
Measuring Progress: Benchmarking Workforce Development in Illinois

Ninth Annual Report



Illinois Workforce Investment Board

September 2013

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. In some cases, updated data are no longer possible to obtain. In these instances, the most recent statistical information is included.

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 ninth 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 staff from the Illinois Department of Commerce and Economic Opportunity. For further information on the report, contact:

Lisa Jones, WIA Policy Manager
Illinois Department of Commerce and Economic Opportunity
Office of Employment and Training
(217) 558-2443
Lisa.D.Jones@illinois.gov

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 and above. Illinois is ahead of the nation and most benchmark states in the percentage of its population with a bachelor's degree or higher. However, persistent racial/ethnic differences are still present:

- Illinois increased the percentage of the working-age population with at least high school diplomas from 85.4 to 89.9 percent between 2003 and 2013. When comparing this rate with those of the benchmark states, Illinois is tied for third out of ten and exceeds the national rate by 1.8 percent.
- Illinois increased the percentage of the working-age population with bachelor's degrees and above from 28.4 to 35.1 percent between 2003 and 2013. Illinois is ranked third among benchmark states in this measure.
- There are only small differences between males and females in the percentage with a high school diploma and above and the percentage with a bachelor's degree or higher. The difference in percentages between genders is approximately 1.7 percent for high school degrees and 0.7 percent for bachelor's degrees or higher with females exceeding males in both categories.
- 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.

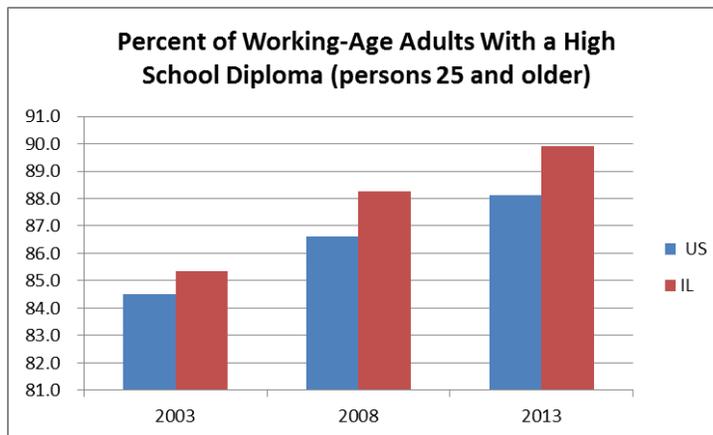
Data Issues and Limitations

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 are 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 can exist minor differences in the percentages of working-age adults in Illinois with a high school diploma or higher.

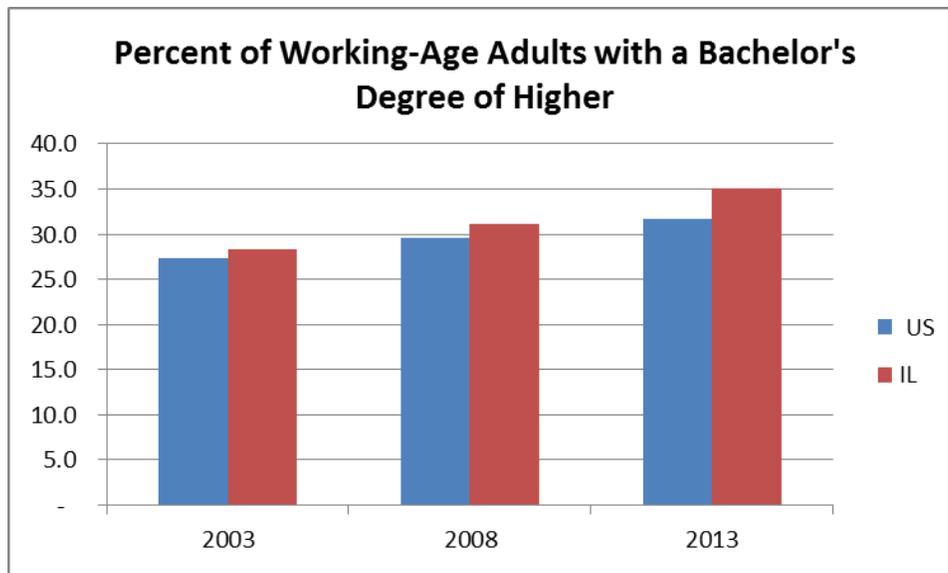
Benchmark 1a
Percentage of Working-Age Adults with a High School Diploma or Higher
2003-2013 Persons 25 and Older.
 (Source: U.S. Census Bureau, American Community Survey)

| | 2003 | 2008 | 2013 |
|-----------|-------------|-------------|-------------|
| US | 84.5 | 86.6 | 88.1 |
| CA | 80.9 | 81.8 | 84.3 |
| FL | 84.5 | 88.7 | 89.9 |
| GA | 84.2 | 86.8 | 88.5 |
| IL | 85.4 | 88.3 | 89.9 |
| MI | 87.8 | 89.8 | 92.4 |
| NJ | 86.2 | 89.3 | 89.3 |
| NY | 84.3 | 86.4 | 87.6 |
| OH | 87.4 | 90.2 | 89.2 |
| PA | 85.5 | 88.6 | 90.7 |
| TX | 77.4 | 79.0 | 82.2 |



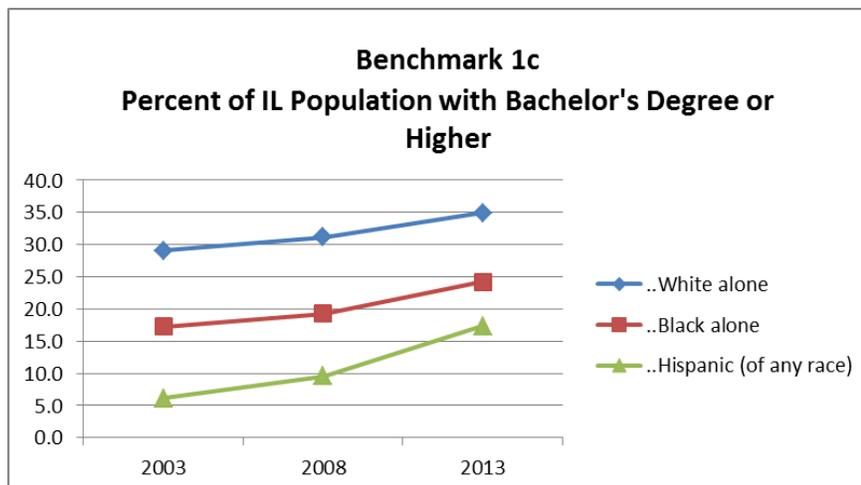
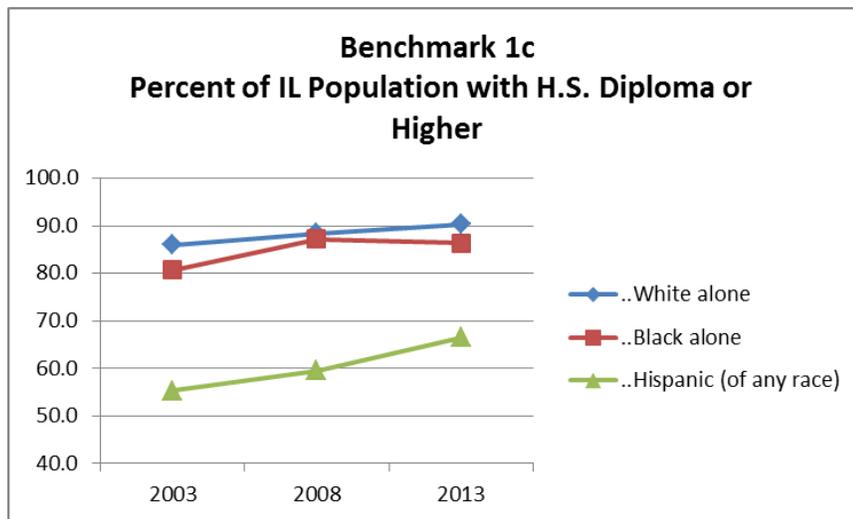
Benchmark 1b
Percentage of Working-Age Adults with a Bachelor's Degree or Higher
2002-2013 Persons 25 and Older
 (Source: U.S. Census Bureau, American Community Survey)

| | 2003 | 2008 | 2013 |
|-----------|-------------|-------------|-------------|
| US | 27.3 | 29.6 | 31.7 |
| CA | 29.5 | 31.9 | 34.3 |
| FL | 25.7 | 28.7 | 30.7 |
| GA | 27.4 | 31.2 | 31.2 |
| IL | 28.4 | 31.1 | 35.1 |
| MI | 22.5 | 26.7 | 29.5 |
| NJ | 33.6 | 37.5 | 39.2 |
| NY | 29.5 | 32.6 | 35.8 |
| OH | 25.3 | 24.1 | 25.8 |
| PA | 24.5 | 26.4 | 29.8 |
| TX | 25.0 | 26.1 | 28.3 |



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

| | Total | White | Black | Hispanic (of any Race) |
|------------------------------------|-------|-------|-------|------------------------------|
| % High School or Higher 2003 | 85.3 | 86.0 | 80.8 | 55.3 |
| % Bachelor's Degree or Higher 2003 | 27.4 | 29.0 | 17.2 | 6.2 |
| % High School or Higher 2008 | 88.2 | 88.4 | 87.2 | 59.5 |
| % Bachelor's Degree or Higher 2008 | 29.4 | 31.1 | 19.2 | 9.5 |
| % High School or Higher 2013 | 89.9 | 90.3 | 86.4 | 66.5 |
| % Bachelor's Degree or Higher 2013 | 35.1 | 34.9 | 24.2 | 17.3 |



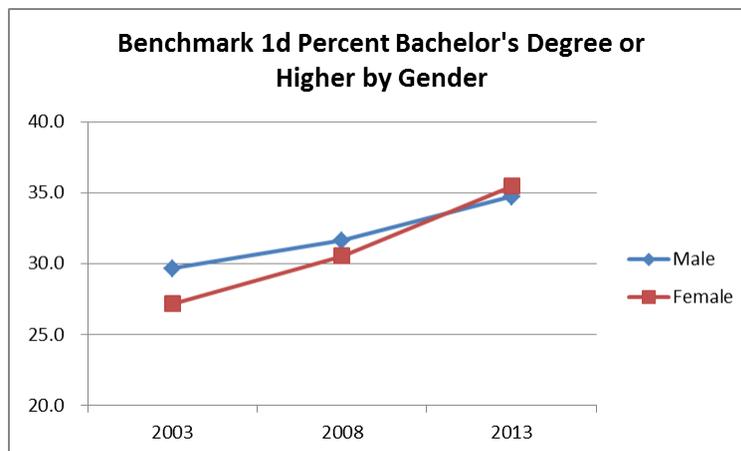
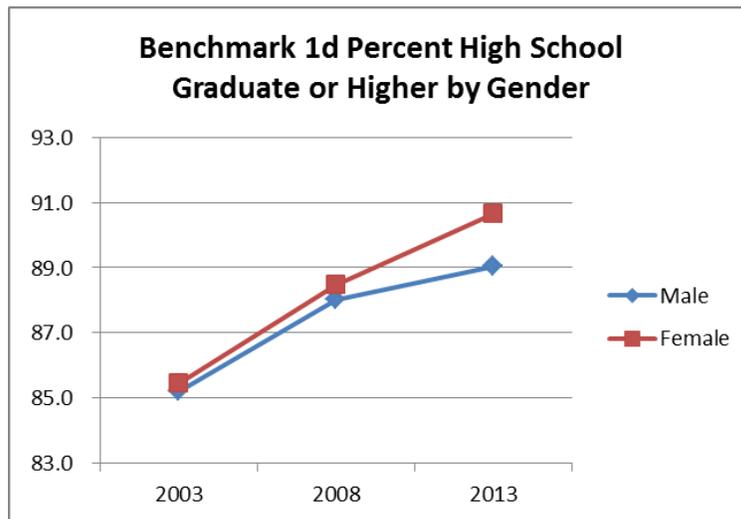
**Benchmark 1d
Illinois Educational Attainment by Gender, Persons 25 and Older
(Source: March Current Population Survey)**

High School or Higher

| | 2003 | 2008 | 2013 |
|--------|------|------|------|
| Total | 85.4 | 88.3 | 89.9 |
| Male | 85.2 | 88.0 | 89.0 |
| Female | 85.5 | 88.5 | 90.7 |

Bachelors or Higher

| | 2003 | 2008 | 2013 |
|--------|------|------|------|
| Total | 28.4 | 31.1 | 35.1 |
| Male | 29.7 | 31.6 | 34.7 |
| Female | 27.2 | 30.5 | 35.4 |



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 programs and the percentage who are undergoing training.

How Is Illinois Performing?

- The number of WIA clients entering training, has decreased from 2011 to 2012 by 4 percentage points, but is still up overall from 2008 when Illinois implemented a policy that required Local Workforce Investment Areas to spend 40 percent of the adult and dislocated worker formula allocation on direct training expenditure. The recent decrease in training is due in part to reductions in federal funding.

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 Participants | % of WIA Participants in Training |
|--------------|--------------|-------------------|------------------|-----------------------------------|
| 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% |
| 2012 | 6.60 million | 846,710 (P)* | 22,227 | 43% |

*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.

*(P) indicates a preliminary number representing the most accurate count of adults in college at the time of this report.

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. This benchmark has one indicator:

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 levels (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

Previous reports included adult literacy data based on The National Adult Literacy Survey (NALS) which had not been updated since 1992. 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 to 35 percent.
- In 2008, Illinois ranked seventh among the ten benchmark competitor states.

Data Issues and Limitations

The National Report Card on Higher Education uses the Current Population Survey (CPS) for the transition measure. Data was released every two years but has not been updated since 2008. To address these recent data limitation, ISBE recently purchased post-secondary enrollment data from the National Student Clearinghouse, a company that collects enrollments from post-secondary institutions. NSC collects enrollment records for over 90% of the students enrolled in post-secondary institutions. We completed an analysis of Illinois' 2011 graduation class and found that 72% of the graduates had enrolled in a 2 year or 4 year post-secondary institution within 16 months of graduation. When examining enrollments within 12 months of graduation 67.9% of the graduates enrolled in a post-secondary institution. The NSC data provides a more accurate representation of the college enrollment rate compared to what is reported above. ISBE is in the process of building a trend on this measure beginning with the 2008 cohort.

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 decrease 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; yet, this percentage is slowly decreasing.

- In 2011-2012 academic school year, Illinois had a dropout rate of 2.44 percent, which is down almost 2.4 percentage points since the 2002-2003 school year.
- Black (4.7%) and Hispanic (3%) youth had significantly higher dropout rates than White (1.6%) youth in Illinois in the 2011-2012 school year.

Data Issues and Limitations

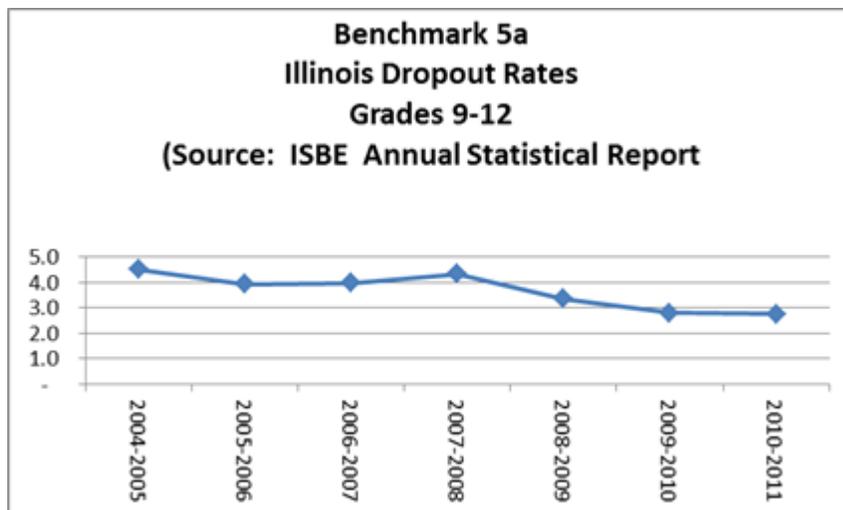
In 2008, ISBE implemented a statewide Student Information System collecting student demographic and enrollment data which included exit information regarding dropouts. The exit information and dropout calculation is based on the federal guidelines developed for reporting the dropout rate to National Center for Education Statistics (NCES). Illinois' dropout rate has consistently trended downward except for the first year of the SIS collection. This spike is directly attributed to the new collection system and the need for better education in the use of the system.

The percentage of youth aged 16 – 19 without a high school diploma is measured using Census data. IBSE does not use census data for its reporting and cannot comment on the statistic.

**Benchmark 5a
Dropout Rates for Grades 9-12, by State: School Years 1997-98 through
2007-08**

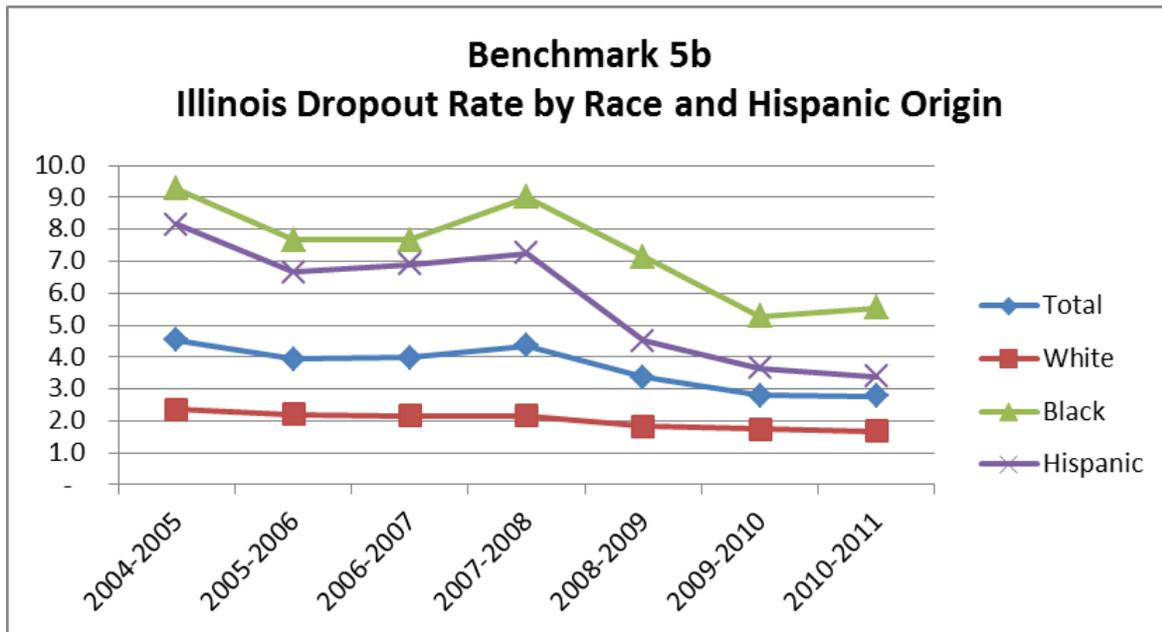
(Source: National Center for Educational Statistics)

| | 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 New | 6.2 | 7.4 | 3.5 | 3.9 | 4.6 | 4.5 | — | — | — | — | — |
| Jersey New | 1.7 | 2.0 | 1.7 | † | 1.8 | 1.8 | 2.5 | 2.8 | 3.1 | 3.1 | 3.5 |
| York Ohio | 3.9 | 5.3 | 4.4 | 5.7 | 5.6 | 5.5 | 7.1 | 3.8 | 4.1 | 4 | 3.2 |
| Pennsylvania | 4.3 | 4.5 | 4.1 | 3.5 | 3.3 | 3 | 3.1 | — | — | — | — |
| Texas | 2.6 | — | 2.8 | 2.9 | 2.9 | 3.2 | 3.3 | 3.6 | 4 | 3.7 | 3.9 |
| | 4.0 | 4.0 | 4.3 | 3.6 | 3.6 | 3.6 | 3.8 | 4.2 | 5 | — | — |



**Benchmark 5b
Illinois Dropout Rates by Race and
Hispanic Origin
(U.S. Census Bureau)**

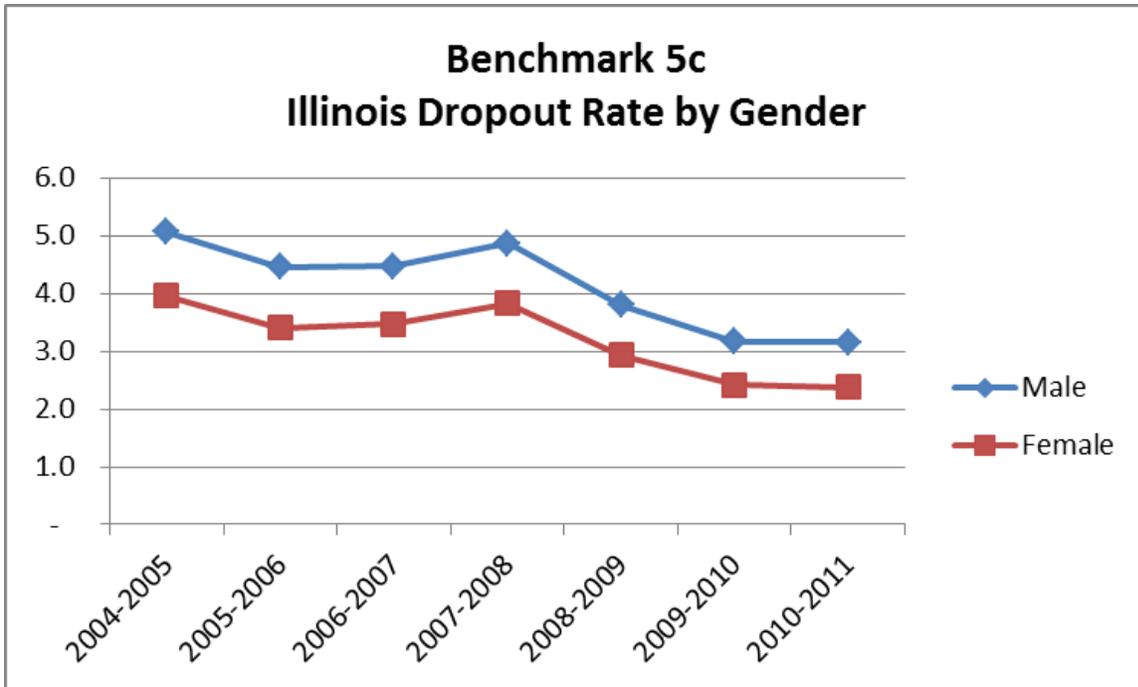
| | 2004-2005 | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 |
|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Total | 4.5 | 3.9 | 4.0 | 4.4 | 3.4 | 2.8 | 2.8 | 2.4 |
| White | 2.4 | 2.2 | 2.2 | 2.2 | 1.8 | 1.8 | 1.7 | 1.6 |
| Black | 9.3 | 7.7 | 7.7 | 9.0 | 7.1 | 5.3 | 5.5 | 4.7 |
| Hispanic | 8.1 | 6.7 | 6.9 | 7.2 | 4.5 | 3.7 | 3.4 | 3.0 |



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 |

| Benchmark 5c | | |
|----------------------------------------|------|--------|
| Illinois Dropout Rate by Gender | | |
| Year | Male | Female |
| 2004-2005 | 5.1 | 4.0 |
| 2005-2006 | 4.5 | 3.4 |
| 2006-2007 | 4.5 | 3.5 |
| 2007-2008 | 4.9 | 3.8 |
| 2008-2009 | 3.8 | 2.9 |
| 2009-2010 | 3.2 | 2.4 |
| 2010-2011 | 3.2 | 2.4 |
| 2011-2012 | 2.8 | 2.0 |



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 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

ISBE's student level data collection is limited to only those students attending Illinois public schools. During the transition from eighth to ninth grade, many students transfer between public and private school or vice versa. As a result, we cannot accurately assess the number of students who may dropout before entering high school. We do know that the enrollment statistics consistently show that ninth grade enrollment exceeds eighth grade enrollment, suggesting that more students enter public school than exit public school between grade eight and grade nine. Geographic mobility across state lines is an additional factor impacting data availability.

The table below outlines data available about student retention in a public school setting. Those not retained may have moved out of state, enrolled in private school or dropped out of school.

| School Year | 8th grade | 9th grade | Retention in Public School |
|--------------------|------------------|------------------|-----------------------------------|
| 2008-2009 | 158,700 | 177,271 | 90.5% |
| 2009-2010 | 154,982 | 176,456 | 92.3% |
| 2010-2011 | 153,986 | 169,759 | 92.7% |
| 2011-2012 | 153,497 | 167,463 | 93.0% |
| 2012-2013 | 152,328 | 165,579 | 93.1% |
| 2013-2014 | 154,404 | 165,566 | 93.2% |

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. However, since the development of this measure in 2000, Illinois ceased to collect the necessary income information to recreate this benchmark in the 2010 census. As such, the included data from 2000 is the most current available.

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 [1]
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.

[3] The race of the head of the household.

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 30.8 percent between 2001 and 2011, reaching a level of \$57,943 in 2011, above the national average of \$53,768.
- Average earnings increased by 9.6 percent in Illinois between 2000 and 2011 which was slightly below the national average of 10.2 percent for that period.
- Illinois ranked third among the benchmark states in earnings growth between 2001 and 2011, and was fifth in earnings growth between 2006 and 2011.

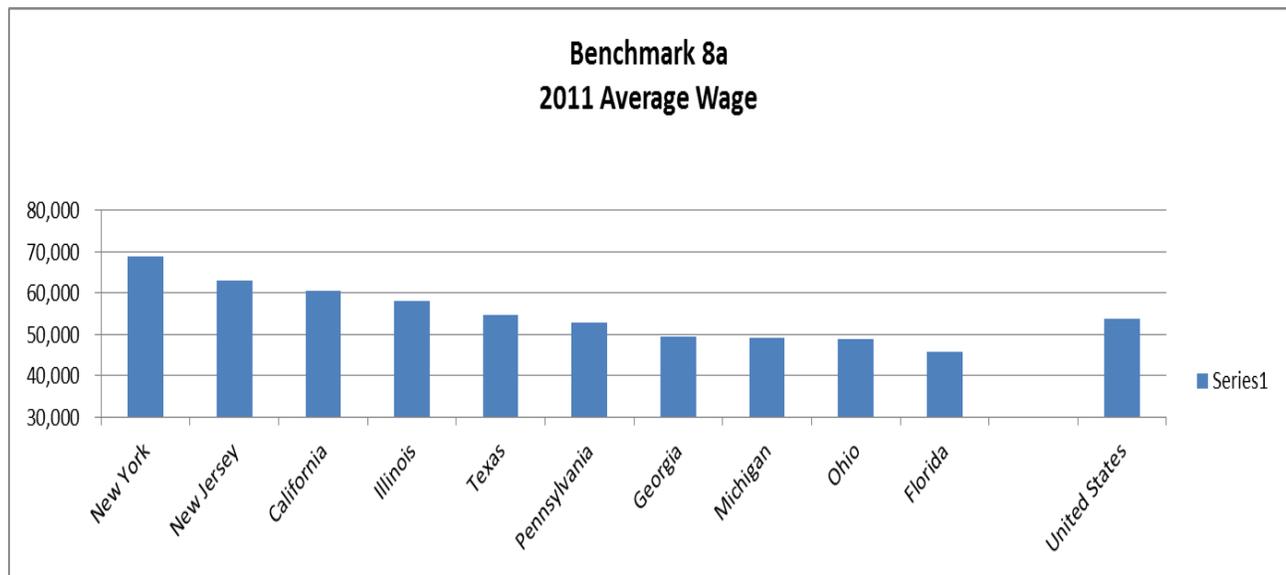
Data Issues and Limitations

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)

| | 2001 | 2006 | 2011 | Percent Change 2001-2011 | Percent Change 2006-2011 |
|---------------|--------|--------|--------|-----------------------------|-----------------------------|
| United States | 41,354 | 48,808 | 53,768 | 30.0% | 10.2% |
| California | 46,754 | 56,310 | 60,528 | 29.5% | 7.5% |
| Florida | 36,449 | 43,465 | 45,866 | 25.8% | 5.5% |
| Georgia | 40,860 | 45,857 | 49,619 | 21.4% | 8.2% |
| Illinois | 44,295 | 52,878 | 57,943 | 30.8% | 9.6% |
| Michigan | 42,504 | 46,804 | 49,088 | 15.5% | 4.9% |
| New Jersey | 50,487 | 58,018 | 62,908 | 24.6% | 8.4% |
| New York | 52,469 | 62,681 | 68,976 | 31.5% | 10.0% |
| Ohio | 37,961 | 44,195 | 48,816 | 28.6% | 10.5% |
| Pennsylvania | 40,112 | 47,587 | 52,821 | 31.7% | 11.0% |
| Texas | 42,019 | 49,459 | 54,589 | 29.9% | 10.4% |



**Benchmark 8b
Percent Income Growth by
Industry
2007-2012**

(Source: Bureau of Economic Analysis, Table SA07, Wage and Salary Disbursements by Industry)

| Industry | IL | U.S. |
|--------------------------------------------------|---------|---------|
| Wage and salary disbursements by place of work | 4.95 | 7.11 |
| Farm wage and salary disbursements | 6.92 | 1.87 |
| Nonfarm wage and salary disbursements | 4.97 | 7.13 |
| Private wage and salary disbursements | 4.14 | 6.51 |
| Forestry, fishing, and related activities | 6.59 | 18.15 |
| Mining | 10.18 | 39.59 |
| Utilities | 17.69 | 21.26 |
| Construction | (26.42) | (17.96) |
| Manufacturing | (0.32) | (1.58) |
| Durable goods manufacturing | (1.24) | (1.09) |
| Nondurable goods manufacturing | 1.20 | (2.58) |
| Wholesale trade | 7.40 | 6.30 |
| Retail trade | (0.14) | 2.83 |
| Transportation and warehousing | 7.88 | 5.50 |
| Information | (3.61) | 4.84 |
| Finance and insurance | (5.52) | (3.43) |
| Real estate and rental and leasing | (10.32) | 0.47 |
| Professional, scientific, and technical services | 13.82 | 16.48 |
| Management of companies and enterprises | 13.36 | 19.57 |
| Administrative and waste management services | 5.11 | 5.76 |
| Educational services | 31.62 | 25.94 |
| Health care and social assistance | 17.61 | 21.94 |
| Arts, entertainment, and recreation | 3.39 | 5.46 |
| Accommodation and food services | 8.46 | 8.86 |
| Other services, except public administration | 9.51 | 9.09 |
| Government and government enterprises | 10.27 | 10.20 |

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 increase in jobs.

How Is Illinois Performing?

Illinois experienced an increase of 32,000 net jobs from 2001 to 2011.

- Illinois decreased by about 99,000 jobs from 2006 to 2011 ranking sixth out of the ten competitor benchmark states. Data indicated that jobs in Illinois decreased by approximately -1.3% from 2006-2011 but grew overall by 0.4% percent from 2001 to 2011.

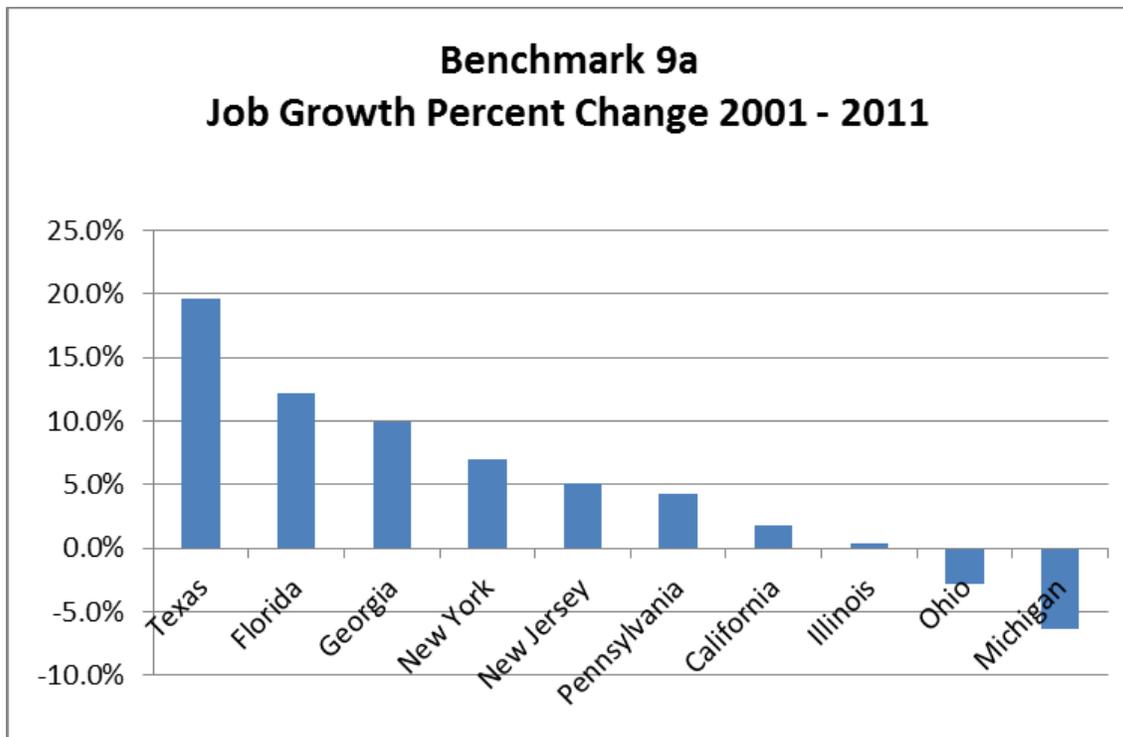
Data Issues and Limitations

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 | 2001 | 2006 | 2011 | Change 2001-2011 | Percent Change 2001-2011 | Change 2006-2011 | Percent Change 2006-2011 |
|-----------------|-----------------|-----------------|-----------------|------------------|--------------------------|------------------|--------------------------|
| U.S. | 165,510.2 | 176,124.60 | 175,834.70 | 10,325 | 6.2% | (290) | -0.2% |
| California | 19,609.70 | 20,514.15 | 19,969.27 | 360 | 1.8% | (545) | -2.7% |
| Florida | 8,917.15 | 10,407.36 | 10,008.70 | 1,092 | 12.2% | (399) | -3.8% |
| Georgia | 4,855.53 | 5,392.60 | 5,335.93 | 480 | 9.9% | (57) | -1.1% |
| Illinois | 7,317.42 | 7,448.48 | 7,349.09 | 32 | 0.4% | (99) | -1.3% |
| Michigan | 5,489.76 | 5,468.47 | 5,143.15 | (347) | -6.3% | (325) | -5.9% |
| New Jersey | 4,741.32 | 5,059.22 | 4,983.99 | 243 | 5.1% | (75) | -1.5% |
| New York | 10,422.20 | 10,787.59 | 11,154.53 | 732 | 7.0% | 367 | 3.4% |
| Ohio | 6,710.70 | 6,761.91 | 6,521.26 | (189) | -2.8% | (241) | -3.6% |
| Pennsylvania | 6,927.48 | 7,186.10 | 7,222.27 | 295 | 4.3% | 36 | 0.5% |
| Texas | 12,211.17 | 13,500.28 | 14,611.48 | 2,400 | 19.7% | 1,111 | 8.2% |



Benchmark 9b.
Industry Employment
 (Source: Bureau of Economic Analysis, Employment by Industry Table SA25)

| Industry | 2011 |
|--------------------------------------------------|------------------|
| Total employment | 7,349,087 |
| Wage and salary employment | 5,882,915 |
| Proprietors employment | 1,466,172 |
| Farm proprietors employment | 60,737 |
| Nonfarm proprietors employment 2/ | 1,405,435 |
| Farm employment | 77,806 |
| Nonfarm employment | 7,271,281 |
| Private nonfarm employment | 6,382,012 |
| Forestry, fishing, and related activities | 11,546 |
| Mining | 28,309 |
| Utilities | 24,258 |
| Construction | 311,367 |
| Manufacturing | 592,460 |
| Durable goods manufacturing | 353,642 |
| Nondurable goods manufacturing | 238,818 |
| Wholesale trade | 309,678 |
| Retail trade | 703,636 |
| Transportation and warehousing | 302,925 |
| Information | 118,526 |
| Finance and insurance | 487,877 |
| Real estate and rental and leasing | 282,349 |
| Professional, scientific, and technical services | 516,959 |
| Management of companies and enterprises | 103,404 |
| Administrative and waste management services | 503,562 |
| Educational services | 205,558 |
| Health care and social assistance | 835,136 |
| Arts, entertainment, and recreation | 148,457 |
| Accommodation and food services | 475,450 |
| Other services, except public administration | 420,555 |
| Government and government enterprises | 889,269 |

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 increased productivity by four and a half percent.
- Illinois had the fifth highest productivity rate among benchmark states in 2011 (maintaining its rank from 2006) and has continually exceeded national figures over the past ten years.

Data Issues and Limitations

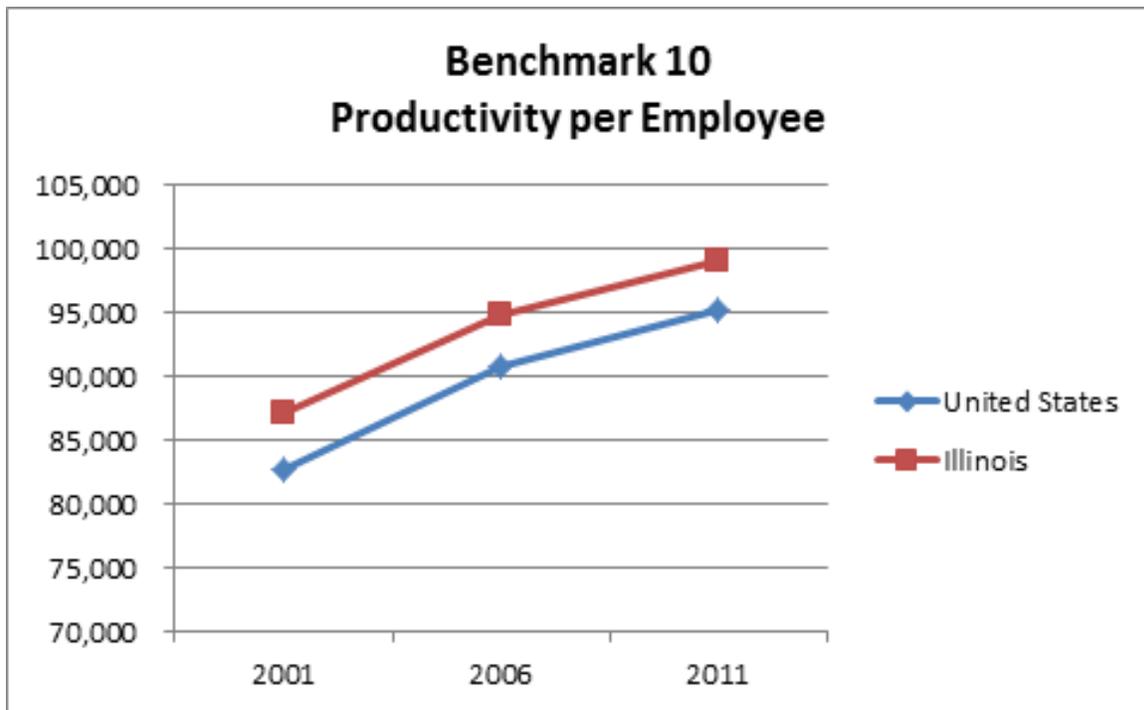
The measure provides an indirect estimate of productivity, but is the only available measure for annual reporting at the national and state levels. This measure is based on Bureau of Economic Analysis (BEA) data on gross state product and employment. The U.S. Department of Commerce, Bureau of Economic 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 2011 | Area | 2001 | 2006 | 2011 | Percent Change 2001-2011 | Percent Change 2006-2011 |
|-----------|---------------|---------|---------|---------|--------------------------|--------------------------|
| | United States | 82,762 | 90,728 | 95,184 | 15.0 | 4.9 |
| 1 | New York | 101,855 | 113,424 | 115,986 | 13.9 | 2.3 |
| 2 | California | 93,804 | 108,064 | 111,303 | 18.7 | 3.0 |
| 3 | New Jersey | 99,234 | 106,448 | 110,199 | 11.1 | 3.5 |
| 4 | Texas | 89,810 | 96,558 | 104,401 | 16.2 | 8.1 |
| 5 | Illinois | 87,122 | 94,809 | 99,110 | 13.8 | 4.5 |
| 6 | Georgia | 81,060 | 85,758 | 89,589 | 10.5 | 4.5 |
| 7 | Florida | 75,372 | 84,292 | 85,803 | 13.8 | 1.8 |
| 8 | Pennsylvania | 77,239 | 82,067 | 85,467 | 10.7 | 4.1 |
| 9 | Michigan | 77,775 | 83,022 | 84,262 | 8.3 | 1.5 |
| 10 | Ohio | 73,679 | 78,474 | 80,940 | 9.9 | 3.1 |

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



Summary and Next Steps

This report is the ninth 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 allow 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) and adult literacy (Benchmark Three). 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 ninth 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.