

Workforce Data Quality Initiative Research Brief 2

Spring 2013



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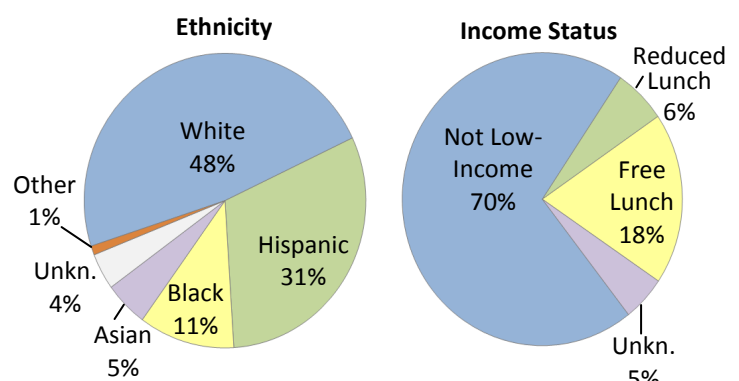
Postsecondary Employment for 2008 and 2009 Central Texas High School Graduates

Background: As part of the Central Texas Student Futures project, the Ray Marshall Center developed partnerships with Central Texas independent school districts to analyze the postsecondary pathways and outcomes of the region's high school graduates. This work has been extended through the Texas Workforce Data Quality Initiative (WDQI) to examine the various paths that students take after high school and identify factors that are associated with those pathways.

This research brief describes the initial postsecondary employment findings for 2008 and 2009 graduates.

Sample: The sample for the current study includes a total of 23,809 Central Texas graduates: 11,575 from the 2008 cohort and 12,234 from the 2009 cohort. The sample was predominantly White (48%) or Hispanic (31%), with smaller proportions of Black (11%), Asian (5%), and other/unknown ethnicity students (5%). Approximately half were male. About one-quarter of the sample received free or reduced lunch (a proxy for low-income status).

Data Sources: Data were drawn from secondary school records, the Senior Exit Survey from the Student Futures Project, National Student Clearing-house records, Texas unemployment insurance wage records, and Texas vital statistics. A graduate was considered employed in a particular quarter if he or she had reported earnings in Texas unemployment insurance (UI) wage records. This method does not capture all employment, as those not found with wage earnings could be unemployed, employed in another state, or employed by an employer who is not covered by the UI program (approximately 5% of employers).

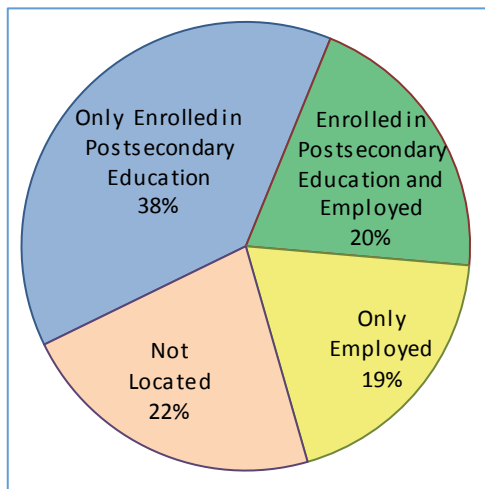


More information on the Student Futures Project at:
www.centexstudentfutures.org

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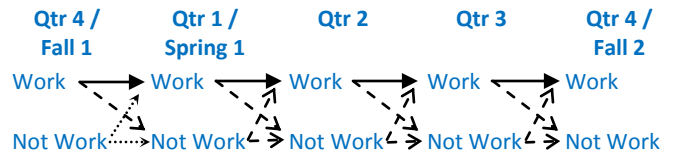
Time Periods Examined: Postsecondary data were examined through December 2011. This provided 3.5 years of follow-up for the 2008 cohort and 2.5 years for the 2009 cohort.

Postsecondary Outcomes: In the fall following graduation, 19% of Central Texas high school graduates were found to be employed but not in school. Another 20% of the sample was both employed and enrolled in school that fall. The remainder of graduates were either only students (38%) or not located in the available records (22%).



Across all quarters examined, 83% of graduates were employed in Texas for at least one quarter.

Employment Pathways: Employed graduates typically followed one of the three employment pathways illustrated below.



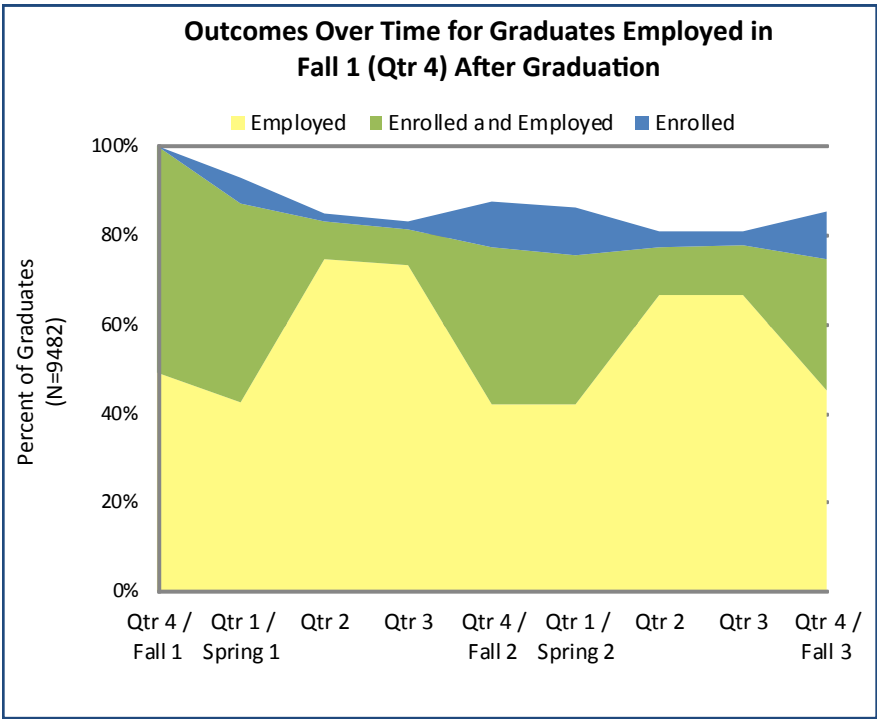
- The **continuous employment pathway** (—→) describes graduates who were employed in the 4th quarter of their graduation year and were employed in each subsequent quarter examined.
- The **intermittent employment pathway** (- - →) describes those who were initially employed following graduation, but who were not employed in at least one subsequent quarter.
- The **delayed employment pathway** (.....→) describes individuals who did not initially work following high school graduation, but who did work in at least one subsequent quarter.

Employment Outcomes: The stacked chart on the next page shows the postsecondary employment experiences of 2008 and 2009 graduates who chose to work in the fall immediately after high school.

Economic Environment: When studying employment outcomes, it is important to consider the labor market into which these cohorts graduated. The Classes of 2008 and 2009 faced, more than any other class in recent history, daunting challenges to obtaining jobs. The chart illustrates this fact: just as the first of these cohorts graduated, the unemployment rate in Texas and the Austin MSA began to rise sharply and did not substantially improve during the studied timeframe.



Source: U.S. Bureau of Labor Statistics, Current Population Survey
 Note: NSA = not seasonally adjusted; SA = seasonally adjusted

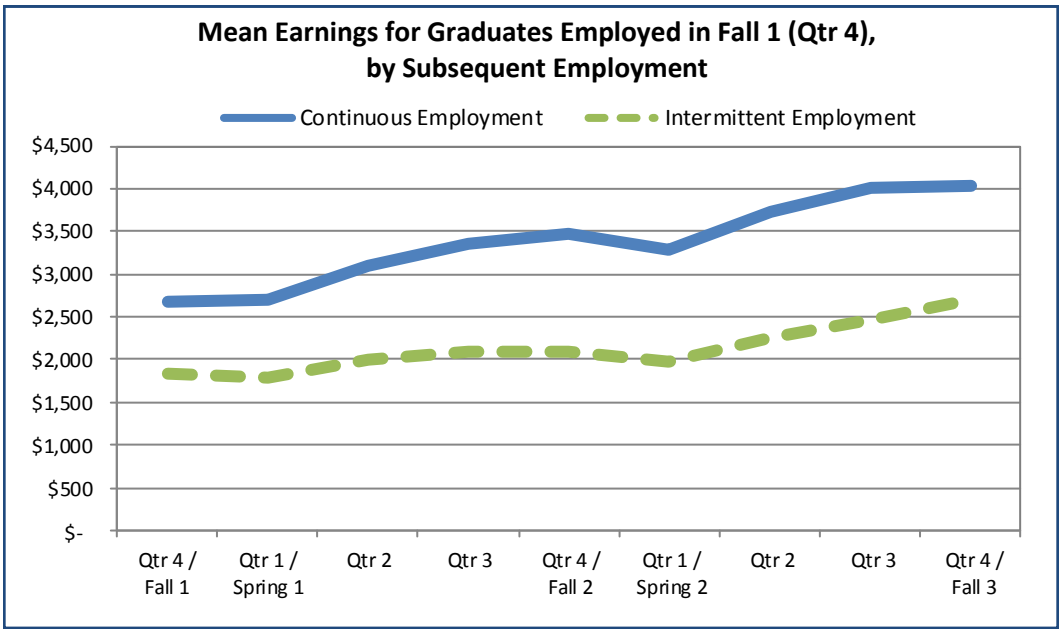


Of those workers, the majority were either continuously (51%) or intermittently (48%) employed across the period examined.

The share of graduates who were employed in the fall after high school and who retained employment declined over the period examined, from 100% in the fall following high school graduation (by definition) to 74% two years later. As the graph indicates, the decline in the percent working is due in part to a larger percentage who were only enrolled in school rather than working

and going to school. Employment rates show a seasonal variation, primarily because high school graduates who enroll in college are much more likely to work over the summer than during the school year.

Earnings: The figure below shows the mean quarterly earnings of graduates who were continuously or intermittently employed beginning with the fall following high school graduation. While earnings followed a generally increasing trend for both individuals who were continuously employed and for those who were intermittently employed, the continuously employed group had higher mean earnings in each quarter examined.

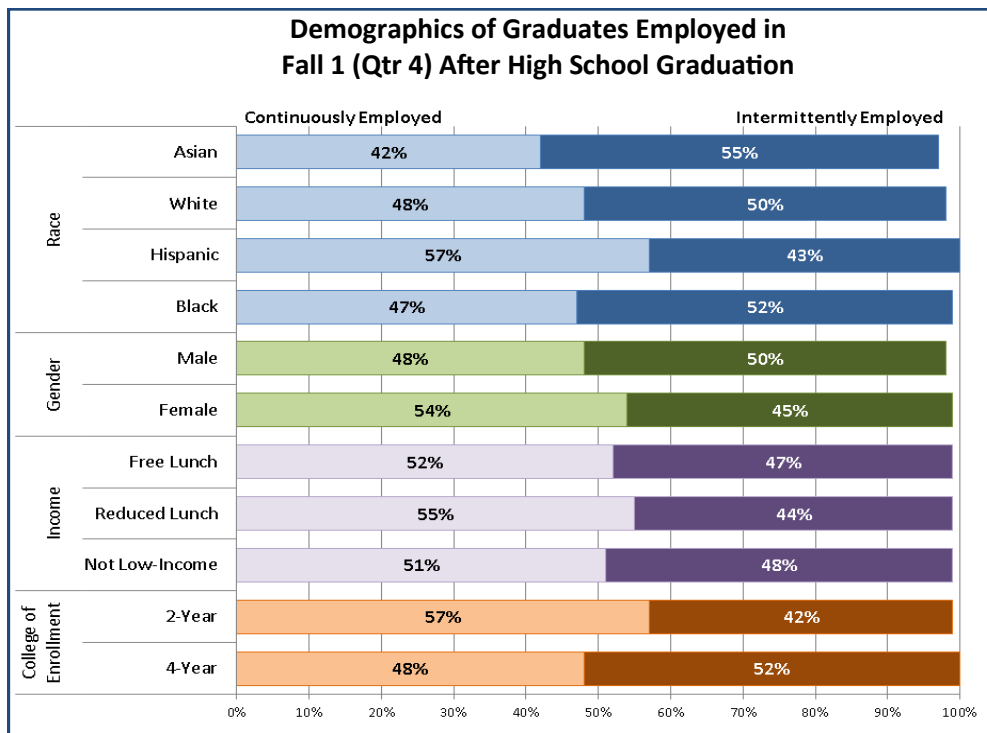


Factors in Postsecondary

Employment: Factors associated with an initial decision to work are associated with attending school. For example, graduates classified as not college ready were more likely to work in the fall. However, some of the factors associated with reduced enrollment were also associated with reduced employment. Male students and students whose home language is Spanish were less likely to work and were also less likely to enroll in college.

The figure to the upper-right presents the demographic characteristics of graduates who were employed in the fall following graduation, by their subsequent employment pathway (continuous or intermittent employment). Across all income levels, more than half were continuously employed. Hispanic graduates, female graduates, and graduates enrolled at a 2-year college were more likely to be continuously employed over the period examined.

Conclusion: Results for Central Texas high school graduates indicate that trends in employment and school attendance are interrelated. Over half of the sample was employed and attended school during at least one quarter in the studied time period, and the share combining college and work steadily increased over the fall and spring semesters. Many other graduates alternated between work and school as they took summers off from coursework. It is unknown if the Great Recession, which began just as



the 2008 cohort graduated high school, played a significant factor in graduates' decisions to attend school or work. It is plausible, however, that the area's increased unemployment rate affected the share of the sample that were either enrolled-only or who were not found in the available datasets.

About the Workforce Data Quality Initiative (WDQI)

The main objectives of the WDQI grant program funded by the U.S. Department of Labor's Employment & Training Administration are:

- Develop or improve state workforce longitudinal data systems.
- Enable workforce data to be matched with education data to ultimately create longitudinal data systems with individual-level information beginning with pre-kindergarten through post-secondary schooling all the way through entry and sustained participation in the workforce and employment services system.
- Improve the quality and breadth of the data in the workforce data systems.
- Use longitudinal data to provide useful information about program operations and analyze the performance of education and employment and training programs.
- Provide user-friendly information to consumers to help them select the training and education programs that best suit their needs.

More information at:

<http://www.doleta.gov/performance/workforcedatagrants09.cfm>