

Improving Program Performance Through Standard Setting

Ever wonder what percentage of your state's unemployed adult education population should be setting the goal of entered employment? Or what percentage of students should be posttested? Or what the response rate should be for a follow-up survey? Standard setting is a powerful way to establish expectations for all types of program performance; it both communicates what is expected of programs and provides benchmarks against which to measure their progress.

Standard setting provides a target that helps programs and funders define an acceptable level of performance. It also helps promote certain policy objectives that policymakers think are important. For instance, setting benchmarks for educational gain with standardized tests encourages programs to focus on policies and procedures that will lead to increased learning resulting in improved test scores.

Standard setting is not only a way to improve outcomes, but also to help improve procedures and services that affect outcomes. For example, standards for attendance, pre- and posttesting, and goal setting can improve program processes as well as lead to better program performance.

Of course, the reality of standard setting is rarely that simple. Standards with no incentives attached are unlikely to lead to improved services. Or, poorly set standards can lead to undesired outcomes. For instance, an overemphasis on raising test scores can encourage programs to focus on test scores at all costs by forcing programs to adopt practices that may be detrimental to their goals.

There is no formula for standard setting. The process depends on a combination of factors including programs' previous performance, the desired direction of the state's adult education policy, local context, and the relationship of local programs to the state agency.

States can use standard setting for:

- ✓ Educational gain
- ✓ Goal attainment
- ✓ Assessment policies
- ✓ Attendance
- ✓ Survey response or data match rates for collecting follow-up measures

Standard Setting in Action

Two states offer ideas about using standards in innovative ways to improve services and outcomes. Because standard setting is closely tied to state policy and local conditions, what works for these states may not work for all states. Links to other examples appear under Additional Resources.

Massachusetts

Massachusetts sets standards in a number of areas: *Attendance, Average Attended Hours, Pre- and Posttest, Learner Gains, and Goals*. Below is an example of the five steps of standard setting applied to *Average Attended Hours*.

Performance Measure: Average Attended Hours

Standard: Students attend between 117 and 131 average hours per year.

- ◆ *Policy promoted:* Increase student persistence and learner gain.
- ◆ *Rewards and sanctions/Technical assistance:* Programs that meet the standard will receive performance points which put them at competitive advantage in the next RFP cycle. The state provides technical assistance to a program not meeting the standard.
- ◆ *Local conditions:* Massachusetts takes into account weather-related and other issues outside a program's control.
- ◆ *Monitor performance:* Massachusetts requires programs to collect daily attendance, and calculates attendance yearly.

New York

Below, the five steps are applied to New York's standard for the goal of *Entering Postsecondary Education or Training*.

Performance Measure: Entering Postsecondary Education or Training

Standard: At least 50% of students with the goal of *obtaining a high school diploma* should set the goal of *entering postsecondary education or training*. In choosing a standard, New York consulted with the field and picked targets that made sense in terms of New York's policy objectives.

- ◆ *Policy promoted:* Rewarding programs that encourage students to set goals appropriate to their circumstances.
- ◆ *Rewards and sanctions/Technical assistance:* New York places programs with an unacceptable rating under a corrective action plan and provides technical assistance.
- ◆ *Local conditions:* New York includes in its program report cards Census statistics on the county in which the program resides and on the state for comparison.
- ◆ *Monitor performance:* New York collects follow-up measures through the survey method. The state judged the initiative successful based on increased goal setting and survey response rates and feedback from the field.

The table below summarizes the five steps in standard setting—in this case, applied to performance measures. The table outlines the process for accomplishing these steps and the policy goals that each serves. Each of the five steps is necessary if standard setting is to produce

the desired results and avoid unintended consequences. Standard setting should be a collaborative endeavor between the state and programs, each sharing accountability for meeting those standards.

Five Steps in Standard Setting

Steps	Process	Goal
1. Select standard-setting model.	Select one or combination of four models: <ul style="list-style-type: none"> • Continuous Improvement—Standard is based on programs' previous performance. • Relative Ranking—Programs are ranked by scores on the measures, and the standard is the mean or median performance. • External Criteria—Standard set by formula or external policy criteria. • Return on Investment—Net value of program is compared to its cost. 	Reflect state policies and promote program improvement. Selection depends on such factors as the stability and history of program performance, whether the state is focused on improving lower performing programs or all programs, or whether particular programs are cost effective.
2. Set rewards and sanctions policy.	Focus on rewards; set at moderate level. Set sanctions appropriately, allowing time for improvement.	Create concrete, reasonable incentives to meet standards while avoiding excessively harsh sanctions that may promote unintended consequences.
3. Review performance levels for local adjustment.	Assess local conditions, program practices, and student characteristics for each program.	Ensure standards are fair and realistic to help promote local improvement efforts.
4. Provide technical assistance.	Work collaboratively with programs to identify needs and to improve program performance and meet standards.	Create a collaborative atmosphere of shared accountability.
5. Monitor performance often.	Review data regularly and maintain ongoing, open communication with programs. Make adjustments to accommodate local conditions when appropriate.	Identify and avoid potential problems early that may hinder performance and program improvement and foster unintended consequences.

Additional Resources

2004 Training on NRS Data Monitoring for Program Improvement: NRS Data Monitoring for Program Improvement Guide (<http://www.nrsweb.org/docs/NRSDataMonitoringGuideFinal.pdf>). Chapter 2 of this guide provides information on how to set standards and includes the table above. The appendix provides example of standard setting from several states.

Instructions to Create Report Cards—New York and Other States: Includes examples of New York's standards as well as those of other states (http://www.nrsweb.org/reports/insights/report_cards.aspx).

The **National Reporting System (NRS)** is the accountability system for the federally funded, state-administered adult education program. It addresses the accountability requirements of the Adult Education and Family Literacy Act, Title II of the Workforce Investment Act (WIA-P.L. 105-220).

NRS Tips is a quick reference tool for state staff, program directors, and adult education teachers. NRS Tips are written and produced by the staff at the **American Institutes for Research (AIR)**, a nonprofit research and policy organization (see <http://www.air.org>), under contract with the **Division of Adult Educational and Literacy (DAEL)** of the **U.S. Department of Education**.

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