

# Automated Student and Adult Learner Follow-Up System

## LWDA Workforce Dashboard: 2015 Exit Cohort

### First Year Report

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Note on Methodology



## Purpose of the Report

Texas Labor Code, Chapter 302 requires the Texas Workforce Commission (TWC) to issue an analysis of the job placement performance of each workforce development program by occupation and by training provider (possibly including other relevant data), for the previous one-year, three-year, and five-year periods. TWC's Division of Operational Insight (DOI) and the Labor Market and Career Information (LMCI) department fulfill this mandate.

DOI's mission is to transform data into insights to improve efficiency, effectiveness and accountability of the Texas Workforce System; and 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.

## Methodology

Like previous years, seed records originated from TWIST (The Workforce Information System of Texas), WIT (Work in Texas) and LOTS (Learning Outcome Tracking System). Unlike previous

*We define "period of participation" as a distinct person who has:*

- 1) Received a service from TWC, between January 1 and December 31, 2015, and*
- 2) Did not receive any additional services for at least 90 days.*

years, each seed record represents a unique period of participation associated with a customer ID, participation date and an exit date in calendar year 2015. Despite many participants receiving more than one service, the original files were cleaned and deduplicated so that each record represents a unique period of participation.

Researchers links the original seed records to several databases to determine participants' labor market outcomes. Primarily, we link to the Texas Unemployment Insurance (UI) Wage Record database to identify participants employed in Texas. We also link to the Wage Record Interchange System (WRIS) to supplement the Texas UI Wage Record results. Employment records from WRIS are used to find participants employed in other states. If any linkage to these databases resulted in a match for any participant, we retained that participant's earnings and the North American Industry Classification System (NAICS) code of the employer of record for analysis. If the linkage found a participant employed by more than one employer, we retained the sum of the participant's earnings and the NAICS code of the employer paying the most wages.

Finally, Researchers compares labor market outcomes for each cohort over time. For this cohort, we compare the outcomes from the fourth quarter, after the period of participation's last service was received, to outcomes from the second quarter, prior to the period of participation's first service. We will conduct both three- and five-year follow-up analyses, appending outcomes from 12<sup>th</sup> and 20<sup>th</sup> quarters after the period of participation's last service. Together this data gives us a view of post-exit



employment 1, 3, and 5 years after exit.

## 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 which prevents 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 (or 12<sup>th</sup> or 20<sup>th</sup>) quarter following the date 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 Labor Code, Chapter 302. 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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