Young Adult Educational and Employment Outcomes by Family Socioeconomic Status

Among 2009 ninth-graders, there was no measurable difference between the highest and lowest socioeconomic status (SES) students in the percentage who were employed in 2016 (62 vs. 64 percent), but the percentage who were enrolled in postsecondary education in 2016 was 50 percentage points larger for the highest SES students (78 percent) than for their lowest SES peers (28 percent).

Young adults’ educational and career paths vary widely after secondary education. Individuals make different decisions about whether to enroll in postsecondary education, what type of educational program to pursue, and when to transition to the workforce. The Condition of Education provides yearly updates on many aspects of young adult educational and employment outcomes, including college enrollment and completion rates, employment rates, and annual earnings. However, these indicators rely on annual snapshot data and do not provide information on how outcomes for young adults relate to their experiences during adolescence. Recently released data from a longitudinal study by the National Center for Education Statistics provide a new window into how the educational and economic outcomes of young adults relate to the socioeconomic status (SES) of the family in which they were raised.

The High School Longitudinal Study of 2009 (HSLS:09) collected data on a nationally representative cohort of ninth-grade students in 2009 and has continued to survey these students at certain points as they progress through secondary and postsecondary education and the workforce. The initial 2009 survey collected information from both students and their parents. Parents reported information on their occupation, highest level of education, and income, which was used to construct a variable representing student SES. The SES data were used to divide students into five groups (quintiles), with the lowest fifth representing the lowest SES group and the highest fifth representing the highest group.

This indicator uses data from the second HSLS:09 follow-up survey administered in 2016 to examine how the employment status, postsecondary enrollment status, and timing of postsecondary enrollment varied between the lowest and highest fifths of students by SES (“lowest SES students” and “highest SES students,” respectively). In addition, focusing on 2009 ninth-graders who ever attended a postsecondary institution, this indicator examines the relationship between SES and several characteristics of the first postsecondary institution in which the student enrolled: type of credential pursued (certificate or diploma, associate’s degree, bachelor’s degree, or no credential); control (public, private nonprofit, or private for-profit); level (2- or 4-year); and selectivity.

In 2016, which was 3 years after most of the cohort had completed high school, 31 percent of 2009 ninth-graders were both enrolled in postsecondary education and employed. Some 17 percent were enrolled in postsecondary education but were not employed, 37 percent were employed but were not enrolled in postsecondary education, and 15 percent were neither enrolled nor employed.
Similar percentages of the highest and lowest SES 2009 ninth-graders were employed in 2016 (62 vs. 64 percent), but there was a 50 percentage-point gap in the percentages who were enrolled in postsecondary education (78 vs. 28 percent). Specifically, larger percentages of the highest SES students than of the lowest SES students were both enrolled and employed (46 vs. 18 percent) and enrolled but not employed (32 vs. 10 percent). In contrast, larger percentages of the lowest SES students were employed but not enrolled (46 vs. 17 percent) and neither enrolled nor employed (26 vs. 5 percent). The percentage of the lowest SES students who were neither enrolled nor employed was roughly five times as large as the corresponding percentage for the highest SES students. (See related indicator Young Adults Neither Enrolled in School nor Working for more information on this population.)
The HSLS:09 study categorizes students who enrolled in postsecondary education within one year of high school graduation as “standard enrollees” if in February 2016 they were still enrolled or had completed their credential program. The percentage of 2009 ninth-graders who were standard enrollees was larger for the highest SES students than for the lowest SES students (79 vs. 32 percent). In contrast, a larger percentage of the lowest SES students (44 percent) than of the highest SES students (7 percent) had never enrolled in postsecondary education as of 2016. In addition, 6 percent of the lowest SES students first enrolled in postsecondary education more than a year after completing high school and were still enrolled in 2016 (referred to in the study as “delayers”), which was higher than the corresponding percentage for the highest SES students (3 percent).

The rate at which 2009 ninth-graders left postsecondary education without completing a credential program also differed between the highest and lowest SES students. For example, 15 percent of the lowest SES students enrolled in postsecondary education within a year of completing high school but were no longer enrolled as of 2016 and had not completed a credential program (referred to in the study as “leavers”), which was larger than the corresponding percentage for the highest SES students (9 percent). In addition, 3 percent of the lowest SES students first enrolled in postsecondary education more than a year after completing secondary education but were no longer enrolled as of 2016 and had not completed a credential program (referred to in the study as “delayers-leavers”), which was larger than the corresponding percentage for the highest SES students (1 percent).
Among the highest SES 2009 ninth-graders who had enrolled in a postsecondary institution by 2016, more than three-quarters (78 percent) first pursued a bachelor’s degree and 13 percent first pursued an associate’s degree. Among the lowest SES students, in contrast, the percentage who first pursued a bachelor’s degree (32 percent) was smaller than the percentage who first pursued an associate’s degree (42 percent). In addition, larger percentages of the lowest SES students pursued a certificate or diploma (16 percent) or took undergraduate classes without pursuing a credential (10 percent) than did their highest SES peers (3 and 7 percent, respectively).
A majority of both the highest and lowest SES 2009 ninth-graders who had enrolled in postsecondary education by 2016 first enrolled in public institutions. Among the highest SES students, 18 percent first enrolled in public 2-year institutions and 54 percent first enrolled in public 4-year institutions. Among the lowest SES students, 51 percent first enrolled in public 2-year institutions and 28 percent first enrolled in public 4-year institutions. The percentage who enrolled in private nonprofit 4-year institutions was larger for the highest SES students (26 percent) than for the lowest SES students (8 percent). Estimates of the percentage of students who first enrolled in private nonprofit 2-year institutions are not included because they did not meet reporting standards. The percentage of students who enrolled in private for-profit institutions was larger for the lowest SES students than for their highest SES peers. Among the lowest SES students, 9 percent enrolled in private for-profit 2-year institutions and 4 percent enrolled in private for-profit 4-year institutions. Among the highest SES students, 1 percent enrolled in private for-profit 2-year institutions and 1 percent enrolled in private for-profit 4-year institutions.
Figure 5. Among 2009 ninth-graders who had enrolled in postsecondary education by 2016, percentage distribution of selectivity of students’ first postsecondary institution, by socioeconomic status: 2016

The highest and lowest SES 2009 ninth-graders who had enrolled in postsecondary education by 2016 also differed in terms of the selectivity of the institutions in which they first enrolled. This analysis uses Carnegie classifications of institutional selectivity, which are based on the test scores of first-year undergraduate students. “Highly selective” 4-year institutions are those whose first-year students’ test scores place them in roughly the top fifth of baccalaureate institutions; “moderately selective” 4-year institutions are those whose first-year students’ test scores place them in roughly the middle fifths of baccalaureate institutions; and “inclusive” 4-year institutions either did not report test score data or reported score data indicating that they extend educational opportunity to a wide range of students with respect to academic preparation and achievement.

For 2009 ninth-graders who had enrolled in postsecondary education by 2016, the percentage who first enrolled in highly selective or moderately selective 4-year institutions was larger for the highest SES students (37 and 32 percent, respectively) than for the lowest SES students (7 and 15 percent, respectively). In contrast, the percentage who enrolled in 2-year or less-than-2-year institutions (whose selectivity was not classified) was larger for the lowest SES students (61 percent) than for the highest SES students (19 percent). The percentage who enrolled in inclusive 4-year institutions was not measurably different between the lowest and highest SES students.

Endnotes:
1 Socioeconomic status was measured by a composite score of parental education and occupations and family income in 2009.
2 Selectivity classification based on the Carnegie Classification 2010: Undergraduate Profile. “Highly selective” 4-year institutions are those whose first-year students’ test scores place them in roughly the top fifth of baccalaureate institutions; “moderately selective” 4-year institutions are those whose first-year students’ test scores place them in roughly the middle fifths of baccalaureate institutions; and “inclusive” 4-year institutions either did not report test score data or reported score data indicating that they extend educational opportunity to a wide range of students with respect to academic preparation and achievement.

Reference tables: Digest of Education Statistics 2018, table 302.44
Related indicators and resources: College Enrollment Rates; Postsecondary Attainment: Differences by Socioeconomic Status [The Condition of Education 2015 Spotlight]; Undergraduate Enrollment; Undergraduate Retention and Graduation Rates; Young Adults Neither Enrolled in School nor Working
Glossary: Associate’s degree; Bachelor’s degree; Certificate; Control of institutions; Educational attainment; Employment status; Enrollment; Gap; High school completer; Postsecondary education; Postsecondary institutions (basic classification by level); Public school or institution; Secondary education; Socioeconomic status (SES)