

# Measurement for MOBILITY



**ESG** | Education  
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## How U.S. States Can Use Data to Incentivize Postsecondary and Workforce Success in Public Education

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### EXECUTIVE SUMMARY

Education is an economic investment, for both students and states. To maximize the return on investment and ensure that education drives economic mobility, states need K-12 and postsecondary systems to prioritize and improve the outcomes that matter most for students' success in life after school — namely, postsecondary and workforce success.

Far too many students are not finding success in the transitions between high school, higher education, and the workforce. And the gaps in long-term student outcomes have only widened since the pandemic. Pandemic decreases in college enrollment were especially large at two-year colleges and among communities of color, and racial gaps in college completion rate and postsecondary degree attainment persist. Racial earnings gaps track these educational disparities. While postsecondary attainment remains the safest bet for finding economic prosperity in the country, students and families are increasingly questioning the value of postsecondary education and want to know that their investments of time and money will pay off.

Data is one of the strongest levers states have to demonstrate and improve the value of public education. States must monitor and encourage a focus on measures that track how well K-12 and higher education institutions are preparing students to succeed in the next phase of their education-to-workforce journey. This report examines how states

are able to measure and support the long-term success of students in their reporting, accountability, and incentive systems.

**Data is one of the strongest levers states have to demonstrate and improve the value of public education. States must monitor and encourage a focus on measures that track how well K-12 and higher education institutions are preparing students to succeed in the next phase of their education-to-workforce journey.**

The United States has made progress in using postsecondary and workforce success metrics over the past decade, and several states now stand out as bright spots. However, the country has not fully committed to prioritizing measures to ensure that public education remains a powerful engine for economic mobility in the post-pandemic era. Now is the time for states to lead the way forward in measurement for mobility.

K-12

In K-12, we examined state measurement practices with respect two types of metrics: 1) **College and Career Readiness Metrics**, which are captured during a students’ K-12 experience and are intended to capture students’ preparation for life after high school, and 2) **Postsecondary Outcomes**, which are captured after students leave the K-12 system and measure students’ progress and success in postsecondary education, military, and the workforce.

We see significant efforts to prioritize **College and Career Readiness Metrics**, but very few states are prioritizing the use of **Postsecondary Outcomes in accountability or funding incentives**. Reporting is necessary, but thus far has not been sufficient to drive the long-term outcomes that this country needs for our students—especially students of color and those from low-income backgrounds—to find economic mobility.

	College and Career Readiness Metrics	Postsecondary Outcomes
Public Reporting	47 states + D.C.  Massachusetts reports annual earnings for high school graduates and enables users to disaggregate these outcomes by race/ethnicity, by gender, and by industry of employment, for every high school graduating class since 2010.	46 states + D.C.
Accountability	41 states + D.C.  Connecticut and Vermont both include enrollment in postsecondary education into their federal ESSA accountability systems.	8 states
Funding Incentives	7 states  In Texas, districts receive up to \$5,000 for each student that enrolls in postsecondary education after high school, completes a qualifying industry credential, or enlists in the military.	2 states
Other Mechanisms	25 states + D.C.  Illinois students can earn a College and Career Pathways Endorsement by participating in work-based learning, completing two years of coursework and demonstrating academic readiness for non-remedial postsecondary coursework.	1 state

To achieve improved long-term outcomes for learners and promote excellence with equity, next generation measurement and accountability systems in K-12 need to:

Make Long-Term Success Metrics a Priority in K-12

- Incorporate College and Career Readiness Metrics and Postsecondary Outcomes into public reporting and accountability. Every state should report on both College and Career Readiness Metrics and Postsecondary Outcomes — including enrollment and persistence in postsecondary education, job placement, and wages — and incorporate them into K-12 accountability.
- Incorporate College and Career Readiness Metrics and Postsecondary Outcomes into funding incentive models. States that leverage “bonus” funding incentives should incorporate

both metrics that are most predictive of postsecondary success and measures of how students fare in postsecondary into their bonus funding formulas.

- Ensure that college and career readiness indicators are rigorous. In K-12 accountability, states that use college and career readiness composite-style indicators made up of multiple measures should ensure that they are rigorous and reflect high expectations for students.
- Weight College and Career Readiness Metrics and Postsecondary Outcomes substantially in accountability and funding incentive models. States should give greater weight to long-term student outcomes than high school graduation in accountability and funding incentive models. These metrics should make up a substantial proportion (i.e., 20 percent or more) of the calculation(s).



Drive Fairness, Equity, and Action

- **Determine ratings based partly on improvement and set targets that account for incoming student characteristics.** Wherever possible, systems should encourage both current performance and improvement over time. Quantitative performance targets should take into account the incoming characteristics of students served.
- **Incorporate features that promote equity into all metric-based systems.** States should disaggregate data across student characteristics and include explicit equity provisions in public reporting, accountability, and funding incentive systems. These provisions can include technical aspects of metric definition and additional weight for priority groups when determining ratings or funding.
- **Incentive funding should leverage new money in the K-12 system.** New incentive systems should be linked, wherever possible, to significant “new” money and should focus primarily on students’ long-term outcomes.

Improve Systems Over Time

- **Acknowledge and address data limitations.** States should acknowledge and account for data collection limitations in the technical design of their measurement and incentive systems, but data limitations should not preclude the inclusion of important metrics. States should also invest in systems that enable them to collect more and more accurate data over time, especially data related to Postsecondary Outcomes (including workforce outcomes).
- **Enable and expect measurement systems to evolve.** Metrics and measurement policies and systems should have a chance to evolve and improve over time; states should include structured and scheduled opportunities for refinement, with an eye toward including student outcomes beyond high school graduation in greater proportions over time.

HIGHER EDUCATION

In higher education, we drilled down on two specific types of postsecondary outcomes: 1) **College Success Outcomes**, which track students’ progress and attainment in postsecondary education, and 2) **Workforce Outcomes**, which measure students’ economic success after leaving postsecondary education.

We see **significant efforts to publicly report on College Success and Workforce Outcomes, but fewer efforts to incorporate Workforce outcomes in funding incentives.** Further, most states’ funding incentives account for a relatively small percentage of overall funding. **There are nascent, and growing, efforts to report on postsecondary education value by institution.** Many more states should prioritize that measurement, so that families and policymakers can better understand and differentiate the returns on investment.

	College Success Outcomes	Workforce Outcomes
Public Reporting	46 states + D.C.  Kentucky has a dashboard that links college majors to the most in-demand jobs in the state and reports graduation rates, loan default rates, and typical salaries for graduates of each college. To address gaps in employment data for college graduates who leave the state, Kentucky, Indiana, Ohio, and Tennessee have teamed up to create the Multi-State Postsecondary Report Dashboard on workforce outcomes for postsecondary completers.	35 states
Funding Incentives	29 states  Florida incorporates two workforce outcomes (percent of graduates earning a specified wage; median wage) into its outcomes-based funding formula for public four-year universities. California incorporates percent of graduates earning a living wage into its outcomes-based funding formula for community colleges.	6 states

To achieve improved long-term outcomes for learners and promote excellence with equity, next generation measurement and incentive systems in postsecondary education need to:

### Make Long-Term Success Metrics a Priority in Higher Education

- **Measure and publicly report on postsecondary education value.** There are many approaches to measuring the economic “value” of postsecondary education, and every state should adopt an approach aligned to its goals and available data. Measures of value should include economic mobility or whether students are able to “move up” the economic ladder. In addition to economic value, states should also consider other measures of postsecondary value for the student and the community. Results should be publicly reported at the state level, by institutional type, and by institution.
- **Incorporate College Success Outcomes and Workforce Outcomes into public reporting.** Every state should incorporate both College Success Outcomes and Workforce Outcomes into public reporting for each public institution of higher education.
- **Weight College Success Outcomes associated with high-wage, high-growth, and/or high-demand industries more heavily.** In formulas used to determine performance-based funding for public institutions of higher education, College Success Outcomes (e.g., degrees) associated with high-wage, high-growth, and/or high-demand industries should be weighted more heavily than those that are not.

### Drive Fairness, Equity, and Action

- **Align and appropriately differentiate accountability and performance metrics across different types of public postsecondary institutions.** Performance-based funding formulas for all types of public colleges (e.g., community colleges, regional universities, and flagship universities) should reflect a common set of core metrics including degree attainment and Workforce Outcomes. Beyond this common set, each type should have performance metrics tailored to institutional mission — for instance, community colleges might have a metric based on successful transfer to four-year colleges, while flagship universities might have a metric based on research produced.

- **Determine ratings based partly on improvement and set targets that account for incoming student characteristics.** Wherever possible, systems should encourage both current performance and improvement over time. Quantitative performance targets should take into account the incoming characteristics of students served.
- **Incorporate features that promote equity into all metric-based systems.** States should disaggregate data across student characteristics and include explicit equity provisions in public reporting, accountability, and funding incentive systems. These provisions can include technical aspects of metric definition and additional weight for priority groups when determining ratings or funding.
- **Link funding incentives to overall funding levels, and make funding incentives a significant share of overall funding.** New incentive systems should be linked, wherever possible, to significant “new” money. Where states employ funding incentives based on outcomes, they should make up a substantial proportion (i.e., 10 percent or more) of overall funding.

### Improve Systems Over Time

- **Acknowledge and address data limitations.** States should acknowledge and account for data collection limitations in the technical design of their measurement and incentive systems, but data limitations should not preclude the inclusion of important metrics. States should also invest in systems that enable them to collect more and more accurate data over time, especially data related to Workforce Outcomes.
- **Enable and expect measurement systems to evolve.** Metrics and measurement policies and systems should have a chance to evolve and improve over time; states should include structured and scheduled opportunities for technical refinement.

The road ahead may be difficult, but the destination of postsecondary success for all is known, worthwhile, and attainable. Through innovation and investment in reporting, accountability, and incentive funding, states can revitalize the country’s educational engine and drive America toward a prosperous future in which opportunity is universal and economic mobility remains the rule, rather than the exception. Measurement must drive mobility.