

Measuring Socioeconomic Mobility & ROI

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Making Meaning of Economic Mobility and ROI

Structural barriers block pathways from low wage to living wage work

Plentiful
low wage
jobs
requiring
little
education



Plentiful
living wage
jobs
requiring a
bachelor's
degree

What to Measure

Challenges

- **Mental Models:** People believe they can make a reasonable wage without a college degree because they don't understand what has happened to job opportunities
- **Available Data:** Most states use the unemployment insurance wage file, which is a blunt instrument for understanding returns to education, and few have linked data systems necessary to do more nuanced analyses at the program level
- **Timing:** Economic mobility may take years (or generations), so information is based on how and what we were teaching in the past

Cautions

- **Living wage vs economic mobility:** For many low-income people, getting to a job with stability is a measure of mobility, but we don't have readily-available information to measure this outcome
- **Setting targets drives short-term thinking:** Because of timing issues, programs that have short-term gains may be prioritized (examples: liberal arts versus STEM, certificates versus degrees)

Who to Measure

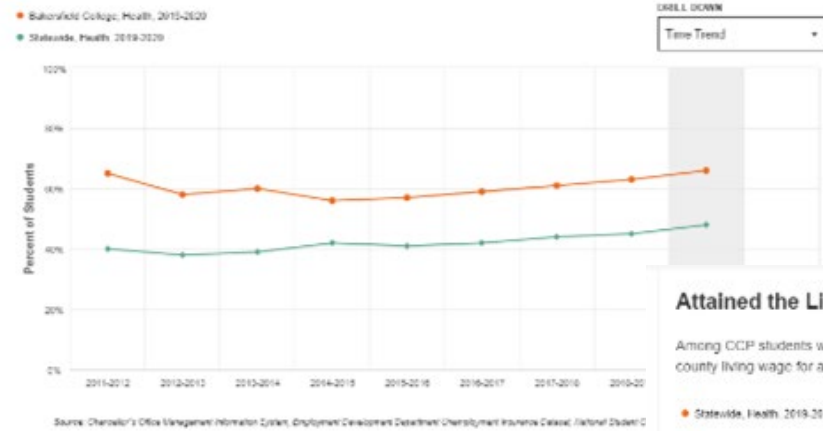
Different constituencies need information presented in different ways:

- **People** who are making choices about their pathways need to be able to compare options in the context of scheduling and cost
- **Institutions** seeking to improve need to see information at the program level (and often want to see it at the individual level)
- **Policy makers** are looking for time trends and comparisons

How to Measure

Attained the Living Wage*

Among CCP students who exited college and did not transfer to any postsecondary institution, the proportion who attained the district county living wage for a single adult measured immediately following academic year of exit



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The California Community College system uses enrollment, completion, and earnings data to calculate performance funding that includes metrics on living wage attainment and to provide information to practitioners and the public.

See these charts at www.calpassplus.org/LaunchBoard/Community-College-Pipeline.aspx

How to Measure

Opportunities

- **Go beyond measurement:** Pick a methodology, any methodology, and invest in helping people make sense of the information, including clarifying the economic context and engaging in evidence-based discussions of hiring requirements. There is value in picking a measure that many people are referencing already (such as the new Gainful Employment and Financial Transparency measures), to avoid disputes over methodology.
- **Take the issue of debt head on:** Debt is an enormous factor in available income, and shapes whether students attain economic mobility. By addressing the total cost of attendance, particularly for people who are responsible for others, you will have more levers to address wealth disparities.
- **Document the impact of ongoing training:** By looking at economic outcomes like wage gains based on coursetaking, rather than completion, institutions can begin to understand how they are supporting the shift to skills-based training (find out about skills builder research here: <https://economic-mobility.wested.org/project/skills-builders/>)