

Automated Student and Adult Learner Follow-Up System Public Education Dashboard: 2012 Exit Cohort

Note on Methodology



Purpose of the Report

Senate Bill 281 (2003) requires the Texas Workforce Commission (TWC) to issue an analysis of the job placement performance of higher education students on an annual basis at minimum. TWC's Labor Market and Career Information (LMCI) department fulfills this mandate.

LMCI's mission is to improve the way Texans make career and educational decisions by providing useful and reliable information about careers, educational training options and jobs. We provide data in the spirit of continuous improvement; our goal is to provide a useful tool for key individual and institutional decisions, and not to single out or criticize any program, institution or field of endeavor. For more information, visit www.lmci.state.tx.us.

Methodology

Every year, LMCI receives data from the Texas Higher Education Coordinating Board (THECB) representing outcomes of the *exit cohort* of the preceding school year.

The data are derived from program seed records, each of which represent a unique student

enrollment record associated with a participant Social Security Number (SSN). These records include both enrollment and graduation information (e.g., enrollment status, completion status, program features) and basic demographic information (ethnicity and gender).

Those seed records are then linked to the Texas Unemployment Insurance (UI) Wage Record database to identify participants employed in Texas and their wages in the fourth quarter of the business calendar following the end of the school year of exit. This information is paired with Fall school enrollment data to form a snapshot of the in-state enrollment and employment pursuits taken by the *exiter cohort* in the months following the end of the school year. The dataset is then delivered to LMCI, where it is aggregated for presentation.

The unit of analysis for this procedure is an *exit group*, each of which share the following characteristics: program area (e.g., Adult Education, GED, High School), program group (e.g., Adult Basic Education, High School Graduate), sort category (e.g., Special Population, Passed GED), and gender and ethnic groups.

In order to prevent the possibility of outcome data being identified for individual exiters, any cell size smaller than or equal to five ($x \leq 5$) has been removed from the aggregate dataset. This practice is needed to assure the maintenance of student privacy and affects less than 2.5% of the cohort population as sorted by ethnicity, less than 0.5% of the cohort population when sorted by gender or award, and less than 0.1% of the cohort population when looking at major totals.

We define "*exit cohort*" as the group of students who each:

- 1) Have enrollment records for a public education program in Texas (hence "*program*") in the target school year, and
- 2) Meet one of the following criteria during the following year:
 - Obtain a degree or certificate ("*Graduate*"); or
 - Cannot be found enrolled at any institution ("*Leaver*").

"*Exiter*" refers to an *exit cohort member* according to this definition.

Data Disclaimer

UI wage records are the best available source of data on labor market outcomes, but this source has some limitations. UI wage records do not cover individuals engaged in certain types of employment, including domestic work, self-employment, and work in certain industries. SSNs are not validated against a national database: fraudulent SSNs may be present in the data as well as multiple individuals using one SSN. Neither occupational title nor hours worked per quarter are reported, preventing us from calculating hourly wage or part-time/full-time status, or determining whether the job is an adequate match for the field of study and degree of educational accomplishment.

In particular, very low earnings can be reported for individuals who worked for only a portion of the fourth quarter following the year of exit. These outliers can distort mean wage averages when exit group sizes are small. For this reason, we present the median wage for exit groups instead of the mean.

These measures are developed for research and continuous program improvement purposes as authorized by Texas Senate Bill 281 (2003). These criteria differ from official TWC state and federal performance measures and this dashboard should not be used for that purpose, either as a report or a point of comparison.

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