCE & USE: SIMPLIFYING REPORTING FOR TRAINING PROVIDERS

BACKGROUND: In addition to setting performance thresholds that ETPs must meet to receive WIOA funds to train eligible adults and youth (as previously discussed), WIOA also requires states to collect and report outcomes with respect to all individuals served by each program of study on the state's ETP list. These data are important for states to monitor program performance of ETPs. Data on employment and wage outcomes also provide value to WIOA participants who want to learn if the outcomes of program alumni match their employment and earnings goals.

Training providers may face barriers with reporting outcomes of all students in programs of study, especially community-based organizations and training providers that serve learners in obtaining occupation-specific credentials (e.g., nursing assistants or truck drivers) in non-traditional academic settings. Specifically, these requirements could place an undue burden on licensed educational institutions offering non-degree credentials (e.g., career schools) who want to serve WIOA participants. Minnesota identified several common barriers for these training providers reporting quality data: those that currently don't collect the data, have no experience collecting student-level personally identifiable information, or don't have systems in place to support the data collection required to be designated an ETP. For other postsecondary institutions who do collect the necessary data and report student-level information to a state higher education agency, the requirement to report to another state agency is duplicative. In either case, their reporting barriers can limit the breadth of skills training opportunities available to individuals.

Collaborations and partnerships between higher education institutions, workforce state agencies, and training providers can mitigate the data reporting and collection burdens that training providers face and help better serve learners who are using federal workforce training dollars to upskill and reskill to obtain a better job. These efforts also support the overall goals of WIOA to reduce the educational and employment disparities based on race, ethnicity, and gender, while also providing high-quality skill training options to individuals that will meet industry demands for a skilled workforce.

STATES SHOULD LEVERAGE EXISTING DATA INFRASTRUCTURES TO REDUCE REPORTING BURDENS ON TRAINING PROVIDERS, STREAMLINE DATA COLLECTION PROCESSES, AND EXPAND UPON THE PARTNERSHIPS BETWEEN TRAINING PROVIDERS AND THE PUBLIC WORKFORCE SYSTEM.

SPOTLIGHT: MINNESOTA



The Minnesota Department of Employment and Economic Development (DEED) and the Minnesota Office of Higher Education (OHE) are partnering to leverage existing data infrastructure to meet WIOA reporting requirements and minimize the reporting burden of training providers.

OHE already gathers student-level enrollment and completion data from postsecondary institutions participating in state financial aid programs, many of which are ETPs. Beginning in March 2022, OHE will expand this data collection to include all institutions and training providers listing programs on Minnesota's ETP List. The data collection is aligned to WIOA ETP reporting requirements and aligns with data currently submitted by colleges, universities, and other licensed training providers who are required to report student-level data to OHE.

As a state educational authority, OHE is authorized by federal and state laws to receive private education data for the purposes of research and reporting, which includes redisclosing data to DEED for purposes of WIOA compliance. OHE staff maintain secure methods of data transmission and data protection required by those laws. The partnership to streamline reporting for all ETPs with one state agency also ensures alignment and consistent data governance and data sharing practices for student-level postsecondary data. Education institutions and training providers sign a data sharing agreement with OHE that outlines how data will be used and what summary data will be released, either to comply with federal law or to aid in the transparency of students' employment and wage outcomes. Data provided by ETPs will also be included in the Statewide Longitudinal Education Data System (SLEDS).

Currently SLEDS matches student data from pre-kindergarten through completion of postsecondary education and into the workforce to gauge the effectiveness of current programs and design targeted improvement strategies to help students. These cross-system data linkages allow the state to identify the most viable pathways for individuals to achieve successful outcomes in education and work and to inform decisions that support and improve education policy and practice. DEED leverages the SLEDS data infrastructure to fulfill its mandated ETP reporting to the U.S. Department of Labor.

By simplifying a reporting process, Minnesota expects to see increased data quality of training programs outcomes, including a growing repository of quality non-degree credentials. The program outcomes of ETP will be added to the state's existing career and education exploration website, so that prospective students and employers can see the likely employment and wage outcomes of training programs. Training providers will also benefit by becoming a part of the SLEDS infrastructure, which will allow them expanded access to outcomes data for their own students.



INNOVATION IN DATA QUALITY: MEASURING POSTSECONDARY CREDENTIALS OF VALUE

BACKGROUND: Postsecondary education and training has become essential to the economic mobility of working adults of color, immigrants, and workers with a high school diploma or less. State leaders have recognized the critical importance of postsecondary attainment in meeting equity and economic goals. Nearly every state has a postsecondary education attainment goal, which sets a target for the number of adults within that state who hold some type of postsecondary credential. These goals can drive policies that help more individuals attain postsecondary degrees and credentials that are critical to business success and lead residents to good jobs.

Non-degree credentials, such as certificates, industry certifications, apprenticeship certificates, and occupational licenses are a key component of state postsecondary attainment goals and help workers earning low wages obtain better jobs in expanding sectors and serve to reconnect them to further postsecondary education and training opportunities.

Quality assurance is particularly important given the role that non-degree credentials play in providing opportunities for people of color and other underrepresented groups who have been historically underserved by postsecondary education and training. States who adopt a quality non-degree credential framework can protect against increasing equity gaps by ensuring people of color, women, those with disabilities, and other individuals facing opportunity gaps are not steered toward low-quality options.

Data about all postsecondary programs are essential for understanding what credentials meet the quality criteria set by states. While most states already have data about some postsecondary programs, the data are often not comprehensive. Many states do not have complete data on non-credit programs of public postsecondary institutions, certificates that are awarded by proprietary institutions, or data on who obtains industry certifications issued by third-party providers. Although states usually license private for-profit institutions, and private institutions may be eligible for state financial aid or other state funding, relatively few states mandate that private schools share student-level data in exchange for authorization or aid.

**STATES NEED BETTER
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SPOTLIGHT: LOUISIANA



In September 2020, the Louisiana Board of Regents adopted a definition of quality non-degree credentials to support its Master Plan for Higher Education and an ambitious attainment goal of 60 percent of working adults holding a degree or credential by 2030. A leadership team comprised of representatives of the Louisiana Board of Regents, Louisiana Community and Technical College System, Louisiana Workforce Commission, Louisiana Economic Development and Louisiana Department of Education, along with various other agencies and organizations, developed criteria to define quality credentials for Louisiana.

In addition to academic degrees, non-academic “Quality Postsecondary Credentials of Value” will count towards the state’s attainment goal if they:

- ▶ Provide valid, reliable and transparent evidence of the competencies mastered and be conferred by an entity recognized by business and industry and/or the State of Louisiana;
- ▶ Align to in-demand occupations as defined by the Louisiana Workforce Commission based on job demand, projected job growth and earnings;
- ▶ Lead to an occupation with a 20 percent wage premium over a high school diploma in Louisiana;
- ▶ Provide evidence for employment and wage outcomes; and
- ▶ Meet these criteria as a stand-alone credential, independent of another credential.

Through development of a credentials of value definition, the Louisiana Board of Regents (Board) recognized that data gaps exist. Namely, the outcomes of students who complete programs at proprietary and licensed institutions that lead to industry-recognized credentials or occupational licenses operating within the state are not available for the Board to assess whether they meet the credential of value criteria. To bridge the data gap, the Board pursued changes to the state’s Administrative Code, which defines the licensing process for proprietary schools.

The new rulemaking requires that proprietary institutions licensed by the Board, or seeking renewal licensure, shall annually collect and report student-level data. These data include program completion and graduation data, type of credential earned, and student demographics, including race, ethnicity, gender, and Social Security Number. The Board can then match student-level data records to the state’s administrative wage records to produce outcomes necessary to evaluate and count Quality Postsecondary Credentials of Value towards the state’s attainment goal.

ENDNOTES

- 1 For a concise overview of WIOA, please read “WIOA reauthorization is on the horizon - here’s a refresher on American’s primary workforce program,” at <https://www.nationalskillscoalition.org/blog/higher-education/wioa-reauthorization-is-on-the-horizon-heres-a-refresher-on-americas-primary-workforce-program/>
- 2 WIOA Title I include three core programs: Adult, Dislocated Worker, and Youth. Other WIOA core programs include Adult Education and Literacy (Title II), Wagner Peyser (Title III) and Vocational Rehabilitation Services (Title IV).
- 3 In 2019, National Skills Coalition worked with 12 states to review how they were using employment, earnings, and competencies to set quality standards for credentials. This analysis – and feedback from research and advocacy organizations with expertise in higher education and workforce policy, including those with a racial equity mission – led to the development of a vetted consensus definition of quality non-degree credentials that can be evaluated through data. For more information, please visit: <https://www.nationalskillscoalition.org/resource/publications/expanding-opportunities-defining-quality-non-degree-credentials-for-states/>
- 4 Louisiana developed two categories of credentials through this process, acknowledging that individuals start their postsecondary pathways at different points: “Quality Postsecondary Credentials of Value” and “On-Ramp Credentials.” Though an on-ramp credential does not meet credential of value standards, it provides a means for individuals to get on a training pathway and build toward a higher-level credential. For a full definition, please visit: <https://regents.la.gov/wp-content/uploads/2020/11/PRP-VII.E.2-Quality-Postsecondary-Credentials-of-Value-Exec-Summary-Removed.pdf>

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ABOUT NATIONAL SKILLS COALITION: Jobs that require skills training are the backbone of our economy. National Skills Coalition (NSC) fights for a national commitment to inclusive, high-quality skills training so that more people have access to a better life, and more businesses see sustained growth. Since 2000, through expert analysis, and technical assistance, broad-based organizing, targeted advocacy, and cutting-edge communication, NSC has changed hundreds of state and federal skills policies that have changed thousands of lives and grown local businesses and economies.

We build networks representing businesses, workers, colleges, community organizations, public officials, and advocates. We engage these networks to craft policy proposals and mobilize them to win concrete policy change.

Our networks include SkillSPAN (20 affiliate state coalitions), Business Leaders United for Workforce Partnerships (thousands of small and medium-sized business owners and 7 state affiliates), and Voices for Skills (tens of thousands of workers and grassroots skills advocates).