



A Project of the U.S. Department of Education

Planning for Success: Setting Performance Targets for 2012

The change to the NRS around automatic cohort designations for the follow-up measures puts estimating performance targets on new ground. States have no prior data on how these groups of students perform on the outcome measures—and do not even know the number of students that will be in each cohort. However, OVAE will require states to set performance targets beginning in March 2012. This paper provides guidance to assist states with performance targets. It offers analyses states can conduct that will allow informed estimates of both cohort size and expected outcomes and also announces a technical assistance resource, an online discussion group, where states present their findings and discuss issues around setting performance targets.

Cohort Sizes

In NRS Table 5, states must report the number of students in the cohort and number that achieved the outcome, to compute a percentage of students that achieve each outcome. Setting performance targets requires you estimate the size of both groups of students.

Use your NRS data from the most recent year available to estimate cohort sizes. It is recommended that you use two or more years to get a more stable estimate, if possible. Using NRS-reported students for each year, create the cohorts according to the NRS definitions.

- **Entered employment cohort.** Select all students who were unemployed and in the labor force at entry who exited during the program year.
- **Retained employment cohort.** Select all students who were employed at entry who exited during the program year. If possible, also include all students in the entered employment cohort who obtained a job in the third quarter after exit.
- **Obtain secondary credential cohort.** Include all students who took all five GED tests and exited. If you have adult high schools, also include all students who were in the high ASE level who exited and all students in the assessment phase of the EDP who exited, if applicable to your state.
- **Enter postsecondary education or training.** Include all students who entered with a secondary credential who exited, students who earned a secondary credential while enrolled who exited and all students who are enrolled in secondary transition class who exited, if your state has them.

It is recognized that not all of the data for these analyses may be available. However, states are urged to follow the suggested approaches as closely as possible to create a cohort from prior years' data that most closely matches the defined cohort for the measure.

Estimating Performance

Once you have identified a cohort identical or as close as possible to the NRS-defined cohort, the next step is to estimate the performance of this group. How you can do this depends on the data you have available and whether you can data match or are a survey state. We offer four methods to help develop performance estimates.

- 1. Analyze the performance of the cohort.** If you are a data match state on any of the measures, run a match using the cohort to determine performance in prior years. These analyses will give you the most accurate basis for estimating future performance targets.
 - **Entered and retained employment.** Match with the UI data base employment records for the entered employment cohort for the first quarter after exit and retained employment cohort in the third exit quarter, to determine their performance on these measures in prior years.
 - **Secondary Credential.** Use GED passing data and other data records to determine the number within the cohort who obtained a secondary credential (i.e., passed all GED tests or obtained an adult high school diploma).
 - **Entry into postsecondary and other training.** Match the cohort records with data bases your state normally uses to determine the number within the cohort that entered postsecondary education or training.
- 2. Conduct a small study of prior year's cohorts.** If you are unable to data match on one or more of the cohorts, consider drawing a small random sample of each cohort and conducting a survey of these students on the measure. States can develop an estimate of performance based on the results of the survey. The NRS support project staff can provide assistance on sample size and drawing the sample to states interested in this option.
- 3. Compare Characteristics of New Cohort and Goal-Setting Students.** When no data are available or is not possible to data match or collect additional data, the best approach may be to compare the characteristics of the students in the new cohort to characteristics of students who set the NRS outcome goals. Characteristics to compare could include employment status, gender, age, race/ethnicity, NRS educational functioning level and attendance hours. If the groups are similar, past performance of the goal-setting group might be a good estimate of performance for the new cohort group. If the groups are significantly dissimilar, adjustments of the expected performance may be needed, depending on which characteristics differ and what the expectation for each group may be.
- 4. Use Past Prior Performance, Adjusted According to Other States' analyses.** If other options are not possible or successful, the best option may be to use prior years' performance on each measure, adjusted according to what other states have found in their analyses. It is anticipated that some states will conduct analyses (such as in option 1 above) and these data may be used to adjust performance. For example, if other states

find a consistent deflation of performance of 10-15 percent and the student and program characteristics are similar to states that could not conduct other analysis, these data may be considered in estimates of states that are unable to make their own estimates. This approach will provide only a rough estimate of unknown accuracy. However, the actual procedures for this process are not yet worked out but will become available as states conduct analyses.

Online Discussion Group

To assist states in estimating cohort sizes and performance targets for 2012, OVAE will offer through the NRS support project, an online discussion forum for state staff. States are encouraged to collaborate with each other on their work, share the approaches they are using and what they are finding. NRS support staff and OVAE will respond to questions and moderate the forum, which will operate during the month of February.

Discussion topics for the forum are:

- What methods are you using to estimate cohort sizes?
- How are you estimating performance targets? What have you found?
- What are your concerns and technical assistance needs?

State staff are encouraged to identify other topics and share their own analytic methods and approaches to estimating cohort sizes and performance targets.