

Automated Student and Adult Learner Follow-Up System Higher Education Dashboard: 2016-2017 Exit Cohort

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 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 THECB 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, awards obtained, major group and major via CIP2/CIP4 codes) and basic demographic information (ethnicity and Sex).

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

- 1) Have enrollment records at an institution of higher education in Texas (hence "institution") in the target school year, and*
- 2) Meet one of the following criteria during the following year:*

- Obtain a degree or certificate ("Graduate");*
- Enroll at a different institution ("Transfer"); or*
- Cannot be found at any institution ("Leaver").*

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

THECB links those seed records 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. Personally identifying information is purged from the records before the dataset is delivered to LMCI, where it is aggregated for presentation.

The unit of analysis for this procedure is an *exit group*, each of which shares the following characteristics: school type (e.g., university, community/technical college), exit outcome (e.g.,

graduated, transferred), major group per CIP2 code, and major per CIP4 code. These exit groups may then be broken down into subcategories by one of three criteria: award received, Sex, or ethnicity.

In order to prevent the possibility of outcome data being identified for individual exiters, any cell size less 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 Sex or award, and less than 0.1% of the total cohort population when looking at major totals.

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 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.

For more information, please contact Stephen Nachazel at stephen.nachazel@twc.texas.gov.