## The Florida College System – Transparency, Accountability, Progress, and Performance

WHAT ARE THE OVERALL EMPLOYMENT, EARNINGS, AND CONTINUING EDUCATION OUTCOMES FOR FLORIDA COLLEGE SYSTEM GRADUATES? HOW CAN <u>SMART-COLLEGE-CHOICES</u> CONTRIBUTE ADDITIONAL INFORMATION BY MAJOR?

**The Florida College System (FCS) is committed to helping individuals enter and advance in the workforce.** FCS institutions educate and train graduates for careers with rising real incomes. As part of the system's efforts to continuously improve, colleges partner with the nationally recognized Florida Education and Training Placement Information Program (<u>FETPIP</u>) to track employment, earnings, and continuing education outcomes. The following paragraphs deliver a high-level, system summary of FCS graduate workforce and continuing education outcomes.

**Overall Employment.** Table 1 illustrates that for the last few years, approximately two-thirds of FCS graduates were employed in either full- or parttime positions. The large number of AA degree – a araduates program designed for transfer – brings down the immediate placement in employment average. The 61,418 working graduates in 2010-11 marks a five-year high.

Table 1: Florida College System Graduates 2006-07 to 2010-11									
Overall Employment and Continuing Education Trends									
	2006-07	2007-08	2008-09	2009-10	2010-11				
Graduate Cohort	63,754	70,232	73,347	83,344	90,781				
Full-time Employed*	32,718	35,376	33,260	36,376	39,308				
Overall Employed									
(Part-time or Full-time)	45,393	49,205	49,619	55,467	61,418				
Overall Employment Rate	71.2%	70.0%	67.6%	66.6%	67.7%				
Number Employed or									
Continuing Education	55,772	61,011	68,824	72,582	79,438				
Employed or Continuing									
Education Rate	87.5%	86.9%	87.0%	87.1%	87.5%				
*Full-time employment is determined when an individual's 4 <sup>th</sup> quarter wages are equal to at least the hourly minimum									

wage, working 40 hours per week for 13 weeks times 4 quarters. 2010-11 minimum wage = \$7.25 or \$15,204 annually. Continuing education is for the academic year following graduation. Source: Florida Department of Education, FETPIP

Table 2: Florida College System 2010-11 Graduates Average   Employment Rates and Average Full-Time Earnings by Award Type							
Award Type	Avg. Employ. Rate	Avg. Full Time Earnings	Times Higher Than Min. Wage Salary				
Educator Preparation Institute	83.8%	\$39,846	2.6				
Bachelor's	79.1%	\$46,186*	3.0				
Advanced Technical Certificate	75.5%	\$49,422*	3.3				
Associate in Science	77.8%	\$44,095*	2.9				
Associate in Applied Science	72.7%	\$40,023	2.6				
Associate in Arts	62.2%	\$31,375	2.1				
Apprenticeship	81.2%	\$37,845	2.5				
Career/Technical Certificate	74.4%	\$35,380	2.3				
College Credit Certificate	70.2%	\$34,555	2.3				
Certificate of Professional Prep.	68.8%	\$34,524	2.3				
Applied Technology Diploma	70.1%	\$30,130	2.0				
OVERALL	67.7%	\$36,025	2.4				
*Exceeds High Skills\High Wage earnings thresholds established in Florida. Source: Florida Department of Education, FETPIP & Florida College System Research & Analytics							

Employment by Award Type. Table 2 contains workforce outcomes by type of degree for 2010-11. certificate or Employment rates include individuals working full- and part-time. There was variation in employment rates by award Higher initial placement in type. employment rates tended to accompany closer participation by employers in narrowly focused training. Over 8 out of 10 Educator Preparation Institute (EPI) and Apprenticeship graduates were working. EPIs provide an alternate route to teacher certification for mid-career professionals and college graduates who were not education majors.

Earning a higher level degree or certificate is associated with elevated employment rates. Between 75% and 80% of Bachelor's, AS, and Advanced Technical Certificate (ATC) graduates were working. ATCs consist of 9 to 44 college-level credits for students who previously

earned an AS\AAS degree and are seeking advanced specialized training. The AA (62.2%) and AAS (72.7%) are exceptions to this trend. AA degrees are designed to prepare individuals for transfer to a bachelor's program. AAS employment rates were just below the 75% threshold. EPI is both narrowly focused and a higher level education program. Career/Technical Certificates, College Credit Certificates, Applied Technology Diploma (ATD) and the Certificate of Professional Preparation had slightly lower employment rates.

**Earnings by Award Type.** Full-time worker average earnings appear in Table 2 above and show overall FCS graduate earning of \$36,025 or 2.4 times minimum wage earnings. The range of annual pay was between 2.0 (ATD/Diploma) and 3.3 (ATC/Certificate) times minimum wage





across the different categories of award. Figure 1 provides some perspective on the overall Florida College System graduate's earnings. According to the <u>Bureau of Labor</u> <u>Statistics</u> ("BLS"; 2011) the annual median wage in Florida was \$30,763 and Florida's annual average wage was \$40,750. Note that BLS figures include workers with all level of experience. FCS graduates tend to include more entry level workers. Hence, **FCS wages compare favorably with those earned in the Florida marketplace.** 

**Generally, elevated wages accompany FCS graduates with higher levels of education and training**. Advanced Technical Certificate (\$49,422), Bachelor's (\$46,186), and AS (\$44,095) degree holders all earned above the \$41,932 high skills\high wage earnings thresholds established in Florida.

Table 3 shows the highest average annual <u>earnings</u> for selected award types which reinforces that the **subject matter studied impacts earnings**. Additionally, some of

these majors attract sizable numbers of incumbent working adults seeking to upgrade their skills to adapt to changing technology or position themselves for advancement (e.g., Fire Science Technology which mostly serves firefighters and Six Sigma Black Belt Certificate which focuses on continuous quality improvement management techniques that involves implementing analytical, measurement, and process control tools.)

Table 3: Florida College System 2010-11 Graduates Highest Average Annual Full-Time Wage by Award Type								
		Number	Number	Percent	Est. Average			
Award Type	Program	Completed	Employed	Employed	Annual FT Wage			
ATC	Nursing, RN	21	18	85%	\$61,992			
AS	Physician Assistant	50	31	62%	\$77,856			
AAS	Fire Science Technology	17	15	88%	\$70,184			
Apprenticeship	Industrial Pipefitter	26	19	73%	\$46,312			
Career/Technical	Aux. Law Enforcement Officer	15	14	93%	\$87,068			
CCC	Six Sigma Black Belt Certificate	26	21	80%	\$67,056			
ATD	Medical Record Transcribing	68	34	50%	\$33,728			
Source: Smart-College-Choices, Florida Department of Education FETPIP & Florida College System Research & Analytics								

<u>Overall Employed or Continuing Education</u>. Table 1 shows that overall Florida College System graduates have fared relatively well during the recent recessionary period. During the past five years, nearly 9 out of 10 graduates were either employed or continuing their education. The 2010-11 employment or continuing education rate of 87.5 percent matches the five year high.

**Employed or Continuing Education by Award Type.** Figure 2 on the following page shows the proportion of graduates who are either employed or continuing their education. While AA completers had the lowest employment rate, they also had the highest employed or continuing education rate of graduates pursuing their bachelor's degree. CPP completers had the lowest combined percentage of students working or going to school.

The preceeding paragraphs reinforce that higher levels of education and training are associated with elevated immediate post program employment and earnings outcomes. Additionally, what a student chooses to study impacts both employability and wages.

<u>Selected Related Resources</u>. Florida's <u>Career Cruiser</u>, <u>CHOICES Planner</u>, the <u>Occupational Outlook Handbook</u> and <u>Petersons</u> are some of the on-line resources available to explore career choices and related college majors. BLS (2012) identifies <u>High Wages After High School Without a Bachelor's Degree</u>. Counselors and advisors at local colleges and high schools can help.

<u>CollegeMeasures.org</u> is a partnership between the American Institutes for Research and the Matrix Knowledge Group. The website provides data tools aimed at improving higher education outcomes by providing easily accessed straightforward performance indicators for students, parents, and policy makers. Stakeholders can access useful information such as graduation, retention, and student loan default rates, by state, sector, and college.



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Selected Related Research. Carnevale, Cheah, & Strohl (2012) empirically documented at the national level intuitive knowledge that <u>choice in</u> <u>major substantially influences employment</u> and earnings. Chances of being unemployed increase dramatically without a college degree. According to <u>Carneavle</u>, Jayasundera, & Cheah (2012), "The only real gains made during the still struggling recovery have been in jobs filled by workers with at least some postsecondary education. The gradual shift to more-educated workers has been going on for decades, but the recession gave it a mighty push. It also left the country with an urgent need to find a way to train workers for higher skill jobs."

President Barack Obama's <u>agenda for higher</u> <u>education</u> includes the goal of having all Americans complete one year of higher education or postsecondary training. The public seems to support the goal. In a recent <u>Gallup & Lumina</u> Poll (2013) 97% of a random sample of

Americans indicated that it was at least *Somewhat Important* to a person's financial security in the future to have education beyond high school (71% said *Very Important* and 26% indicated *Somewhat Important*).

Pursuing additional education and training in the future provides individuals with a second chance if initial major selection does not work out. There are, of course, cash costs and opportunity costs to pursuing additional education. In another <u>report</u>, Carnevale (2012) highlights the value of career and technical education (e.g., postsecondary certificates, apprenticeships, associate degrees) and the average salaries of sub-baccalaureate awards. Middle Skill Jobs are occupations that require some postsecondary education and training, but not a bachelor's degree (Carnevale, 2012). FCS colleges provide the education necessary for Middle Skills Jobs.

<u>Related Legislative Initiatives.</u> During the regular 2012 Florida legislative session <u>HB 7135</u> passed which modified the <u>1001.02 Florida Statutes</u>. One requirement of the new legislation involves the production of an Economic Security Report of Employment and Earnings Outcomes for degrees and certificates awarded by public postsecondary institutions. The report will provide students and parents with information about graduate's job placement and income by program area to help them make more informed choices about major programs of study that lead to elevated employment and higher incomes.

In the nation's capitol, lawmakers are also working on federal legislation to help students and their families make more informed decisions about college costs and outcomes associated with specific degrees and certificates. Florida Senator Marco Rubio and Oregon's Ron Wyden are the leading sponsors of the legislative proposal known as the <u>Student Right to Know Before You Go Act</u>. This <u>proposal</u> seeks to reform reporting requirements for colleges and universities that receive federal funds so that additional relevant information is readily available for comparison including instructional cost, labor market outcomes for graduates, and the average debt accumulated.

<u>Smart-College-Choices</u>. The FETPIP powered Florida College System <u>Smart-College-Choices</u> web portal furnishes more detailed information about graduate's workforce and education outcomes by specific program and the individual college. The format allows the user to sort the data on any column based on whatever she\he identifies as the most important factor.

What do we know from the Florida data and related research?

- 1. Postsecondary education is an important factor in positioning an individual for success in the workforce higher wages and lower unemployment.
- 2. Higher placement in employment rates tended to accompany closer participation by employers in narrowly focused training.
- 3. Higher levels of education are associated with elevated employment rates and wages.
- 4. College major selection matters for employment and earnings.
- 5. Explore FCS workforce and continuing education outcomes further at <u>Smart-College-Choices</u>.