

# BRIEFING



## Aligning Postsecondary Education with Modern Employment Needs in Florida

Florida is engaged in lively debate about how a strong postsecondary system can prepare its graduates to bring added value to a state's economy.

To address the steps that Florida has taken and should continue to take to match our graduates to the industries that need a workforce with skill-specific education, this Briefing looks at two aspects of the issue: how the right degree can make a difference in lifetime earning potential, and how Florida's Supply and Demand Portal can help students and employers achieve their goals.

### A Bachelor's degree may not be the best route

It is a generally accepted fact that postsecondary education translates into higher individual earning potential and a more robust overall economic environment. Based on 2009 earnings data, an individual with a Bachelor's degree could expect to earn \$2.7 million over their lifetime, 75 percent more than that of a high school graduate. Today, the earnings estimate has risen to \$2.8 million, 84 percent above the high school graduate. It is important to note, however, that postsecondary does not always mean four years or a Bachelor's degree.

Not all degrees are created equal in terms of earning power. Many undergraduate degrees awarded in Florida in the arts and service industries, for example, have

only a fraction of the earning power of undergraduate degrees in computer and information systems. To illustrate, a computer systems manager can expect to earn an average of \$3.7 million in their lifetime, where an artist or food services manager, in contrast, can expect to earn between \$1.6 and 1.8 million.<sup>1</sup>

Additionally, a growing number of high-skill, high-wage occupations prefer or actually require an Associate's degree or a nationally recognized industry certification rather than a four-year degree. According to the Georgetown University Center on Education and the Workforce, recent studies offer a compelling argument in support of the AS degree and high-level industry certifications for certain careers. For example, a student with a Bachelor's degree in Social Work can expect quarterly earnings of \$7,755.00, versus a student with an AS degree in Emergency Management Services who will earn roughly \$15,147.00 per quarter.

The charts on the next page include a sampling of Associates (top) and Bachelor's (bottom) degrees to show employment rates and quarterly earnings statistics for their respective fields.

## 2010-11 Associates Degree Graduates Sample

Degree/Field	Graduates Employed	Quarterly Earnings	Enrolled in CE*
Fire Science Technology	88%	\$17,547	35%
Emergency Medical Services	84%	\$15,147	55%
Industrial Management Technology	51%	\$14,796	29%
Aviation Maintenance Management	85%	\$14,023	38%
Nursing	93%	\$13,030	32%
Electronics Engineering Technology	70%	\$12,319	32%
Graphics Technology	48%	\$9,921	23%
Aviation Operations	78%	\$8,166	34%
Computer Information Technology	78%	\$8,007	32%
Health Information Management	67%	\$7,487	15%
Early Childhood Education Associate Degree	53%	\$6,117	40%
Culinary Management	74%	\$5,753	26%
<b>Averages</b>	<b>72%</b>	<b>\$9,995</b>	<b>33%</b>

## 2010-2011 Bachelor's Degree Graduates Sample

Degree/Field	Graduates Employed	Quarterly Earnings	Enrolled in CE*
Speech Communication and Rhetoric	72%	\$8,106	8%
East Asian Languages, Literatures, Linguistics, Other	35%	\$8,083	20%
Sociology	62%	\$7,793	20%
Art History, Criticism and Conservation	46%	\$6,987	14%
Interior Design	57%	\$6,925	15%
Cinematography and Film/Video Production	46%	\$5,992	7%
Wildlife, Fish and Wildlands Science and Management	56%	\$5,704	17%
<b>Averages</b>	<b>53%</b>	<b>\$7,084.29</b>	<b>14%</b>

Source: Florida Education & Training Placement Information Program

\* CE = Continuing Education

## Aligning Degrees with Employment Opportunities

In 2012, in an effort to better align its graduates with available jobs and to maximize the taxpayers' return on investment in public education, Florida passed House Bill 7135. The legislation, which cemented Florida as a national leader in this area, was designed to make timely workforce and education data easily accessible to policymakers and students, and required that the data be used in policy-making and funding decisions. By making this information readily available to the consumer, institutions of higher education and workforce training entities can make appropriate adjustments, in some cases significant changes, to better align their course and degree offerings to the 21<sup>st</sup> century economy.

The legislation requires the State University System (SUS), the Florida College System (FCS), and private postsecondary institutions whose students receive state funds to report graduate information which ties degrees directly to job placement and earnings, and to report student outcome measures including graduation, employment, licensure passage, retention rates, and loan burden and default rates. In addition, research institutions must report on licenses and royalties, start-up companies, endowments, and national rankings.

For purposes of academic planning, the legislation requires that educational outcome data and the associated economic metrics be made available electronically to middle school students and their families. The intent is not for students to lock into decisions about career decisions and college majors while in middle school, but to encourage thoughtful course selection based at least in part on workforce realities and the academic requirements associated with different career choices. Most prerequisite requirements, especially in more demanding high-skill, high-wage, and high-demand occupations, begin before a student enters high school. A high

school senior, for example, who makes the decision to go into veterinary medicine, will have limited access to that career path without having taken the prerequisite science and mathematics courses beginning in the middle school grades.

## Florida's Newly Developed Supply and Demand Portal

To meet the requirements outlined in the 2012 legislation, the Florida Department of Economic Opportunity (DEO) has developed a robust Supply and Demand Portal (referred to as the Economic Security Report) which provides students, parents, businesses, and educators with real-time information on current and projected occupational demands.

The information, easily accessible and constructed to promote effective decision-making, reflects the most comprehensive and timely supply and demand information and includes:

- Public and private postsecondary enrollment, completions, and graduates by occupation. This information will be provided by institution, locale, region, and state;
- Workforce education enrollees, completions, and graduates by occupation, also provided by institution, locale, region, and state; and
- Current employment and wages by occupation

The goal of the Portal is to ensure the alignment of education programs that actually provide the skills necessary to meet occupational demands and create new business opportunities for Florida. As a result, the workforce and education sectors can rely on the data to create better alignment of education and training program offerings to meet current and future occupational demands. Entrepreneurs and highly-recruited new businesses will have the most comprehensive and timely occupational supply and demand data available to conduct analyses of current labor supply and recruit accordingly. Students and their parents will benefit from having real-time information on careers projected to be in high demand, and those seeking employment can use the

information for reemployment and training purposes.

The DEO's efforts to build and refine the Supply and Demand Portal have triggered additional enhancements, such as Florida's recent agreement to participate in the Wage Record Interchange System (WRIS2).<sup>2</sup> The WRIS2 system facilitates the exchange of wage data among participating states to assess and report on state and local employment and training program performance, and evaluate training provider performance. The exchange permits state workforce agencies to secure wage data of individuals who have participated in workforce investment programs in one state and who subsequently secure employment in another, giving a more thorough picture of the effectiveness of their workforce investment programs. Having access to this data will also provide policymakers with information relative to return on investment of taxpayer dollars in our postsecondary institutions and where Florida's graduates ultimately secure employment.

Additional enhancements to the portal also include information from College Measures, a partnership between the American Institutes for Research and Matrix Knowledge Group that relies on data to drive improvements in higher education outcomes nationally. College Measures was created to provide information to students, parents, policymakers, and postsecondary institutions based on data not previously publicized.

## More Can Be Done

Florida has spent millions creating its Education Data Warehouse and has for years been considered a pioneer in the acquisition of extensive educational data. Being able to easily capture and access the data in ways that are compelling and useful to stakeholders is another matter altogether. Florida TaxWatch urges the Legislature to further advance policies that require data be moved out of the warehouse and into the public domain in a manner that is cost effective and user-friendly, and to continue to force the conversation of education and workforce alignment.

## Citations

1 The College Payoff: <http://cew.georgetown.edu/collegepayoff/>

2 <http://www.doleta.gov/performance/wris.cfm>. There are 24 states and one territory currently participating in WRIS 2: Arizona, Arkansas, Florida, Idaho, Illinois, Indiana, Kentucky, Louisiana, Maryland, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Jersey, Oklahoma, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Dakota, Tennessee, Texas, Utah, and Wyoming.

## ABOUT FLORIDA TAXWATCH

As an independent, nonpartisan, nonprofit taxpayer research institute and government watchdog, it is the mission of Florida TaxWatch to provide the citizens of Florida and public officials with high quality, independent research and analysis of issues related to state and local government taxation, expenditures, policies, and programs. Florida TaxWatch works to improve the productivity and accountability of Florida government. Its research recommends productivity enhancements and explains the statewide impact of fiscal and economic policies and practices on citizens and businesses.

Florida TaxWatch is supported by voluntary, tax-deductible memberships and private grants, and does not accept government funding. Memberships provide a solid, lasting foundation that has enabled Florida TaxWatch to bring about a more effective, responsive government that is accountable to the citizens it serves for the last 33 years.

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The findings in this Briefing are based on the data and sources referenced. Florida TaxWatch research is conducted with every reasonable attempt to verify the accuracy and reliability of the data, and the calculations and assumptions made herein. Please feel free to contact us if you feel that this paper is factually inaccurate.

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