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Ten Pathway Changes through Education, Training, and Work Could Substantially Increase the Number of Young Adults in Good Jobs at Age 30, Georgetown University Report Says

Some pathway changes involve increasing educational attainment, and others replace or combine classroom learning with on-the-job learning

(Washington, DC, May 3, 2023) A new report from the Georgetown University Center on Education and the Workforce (CEW) identifies 10 pathway changes involving education, training, and work experience with the greatest potential to improve employment outcomes for young adults. In *What Works: Ten Education, Training, and Work-Based Pathway Changes That Lead to Good Jobs*, funded by a philanthropic investment from JPMorgan Chase, CEW researchers developed the Pathways-to-Career policy simulation model, which uses longitudinal data to identify promising junctures at which a strategic intervention could increase the likelihood of working in a good job—one we define as providing minimum annual earnings of about \$38,000 per year, with a median of \$57,000, at age 30.

The Pathways-to-Career model establishes an actionable, solution-oriented framework for improving the economic lives of young adults by simulating the potential impacts of different pathway changes at critical junctures along the route from adolescence to early adulthood. Of the pathway changes CEW identifies as the most effective, some involve increasing educational attainment, especially progressing toward attainment of a bachelor's degree. Others replace or combine classroom learning with on-the-job learning, capitalizing on the growth that occurs when workers gain access to jobs in high-demand fields that equip them with both general and sector-specific skills, competencies, and domain knowledge.

"Our research clearly indicates that the bachelor's degree is still the most traveled pathway to a good job. But through this work, we also find there are alternative pathways to good jobs through career and technical education (CTE) and work experience," CEW Director and lead author Anthony P. Carnevale said. "Pathways to good jobs are especially strengthened through comprehensive policy efforts that layer effective interventions on top of one another."

Layering certain pathway changes can further boost the number of workers in good jobs at age 30 by ensuring that the potential benefits from investments at earlier life stages are fully realized. For example, ensuring college completion after putting the 4.8 million eligible academically prepared young adults in the current cohort of 18-to-22-year-olds on the pathway to a bachelor's degree could result in 1.2 million more young adults in this cohort in good jobs at age 30. That's almost a 60 percent increase over expanding enrollment in bachelor's degree programs alone, which could put 765,000 more young adults in good jobs.

The effectiveness of the 10 pathway changes varies by race, gender, and class. For example, specializing in CTE in high school increases the likelihood of having a good job at age 30 for white and Black/African American young adults, but reduces the likelihood of having a good job at age 30 for Hispanic/Latino young adults. In addition, some pathway changes have the potential for much larger numerical gains among white young adults than among Black/African American or Hispanic/Latino young adults simply because more white young adults are eligible for each pathway change.

Nearly every pathway change also has the potential to put more men than women in good jobs at age 30, primarily due to differences by gender in effectiveness and eligibility. The one exception is working in a STEM or other high-paying occupation at age 22. On the whole, because women already have higher average levels of education than men, there is less potential to improve women's economic outcomes by increasing their education without also addressing the gender wage gap among workers with the same levels of educational attainment.

Extending the 10 pathway changes to every eligible young adult would have uneven effects, sometimes increasing instead of decreasing race-, gender-, and class-based gaps in the likelihood of having a good job at age 30. These differences in effectiveness and eligibility have implications for the prospect of using the 10 pathway changes to achieve racial/ethnic, class, and gender justice on a societal level. Narrowing gaps in good jobs is not as simple as making all 10 pathway changes equally available to youth and young adults regardless of race, class, and gender. That approach would more likely increase the gaps by race and gender than shrink them, and it would have little effect on the good jobs gap by class.

"JPMorgan Chase is focused on creating a more equitable labor market and powering a stronger economy that works for everyone," said Matthew Muench, head of Jobs and Skills for JPMorgan Chase Global Philanthropy. "Good jobs are the foundation of such an economy, but remain inaccessible for too many people. As both a funder and employer, we see immense value in pathways that bring more people into good jobs and thriving careers. Georgetown's research is critical in revealing how career pathways are most effective when they support individuals across multiple stations of that journey—whether it runs through college or another route."

"We can build stronger pathways to good jobs in young adulthood through education, sectoral training, and workforce development," said Zack Mabel, report co-author and research professor at CEW. "But addressing disparities in access to good jobs also requires combating bias and discrimination in the labor market, directing investments toward individuals from historically disadvantaged groups, and raising wages in undervalued occupations that are mostly filled by workers from marginalized groups and are crucial to the functioning of our society. A coordinated and comprehensive policy strategy is therefore needed to expand access to economic opportunity broadly while also achieving economic justice on a societal level."

The 10 pathway changes that could substantially increase the number of young adults working in good jobs at age 30 are as follows:

For youth in high school:

1. Specializing in career and technical education (CTE) in high school.

For young adults starting on the high school pathway:

- 2. Entering a certificate or associate's degree program by age 22.
- 3. Entering a bachelor's degree program by age 22.
- 4. Experiencing continuous employment from ages 20 to 22.
- 5. Working in a blue-collar occupation at age 22.
- 6. Working in a STEM or other high-paying occupation at age 22.

For young adults starting on the middle-skills pathway:

- 7. Earning an associate's degree by age 26 after enrolling in a certificate or associate's degree program.
- 8. Earning a bachelor's degree by age 26 after enrolling in a certificate or associate's degree program.

For young adults starting on the bachelor's degree pathway:

- 9. Earning an associate's degree by age 26 after enrolling in a bachelor's degree program.
- 10. Earning a bachelor's degree by age 26 after enrolling in a bachelor's degree program.

To view the full report, including a detailed appendix on methodology, visit: https://cew.georgetown.edu/pathway-changes

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The Georgetown University Center on Education and the Workforce (CEW) is a research and policy institute within Georgetown's McCourt School of Public Policy that studies the links between education, career qualifications, and workforce demands. For more information, visit <u>https://cew.georgetown.edu/</u>. Follow CEW on Twitter @GeorgetownCEW, Facebook, YouTube, LinkedIn, and Medium.