



College Track's 2018 Social Mobility Report

**INSIGHTS INTO OUR GRADUATES'
POST-COLLEGE OUTCOMES**

1

Upward Social Mobility

Every year, we survey our college graduates to test our belief that a bachelor's degree is the gateway to a successful career, economic security, and unlocking one's full potential. In conversations with our graduates, we often hear affirming stories like Miriam's:

"Compared to my parents, my husband and I have a more flexible lifestyle that allows us to be financially and socially independent. We have a say in terms of what careers we want to pursue and can travel to other countries as much as we want. To a certain degree, my parents still live paycheck to paycheck and have very little money for leisure or savings."

-Miriam O.

**B.A., Development Studies
University of California, Berkeley, 2006**

**M.P.A., Masters of Public Administration
University of Southern California, 2010**

Is Miriam's experience representative of all our college graduates?

Building on [last year's report](#), we continue investigating absolute measures of social mobility such as employment, income, and feelings of economic security immediately after college. This year we incorporated a relative measure to refine our definition of upward social mobility: our graduates' ability to earn more money than their parents do now. We also surveyed our students later in their career to get a sense of long-term outcomes after college.

Key Findings

We are optimistic about our graduates' career outcomes. Five years after college graduation they are upwardly mobile, earning more than their parents with salaries on par with the national average. Yet, six months out of college, only half of our graduates find a full-time job. When comparing these two age groups, we infer that our younger graduates will soon catch up and enjoy the economic security of their older peers.

2

Getting the Most Out of a College Degree

Students make various choices on how to spend their time in college. If we can isolate the patterns that lead to better career outcomes, younger generations of college students could benefit from these learnings. We added to last year's list of hypotheses (internships, GPA & hours worked) to include mentorship from faculty, type of college, and career sector. We also took a look at the relationship between citizenship status (being a "Dreamer") and career outcomes.

Key Findings

The main drivers for better career outcomes are:

- ▶ Internships are the strongest predictor.
- ▶ In second place is the tangled relationship between choice of major, choice of employment sector, and GPA. In any major, a higher GPA correlates with higher earnings, and while STEM majors earn higher salaries at their first job in sectors such as technology and finance, it appears that those in other sectors experience greater career growth and earnings catch up over time.
- ▶ College Track encourages students to attend Best Fit colleges: institutions that have a high graduation rate, strong support services for low-income and first-generation students, and enough financial aid so that students

can graduate with less than \$30,000 in loans. In this year's analysis, we found that graduates from these colleges were more likely to get a job within six months.

- ▶ This year, we also found that having a faculty mentor boosts a student's chance of getting a job within six months of graduation.
- ▶ Dreamers face more educational and economic barriers than other first-generation graduates. College Track Dreamers' career choices reflect this: 70% have chosen to work in immigration law or education, likely the result of their own frustrations with the existing system. While DACA recipients earn the same wages as US citizens, Dreamers without DACA earn considerably less. Thus the looming threat of this program's repeal is of great concern to us.

3

Detailed Findings

Recent Graduates

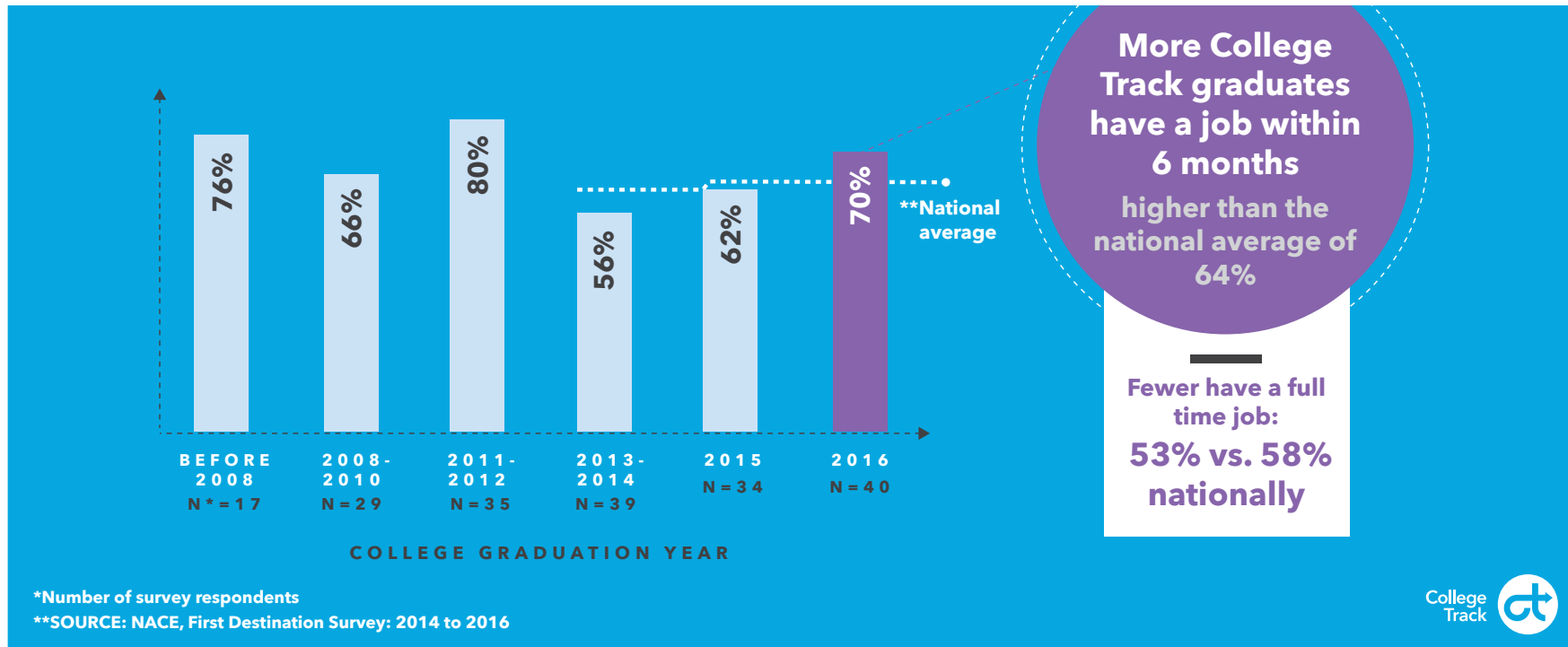
COLLEGE TRACK GRADUATES FIND JOBS FASTER THAN THE NATIONAL AVERAGE

70% of recent graduates were employed within six months of college graduation, compared to 64% nationally. This year, we found that about half of those graduates (53%) were employed full-time, compared to 58% nationally. Of the remaining 30% who were not employed at the six-month mark, a few found a job shortly after six months but most were either still searching for a job ten months after college (18%) or in graduate school (10%).^{1,2}

In terms of wages, our 2016 full-time employed graduates reported average wages of \$41,600. They make more than graduates from low-income families but less than the national average for all graduates.³

COLLEGE TRACK • POST-COLLEGE OUTCOMES

B.A. holders employed within six months of graduation

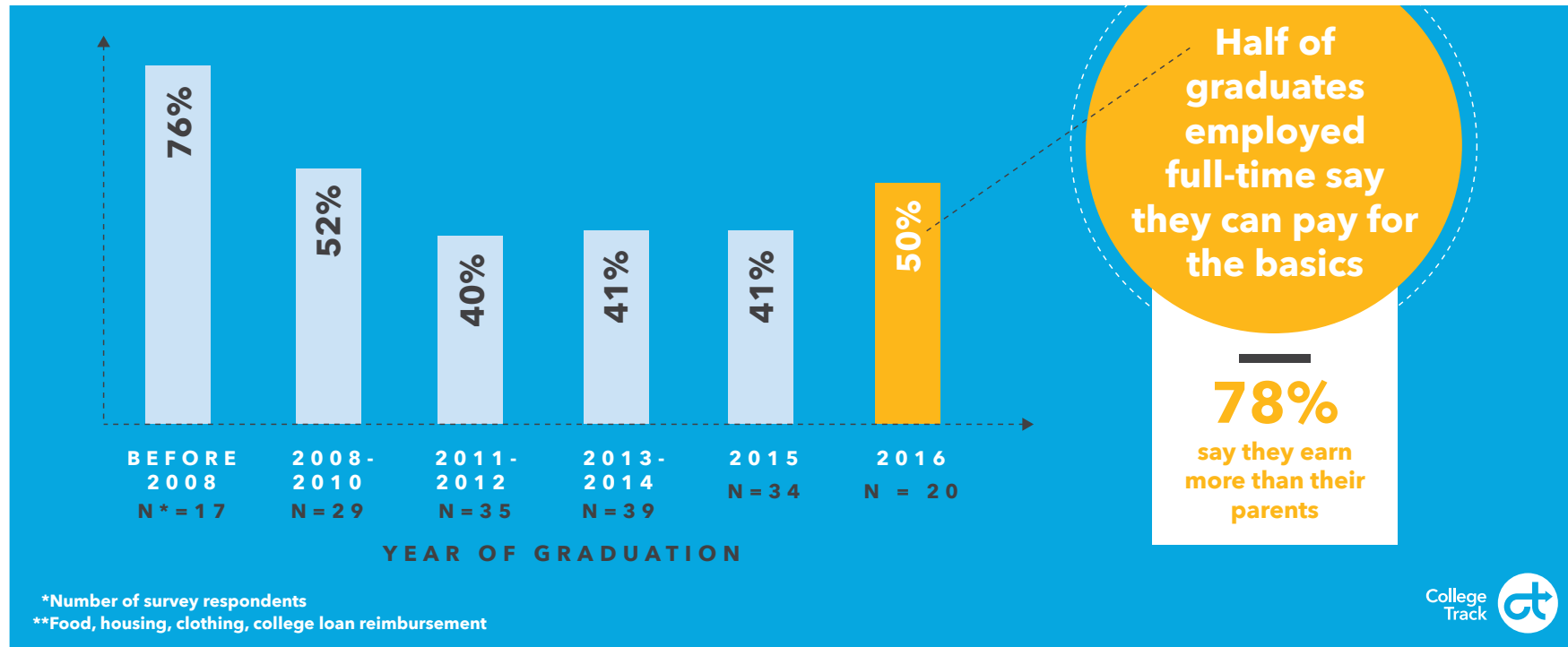


MOST RECENT COLLEGE TRACK GRADUATES SAY THEY EARN MORE THAN AT LEAST ONE PARENT

Half the graduates with a full-time job answered: "Yes, I can pay for the basics." When asked if they earn more than their parents do today, 78% also answered yes. This shows that while upward mobility does not always equate full economic security, the elevated socioeconomic status is still a considerable achievement at such a young age.

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"At my first job, I made enough to pay for the basics"**

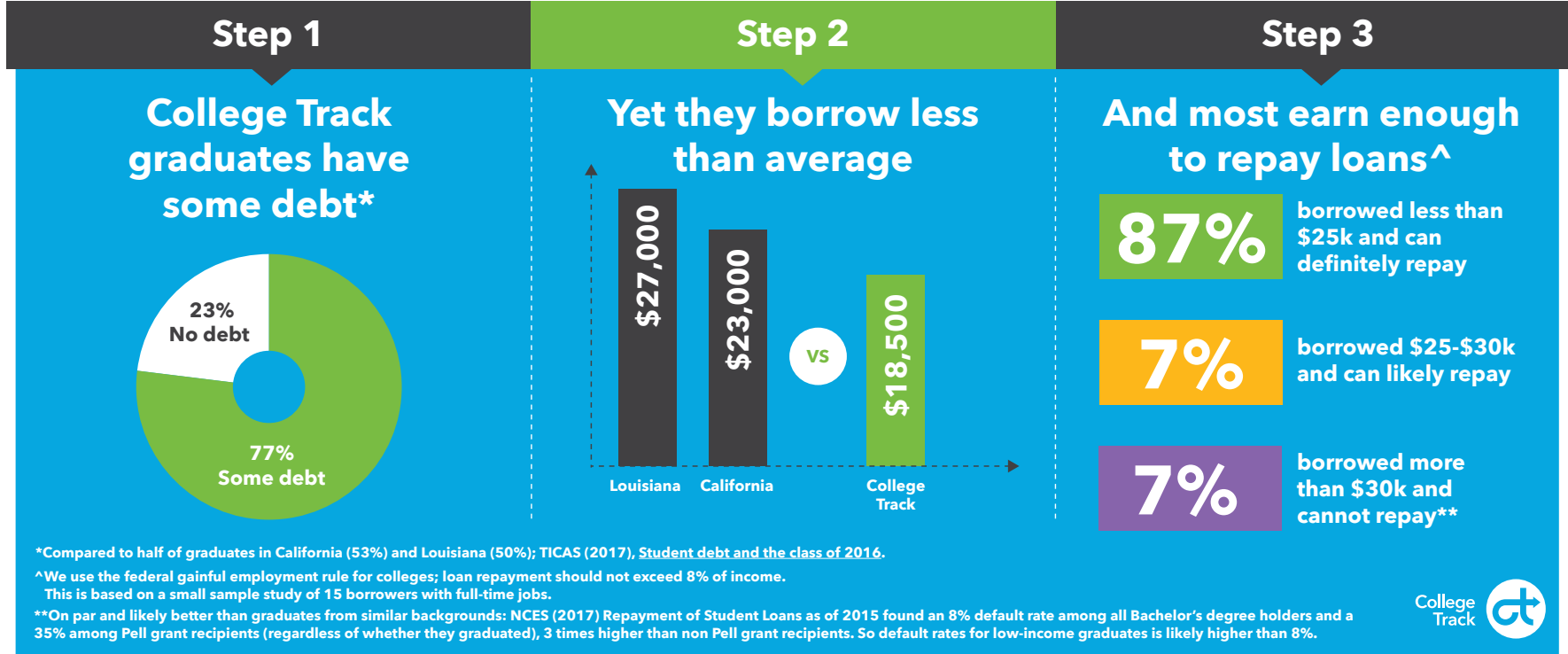


COLLEGE TRACK GRADUATES EARN ENOUGH TO PAY BACK THEIR LOANS

We care about our students' abilities to repay their loans. While College Track graduates are more likely to have taken out loans than the typical graduate, they borrowed less money overall. Those who work full-time are able to repay their loans, provided they did not borrow more than \$30,000.⁴

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At their first job, College Track graduates earn enough to pay back their student loans



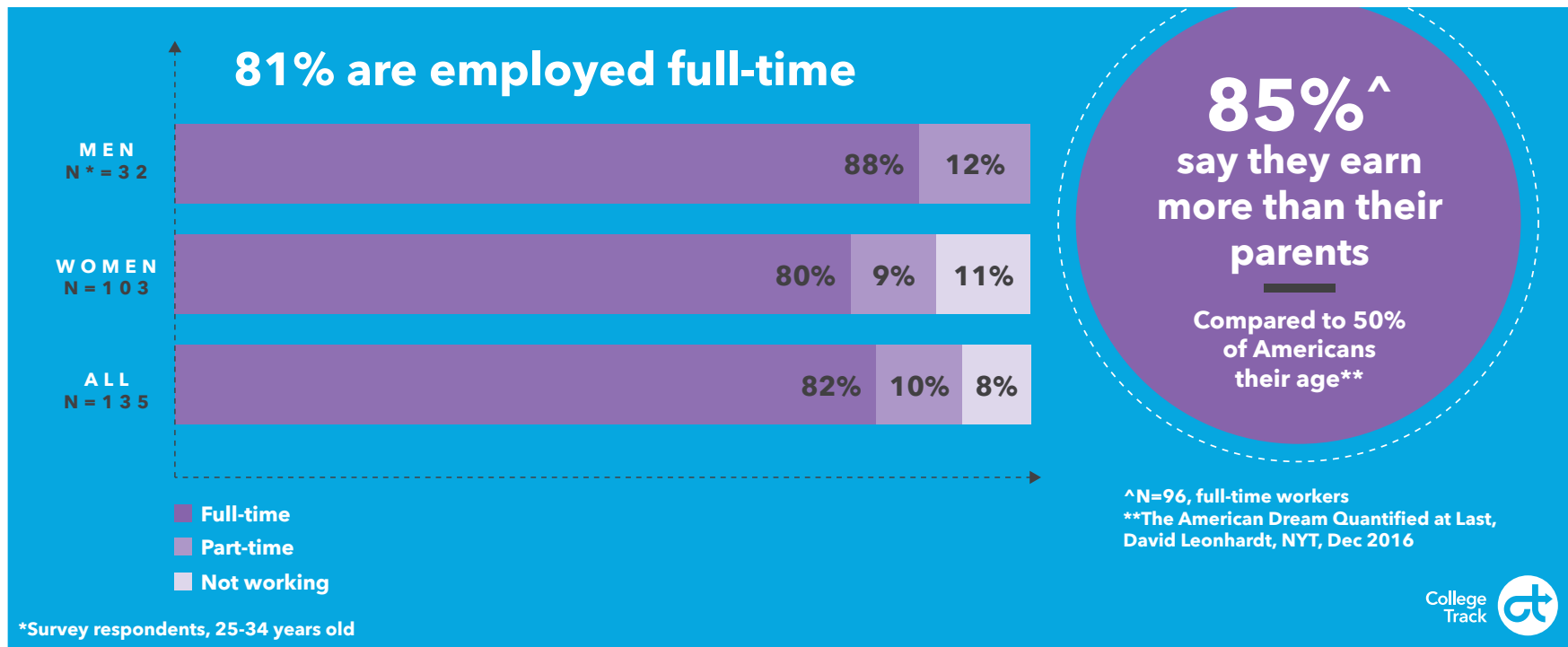
Older Graduates

SEVERAL YEARS OUT OF COLLEGE, COLLEGE TRACK GRADUATES ARE UPWARDLY MOBILE

Several years out of college, 82% of graduates are employed full-time. The ratio is even higher for male graduates, where 88% have a full-time job and the rest are employed part-time.⁵ The median wage for full-time workers is \$52,000—on par with the national median for bachelor’s degree holders ages 24 to 35 working full-time.⁶ 85% say they earn more than their parents do now, and over 70% say they can “pay for the basics.”⁷ This employment data shows that College Track graduates have bridged the opportunity gap by not only outperforming their parents’ salaries, but also performing on par with the national average for all graduates, regardless of economic background.

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College Track graduates are upwardly mobile



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Taking Action

Predictors of Better Post-College Outcomes

INTERNSHIPS LEAD TO BETTER CAREER OUTCOMES

In our Spring 2017 survey, we asked a range of questions about behaviors in college that lead to better career outcomes. This year we initiate a format for reporting our findings as documented in Appendix B. The sample size is small for this type of statistical analysis so the numerical findings below have to be interpreted carefully:

- ▶ One internship increases the rate of securing full-time employment six months after graduation by nearly 40% and two internships by 45%;
- ▶ Graduating from a Best Fit college increases the chance of employment by 20%;
- ▶ Having faculty member mentor increases the chance of employment by 20%.
- ▶ The most popular majors for our recent graduates are social sciences (23%), psychology (23%), liberal arts (20%) and STEM majors (20%).⁸ We found that STEM majors earn more, yet graduates from other majors enjoy a wage premium with higher GPAs.

▶ We found no direct relationship between hours worked and career outcomes, controlling for GPA. However national research continues to point to the importance of not relying too heavily on work to pay for college so we will keep telling our students to work less than 15 hours weekly.⁹

We captured these findings in easy tips to share with college students. Do you know a student in college? Share our tips with them.

COLLEGE TRACK

TIPS TO INCREASE THE VALUE OF YOUR COLLEGE DEGREE

- 1 Borrow less than \$30,000 in loans**
- 2 Secure two internships**
- 3 Obtain a high GPA**
- 4 Work fewer than 15 hours per week**
- 5 Get a faculty mentor**

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Career Choice

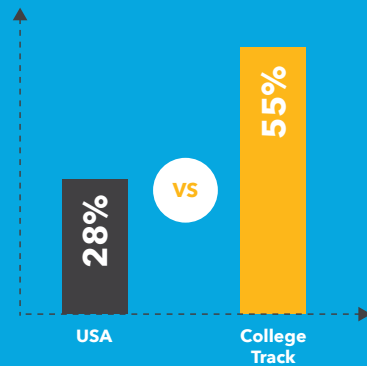
MANY COLLEGE TRACK GRADUATES CHOOSE CAREERS IN PUBLIC INTEREST AND THEIR WAGES GRADUALLY CATCH UP TO OTHER SECTORS

More than half of College Track alumni chose a job in education, social services and health care, or what we call the “public interest sector.” Nationally, these three sectors account for 28% of jobs for all bachelor’s degree holders.¹⁰ In other words, College Track graduates choose these careers at twice the rate of the national average. We know youth tend to choose careers they have been exposed to, which may explain why College Track youth gravitate to careers in education or nonprofit, where many of their mentors work, as opposed to finance, technology, medicine or law.

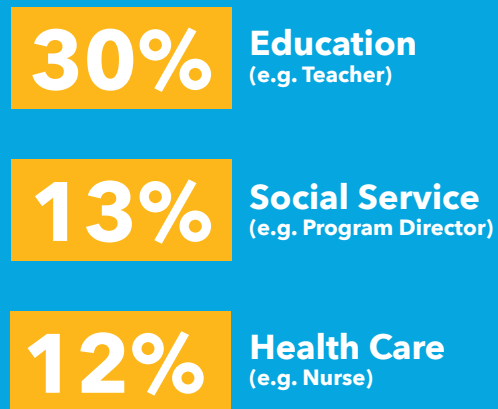
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Our graduates favor jobs in the public interest field

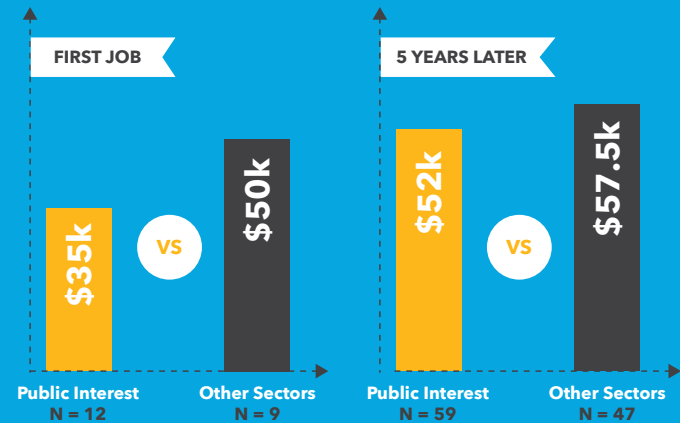
Over half work in public interest



Top three sectors of employment



Their wages catch up with time



Part of this exposure comes from having attended the College Track program during their high school years and then receiving on-campus college support from individuals in counseling roles. For graduates in the public interest sector, there is a wage gap in the early years of their career compared to their peers in finance or technology, but over time, that gap diminishes. They appear to experience faster career growth, leading to higher salaries. Roger's story is indicative of this accelerated career trajectory:

"I was always a humanities person; I love the open-ended side and social justice. I graduated in May 2008 at the beginning of the recession: there wasn't much work for a new graduate with little experience and a political science degree. I joined Summit Public Schools at an entry-level position, grew with the school and developed a great relationship with my manager. Six years later, I was doing fundraising and development, working on the charter authorization and district facilities. I had developed a lot of expertise. I am now the associate director of admissions at Menlo School where I am responsible for bringing in students from all backgrounds and making sure they thrive."

**-Roger Z.
B.A., Political Science
St Mary's College of California, 2008**

DACA Opened Doors for College Track Dreamers

Nearly 15% of College Track graduates are Dreamers—youth who were brought to the U.S. at an early age without documentation. In 2012, a federal program called The Deferred Action for Childhood Arrivals (DACA) enabled our students to get temporary work permits, radically changing their economic opportunities. We see this in their career outcomes. At least half of our Dreamers obtained DACA and entered the workforce with salaries on par with their documented peers. However, those who were unable to obtain DACA have much lower median wages (\$35,000 vs. \$52,000).

Overall, 72% of College Track Dreamers work full-time, which is lower than their documented counterparts (see figure on page 10). Dreamer graduates are most inclined to chose jobs in the field of public interest: 70% choose careers in this arena, predominantly in education and immigration.¹¹

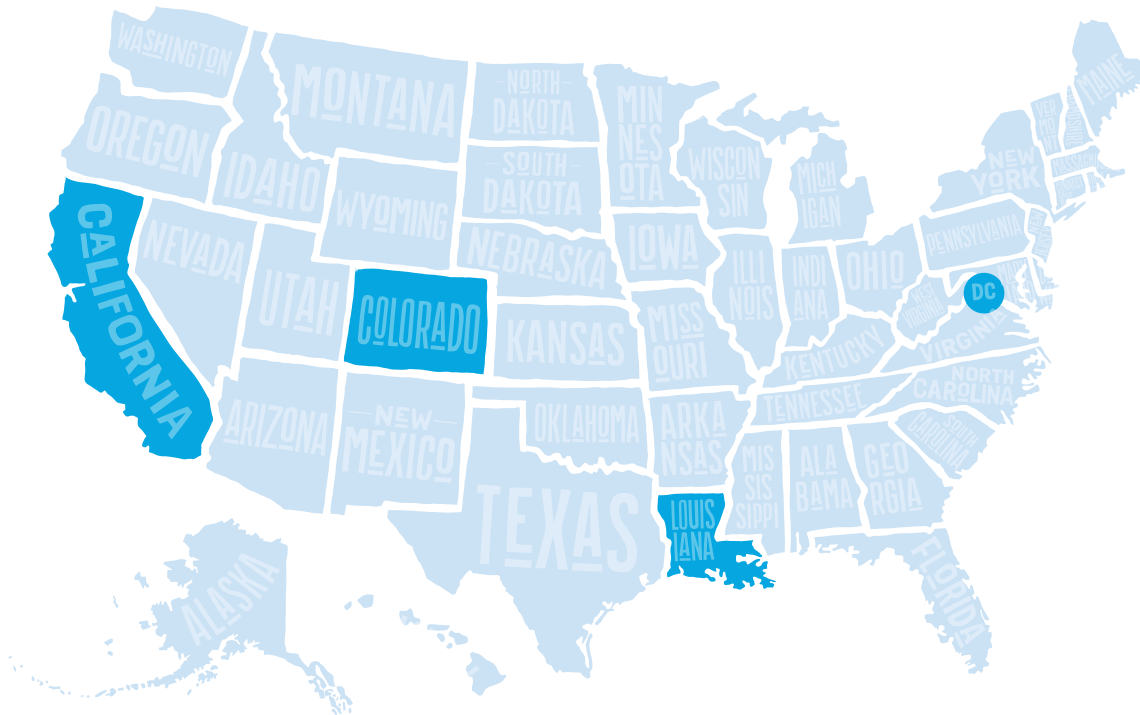
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Conclusion



This year's investigation of social mobility leaves us optimistic. Older graduates have developed meaningful careers, earning wages on par with the national average and above their parents' current earnings. While only half of younger graduates get a full-time job within six months, we are optimistic that these younger cohorts will progress in their professional development and follow in the footsteps of the cohorts before them.

We will continue to survey our alumni yearly. Our number of college graduates is expected to double by 2020 to nearly 750 individuals, spanning several regions in California, Louisiana, Colorado, and Washington D.C. This information equips us with a solid base from which to learn more about the social mobility and economic resiliency of first-generation college graduates in the 21st century.



If you have any questions about this research and findings please contact Cristel de Rouvray, Entrepreneur in Residence at cristel@collegetrack.org.

COLLEGE TRACK THANKS TWO GRADUATE STUDENTS WHO CONTRIBUTED TO THIS WORK:

ITZEL PEREZ

M.A., Public Policy, Mills College - for refining our survey as part of her master's thesis;

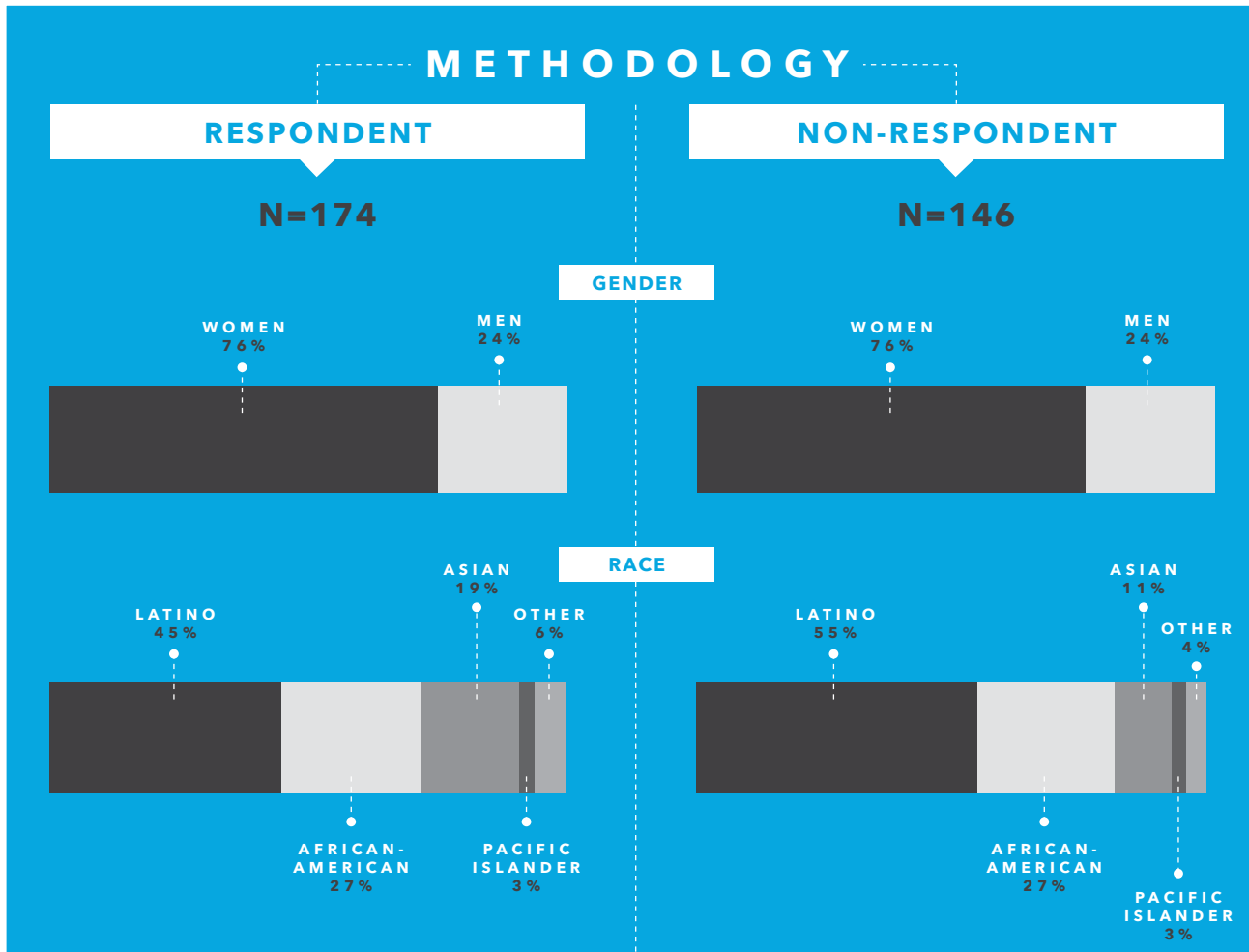
REBECCA GLEIT

PhD candidate, Sociology, Stanford University - for designing the regression analyses in Appendix B.

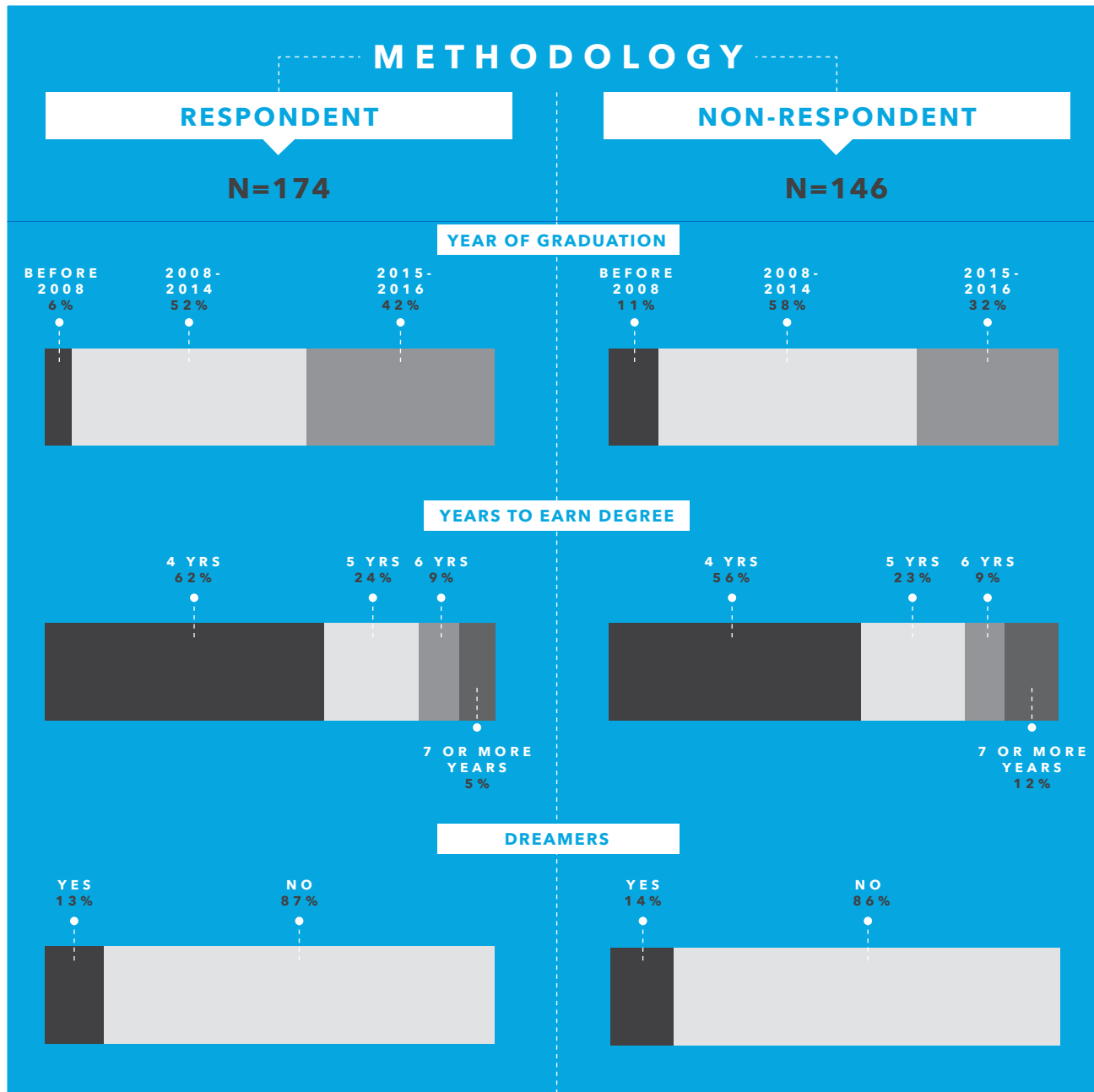
Appendix A

RESPONDENTS CHARACTERISTICS

At the time of the survey we had 320 college graduates with a bachelor's degree and 174 responded (53 percent). The respondents resembled the overall graduate population from diverse backgrounds, three-quarters women and 13 percent dreamers. More recent graduates were slightly better represented than older ones and graduates who took four years to earn their Bachelor's were better represented than those who took more than six years.



RESPONDENT CHARACTERISTICS: CONTINUED



Appendix B

REGRESSION RESULTS: IMPACT OF VARIOUS COLLEGE BEHAVIORS ON CAREER OUTCOMES

This year we asked students several questions about possible behaviors in college that could influence career outcomes. Many of these questions require another year of data collection to gather sufficient responses. Below we share a handful of predictive behaviors where we had at least 45 responses (combining graduates from 2016 and 2015)- some not yet conclusive.

	EMPLOYMENT	INCOME
STATISTICALLY SIGNIFICANT FACTORS		
Internships (ref=none)		
One internship	.385	-4.218
More than one internship	.440	-5.038
College major (ref=other)		
STEM major	-.002	13.479
Social science major	.245	5.022
College was a best fit school	.199	.263
Had faculty mentor	.181	-1.152
NOT (YET) STATISTICALLY SIGNIFICANT FACTORS		
Had well-defined post-college plan	.154	-.288
Worked in college to pay the bills	.152	1.778
College GPA	-.097	-5.885
	sample varies from 57 to 70	sample varies from 45 to 55

■ p<0.10 ■ p<0.05

Model controls for race and gender

The impact of GPA on career outcomes is more apparent when you segment by major. Overall, STEM majors earn more at their first job, though they are not more likely to get a job. Among other majors, a higher GPA appears to translate into a higher salary at their first job.

Income by GPA and College Major



Appendix C

SURVEY QUESTIONS DISCUSSED IN THIS REPORT

How long after earning your degree did it take you to secure a job? What type of employment?

What is your current annual income?

How much loans did you have at the end of your studies?

At the time of your first job out of college, would you say that you made enough money to provide for the basic things (such as food, housing, clothing, college loan reimbursement) for yourself and your dependents to live an acceptable life?

Do you earn more than your parents do now?

Is your job in the Public Interest/Public Service field?

At any point during college, did you have a job to help you pay the bills that was not directly linked to your studies or future career plans?

At any point in college did you have an internship (or co-op, or work-study, or job) that was related to your studies or future career plans?

Did you have a well-defined post-college plan at any point during college (e.g. you had identified specific roles that you would seek after college, you had identified specific area of graduate study and the right graduate school)?

Did you have a “mentor-like” relationship with a faculty member or instructor?



Footnotes

[1] Last year we reported the wrong national average: 58% instead of 64%. We had mistakenly assumed that our students all had full-time jobs so we only looked at the national comparison for full-time employment. In this report, we define full-time employment as the combination of full-time, paid internship/fellowship and volunteer/service - this aligns with the way First Destinations surveys define it.

[2] 10% graduate school enrollment for fresh graduates is twice below the national average. However, we have seen our graduates catch up: in our survey of older graduates, 12% have a graduate degree and another 18% are currently enrolled which could bring our total to 30%, same as all BA holders their age <https://www.census.gov/content/dam/Census/library/publications/2016/demo/p20-578.pdf> - Americans with BA aged 24 to 35. Income for those who have a graduate degree is higher (the average is nearly \$60,000 compared to \$55,000 for those who have no plans for graduate school and \$48,000 for those who plan for grad school) so it may have a positive impact on earnings though we don't yet do regression analysis on older graduates' attributes on career outcomes.

[3] Spring 2017 Salary Survey report, National Association of Colleges and Employers- average

wage for all recent graduates with a BA is \$51,000; Upjohn Institute for Employment has reported that graduates from homes that qualified for free and reduced lunch were 1/3rd lower than those from higher income families.

[4] In this report our emphasis is to demonstrate that if a student completes college they will earn enough to repay their loans. CT does not survey students who left college without a degree so we have no visibility on students who have some loans and no degree. Our current Bachelor's graduation rate is 55% (denominator = 500 individuals who graduated from high school 6 or more years ago).

[5] Economists usually use 5% frictional involuntary unemployment as definition of a fully employed population - in our part-time male graduates, we can reasonably assume that some (i.e. half) have chosen this voluntarily which implies a ~6% involuntary underemployment rate.

[6] NCES (2017), Status and Trends in the education of racial and ethnic groups.

[7] Our sample is made up of respondents who work full-time (as defined in above footnote) and answered the earnings question (N=118); 105 of them also answered the "basics question" (71% said yes) and 96 answered the social mobility

question (85% said they earned more than at least one parent with 66% saying they earn more than either parent).

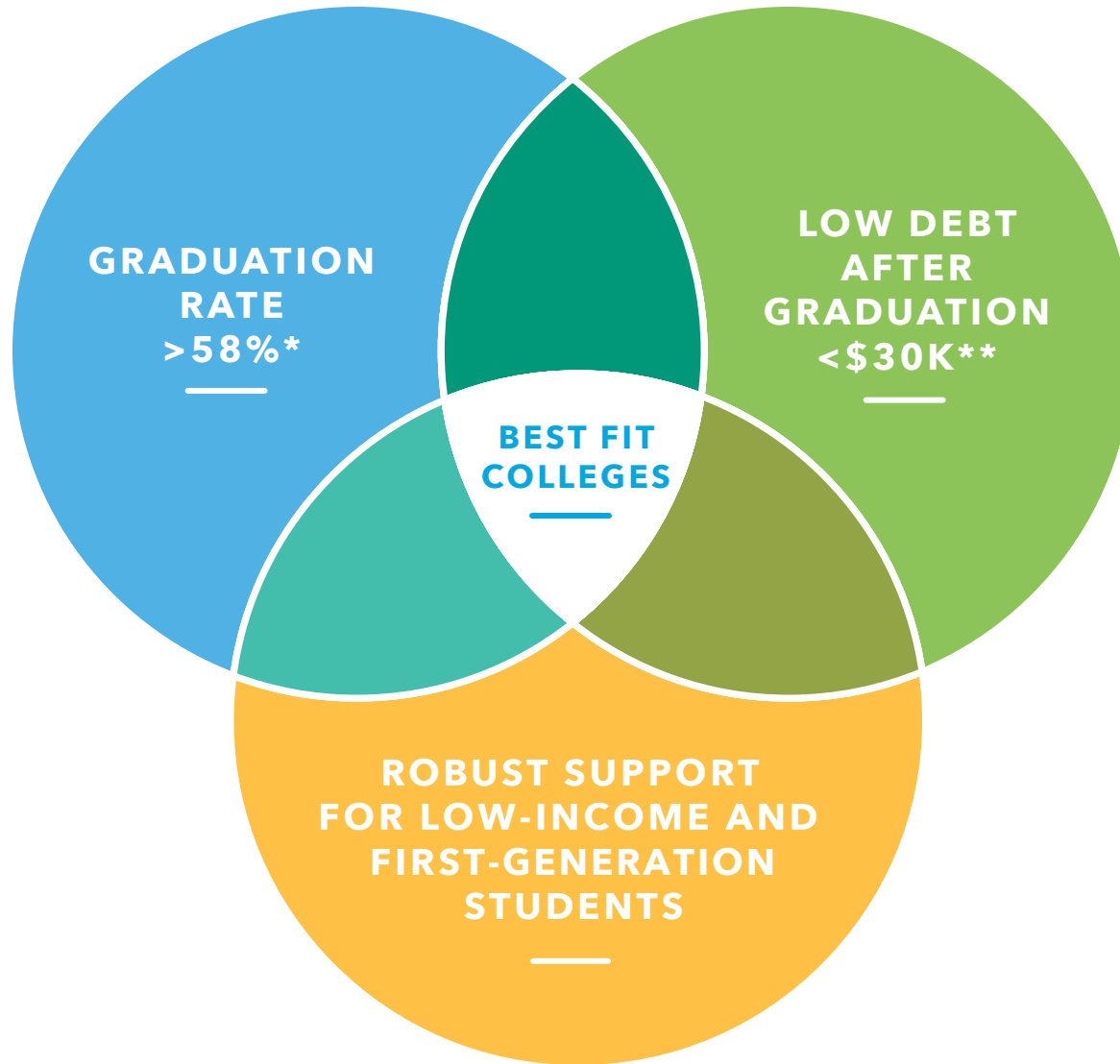
[8] In our most recent cohort of college graduates (2016 grads), 20% of survey respondents had a STEM major (Bio/Envir/Agri sciences, Phys Sci, Computers/math/stats, Engineering); among survey respondents in our entire alumni population the ratio is above 25%.

[9] See work done by the Lumina Foundation on the relationship between work and academic progress in college.

[10] U.S. Census Bureau, 2012 American Community Survey.

[11] We don't have enough survey respondents among the younger alumni to look at career outcomes for Dreamers right out of college. For this analysis we focused on the 37 individuals who graduated from college 2 or more years ago, half of whom (18) took our survey.

Best Fit Colleges



*National graduation rate for all students who start in a four-year college.

**Students with higher debt are more likely to default on their loans.