

Commentary/Op-Ed - March 2017

## Measuring what Matters in Worker Training and Education

A bill before the New York State Legislature seeks to create three regional clearinghouses for labor market data. These research centers would help colleges and workforce development programs across the state harness data to make their programs more effective. With belt-tightening on the menu in Washington, creating these clearinghouses is vital to ensure that New York State's limited human capital dollars go as far as possible.

by Christian González-Rivera

New York State spends billions every year on educating and training the workforce of the future though public schools and colleges, the workforce development system, and adult basic education programs. Yet policymakers and the public have almost no way of knowing which programs and approaches are producing the best results and deserve to be replicated or scaled up.

The data needed to measure the effectiveness of workforce development and education programs is already available, but few jurisdictions have the capacity and know-how to make use of it. Boosting the ability of programs to measure their effectiveness can help ensure that more New Yorkers receive quality training and education that puts them on the path to a good job.

A bill before the New York State Legislature seeks to fill that gap by creating three regional clearinghouses for labor market data. These research centers would help colleges and workforce development programs across the state harness data to make their programs more effective. With belt-tightening on the menu in Washington, creating these clearinghouses is vital to ensure that New York State's limited human capital dollars go as far as possible.

With this legislation stuck in committee as the budget deadline looms, New York is missing a crucial opportunity to unleash the power of labor market data statewide. Bill A2164, introduced by Assembly Member Harry Bronson and cosponsored by Assembly members Nily Rozic and Robert J. Rodriguez, would create these long-overdue data clearinghouses, providing a vital resource to counties across the state. In doing so, New York would join a long list of states that have implemented such data centers to improve program design and service delivery across the human capital system. The bill calls on the state's labor department to partner with academic institutions that have the expertise to carry out the research and ensure the

confidentiality of the data—an important step toward expanding this capacity across the entire state.

A 2013 amendment to state labor law granted data access to workforce training programs and funders to help them evaluate their programs' effectiveness—something that we advocated for at the Center for an Urban Future. However, having access to the data is only a start. Using the data for evaluation purposes is complex work that requires researchers with the necessary expertise and computer systems designed to ensure the confidentiality of the data.

To date, the bulk of this work is done in New York City, where research institutes at CUNY and in the mayor's office have the necessary technology and expertise. But upstate counties are being left behind. Many do not have the capacity to perform these analyses and have been unable to benefit from the data the state has made available.

Using this data can help policymakers make crucial decisions regarding the future of employment. For instance, colleges, universities, and workforce development program providers can use earnings data to determine whether their graduates are finding gainful employment. State and local governments can use the information to understand the distribution of people with specific skills across the state and determine where demand outstrips supply. CUNY is already doing this research to improve their degree programs by better aligning with the real needs of employers, but these innovative evaluations should be happening all across the state.

For the states leading the way in leveraging longitudinal data—such as Washington, Maryland, and Florida—the benefits have been accruing for years. For instance, researchers at Maryland's state data clearinghouse worked with Baltimore's public school system to uncover significant differences in earnings between high school dropouts and graduates. This information is now being used by guidance counselors to illustrate the benefits of staying in school to students at risk of dropping out. Research at Washington State's clearinghouse provided data-driven evidence for the effectiveness of programs that integrate basic skills education with occupational skills training. This led to the creation of the I-BEST program model, which accelerates progress through school and into living wage jobs and is now being replicated nationwide—including here in New York.

Despite making some of the largest investments in human capital development of any state in the nation, New York has lagged when it comes to ensuring that its dollars are producing results. Doing so would not cost much: budgets from other state clearinghouses indicate that a similar project in New York would cost only \$600,000, making it a small upfront investment with substantial rewards for the state's workforce. And federal funding has been available for over a decade to help offset the costs. State legislators should make a statewide labor data system a priority, reaping the benefits of proven programs to make a measurable difference in the lives of New Yorkers.

## Image credit: Markus Spiske

This commentary is part of a series of policy briefs and commentaries about workforce development and human capital issues made possible through generous support from the **Altman Foundation**.

General operating support for the Center for an Urban Future is provided by the **Clark Foundation** and the **Bernard F. and Alva B. Gimbel Foundation**. We are also grateful for support from **Fisher Brothers** for the Center for an Urban Future's Middle Class Jobs Project and the **Working Poor Families Project** for ongoing research about issues facing the working poor in New York.

Center for an Urban Future (CUF) is an independent, nonprofit think tank that generates innovative policies to create jobs, reduce inequality and help lower income New Yorkers climb into the middle class. For 20 years, CUF has published accessible, data-driven reports on ways to grow and diversify the economy and expand opportunity that are anchored in rigorous research, not preconceived notions about outcome. Our work has been a powerful catalyst for policy change in New York City and serves as an invaluable resource for government officials, community groups, nonprofit practitioners and

business leaders as they advocate for and implement policies to address some of New York's biggest challenges and opportunities.



CENTER FOR AN URBAN FUTURE 120 Wall Street, 20th Floor, New York, NY 10005

cuf@nycfuture.org © All Rights Reserved.