



High School, Postsecondary, and Labor Market Outcomes of Central Texas Students A Summary of Three Reports – September 2018

This document is a summary of three recent studies conducted by E3 Alliance and funded by the Michael and Susan Dell Foundation with support from KLE Foundation. These reports examined high school, postsecondary, and labor market outcomes for three cohorts of Central Texas students from traditional and charter public schools in the five county MSA who entered ninth grade between 2005 and 2007. The first report, *“Does High School Matter? An Analysis of Secondary Outcomes for a Cohort of Ninth Graders”*, and the second report, *“Who Graduates from College? An Analysis of Which High School Graduates Succeed in Higher Education”*, examined the high school, postsecondary enrollment, and postsecondary degree attainment of the three cohorts, and in particular, what factors helped or hindered low-income and other traditionally underrepresented students. The third report, *“Who is Prepared for Future Jobs? Postsecondary and Career Outcomes for a Cohort of Ninth Graders”*, provided a deeper analysis of the education and labor market outcomes of the cohort that entered ninth grade in 2005.

In this summary, three main types of outcomes will be summarized: high school graduation, postsecondary enrollment and graduation, and labor market status.

High School Graduation

There is a strong relationship between family income and high school graduation – 50% of low-income students had graduated high school within five years after entering ninth grade, while 81% of non-low income students had graduated. (Graduation rates have improved significantly for both groups, and dramatically for low income students, in cohorts subsequent to this outcomes study.) Further, the type of campus attended seemed to matter. Low income students at non-low income campuses graduated at about the statistically same rate as non-low income students at low income campuses (66% and 69%, respectively). It is not clear, however, if this result may be due to low income students in non-low income schools being better off financially than their low income counterparts attending schools in much poorer communities. Further, low income students at low income campuses had far worse outcomes than their peers at non-low income campuses.

The study also looked specifically at high schools in Austin’s “Eastern Crescent,” a group of schools in Austin with particularly high rates of low income students. After accounting for the percent of low income students in schools, low income students in Eastern Crescent schools did not have statistically worse outcomes than did low income students in other schools.

There were also ethnic differences in graduation rates. Eighty percent of White students had graduated high school, while 78% for Asian students, 62% of Black students and 50% of Hispanic students had graduated. There were only slight differences by gender, with 69% of females graduating and 65% of males graduating.

Postsecondary Enrollment and Graduation

Overall, 65% of Central Texas high school graduates enrolled in higher education during the first year after graduation. As with high school graduation, family income is highly correlated with college enrollment. Seventy five percent of non-low income graduates enrolled

in postsecondary education, while only 49% of low income graduates did. Low income enrollees were more likely to stay in Central Texas, with 64% of low income enrollees choosing Central Texas institutions, as opposed to 47% of non-low income enrollees. The institutes of higher education where low income Central Texas students were most likely to attend included Austin Community College, Texas State University, and The University of Texas at San Antonio. In fact, Austin Community College enrolls 75% of Central Texas low income enrollees.

Twenty-eight percent of participants in the study graduated from postsecondary education within six years of graduating from high school. This number also differed by income status – 34% of non-low income high school graduates also graduated from a postsecondary institution, while only 17% of low-income high school graduates did. The institutions most likely to graduate low income students included Southwestern University, The University of Texas at Austin, and St. Edwards University. However, these findings should be considered with care; important factors contributing to college graduation such as the academic readiness of different low income students are not easily discernable in our data sets.

It should be noted that the advantage of low income students in non-low income schools did not persist into higher education. Postsecondary outcomes of low income students were similar no matter what type of high school they attended.

Differences in postsecondary enrollment and attainment were seen by ethnicity in the 2005 ninth grade cohort (ethnic breakdowns were not available for the 2006 and 2007 cohorts). Of the cohort that entered ninth grade in 2005, 58% of Asian students had graduated high school and enrolled in postsecondary education, while 54% of White students, 39% of Black students, and 27% of Hispanic students had done so. Differences were also seen by gender: 46% of females enrolled in higher education, while only 40% of males did.

Labor Market Status

For the cohort that entered ninth grade in 2005, employment status was examined one and six years after their class graduated high school. One year after graduation, 1342 students (or 10% of graduates) were “opportunity youth” – those youth who had not entered higher education or the labor force. Six years after graduation, 1407 graduates were not in higher education or the labor force.

As noted previously, about 2/3 of students enter postsecondary education after graduating high school. However, about 15% of the 9th grade cohort went straight to the workforce after graduating high school, bypassing higher education. Black, Hispanic, and low income students were more likely to not graduate on time than White, Asian, and non-low income students. Among students who graduated on time, Black, Hispanic, and low income students were also more likely to then go directly into the workforce than Asian, White, and non-low income students. Echoing findings from national research, women were more likely to enroll in college than men.

The wages of all student groups increased between their first year and sixth year out of high school. Students who entered the labor market immediately after graduation earned more during that year than their peers who enrolled in college and were also employed, but the advantage was slight. That advantage was reversed by their sixth year out of school, such that students who went to college after graduating high school earned far more than their non-enrollee counterparts.

The most common industries of employment during that first year after graduation were the same for all student groups. These industries included wholesale and retail trade, as well as accommodation and food services. Those students who did not complete a postsecondary credential worked in largely the same industries in their sixth year out of school as they did in their first year out of school. However, individuals who completed a postsecondary credential often changed industries – seemingly to a field more aligned with their education preparation.