Measuring Progress: Benchmarking Workforce Development in Illinois

Eighth Annual Report

Illinois Workforce Investment Board

September 2012

Background

In 2001, the Illinois Workforce Investment Board (IWIB) charged its Evaluation and Accountability Committee (EAC) with creating a mechanism to measure the progress of the Illinois workforce development system. After reviewing leading national and state models, the EAC identified benchmarking as the best approach for monitoring progress. Based on an extensive process of stakeholder and expert input, the EAC recommended ten benchmarks, and in 2003, produced the first report on the performance of the Illinois workforce development system.

In July 2003, Public Act 93-0331 required the IWIB to implement a method for measuring progress of the State's workforce development system by using the benchmarks developed in the first IWIB report. This legislation also required that the IWIB annually report to the General Assembly on the status and progress of these benchmarks.

To fulfill this requirement, the IWIB established a working group in April 2004 to review and update the first benchmark report. Those results were subsequently submitted to the Illinois General Assembly. In developing the second report, the IWIB working group attempted to identify the most credible and reliable data sources for each of the required benchmarks. In most cases, standard federal government data sources were utilized. These data sources include the Current Population Survey, the National Center for Education Statistics and the Bureau of Economic Analysis. To preserve continuity and reliability, these same data sources have been used for each subsequent report.

Benchmarking is a general planning and evaluation tool that states use to measure progress regarding major indicators of performance. It is also used for comparison with other states, especially major competitor states. Benchmarking is further designed to identify a state's relative strengths and weaknesses compared to other states, as a basis to stimulate discussion and further analysis. To be credible, these benchmarks must be based on reliable data that are produced and reported on a regular basis, such as a standard federal government statistical series, e.g., United States Census, Current Population Survey (CPS).

This is the eighth report to the General Assembly measuring progress on the ten major benchmarks for the Illinois workforce development system.

The Ten Benchmarks for Workforce Development

The ten established benchmarks are designed to provide a comprehensive and balanced picture of the status and progress of workforce development services in Illinois. They are divided into three general categories:

Workforce Quality Benchmarks

The first six benchmarks measure workforce quality and are arranged in an order that tracks the life of a worker through various educational milestones. These benchmarks include three youth benchmarks.

1. Educational level of working-age adults
2. Percentage of the adult workforce in education or workforce training
3. Adult literacy
4. Percentage of high school graduates transitioning to education or workforce training
5. High school dropout rate
6. The number of youth transitioning from 8th grade to 9th grade

Earnings Benchmarks

The next two benchmarks focus on earnings, a primary indicator of workforce quality.

7. Percentage of individuals and families at economic self-sufficiency
8. Average growth in pay

Competitive Business Advantage Benchmarks

The final two benchmarks are key indicators of Illinois' competitive business advantage.

9. Net job growth
10. Productivity per employee

Benchmarking Other States

The state benchmarking process requires the inclusion of competitor states for comparisons over time. This report also compares Illinois' performance to that of the United States (US) and nine other states. These states were selected on the basis of their total population. They also represent the largest industrial states that compete with Illinois for business investment. The states and the abbreviations used for these states in the tables are:

- California (CA)
- Florida (FL)
- Georgia (GA)
- Michigan (MI)
- New Jersey (NJ)
- New York (NY)
- Ohio (OH)
- Pennsylvania (PA)
- Texas (TX)

Comparative performance information is presented on these states for each benchmark wherever possible.

Reading This Report

This report is organized according to the ten benchmarks identified above. Information regarding each benchmark is presented under three major headings:

Why Is This Benchmark Important?

This section demonstrates each benchmark's relevance to workforce development. It also includes a rationale for its use as an indicator of workforce development performance.

How Is Illinois Performing?

This includes a brief overview of the major trends and comparisons in Illinois' performance. It also identifies Illinois' comparative strengths as well as any areas that may need further exploration and analysis.

Data Issues and Limitations

This provides an overview of the major data challenges and limitations associated with the benchmarks. It also describes any changes in data presentation and methods for improving the benchmarking process for future reports.

For Further Information

This report was developed by the IWIB with staff support from the Illinois Department of Commerce and Economic Opportunity and the Illinois Department of Employment Security. The Illinois Department of Employment Security provided the data for Benchmark Seven addressing economic self-sufficiency. For further information on the report, contact:

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Benchmark One: Educational Level of Working-Age Adults

Why Is This Benchmark Important?

The educational level of working-age adults is a significant indicator of the general workforce skill level. It is also an indicator of workforce capacity and flexibility for continuous learning. This benchmark is widely used to compare the quality of the workforce in states and communities throughout the United States and the world. It has two major measures:

- Percentage of working-age adults with a high school diploma or higher (including some college, four-year degrees, or graduate degrees)
- Percentage of working-age adults with a bachelor's degree or higher (including graduate degrees)

How Is Illinois Performing?

Illinois is keeping pace with most other benchmark states and the nation as a whole in increasing the percentage of its population with high school diplomas. Illinois has moved ahead of the nation and most benchmark states in the percentage of its population with a bachelor's degree or higher. But, persistent racial/ethnic differences are still present:

- Illinois increased the percentage of the working-age population with high school diplomas from 85.8 to 90.0 percent between 2002 and 2012. When comparing this rate with those of the benchmark states, Illinois ranks fourth out of ten and exceeds the national rate by two-and-two tenths percentage points.
- Illinois increased the percentage of the working-age population with bachelor's degrees and above from 28.3 to 34.1 percent between 2002 and 2012. Illinois is ranked second among benchmark states.
- There are only small differences between males and females in the percentage with a high school diploma and the percentage with a bachelor's degree or higher. The difference in percentages between genders is approximately one percent or less.
- Persistent racial/ethnic differences remain in the percentage of the working-age population with high school diplomas and four-year college degrees, with Blacks and Hispanics lagging behind the attainment rates of Whites.

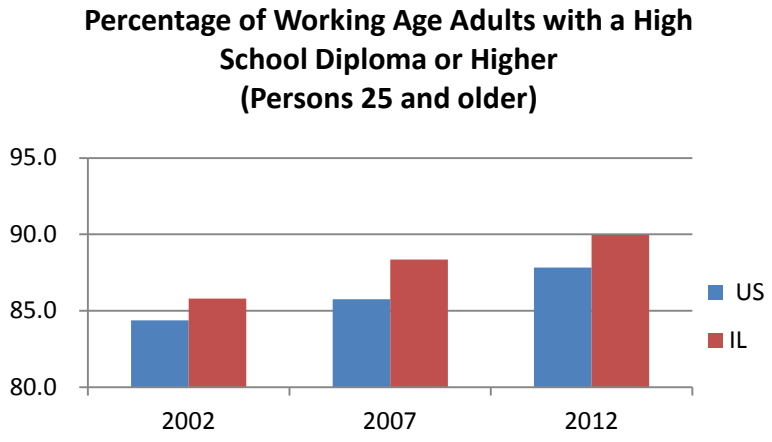
Data Issues and Limitations

The Current Population Survey (CPS) provides the most recent data available for Illinois and comparable large states. The CPS will produce slightly different numbers than other data sources, such as the Census, because of the format of questions, varying sample size and demographics of individuals counted. Annual fluctuations in attainment rates may be due to small sample sizes in Illinois and other states, especially those with smaller populations. The measures of educational attainment for this benchmark should be monitored over multiple years to distinguish consistent trends from year-to-year fluctuations.

The most current data from the CPS does not provide racial/ethnic breakdowns, thus requiring the use of data from the U.S. Census Bureau for the benchmark report. Because of this, there are minor differences in the percentages of working-age adults in Illinois with a high school diploma or higher (Benchmark 1a - 90.0% and Benchmark 1c - 86.9%).

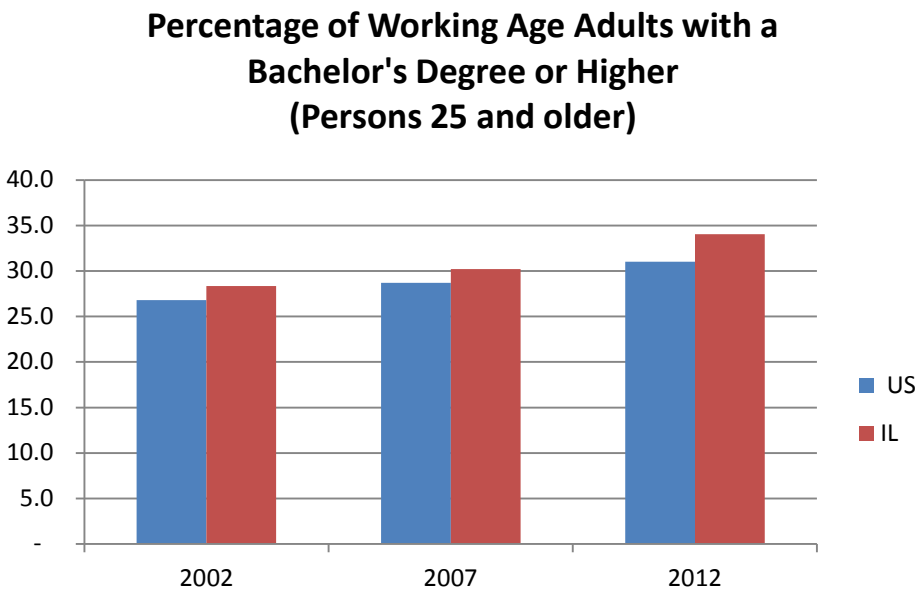
Benchmark 1a
Percentage of Working-Age Adults with a High School Diploma or Higher
2002-2012
(Persons 25 and Older)

	2002	2007	2012
US	84.4	85.8	87.8
CA	80.9	80.9	82.8
FL	83.8	87.6	89.8
GA	82.7	86.1	88.8
IL	85.8	88.3	90.0
MI	86.9	89.8	90.7
NJ	86.5	87.7	90.1
NY	84.1	85.5	87.4
OH	87.6	89.1	89.8
PA	86.7	87.4	90.2
TX	79.4	78.5	81.9



Benchmark 1b
Percentage of Working-Age Adults with a Bachelor's Degree or Higher
2002-2012
(Persons 25 and Older)

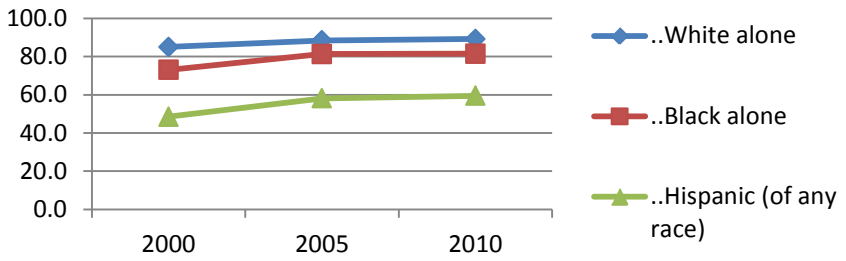
	2002	2007	2012
US	26.8	28.7	31.0
CA	27.6	31.3	33.3
FL	29.3	27.1	29.3
GA	26.1	30.6	31.4
IL	28.3	30.2	34.1
MI	21.8	24.5	30.0
NJ	31.7	37.6	38.3
NY	28.5	31.0	33.4
OH	24.7	25.0	24.6
PA	26.5	26.3	29.2
TX	27.2	26.1	28.8



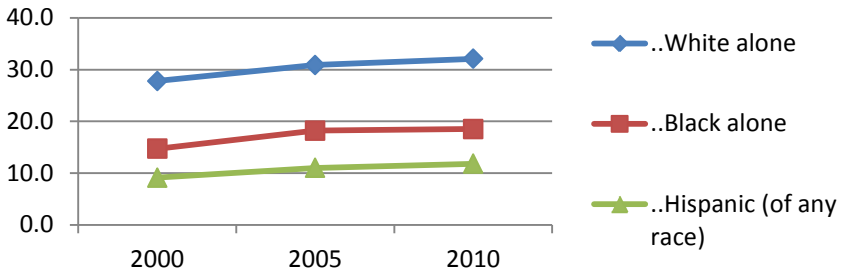
Benchmark 1c
Illinois Educational Attainment by race and Hispanic Origin, Persons 25 and Older
(Source: U.S. Census Bureau)

	25 years and over	White alone	Black alone	Hispanic (of any race)
% High School or Higher 2000	81.4	85.0	73.0	48.5
% Bachelor's Degree or Higher 2000	26.1	27.8	14.7	9.1
% High School or Higher 2005	85.8	88.5	81.3	58.1
% Bachelor's Degree or Higher 2005	29.2	30.9	18.2	11.0
% High School or Higher 2010	86.9	89.2	81.5	59.5
% Bachelor's Degree or Higher 2010	30.8	32.1	18.5	11.8

Benchmark 1c
Percent of IL Population with H.S. Diploma or Higher



Benchmark 1c
Percent of IL Population with Bachelor's Degree or Higher



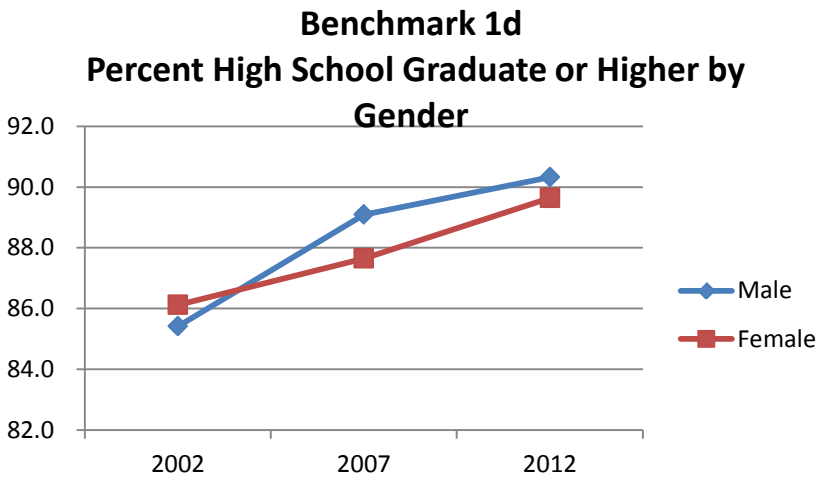
Benchmark 1d
Illinois Educational Attainment by Gender, Persons 25 and Older
(Source: March Current Population Survey)

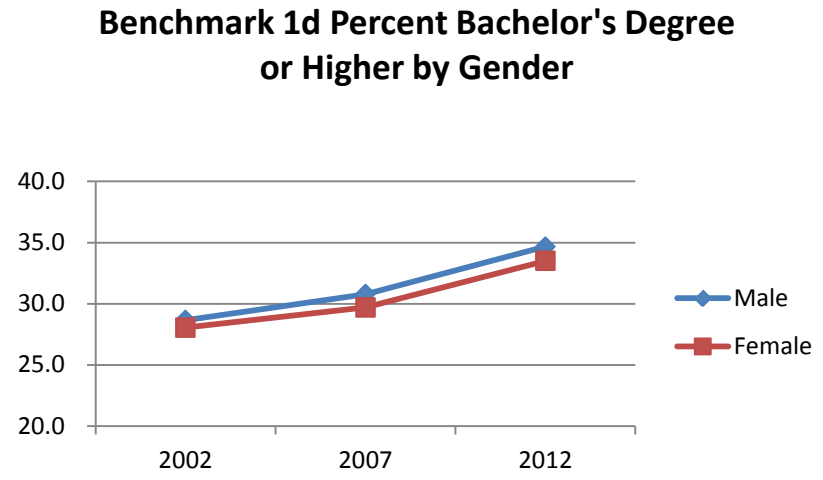
High School or Higher

	2002	2007	2012
Total	85.8	88.3	90.0
Male	85.4	89.1	90.3
Female	86.1	87.7	89.6

Bachelors or Higher

	2002	2007	2012
Total	28.3	30.2	34.1
Male	28.7	30.8	34.7
Female	28.0	29.7	33.5





Benchmark Two: Percentage of the Adult Workforce in Education or Workforce Training

Why Is This Benchmark Important?

The workforce development system seeks to provide adults and youth with continuing education and training opportunities. The relatively high number of adults who take advantage of these opportunities indicates a commitment to self-improvement and continuous learning on the part of workers, employers and government. If Illinois is to remain competitive, it must have a highly adaptive and flexible workforce that can quickly respond to changing economic conditions.

Unfortunately, there are no reliable and comprehensive data sources that fully capture adult participation in education and training. As a result, this benchmark can only address the number of people enrolled in Illinois colleges and universities, as well as those participating in the training programs funded by the Workforce Investment Act (WIA) – a federally funded job-training program. This benchmark has two key measures:

- Number of adults enrolled in Illinois colleges and universities compared to the size of the civilian workforce
- Number of adults in WIA-funded training compared to the size of the civilian workforce

How Is Illinois Performing?

- The number of WIA clients entering training, has decreased from 2010 to 2011 by 5 percentage points, but is still up overall from 2008 when Illinois implemented a policy that required Local Workforce Investment Areas to spend 40% of the adult and dislocated worker formula allocation on direct training expenditure.

Data Issues and Limitations

Although national household surveys provide reliable estimates for this benchmark, there is no reliable data source at the state level. Therefore, as mentioned above, the best available estimate is the total number of students enrolled in public educational institutions as well as the total number of workers receiving training through the Workforce Investment Act (WIA). Since there are numerous definitions for “training” within WIA, the data reported are based on a very restrictive definition in order to more closely align them with comparable data on enrollment in colleges and universities. Also, there may be some duplication in the number of workers receiving training through WIA, since many workers receive their training through community colleges. However, this measurement approach results in an undercount

of adult participation because it excludes those participating in non-degree-granting proprietary schools, apprenticeship programs, and private sector training programs, including employer-based training, and training provided directly to workers through professional and trade associations and private companies. National surveys estimate that public colleges and universities represent less than 50 percent of all education and training for adults.

Benchmark 2
Percent of Adult Workforce in Education or Training

Program Year	Labor Force	Adults in College	WIA Training	% of WIA Participants*
2001	6.46 million	752,753	13,770	49.1%
2002	6.39 million	781,190	18,414	47.7%
2003	6.34 million	799,216	15,942	45.8%
2004	6.37 million	801,548	14,080	42.4%
2005	6.43 million	805,764	12,658	39.9%
2006	6.56 million	814,189	11,480	37.2%
2007	6.69 million	821,026	11,146	38.0%
2008	6.68 million	867,090	15,273	41.0%
2009	6.60 million	914,763	19,683	50.3%
2010	6.60 million	924,751	19,355	52%
2011	6.60 million	881,341	14,226	47%

*This total percentage refers to the percent of adults served in WIA who received training services. It only includes those adults enrolled in WIA programs.

Sources: Illinois Department of Employment Security, Board of Higher education and Department of Commerce and Economic Opportunity, Office of Employment and Training

Benchmark Three: Adult Literacy

Why Is This Benchmark Important?

The literacy rate of a state's workforce is a strong indicator of the degree to which that state can compete on a national and global level. For individuals, low literacy skills represent a major barrier to employment and long term financial stability. Low literacy rates also tend to discourage new businesses from investing and existing ones from expanding. Without adequate literacy skills, a state's workforce is unable to advance to higher paying jobs, adapt to changes in technology, or attract new business investment.

The National Adult Literacy Survey (NALS) defines literacy as the use of "printed and written information to function in society, to achieve one's goals, and to develop one's knowledge and potential." NALS measures literacy on a five-point scale using the following three literacy dimensions: Prose, Document, and Quantitative. Interpretations of individuals tested at Levels 1 and 2 signify they have an inadequate ability to function in society (with only rudimentary skills in reading, writing, math, problem solving, and communication and English language skills). Those testing at Level 5 have an ability to work with complex concepts. This indicator has one key measure:

- Percentage of adults who tested at the inadequate level (Levels 1 and 2)

How Is Illinois Performing?

There has been no measurement of literacy in Illinois since the 1992 NALS study in which Illinois participated by providing funding for a comparable State Adult Literacy Survey (SALS). In that study, Illinois performed roughly at the same level as the nation as a whole.

- In 1992, 48 percent of Illinoisans tested at the inadequate level (Levels 1 and 2).
- The average scores for Illinois were slightly lower than other Midwest states and approximately the same as adults nationwide.

Data Issues and Limitations

Although Illinois participated in the 1992 SALS, the state did not participate in the 2002 SALS or other SALS because of the costs for creating comparable state estimates of literacy. To determine how Illinois is currently performing and to track trends over time, the IWIB will continue to explore this benchmark.

Benchmark Four: Percentage of High School Graduates Transitioning to Education or Workforce Training

Why Is This Benchmark Important?

To remain competitive, Illinois must increase the percentage of its workforce participating in education and training beyond high school, including four-year college degrees, as previously addressed in Benchmark #1. More than half of all new jobs in Illinois require post-secondary education or specialized training. Youth who transition directly from high school into further education are more likely to become qualified for new jobs in Illinois' growing industries. These youth are also better equipped to progress to higher paying employment and adapt to structural economic changes. This indicator has one key measure:

- Percentage of high school graduates transitioning to college

How Is Illinois Performing?

Illinois has not kept pace with leading states in the percentage of high school graduates transitioning to college or workforce training.

- Data indicates that, in Illinois, the rate of students who are transitioning from high school to college or training has fluctuated for the past fourteen years, ranging from 33-35%. In 2008, Illinois ranked seventh among the ten benchmark competitor states.
- In 2008, only two out of ten of the benchmark states increased their number of graduates transitioning to college since 2006. Illinois is one of the seven other benchmark states who show a decrease in the number of students who transitioned to college or training since 2006.

Data Issues and Limitations

The National Report Card on Higher Education uses the Current Population Survey (CPS) for the transition measure. The CPS provides the most recent data available for Illinois and comparable large states. Results from the CPS tend to slightly vary from other comparable data sources, such as the U.S. Census, due to differences in format, wording of questions and sample size. Annual fluctuations in attainment rates may be due to small sample sizes in Illinois and other states, especially those with smaller populations. The measures of educational attainment for this benchmark should be monitored over multiple years to distinguish consistent trends from year-to-year fluctuations. Data is released every two years.

Benchmark 4
Percent of High School Graduates Transitioning to College
(Source: Measuring Up: The National Report Card on Higher Education)

2008 Rank	State	1994	2000	2002	2004	2006	2008
3	CA	32%	38%	36%	38%	40%	35%
6	FL	32%	30%	31%	31%	32%	33%
10	GA	26%	26%	24%	26%	30%	29%
7	**IL**	**34%**	**35%**	**33%**	**33%**	**35%**	**33%**
2	MI	35%	40%	39%	38%	42%	37%
8	NJ	37%	39%	41%	37%	38%	30%
4	NY	35%	35%	37%	38%	40%	34%
5	OH	33%	34%	33%	34%	35%	34%
1	PA	30%	36%	37%	38%	35%	38%
9	TX	30%	30%	27%	28%	30%	30%

The National Center for Public Policy and Higher Education delivered data every other year beginning in year 2000 through 2008 called the "National Report Card on Higher Education," also known as "Measuring Up" report. It graded states on their progress in six key areas of postsecondary performance. The director of the National Center for Public Policy and Higher Education and the report's creator, Patrick M. Callan, planned to publish at most a decade's worth of the studies, to serve as a "proof of concept" of the report card's value. The Center discontinued its research after the 2008 report. No organization assumed the Measuring Up research and therefore, there is no new data since 2008. Nor is there any sign of resuming the project research by another organization in the future

Resource: phone conversation with the National Center for Public Policy and Higher Education, Office of President Patrick Callan, 5205 Prospect Road #135/279, San Jose, CA 95129, phone: 408-792-3140.

(Patricia Schnoor 06/12/2012) http://measuringup2008.highereducation.org/

Benchmark Five: High School Dropout Rate

Why Is This Benchmark Important?

As presented in Benchmark #1, the educational level of working-age adults is an indicator of the general skill level of the workforce and its capacity and flexibility for continuous learning. This benchmark is widely used to compare the quality of a state's workforce to those at the national and global level. Illinois communities with low high school dropout rates have the potential to greatly increase the overall educational levels of their workforces along with other strategies. This indicator has two key measures:

- Percentage of youth leaving high school without a high school diploma
- Percentage of 16–19 aged youth not in school and without a high school diploma

How Is Illinois Performing?

In the past fourteen years there has been a significant drop in the high school dropout rate in Illinois. However, state comparisons are very difficult due to the lack of comparable data. Illinois has a very high percentage of Black and Hispanic school-age youth (16–19) without high school diplomas.

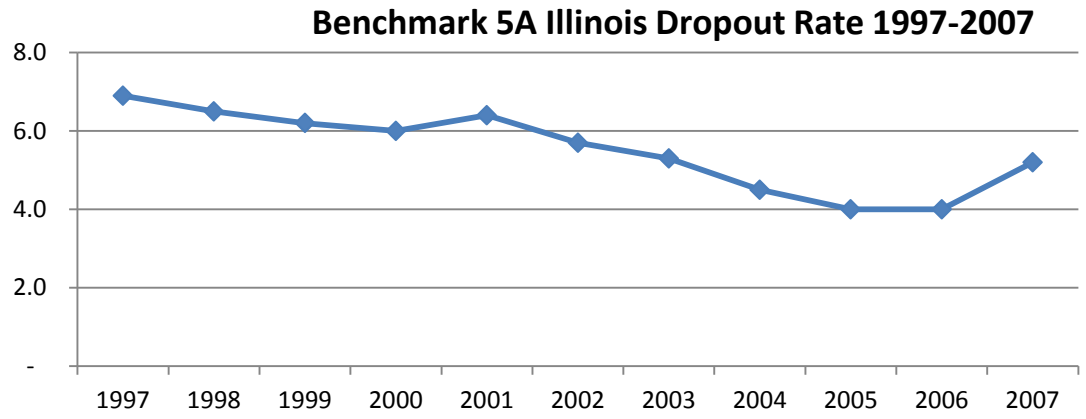
- In 2007-2008 Illinois had a dropout rate of 5.2 percent, which is down almost two percentage points since the 1997-1998 school years. The dropout rate in Illinois has continually decreased in the past fourteen years.
- According to the most recent available data, Illinois has about 14.1 percent of youth, aged 16-19, who are not in school and do not have a diploma, compared to approximately 15.9 percent for the nation as a whole.
- Black (19.2%) and Hispanic (20.5%) youth had significantly higher dropout rates than White (12.4%) youth in Illinois.

Data Issues and Limitations

Despite efforts by the National Center for Educational Statistics to standardize the calculation of school dropout rates, major problems remain in comparing these statistics at the state and national levels. This difficulty is largely the result of inconsistency in data quality and methodology among states. For instance, many students who drop out during the transition to high school are not counted in some states' official dropout statistics. As a result, any benchmark on high school dropout rates should include a measure addressing the percentage of school-aged youth who are not in school and are without a diploma. This should be based on an independent source of information such as the decennial census. Available data may also overstate the dropout problem because it includes youth who may have migrated from other states or countries without attending Illinois schools. Agency staff are continuing research on enrollment and dropout statistics for states and the nation that can be used for this benchmark.

Benchmark 5a
Dropout Rates for Grades 9-12, by State: School Years 1997-97 through 2007-08
(Source: National Center for Educational Statistics)

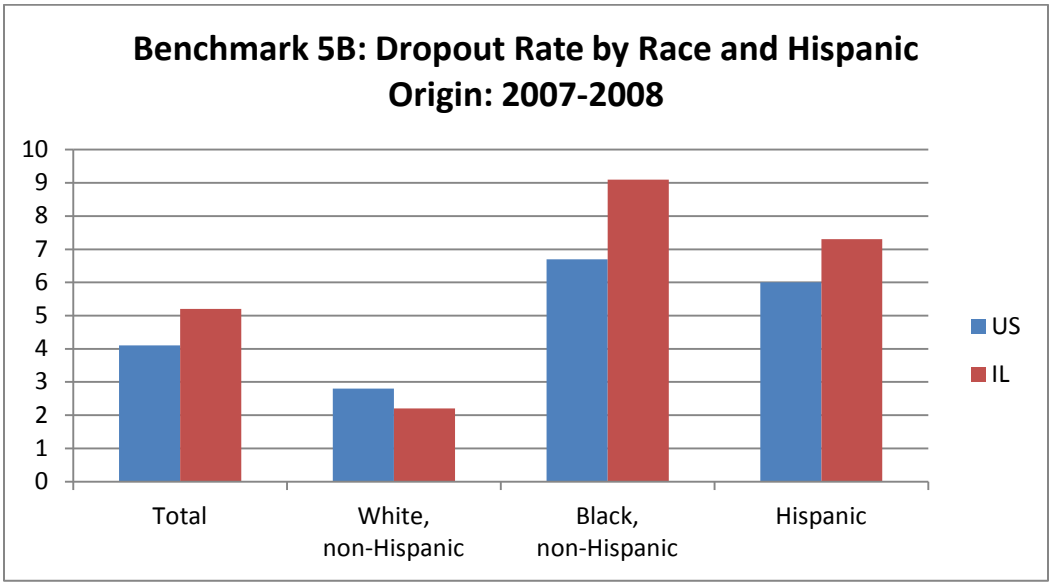
	2007 -08	2006 -07	2005 -06	2004 –05	2003 -04	2002 -03	2001 -02	2000 -01	1999 -00	1998 -99	1997 -98
California	5.0	5.5	3.7	3.1	3.3	3.2	—	—	—	—	—
Florida	3.3	3.8	4.1	3.5	3.4	3.4	3.7	4.4	—	—	—
Georgia	4.3	4.6	5.2	5.6	5.4	5.8	6.5	7.2	7.2	7.4	7.3
Illinois	5.2	4.0	4.0	4.5	5.3	5.7	6.4	6	6.2	6.5	6.9
Michigan	6.2	7.4	3.5	3.9	4.6	4.5	—	—	—	—	—
New Jersey	1.7	2.0	1.7	‡	1.8	1.8	2.5	2.8	3.1	3.1	3.5
New York	3.9	5.3	4.4	5.7	5.6	5.5	7.1	3.8	4.1	4	3.2
Ohio	4.3	4.5	4.1	3.5	3.3	3	3.1	—	—	—	—
Pennsylvania	2.6	—	2.8	2.9	2.9	3.2	3.3	3.6	4	3.7	3.9
Texas	4.0	4.0	4.3	3.6	3.6	3.6	3.8	4.2	5	—	—



Benchmark 5b
Dropout Rates by Race and Hispanic Origin

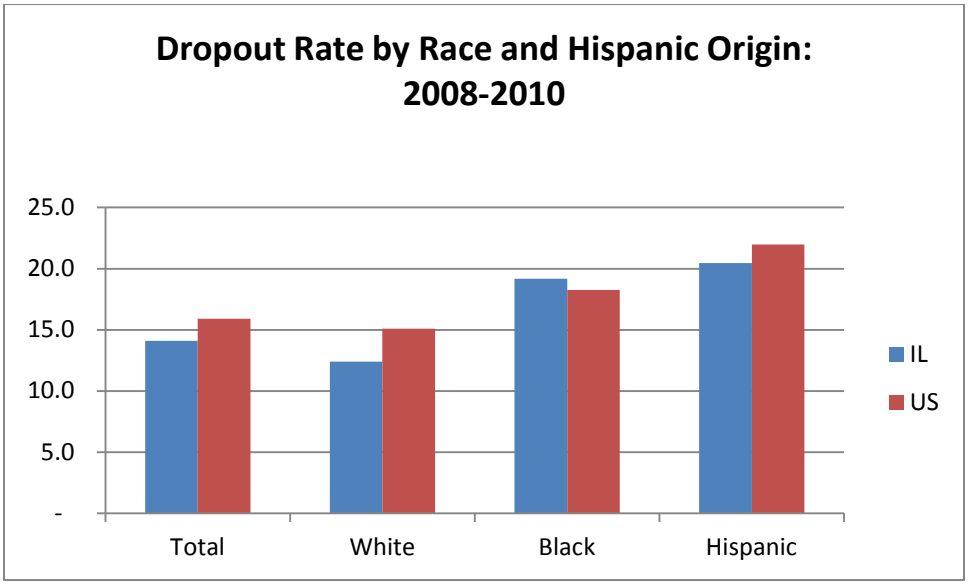
2007-2008
(Source: U.S. Census Bureau)

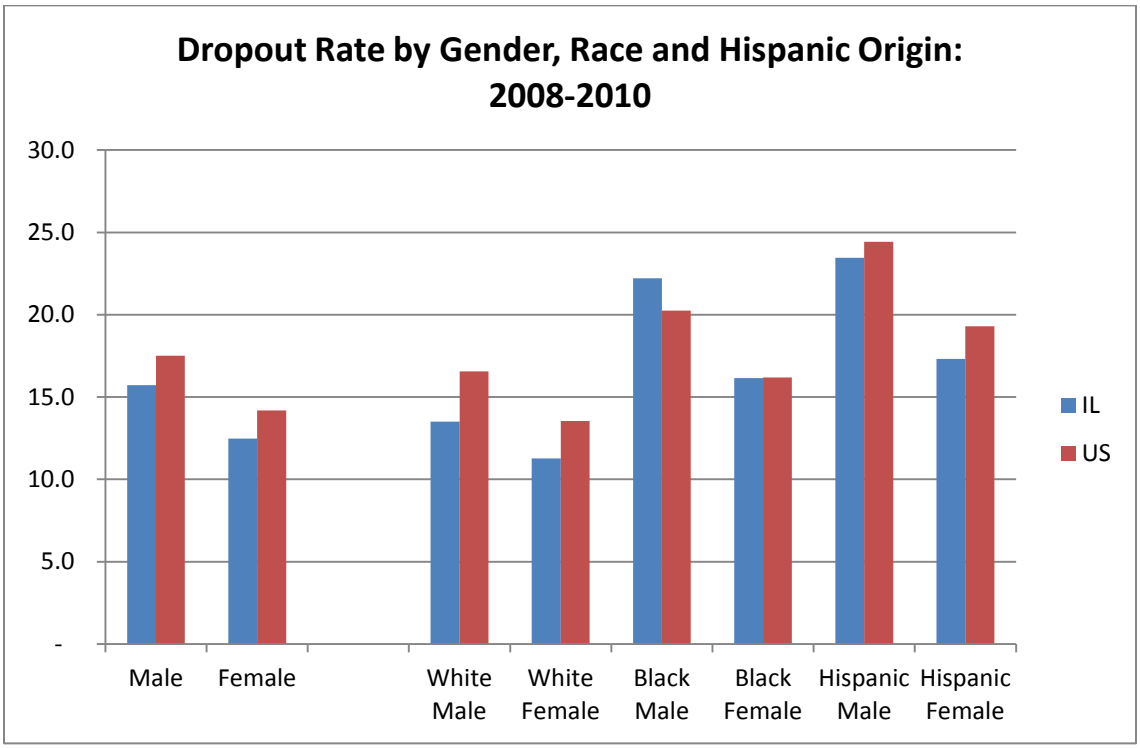
	Total	White, non-Hispanic	Black, non-Hispanic	Hispanic
US 2004-05	3.9	2.8	6.0	5.8
US 2005-06	3.9	2.7	6.1	6.0
US 2006-07	—	3.0	6.8	6.5
US 2007-08	4.1	2.8	6.7	6
IL 2004-05	4.5	2.3	9.1	8.1
IL 2005-06	3.9	2.2	7.7	6.7
IL 2006-07	4	2.2	7.7	6.9
IL 2007-08	5.2	2.2	9.1	7.3



Benchmark 5c
Percentage of 16-19 Year Old Individuals Not in School and Without A High School Diploma
2008-2010
(Source: U.S. Census Bureau, 2008-2010 American Community Survey)

	IL	US
Total	14.1	15.9
White	12.4	15.1
Black	19.2	18.3
Hispanic	20.5	22.0
Male	15.7	17.5
Female	12.5	14.2
White Male	13.5	16.5
White Female	11.3	13.6
Black Male	22.2	20.3
Black Female	16.1	16.2
Hispanic Male	23.5	24.4
Hispanic Female	17.3	19.3




Dropout Rate by Gender, Race and Hispanic Origin: 2008-2010
30.0
25.0
20.0
15.0
10.0
5.0
-
Male
Female
White Male
White Female
Black Male
Black Female
Hispanic Male
Hispanic Female
IL
US

Benchmark Six: Number of Youth Transitioning from 8th Grade to 9th Grade

Why Is This Benchmark Important?

The transition from 8th grade to 9th grade is a significant milestone, as most young people celebrate their first graduation as they complete primary school and begin high school. Those unable to make a successful transition to high school often face a bleak future with decreasing opportunities to complete their education after reaching adulthood.

Students in Illinois are required, by law, to remain in school until they are seventeen years of age. Yet some younger students still manage to leave school each year. Those pre-9th grade dropouts are not included in the dropout rates computed by the Illinois State Board of Education.

State and local school efforts to improve testing scores for all students will more than likely aggravate the pre-9th grade dropout problem. With increased focus on student testing and fewer opportunities for social promotion, more students are likely to drop out before they enter high school, regardless of their age.

What happens to youth who do not transition to high school? Like many high school dropouts, they are more likely to remain at low levels of education and employment and ultimately enter the criminal justice and welfare systems. In addition, students without any high school experience will face even tougher barriers in passing a General Educational Development (GED) Test, earning a high school diploma or pursuing further education and training.

How Is Illinois Performing?

Illinois currently does not have information systems in place to measure the number of youth transitioning from 8th grade to 9th grade on a reliable statewide basis. In addition, no comparable information for other states exists.

Data Issues and Limitations

The Illinois State Board of Education is developing a longitudinal data system that can track students as they transition from grade to grade, school to school and district to district. Agency staff will review progress on implementing this system and explore how to use this system to provide data for this benchmark.

Benchmark Seven: Percentage of Individuals and Families at Economic Self-Sufficiency

Why Is This Benchmark Important?

Self-sufficiency measures the amount of income that is needed for an individual or family to adequately meet basic needs. A high percentage of self-sufficiency in Illinois suggests that economic conditions in the state are conducive to financial stability for both individuals and families. The Self-Sufficiency Standard (SSS) defines the level of income necessary for self-sufficiency, based on family type and the actual costs of housing, childcare, transportation, and healthcare by county. http://www.ildceo.net/InYourRegion/main.html

The SSS is a more accurate calculation of the income needed to support a family than other income benchmarks, because it recognizes that individual and family needs vary. For example, the costs associated with supporting an infant are very different from those for a teenager, and housing expenses can vary tremendously, not only between states but even within a state. This benchmark has one measure.

- Percentage of individuals and families below economic self-sufficiency.

This measure is reported by economic development regions in Illinois.

How Is Illinois Performing?

Available data show significant differences across the state, reflecting the range of economic opportunities in Illinois:

- The Southern Economic Development Region has the highest percentage of households living below self-sufficiency, while the Northwest, Central, and Northern Stateline Economic Development Regions have the greatest percentage of households achieving self-sufficiency.

- Racial Composition impacts self-sufficiency much more than economic development region. The percentages of Black and Hispanic households living below self-sufficiency are more than 2.5 times the percentage of White households living below self-sufficiency. Only 16.6 percent of White households are below the standard, which is much less than even the statewide average of 23.5 percent.

Data Issues and Limitations

Self-sufficiency standards have been computed for over 30 states, with several states applying the standard to target education and job training investments. This standard is also used to counsel job seekers and those considering training toward career pathways, allowing them to support their families.

Illinois was the first state to benchmark the self-sufficiency level of its population through an analysis of the decennial census data. Although the small size of the annual Current Population Survey (CPS) makes county-level data unreliable, it does provide additional statewide information through supplementary questions not included in the decennial census. Therefore, the most comprehensive method of tracking changes in self-sufficiency is to analyze both the decennial census every ten years and the CPS in all other years. Now that Illinois has developed the methodology used to benchmark self-sufficiency using the decennial census, other states will be able to use this methodology to provide comparable data.

Benchmark 7a

Economic Development Region	Percentage of Households Below Self Sufficiency
Statewide	**23.50%**
Central	20.20%
West Central	22.00%
East Central[2]	27.00%
North Central	20.90%
Northeast	23.80%
Northern Stateline	20.30%
Northwest	20.10%
Southeastern	23.90%
Southern	30.30%
Southwestern	24.40%

[2] This EDR includes a large number of students attending the University of Illinois.

Benchmark 7b
Percentage of Families Below Economic Self-Sufficiency by Race
For Illinois [3]
Self Sufficiency by Race (statewide) [3]

Race	Percentage of Households Below Self Sufficiency
White	16.60%
Black	44.70%
Hispanic	43.60%
Asian	24.90%
American Indian/ Alaska Native	35.50%

[1] The Self-Sufficiency Standard (SSS) is a measure of how much income is needed for a family to adequately meet its basic needs, based on family type, and on the actual costs of housing, childcare, transportation and health care by county. For example, the SSS for a family composed of one adult and one infant is $17,719 in Edgar County and $34,543 for the Northern Cook County suburbs. This analysis is based on the 5% Public Use Microdata Sample (PUMS) of the 2000 census.
[2] This EDR includes a large number of students attending the University of Illinois.
[3] The race of the head of the household.
Table 11: Percentage of Families Below Economic Self-Sufficiency by Race
For Illinois [3]

Benchmark Eight: Average Growth in Pay

Why Is This Benchmark Important?

Earnings growth indicates strong economic development. It demonstrates that the state has strong employers with rising productivity who are creating high-quality jobs that allow workers to earn a good living. This benchmark has one measure:

- Mean annual earnings of workers

How Is Illinois Performing?

Illinois is keeping pace with the growth in average earnings nationwide and in most comparable Midwest states.

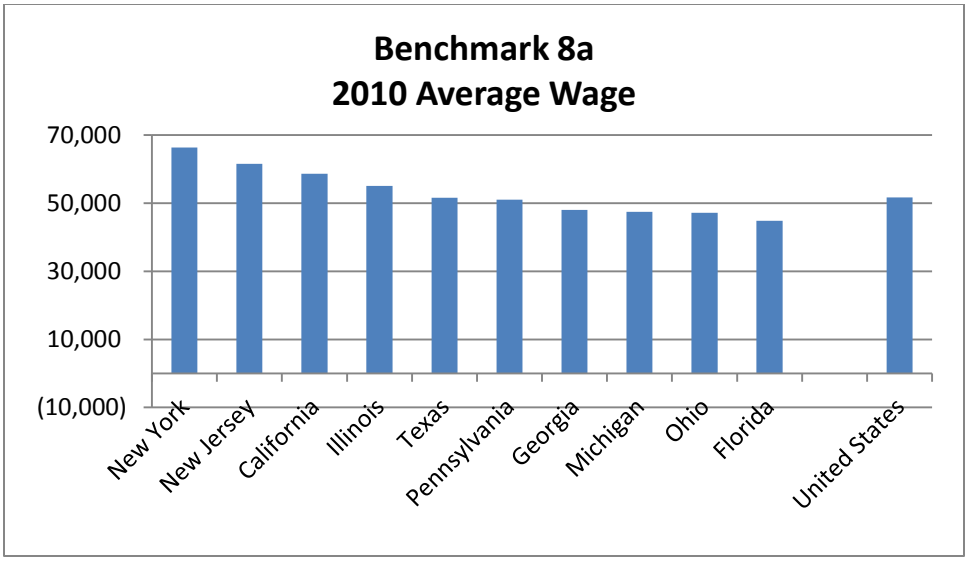
- The average earnings of workers in Illinois increased by 28 percent between 2000 and 2010, reaching a level of $55,035 in 2010, above the national average of $51,714.
- Average earnings decreased by 8.2 percent in Illinois between 2005 and 2010 which was slightly off the national average for that period.
- Illinois ranked first among the benchmark states in earnings growth between 2000 and 2009, but dropped down to fourth in earnings growth between 2000 and 2010.

Data Issues and Limitations

The U.S. Department of Commerce, Bureau of Economic Analysis (BEA), provides the most comprehensive industry employment coverage for estimating employment and earnings trends in Illinois and benchmark states. The BEA data are derived from multiple secondary data sources, mainly the ES-202 data. Additional data sources are used to estimate employment in different industry sectors not covered by other sources including farming, schools, and some types of non-profit organizations. The major limitation of the BEA data is the lag in reporting.

Benchmark 8a
Average Growth in Pay
(Source: Bureau of Economic Analysis, Table SA30, State Economic Profile)

	2000	2005	2010	Percent Change 2000-2010	Percent Change 2005-2010
United States	39,914	47,057	51,714	29.6%	9.9%
California	46,024	54,228	58,603	27.3%	8.1%
Florida	35,304	41,964	44,841	27.0%	6.9%
Georgia	39,227	44,950	48,011	22.4%	6.8%
Illinois	43,012	50,875	55,035	28.0%	8.2%
Michigan	40,927	46,358	47,430	15.9%	2.3%
New Jersey	49,460	55,799	61,550	24.4%	10.3%
New York	51,102	58,923	66,364	29.9%	12.6%
Ohio	36,400	42,987	47,154	28.3%	9.7%
Pennsylvania	39,400	45,980	51,020	29.5%	11.0%
Texas	40,383	47,356	51,563	27.7%	8.9%



Benchmark 8b
Percent Income Growth by Industry
2005-2010
(Source: Bureau of Economic Analysis, Table SA07, Wage and Salary Disbursements by Industry)

Industry		
Wage and salary disbursements by place of work	IL	U.S.
Farm wage and salary disbursements	14.1	17.2
Nonfarm wage and salary disbursements	11.2	25.1
Private wage and salary disbursements	14.1	17.2
Mining	13.8	16.6
Utilities	17.5	75.4
Construction	9.6	20.5
Manufacturing	-14.5	-8.7
Durable goods manufacturing	1.5	-0.4
Nondurable goods manufacturing	0.1	-0.6
Wholesale trade	3.8	-0.2
Retail trade	17.4	16.3
Transportation and warehousing	5.5	6.1
Information	14.5	13.7
Finance and insurance	2.2	9.9
Real estate and rental and leasing	11.9	14.3
Professional, scientific, and technical services	-1.3	7.7
Management of companies and enterprises	24.3	34.1
Administrative and waste services	22.5	30.1
Educational services	19.8	17.9
Health care and social assistance	52.5	40.5
Arts, entertainment, and recreation	29.0	35.7
Accommodation and food services	18.9	26.8
Other services, except public administration	23.7	23.0
Government and government enterprises	21.7	18.6
	15.3	20.0

Benchmark Nine: Net Job Growth

Why Is This Benchmark Important?

The increase in the number of jobs within a state is one of the most widely used indicators of its economic strength. A state with strong job growth indicators signifies a robust business climate that includes a quality workforce. This benchmark has two measures:

- Increase in the number of jobs.
- Percent of increase in jobs.

How Is Illinois Performing?

Illinois experienced a decrease in jobs from 2005 to 2010.

- Illinois decreased by about 60 jobs from 2005 to 2010 ranking fifth out of the ten competitor benchmark states. Data indicated that jobs in Illinois decreased by about -0.8 percent from 2005-2010 and -1.1 percent from 2000 to 2010.

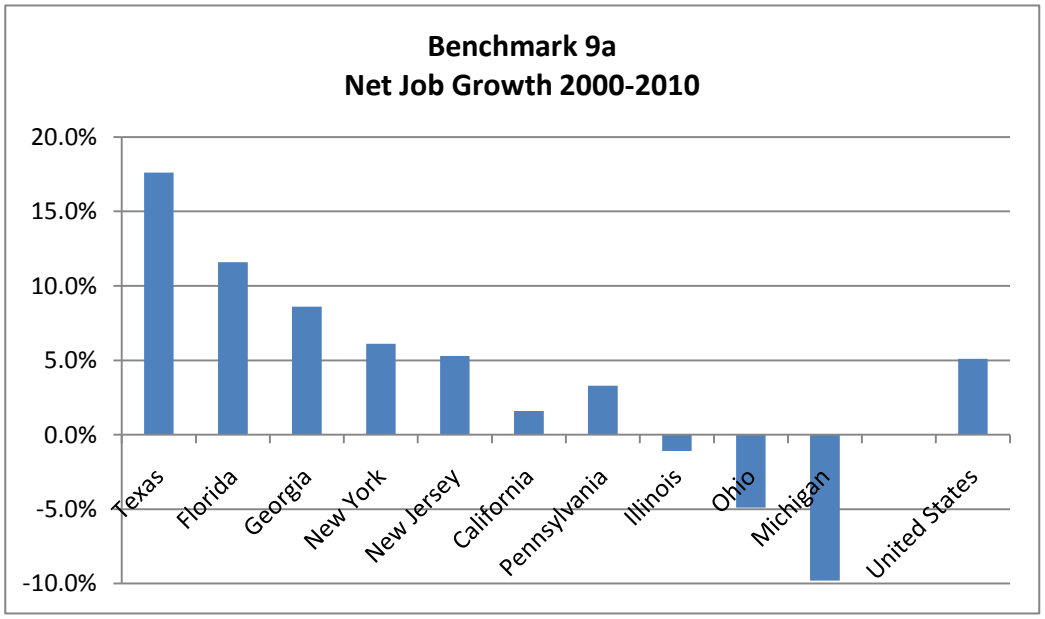
Data Issues and Limitations

The U.S. Department of Commerce, Bureau of Economic Analysis (BEA), provides the most comprehensive industry employment coverage for estimating employment and earnings trends in Illinois and benchmark states. The BEA data are derived from multiple secondary data sources, mainly the ES-202 data. Additional data sources are used to estimate employment in different industry sectors not covered by other sources including farming, schools, and some types of non-profit organizations. The major limitation of the BEA data is the lag in reporting.

Benchmark 9a
Net Job Growth (thousands)
(Source: Bureau of Economic Analysis, Employment by Industry (Table SA25)

Area	2000	2005	2010	Change 2000-2010	Percent Change 2000-2010	Change 2005-2010	Percent Change 2005-2010
U.S.	165,371	172,551	173,767	8,396	5.1%	1,216	0.7%
California	19,466	20,161	19,770	304	1.6%	(391)	-1.9%
Texas	12,151	13,012	14,285	2,134	17.6%	1,273	9.8%
New York	10,346	10,649	10,973	627	6.1%	324	3.0%
Florida	8,842	10,088	9,866	1,024	11.6%	(222)	-2.2%
Illinois	**7,355**	**7,336**	**7,276**	**(79)**	**-1.1%**	**(60)**	**-0.8%**
Pennsylvania	6,912	7,084	7,137	225	3.3%	53	0.7%
Ohio	6,782	6,723	6,451	(331)	-4.9%	(272)	-4.0%
Michigan	5,587	5,480	5,040	(547)	-9.8%	(440)	-8.0%
Georgia	4,854	5,234	5,274	420	8.6%	40	0.8%
New Jersey	4,713	4,980	4,962	249	5.3%	(18)	-0.4%

Percent Change 2000-2010	
Area	Percentage
Texas	17.6%
Florida	11.6%
Georgia	8.6%
New York	6.1%
New Jersey	5.3%
California	1.6%
Pennsylvania	3.3%
Illinois	-1.1%
Ohio	-4.9%
Michigan	-9.8%
United States	5.1%



Benchmark 9b. Industry Employment

(Source: Bureau of Economic Analysis, Employment by Industry Table SA25)

	Industry	2010
10	**Total employment**	**7,276,338**
20	Wage and salary employment	5,820,705
40	Proprietors employment	1,455,633
50	Farm proprietors employment	61,835
60	Nonfarm proprietors employment	1,393,798
70	Farm employment	79,912
80	Nonfarm employment	7,196,426
90	Private employment	6,288,711
100	Forestry, fishing, related activities, and other	11,311
200	Mining	23,397
300	Utilities	24,051
400	Construction	318,989
500	Manufacturing	581,743
510	Durable goods manufacturing	349,337
530	Nondurable goods manufacturing	240,477
600	Wholesale trade	306,662
700	Retail trade	700,047
800	Transportation and warehousing	293,528
900	Information	119,712
1000	Finance and insurance	503,709
1100	Real estate and rental and leasing	270,299
1200	Professional, scientific, and technical services	504,324
1300	Management of companies and enterprises	102,275
1400	Administrative and waste services	481,846
1500	Educational services	197,022
1600	Health care and social assistance	821,516
1700	Arts, entertainment, and recreation	146,221
1800	Accommodation and food services	467,689
1900	Other services, except public administration	414,370
2000	Government and government enterprises	907,715

Benchmark Ten: Productivity per Employee

Why Is This Benchmark Important?

State productivity levels are critical in maintaining a strong job market as well as high earning levels. Productivity includes not only the contributions of workers, but also the investment of employers in technology and leading workplace practices. States that successfully attract businesses and qualified workers are those that have a track record of high productivity and the type of climate where they can be competitive and increase earnings. This benchmark has one measure:

- Gross state (national) product (in dollars) per worker

How Is Illinois Performing?

Data indicates that Illinois is keeping pace with the rate of growth of employee productivity nationwide as well as when it is compared to the ten competitor benchmark states:

- In the past five years Illinois employees increased productivity by over one and half percent.
- Illinois had the fifth highest productivity rate among benchmark states in 2009 (decreasing its rank from fourth in 2008) and has continually exceeded national figures over the past ten years.

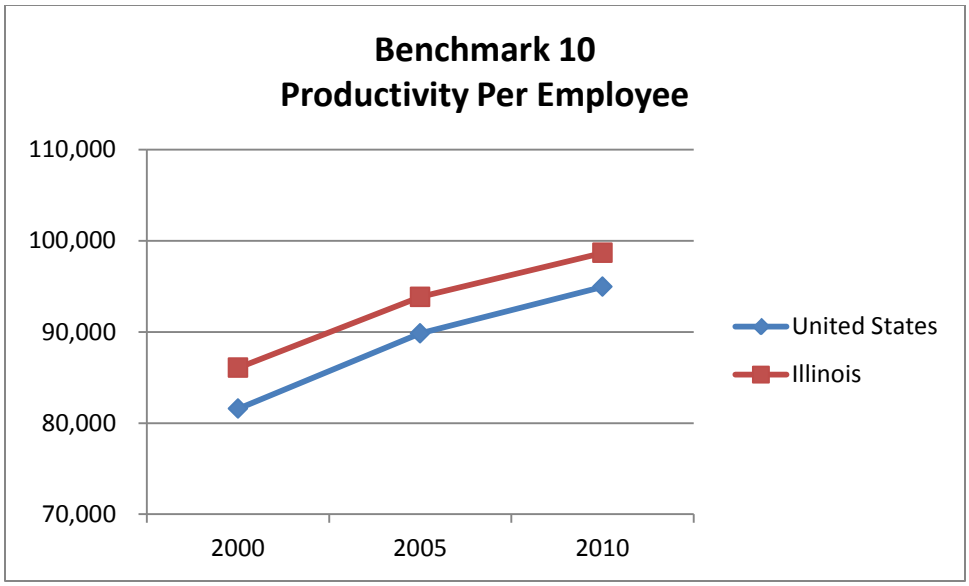
Data Issues and Limitations

The measure provides an indirect estimate of productivity, but is the only available measure for annual reporting at the national and state levels. This measure is based on Bureau of Economic Analysis (BEA) data on gross state product and employment. The U.S. Department of Commerce, Bureau of Economic Analysis (BEA), provides the most comprehensive industry employment coverage for estimating trends in Illinois and benchmark states. The BEA data are derived from multiple secondary data sources, mainly the ES-202 data. Additional data sources are used to estimate employment in different industry sectors not covered by other sources including farming, schools, and some types of non-profit organizations. The major limitation of the BEA data is the lag in reporting.

Benchmark 10
Productivity Per Employee
(Source: U.S. Bureau of Economic Analysis, Table SA25 & Real Gross State Product Table)

Rank 2010	Area	2000	2005	2010	Percent Change 2000-2010	Percent Change 2005-2010
	United States	81,574	89,851	94,954	16.4	5.7
1	New York	97,560	110,019	115,131	18.0	4.6
2	California	94,247	106,222	113,097	20.0	6.5
3	New Jersey	97,210	104,893	109,378	12.5	4.3
4	Texas	88,328	95,229	102,865	16.5	8.0
5	Illinois	86,074	93,849	98,685	14.7	5.2
6	Georgia	79,675	86,197	88,858	11.5	3.1
7	Florida	73,747	83,305	86,946	17.9	4.4
8	Pennsylvania	76,994	81,883	84,956	10.3	3.8
9	Michigan	77,829	83,742	83,480	7.3	(0.3)
10	Ohio	74,200	79,464	79,702	7.4	0.3

Source: U.S.Bureau of Economic Analsys. Table SA25 and Real Gross State Product Table.


Benchmark 10
Productivity Per Employee
110,000
100,000
90,000
80,000
70,000
2000
2005
2010
United States
Illinois

Summary and Next Steps

This report is the eighth annual progress report to the General Assembly on the ten benchmarks for the Illinois workforce development system. This report is designed to provide an overview of how Illinois is progressing, relative to the nation and comparable states regarding these ten benchmarks. This report also provides information on data limitations and continuing efforts to improve the quality of data presented for each benchmark.

How Is Illinois Performing

In the 21st century economy, Illinois and other states will increasingly compete for business investment on the skills of the workforce. As a result, educational benchmarks are early indicators of long-term competitiveness for states. Continuing the trend from previous reports, Illinois is still keeping pace with other states and the nation as a whole on most key educational benchmarks, but is not moving fast enough to move ahead of leading states and establish a clear competitive advantage. In addition, Illinois continues to have persistent racial/ethnic differences in high school completion and four-year degree attainment.

Improving the Benchmark System

The second annual report made significant progress in improving the measurement of the ten benchmarks. First, the report selected ten leading benchmark states and used these states wherever possible to make more meaningful comparisons. Second, the report changed data sources on many benchmarks to provide regular annual updates to the benchmarks. The report developed estimates of the self-sufficiency benchmark for the first time, based on a methodology developed by the Illinois Department of Employment Security. Finally, the report changed employment data sources to include agricultural employment, a key sector in the Illinois economy.

However, there remain significant problems in measuring and reporting progress on many of these statewide benchmarks on an annual basis. In particular, substantial problems remain in measuring some key education benchmarks including the percentage of the adult workforce in education and training (Benchmark Two), adult literacy (Benchmark Four) and youth transitioning to high school (Benchmark Six). In addition, unlike the Self-Sufficiency measure in this report, data limitations preclude the opportunity to compare regional performance against statewide benchmarks,
Because of these remaining problems, the IWIB established a task force to make recommendations on revising the benchmarks. The task force developed recommendations, which were approved by the IWIB, but not approved by the General Assembly. The IWIB still strongly supports these recommended revisions. In addition, the IWIB voted to explore how to provide more information on performance on these benchmarks for additional populations, including people with disabilities.

This eighth annual report continues the progress made from the previous year's report in improving the measurement of the ten benchmarks. However, the recommended revision of the benchmarks and the recommended addition of information on other significant population groups, including people with disabilities, would greatly improve the benchmark report. In our continuing effort to benchmark Illinois in comparison to the other competitor states regarding persons with disabilities, we find resources to be very limited and we find the data that are available to be unreliable. The census report contains some limited data on persons with disabilities but it is only produced every ten years.