

Labor Market Outcomes

For policymakers, access to high-quality labor market outcome data can be a strong mechanism for accountability. Linking students' educational records with their employment and earnings histories reveals, on average, how various institutions and degree programs lead to occupations with higher or lower wages and rates of employment. Moreover, labor market information can help students understand how others fared in the job market after choosing one program or another. And it can form the basis for productive discussions between institutions and employers.

JFF recommends that states measure employment outcomes of college graduates for at least five years, ideally tracking whether students are employed in career fields related to their programs of study. This will reveal how well postsecondary experiences prepared students for immediate job entry, as well as for career advancement and higher earnings over time. Wage changes can be very small in some careers but quite significant in others. States also should track labor market outcomes by credential types and student demographics to uncover differences that deserve targeted interventions or heightened scrutiny by policymakers. Finally, states should invest in data tools that consumers, practitioners, and policymakers can use to identify living-wage jobs with critical labor shortages in specific regions.

Findings from 15-State Study



On average, just over one-third of the five recommended labor market information policies have been adopted per state.



Signs of progress: A majority of the states track the employment outcomes of students for at least five years following graduation, and release that information to the public. Many also disaggregate the data by program of study and credential type.



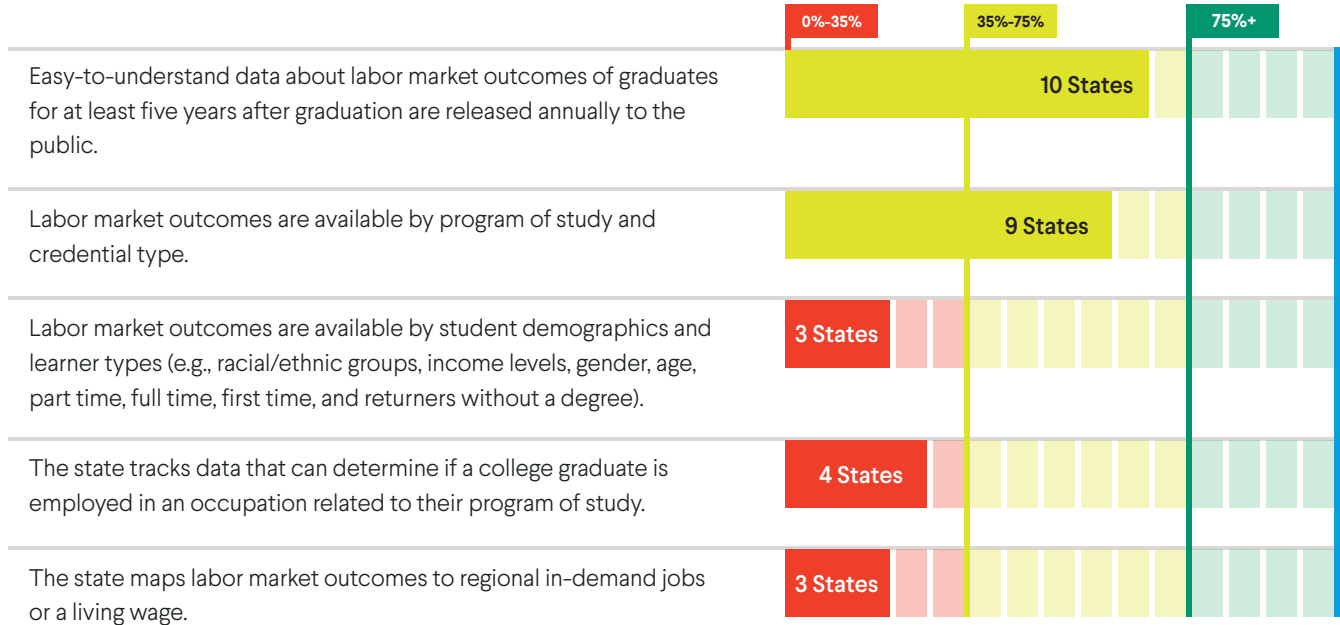
Critical gaps: Only about a quarter of the states disaggregate employment outcomes by student demographics and learner types. Likewise, few states are able to determine if students are employed in an occupation related to their program of study. Finally, few states map labor market outcomes to in-demand jobs or what equates to a living wage.



Ahead of the curve: California, Florida, and Wisconsin.

POLICY RECOMMENDATION 3: LABOR MARKET OUTCOMES

The state makes labor market information available to track and report employment outcomes of college graduates.



State Spotlight: **Washington**

Washington generates some of the most useful and comprehensive labor market reports and dashboards in the country. In 2007, the state formed the [Education and Research Data Center](#) to serve as a nonpartisan research body and custodian of cross-sector data independent from the agencies that contribute to it. ERDC has [produced reports](#) that look backward at students’ earnings—not just forward—to calculate net gains in earnings, rather than just the absolute value. Through the ERDC’s [employment dashboard](#), Washington has more comprehensive and longer-term data than most states.

With ERDC data, Washington policymakers can, for example, find out how much community college graduates working in the construction trades earn up to nine years after they complete their programs of study. They could also compare the wages of certificate holders with those of people who participated in apprenticeships or determine the likelihood that Seattle high school students will enter higher education rather than becoming involved in the criminal justice system. For anyone interested in the connections between education and involvement in the criminal justice system, the ERDC [incorporates statewide criminal justice data](#) into its assessments of outcomes.