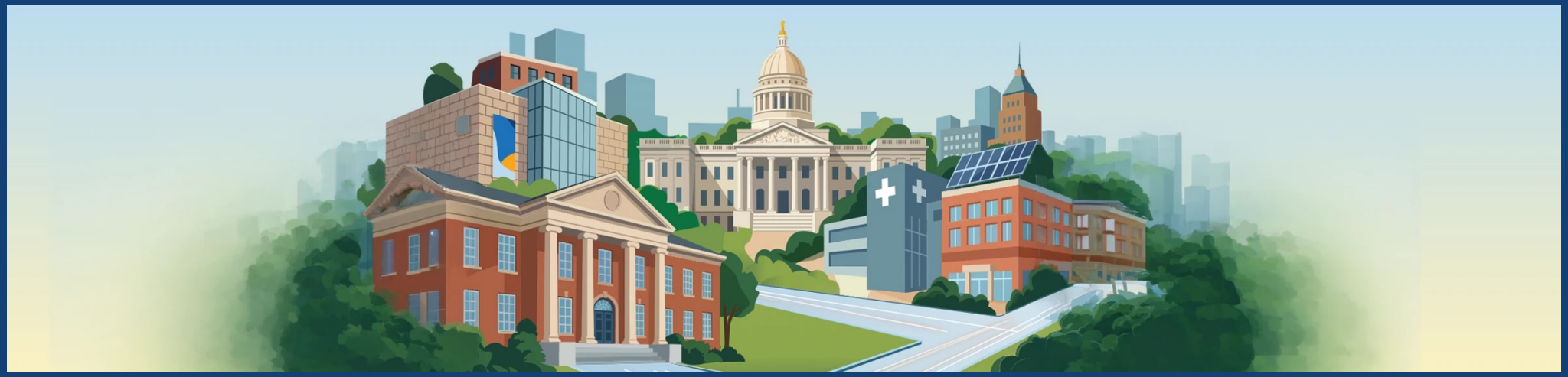
Postsecondary Educational Value

Why It Matters, Who Is Measuring It, and Where We Go Now



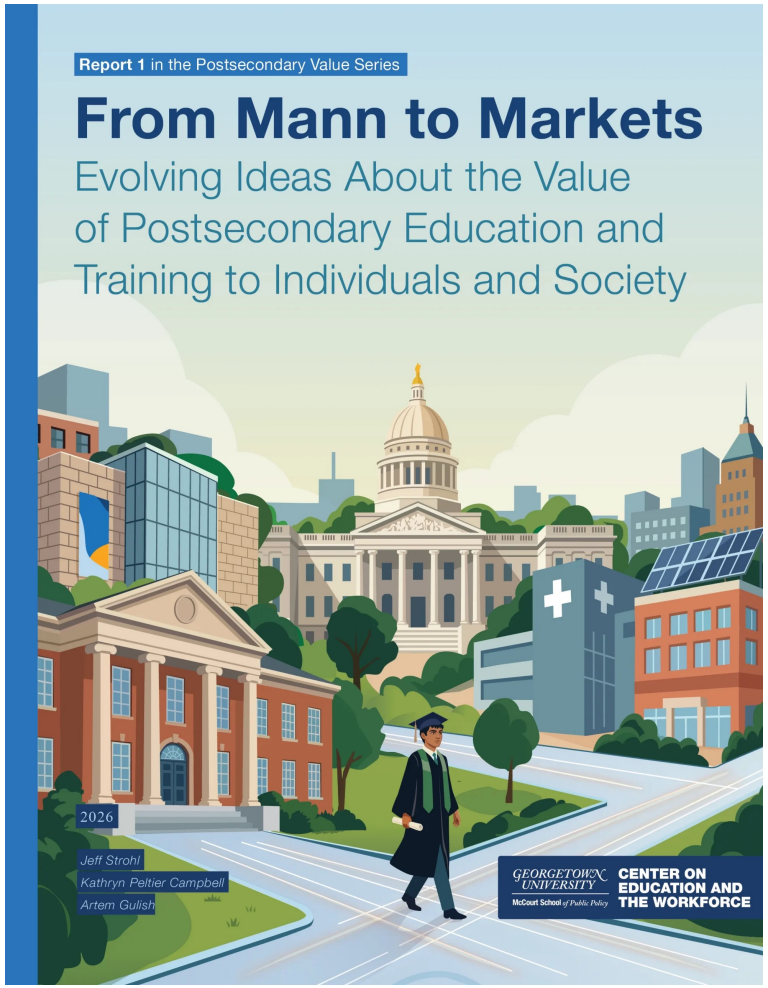
October 20, 2026

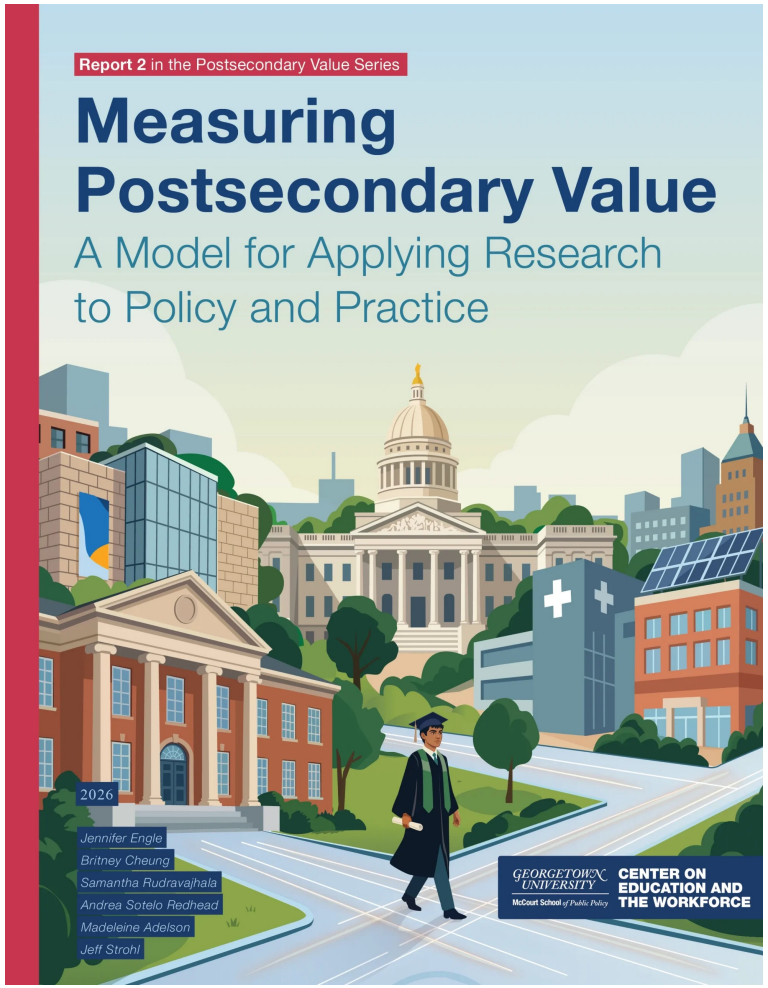
GEORGETOWN UNIVERSITY
McCourt School of Public Policy
CENTER ON EDUCATION AND THE WORKFORCE

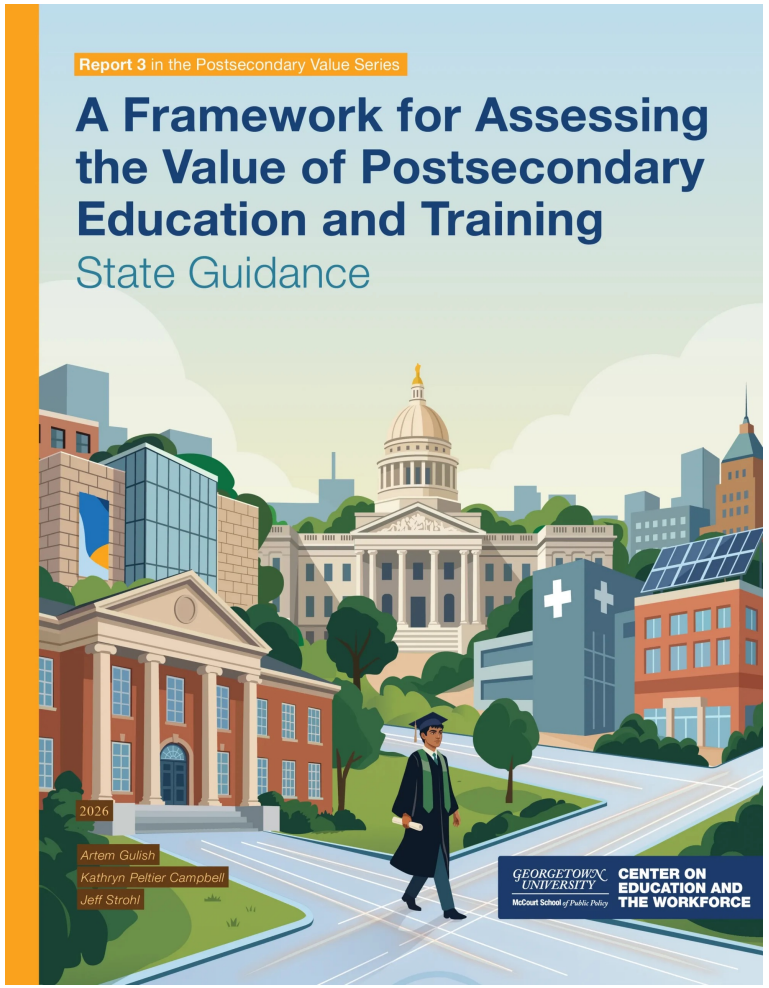
AGENDA

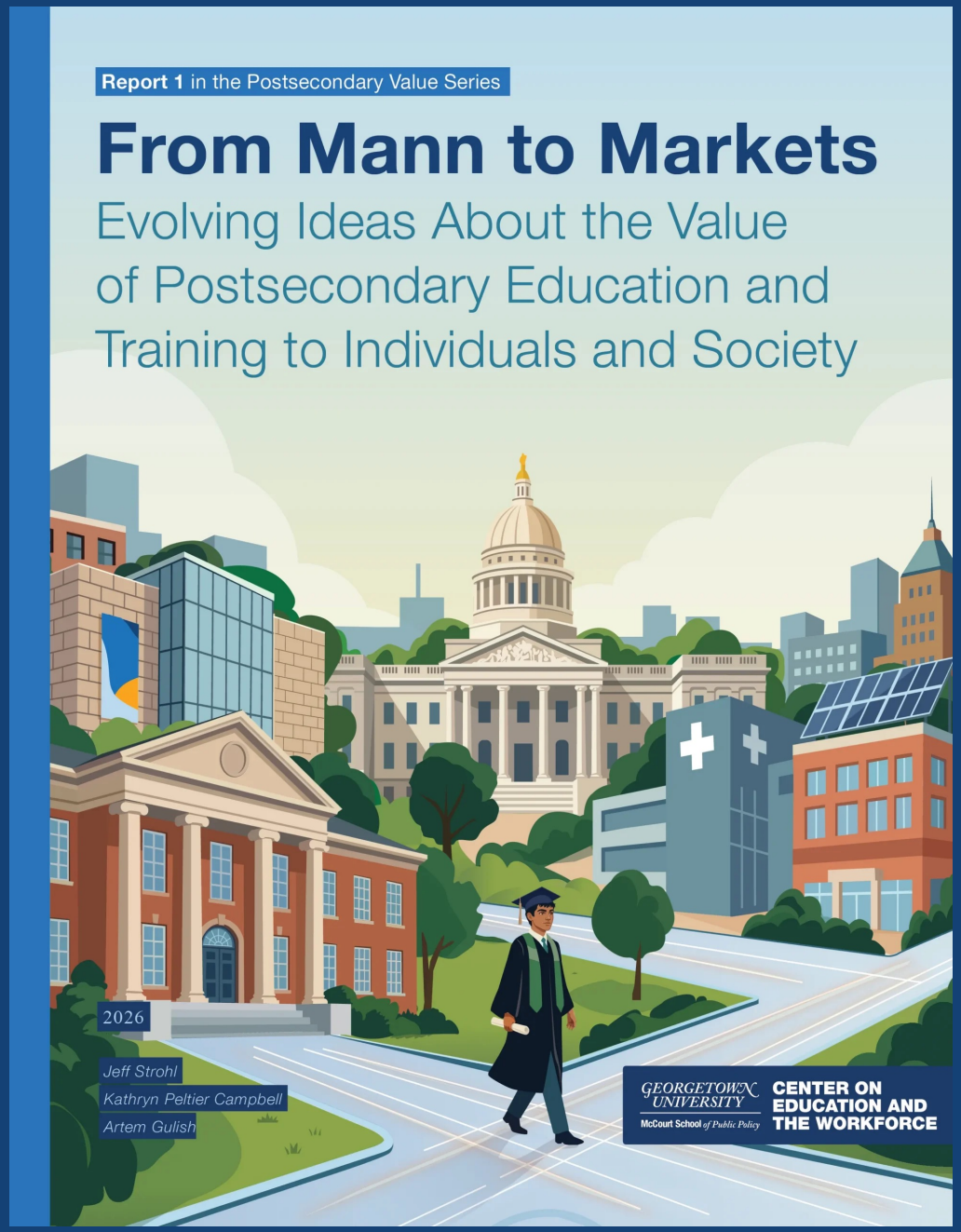
- Introduction (Zack Mabel) – 5 minutes
- *From Mann to Markets* (Jeff Strohl) – 10 minutes
- *Measuring Postsecondary Value* (Jennifer Engle) – 15 minutes
- *State Guidance for Assessing Value* (Artem Gulish) – 15 minutes
- Panel Q & A with audience (moderated by Zack Mabel) – 15 minutes

CEW POSTSECONDARY VALUE PAPER SERIES









Jeff Strohl

Senior Advisor

Research Professor

jeff.strohl@georgetown.edu

GEORGETOWN UNIVERSITY
McCourt School of Public Policy
CENTER ON EDUCATION AND THE WORKFORCE

WHAT IS THE VALUE OF EDUCATION AND TRAINING?

Three primary categories of value:

- developing human capital or productivity
- contributing to personal and moral development and civic engagement
- enjoyment gained from the college experience (consumption value)

Historically, we have looked to education to contribute to the development of ethics, morals, and civic engagement with work readiness often as an afterthought.

With the rise of industrial capitalism and postwar economic development, education and training became increasingly important to work readiness.

Source: Strohl et al., *From Mann to Markets: Evolving Ideas About the Value of Postsecondary Education and Training to Individuals and Society*, 2026.

THE BIRTH OF THE HUMAN CAPITAL MODEL

A growing appreciation for education's role in economic development gave birth to the **human capital model**, which provides an empirical framework to measure education as a productive investment.

This framework, along with improved wage data, pointed to **earnings** as a primary way to measure value. The focus on earnings evolved into a focus on **ROI** or **cost-adjusted earnings** as tuition increased and reliance on student loans grew over decades.

The fact that earnings are easy to measure exposes the difficulties of measuring the **macro/social and nonmarket value** of education.

Good attempts have been made to **monetize the nonmarket benefits** of education such as by using decreased health costs as a proxy for better health. But how can we ever monetize the value of education to democracy?

Source: Strohl et al., *From Mann to Markets: Evolving Ideas About the Value of Postsecondary Education and Training to Individuals and Society*, 2026.

CAUTIONS FROM THE HUMAN CAPITAL MODEL

The human capital model's logic of investment returns to education is well established and empirically validated. Yet the model points to its own shortcomings:

- The model highlights that **earnings reflect numerous factors** across education and career in addition to education.
- The model **improves with additional contextual variables** (e.g., business cycle data, unemployment rates).
- The model fails to account for for the **various nonmarket and nonmonetary aspects** of educational value.
- The model provides no clear answers about how to evaluate **lower-paid but socially necessary occupations**, which are of concern to many state policymakers.

Source: Strohl et al., *From Mann to Markets: Evolving Ideas About the Value of Postsecondary Education and Training to Individuals and Society*, 2026.

HOW SHINING A SPOTLIGHT CASTS SHADOWS

Benefits of monetizing value

- Earnings are a convenient metric that correlates with some nonmarket outcomes, such as decreased reliance on public supports and increases in healthy behaviors.
- Earnings are a good first step for consumer protections to ensure that a program does not make a person worse off.

Risks of monetizing value

- Earnings can overstate the impact of education vs. other factors.
- Earnings can push accountability efforts from program improvement to a “slash and burn” approach, with unclear nonmonetary losses.

Source: Strohl et al., *From Mann to Markets: Evolving Ideas About the Value of Postsecondary Education and Training to Individuals and Society*, 2026.

IMPROVING THE VALUE OF EARNINGS FOR ACCOUNTABILITY

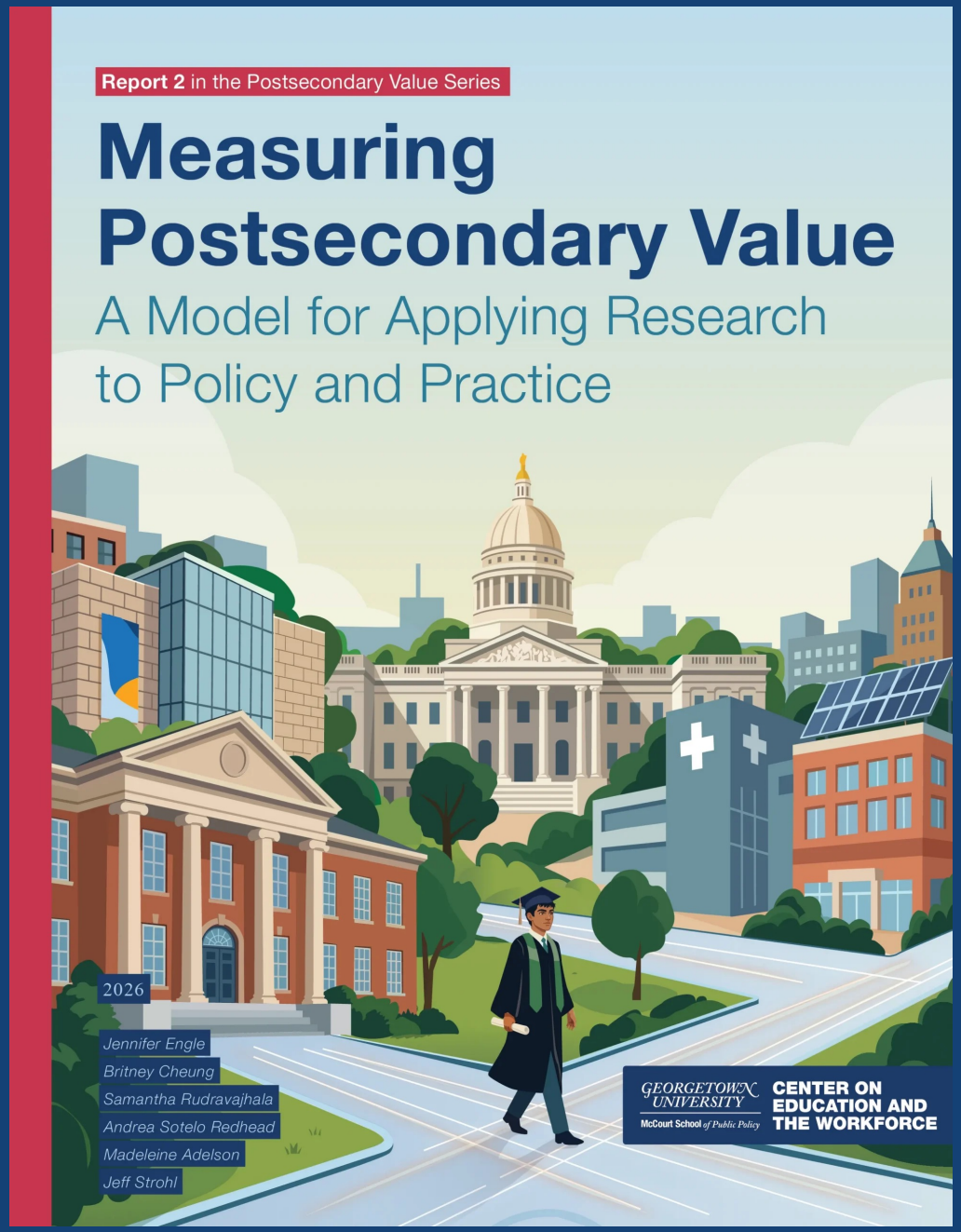
- **Use contextual data to interpret earnings outcomes.** Business cycle effects, alignment between enrollment and labor-market demand, and labor-market discrimination all affect earnings, so earnings outcomes cannot be attributed solely to the performance of a program or institution.

- **Set clear goals focused on improvement.** Use earnings data—and contextual data—for program improvement when possible rather than simply to slash and burn.

- **Understand the limits of market metrics.** Earnings and other market metrics don't capture the full value of education. It is difficult, if not impossible, to tie societal as well as individual benefits (such as health outcomes) to a program or institution.

Heckman warns, "ignoring these [nonmarket] outcomes could lead policymakers to greatly underestimate the benefits of supporting education."

Source: Strohl et al., *From Mann to Markets: Evolving Ideas About the Value of Postsecondary Education and Training to Individuals and Society*, 2026.



Jennifer Engle

Research Professor

jennifer.engle@georgetown.edu

GEORGETOWN UNIVERSITY
McCourt School of Public Policy
CENTER ON EDUCATION AND THE WORKFORCE

CRISIS OF CONFIDENCE IN POSTSECONDARY EDUCATION VALUE



The demand for postsecondary education and training to power the US workforce continues to outpace supply



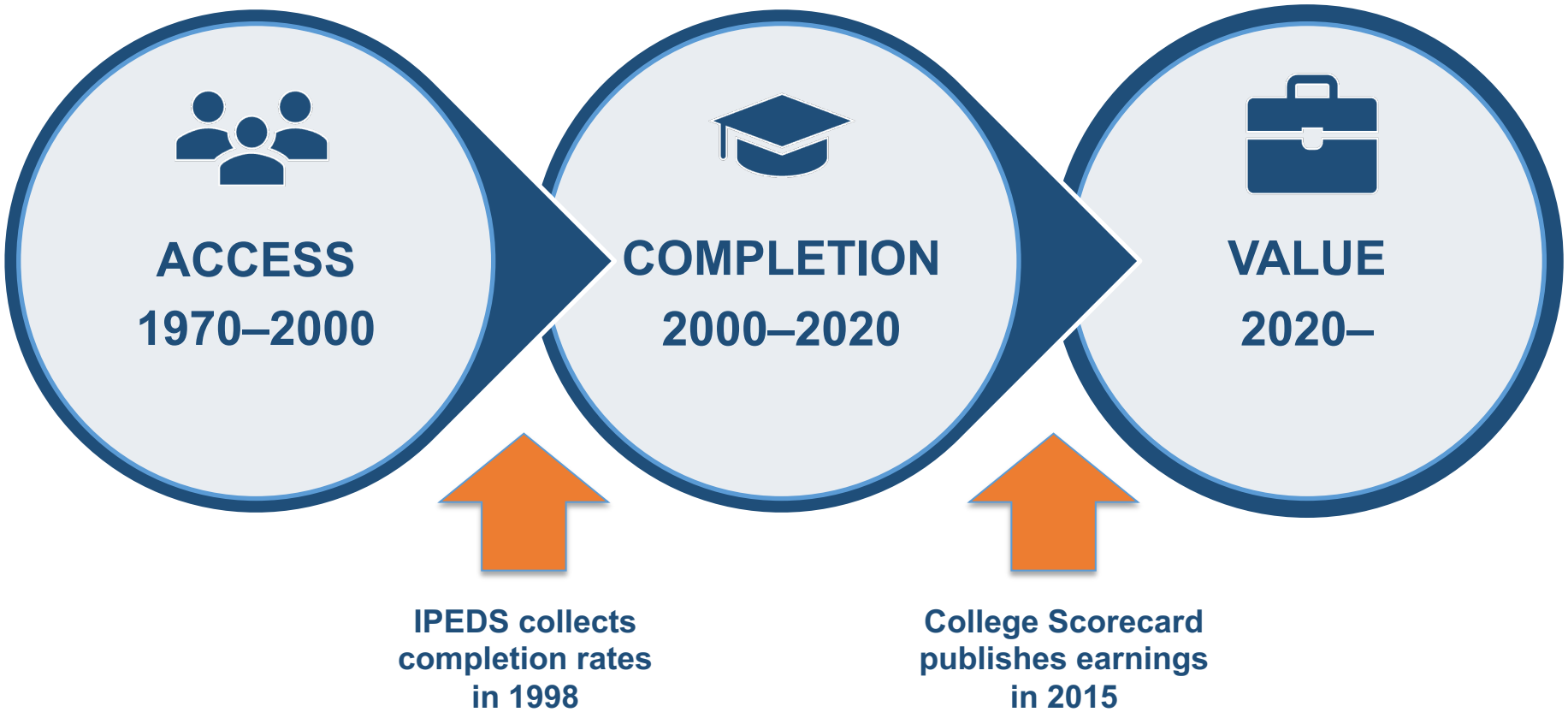
Yet learners and workers face growing costs, uncertain and inequitable outcomes, and a rapidly-changing labor market



The country is experiencing a crisis of confidence in the value of postsecondary education and training despite demand

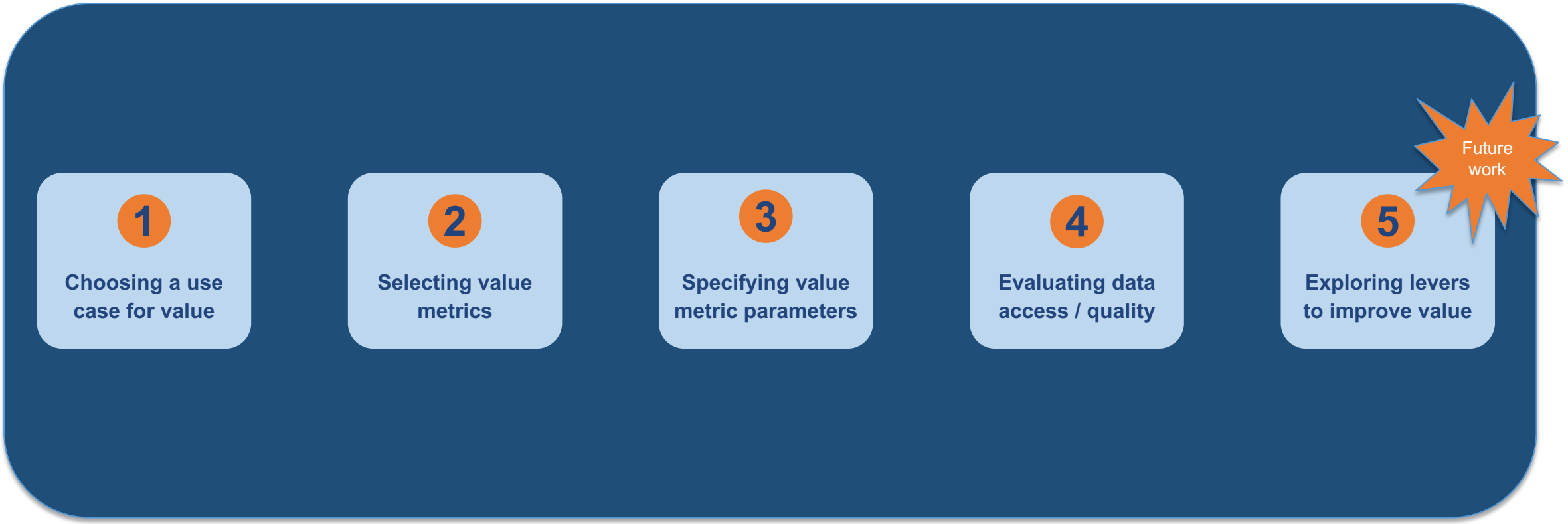
Source: Engle et al., *Measuring Postsecondary Value: A Model for Applying Research to Policy and Practice*, 2026.

THE EVOLUTION OF THE POSTSECONDARY ATTAINMENT MOVEMENT



Source: Engle et al., *Measuring Postsecondary Value: A Model for Applying Research to Policy and Practice*, 2026.

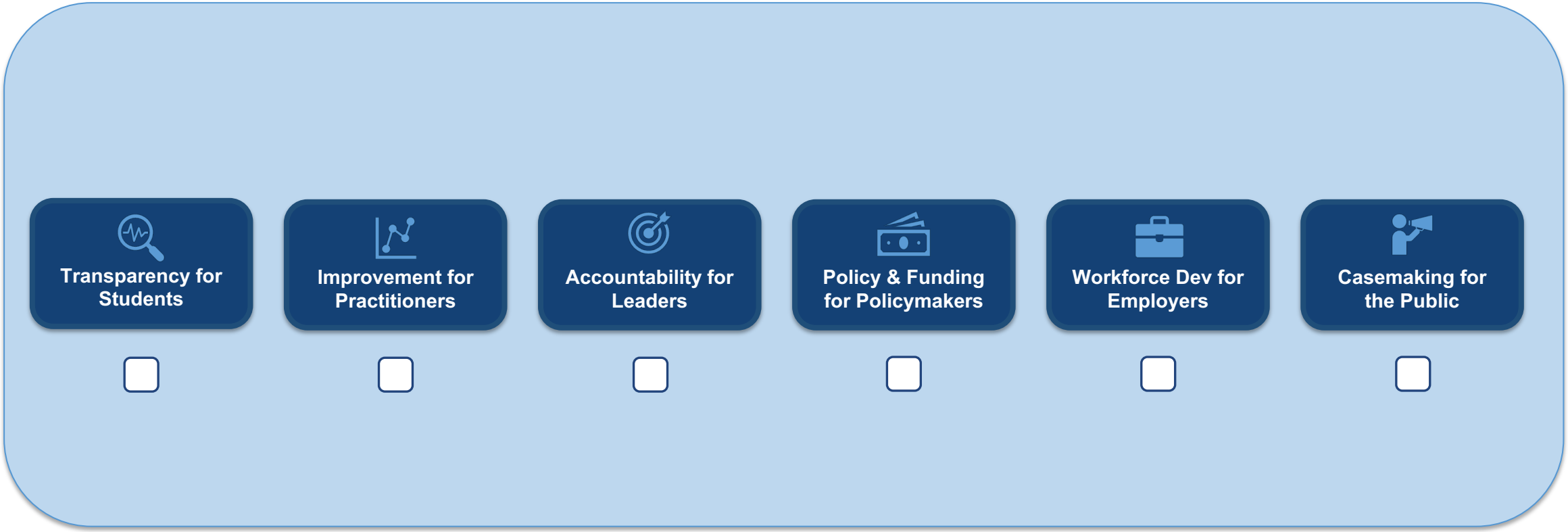
UNDERSTANDING THE VALUE METRICS LANDSCAPE



Source: Engle et al., *Measuring Postsecondary Value: A Model for Applying Research to Policy and Practice*, 2026.

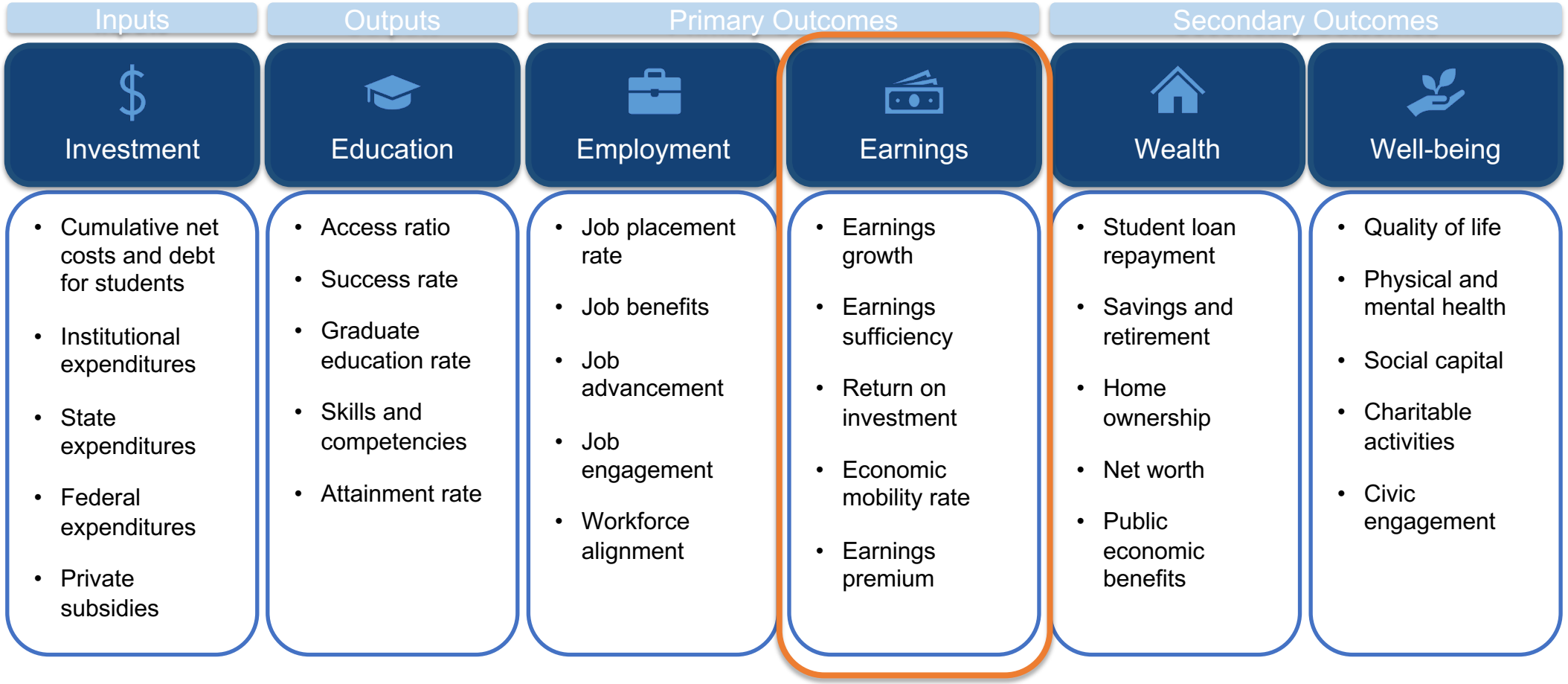
CHOOSING A USE CASE FOR VALUE METRICS

1 Choosing a use case for value



Source: Engle et al., *Measuring Postsecondary Value: A Model for Applying Research to Policy and Practice*, 2026.

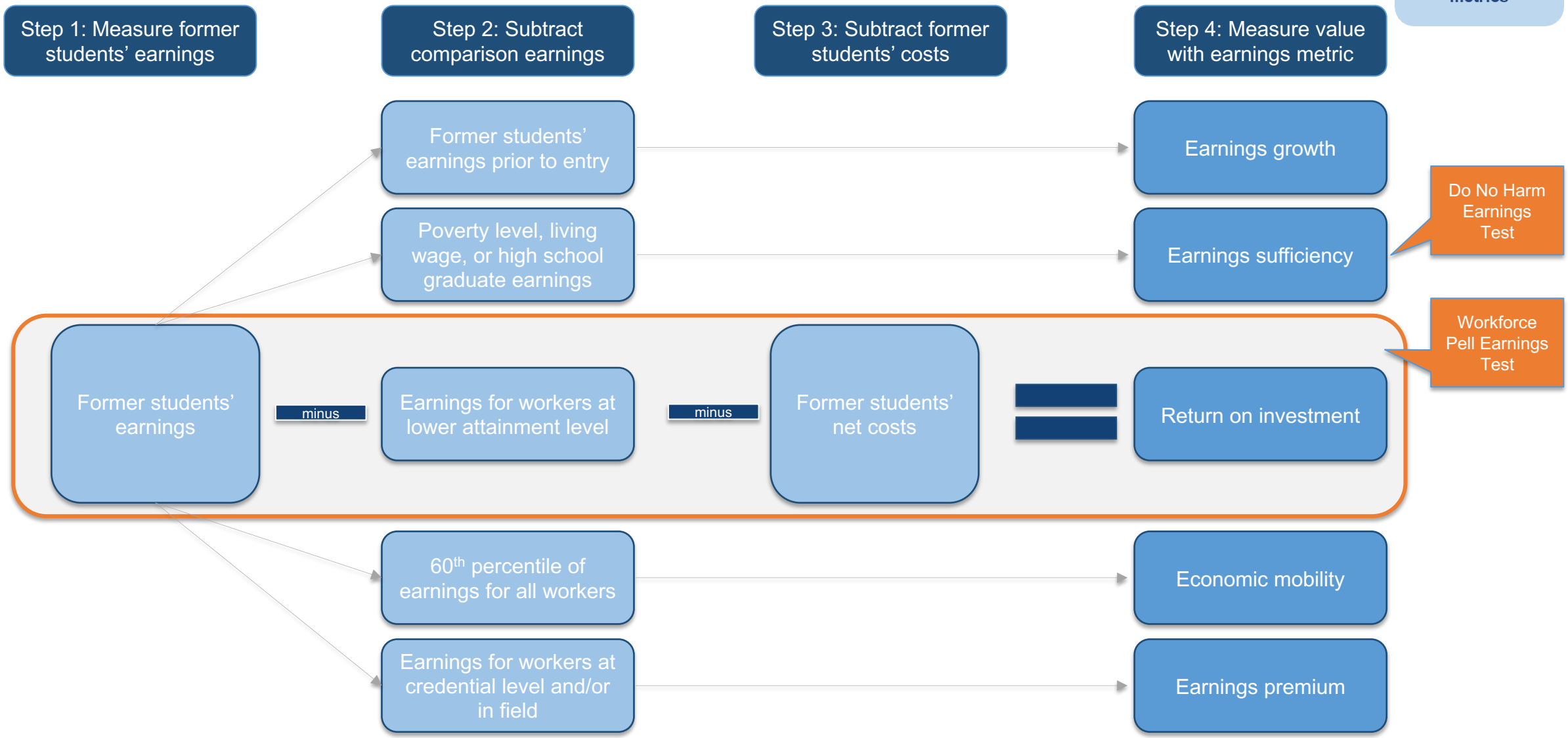
SELECTING VALUE METRICS: THE POSTSECONDARY VALUE MODEL



Source: Engle et al., *Measuring Postsecondary Value: A Model for Applying Research to Policy and Practice*, 2026.

BASIC EQUATION FOR DEFINING VALUE EARNINGS METRICS

2 Selecting value metrics



SPECIFYING DESIGN PARAMETERS FOR VALUE METRICS

- **Annual or cumulative analyses**
- **Level of analysis** (e.g., program, institution, state, system, nation)
- **Credential level** (e.g., certificate, associate's, bachelor's, graduate)
- **Timeframe for reporting and evaluation** (e.g., 1, 5, 10 years)
- **Cohort definition** (e.g., entry or exit, entrants or completers)
- **Cost definition** (e.g., direct, living, opportunity, debt, interest, grants)
- **Former students' earnings** (e.g., not enrolled, in the labor force)
- **Comparison earnings** (e.g., poverty level, high school graduates)
- **Geographic comparisons** (e.g., local, region, state, nation)
- **Displaying outputs** (e.g., dollars, percent of students, years)
- **Disaggregating outputs** (e.g., income, race/ethnicity, gender)
- **Determining thresholds** (e.g., 0, greater than 0, % greater)

Source: Engle et al., *Measuring Postsecondary Value: A Model for Applying Research to Policy and Practice*, 2026.

EVALUATING DATA ACCESS / QUALITY: FOCUS ON EARNINGS DATA

50

States have **UNEMPLOYMENT INSURANCE** data systems with earnings for former students*

* If they aren't self-employed, working for the federal government, or working out of state

5 YEARS

Most earnings data in the **SCORECARD** have NOT been updated since 2021 measurement year*

* and do not include students who do not receive Title IV funds

1000+

PSEO reports earnings data for more than 1,000 institutions in more than 35 participating states in partnership with Census*

* but currently does not include non-completers

N_X

More and more **private providers** are emerging that offer *modeled* earnings data based on job postings, resumes, and social profiles*

* but their sources, methodologies, match rates, and costs are not transparent

29

States link postsecondary education and workforce data through **State Longitudinal Data Systems***

* with the same UI limitations and mostly covering students from public institutions

160 M

The **IRS** has earnings data on the 160+ million workers in the US, but access is highly restricted

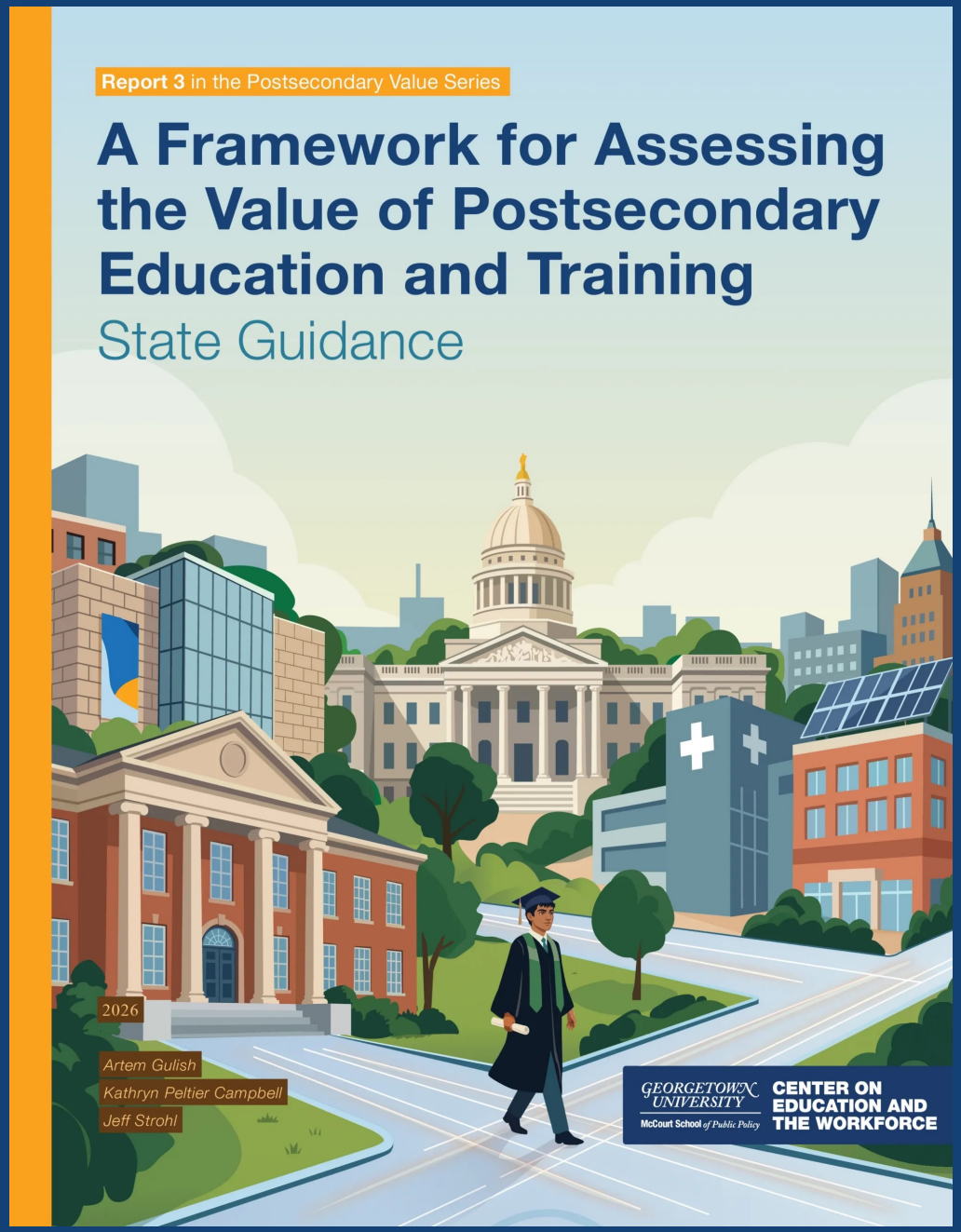
UI + W2

The **CENSUS** has earnings data on most workers through UI data from states and W2 data from IRS*

* but current partnerships are subscale and subject to availability

?

There are other potential sources that have not been made available, like **SWIS** and **NDNH**, and **CTA** still has not passed



Artem Gulish

Senior Federal Policy Advisor

artem.gulish@georgetown.edu

GEORGETOWN UNIVERSITY
McCourt School of Public Policy
CENTER ON EDUCATION AND THE WORKFORCE

KEY VALUE AREAS FOR STATE POLICYMAKERS AND ANALYSTS

1. **The broad value that accrues to each state from a robust postsecondary education and training system.** This area covers a wide range of individual and societal benefits, including broad economic impacts and nonmonetary outcomes, that state residents and the state as a whole receive through their investments in state systems of postsecondary education and training.

2. **Transparency and accountability measures to ensure that programs and institutions deliver the value they promise to create.** This area focuses on outcomes metrics such as return on investment (ROI), ability to repay student loans (debt to earnings), and other success indicators.

Source: Gulish et al., *A Framework for Assessing the Value of Postsecondary Education and Training: State Guidance*, 2026.

BROAD VALUE OF POSTSEC ED AND TRAINING TO THE STATES

Benefits for education and training participants

- Aggregate monetary returns
- Fringe benefits
- Employment stability and enhanced career navigation abilities
- Individual nonmonetary benefits

Societal benefits for the states

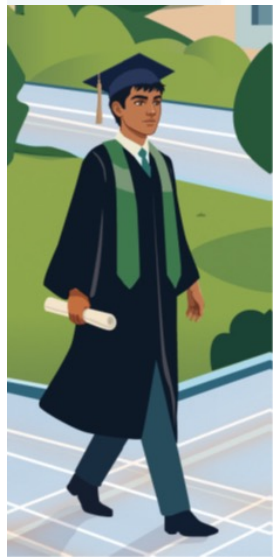
- Broad economic benefits and costs to the state
- Qualified talent that meets employer demand
- Civic and social benefits
- Equity considerations



Source: Gulish et al., *A Framework for Assessing the Value of Postsecondary Education and Training: State Guidance*, 2026.

TRANSPARENCY AND ACCOUNTABILITY – ROI

Dimension of value	Major metrics and components	Data sources	Considerations and recommendations
Monetary returns	Institutional return on investment and program return on investment (ROI) • Total net cumulative earnings gains • Total net cumulative costs (net direct costs, opportunity costs, and interest on debt)	Statewide longitudinal data systems (SLDS)/Postsecondary student unit record systems (PSURS) American Community Survey (ACS) Current Population Survey (CPS) Integrated Postsecondary Education Data System (IPEDS) College Scorecard National Postsecondary Student Aid Study (NPSAS)	For the evaluation period, use 10 years post-exit or 15 years post–initial enrollment For noncompleters, use the last declared major at the time of exit for program assignment For the main analysis group, use former students, in the labor force, not enrolled Living costs should be excluded Adjust net direct and opportunity costs by the percentage of full-time-equivalent students Weight interest rate costs by share with loans and adjust for inflation



ROI = Total net cumulative earnings gains (of formerly enrolled students) – Total net cumulative costs (to those students), where

Total net cumulative earnings gains (of formerly enrolled students) =

$$\sum_{n=1}^{\text{10 years post-exit or 15 years post–first enrollment}} \text{(Annual median earnings of former students – annual median earnings of workers at the lower attainment level)}$$

and

Total net cumulative costs = ((Annual direct costs for full-time students [net tuition and fees, books, equipment, and supplies] + Annual opportunity costs for full-time students [based on forgone earnings]) * % FTE enrollment [based on median credit load and full-time credit load] * Median time of enrollment) + Inflation-adjusted cumulative interest costs [based on federal and private student loans], where

Inflation-adjusted cumulative interest costs = Nominal cumulative interest costs – (X * Nominal cumulative interest costs), where
X = Annual inflation rate * Multiplier (based on amortization period)[99]

Source: Gulish et al., *A Framework for Assessing the Value of Postsecondary Education and Training: State Guidance*, 2026.

TRANSPARENCY AND ACCOUNTABILITY – ADDITIONAL METRICS

Dimension of value	Major metrics and components	Data sources	Considerations and recommendations
Ability to repay	Debt to earnings (DTE) • Annual student loan payments • Annual discretionary income (of student borrowers)	Statewide longitudinal data systems (SLDS)/Postsecondary student unit record systems (PSURS) Integrated Postsecondary Education Data System (IPEDS) College Scorecard Massachusetts Institute of Technology (MIT) Living Wage Calculator University of Washington (UW) Self-Sufficiency Standard	Use no more than 20 percent of discretionary income as the affordability threshold for student loan payments Use earnings of unenrolled student borrowers four years after program exit for debt-to earning metric calculation
Success indicators	Completion rates Rates of transfer to four-year institutions Time to completion License and certification pass rates	Postsecondary student unit record systems (PSURS) Integrated Postsecondary Education Data System (IPEDS) National Student Clearinghouse data Data from third-party credential providers and state agencies Self-reported student data	Use completion rates within 150 percent of normal time (typical time for full-time students to complete all credential requirements) It may not be feasible to assess program completion and time to completion for specific undergraduate degree programs Transfer is the responsibility of the whole system, including four-year colleges and universities



Source: Gulish et al., *A Framework for Assessing the Value of Postsecondary Education and Training: State Guidance*, 2026.

FUTURE DIRECTIONS

- Socially valuable, low-paid occupations
- Social impact rubric
- Short-term credentials / Workforce Pell
- Enhancements to ROI
- Job quality
- Institutional selectivity and resources
- Preserving student access

Source: Gulish et al., *A Framework for Assessing the Value of Postsecondary Education and Training: State Guidance*, 2026.

Questions?

Contact us at cewgeorgetown@georgetown.edu

Thank you!

Instagram.com/GeorgetownCEW

@GeorgetownCEW

youtube.com/GeorgetownCEW

linkedin.com/company/georgetowncew