



HOW MUCH DOES HALF-WAY GET YOU?

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Session Objectives

1. Explore the outcomes of a population of community college students who do not complete a voc-ed (aka: Career Technical Education) associate degree or certificate.
2. Provide some comparative data to indicate the value of the voc-ed certificate or degree.
3. Inform researchers/officials of wage patterns to assist future analysis and decision-making.

Study Question

- What wage patterns occur for those community college students who complete too few units to receive a degree or certificate (the “sub-award” population)?
- Past studies have focused upon completers of degrees or certificates.

Why Is This Important?

- Accountability: Give credit for students who achieve a certain number of units, but do not acquire certificate or degree.
- Award Emphasis: If there is a notable difference between sub-award students and completers, help emphasize importance of completing degree or certificate.

Sub-award Population

- A sub-award community college leaver
 - completed some voc-ed units, but did not satisfy degree or certificate requirements
 - was not enrolled in a CCC during the two years immediately after leaving CCC
 - did not transfer to a four-year institution
- Assumes threshold at 30 voc-ed units (2 groups, <30 units and 30+ units)

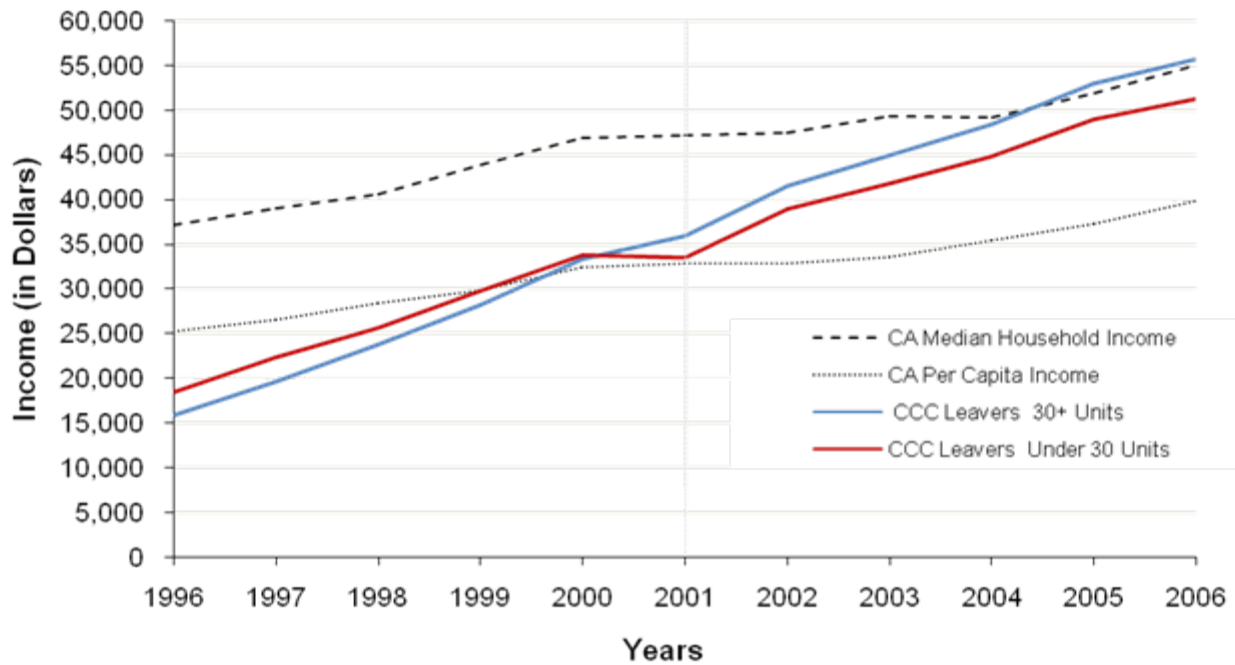
Data Sources

- CCC Median Income
 - Match of COMIS records and EDD records
- California Per Capita Income and California Median Household Income
 - California Department of Finance
 - U.S. Department of Commerce (Census Bureau) Current Population Survey, Annual Social and Economic Supplement

Group A

- 2001-2002 leavers cohort
 - 30+ units (N = 7,153)
 - <30 units (N = 42,747)
- Wages reported to EDD for all years in the study window
- Two “baselines” for comparison (emulating general labor force)—Calif. Median Household Income and Calif. Per Capita Income

Median Wages for Leavers by Vocational Units Earned
(2001-2002 Cohort, Wages in All Years)



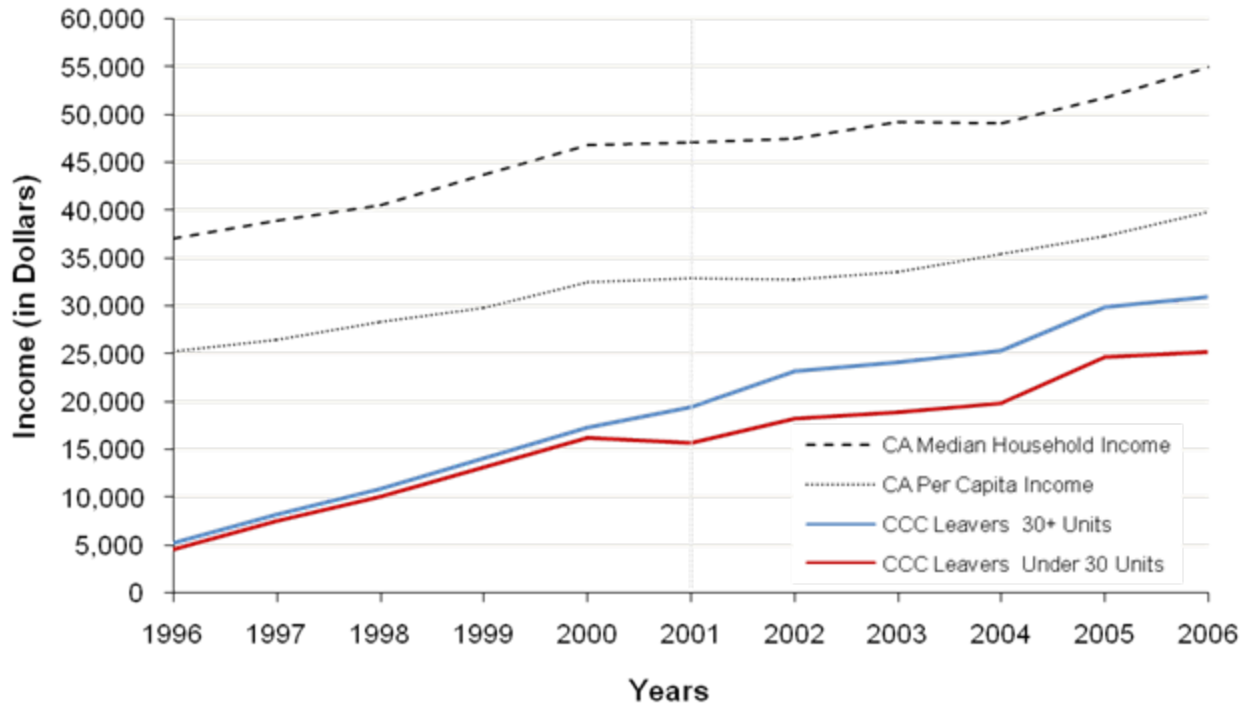
Group A Results

- <30 unit and 30+ unit leavers both outpace Calif. per capita income.
- <30 unit and 30+ unit leavers both approach the higher baseline of median household income via steeper slopes in the wage trend during the immediate post-exit years .

Group B

- 2001-2002 leavers cohort
 - 30+ Units (N = 17,298)
 - <30 Units (N = 110,227)
- Has ALL individuals in the leavers cohort, even if no wages reported
- Two “baselines” for comparison (as in Group A)

Median Wages for Leavers by Vocational Units Earned
(2001-2002 Cohort, Incl. Zero Wages)



Group B Results

- Compared to leavers with wages reported for all periods, dollar levels are lower.
- Unlike Group A, neither set of leavers “catches up” to California per capita income or the higher baseline of median household income.

Why Use Only Those with Wages >0 ?

- Many leavers have zero wages for reasons other than their ability to earn wages that EDD captures (such as...)
 - Self-employment
 - Work outside of California
 - Decision to allocate labor effort to family
 - Decision to volunteer their labor elsewhere
 - Enrollment for personal fulfillment

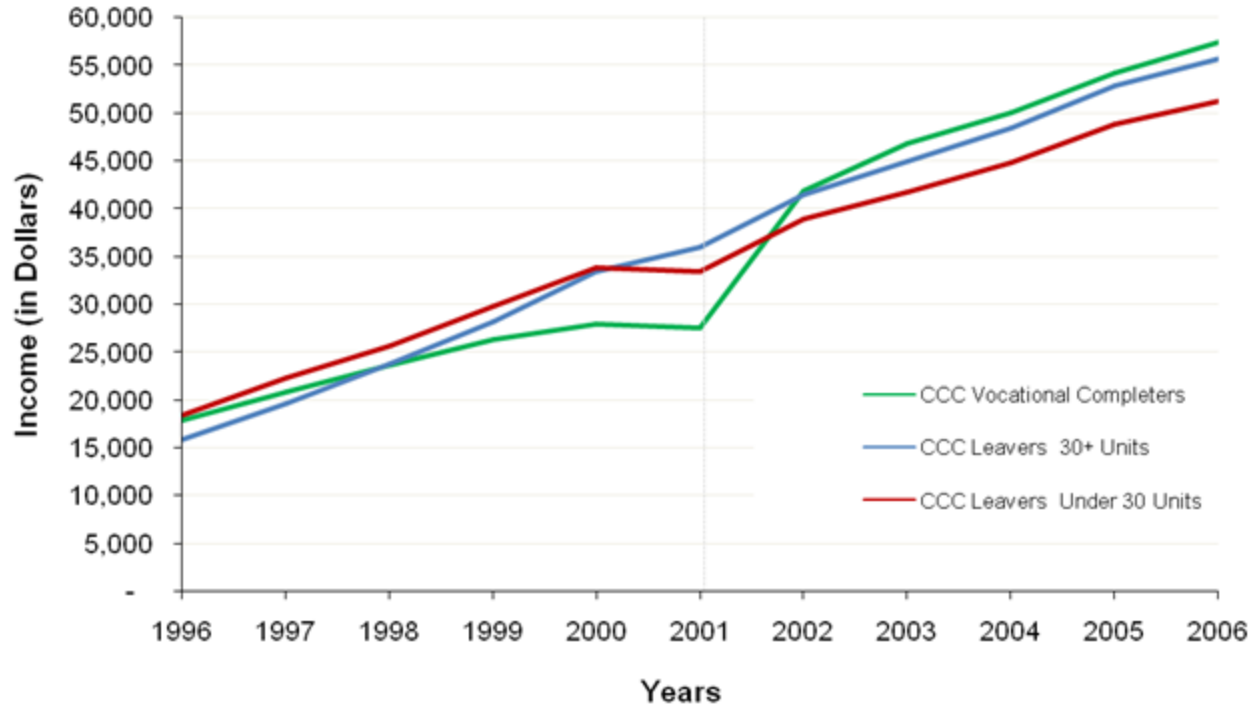
Why Include Those with Wages=0?

- Many leavers have zero wages for reasons that reflect the value of the completed units in the labor market...
 - Insufficient growth in human capital
 - Insufficient “signal” to employers

Group A vs. Completers: 2001-2002

- “Completers of a voc-ed award” is the traditional group analyzed.
- Completers reflect the gain from the “sheepskin effect” that an AA/AS or certificate may render.
- N's
 - 30+ units = 7,153
 - <30 units = 42,747
 - Completers = 4,976

**Median Wages for Vocational Completers and
for Leavers by Vocational Units Earned
(2001-2002 Cohort, Wages in All Years)**



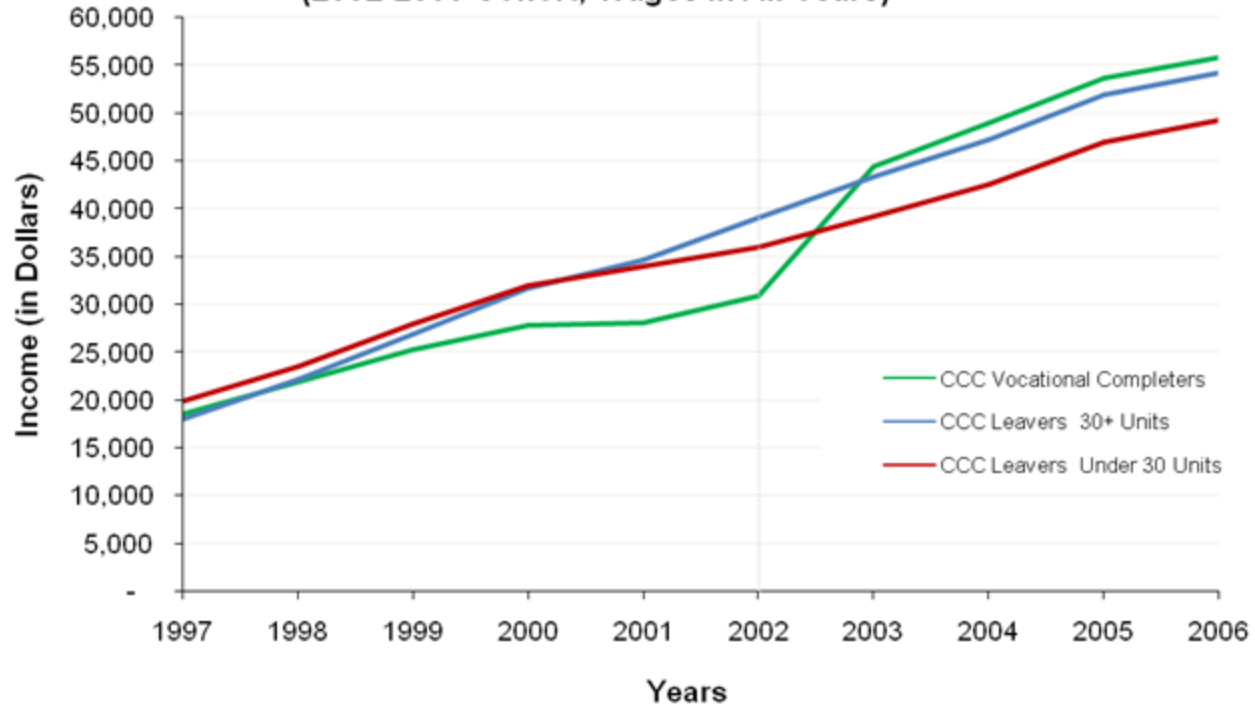
Results of Group A vs. Completers

- <30 unit leavers show a consistent gap in wages post-exit.
- 30+ unit leavers (but non-completers) do relatively well—a surprisingly small difference relative to completers.
- Some completers show a drop in wages for the year of exit—a possible sign of job change.

Group A vs. Completers: 2002-2003

- How about a different cohort?
- N's
 - 30+ units = 9,366
 - <30 units = 52,582
 - Completers = 6,232

**Median Wages for Vocational Completers and
for Leavers by Vocational Units Earned
(2002-2003 Cohort, Wages in All Years)**



Results for 2002-2003 Cohort

- Closely resemble those for the 2001-2002 cohort—a bit of validation.

A Different Angle: Simulation of Market Value

- Use existence of zero wages in the wage trend to reflect the labor market value of the individual upon CCC exit (and assuming new job and/or new employer)
- Two scenarios considered
 - zero wages in year prior to exit
 - zero wages in exit year

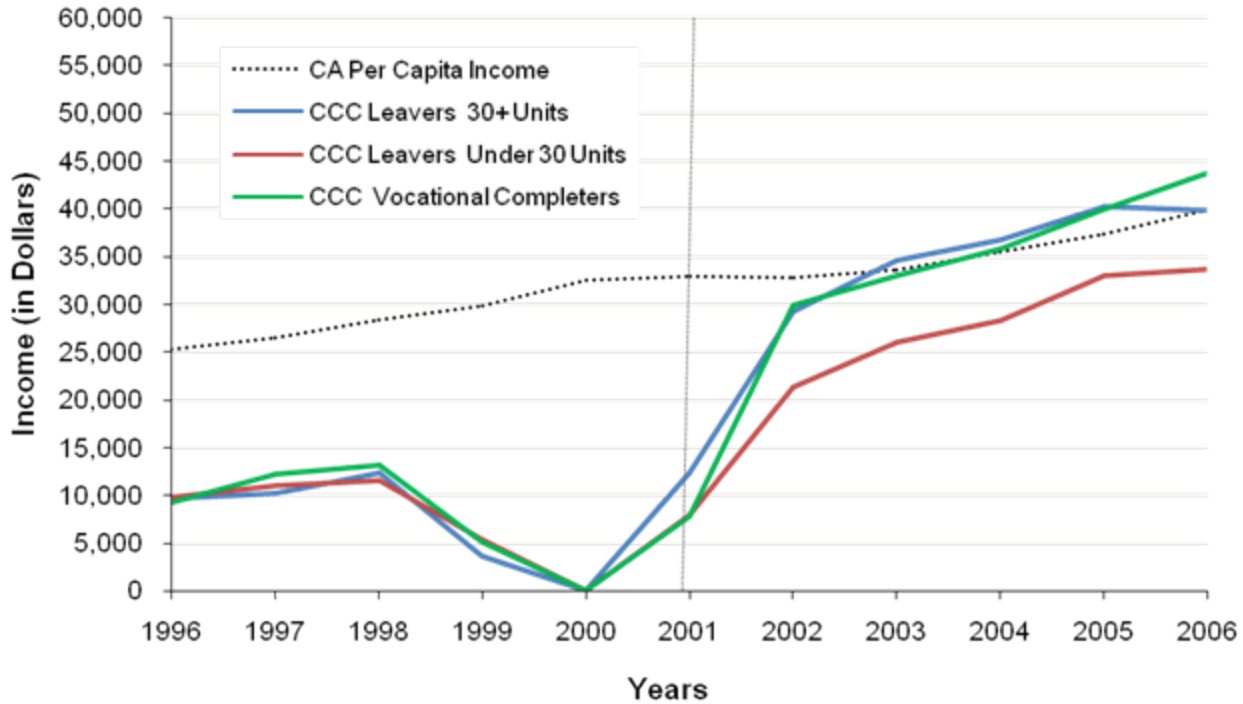
Graph Notes

- **Green** trend line is the completers group.
- Vertical dashed reference line is year of CCC exit.
- Students in all groups had wages in all other years.

Zero Wages in Year Before Exit

- N's
 - 30+ units = 124
 - <30 units = 483
 - Completers = 155

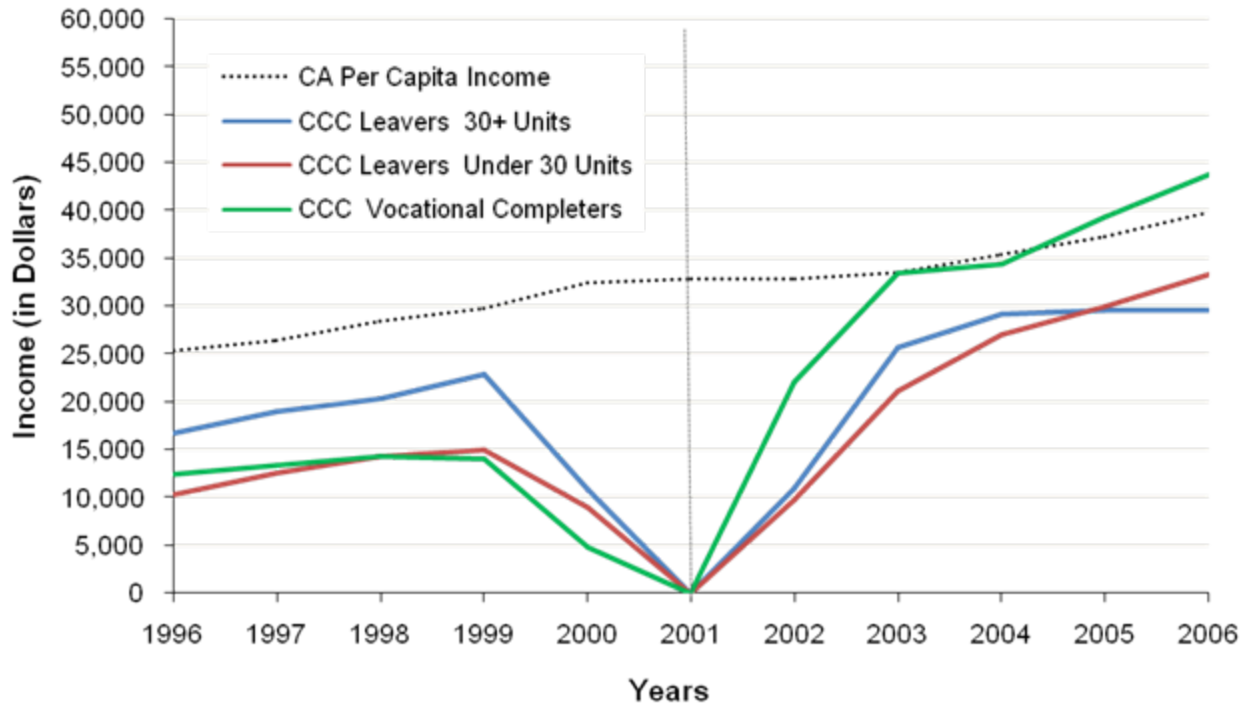
**Median Wages for Vocational Completers and Leavers
(2001-2002 Cohort, Zero Wages in Year Prior To Exit)**



Zero Wages in Exit Year

- N's
 - 30+ units = 86
 - <30 units = 499
 - Completers = 125

Median Wages for Vocational Completers and Leavers (2001-2002 Cohort, Zero Wages in Exit Year)



Market Value Simulation Results

- Completers practically matched California per capita income in first year post-exit (2003).
- Leavers with <30 units showed a substantial disadvantage compared with completers — almost \$7,000 to \$12,000 in the first year after exit (i.e., 2003).
- Exit year vs. year prior to exit matters for leavers with 30+ units---but why?

Caveats

- EDD wage data can miss many wages and many wage-earning individuals.
- Wages reported to EDD miss non-wage rewards that job-seekers value (e.g., job security, job climate, fringe benefits, etc.).
- Data are observed (non-experimental), and confounding factors, including selection bias and academic preparation may matter.

New Questions

- How would results vary at different unit thresholds (e.g., 12 units)?
- How would results vary by location?
- How would results vary by study area?
- How would results vary by student demographics?

Conclusions

- Students who complete less than 30 voc-ed units earn less in general than students who complete 30+ units.
- Students who complete 30+ units without receiving a degree or certificate earn less than students who acquire an award, but the difference is not large.
- The associate degree or voc-ed certificate imparts a wage advantage to recipients.

Implications

- Additional data and analyses could reveal causal factors behind award completion.
- Such efforts could also reveal causal factors behind wage patterns and community college enrollment.
- Student advisors and students have some evidence that CCC award completion matters to some extent.



The End

Thank you.