Washington State’s Use of Linked Education & Workforce Data To Influence Policy – 2 Examples

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2 Examples

- 2005 - “Tipping Point” research
  - David Prince (SBCTC), Davis Jenkins (CCRC)
  - http://www.sbctc.ctc.edu/college/d_basicskills.aspx

- 1996 – Analysis to support continued funding for 3 year old Dislocated Worker program
  - Loretta Seppanen (SBCTC)
  - Net Impact Study - Lou Jacobson, Westat
Example 1: 2005 – Tipping Point Research

- Low income students at CTCs with HS education or less
- **Key Finding:** 1 year of college credit + a credential is the **tipping point** for students needing to find career pathways.
- Use of linked data: 35,000 low-income CTC students with UI status 6 years after starting college
  - Annual earnings
- **Impact:** Policy focus on moving low-income students to a credential of 1 year or longer rather than previous focus on access.
Results from UI Data Linking

- Which group of students earn more than those who made no education gains or gained less than 10 credits? – What is the “tipping point” in terms of doing economically better than those who attend college, but gain little?

- Tipping point is 1 year + credential - gives future earnings bump:
  - For ELS students - $7,000/year more
  - For ABE students - $8,500/year more
  - For HS or GED Only - $1,700 to $2,700/year more
But in 2005 Most Low-Income Students Did Not Reach the Tipping Point

Educational Attainment of Low-Income WA CTC Students After 5 Years from Starting

- ESL Students (12,000): 2\% Tipping point or beyond, 11\% Modest education gain, 87\% No gain
- Less than HS (14,000): 5\% Tipping point or beyond, 34\% Modest education gain, 61\% No gain
- HS or GED Only (8,500): 21\% Tipping point or beyond, 68\% Modest education gain, 11\% No gain
Recent Strategies to Get More Students to the Tipping Point and Beyond

- I-BEST (Integrated program for low-income students) Pairs ESL/ABE & professional-technical instructors for literacy & workforce skills at the same time. $3.7 million/year.
- Opportunity Grants –financial aid to help low-income adults at or below 200% of poverty. $7.5 million/year.
- Applied Baccalaureate programs at CTCs – 7 pilots. A pull for those who want a bachelor’s degree but in an applied field and need better employment in the shorter term. $1.7 million legislative funding this year.

$ indicate current legislative funding level
Some UI tax used since 1993 to start/expand programs (especially IT) for dislocated workers (initially little direct aid to workers)

- Laid off from declining industries or occupation (at the time timber, aerospace and other manufacturing)

Legislative question - Should laid off workers just go back to work - or does it pay to train for new jobs?

Impact: Value of program confirmed by business, labor and policy makers, need to focus on programs that typically lead to at least $12/hour
1996 Dislocated Worker Analysis

- SBCTC descriptive study based on link with UI –
  - Placement & job retention rate
  - Wage/earnings recovery rates
  - Industry change
  - Mobility subsequent to training
- $750,000 commissioned Net Impact Study – Westat –
  - Students versus those who lost jobs and went back to work without training
  - 2 student groups – those who took mostly courses regarded as STEM oriented, those not STEM
Results from UI Data Linking - Westat

- Earnings in new job are 15% less than in old job for longer term (without training)
- With training, earning losses were less than 15%. Training is a net benefit.
- What workers take at college matters – positive net impact for taking STEM type courses, negative net impact for other courses (workers subsequent wages did not make up for the lost income while in college.)
Results from UI Data Linking - SBCTC

- 85% placement rate for graduates, 80% for leavers
- Earned 93% of previous earnings
- The 2 Westat groups link to type of programs:
  - Lower wage programs (clerical, culinary arts, ECE)
  - Middle/higher wage programs (Nursing, rad tech, auto mechanic, IT, accounting tech)
- It pays for workers to train in higher/middle wage programs
Recent Strategies to Focus on Middle/Higher Wage Programs

- High demand funding – to support expanding more costly middle/high wage programs that are also in demand by employers (more workers needed than currently trained)

Summary of 2 Examples – Linking to UI

- 2005 - “Tipping Point” research
  - Changed view of basic skills training, training for welfare clients – goal of 1 year certificate or higher

- 1996 – Analysis to support continued funding for 3 year old Dislocated Worker program
  - $ for training affirmed as value add for state
  - 11,000 – 17,000 served annually