Know Your Numbers: Unpacking the Postsecondary Value Framework and the Equitable Value Explorer

CIMA Summer Meeting

July 20, 2022
Who We Are

Kim Dancy
Associate Director of Research and Policy
Institute for Higher Education Policy

Katelyn DiBenedetto
Senior Research Analyst
Institute for Higher Education Policy
Agenda

- Overview of the Postsecondary Value Commission and Key Findings
  - https://postsecondaryvalue.org/

- Demo of the Equitable Value Explorer
  - https://equity.postsecondaryvalue.org/

- What’s Next?
Audience Guiding Questions

• What policy and practice solutions at the state and federal level would help support institutions to drive more equitable postsecondary value?
• What challenges and opportunities are most critical for institutions hoping to implement the Postsecondary Value Framework within your sphere of influence?
• How can your work help to eliminate barriers to equitable postsecondary value?
Poll Question
Higher education should be a pathway to a better living and better life for all students, regardless of race, ethnicity, economic background, or gender. But right now the returns on education vary greatly by who a student is and where they come from—and that’s not right.

Equitable Value: Promoting Economic Mobility and Social Justice Through Postsecondary Education
### Define, Measure, Act

<table>
<thead>
<tr>
<th>Define</th>
<th>Measure</th>
<th>Act</th>
</tr>
</thead>
<tbody>
<tr>
<td>A shared definition of college value that can inform both programmatic and policy efforts in the field.</td>
<td>A measurement framework for how individual colleges and universities create equitable value for students.</td>
<td>A policy, advocacy, and communications action agenda to encourage widespread application of the value definition and measurement framework.</td>
</tr>
</tbody>
</table>
Postsecondary Value
Definition

Students experience postsecondary value when provided equitable access and support to complete quality, affordable credentials that offer economic mobility and prepare them to advance racial and economic justice in our society.
Action Agenda: High-Level View

Five actions that span key stakeholder groups:

- Institutional Leaders
- Federal Policymakers
- State Policymakers
- Students and Families

Equalize Access to Increase Postsecondary Value
Remove Affordability as an Impediment to Postsecondary Value
Eliminate Completion Gaps and Strengthen Post-College Outcomes to Ensure Postsecondary Value
Improve Data to Expose and Address Inequitable Postsecondary Value
Promote Social Justice by Providing Equitable Postsecondary Value
Define, Measure, Act

**DEFINE**
A shared definition of college value that can inform both programmatic and policy efforts in the field.

**MEASURE**
A measurement framework for how individual colleges and universities create equitable value for students.

**ACT**
A policy, advocacy, and communications action agenda to encourage widespread application of the value definition and measurement framework.
The Postsecondary Value Framework

Pipeline to Equitable Value

For Black, Latinx, Indigenous, and AAPI students, students from low-income backgrounds, and women—and the intersectional identities within and across these groups

Institutional leaders, federal and state policymakers, and other stakeholders deliver:

**Value for Students**
By equitably promoting their economic mobility, ensuring opportunity to build wealth, and improving individuals’ wellbeing and academic, civic, and social engagement.

**Value for Society**
By equitably increasing attainment to expand the nation's public economic resources, improve public health and security, and promote civic engagement and empowerment.
Poll Question
### Measuring Economic Returns Via Thresholds

<table>
<thead>
<tr>
<th></th>
<th>Threshold Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td><strong>Minimum Economic Return</strong>: A student meets this threshold if they earn at least as much as a high school graduate plus enough to recoup their total net price within ten years.</td>
</tr>
<tr>
<td>1</td>
<td><strong>Earnings Premium</strong>: A student meets this threshold if they reach at least the median earnings in their field of study, which accounts for expected variations in pay across fields.</td>
</tr>
<tr>
<td>2</td>
<td><strong>Earnings Parity</strong>: Informed by the University of Texas System’s research on in-field pay inequities, this threshold measures whether students of color, students from low-income backgrounds, and women meet the median earnings of their more advantaged peers (White students, high-income students, or men).</td>
</tr>
<tr>
<td>3</td>
<td><strong>Economic Mobility</strong>: Informed by Opportunity Insights’ measurement of economic mobility across institutions, this threshold measures whether students earn enough to enter the fourth (upper middle) income quintile regardless of field of study.</td>
</tr>
<tr>
<td>4</td>
<td><strong>Economic Security</strong>: While sufficient earnings can create a stable life, wealth is key to building the type of security needed to withstand life’s financial shocks, so this threshold measures whether students reach median levels of wealth.</td>
</tr>
<tr>
<td>5</td>
<td><strong>Wealth Parity</strong>: Mirroring the earnings parity threshold, this threshold measures whether students of color, students from low-income backgrounds, and women reach the level of wealth attained by their more privileged White, high-income, or male peers.</td>
</tr>
</tbody>
</table>

---

*Note: Thresholds 0-3 can be estimated at the national level using College Scorecard data with some caveats. Institutions and systems with advanced data collections can measure these thresholds with greater specificity. Due to a lack of quality data to measure wealth, Thresholds 4 and 5 are currently understood as conceptual goals rather than operable analyses.*
Access Matters for Creating Equitable Value

The Economic Value Index and Economic Value Contribution and Disaggregated Thresholds
Five Key Findings

1. Most postsecondary institutions offer students at least a minimum economic return on their investment, although outcomes vary across sectors and institutions.

2. Racial, socioeconomic, and gender earnings gaps persist across programs, grow over time, and are especially pronounced in higher paying fields.

3. Low-wage, high social value majors can provide economic value and mobility, while also meeting vital social needs.

4. Completion is key to postsecondary value. This is especially true for Black and Latinx students, whereas White students are more insulated from non-completion.

5. Institutions can deliver equitable value for students by focusing on access, affordability, quality instruction, student supports, and pathways to the workforce.
Outcomes Vary Across Institutions and Sectors

- Majority of public and private non-profits institutions provide a minimum economic return (T0).
- 60 percent of 4-year and 77 percent of 2-year for-profits for which we have data fail to meet this basic benchmark in this timeframe.
Inequities Exist, Persist, and Grow

- White graduates in computers, statistics, and mathematics earn:
  - $6,000 more than Black graduates and over $11,000 more than Latinx graduates 3 years after completion.
  - $28,000 more than Black graduates and $43,000 more than Latinx graduates 15 years after completion.
Economic Returns for High Social Value Fields

- Every single subgroup of education majors in the UT System, regardless of race/ethnicity, gender, or income background, has median earnings that provide economic mobility by 15 years after graduation.

- UT System analyses demonstrate that high social value fields can provide most graduates with economic value and mobility, while meeting vital social needs.
Power of Completion

- Black and Latinx completers in the UT system earn 59 percent and 81 percent more than their respective peers who don't complete.
- White students are more insulated from non-completion.
Society Benefits from Postsecondary Value

• Closing income and race/ethnicity gaps in attainment has profound impacts on society.
  • **30 million** more people would hold associate’s degrees or higher generating **$956 billion** in public returns
• Eliminating the need for students from low-income backgrounds to borrow would generate an additional **$222 billion** in public returns.

A Better Living And A Better Life: Incorporating Non-Economic Benefits

- Wellbeing
- Learning Outcomes
- Skills
- Justice
Poll Question
Poll Question
Both of these measures reinforce the importance of access, and equitably serving students of color, low-income students, and women, as a core component of equitable value.
Equitable Value Explorer: Key Considerations

2. The data are incomplete.
3. The data tool displays outcomes but does not diagnose causes.
Equitable Value Explorer

https://equity.postsecondaryvalue.org/
Shifting the Narrative
Community of Practice

• State workforce agencies and higher education systems
• Equitable Value Advisory Board
• Coleridge Initiative
• Insight Policy Research
• Institute for Higher Education Policy
Audience Guiding Questions

- What policy and practice solutions at the state and federal level would help support institutions to drive more equitable postsecondary value?
- What challenges and opportunities are most critical for institutions hoping to implement the Postsecondary Value Framework within your sphere of influence?
- How can your work help to eliminate barriers to equitable postsecondary value?
Questions
Thank You!