

*STEPPING UP TO ROI
IN ADULT EDUCATION*

A Survey of State Activity

by
**James Parker
and
Gail Spangenberg**

September 30, 2013



Council for Advancement of Adult Literacy

**1221 Avenue of the Americas - 44th Floor
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REVIEWERS' COMMENTS

KRISTIN DECKARD, Executive Director, Ready Indiana, Indiana Chamber of Commerce — *“Well done is better than well said.” One of my favorite quotes from Benjamin Franklin captures the importance of turning words into actions...ideally, actions that have meaning not just for ourselves but for others. In **Stepping Up to ROI**, CAAL provides a terrific overview of states’ efforts to document the return on adult education investments. Indeed, in the spirit of ROI itself, CAAL has come full circle in its research by asking straightforward questions about whether states have quantifiable data tied to their ROI indicators and if not, why not. Perhaps the greatest value of this piece is its honesty in pointing out the real challenges states face, especially in the areas of data collection, data sharing, and communication between programs. ROI isn’t just an afterthought. Increasingly, funding for new initiatives will require proof of past results. We must begin with the end in mind.*

MARK MUSICK, James Quillen Chair of Excellence in Teaching and Learning, East Tennessee State University; President Emeritus, Southern Regional Education Board — *CAAL knows what Americans have known for 255 years: Proof is good! Benjamin Franklin knew it, too, when he said clearly in 1758, in The Way to Wealth, that “an investment in knowledge pays the best interest.” In **Stepping Up to ROI**, CAAL says that hard evidence proving the value of adult education is critical for better results and greater support. Whatever Congress approves for Workforce Investment will undoubtedly have more ROI measures, and, yes, there are several on which Democrats and Republicans agree, and on which states are already taking action. **Stepping Up to ROI** will get you quickly up to speed on how ROI can get better results and make a stronger case for adult education funding for your programs, your state, and the nation.*

DAVID J. ROSEN, President, Newsome Associates — *Return on Investment (ROI) is not the only worthwhile adult education outcome, but from many perspectives it is extremely important. CAAL's **Stepping Up to ROI** shows that many states are now acting to measure ROI, and to good advantage. For example, Arkansas has found that its 2012 WAGE program graduates realized a 17% increase in salary, a good return on a learner or worker's investment, as well as on the investment of employers, the state, and Arkansas’ taxpayers. This new CAAL report provides many interesting insights into what is happening with ROI in adult education and workforce development in the states, but one of its most important contributions may be its simple recommendation to federal policymakers: “NRS will be more relevant when it reflects ROI.”*

EUGENE SOFER, Principal, Susquehanna Group — *CAAL's report on ROI is based on the insight that it is no longer enough to do things well and report success by anecdote. In this increasingly competitive climate, policymakers demand more than heartwarming stories. **Stepping Up to ROI** lays the groundwork for increased investment in Adult Education. Ideally, this report will motivate adult educators to devote more time, attention, and resources to calculating their ROI and presenting that information to our lawmakers. Given the challenges we face, this report comes not a moment too soon.*

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STEPPING UP TO ROI IN ADULT EDUCATION

A Survey of State Activity

PART A: CONTEXT & OVERVIEW

1. INTRODUCTION

Over the past decade, the Council for Advancement of Adult Literacy (CAAL) has conducted several research projects on adult education in the workplace and workforce. Many of our publications (available at www.caalusa.org) speak to the need for better, more convincing proof that adult education programs not only meet the needs of adult learners but also of other customers of the system: public funding agencies, employers, social agencies, and taxpayers. These papers, and the final report of our National Commission on Adult Literacy, stress that Return-on-Investment (ROI) must be a vital part of program planning and evaluation. Indeed, as CAAL interacts with federal and state legislative leaders, we are asked more and more for ROI evidence.

In addition to CAAL's work, a wide range of other research on ROI in adult education has been carried out in recent years (see Appendix IV, p. 34). And to further enrich the mix, WIA reform legislation pending in Congress (see section 2 below) will call for a variety of new ROI measurements.

Survey Approach & Purpose: The scope and content of CAAL's survey of state ROI activity, carried out between January and June 2013, is based on a review of much of the literature in Appendix IV, with special attention to our own work and that of the U.S. Department of Education's Office of Vocational and Adult Education (OVAE). The survey was designed for traditional adult basic education (ABE) state directors or their designates. They were encouraged to consult with state workforce officials and others wherever there was cooperative planning (and it should be noted that in several states adult education operates under the governance of workforce development entities).

Because this was an unfunded project and our resources were limited, we (see Appendix I, p. 28, for author bios) set a modest aim: to take ROI a half-step further by gathering information about the state of the art and stimulating thinking and future action. We asked the states about their current or attempted ROI activities—what they are doing, how, why, and with what provable results (see Appendix V, p. 53). A total of 49 states¹ and the District of Columbia completed and returned useable information (Appendix II, p. 29, provides a listing of participants).

We planned to build on the survey with a subsequent invitational roundtable that would probe the topic more deeply, and recent grants from the Annie Casey and Mott Foundations will make

¹ Notes: South Dakota was unable to participate due to timing considerations. For purposes of this report, as an administrative convenience the District of Columbia is treated as a state.

that possible. As a result of that meeting (to be held in November) we will have further input from national and state leaders and a second ROI policy paper including additional analyses and recommendations in early 2014.

2. THE IMPACT OF WIA ON ROI MEASUREMENT

Before 1998, federal adult education legislation emphasized the measurement of program performance by documenting “Indicators of Program Quality.” Title II of the Workforce Investment Act (WIA) of 1998 changed the way adult education programs measured outcomes by emphasizing the progress and outcomes of instruction and services.

WIA reauthorization and reform initiatives introduced in Congress in 2013 would change indicators of performance even more with increased emphasis on employment-related measures. Table 1 shows that the performance indicators in the 2013 WIA reauthorization bills contain or are likely to contain many more ROI-related measures than current WIA adult education legislation. It should be noted that the National Reporting System, which prescribes measures for documenting performance, limits states’ ability to measure and report ROI in important ways. NRS does not require explicit state reporting on such indicators as entrance into or completion of non-postsecondary training, and progress in or completion of college. It also does not recognize outcomes obtained in less than 12 hours of instruction.

Table 1: Comparison of ROI-Related Measures in 2013 WIA Legislation:

Measures	Senate WIA S.1356	Senate AEEGA S.1400	House SKILLS Act HR.803	House WIA HR.798	WIA Title II 1998 – Existing
Service to Employers	X			X	
Digital Literacy		X			
HS Diploma	X	X	X	X	X
Workforce Readiness Certification		X		X	
Postsecondary Credential	X	All Credentials	X	Credential/P-S Completion	
Industry-Recognized Credential		X	X		
Training	X	X	X	X	Only P-S training
Employment	X	X	X	X	Attain & Retain
Earning Gain	X	X	X	X	

The Senate Committee on Health, Education, Labor, and Pensions (HELP) distributed a bipartisan discussion draft of its Workforce Investment Act reauthorization bill (S.1356). The Adult Education and Family Literacy Act of that bill contains Indicators of Performance that require data on the use of several ROI measures:

- Percentage of participants employed after exit from the program
- Median earnings of these participants
- Attainment of a recognized postsecondary credential or a secondary school diploma by participants
- Percentage of participants who enter an education or training program that leads to a postsecondary certificate
- Indicators of effectiveness in serving employers

The Adult Education and Economic Growth Act (S.1400) was reintroduced in the Senate in June 2013. It provides a framework for further strengthening S.1356 and contains these ROI-related measures:

- Obtain high school diploma or equivalent
- Placement in postsecondary education, including registered apprenticeships or other skill training programs
- Attainment of work readiness, workplace skills, and industry-recognized certificates
- An individual participant employment performance indicator (based on entry into employment, retention, and earnings)
- Digital literacy skills indicator (developed by state)

The House Democrats' Workforce Investment Act of 2013 (HR.798) contains a Performance Accountability System emphasizing these measures:

- Participants who obtain unsubsidized employment
- Median earnings – compared to their earning prior to training
- Participants who obtain postsecondary credential, registered apprenticeship, on-the-job training, or secondary school diploma
- Indicators of effectiveness in serving employers – developed by Secretaries of Labor and Education
- Obtain high school diploma or equivalent
- Obtain workforce readiness credential or other postsecondary credential
- Placement in, retention in, or completion of a postsecondary education or training program

House Republicans introduced The SKILLS Act (HR.803). It requires measurement of:

- Participants who obtain unsubsidized employment
- Median earnings – compared to their earnings prior to training
- Obtain a postsecondary credential, registered apprenticeship, credential, or high school diploma (or equivalent)
- Participants who obtain unsubsidized employment in a field related to their training

In comparison, in the existing WIA of 1998, Title II for Adult Education describes the purpose of its Performance Accountability System as *“a comprehensive system to assess the effectiveness of agencies in achieving continuous improvement of adult education in order to optimize the return on investment of Federal funds.”* Clearly, WIA has long intended to break new ground in accountability and program improvement by introducing ROI-relevant outcomes.

3. WHAT IS RETURN-ON-INVESTMENT (ROI)?

Definitions of Return on Investment vary greatly. All are appropriate in some context. It depends on the entity using them, requirements of funding accountability, and the type and purpose of programs.

For example, one authority, Finance Formulas, offers this definition:

$$ROI = \frac{Earnings - Initial Investment}{Initial Investment}$$

This “rate of return” formula measures the percentage return on a particular financial investment. Here ROI is used to measure profitability for a given amount of time.²

The International Society for Performance Improvement (ISPI) says the purpose of the ROI calculation is to compare the costs of an intervention with the value of its results, to determine if the result was worth the cost. This purpose, rather than any specific formula or magic set of factors, drives the determination of ROI.³

A recent McGraw-Hill Research Foundation paper on the value of adult education⁴ stated: *“It is important to keep in mind—especially during tough economic times—that a preemptive focus on adult education actually saves government money by reducing societal healthcare, public assistance, and incarceration costs. Adult education also improves and expands the nation’s available pool of human capital by helping motivated but undereducated people achieve gainful employment in today’s increasingly high-tech and global job market, and at a far lower cost per learner when compared to either K-12 or higher education. As a result, adult education and career training is potentially one of the most cost-effective tools the nation has to recover its economic health in the aftermath of the “Great Recession.”*

In a 2009 report titled *“Help Wanted: Return on Investment,”* the Philadelphia Workforce Investment Board looked at ROI in terms of data on the impact of job related basic skills instruction.⁵ Translated to the Pennsylvania state level, it showed that a worker with a high school diploma or GED enriches that state by \$6,067 annually through taxes in addition to transfer payments and other benefits equaling \$683. So, says that study, the benefit to Pennsylvania of moving someone up educationally to a GED or diploma is a \$6,750 gain each year.

² http://www.financeformulas.net/Return_on_Investment.html

³ <http://www.ispi.org/archives/resources/ROICalculationsSilber.pdf>

⁴ *The Return on Investment (ROI) from Adult Education and Training: Measuring the Economic Impact of a Better Educated and Trained U.S. Workforce* (<http://www.mcgraw-hillresearchfoundation.org/wp-content/uploads/the-return-on-investment-from-adult-education-and-training.pdf>)

⁵ http://www.issuelab.org/resource/help_wanted_return_on_investment

In contrast to the above, CAAL urged the survey participants to consider their work in terms of the evidence they gather, whatever the form it is in or whatever the nature or purpose of their approach, to demonstrate success or achievement in meeting certain specified outcomes and program goals. We asked them to focus specifically on workforce adult education outcomes/benefits of importance to employers and employees, rather than on ABE/ESL and GED programs in general. We then identified several factors on which to frame our questions and report responses, such as state governance, comprehensiveness of planning, and state support for college- and work-readiness certification systems.

PART B: MAIN SURVEY FINDINGS

1. RELATIONSHIP BETWEEN THREE SPECIAL INITIATIVES AND ROI DOCUMENTATION

CAAL asked the participants to specify whether their state took part in one or more of three special initiatives that, due to the goals of those efforts, might be expected to have an identifiable effect on ROI documentation. The three initiatives were *Shifting Gears* (Joyce Foundation, 2007-2012), *Accelerating Opportunity* (Jobs for the Future, 2011-2014), and *Policy to Performance* (OVAE, 2009-2012). A brief description of each program follows:

Shifting Gears aimed to bolster services for low-skilled adults in six Midwest states (IL, IN, MI, MN, OH, and WI). Its primary goals were to help the states expand skills services for working-age adults, encourage collaboration among and within the states, and foster the development of pathways for easier movement of students toward community and technical college and verifiable marketable skills. According to reports at the Joyce website,⁶ four of the states adopted innovative strategies and changed policies toward the desired goals. About 4,000 low-skilled adults have enrolled in new programs across these four states, and this number is expected to increase considerably in the next few years as the states' innovative strategies are implemented more broadly. The project had a strong interest in encouraging states to collect and share data as a way to track student outcomes over time and evaluate program performance, activities clearly part of a program to demonstrate ROI.

Accelerating Opportunity aims to promote among the states innovative adult education that drives economic recovery by greatly increasing the number of adults who earn the credentials valued by the labor market and the skills they need to get and succeed in family-sustaining jobs. Six states (GA, IL, KS, KY, LA, and NC) received \$1.6 million in implementation grants. Their aim is to change the way Adult Basic Education is structured and delivered at state and institutional levels. *Accelerating Opportunity* builds on strategies developed through two other groundbreaking initiatives: *Breaking Through* (an initiative of Jobs for the Future and the National Council for Workforce Education) and Washington State's "Integrating Basic Education and Skills Training" (commonly known as I-BEST).

Policy to Performance was designed by OVAE to advance state systems and policy development to facilitate adults' transition from adult basic education (ABE) to postsecondary education, training, and employment. Eight states (AL, CA, LA, MA, NY, TX, VA, and WI) received technical assistance. It included strategies and tools for state ABE staff to use with their interagency partners to align services and policies and generate coherency in the states' ABE transition approaches. With the lessons learned, OVAE hoped to help all of the states strengthen their transition efforts.

⁶ <http://www.joycefdn.org/shifting-gears/reports/>

FINDINGS:

Nineteen states said they were involved in at least one special initiative. Thirty-one said they did not participate in any of the three initiatives. Of those involved, three took part in two initiatives (IL, LA, and WA), and one took part in all three (WI). *Accelerating Opportunity* accounted for 10 of the 19, and *Shifting Gears* and *Policy to Performance* had seven each.

CAAL wanted to know to what extent participation in these major initiatives enhanced the prospect of ROI documentation, and if so, with what results. Responses from the 19 states were surprising considering the intensity, goals, and expense of the special initiatives. Only two, Wisconsin and Virginia, indicated that they found participation in the special initiatives helpful in determining ROI. All of the others said “no.”⁷ This does not necessarily mean there is no connection, but most of the survey respondents did not think so.

Virginia. Virginia stated that participation in the *Policy to Performance* program was “invaluable” for the development of their Bridge to Career Pathways program—PluggedIn VA (PIVA)⁸. However, at its closure, they realized they still have considerable work to do to evaluate efforts and successes of the local programs implementing PIVA. (Note: Their *Policy to Performance* participation did not include other workplace programs carried out at the local level.)

Virginia developed an evaluation plan and identified the quantifiable outcomes to be collected from each local PIVA program. They continue to work on carrying out the evaluation plan although data is collected quarterly on complete PIVA cohorts.

They have shared reports of program outcomes with other interests throughout the state and at conferences nationally, but no reports are publicly available. For FY2012-2013, Virginia received funding from the Governor’s Executive Budget to award PIVA grants to local adult education programs. They are collecting and will publish end-of-year data.

Wisconsin. Wisconsin was the only state participating in all three special initiatives. They cite the development of their robust data system, *Client Reporting*,⁹ to be the major outcome of that involvement. They use *Client Reporting* as a tool to create federal, state, and ad hoc reports. The system develops an extensive demographic record and reports on several ROI-related indicators, such as participant education goals, course completion status, recognized credits, employment outcomes, training outcomes, and technical skill attainment.

⁷ North Carolina and Kansas say that they plan to collect quantifiable data in the future as a result of participating in *Accelerating Opportunity*.

⁸ <http://www.pluggedinva.com>

⁹ <http://systematic.wtcsystem.edu/mis/datasys/client/client-ism-user.htm>

2. OUTCOMES OF STATE WORKFORCE ADULT EDUCATION PROGRAMS

CAAL asked the survey participants to check any of the following 20 benefit/outcomes that apply to their state’s workplace/workforce education programs. Our *Workplace Education: Twenty State Perspectives* and OVAE’s *Turning Skills into Profit*,¹⁰ among other sources, document measureable outcomes that employers, employees, and state adult education directors have identified as valuable benefits of workforce programs. This exercise revealed that some benefits were applicable in the majority of states but that there is a wide variation in both number and type. Arkansas checked 19 of the 20 items, Washington State checked 17. But several states identified only a few. Very few selected none. Table 2 lists and ranks state responses for each benefit:

Table 2: Benefits/Outcomes Identified by State ABE Participants

BENEFITS/OUTCOMES	NUMBER STATES
Acquiring a GED certificate	34
Ability to understand, learn, and apply new information	30
Continuation from workplace program to postsecondary education	25
Eligibility for career ladder opportunities	24
Eligibility for advanced training	21
Increased ability to implement new technology on the job	21
Increased earnings *	21
Improved work quality	20
Increased employee retention	19
Increased wages *	19
Job upgrades	15
Increased output of productivity or services	12
Enhanced promotability	10
Improved team performance	9
Improved health and safety record	9
Positive attitude changes - willing to embrace change	9
Increased customer retention	7
Reduced rate of errors	7
Decreased absenteeism	5
Reduced time per task	5
* There is likely overlap in these two outcomes	

¹⁰ These two publications are available respectively from www.caalusa.org/content/parkerpolicybrief.pdf and http://www.conferenceboard.ca/Libraries/EDUC_PUBLIC/Skills_Profits.sflb.

This table indicates that ROI thinking and activity is a very mixed record. But at the same time, it appears from comments made by respondents that many states have or are taking important first steps to identify the type and value of the benefits/outcomes currently recognized as important to employers, workers, and the public. Moreover, many of the respondents said it would be possible for them to directly calculate ROI for many of these benefits if only they had the resources—for such items as increased earnings and wages, improved output and health/safety records, and reduced rate of errors and time per task. Only a handful of states are able to do so at this stage.

Some caution is needed in interpreting these findings. One reason is that three of the most identified benefits are also required by the National Reporting System (continuation to postsecondary education enrollment, increased employee retention, and acquiring a GED certificate) and they may reflect traditional adult education services rather than workforce/workplace programs. Moreover, because several states are not substantially engaged in statewide workforce/workplace education services, even though they checked these benefits it is unlikely that their numbers reflect only workforce education results. Still, it is clear that state thinking about ROI matters and the need for adult education to provide services that are work- and college-oriented has spread across the country.

A recent report by the Center for Law and Social Policy (CLASP) reinforces this conclusion. It stresses the importance of data gathering to fulfill the accountability requirements of publicly-funded programs: *“Nationally there is a growing emphasis at both the state and federal levels on accountability for public dollars spent on education and workforce programs. One result is that some states are using data to drive change in Adult Education. To effectively use data as an accountability tool, states are bringing the data systems of the many relevant programs together including K-12, Adult Education, postsecondary public institutions, and workforce programs.”*¹¹

CAAL asked the states if they are able to quantify any of the benefits included on our checklist. Thirty-one responded in the affirmative for at least some indicators. Among these were:

- Data matching to determine wage gains and employment
- Data match of all wages, on a quarterly basis
- MOA with state labor department to identify employment outcomes
- Reduced training cost
- Eligibility for advanced training and career ladder opportunities
- Digital literacy certificates
- Using the labor case management system each quarter to determine job outcomes
- Initial wages and wage gains for Pathways certificate holders
- Increased productivity output

¹¹ <http://www.learningworksca.org/wp-content/uploads/2012/02/A-Golden-Opportunity-Strategies-to-Focus-Adult-Education-on-College-and-Career.pdf>

However, CAAL was surprised to see that the 20 states found to be in leadership roles in workplace education programming in 2007¹² are no more likely to quantify benefits than other states. However, this phenomenon may be partially explained by the fact that the adult education role in workforce education may have been diminished in some states by new governance and policy changes.

3. COLLEGE OR WORK-READINESS CERTIFICATE PROGRAMS IN RELATION TO ROI

In a 2011 CAAL survey of certificates supported by adult education programs,¹³ half of the states said they had initiated work-ready or other workforce certification programs—some on an independent basis, and some in partnership with workforce development groups. *Our ROI survey asked the participants if their states have a workforce certification program now, and if so, whether ROI activities have been linked to it in some way.*

Certification is definitely on the radar for many state adult education programs today! Two-thirds of respondents indicated that their state either has a statewide certification program, is currently piloting one, is evaluating the possibility of establishing one, or has local programs that certify college- or work-readiness.

Considering the high national interest in and support for certificate programs, CAAL speculated that establishing such programs would be in step with calculation of ROI at both local and state levels. Apparently, this is not the case. The survey responses indicate that only a handful of states have identified *any kind* of ROI data tied to certificate attainment. One of those states is Arkansas, which responded as follows:

“In Arkansas, employers give preference in their hiring practices if a candidate has a WAGE¹⁴ certificate. Also, ROI statistics have shown that a person earning a WAGE Certificate in Arkansas will increase their earning power. The average increase in wages for certificate holders who were employed before earning a WAGE certificate compared to after earning a certificate increased by 17.8% according to data obtained from the Arkansas Research Center in 2012. The average yearly salary before earning a WAGE certificate was \$17,946.40 compared to \$22,075.12 (+22%) after earning the certificate.”

¹² See *Workplace Education: Twenty State Perspectives*, prepared for the National Commission on Adult Literacy, 2007, <http://www.caalusa.org/content/parkerpolicybrief.pdf>. (The states were AR, CA, CT, FL, GA, IN, KY, LA, MA, MN, MS, NY, NC, OH, PA, SC, TX, VA, WV, and WI.)

¹³ *Certifying Adult Education Students: A Survey of State Directors of Adult Education on Certificate Programs in Use*, by Garrett Murphy, Council for Advancement of Adult Literacy, April 2011, 16 pp. Available at www.caalusa.org/StudentCert.pdf.

¹⁴ WAGE = Workforce Alliance for Growth in the Economy

4. FORM OF ABE GOVERNANCE IN RELATION TO ROI

We were curious about whether the extent and kind of ROI activity the states are engaged in differs by governance structure. *We asked whether their state ABE program is administered by the K-12 school system, a state department of education, the community college system, a higher education system, or a state workforce development agency.*

As Table 3 shows, half of the respondents indicated that their ABE programs are under the governance of a Department of Education or K-12 entity. The other half are governed variously by the state community college system, the higher education system, or a workforce development entity.

Table 3: Form of Governance

Governance Entity	Number of States
K-12	14
State Department of Education	11
Community College System	10
Higher Education System	6
State Workforce Development Entity	9

Comments and explanatory notes from the respondents suggest two other findings that CAAL had not anticipated. For one thing, the states are in flux where governance is concerned (with a number of near-term shifts expected to community college and workforce governance¹⁵). For another, the five governance designations CAAL used are far from fixed. For example, K-12 and State Department of Education are often the same thing. And community colleges and higher education are often lumped together under a broad “postsecondary education” rubric. Moreover, it is very likely that community colleges have a stronger presence in many states than the responses suggest.¹⁶

We also asked whether the participating states have quantifiable data, looking for possible variations by form of governance. In the 25 states governed by K-12/Department of Education, only 6 responded that they collect some quantifiable ROI data. Of the 16 indicating governance by community colleges (10) and higher education (6), only 4 answered in the affirmative. Under workforce governance (9), more than half (5) said they have quantifiable data. *There does not appear to be a significant link between form of governance and ROI activity.* But obviously, it would take deeper research to draw any solid conclusions about causative effects.

¹⁵ For example, Texas, whose governance is reflected above as K-12, recently shifted governance over to the Texas Workforce Commission, a move it was considering at the time of the survey.

¹⁶ CAAL has done considerable research on the role of community colleges in adult education. See its numerous publications on the topic at www.caalusa.org/publications.html. At the time of some of our research 13 states had community college governance of ABE.

5. COMPREHENSIVE STATEWIDE PLANNING

We wanted to get a sense of the extent to which Adult Education is part of a comprehensive statewide planning body, something strongly urged by the National Commission on Adult Literacy and by all iterations of the Workforce Investment Act. *We asked specifically if the state ABE program is part of a statewide group* involving businesses, colleges, one-stops, libraries, correctional institutions, family literacy, and other key stakeholder groups in the state.

About two-thirds of the respondents (29 states) answered “yes” to this question. In these 29 states, the planning groups operate under a wide range of different names, most including the words “workforce, workforce investment, WIB, competitiveness, employment and training, and workforce innovation.” **This is compelling evidence that national messages about the need for collaboration and comprehensive planning are being heard and heeded and that attention is being given to more collaboration between adult education and workforce/workplace planners.** The work of OVAE, the Department of Labor, many national workforce and adult education leadership groups, enlightened funding agencies, the National Commission on Adult Literacy, and committed officials in Congress is beginning to pay off. We have moved well past the starting gate.

We wondered if there is any *relationship between the form of governance and whether adult education is involved in a comprehensive statewide planning group*. **Our analysis suggests that this may be the case!** We assumed that most state agencies devoted to adult education and workforce skills development, regardless of their governance, would likely be engaged in comprehensive planning. All but one (89%) of the nine states governed by workforce development entities and labor departments that administer WIA Title II programs said they conduct comprehensive planning. Only seven (about 44%) of the 16 postsecondary respondents answered affirmatively, as did slightly more than half (52%) of the 25 K-12/Education Department group (including the 3 largest states, California, Florida, and Texas).

We also wondered if there is any *relationship between involvement in comprehensive statewide planning and whether or not a state collects ROI data*. **There appears to be only a modest connection!** Of the 29 states involved in statewide planning, only 9 (32%) currently collect ROI-related data. Perhaps the ratio of planning-to-ROI measurement will improve when WIA requires greater attention to comprehensive and coordinated planning by all states.

Finally, we were curious about whether *the form of governance or participation in comprehensive statewide planning has any relationship to use of/support for college- or work-readiness certification programs*. Again, **overall there appears to be only a modest connection at the present time.**

In terms of governance, of the 25 states where adult education is governed by K-12/Department of Education, only 7 (28%) responded in the affirmative. Nine of the 16 states under postsecondary education (56%) indicated a connection. And 4 of the 9 states governed by a workforce entity (44%) said there is a connection. But the nature of some of the responses indicated that the connection may be growing stronger. For example, Hawaii, Delaware, and

Arizona (K-12/Education) are considering certification programs in the near future. Louisiana (a postsecondary state) and New Jersey (a workforce state) are considering introducing statewide certification efforts in the next year or two.

In terms of comprehensive state planning, according to the respondents, only 10 of the 28 states currently involved (36%) operate workforce certification programs.

6. STATE PREPAREDNESS TO IMPLEMENT EXPANDED WIA ROI MEASURES

As discussed on page 2, before 1998 legislation for adult education promoted documenting Indicators of Program Quality to determine program performance. Title II of the 1998 Workforce Investment Act (WIA) changed that by giving emphasis to progress and outcomes of instruction and service. Any of the 2013 WIA reauthorization initiatives would change performance indicators even further by emphasizing a new range of employment-related measures. These include *technology literacy, service to employers, workforce readiness certificates, postsecondary credentials, college progress and completion, nonpostsecondary training, and new employment earning gains.*

CAAL asked the state ABE survey participants whether they currently measure any of these seven ROI indicators for adult education. If they said “no,” we asked what obstacles stand in the way of implementing, setting, or tracking the measures (we gave as an example, state data privacy laws). Twenty-six of the respondents said their state measures one or more of these indicators. Table 4 shows the number that selected each indicator or will soon.

Table 4: New WIA Indicators/# States (of 26) Measuring Each Indicator

Potential Requirement	# States Measuring (Now or Soon)
Technology/Digital Literacy	4
Workforce readiness certificates	11
Postsecondary credentials	10
College progress and completion	11
Nonpostsecondary training	7
New employment earning gains	8
Service to employers	1
Note: A few states measure these outcomes only for select programs, such as Career Pathways and I-BEST.	

Not surprisingly, **lack of cooperation between state agencies was the most frequently cited obstacle to measurement.** Privacy law issues, lack of transparency in longitudinal data systems, and the cost of the technology needed to collect and mine data were also cited. However, some states said that if these data were **required**, they would be able to measure these outcomes despite the obstacles.

7. NRS ROLE IN GENERATING BETTER ROI PRACTICE AND DATA

Few of the benefits of workforce programs used in CAAL’s survey are currently required for National Reporting System (NRS) purposes. CAAL finds this curious because Congress specifically states in WIA Title II that *“the purpose of [the NRS] is to establish a comprehensive performance accountability system... to assess the effectiveness of eligible agencies in achieving continuous improvement of adult education and literacy activities funded under this subtitle, in order to optimize the return on investment of Federal funds in adult education and literacy activities.”*

We asked the participants what steps they think the NRS might take to better facilitate ROI documentation of workforce-related benefits. Some 64% of them responded to this question. Collectively, they offered about two dozen unduplicated ideas for improving NRS’s attention to the measurement of ROI. (Note that only 3 of the respondents said they do not think the NRS needs improvement in order to strengthen ROI measures.)

Some of the more “doable” suggestions offered to improve the role of the NRS in advancing needed ROI activity are presented below. (All are listed in Appendix III, p. 33.) A couple of them are more broadly applicable to OVAE and the U.S. Department of Labor generally, and not necessarily NRS specific.

1. Support work to clarify what the term “workplace education” means so that more appropriate measures of success can be used.
2. Establish a panel of people who have benefited from the education of employees to help identify and update ROI-based outcomes.
3. Incentivize data matching between the state’s adult education and employment agencies.
4. Develop a standard ROI model that documents data gathered through the unemployment insurance system.
5. Develop national-level data matches, or agreements/regulations at a national level that would support data collection or encourage more complete data matches.
6. Provide states with the funding they need to build [technology-based] longitudinal data systems.
7. Include **measures** that address job performance, such as productivity, wage increases, and soft skills metrics—following training/education.

8. Measure completion of postsecondary education and obtained credentials.
9. Measure the number and outcomes of adults who enter postsecondary education through Bridge Programs.
10. Use employment and postsecondary information to tell a more complete story of adult education's contributions to the workforce.

PART C: A CLOSER LOOK AT ROI IN SIX STATES

INTRODUCTION

From the perspective of adult education officials, the responses to our survey indicate that most states are paying greater attention to program evaluation, outcomes, and impact in workforce/workplace adult education than they were just a few short years ago.

Two-fifths of the states have invested considerable time, effort, and expense as participants in special initiatives over the past few years. Many states can list outcomes of their workforce programs to increase worker skills and performance in the workplace, and some can provide quantifiable data about those outcomes. Most understand the limitations of the NRS, and feel that NRS performance data does not fully tell the story of their actual program accomplishments and range of services. Some are awaiting and hoping for new legislative requirements or guidelines to support ROI-type data systems and outcome measurements they would like to undertake. Most offer recognized certification programs, either directly or in partnership with others.

To give a deeper and more textured understanding of the present “state of the art,” six states are highlighted below. They were chosen solely to reflect geographical diversity, variation in governance, strong involvement in cooperative planning, an established track record, innovation, and deep understanding of the connections between adult education and workforce skills development.

The six states are Arkansas, Connecticut, Kentucky, New Jersey, Oregon, and Virginia. Four (AR, CT, KY, VA) were among the leadership states featured in CAAL’s 2007 *Twenty State Perspectives* report on workplace education.

1. ARKANSAS

Adult education in Arkansas is under the State Department of Career Education, a cabinet level Department. The Department’s focus is career education, trade and industrial education, rehabilitation services to physically and mentally challenged veterans, and adult basic skills education (BASE). Its adult education services are offered in a context shaped by the state’s goal for economic growth. The state was not a participant in any of the three special initiatives explained above.

Arkansas has a well-established track record with its WAGE program (Workforce Alliance for Growth in the Economy). The state ABE director listed all but one (decreased absenteeism) of the 20 benefits/outcomes listed in B.2 above. For one of those indicators, increased wages, he noted that “WAGE graduates realized a 17% increase in salary in 2012.” For another, positive changes in attitude that reflect willingness to embrace change, we were told that “Crosby SWAGE company invested \$500,000 in production lathe centers because of the improved literacy levels of employees.”

“How can we leave out any of those who are impacted by increasing literacy and earning WAGE Certificates? They all apply and are documented,” the respondent said. He explained that WAGE certification is awarded to students who have earned either (a) an Employability or Customer Service I Certificate, or (b) an Industrial, Clerical, Customer Service II, or Banking Certificate. The first group has to demonstrate identified competencies and achieve at least a 9th grade equivalency level in math, reading, and communications. The second group must earn a 12th grade 9th month level in reading, math, and communications and master identified competencies. Employers give preference in their hiring practices to candidates who have a WAGE certificate.

The state data-matches those students who earn a WAGE certificate to see if they gain in salary and are employed. They also data-match through the Departments of Higher Education and Workforce Services to see which students enter postsecondary education and identify those who are employed or remain employed.

Arkansas already measures three of the seven new WIA-proposed indicators listed above: service to employers, workforce readiness certificates, and new employment earning gains. The state also data-matches and works extensively with local advisory committees each chaired by a business representative.

Arkansas’s suggestions for improving NRS reflect its close interaction with business:

- Select a panel of employers whose business has benefited from supporting the education of employees and ask them about those benefits
- Survey employers from each state and compile the data for a national report
- Survey adult education program graduates who are employed and ask them if it helped them gain or advance in employment

2. CONNECTICUT

Connecticut’s ABE program is under the governance of the K-12 system. Comprehensive planning is conducted through the Connecticut Education and Training Commission.¹⁷ The state was not a participant in any of the three special initiatives discussed above.

The survey respondent indicated that they have data for the following eight ROI outcomes, ranked in order of importance to the state:

- Increased earnings
- Acquiring a GED certificate
- Improved quality of work
- Reduced time per task
- Ability to understand, learn, and apply new information
- Enhanced promotability

¹⁷ <http://www.ctdol.state.ct.us/OWC/CETC/CETC.htm>.

- Eligibility for advanced training
- Increased ability to implement new technologies on the job

To improve the quality of its ROI data, the state ABE program has a Memo of Understanding with the state Department of Labor to determine employment outcomes for students enrolled in adult education. The DOL matches specific student records with DOL wage records annually. In addition, ABE is required to submit Results-Based Accountability (RBA) reports and a legislative report card through the State Employment and Training Commission.

Connecticut used WIA incentive funds¹⁸ to pilot two I-BEST programs. It was reported that these programs led to improved English language skills, high school credential attainment, and improved job certification and placement.

3. KENTUCKY

Kentucky Adult Education (KYAE) is governed by the Council on Postsecondary Education, the coordinating body of the state’s institutions of postsecondary education. The Council coordinates change and improvement in adult and higher education as directed by the Kentucky Postsecondary Education Improvement Act of 1997.

KYAE also partners with the state’s WIA agencies, the Community and Technical College System, Department of Corrections, National Center for Family Literacy, University of Kentucky Collaborative Center for Literacy Development, Kentucky Educational Television, and Morehead State University Leadership Academy. This partnership *“enhances wraparound support services and educational training that provides a rich, meaningful experience for the educationally and economically disadvantaged.”*

Kentucky recently completed the first of a three-year *Accelerating Opportunity* project. In the future they intend to determine ROI from the standpoint of all the money invested, the adult students served, and the educational outcomes of those students, although they do not necessarily attribute this to participating in *Accelerating Opportunity* or any other single program.

However, all state agencies involved in the AO project are collecting specific data sets on student participation and educational achievement so some ROI may be captured for those indicators in the future. The Kentucky Community and Technical College System also has its students follow its requirements and enroll in its “People Soft” data collection system. This will gradually enable them to track the student through the adult education and college pipeline to employment.

Kentucky currently collects data on six outcomes of workforce education programs:

- Increased employee retention
- Ability to understand, learn, and apply new information
- Increased ability to implement new technologies on the job

¹⁸ “Incentive funds” are those funds earned by a state under WIA Section 503 when three programs (Title I, Title II, and Vocational Education) exceed their performance goals.

- Acquiring a GED certificate
- Increased earnings
- Improved quality of work

KYAE provides the National Career Readiness Certificate (NCRC), which is based on WorkKeys. Eligible students can take the WorkKeys assessment and at no cost receive a Silver, Gold, or Platinum NCRC certificate. Between 2011 and 2013, about 55,000 students achieved a certificate. The NCRC is also a feature of the Kentucky Workforce Investment Board’s Certified Work Ready Community Program.¹⁹

Kentucky’s P-20 Data Collaborative²⁰ and its longitudinal data system will be able to provide aggregate information for research purposes and match some of the indicators in the new WIA measures. The P-20 Data Collaborative will be creating an adult education feedback report.

4. NEW JERSEY

In New Jersey, the Department of Labor and Workforce Development governs ABE programs. The state ABE programs are represented on the state Workforce Investment Board via a literacy subcommittee. This subcommittee includes the Department of Education, service providers, and other key stakeholders. New Jersey has not participated in any of the three special initiatives.

New Jersey recently updated its state WIA plan to better capture the links between workforce/workplace education and adult education. This plan includes four core values: (a) driving investments based on industry skills needs, (b) reaching a larger pool of job-seekers through broad public-private partnerships and use of technology, (c) equipping the workforce for employment (specifically by focusing on basic skills, literacy, and workforce readiness as the critical foundation for the other three values), and (d) increasing system accountability.²¹

Further, as a matter of policy, all core elements will address ROI, and programs will “migrate to clear quantifiable metrics” as related to system accountability.

¹⁹ See http://votesmart.org/public-statement/660299/kentucky-among-first-states-invited-into-national-act-certified-work-ready-communities-academy#.UisQLOD8_F8

²⁰ Kentucky’s P20 Innovation Lab aligns statewide college and career readiness; tracks transition from high school to college, including academic success at post-secondary institutions; deals with career development issues for underrepresented high school students; and works to increase GED attainment and adult education and community college enrollment and retention. See <http://p20.education.uky.edu/labs/ccrlab/>.

²¹ See <http://www.njsetc.net/njsetc/planning/unified/documents/NJ%20Unified%20Workforce%20Investment%20Plan%202012-2017.pdf>

New Jersey currently collects data for the following seven workforce/workplace outcomes:

- Eligibility for advanced training
- Continuation from the workplace program to postsecondary education
- Ability to understand, learn, and apply new information
- Job upgrades
- Increased wages
- Decreased absenteeism
- Acquiring a GED certificate

These outcomes are incorporated into the state-funded workplace literacy programs or viewed by the state as a direct benefit. The survey respondent said that *“for GED certification and employment attainment New Jersey is uniquely positioned, with many of our ABE programs operating through the workforce system, to both fund and attain this data. Over the last several years, Labor staff has performed an annual data match searching GED test center outcomes for program participants as well as our Labor case management system for employment outcomes. In 2013 this will be conducted quarterly to make reporting outcomes faster.”*

Currently the state’s workplace literacy services and traditional ABE programs are being re-examined to be more metric-driven and less goal-oriented, aiming to achieve stronger outcomes in both areas and improve the bridging process. Although records of attainment for some WIA program outcomes are being collected now, New Jersey plans to begin “a longitudinal review of investment of services yielding outcomes” in the near future. Moreover, although the state does not now offer a workforce certification program, it was one of the states involved in development of the National Workforce Credential and plans to address this need in 2014.

Finally, in order to make the most of information collected in the state’s various data bases, the survey respondent stressed that the NRS should consider ways to improve accessibility to them, including those maintained by the Department of Labor.

5. OREGON

Oregon ABE is under the governance of the Department of Community Colleges and Workforce Development. The Oregon Workforce Investment Board is the overarching entity for comprehensive planning. The state is a participant in *Accelerating Opportunity*, but we were told that this has not necessarily helped them determine ROI for their programs.

According to our respondent, Oregon currently finds the following seven outcomes important to their workplace/workforce adult education services, but does not have quantifiable data on them:

- Eligibility for advanced training
- Eligibility for career ladder opportunities
- Continuation from the workplace program to postsecondary education
- Ability to understand, learn, and apply new information
- Increased wages

- Acquiring a GED certificate
- Increased earnings

The state's adult education programming includes workforce readiness certificates (NCRC and Career Pathways) and postsecondary credentials. It also emphasizes college progress and completion, non-postsecondary training, and new employment earning gains. However, *the one initiative for which Oregon has ROI data is Career Pathways*. A study of that initiative shows "positive quantifiable data on initial wages and wage gains for Pathways certificate holders" in comparison to the general population. Looking to the future, the Department of Community Colleges and Workforce Development, which has oversight of WIA Titles I and II and Career Pathways, recently opened a new division of Research and Communication. This should make it possible to carry out more research on program effectiveness and ROI.

Oregon had one suggestion on how the NRS can help: consider adding job performance indicators (wage increase, job performance, productivity, soft skills) following the program of training and education.

6. VIRGINIA

Virginia was one of the leadership states profiled in CAAL's policy report *Twenty State Perspectives*. Its ABE program is under the governance of the Virginia Department of Education. The state took part in OVAE's *Policy to Performance* initiative, and it was one of CAAL's 2007 leadership states.

The Office of Adult Education and Literacy engages in comprehensive state planning through membership on the state's Adult Education Advisory Committee. That Committee includes adult education providers, K-12 administrators, businesses, correctional education, and adult education professional organizations. Adult Education also serves on the Virginia Career Pathways Workgroup, with representation from the state's Departments/Offices of Education Secretariat, Education, Labor, Economic Development, and Social Services, as well as the Virginia Employment Commission, Community College System, and State Council of Higher Education.

Development of Virginia's Career Pathways program, PluggedIn VA (PIVA), is credited to its participation in *Policy to Performance*. According to our respondent, this participation "*was invaluable for the development of...PIVA. After [the OVAE program ended], however, we realized, that we still had considerable work to do to evaluate our efforts and the successes of local programs implementing PIVA.*" For FY2012-2013, Virginia received funding from the Governor's Executive Budget to enable PIVA grants to be made to local adult education programs. The state developed an evaluation plan, identified the quantifiable outcomes to be collected from each local PIVA program, and now reports on four kinds of data collected quarterly.

- Eligibility for advanced training
- Eligibility for career ladder opportunities

- Eligibility for and continuation from the Workplace Program to postsecondary education
- Acquiring a GED certificate

The state requires PIVA programs to implement career readiness and industry sector studies into the curriculum, and certificates are their outcomes. Thus, not surprisingly, the following quantifiable data is also available.

- Industry-recognized credentials/career studies certificates
- Career Readiness Certificates
- Digital Literacy Certificates
- Postsecondary credit earned

Data is collected twice a year on these four indicators as needed for stakeholder reports. However, local programs that include PIVA, while able to identify the number of completers who are *eligible* to continue their studies at the postsecondary level, have difficulty determining the *actual* postsecondary education enrollment after the PIVA curriculum strand ends. For graduates awarded a Digital Literacy Certificate, employment knowledge gained from the instruction is not measured.

As a final item in CAAL’s survey, we asked the respondents to tell us briefly of anything important to them about their ROI experience not covered by our questions. Very few respondees took advantage of the opportunity, but Virginia did. The respondent wrote: *“It is difficult to determine the return on investment for workplace and workforce initiatives carried out by adult education programs in the state for a number of reasons.”* A main reason given is that most workplace instruction is conducted by local programs using local funds rather than federal or state funds—through agreements they enter into with their local partnering businesses or agencies. In the few local programs that use federal funds, only NRS data is available.

The extensive collaboration among adult education and workforce development interests in Virginia is obvious, especially in the PIVA program. The collaboration makes for a complicated system of funding but is producing the desired results. Our respondent noted that when its State Longitudinal Data System becomes more available, it will be possible to generate data on long-term workforce goals such as increased wages, postsecondary completion, and job advancement. He also stresses that data on such indicators as earnings gain, retention, and work quality will become more and more available through continued close cooperation with the business partners at all levels.

Finally, it should be noted that Virginia already collects much of the data that may be required in new WIA legislation.

PART D: NEXT STEPS TO MEET THE CHALLENGE

The subject of Return on Investment in Adult Education is amorphous and complex and hard to hold down. And our survey findings reveal a mixed record across the country. At the same time, even though ROI is in a highly fluid state, the findings provide encouraging evidence of extensive and growing ROI activity, much more than we expected to find. This work in progress provides a strong foundation on which to further build state ROI capacity. Considering the importance of state ROI programs and strategies to future funding of services and resource development in this area, the question is: What can federal, national, and state leadership organizations do to help advance this important cause?

The survey participants offer numerous easy-to-implement ideas on how greater sensitivity to ROI issues in the National Reporting System can help motivate and support local ROI activity. But apart from that, what it comes down to is that we need four kinds of common-sense action to build solidly on the foundation we presently have: *Federal, philanthropic, and state **funding** to support state ROI projects and capacity building; deeper **research** in some areas; **coordination** among federal agencies where there are programs and goals of common interest; and better **communication and awareness** among state, national, and local planners, providers, and legislators.*

1. FEDERAL AND STATE GOVERNMENT

In its last WIA Title II Reauthorization Blueprint, OVAE included this provision:

*“**Workplace education partnerships with employers.** States will direct at least 5 percent of their funds to workplace education projects that are designed to meet the unique needs of participating workers and employers. Requiring the employers to increase their financial contribution over time will leverage more resources for workplace education. States will assure that workplace education activities are designed in cooperation with the State workforce investment system so that they are coordinated with other workforce development initiatives.”*

This Blueprint is now several years old, but it is just as important now as it was then to **invest in dedicated workplace education programs** that can demonstrate ROI for workers and employers.

In states across the country, a growing number of businesses are partnering with education entities and other stakeholder groups to advance workplace education and upgrade workforce skills. But we need to do far more on this front, and to keep in mind that a significant part of the workforce development need can be addressed only through our adult education system.²²

²² Note: Community colleges are an essential force to help meet the nation’s workforce and employability goals. As of September 19th, the Administration had paid out nearly \$2 billion in grants to them to “expand demand-driven skills training and strengthen employer partnerships.” These institutions serve many underskilled adults, but they cannot reach the vast millions of low-skilled adults who are not college or work ready, people who are a vital part of the workforce pool and need the services of adult education. **Adult education needs a higher profile inside and outside of government. It needs substantial new funding in its own right and will not benefit from the resources being made available to community colleges.**

To more fully motivate change, **federal agencies with a major interest and programs in adult education and workforce development, need to be diligent in working together, sharing information, coordinating their efforts, and making the most of their financial resources,**

At the state and national level, those interested in advancing workforce development, including research and advocacy groups and philanthropic entities, should also be giving **more attention to workforce and employer needs and programs, and to the role of adult education in meeting workforce and employability goals.** It is sometimes hard to believe that Adult Education still has such a low profile in most of the public discourse about developing a globally competitive workforce. It usually gets short shrift, although many recent reports establish the high importance of this part of the education and training system. We need to be drawing out and better publicizing successful models, proving successful outcomes through more and better ROI data, and articulating the main related economic and social benefits of adult education to our constituencies and to Congress.

As this paper has shown, adult education programs also need assistance to improve their readiness for expanding attention to the ROI measures set forth in WIA Title II (Title III in Senate WIA S.1356). The research of CAAL and other groups has been promoting the need for ROI evidence for some time, and many of the new WIA measures are certainly here to stay. Fortunately, our survey findings show that some states already regard them as important and are beginning to address them. Although the survey responses tend to suggest that the *Accelerating Opportunity*, *Shifting Gears*, and *Policy to Performance* initiatives have had little to do with ROI explicitly, we think it reasonable to assume that these initiatives have pushed the environment in the participating states strongly in the right direction. Two of the initiatives have terminated and one has only another year to go. We can only hope that adequate financial resources will continue to be made available to cement the achievements and strengthen attention to ROI.

As noted earlier, two major adult education policy publications—CAAL’s policy brief *Twenty State Perspectives* and OVAE’s *Turning Skills into Profit*—document measureable outcomes that employers and state adult education directors have identified as valuable benefits of workforce programs. These outcomes were identified several years ago and were used in framing our survey questions. But, as urged by some of the responses to our NRS question, these **outcomes do need to be updated to reflect current workplace changes as well as the skills needed to implement and deal with these changes.**

2. RESEARCH, POLICY, & ADVOCACY

A wide range of national adult education and workforce development organizations, most of them small nonprofit groups, carry out research, promote future-thinking policy development, and advocate in various ways for change in adult education and workforce skills. Indeed, they have been largely responsible for putting adult education and workforce skills on the map, separately and as linked entities. The National Commission on Adult Literacy did this in a big way. So has CAAL, CLASP, the National Skills Coalition, and the Center for Labor Force Studies of Northeastern University, to name just a few. These kinds of groups play an important role in trying to let legislators and state and federal government decision-makers know the risks

of *not* addressing our under-skilled workforce and the benefits of investing in workforce skills development. It is important to stay at it.

We need to **develop and keep before the public facts about low-skills adults**—e.g., not just how many there are but the negative cost implications of poorly skilled and underemployed people on health care, on the education of their children, on the economy, in the workplace, in the community, and in preserving our nation’s founding principles. We cannot possibly stress enough that the ability of individuals to compete for “family-sustaining” jobs in the labor market, for businesses to compete in their industry, and for the country to compete globally, is severely restricted by low basic skills and long neglect of our adult education system.

3. BUILDING BUSINESS INVOLVEMENT AND AWARENESS

Business is an essential part of the formula on the ROI development front, as it is in improving the role and effectiveness of adult education generally. We need **efforts to raise business awareness** of the real economic impacts of hiring workers with low basic skills. This could be a powerful motivation for businesses to increase their financial support for basic adult education.

A quote from a report of the Conference Board of Canada illustrates this point well:

“Enhancing literacy levels in the workplace improves bottom-line performance for Canada’s employers and gives employees a better chance for success in their careers. Benefits of literacy training cited by employers include the improved learning facility of the employees, their ability to work together as a team, and improved labour–management relations. Employees with higher literacy skills earn more income, are less likely to be unemployed, experience shorter periods of unemployment, and are more likely to find full-time work and receive further training. A male with higher literacy skills makes an extra \$585,000 over his lifetime. For females, the amount is \$683,000. These findings will interest employers and their partners who want to understand the link between enhancing literacy skills in the workplace and economic and organizational success.”²³

Business ROI data is critical for developing partnerships and going to scale at the state level. Demonstrating to business and industry how workplace and workforce education instruction can improve essential employee skills and productivity is an important and challenging sales technique for programs. But, again, state ABE programs and related workforce development groups need funding and other help if they are to document ROI evidence.

As we develop sounder ROI data for the business community, the broader dissemination of findings to the field generally will have a multiplier effect.²⁴

²³ In The Economic Benefits of Improving Literacy in the Workplace, at <http://www.conferenceboard.ca/e-library/abstract.aspx?did=2130>

²⁴ <http://www.caalusa.org/content/parkerpolicybrief.pdf>

Finally, to better know and understand what business and industries need in the way of employees, training, technology, and meeting the challenges of today and tomorrow – we suggest that it is essential to **ask business and industry leaders**, as has been done effectively in Arkansas and Indiana. Educators are usually the very last to know and understand what is needed.

4. GETTING READY TO DOCUMENT WIA ROI MEASURES

CAAL’s review of legislation proposed to reauthorize WIA Title II (renumbered Title III in S.1356) indicates that a new WIA bill would contain many more ROI-related measures than the current one does. As already discussed, prime among the new measures are technology literacy, service to employers, workforce readiness certificates, postsecondary credentials, college progress and completion, non-postsecondary training, and new employment earning gains.

While 20% of states said they currently are able to measure one or more of these potential requirements, others said they face many obstacles in trying to document these outcomes. Along with funding to support state ROI efforts, **we need deeper research on the state of play in state ROI activity** than this limited CAAL survey was designed to capture. We need to better identify and understand some of these obstacles and how to overcome them.

The recent history of WIA reauthorization has not been encouraging, and there is no way to know if we will in fact have a newly-enacted WIA bill this year. But whether we do or not, most states are still not used to considering WIA’s new, increasingly relevant ROI measures. The states will need financial help, assistance designing appropriate strategies, and almost certainly support for implementing the technology needed to do this in a cost effective way.

5. NRS WILL BE MORE RELEVANT WHEN IT REFLECTS ROI

In responding to our question on states’ ability to capture workforce education benefits, some states said they rely on data-matching with other agencies/programs to document and explain these benefits. One state has an MOU with its labor department to identify employment outcomes. But all state adult education programs need to have the capacity to develop data systems that facilitate the gathering and use of ROI evidence. Many states suggested specific revisions in the National Reporting System that could be very helpful. We listed several of the more “doable” ones on page 14, and others are given in Appendix III, page 33.

Whatever the NRS may do, Kentucky cautioned that it would not be wise for the states to over-rely on NRS to determine ROI. That survey participant wrote: *Any measure being suggested to OVAE should consider the challenge of accountability and measuring the Return on Investment. The current cohorts for adult education such as transitioning to postsecondary education, employment, and retaining employment are examples. It is difficult to say that these measures are the sole responsibility of adult education. So many factors play a role in determining the success or failure in these particular areas.*

6. CONCLUSION

As we were going to press with this paper, we were told by a colleague that “all of a sudden, ROI is in the air.” CAAL hopes with this paper to help keep it there. And through our coming Roundtable and the short companion paper we will publish early next year, we should be able to stimulate thinking and action even more.

No one doubts that the better we can document the outcomes of adult education and workforce skills programs, the more likely it is that future programming will be well planned and reach out in a more timely, effective way to the various population sub-groups that need instruction. And the more likely it is that relevant outcome goals will be reached. The importance of developing ROI data cannot be overstated—nor can the related need to implement technology and longitudinal data systems.

Equally important, improved ROI evidence is bound to help allies in Congress and state legislatures make a *much* stronger case than they can now for adequate adult education funding. And philanthropic entities that understand the role of adult education in upgrading the skills of our workforce will have ammunition they need to make the case in their private funding contexts. This goal was the starting point for CAAL’s ROI survey and it is a fitting conclusion.

APPENDIX I

ABOUT THE AUTHORS

JAMES PARKER (Policy & Research Associate, Council for Advancement of Adult Literacy) joined CAAL part-time in 2006 after retiring from federal service, and undertakes other independent consulting work. He has conducted research in workforce education, business partnerships, and adult learner certification. He also has contributed to many of CAAL's legislative initiatives. He began his career with the U.S. Department of Commerce, and also served with the Library of Congress, District of Columbia Public Health, and the U.S. Department of Education. At Education his roles included Coordinator of Programs for Mid-Atlantic, Southern, Mid-West and Mountain States; National Coordinator for Professional Development and Workforce Education; and Project Manager for Competency-Based Adult Education, Workplace Literacy, Homeless Adult and State Leadership projects. Mr. Parker has written and edited numerous books and other publications on competency-based education, workforce education, program policy and evaluation, professional development, and adult education futures.

GAIL SPANGENBERG (President, Council for Advancement of Adult Literacy) founded CAAL in 2001. In 2006, she initiated and managed the National Commission on Adult Literacy study of adult education, whose *Reach Higher, America* report was released in June 2008. She has since directed CAAL's follow-up and implementation activities, including Congressional support to develop the Adult Education and Economic Growth Act. Prior to forming CAAL, Ms. Spangenberg served lengthy terms as chief operating officer of the Business Council for Effective Literacy and program officer in nontraditional education at the Ford Foundation. She was a member of the Harold Howe II team that studied the governance, funding, and facilities needs of the City University of New York (for Mayor Koch). She has directed several major studies, including a study of the New York State Regents External Degree and College Proficiency Examinations Programs, and a study under Library of Congress auspices on the role of public libraries in adult literacy (*Even Anchors Need Lifelines*). She has written widely on adult education and open learning. She was a key player in developing the National Literacy Act of 1991 and in creating the National Institute for Literacy.

APPENDIX II

ROI SURVEY RESPONDENTS

ALABAMA – Joe Macaluso, Interim Director, Alabama Center for Postsecondary Education, Montgomery

ALASKA – Amy Iutzi, ABE/GED State Director, Employment Security Division, Department of Labor and Workforce Development, Juneau

ARIZONA – Karen Liersch, Deputy Associate Superintendent, Adult Education Services, Arizona Department of Education, Phoenix

ARKANSAS – James H. Smith, Jr., Deputy Director, Adult Education Division, Arkansas Department of Career Education, Little Rock

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COLORADO – Margaret Kirkpatrick, Director of Adult Education and Family Literacy, Colorado Department of Education, Denver

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DELAWARE – Maureen Whelan, Director of Adult and Prison Education Resources, Delaware Department of Education, Dover

DISTRICT OF COLUMBIA – J. Michelle Johnson, State Director, Adult and Family Education, State Superintendent's Office of Education, DC

FLORIDA – Zeldia Rogers, Program Director, Adult Education, Division of Career and Adult Education, Florida Department of Education, Tallahassee

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HAWAII – Deborah Miyao, Acting State ABE Director, Hawaii Department of Education, Honolulu

IDAHO – Cheryl Engle, Adult Basic Education Coordinator, GED Administrator, State Division of Professional-Technical Education, Boise

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LOUISIANA - Sean P. Martin, Executive Director, WorkReady U, Louisiana Community and Technical College System, Baton Rouge

MAINE – Gail Senese, State Adult Education Director, Maine Department of Education, Augusta

MARYLAND – Patricia H. Tyler, Director, Adult Education and Literacy Services, Division of Workforce Development and Adult Learning, Maryland Department of Labor, Licensing and Regulation, Baltimore

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MICHIGAN – Dianne Duthie, Director, Adult Education and Career Success, Office of Adult Education, Workforce Development Agency, Lansing

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APPENDIX III

PARTICIPANT SUGGESTIONS FOR MAKING THE NRS MORE ROI SENSITIVE

Twenty-nine states suggested ways that the NRS might facilitate better ROI documentation of workforce-related benefits. Their unduplicated responses are listed below. (Note: Some of these suggestions are more appropriate for the Office of Vocational and Adult Education generally than for the NRS specifically.)

1. Identify what is meant by “Workplace Education” so that appropriate measures of success can be used.
2. Provide states with more funding to build longitudinal data systems.
3. Conduct periodic surveys of benefits identified by employers and employed program graduates.
4. Develop a standard ROI model that documents data gathered through unemployment insurance systems.
5. Establish a panel of employers and others who have benefited from educated employees that can help identify ROI-based outcomes.
6. Generate Memoranda-of-Understanding between state adult education and labor departments to match specific student records with wage records.
7. Systems today need to connect. NRS needs to look at possibilities of “pinging” state labor databases or others on a regular basis to see if outcomes have been achieved.
8. Include metrics that address job performance—such as productivity, wage increases, and soft skills metrics—that occurred after participation in training/education.
9. NRS should measure completion of postsecondary education and obtained credentials.
10. NRS could help states understand how to calculate ROI.
11. Find a set of performance measures that are required by both WIA Title I and Title II so that adult education and workforce training have common goals in serving students.
12. Use something other than standardized academic tests to measure what is important in the workplace.
13. Measure and report eligibility for career ladder opportunities and for advanced training.
14. Measure college- and industry-recognized certificate completion and college-level credits completed.
15. Develop national-level data matches, or agreements/regulations at a national level that would support data collection or encourage more complete data matches.
16. Under WIA reauthorization, enable every state to have access to U.I. wage reporting data.
17. Ask states to collect SSN to report median quarterly earnings and compare over time.
18. Incentivize data matching between the state’s adult education and employment agencies.
19. Measure the number and outcomes of adults who enter postsecondary education through Bridge programs.
20. Use employment and postsecondary information to better tell the story of adult education’s contribution to the workforce; also use that information as a basis for new research.
21. Include broader areas than classic academics, such as technology literacy, to meet student’s needs and document ROI value.

APPENDIX IV

ANNOTATED LISTING OF ROI RESOURCES

(click links to access websites/resources)

A. ADULT BASIC & SECONDARY EDUCATION PROGRAMS

1. Adult Education: Supporting the President's Workforce and American Graduation Initiatives, National Council of State Directors of Adult Education, January 2010
(<http://www.naepdc.org/State%20Alignment%20Initiatives%20-%20FINAL%202.2.10.pdf>)

In this major policy publication put out by the National Adult Education Professional Development Consortium (NAEPDC), the National Council of State Directors of Adult Education indicates several return-on-investment benefits from public support of Adult Education programs:

- Reduced costs for postsecondary education remedial classes at state colleges and universities. Helping adults brush up on their basic skills strengthens their ability to pass college entrance tests.
- Job attainment and retention. Adult education programs not only focus on the specific academic skills needed for employment success, but also incorporate many job attainment and retention skills into the academic curriculum that lead to better and more sustained employment.
- Higher earnings. Increased literacy skills lead to higher earnings and economic self-sufficiency for the learner. Improved speaking, math, reading, and writing skills are strongly connected to earning power.
- More productive workforce. Through partnerships with businesses, services provided by adult education, such as workplace literacy training, result in a more productive workforce.

2. The Return on Investment (ROI) from Adult Education and Training: Measuring the Economic Impact of a Better Educated and Trained U.S. Workforce, Lennox McLendon, Debra Jones, and Mitch Rosin, McGraw-Hill Research Foundation, 2011
(<http://mcgraw-hillresearchfoundation.org/2011/05/09/roi-adult-ed-and-training/>)

This policy paper by the McGraw-Hill Research Foundation (MHRF) cites a 2010 report by the Alliance for Excellent Education (AEE) that analyzed the effect of educational achievement on the local economies of the 45 largest metropolitan areas in the U.S. AEE was able to calculate how each of these local metropolitan economies would benefit in the future in areas such as: individual earnings, home and auto sales, jobs and economic growth, spending and investment, and tax revenues.

They found that if only half of the dropouts of the Class of 2008 in these 45 metropolitan areas had managed to graduate, they would have contributed the following additional combined economic benefit to their communities during an average year since then.

- **\$4.1 billion** in additional earnings, compared to their likely earnings without a diploma
- An additional **\$2.8 billion** in spending and **\$1.1 billion** in investments
- They would have purchased homes worth **\$10.5 billion** more mid-career than they would have been able to buy as dropouts, and spent an additional **\$340 million** on vehicle purchases each year.
- Their additional spending and investments would likely have generated **30,000 new jobs**, increasing the gross regional products of their areas by **\$5.3 billion** at around the time they reached the midpoint of their careers.
- As a result of this increased economic activity, state and local tax revenues in each of the areas would have increased an additional **\$536 million** in an average year.

MHRF points to adult education as an investment that can help recapture some, if not all, of the costs of providing needed service.

The paper also identifies several states that have made concerted efforts to demonstrate the economic value received from public investment in workforce and adult education programs in their states. Some highlights are drawn from various studies and reports concerning the cost/benefit ratios of adult education in Arizona, Arkansas, Georgia, Nevada, Minnesota, Michigan, New Mexico, Rhode Island, Tennessee, and Texas.

3. Estimating the Back on Track Model's Return on Investment http://www.jff.org/sites/default/files/WhatItCosts_050813.pdf

Back on Track programs are part of a growing national movement to expand pathways to postsecondary education and open the door to family-sustaining wages for opportunity youth. Achieving this outcome would benefit not only the young people themselves but also their children and their neighborhoods, and ultimately improve the economic and social health of our nation. Even modestly scaling up this innovative model would result in significant fiscal benefits. For example, if there were just 100 such programs operating around the country—50 diploma-granting schools enrolling 250 students each and 50 GED-Through-College programs enrolling 100 students each with similar completion rates—the additional tax revenues and savings to the taxpayer would total \$1.3 billion.

4. Policy to Performance (OVAE) (<http://lincs.ed.gov>)

The Policy to Performance project (2009-2012) of the U.S. Department of Education's Office of Vocational and Adult Education assisted eight states (AL, CA, LA, MA, NY, TX, VA, and WI) with effective policy development to support college and career readiness for low-skilled adults and adult learners. With the lessons learned in these eight states, the project aimed to advance all states' efforts to successfully transition adult education students to postsecondary education and/or high demand employment opportunities. Publications and tools to this end are available from the LINCS Resource Collection. OVAE's newest investment, Designing Instruction for Career Pathways, is assembling a collection of instructional materials organized by career clusters to facilitate state and local efforts to provide career pathways instruction. The project is cultivating a virtual community of practice among adult education career pathways providers.

5. Longitudinal Data Collection in Career Pathways Programs: Core Indicators and Elements (<http://www.caalusa.org/LongitudinalCoreTrackingElements-Indicators52710.pdf>)

This four-page Policy Brief by the Council for Advancement of Adult Literacy offers a brief discussion and illustrative listing of core indicators and elements of data collection in longitudinal career pathway programs. Ten core indicators are listed including:

- Passing a test of receiving certification that validates readiness for college and/or for a job or job training.
- Gaining actual admission to a college and/or job training program.
- Progress relative to individual employability plans that would specify the basic and workforce skills required for particular forms of further E&T.
- Evidence of job acquisition and remaining/advancing in employment.
- The nature and extent of support and counseling services provided, in relation to individual learning goals.

B. CREDENTIALS & CERTIFICATIONS

1. Shifting Gears Project, The Joyce Foundation (<http://www.joycefdn.org/shifting-gears/>)

Shifting Gears was a multi-year state policy initiative funded by the Joyce Foundation in six Midwestern states (IL, IN, MI, MN, OH, and WI). The initiative began in 2007 and wrapped up in 2011. It has since made continuation grants in 3 of the participating states. The Shifting Gears website provides useful resources to help states develop and document adult certification programs. Advice about data use includes the following for ROI:

Shifting Gears writes (see website) that states seeking to increase the number of young adults and workers obtaining valuable postsecondary credentials can achieve that goal in part by collecting data on student success. They can use the data to identify student achievement gaps and leaks in the educational pipeline, improve education and training programs, identify transition issues, and evaluate the effectiveness of state education and workforce development strategies as a whole.

The site presents several promising state approaches that relate most directly to ROI, including:

- Establishing authority for data sharing and developing the capacity to link data systems to track student outcomes over time, across education and training sectors and into the labor market;
- Creating indicators of student success that include data on progress in basic skills and workforce education, for both credit and non-credit programs and part-time and full-time students;
- Helping local education and training institutions use data for program improvement; and
- Evaluating the performance of programs and providers.

The website offers a variety of exemplary state policy approaches, including efforts from three of the participating states: (a) Florida was one of the first states to track students into the labor market. The Florida Department of Education has the capacity to determine whether former students enrolled in public schools, colleges and workforce programs found jobs or pursued further education and training. (b) In 2008, the Illinois Community College Board analyzed a variety of education transitions for its students, including those enrolled in adult education and developmental or remedial education. (c) Indiana's Chamber of Commerce, together with the National Center for Higher Education Management Systems (NCHEMS), compiled a multi-agency report in 2008 on the performance of adult education and workforce skills providers, with comparisons to other states and detailed county maps. The Indiana Chamber of Commerce also worked with NCHEMS on a policy audit of state workforce policies and made recommendations for change. That report was released in January 2009.

Washington State, while not a Shifting Gears participant, is cited as a resource for its efforts in the ROI area. Its statewide Student Achievement Initiative within the community and technical college system, aims to develop an incentive system to reward colleges for improving student achievement. Colleges are measured on improving basic skills, earning the first 15 and 30 college credits, completing college level math, and completing certificates, degrees, and apprenticeship training. The Washington initiative is unusual for its emphasis on helping

students reach early milestones in college, called “Momentum Points.” The state’s analysis of its own administrative data helped predict whether students would ultimately complete a credential. The Washington State Board of Community and Technical College System used longitudinal data to determine the “tipping point” at which students began to experience a substantial earnings payoff from college, and to determine how many basic skills students were reaching that tipping point. [More information](#) can be found on the Community College Research Center's website.

2. Accelerating Opportunity

(<http://www.jff.org/projects/current/education/accelerating-opportunity/1251>)

Building on its earlier *Breaking Through* initiative and the experience of Washington State’s I-Best program, the *Accelerating Opportunity* (AO) program of Jobs for the Future (2011-2014/15) is working primarily with states (GA, IL, KS, KY, LA, NC). Some eleven states from *Breaking Through* participated in the design phase for AO. It aims to drive economic recovery for individuals and communities by substantially increasing the number of adults who earn the credentials and skills they need to get and succeed in family-sustaining jobs.

Accelerating Opportunity is helping the participating states ensure that more workers have the skills they need for today’s good jobs. Through innovative adult education programs that lead to valuable credentials, the program seeks to fundamentally change the way Adult Basic Education (ABE) is structured and delivered at state and institutional levels. It also promotes state and institutional policies to dramatically increase the number of individuals who complete credentials valued by the labor market.

The six AO states have received implementation grants of \$1.6 million. During the three-year implementation phase, which differs from state to state, the states are to (a) develop and scale up integrated college and career pathway designs that result in more ABE students completing credentials valued in the labor market; and (b) promote state and institution policies that support the implementation and scale-up of these designs.

3. Manufacturing Institute of the National Association of Manufacturers, May 2012

(<http://www.themanufacturinginstitute.org/Skills-Certification/Skills-Certification.aspx>)

The Manufacturing Institute of the National Association of Manufacturers reports that the Institute, together with its certification and college partners, is making solid progress in its five-year goal to award by 2016 half a million industry-based credentials to verify readiness for jobs and advancement in manufacturing. As of August 2013, 170,000 certificates have been awarded to potential and incumbent workers. In its system of stackable credentials, the Institute is working with some 100 colleges to "certify individuals with industry-based credentials in for-credit degree programs of study and for-credit fast-track programs that integrate portable credentials, internships, and links to employment."

4. National Research Center for Career and Technical Education: Industry-Recognized Credentials (<http://www.nrccte.org/core-issues/industry-recognized-credentials>)

NRCCTE is the national center for research, technical assistance, and professional development in career and technical education. It has an illustrious history and is currently based at the University of Louisville. Its research program offers a series of six studies related to industry-recognized credentials, including “Rigorous Tests of Student Outcomes in CTE Program of Study.” NRCCTE says that industry-recognized credentials offer a strategy for improving instruction and signaling that students have acquired a defined set of skills and knowledge. It affirms that high school and postsecondary CTE programs that lead to associate degrees, certificates, and industry-recognized credentials can help young people find skilled employment and give them the option of later returning to school for a higher degree. Furthermore, according to NRCCTE, career and technical programs that earn industry certification receive high-quality curricula and professional development opportunities for their instructors. Evidence is given that employers benefit from a more highly skilled workforce with certifiable skills.

5. The Workforce Alliance for Growth in the Economy (WAGE) Program, Arkansas (<http://ace.arkansas.gov/adultEducation/programs/WAGE/Pages/default.aspx>)

Arkansas ROI statistics show that people earning a WAGE Certificate in Arkansas will increase their earning power. The average increase in wages for certificate holders who were employed before earning a WAGE certificate compared to after earning a certificate increased by 17.8% according to data obtained in 2012 from the Arkansas Research Center. The average yearly salary before earning a WAGE certificate was \$17, 946.40 compared to \$22, 075.12 (+22%) after earning the certificate. These statistics are based on WAGE certificates earned in the fiscal year 2009-2010 and 2010-11.

Participating employers agree to give added consideration to WAGE™ graduates; provided that all other candidate qualifications are equal.

Employability certificate requirements include:

- Pass WAGE test with 100% accuracy
- Have current resume on file
- Register with Department of Workforce Services
- Complete job readiness training – minimum of 12 hours
- Pass computer literacy tests – 85%
- TABE test – minimum of 9.0 GLE in reading, math, language

6. Certifying Adult Education Students: A Survey of State Directors of Adult Education On Certificate Programs In Use, Garrett Murphy, CAAL, April 2011 (<http://www.caalusa.org/StudentCert.pdf>)

This first survey of state adult education certificate programs, though limited to state ABE directors, asked several questions relevant to understanding the ROI for these efforts:

Q: Adults may need different lengths of time to earn certificates in competency-based programs. Please estimate the average length of a program in contact hours for which a certificate is awarded.

A: Ohio estimates 80 to 100 hours for one of its ABE certificates. Wyoming reports 100 hours for ESL students and 20-30 hours for workforce candidates, followed by Maine at 60 to 90 hours, Arkansas at 60 to 80 hours, Colorado and Delaware both at 60 hours, Iowa at 40 hours, Michigan at 30 hours, and Mississippi at 10 hours. New York did not express its reply in hours, reporting that their average preparation time is 8 weeks.

Q: If your state or local programs award certificates for instructional programs that apply basic skills to workforce situations, approximately what percent of enrollments are incumbent workers as contrasted to adults preparing to enter the workforce?

A: States vary widely in their ability to report what percent of their certificate candidates are incumbent workers. Thirteen states either did not respond to the question or responded that they did not track that information. Of those states that were able to provide information, Michigan led with 70 percent followed by Kansas at 50 percent, Arkansas at 30 to 35 percent, New Mexico at 31.5 percent, Georgia at 22 percent, Maine at 20 percent, and Ohio at about 5 percent. Colorado and West Virginia reported that they have not served incumbent workers.

Q: What benefits do employers offer to work-related certificate holders?

The five choices given were:

- (a) enhanced consideration for employment
- (b) certificate is a prerequisite to be considered for employment
- (c) guarantee of continued employment for incumbent workers
- (d) incumbent worker upgrade, and
- (e) other (please specify)

A: All respondents selected (a). New York gave (a) as the only benefit. Additional benefits were indicated by the other respondents as follows: Six states (Arizona, Arkansas, Kansas, Maine, West Virginia, and Wisconsin) listed (b). Four states (Kentucky, Michigan, Mississippi, and Ohio) listed (b) and (d). Two states (North and South Carolina) responded that benefit (d) also applied. One state (Georgia) replied that benefits (b) and (c) could also be found in the state. Among other benefits cited, Arkansas specified its worker upgrade as receipt of a pay raise, Colorado cited getting and doing well in an interview, and New Mexico reported that it is still working on its WorkKeys assessment and wished to have that in place before beginning to contact employers.

Q: Approximately how many adults in your state are annually enrolled in and complete certificate programs, including ESL participants?

A: Kansas enrolled 10,000 students and awarded 3,000 certificates. Delaware enrolled 5,000 and awarded 2,500 certificates. Arkansas enrolled 3,000 students, of which 750

got certificates. Maine enrolled 497 and gave 460 certificates. In Colorado, 400 were enrolled and 360 were certified. Georgia reported certifying 37 percent of 159,000 unemployed people or nearly 59,000. Mississippi reported that all 1,200 enrollees were awarded certificates “at some level of competency.” Ohio stated that all of its ABLÉ participants are eligible and 200 certificates were awarded. South Carolina reported that it had awarded 10,000 certificates in one year. North Carolina did not supply figures for enrollment or awards because this information is only known locally, but its chapter in NAEPDC’s monograph *Adult Education: Supporting the President’s Workforce and American Graduation Initiatives* asserts that 27,000 certificates have been awarded.

7. Qualitative Program Report, Deborah D’Amico, The Consortium for Worker Education, New York, November 2012 ([available from Raymond O’Kane at CWE, rokane@cwe.org](#))

This report summarizes the findings of a qualitative evaluation in employment preparation programs of the Consortium for Worker Education (CWE) funded by the New York State Department of Education. It describes the employment-related instruction provided for workers seeking to obtain, maintain, or advance in widely differing industries and kinds of work, and to document its impact on participants.

Common findings across the CWE programs indicate that:

- Jobs have been saved.
- Workers acquire and update computer/technological skills.
- Workers have moved up sector-specific career ladders.
- Workers have opportunities to enter jobs with good wages and promising futures.
- There has been a more effective mix of employment preparation options.
- Providers have honed best practices across a range of industries, populations, and communities.

The CWE model differs from standard adult education approaches. For example, for members of the International Union of Operating Engineers, 88% of training enrollees (564 out of 642) completed one or more of the required and elective occupational certifications. At Brooklyn Workforce Innovations, 600 individuals were trained and 83% placed in jobs in the field for which they were trained. For members of the Service Employees International Union, of the 927 members enrolled in GED, External Diploma, LPN, and citizenship programs, 516 (or 55%) achieved their goal (29 earned the GED certificate, 88 completed the EDP, 52 become LPN’s, and 347 became citizens).

8. Random Acts of Progress: Certification of Readiness for Jobs & College
(<http://www.caalusa.org/RandomActs.pdf>)

This CAAL document reports that surveys show that the majority of states have some kind of learner certification or credentialing system in use at the present time, with wide variety in sophistication and level of development and in sponsorship. Some of these state efforts, such as the Florida Work Certified Program and the Arkansas WAGE program, are sufficiently proven to be of national utility.

9. How Taxpayers Benefit When Students Attain Higher Levels of Education
(http://www.rand.org/content/dam/rand/pubs/research_briefs/2009/RAND_RB9461.pdf)

This 2009 Research Brief by the Rand Corporation reports the results of its study of whether and how taxpayers and society benefit when students attain higher levels of education. The study focuses on high school graduation, some college, and acquisition of a bachelor's degree. The findings show substantial earning gains for the individuals involved and substantial benefits to taxpayers through related reductions in costs of incarceration and social support programs.

10. The Return on Investment to Increasing Postsecondary Credential Attainment in the United States
(<http://www.clasp.org/postsecondary/publication?id=1097&list=publications&key=20991912>)

According to this 2012 report by the Center for Law and Social Policy (CLASP), under current postsecondary investment patterns, annual *personal per capita income* in the U.S. is projected to increase nominally by 2025. But by meeting the 60% credential attainment goal, annual per capita income would increase significantly more - by approximately \$1,400 more by 2025. This is not a trivial ROI when considering what this per capital increase would generate when applied to the entire population. This and related data is presented in the report, and readers are urged to visit a “national Return on Investment dashboard tool” created by CLASP and the National Center for Higher Education Management Systems (NCHEMS).

C. WORKPLACE EDUCATION FOR WORKERS & EMPLOYERS

1. Turning Skills into Profit: Economic Benefits of Workplace Education Programs,

Michael Bloom, The Conference Board of Canada, 1999

(http://www.conferenceboard.ca/Libraries/EDUC_PUBLIC/Skills_Profits.sflb)

In this landmark report, Michael Bloom of the Conference Board of Canada, with funding from the U.S. Department of Education's OVAE, documents the many ways that U.S. workplace education programs (WEPs) benefit both workers and employers. The report provides evidence that increased profits can be generated in many kinds of workplaces either by solely providing workplace basic skills training or combining training that improves employees' skills with other strategies. For example, at Chicago-based Juno Lighting, an equipment manufacturing company, profits increased 15 percent through a combination of new technology that brought the per-unit cost down and the increased capacity of WEP-trained employees to use the technology effectively. In another case, at Baker Enterprises, a sheet metal fabrication company in Michigan, improving graduates' skills led to reduced overhead and a requirement for fewer supervisors. It also contributed to a 5 percent sales increase to enhance the bottom line.

According to the report, WEP programs help employees increase fundamental skills such as reading and math, and also engender positive attitudes such as taking pride in their work and embracing change. These skills have proven to be critical to the success of employees and their organizations. This leads to a host of direct economic benefits for the employer, including increased output of products and services, reduced time per task, reduced error rate, a better health and safety record, reduced waste in production of goods and services, increased customer and employee retention. It also produces a variety of indirect economic benefits, such as improved quality of work, better team performance, and improved capacity to cope with change in the workplace and use new technology. These indirect economic benefits, although less tangible and more difficult to measure precisely than the direct benefits, have an important impact on organizational performance. According to most employers interviewed in the project, the indirect benefits of increasing organizational capacity and performance frequently result in tangible, direct economic benefits that they can measure.

2. The Economic Benefits of Improving Literacy Skills in the Workplace, Michael Bloom, Marie Burrows, Brenda Lafleur, and Robert Squires, Conference Board of Canada, August 1997

(<http://www.conferenceboard.ca/e-library/abstract.aspx?did=2130>)

In another major study, The Conference Board of Canada determined that there are clear economic benefits for Canadian employers in improving workplace skills. Benefits of literacy training cited by employers in that country include the improved learning facility of the employees, their ability to work together as a team, and improved labor-management relations. Employees with higher literacy skills earn more income, are less likely to be unemployed, experience shorter periods of unemployment, and are more likely to find full-time work and receive further training. A male with higher literacy skills makes an extra \$585,000 over his lifetime. For females, the amount is \$683,000.

3. Workplace Education: Twenty State Perspectives, James T. Parker, National Commission on Adult Literacy, September 2007 (<http://www.caalusa.org/content/parkerpolicybrief.pdf>)

Another landmark study was commissioned by CAAL for the National Commission on Adult Literacy in 2007. Twenty states with large investments in workforce education programs reported a wide range of benefits to workers and employers. These include:

- Eligibility for advanced training
- Eligibility for career ladder opportunities
- Continuation to postsecondary education
- Positive employer feedback in areas such as customer service, accuracy of work, and productivity gains
- Enhanced employee retention and promotability
- Improved team performance
- Ability to understand, learn, and apply new information
- Increased ability to implement new technologies
- Improved health and safety record
- Job upgrades
- Increased worker wages
- Decreased absenteeism
- Acquiring a GED certificate
- Employees identify and articulate their skills to help them with job search and promotion opportunities

Other notable outcomes are the mastery of competencies and subsequent awarding of certificates and other company ROI gains. In Indiana, for example, there was a return of 114% from 20 limited-ESL workers who had learned to perform self-inspection of product quality. And an overall state ROI of 148% was reported for companies that invested in workplace education programs.

4. Dare to Dream: A Collection of Papers from a Resource Group of 102 Education and Literacy Professionals, prepared by CAAL for the National Commission on Adult Literacy, May 2007 (<http://www.caalusa.org/content/daretodream.pdf>)

Recommendations made by some contributors regarding Return on Investment included the following: (a) Legislators and decision-makers at federal and state levels of government need to be made aware of the evidence of the economic and social benefits to individuals, organizations, and the country that derive from improving access to adult basic education before they will act to change the legislation. (b) Legislation must be refined to address the need for all states to document learners who obtain and retain employment and increase earnings, by requiring data-matching with state base wage files.

5. What You Don't Know Can Hurt You: Literacy's Impact on Workplace Health and Safety, Alison Campbell, Conference Board of Canada, July 2010 (<http://lincs.ed.gov/professional-development/resource-collections/profile-201>)

This report indicates that workers with low literacy or language skills who are assisted in raising those skills are better able to act and react to workplace situations in accordance with approved health and safety measures. They are also better equipped to understand their own right to refuse potentially unsafe work. As a result, businesses operate more safely, and workers, customers, and the general public are kept safe.

A major finding is that addressing literacy skills in the workplace will help employers reduce the costs associated with health and safety issues—such as assessment rates and the costs of Workers' Compensation Board premiums and fines.

6. Doing Business Together: Adult Education and Business Partnering to Build a Qualified Workforce (<http://www.caalusa.org/Doing.pdf>)

This 2011 report by CAAL discusses many superb models that exist to help guide future action in adult education and business partnering. CAAL concluded at the time that there is a solid accumulated track record on which to build and that partnerships that produce desired outcomes will be of direct and immediate practical benefit to both learners and the business community.

7. ScorecardforSkills.com
(<http://scorecardforskills.com/resources.asp>)

The Conference Board of Canada with funding from OVAE of the U.S. Department of Education developed ScorecardforSkills, a website that provides extensive resources, to help groups in the U.S. “measure and demonstrate the relationship between their workplace education investments—including workplace basic skills and measures of organizational performance.” The site provides a wide range of analytical tools and resources that employers and others can use to help determine workplace education effectiveness and align education services to business strategies and goals, so that judgments can be made about the value of investments.

D. LABOR MARKETS, WORKFORCE DEVELOPMENT, & EARNING GAINS

1. Pathways to Labor Market Success: The Literacy Proficiency of U.S. Adults, Andrew Sum, Irwin Kirsch, and Kentaro Yamamoto, Educational Testing Service, October 2004 (<http://www.ets.org/Media/Research/pdf/PICADULTLIT.pdf>)

This Policy Information Report from ETS probes the connections between adults' literacy skills proficiency and their success in the labor market during the 1990s based on data from two national assessments conducted in the United States: The 1992 National Adult Literacy Survey (NALS) and the 1994 International Adult Literacy Survey (IALS). Both surveys assessed the literacy proficiencies of a representative cross-section of U.S. adults. This report looks at outcomes among various demographic and socioeconomic groups in the U.S.

Key findings related to Return-on-Investment include:

- U.S. adults with higher levels of literacy proficiency were more likely to be active labor force participants, to avoid unemployment when they did seek work, and thus, more likely to be employed than their peers with more limited proficiencies.
- On each of the literacy scales, the mean weekly earnings of the full-time employed in the U.S. rose steadily and strongly across the proficiency levels. Full-time employees who scored in Level 5 earned between two and three times as much, on average, as those in Level 1.
- Annual earnings also were strongly associated with level of literacy skills. The mean annual earnings of the employed with Level 5 proficiency were typically three times as high as those of workers who scored in Level 1.
- U.S. adults with limited literacy skills were more likely than those with advanced skills to rely on public cash and in-kind transfers to support themselves. In fact, adults scoring in Level 1 on the prose or quantitative scale were typically four times more likely to be receiving such cash and in-kind transfers than their counterparts in Level 4 or 5.

A major implication of the findings is that targeted efforts to strengthen the literacy proficiencies of the nation's workers, including new immigrants, will be required to reduce these disparities and expand future opportunities for all members of the U.S. labor force. To strengthen the literacy skills of the U.S. labor force, a broad-based effort was called for -- in particular, expanding and improving existing workplace education and training efforts.

In sum, literacy is vital to the economic well-being of individual workers and nations. Strengthening literacy skills is not just important from the standpoint of equalizing opportunities for those who are struggling to succeed in the current labor market. It is also key to increasing future employment and labor productivity and expanding the nation's economic growth potential.

2. The Fiscal Consequences of Adult Educational Attainment, prepared for the National Commission on Adult Literacy, Ishwar Khatiwada, Joseph McLaughlin, and Andrew Sum, with Sheila Palma, December 2007

(<http://www.nationalcommissiononadulteracy.org/content/fiscalimpact.pdf>)

The report studies the earnings of adults by their level of education achievement in terms of the impact those earnings have on the fiscal affairs of the states and the lives of individuals. It gives estimates of annual net fiscal contributions of adults by education attainment level for the 13 largest states.

The findings have major implications for the purposes and conduct of the nation's adult education and literacy enterprise at all levels of service. In the area of high school completion alone, for example, the following is reported:

High school dropouts typically achieve mean annual earnings well below those of their better educated peers due to a combination of less frequent employment during the year, lower mean weeks and hours of employment when they do work, and lower hourly earnings when at work. During the 2004-2005 period, the American Community Survey (ACS) reveals that the mean annual earnings of 16-64 year olds not enrolled in school at the time were slightly under \$33,800. The mean annual earnings of adults rose steadily and strongly with their level of formal schooling. Mean earnings of adults lacking a regular high school diploma or a GED were only slightly over \$14,400 versus nearly \$23,300 among high school graduates. Mean annual earnings of high school graduates exceeded those of high school dropouts by \$8,860, and mean annual earnings of Bachelor degree recipients exceeded those of high school dropouts by more than \$36,000.

By strengthening proficiency in literacy/numeracy/writing, English-speaking and reading, and educational attainment, adult education programs can boost the future fiscal position of national, state, and local governments. The future fiscal impacts of adult education programs will depend critically on their success in raising the employability and earnings of participants. The report emphasizes that to improve our knowledge base in this critical area, all future adult education programs must do a far better job in three ways: (a) documenting, both short and long-run, the post-program employment and earnings experiences of participants, (b) linking labor market outcomes to changes in the literacy/numeracy skills, English-speaking skills, and educational attainment of participants during the course of their enrollment in these programs; and (c) conducting impact evaluations of various types of adult education programs.

3. ROI from Investing in Workforce Development: Effectiveness of Past Workforce Development Programs for Low-Income Adults and Dislocated Workers in the U.S., a CAAL Policy Brief by Andrew Sum, Director, Center for Labor Market Studies, Northeastern University, September 2011 (<http://www.caalusa.org/WorkforceROI.pdf>)

This Brief summarizes the ROI findings of evaluations done on employment and training programs for low-income adults under the Job Training Partnership Act of 1982-1997 and of programs of the Department of Labor under the current Workforce Investment Act.

JTPA. In 1986, the U.S. Department of Labor commissioned a national impact evaluation of the adult and youth employment and training programs of the Job Training Partnership Act. The evaluation was done by a consortium of research contractors made up of Abt Associates, MDRC, and the National Opinion Research Center. Sixteen local JTPA service delivery areas were selected for the random assignment evaluation. Findings revealed that the adult programs for women and men returned \$1.56 and \$1.40 in benefits for every dollar spent on services.

In the mid-1990s, the General Accounting Office produced a report on a longer-term evaluation of these same JTPA programs covering 60 months of follow-up data for adult men and women using Social Security Administration earnings data. The earnings gains for adult women were statistically significant in all five years and for men in the first four of these five years. The author estimated benefit-cost ratios for men ranging from 2.54 to 3.16 and for women from 1.94 to 2.42. At every alternative discount rate, the JTPA training investments were found to be economically worthwhile.

WIA. In 2001-2002, a national evaluation of Workforce Investment Act adult and dislocated worker programs, known as the ADARE evaluation, was undertaken in seven states for the U.S. Department of Labor's Employment and Training Administration. This project was undertaken by Chris King, Kevin Hollenbeck, and other researchers at several research organizations. An experimental evaluation design was used to estimate quarterly employment and earnings impacts for two years following program exit. The employment and earnings impacts for both WIA adult and dislocated worker programs were quite favorable. The author estimated a benefit-cost ratio greater than 3 for both of these programs.

A more recent national evaluation of WIA adult and dislocated worker programs was completed by IMPAQ International for the U.S. Department of Labor. This evaluation covered programs operating in 12 states during July 2003-June 2005. The study collected quarterly employment and earnings data for up to four years on both participants and comparison group members. The impact findings for both men and women served under WIA adult programs were typically quite favorable. WIA adults had significantly higher employment rates from the second year on, and they received significantly higher quarterly earnings. For example, the annual earnings impacts in years 3 and 4 were in the \$1,600 to \$1,840 range for men and in the \$2,340 to \$2,360 range for women.

4. National Economic Impact Scorecard Initiative

http://www.fullcapacitymarketing.com/economic_impact_scorecard.php

Early this year, the National Association of Workforce Boards (NAWB), Economic Modeling Specialists, Inc. (EMSI), and Full Capacity Marketing designed a national workforce scorecard model that reports the benefits and costs of WIA programs, along with the unique economic impacts of the operation of the Workforce Investment Boards (WIBs) on regional income and jobs. The Scorecard model is adapted to assess single or multiple WIBs as well as local, state, or multi-state service regions, and it was piloted with South Central Michigan Works.

5. Benefit-Cost Analysis of Workforce Investment Act Programs and Worksystems, Inc.
(http://www.gettheprofessionaledge.com/Solutions_May2013_Article5.html)

Currently the common measures required by the US Department of Labor serve as the primary performance metrics for WIA, but they do not address the fundamental question of whether the public investment in WIA makes economic sense to the taxpayer.

By the end of its ten-year time horizon, the adult program at Worksystems is projected to yield a cumulative added value of \$2.48 in added taxable income per dollar spent to fund the WIA program. Similarly, the dislocated worker program will yield \$10.69 for every dollar spent, and the youth program will generate \$0.05. Overall, the combined adult, dislocated worker, and youth WIA programs will generate a cumulative added value of \$5.17 in added taxable income for every dollar spent. These benefits accrue to all members of society – higher earnings for participants, increased output for businesses, added tax receipts for government, and a reduced burden on taxpayers to support various social programs.

6. The Economic Benefits of Higher Education

(http://www.treasury.gov/connect/blog/Documents/20121212_Economics%20of%20Higher%20Ed_vFINAL.pdf)

The Department of the Treasury with the Department of Education recently released The Economics of Higher Education. According to an Education [blog post](#), the report “shows that investing in education expands job opportunities, boosts America’s competitiveness, and supports the kind of income mobility that is fundamental to a growing economy.”

7. Mounting Pressures Facing the U.S. Workforce and the Increasing Need for Adult Education and Literacy (<http://www.caalusa.org/nchemspresentation.pdf>)

This report by the National Center for Higher Education Management Systems (NCHEMS), prepared for the National Commission on Adult Literacy, presents data that shows the United States is at serious risk of losing its edge in the educational level of its workforce. While the U.S. still has the best-educated workforce in the world, the report says, the advantage arises because of the superior education attainment levels of the generation that is approaching retirement age. But those *entering* the workforce have not attained the same level of education as their counterparts in numerous other countries. As other countries show consistent decade-to-decade progress in enhancing the education levels of their adult populations, the U.S. has been stuck at essentially the same level for 30 years. Unless the U.S. finds ways to improve its performance in this arena, says NCHEMS, it will fall farther behind a longer list of competitor countries.

8. Workplace Basic Skills Training Impact Evaluation

http://www.wollnet.org/results_en.htm

The WoLLNET Project (2007-2009) carried out research and a trial to undergird its web-based, “user friendly” Workplace Literacy, Language and Numeracy Evaluation Toolkit. A research report available at the website analyzes current theory and practice in training impact evaluation and makes recommendations for the development of the subsequent Toolkit. The online Toolkit helps employers, service providers, and unions evaluate the impact of workplace basic skills programs in terms of accident reduction, retention of employees, better health and safety, and other variables. Measuring ROI was a consideration of the project.

9. A Golden Opportunity: Strategies to Focus Adult Education on College and Career

<http://www.learningworksca.org/a-golden-opportunity/>

This publication was written for California's Learning Works, a program of the Career Ladders Project sponsored by key groups in the California Community College System. The Walter Johnson and Hewlett Foundations fund Learning Works. The report is the second in a series addressing the role and future of California's adult basic skills system. (The first, released in early 2012, is *Rethinking Basic Skills Education in California*.) Golden Opportunity, written jointly by Julie Strawn of CLASP and Barbara Baran of Workforce Learning Strategies, advances a new vision for adult basic skills in California, and focuses on merging the governance of adult basic education and community colleges to help more basic skills students move into college programs. It is informed in part by interviews with leaders in several other states (IL, IN, MN, NC, OH, WA, and WI) and looks at "key structural policy levers" for moving adult education more productively into the future by aligning it more closely with 21st century needs.

E. OTHER ROI RESOURCES (Recommended by Survey Participants)

NATIONAL

1. *Adult Learning in Focus: National and State-by-State Data*, CAEL in Partnership with NCHEMS, Council for Adult & Experiential Learning, 80 pp., 2008.
http://www.cael.org/pdfs/State_Indicators_Monograph
2. *Adult Literacy Development and Economic Growth*, Stephen Reder, Portland State University, August 2010, National Institute for Literacy.
http://lincs.ed.gov/publications/pdf/AdultLiteracyDevEcoGrowth.pdf?hq_e=el&hq_m=2143865&hq_1+13&hq_v=188Fa000b4
3. Complete College America - Data, Analyses, and Reports: <http://www.completecollege.org>
4. *Contextualized College Transition Strategies for Adult Basic Skills Students: Learning from Washington State's I-BEST Program Model*, by John Wachen, Davis Jenkins, Clive Belfield, and Michelle Van Noy), December 2012, and other resources available from Washington State Board for Community & Technical Colleges: <http://www.sbctc.ctc.edu/college/e-ibest-resources.aspx>
5. Employment Projections: Education Pays, 2012 Data from the Bureau of Labor Statistics: http://www.bls.gov/emp/ep_chart_001.htm
6. Proving the Value of Meetings & Events: How and Why to Measure ROI, Meeting Planners International (includes a CASAS Summer Institute case study by Amy Anderson and Carol Farrell focused on determining the business impacts of adult education): http://www.mpiweb.org/Store/234/Proving_The_Value_of_Meetings_Events_How_Why_to_Measure_ROI
7. ROI Resources and Facts from the National Coalition for Literacy: <http://national-coalition-literacy.org/advocacy/ffreturninv.html>
8. Various publications from Canada's NALD/BDAA. Search for ROI documents at <http://www.nald.ca>.
9. *The Undereducated American*, by Anthony P. Carnevale & Stephen J. Rose, Georgetown University Center on Education and the Workforce, June 2011.
<http://www9.georgetown.edu/grad/gppi/hpi/cew/pdfs/undereducatedamerican.pdf>

STATE REPORTS

Alaska: <http://laborstats.alaska.gov>

Florida: Summary of OPPAGA Report to the Florida Legislature on Workforce Education, February 2011. www.oppaga.state.fl.us/Summary.aspx?reportNum=11-07

Illinois: http://www.iccb.org/pdf/adulted/Adult_Education_Strategic_Plan_11-12-09_Final.pdf, <http://www.iccb.org/workforcedevelopment.html>, and http://www.iccb.org/shifting_gears.html

Indiana: Workforce Investment Act Annual Report, Program Year 2011: http://www.in.gov/dwd/files/Indiana_WIA_State_Annual_Report_PY_2011.pdf

Kentucky: “Kentucky college-going rates increase to highest level recorded,” December 2011, Education and Workforce Development Cabinet: <http://migration.kentucky.gov/newsroom/educationcabinet/Kycollegegoingrates2011.htm>

New Mexico: New Mexico ABE Division Fact Sheet on Adult Education/Workforce Skills ROI: http://hed.state.nm.us/General_and_Employer_Information.aspx.

Nevada: “Why is Adult Education Important to the Nevada Workforce?,” May 2011, Nevada Employer Help: <http://www.nevadaemployerhelp.com/2011/03/why-is-adult-education-important-to-the-nevada-workforce/>

Ohio: ABE State Performance Report, FY 2010 (includes, p. 8, ROI re-employed ABE students earnings as documented through state level UI wage records data-match): https://www.ohiohighered.org/files/uploads/able/reference/accountability/ABLE_2010Report_0.pdf

Texas: (1) *Accelerate Texas* programs integrate ABE skills into college pathways so that students gain all the skills and certificates they need to apply for high-demand jobs. <http://www.jff.org/media/news-releases/2012/accelerate-texas-week-salutes-efforts-he/1481>.

(2) “Bridges to Better Jobs: How Texas Can Equip Texas Adults for Good Careers,” is an overview of the adult basic education and literacy system in Texas provided by The Center for Public Policy Priorities. It includes recommendations for strengthening the ABE and literacy framework to reach more students and improve outcomes for adult learners. http://forabettertexas.org/images/2013_03_PP_adultbasiced_layout.pdf.

APPENDIX V



ROI Survey Questions for State ABE Directors

January 23, 2013

[Please respond to as many of the questions given below as possible. Be specific and brief in your answers. Feel free to tell us about ROI evidence that our questions may overlook, including evaluations or reports made public by employers, business groups, or councils with which you work. Please give your answers by typing information within the body of this email attachment (a Word document) and simply return it by e-mail to jtparker@atlanticbb.net and gspangenberg@caalusa.org].

(1) SPECIAL INITIATIVES

a) If your state has taken part in one or more of the following special initiatives, please indicate which one(s) by placing an “x” in front of the program(s), and answer the remaining questions in item (1). If you have not participated in one of the following, go on to question (2).

- Shifting Gears (Joyce Foundation)
- Accelerating Opportunity (Jobs for the Future)
- Policy to Performance (U.S. Department of Education)

b) If you checked any of the above, has your participation helped you determine Return-on-Investment (ROI) for your programs?

- Yes
- No

c) What forms of documentation/evidence do you have regarding ROI from your participation? Note that hard data, as contrasted to anecdotal evidence, is especially valuable.

d) Please list by title any reports you have issued about your state’s adult education/workforce skills ROI that are available publicly either online or by email and provide the URL link where appropriate.

(2) OUTCOMES OF WORKPLACE/WORKFORCE EDUCATION PROGRAMS (all states)

CAAL’s policy brief “[*Workplace Education: Twenty State Perspectives*](#)” identifies benefits for employees and their employers as outcomes of workplace/workforce education partnerships. An OVAE-funded U.S. Conference Board survey, [*Turning Skills into Profit*](#), points to a host of other direct economic benefits to the employer. Please check all of the following that apply to your state’s Workplace/Workforce Program outcomes, and indicate which 6-8 you think are most important and why.

- Eligibility for advanced training
- Eligibility for career ladder opportunities

- Continuation from the Workplace Program to postsecondary education
- Increased employee retention
- Increased customer retention
- Enhanced promotability
- Improved team performance
- Ability to understand, learn, and apply new information
- Increased ability to implement new technologies on the job
- Improved health and safety records
- Job upgrades
- Increased wages
- Decreased absenteeism
- Acquiring a GED certificate
- Positive changes in attitude that reflect a willingness to embrace change
- Increased earnings
- Increased output of productivity or services
- Improved quality of work
- Reduced time per task
- Reduced rate of errors

(3) NATIONAL REPORTING SYSTEM

Few of the outcomes listed in (2) above are currently required for NRS reporting. What steps (no more than 2-3) do you think the NRS might consider to facilitate better ROI documentation?

(4) DO YOU HAVE QUANTIFIABLE DATA?

Are you able to quantify outcomes for any of the benefits cited in (2) above? Yes or no, and if so, which benefit(s), what data do you have available, and what process do you follow? At what intervals do you collect this kind of data?

(5) VERIFYING/CERTIFYING COLLEGE- OR WORK-READINESS

Half or more of the states have initiated work-ready or other workforce certification programs, some on an independent basis, some in partnership with workforce development groups. Does your state have such a program (yes or no), and if so, has ROI been included as a factor? What quantifiable results have you had?

(6) ROI-MEASURES IN WIA TITLE II

CAAL's review of legislation proposed to reauthorize WIA Title II (with the Adult Education and Economic Growth Act incorporated) indicates that the new WIA if enacted would contain many more ROI-related measures than the current WIA. The new measures include: Technology literacy, service to employers, workforce readiness certificates, postsecondary credentials, college progress and completion, non-postsecondary training, and new employment earning gains.

(a) Does your state measure any of these? If yes, for which ones can you calculate ROI, and what kind of documentation do you have?

(b) If no, or if you are unable to achieve what you want on this front, what obstacles stand in the way of implementing, setting, or tracking ROI measures in Title II (for example, state data privacy laws).

(7) GOVERNANCE

Is your state ABE program under the governance of the K-12 school system, the community college system, a higher education system, or a state workforce development agency? Please identify the specific governance entity.

(8) COMPREHENSIVE STATEWIDE PLANNING

Is your state ABE program part of a statewide council involving businesses, colleges, one-stops, libraries, correctional institutions, family literacy, and other key stakeholder groups in your state? If so, please name the entity and provide its website linking address if known.

(9) REPORTS ON ROI IN THE U.S. AND ABROAD THAT ARE MUST READING

Please list by title and source of availability (give URL link, or mailing address, or contact person) the one or two Adult Education/Workforce/Workplace publications that deal with ROI that you consider **must** reading on this topic, especially for people in policy development. These materials may either be focused on your state or be national or international in scope.

(10) OTHER

Please tell us briefly if there is anything not covered in this survey that you'd like to share or be sure we know about your ROI experience.