



The Challenge Facing Indiana

Indiana faces a critical need to align its education and workforce policies and programs to meet evolving labor market demands. This study replicates research outlined in Georgetown University's "What Works: Ten Education, Training, and Work-Based Pathway Changes That Lead to Good Jobs" (May 2023) and adapts the study from a nationwide assessment to focus on the state of Indiana.

The **Indiana Management Performance Hub (MPH)** conducted this study examining Indiana high school students with expected graduation years spanning 2011 to 2014.¹

Which Pathways Lead to the Best Outcomes?

The analysis examines nine of ten pathway changes to identify which pathways are most effective within Indiana.

Analysis of Indiana high school students reveals that **'bachelor's degree completion by age 26 after enrolling in a bachelor's program by age 22'** and **'transition to blue-collar occupations by age 22'** are the most effective pathways to 'good jobs' in the state."

The phrase 'good jobs' is defined as employment resulting in minimum annual earnings of **\$42,070** per year in 2024 dollars.⁴ This definition is based solely on minimum annual earnings and not on job mobility, skill development, work environment, benefits or other job-related factors.

Earning a Bachelor's Degree Demonstrates One of the Two Strongest Outcomes for Connecting Indiana Residents to Good Jobs

Completion **by age 26** resulted in an increase of 'good job' likelihood by **19 percentage points** from a 39 percent baseline.

Women saw their **most significant increases** from degree attainment, and **Black students** benefited the most from earning degrees compared to other pathways.

9 Paths Analyzed

- Enrolling in a certificate or an associate's degree program by age 22
- Enrolling in a bachelor's degree program by age 22
- Working in blue-collar occupations² by age 22 instead of low-paying jobs³
- Working in a STEM or other high paying occupation by age 22 instead of low-paying jobs
- Maintaining continuous employment from ages 22 to 26
- Completing a bachelor's degree by age 26 after enrolling in a certificate or an associate's degree program by age 22
- Completing an associate's degree by age 26 after enrolling in a certificate or an associate's degree program by age 22
- Completing a bachelor's degree by age 26 after enrolling in a bachelor's degree program by age 22
- Completing an associate's degree by age 26 after enrolling in a bachelor's degree program by age 22

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What Works in Indiana: Pathways to Good Jobs →

Breaking Down Blue Collar Outcomes

When analyzing only individuals with a **high school diploma or less**, the **blue-collar pathway demonstrated highly effective outcomes**.



Vulnerable status students⁵ experienced the **greatest percentage increase** when transitioning to blue-collar work.



Switching **from low-paying⁶ work to a blue-collar occupation** by age 22 resulted in the **largest net positive change** of 30 percentage points.



Degree Pathway vs. Blue Collar Pathway Comparison

Broadly and across each subgroup, the most consistently positive impactful pathway intervention is the shift of individuals to earn a bachelor's degree by age 26. While the blue-collar pathway is a highly effective pathway change, it is not consistent in its impact. The combination of two pathways, first enrolling in a bachelor's program by age 22 and completing a bachelor's degree by age 26, would result in the largest population of young adults in 'good jobs.'

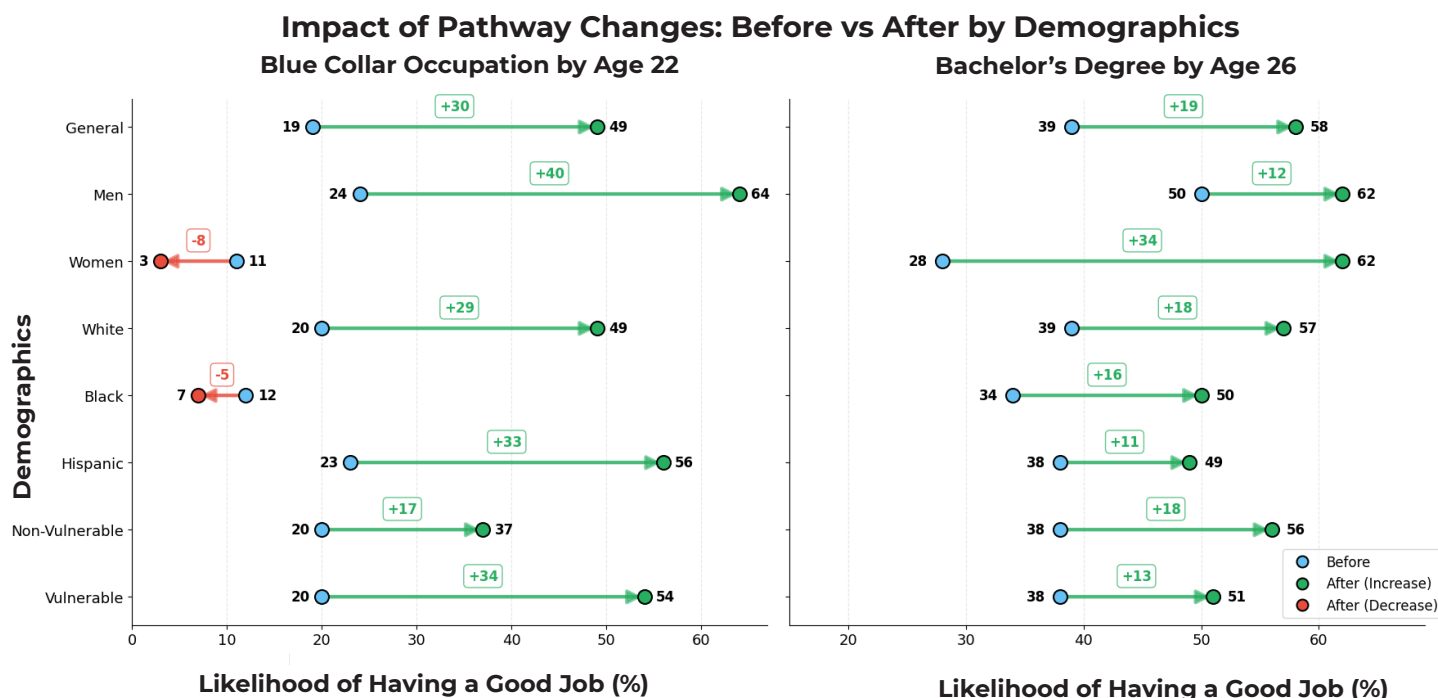


Figure 1 - Impact of Pathway Changes: Before vs. After by Demographic

Due to the varying effectiveness by gender, race/ethnicity and vulnerability status, a blanket approach to pathway changes could widen existing gaps in 'good job' access. **It is recommended that targeted support is provided to achieve the best results.** Additionally, Georgetown University acknowledges that society relies on jobs in education, healthcare support and the agricultural sectors, yet these are the jobs that often pay lower wages. Any major shift away from these low-paying sectors will have consequences on Indiana's economy due to worker shortages. Raising wages for workers in these essential but low-paying occupations is critical for Indiana's workforce.

¹Using data from Indiana's Commission for Higher Education (CHE), Independent Colleges of Indiana (ICI), Department of Education (DOE), and Department of Workforce Development (DWD). A series of sequential random forest regressions and classifications were created to analyze pathway effectiveness.

²Blue collar occupations include manufacturing, agriculture/natural resources, construction, mining/oil and gas extraction, machinery/electronic repair, transportation/warehousing, utilities, and wholesale trade.

³Industries are categorized using Georgetown University's framework, with MPH providing an expanded mapping to NAICS code

⁴Minimum earnings is based on MIT's living wage for Indiana, which is Georgetown University's definition of a 'good job'.

⁵Vulnerable status students include those with identified low socio-economic status, English language learners, students with disabilities, students in foster care, or migrant students. Non-vulnerable students are those who do not fall within one of these vulnerable statuses.

⁶Low-paying occupations include accommodation and food services, administrative support, arts/entertainment/recreation, personal care services, childcare and elder/disabled care services, education, healthcare and social assistance, retail trade, and temporary help services.