Fact Sheet:

ETA's Common Measures

The Employment and Training Administration (ETA) collaborated with several federal agencies and the Office of Management and Budget (OMB) to develop a set of performance metrics called “common measures” for federal employment and job training programs with similar goals. The value of these common performance measures is the ability to describe in a similar manner the core purposes of the workforce system. Three common measures were developed for programs serving adults and three common measures were developed for programs serving youth.

ETA’s High-Growth and Community Based Job Training Grantees are held accountable for the *Adult Common Measures only* (although grantees are not precluded from capturing outcomes pertaining to the Youth Common Measures). The definitions and associated calculations for each of the adult common measures reference “calendar quarters” because State Unemployment Insurance (UI) wage records – which are based on calendar quarters – are the preferred data source to demonstrate these employment-related outcomes. In addition, all of the adult common measures are “exit-based,” meaning that the measures “kick in” after the exit quarter.

1. **Entered Employment Rate**—Of those individuals who were not employed at the time of program participation, the percentage who are employed in the first quarter after they exit.
2. **Employment Retention Rate**—Of those who are employed in their first quarter after exit, the percentage employed in *both* the second and third quarters after they exit.
3. **Average Six-Month Earnings**—Of those who are employed in their first, second and third quarters after exit, the average gross earnings from the second and third quarters after exit.

For illustrative purposes only, consider the following scenario:

July—Sept 2008	Oct—Dec 2008	Jan—Mar 2009	Apr—June 2009	July—Sept 2009
Participation Quarter for 25 individuals (10 are employed at participation and 15 are not)	Exit Quarter for same 25 individuals	Of the 10 who were employed at participation, 10 are employed in Q1 post-exit; of the 15 who were not employed at participation, 12 are employed Q1 post-exit	Of the 22 employed Q1 post-exit, all 22 are employed Q2 post-exit, with gross earnings for the quarter of $109,000	Of the 22 employed Q1 and Q2 post-exit, 20 are employed Q3 post-exit, with gross earnings of $103,000 (the gross earnings in Q2 for the 2 individuals who were employed in Q2 but not Q3 was $5,000)
		1^{st} Quarter after Exit	2^{nd} Quarter after Exit	3^{rd} Quarter after Exit
Common Measure Outcomes ➜		Entered Employment Rate	Employment Retention Rate and Average Earnings	

Entered Employment Rate – Only those “not employed at participation” are included in these calculations. Since we’re told that 15 of the 25 exiters were not employed at participation, we’re accountable only for the 15 (for this measure). Of the 15 who were not employed at participation, we’re told that 12 are employed in the first quarter after exit. That means our EER is 12/15 or 80%. (In other words, 80% of those individuals who were not employed at participation are employed in the first quarter after exit.)

Employment Retention Rate – This measure includes all those individuals who were employed in the first quarter after exit, regardless of their employment status at participation. Therefore, our “base” (or denominator) is 22. According to the scenario provided, of the 22 individuals who are employed in the first quarter after exit, all 22 are employed Q2 post-exit but only 20 are employed Q3 post-exit. Therefore, our ERR is 20/22 or 90.9%. (In other words, 90.9% of those individuals who were employed in the first quarter after exit are also employed in the second and third quarters after exit.)

Average Earnings – This measure includes all those individuals who were employed in the first, second and third quarters after exit. We’re interested in “average earnings” for that specific group of individuals. Based on the scenario provided, 20 individuals are employed in all three post-exit quarters. In order to derive average earnings, we need the gross earnings for these 20 individuals over the 2^{nd} and 3^{rd} quarters after exit. We’re told that the gross earnings for the 3^{rd} quarter are $103,000 and we’re told (indirectly) that the gross earnings for the 2^{nd} quarter is $104,000 ($109,000 minus $5,000). Therefore, the average earnings are $207,000/20 or $10,350.