POSTSEC DATA

Workforce Results Data

An excerpt from *Mapping the Postsecondary Data Domain: Problems and Possibilities Technical Report*

Data on employment and earnings for college completers (and non-completers) are in great demand, yet severely lacking. However, several workforce data systems exist and could provide valuable information if linked to education datasets. The Center on Law and Social Policy (CLASP), a key partner organization participating in the Reimagining Aid Design and Delivery (RADD) Consortium on Simplification and Transparency, has conducted a thorough review of existing data. The results of their research as part of the consortium are summarized here. **TABLE 1** identifies six metrics that CLASP recommends for measuring program-level employment and earnings outcomes. Employment outcomes can vary notably across different programs at the same institution, making it important to collect these data at the program level.

TABLE 1

Key Workforce Questions and Proposed Metrics

Workforce results: Key questions for students	Proposed metrics:
Employment: What are my prospects for employment following completion of this certificate or degree program? **Employment in field:** How likely is it that I will find employment in an occupation that is related to my field of study?	• Employment rate • Employment retention rate • Related employment rate
Earnings: What level of earnings can I expect following completion of this certificate or degree program? **Earnings growth:** What are my prospects for increased earnings following completion of this certificate or degree program?	• Initial median earnings • Subsequent median earnings • Percentage change in earnings

CLASP identified a variety of options for collecting and reporting these workforce data, including five major sources: Unemployment Insurance (UI) records, which could be used in conjunction with the Federal Employment Data Exchange System (FEDES); the National Directory of New Hires; the Social Security Administration (SSA); and the Longitudinal Employer-Household Dynamics (LEHD) program. Each source has different strengths, weaknesses, and capabilities, as outlined in **TABLES 2 and 3**. For example, the SSA counts federal employees and the self-employed—two groups omitted from UI records, but SSA data are only available annually, while UI data are available quarterly.

Though none of these data sources are fully exhaustive and each presents its own complexities and limitations, the most direct approach to acquiring workforce data at the institution or program level is to link SSA earnings information with student-level data submitted to the U.S. Department of Education by all postsecondary institutions. The SSA already has participated in data matches with the National Student Loan Data System (NSLDS)—which only includes federal financial aid recipients—to generate earnings information as part of gainful employment, indicating that such matches are technically feasible. A move toward a comprehensive student unit record system could provide more comprehensive, high-quality data on workforce results. For more on the potential for a student unit record system, see New America's **College Blackout** paper.

TABLE 2

Workforce Results Data Sources and Metrics Potentially Supported

Data Source	Metrics Potentially Supported					
	Employment Rate	Employment Retention Rate	Related Employment Rate	Initial Median Earnings	Subsequent Median Earnings	Earnings Change
UI wage data	Yes	Yes, for quarters	Yes, using industry codes[1]	Yes, for quarters	Yes, for quarters	Yes, across quarters
New Hire data	Yes	Yes, for quarters	Does not include industry codes	Yes, for quarters	Yes, for quarters	Yes, across quarters
Social Security Administration (SSA) earnings data	Yes	Yes, for annual period	Does not include industry codes	Yes, for annual periods	Yes, for annual periods	Yes, across years
Federal Employment Data Exchange System (FEDES)	Yes	Yes	Does not include industry codes	Yes, for annual periods	Yes, for annual periods	Yes, across years
Longitudinal Employer Household Dynamics (LEHD)	No	No	Does not include industry codes	Yes, for annual periods	LEHD can provide an array of summary earnings data for local areas by industry, including breakdowns by gender, age, ethnicity, and educational level.	

[1] Industry codes do not necessarily identify an individual's occupation. For example, an employee working in the healthcare industry may be an accountant, a doctor, a receptionist, or any number of other occupations.

TABLE 3

Data Sources for Employment and Earnings Results: Advantages and Disadvantages

Data Source	Advantages	Disadvantages
UI Wage Data	• Includes all workers covered by the Federal Unemployment Tax Act (FUTA); approximately 89 percent of the civilian labor force. • Does not include the self-employed, military employees, federal civilians, postal employees, railroad employees, and a few others. • Data are quarterly, which provides flexibility in creating employment and earnings metrics. • Generally includes industry which allows a metric for employment in an industry related to the field of study.	• Does not include the self-employed, military employees, federal civilians, postal employees, railroad employees, and a few others. • In most states, does not include start date, hours worked, or occupation. • Data are "owned" by states, so obtaining data from multiple states requires an additional data exchange process (such as Wage Record Interchange System 2). • States vary substantially in access policies, and some have been very restrictive.[2]
National Directory of New Hire (NDNH) data[3]	• Includes all workers covered by UI, plus military and federal civilian employees. • Data are quarterly, which provides flexibility in creating employment and earnings metrics. • Includes UI claimant information (unemployed).	• Does not include self-employed. • Does not include hours worked, industry or occupation. • Not permitted for use in calculating outcomes for postsecondary institutions.
Social Security Administration (SSA) earnings data	• Includes essentially all workers: Those covered by UI, those exempt from UI, including federal civilian, military, and self-employed. • Data are obtained from IRS and maintained centrally by SSA.	• Data are annual only (for Master Earnings File). • Currently matches are restricted to data for students submitted through the National Student Loan Data System (NSLDS). This is not an inherent limitation of the SSA data, but is a limitation of the availability of student data with SSNs. • Data do not include industry or occupational codes.
Federal Employment Data Exchange System (FEDES)	• Includes military and federal civilian employees.[4]	• Does not include self-employed. • Pilot initiative providing federal employment data to 37 states and Washington, D.C. to help states meet reporting requirements.[5] • Use of FEDES is restricted.[6]
Longitudinal Employer-Household Dynamics (LEHD)	• Includes all workers covered by UI, plus military and federal civilian employees. • Quarterly data. • Provides useful information on the local labor market context, including employment and earnings by industry and by education, gender, ethnicity, age, firm size, and firm age.	• Due to access restrictions, this is not a source of data on results for specific sets of students. • Data do not include self-employed.

Source: Research and charts derived from Tim Harmon, "CLASP Workforce Results Data Briefing Memo," RADD Simplification and Transparency Consortium. (Washington, DC, Center for Law and Social Policy, 2013).

[2] "Data for Action 2013," (Washington, DC: Data Quality Campaign), 13. Retrieved from: http://www.dataqualitycampaign.org/files/DataForAction2013.pdf. The Data Quality Campaign reports that 24 states have at least some kind of secure postsecondary-to-workforce data linkage. However, the breadth of postsecondary coverage and match rates likely vary across states.

[3] "The primary purpose of the NDNH is to assist state child support agencies in locating parents and enforcing child support orders; however, Congress has authorized specific state and federal agencies to receive information from the NDNH for authorized purposes." See "A Guide to the National Directory of New Hires." (Washington, D.C., Administration for Children and Families Office of Child Support Enforcement, July 2012).

[4] United States Postal Service (USPS) employees were originally included but are not currently; negotiations are underway to resume matching to these workers.

[5] The states participating in the most recent match were: Alabama, Alaska, Arkansas, Arizona, California, Colorado, Connecticut, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Kansas, Kentucky, Maine, Maryland, Minnesota, Missouri, Montana, New Jersey, New Mexico, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Vermont, Virginia, Washington, West Virginia, and Wisconsin.

[6] Currently use of FEDES is restricted to "Satisfying, or contributing to, Federal performance measurement and consumer report activities required by the United States Office of Management and Budget (OMB) or federal law or regulation, or satisfying, or contributing to, State performance measurement and reporting requirements authorized under state law or regulation."