



# Silicon Valley

## Regional Skills-Builder Discussion Guide

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## Introduction

In preparation for the Task Force on Workforce, Job Creation, and a Strong Economy, the Chancellor's Office convened 14 regional meetings in early 2015 with community college chancellors, presidents, chief instructional officers, CTE deans, and faculty. More than 600 practitioners identified strategies, policies, and practices that would strengthen the ability of California community colleges to provide relevant skills and quality credentials that match employer needs and fuel a strong economy. One of the top recommendations that emerged from these meetings was that the Chancellor's Office recognizes outcomes for skills-builder students--experienced workers who take a limited number of courses to maintain and add to skill-sets for ongoing employment and career advancement.

Currently, success metrics focus on completions outcomes, which include attaining a Chancellor's Office-approved certificate, an associate degree, transfer to a four-year institution, or transfer-prepared status (successfully completed 60 transferable units with a GPA  $\geq$  2.0). Adding a skills-builder metric would make California one of the first states to include employment metrics in a community college accountability scorecard.

While employment metrics are new in the context of institutional effectiveness, they are increasingly being integrated into discussions of community college success and required reporting, including:

- *Financial Aid:* All colleges that offer workforce training and receive federal financial aid must report on students' gainful employment to document that students are making wages sufficient to pay back their loans. Similarly, the California Student Aid Commission requires colleges to report on the earnings of students who receive state financial aid.
- *Worker Training:* Employment metrics are required for federally-funded adult education, postsecondary education, and programs for youth, adult, and dislocated workers. In 2014, the federal government added the requirement that states develop consistent accountability dashboards for community colleges, adult education, and workforce investment boards as part of the Workforce Innovation and Opportunity Act (WIOA). California underscored similar goals in AB 2148, which requires a common accountability dashboard for workforce development activities offered by the same training providers.
- *National Success Definitions:* The Obama Administration, which is developing a national scorecard for colleges, has focused on the economic value of education and proposed that colleges make information available on the average earnings of graduates. The National Governor's Association recommends that CTE success measures also capture third-party credentials and employment retention. The Center for Postsecondary and Economic Success (CLASP) has gone further still by advocating that employment outcomes be documented for non-completing students.

Although the desire for employment and earnings outcomes is clear, determining how to report them is a more complex matter. This guide presents preliminary findings about earnings outcomes for skills-builder students in Silicon Valley, to support regional conversations about the best way to capture outcomes for CTE students.

## Using this Guide

This guide is a companion to “What Gets to Count? Constructing a Skills-BUILDER Metric,” which presents a statewide analysis of outcomes using a proposed skills-builder metric as well as a detailed description about how the proposed approach was developed.

This document answers the following questions, broken out by sector, for Silicon Valley, as defined by the Chancellor’s Office Doing What Matters for Jobs and the Economy framework:

- How many skills-builders are there?
- Are skills-builders securing higher earnings?
- Are skills-builders earning a living wage?
- What would it mean to have a skills-builder metric on the Student Success Scorecard?

In spring and summer 2015, the Centers of Excellence will be scheduling meetings with regional consortia across the state to engage practitioners with their skills-builder data from 2011-12. By looking at the figures together, community college deans, directors, and faculty can make meaning of the numbers and discuss their local programs and student populations. In addition, these meetings will provide an opportunity to better understand the proposed skills-builder metric and give feedback on its appropriateness for inclusion on the CTE Scorecard.

While there is a strong research basis for the proposed definition of skills-builder students and their outcomes, it is important to underscore that neither have been finalized. Feedback from community college practitioners will inform the final recommendation that is given to the Student Success Scorecard committee in fall 2015.

### ***What are skills-builder students?***

*Skills-builder students are people who master higher-level career and technical education skills and stop taking courses, but do not complete community college or transfer to a four-year institution.*

### ***How could skills-builders outcomes be calculated?***

*Skills-builder outcomes could be shown as the change in earnings for individual students, both as a dollar value and percentage change.*

## Silicon Valley Findings on Skills-Builders

### How Many Skills-Builders Are There?

Looking across Silicon Valley, there were a total of 1,927 skills-builder students in 2011-12. In order to better understand the pathways these skills-builder students were pursuing, this figure can be further broken down by the Doing What Matters priority sectors. Each priority sector has identified associated program areas using 6 digit TOP codes.<sup>1</sup> The table below shows the total full-time equivalent students (FTES) and the number of skills-builders by priority sector in Silicon Valley, as well as Public Safety & Protective Services—a highly enrolled CTE field that is not included in the priority sectors.

Figure one shows that the number of skills-builder is impacted by the focus of programs, how many program areas are associated with each sector, and how common the programs are. For example, Small Business has a large number of FTES because it includes Child Development/Early Childhood Education, one of the highest enrolled CTE programs in the state. In addition, it attracts a large number of skills-builders because child development courses are aligned with state requirements, such that students who complete six credits in child development can become licensed as an assistant teacher and those who take 12 credits can become an associate teacher. Students may elect to take these courses and then sit for the state exam without completing a community college certificate, or may not be counted in statewide completion figures because the certificates given by their colleges are not Chancellor’s Office-approved.

*Figure One: Number of Skills-Builders by Sector*

<i>Sector</i>	<i>Number of Full Time Equivalent Students</i>	<i>Number of Skills-Builders*</i>
<b>Public Safety &amp; Protective Services (15 program areas)</b>	1,832	1,969
<b>Small Business (14 program areas)</b>	4,643	1,528
<b>Information &amp; Communication Technologies (ICT) / Digital Media (33 program areas)</b>	3,798	1,310
<b>Advanced Manufacturing &amp; Advanced Technology (43 program areas)</b>	1,379	830
<b>Health (47 program areas)</b>	3,017	425
<b>Retail/Hospitality/Tourism (29 program areas)</b>	1,182	407
<b>Advanced Transportation &amp; Renewable Energy (13 program areas)</b>	535	142

<sup>1</sup> Because some TOP codes were selected by more than one program, the totals by sector will be greater than the total number of students. For a complete list of which codes were selected by each sector, visit [www.calpassplus.org/MediaLibrary/calpassplus/launchboard/Documents/Program\\_Code\\_by\\_Sector.pdf](http://www.calpassplus.org/MediaLibrary/calpassplus/launchboard/Documents/Program_Code_by_Sector.pdf)

<b>Agriculture, Water &amp; Environmental Technologies (23 program areas)</b>	415	103
<b>Energy (Efficiency) &amp; Utilities (4 program areas)</b>	126	81

Source: Chancellor's Office Management Information System (MIS)

Another way to look at skills-builder outcomes is to compare the number of skills-builders to the number of students who complete a certificate or degree. The table below shows the number of skills-builders and completers by sector in Silicon Valley. In most sectors, the number of skills-builders is larger than the number of completers. However, more students appear to be following completion pathways in Health.

Figure Two: Number of Skills-Builders and Completers by Sector

<i>Sector</i>	<i>Number of Skills-Builders</i>	<i>Number of Completers*</i>
<b>Public Safety &amp; Protective Services (15 program areas)</b>	1,969	219
<b>Small Business (14 program areas)</b>	1,528	995
<b>Information &amp; Communication Technologies (ICT) / Digital Media (33 program areas)</b>	1,310	361
<b>Advanced Manufacturing &amp; Advanced Technology (43 program areas)</b>	830	238
<b>Health (47 program areas)</b>	425	792
<b>Retail/Hospitality/Tourism (29 program areas)</b>	407	118
<b>Advanced Transportation &amp; Renewable Energy (13 program areas)</b>	142	205
<b>Agriculture, Water &amp; Environmental Technologies (23 program areas)</b>	103	76
<b>Energy (Efficiency) &amp; Utilities (4 program areas)</b>	81	48

Source: Chancellor's Office MIS

\*Note: Completers include associate degrees and for-credit Chancellor's Office approved certificates

## Are Skills-Builders Earning More Money?

Looking across Silicon Valley, skills-builders increased their earnings in every sector. However, as with most factors, skills-builders earnings varied by field. The table below shows the change in earnings, both as a dollar value and as a percentage change, in the region.

The highest earnings gains as a dollar value and a percentage change were in Advanced Manufacturing & Advanced Technology with a gain of over \$18,400 or 45%. The lowest dollar values were found in Public Safety & Protective Services, which netted just over \$3,900. While specific amounts varied, all

earnings gains were significant, made even more striking when you consider that most of skills-builder students take only a few courses. Given that most skills-builders take nine or fewer units, the program with the lowest dollar value still gave students a return on investment of over 600% and increased their earnings by 5%.

*Figure Three: Changes in Earnings for Skills-Builder Students*

<i>Sector</i>	<i>Earnings Change</i>	<i>Percent Change</i>
<b>Advanced Manufacturing &amp; Advanced Technology (43 program areas)</b>	\$ 18,435	45
<b>Retail/Hospitality/Tourism (29 program areas)</b>	\$ 6,877	24
<b>Energy (Efficiency) &amp; Utilities (4 program areas)</b>	\$ 7,998	22
<b>Health (47 program areas)</b>	\$ 4,336	21
<b>Small Business (14 program areas)</b>	\$ 5,255	19
<b>Information &amp; Communication Technologies (ICT) / Digital Media (33 program areas)</b>	\$ 6,431	17
<b>Agriculture, Water &amp; Environmental Technologies (23 program areas)</b>	\$ 4,508	12
<b>Advanced Transportation &amp; Renewable Energy (13 program areas)</b>	\$ 4,279	11
<b>Public Safety &amp; Protective Services (15 program areas)</b>	\$ 3,936	5

*Source: Chancellor’s Office Management Information System (MIS) and California Unemployment Insurance Earnings Data*

### Are Skills-Builders Earning a Living Wage?

While showing the change in earnings as a dollar value and a percentage gives a sense of students’ return on investment, it doesn’t answer the critical question of whether this increase was sufficient to make a meaningful difference in their lives. We can determine whether students are making reasonable wages—and whether their skills-building courses made a difference in getting out of poverty—by comparing earnings to regional standard-of-living figures.

The Insight Center for Community Economic Development (<http://www.insightccd.org/>) calculates living wages for each county in California, which can be compared to the earnings secured by skills-builder students in each sector within Silicon Valley. The table below shows the distributions of post-course earnings relative to the regional living wage.

Figure 5 demonstrates that skills-builders were most likely to attain a living wage in fields like Retail/Hospitality/Tourism and Small Business. Equally important, this analysis shows cases that skills-builder course-taking was not sufficient to get students a living wage in Health.

*Figure Five: Skills-BUILDER Earnings Gains Relative to Living Wages*

	Earnings decreased	Earnings increased but not above the living wage	Earnings gain got students above the living wage	Students were already above the living wage
<b>Advanced Manufacturing &amp; Advanced Technology (43 program areas)</b>				X
<b>Advanced Transportation &amp; Renewable Energy (13 program areas)</b>				X
<b>Agriculture, Water &amp; Environmental Technologies (23 program areas)</b>				X
<b>Energy (Efficiency) &amp; Utilities (4 program areas)</b>				X
<b>Information &amp; Communication Technologies (ICT) / Digital Media (33 program areas)</b>				X
<b>Retail/Hospitality/Tourism (29 program areas)</b>			X	
<b>Small Business (14 program areas)</b>			X	
<b>Health (47 program areas)</b>		X		
<b>Public Safety &amp; Protective Services (15 program areas)</b>	X			

*Source: Source: Chancellor’s Office Management Information System (MIS, California Unemployment Insurance Earnings Data, and the Insight Center for Community Economic Development*

Looking at pre- and post-earnings for skills-builders helps makes these figures more concrete, as shown in the table below. Unlike the tables above, which calculate earnings changes for individual students, Figure 6 looks at median earnings of Silicon Valley skills-builders.

In some cases, these earning figures reflect the different expected wages for various sectors. Service industries like Retail/Hospitality/Tourism pay less than science-oriented fields like Advanced Manufacturing & Advanced Technology, and police officers are paid more than childcare workers. However, in the case of Health, there are many high-paying jobs, which raises concerns about the relative value of skills-builder pathways in this field.

*Figure Six: Skills-BUILDER Earnings Before and After Course-taking*

<i>Sector</i>	<i>Median earnings before</i>	<i>Median earnings after</i>
<b>Public Safety &amp; Protective Services (15 program areas)</b>	\$89,211	\$87,549
<b>Advanced Manufacturing &amp; Advanced Technology (43 program areas)</b>	\$40,700	\$62,969
<b>Information &amp; Communication Technologies (ICT) / Digital Media (33 program areas)</b>	\$40,414	\$50,337
<b>Energy (Efficiency) &amp; Utilities (4 program areas)</b>	\$38,605	\$47,632
<b>Advanced Transportation &amp; Renewable Energy (13 program areas)</b>	\$34,942	\$42,626
<b>Agriculture, Water &amp; Environmental Technologies (23 program areas)</b>	\$29,501	\$40,274
<b>Retail/Hospitality/Tourism (29 program areas)</b>	\$24,811	\$32,641
<b>Small Business (14 program areas)</b>	\$22,192	\$30,178
<b>Health (47 program areas)</b>	\$17,274	\$23,999

*Source: Chancellor's Office Management Information System (MIS) and California Unemployment Insurance Earnings Data*

## What Would It Mean to Have a Skills-BUILDER Metric on the Scorecard?

Including a skills-builder metric would shed light on the how well colleges support workforce training at later points in students' careers, when experienced workers seek to maintain and add to skill-sets for ongoing employment and career advancement. Based on the 2011-12 analysis, the statewide figure would show a significant impact, with a 15% earnings gain representing \$5,100.

For individual institutions, the earnings gains for students will vary significantly. For 2011-12, these numbers ranged from 6% to 27% in Silicon Valley. Similarly, the increase in individual earnings will also be different by institution, from a low of \$3,939 to a high as \$9,639 in 2011-12. These differing amounts are reflective of the types of programs that colleges offered, even though the current proposal to the Scorecard committee would not break out results by program type. For example, colleges that offered Public and Protective Services programs had higher individual earnings figures than colleges that do not.

## Next Steps

This guide provides an overview of skills-builder outcomes in Silicon Valley, using the proposed methodology for a skills-builder metric in the Student Success Scorecard. Understanding the local implications of this policy change can help community college practitioners weigh in on the question of whether to move forward with this approach. This question will also be taken up in other venues, such as the Board of Governors Task Force on the Workforce and a Strong Economy.

## Want to Dig Deeper?

**1) Download the statewide guide, “What Gets to Count? Constructing a Skills-BUILDER Metric”** on the Doing What Matters website at <http://doingwhatmatters.cccco.edu/ForCollegeLeadership/Skills-builders.aspx>

**2) Connect with your regional Center of Excellence director** to find out about opportunities to participate in a multi-college conversation. Find a contact list at <http://doingwhatmatters.cccco.edu/Contact.aspx>

**3) Use the discussion questions** on this page to host a conversation at your own campus

**4) Read more** about skills-builder research and view videos that explain skills-builder pathways at <http://doingwhatmatters.cccco.edu/ForCollegeLeadership/Skills-builders.aspx>

**5) Share the results** of your conversations with Chancellor’s Office deans Gary Adams ([gadams@cccoco.edu](mailto:gadams@cccoco.edu)) and Alice van Ommeren ([avanommeren@CCCCO.edu](mailto:avanommeren@CCCCO.edu))

## Discussion Questions

How well do the skills-builder pathways shown in the research correspond with programs offered by area colleges?

- Which sectors show the greatest number of skills-builder students?
- Do some of these pathways correspond with non-Chancellor’s Office approved certificates?
- Could these pathways point to places where pathways could be broken into stackable certificates?

Which skills-builder pathways appear to have the highest labor market value?

- Which appear to generate the highest wages?
- Which appear to help the most students attain a living wage?
- Are these pathways that are prioritized by area colleges or regional efforts?

Would it be valuable to include a skills-builder metric on the CTE Scorecard?

- How could this information inform local conversations?
- How could this information inform regional and sector conversations?
- How could this information affect statewide efforts and policies?