

From College to Life:

Relevance and the Value of Higher Education

April 2018



Copyright Standards

This document contains proprietary research, copyrighted materials and literary property of Gallup, Inc. and Strada Education Network. All of Gallup, Inc.'s and Strada Education Network's content is protected by copyright. Neither the client nor the participants shall copy, modify, resell, reuse or distribute the program materials beyond the scope of what is agreed upon in writing by Gallup, Inc. Any violation of this agreement shall be considered a breach of contract and misuse of Gallup, Inc.'s intellectual property.

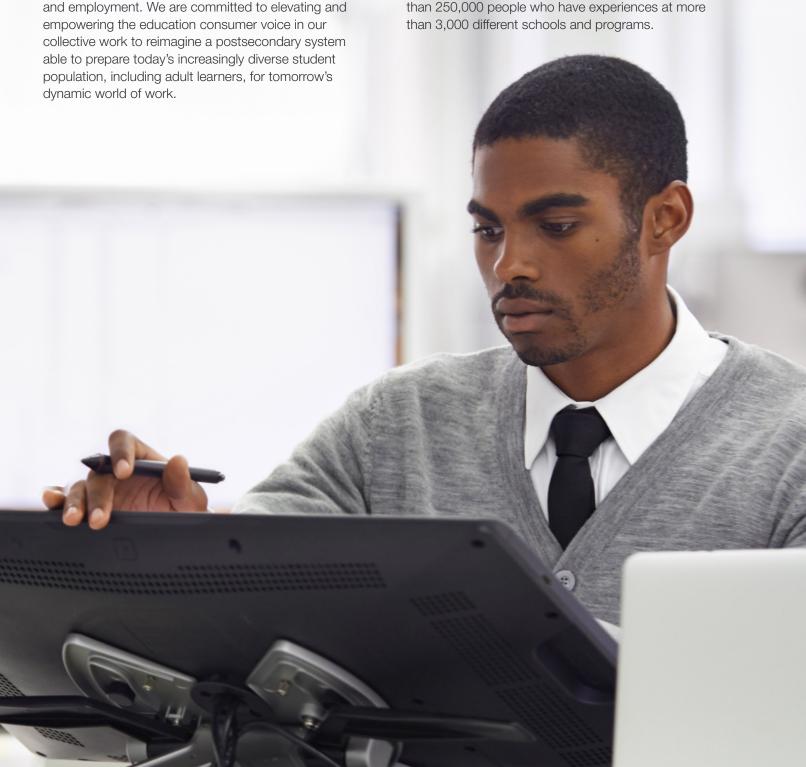
This document is of great value to Gallup, Inc. and Strada Education Network. Accordingly, international and domestic laws and penalties guaranteeing patent, copyright, trademark and trade secret protection safeguard the ideas, concepts and recommendations related within this document. No changes may be made to this document without the express written permission of the parties. Gallup® is a trademark of Gallup, Inc. All rights reserved. All other trademarks and copyrights are property of their respective owners.

Introduction

Almost every industry uses consumer insights as a valid measure of success and improvement. When coupled with other data sets, these insights have informed solutions and driven innovation ranging from product and service improvements to complex system transformation.

At Strada Education NetworkSM, listening to consumers is central to our mission as we unite with partners to strengthen America's pathways between education and employment. We are committed to elevating and

Change of this magnitude merits insights derived from unprecedented levels of data, including consumers' perspectives. Recognizing the lack of consumer reviews and evaluations of higher education, Strada partnered with Gallup to launch the first national survey of education consumers. For the past two years, we have interviewed 350 individuals a day about their educational paths and experiences after high school. Across our portfolio of consumer surveys, we've heard from more than 250,000 people who have experiences at more





Powerful themes are emerging, including the resounding significance of course and degree relevance and how it affects consumer perspectives on the value of their education.

- Relevance influences value and quality. The more relevant that people find their courses to be in their work and daily lives, the greater their belief that they received a high-quality education and that it was worth the cost. This pattern holds true for individuals across all walks of life. In fact, consumers who strongly agree their courses are relevant to their careers and lives are:
 - 63 percentage points more likely to strongly agree their education was worth the cost.
 - 50 percentage points more likely to strongly agree they received a high-quality education.
- Relevance is related to well-being. Consumers who strongly agree their courses are relevant to their current careers and lives are 18 percentage points more likely to be "thriving" in their overall sense of well-being.
- Relevance is a far more powerful predictor of consumer ratings of educational quality and cost value than
 other important demographic characteristics. This includes gender, race/ethnicity, age, income, and
 type of postsecondary education experience (courses but no degree or two-year, four-year, post-graduate or
 professional degrees).
- Relevance explains two and three times more variance in consumer ratings of quality and value, respectively, than public data widely used to create college and university rankings. Relevance scores are more powerful predictors of consumer satisfaction than average SAT/ACT math scores, student loan default rates, average cost of attendance, a measure of alumni income earnings and graduation rates.

These findings merit a comprehensive examination as coursework relevance is a critical component of how individuals assess the quality and value of their education.

Approach

The topic of relevance, and what to do about it, matters, and the goal of this series is to include the consumer voice in the conversation. Following this overview of key findings, part two in this series examines how education relevance relates to a spectrum of individual pathways, fields of study, occupations and experiences. Part three engages leaders in the field to identify implications and solutions that will allow us to meet education consumers where they are and deliver the quality, value and life outcomes we all desire.

We're building upon previously reported Strada-Gallup findings that signal the wide-ranging importance of relevance in higher education learning:

 Consumers say "job and career outcomes" are the main reason they enrolled in higher education, more than doubling mentions of any other motivation.

 The most valued advice when it comes to choosing an educational path and field of study comes from work-based sources.

 Confidence in finding a job and succeeding in the workplace are significantly higher motivations among those who have had faculty or staff members speak with them directly about their career aspirations.

• Those who fail to complete their educational programs are more likely to say their main reason for enrolling was "to learn" or "to gain knowledge," compared with those who complete programs, who are more likely to identify work aspirations as their main motivation.

This report examines consumer perspectives gathered from a nationally representative sample of 78,091 adults, ages 18 to 65, who are currently employed and have taken at least some college courses. Two key questions in the Strada-Gallup Education Consumer Survey ask participants to rate the relevance of their courses:

- 1. The courses you took are directly relevant to what you do at work.
- 2. You learned important skills during your education program that you use in your day-to-day life.

We combine ratings on these two items into a "relevance score" for the analyses detailed in this report, and the findings center around individuals' answers in five areas:

- Quality of education;
- Value of education;
- Relevance of coursework to job or career;
- Relevance of skills learned to daily life; and,
- · Quality of life.



Results

Relevance Matters

The more relevant that people find their courses to be in their work and daily lives, the greater their belief that they received a high-quality education and that it was worth the cost. This is true for individuals across all walks of life who respond to two key statements as part of the daily Strada-Gallup Education Consumer Survey¹:

- 1. The courses you took are directly relevant to what you do at work.
- 2. You learned important skills during your education program that you use in your day-to-day life.

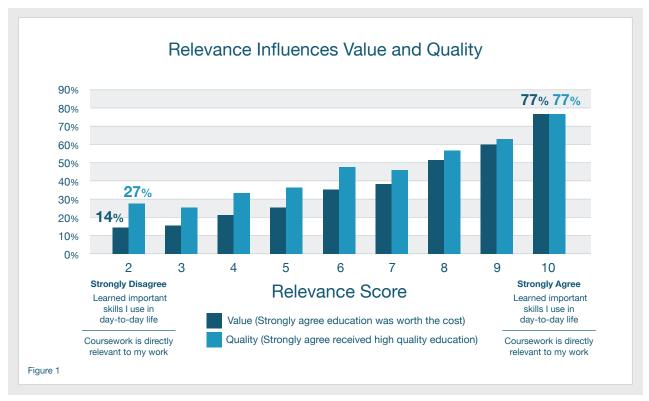
In our daily survey, individuals rate their level of agreement with these items on a five-point scale, ranging from strongly disagree (1) to strongly agree (5). By adding the two scores together, we calculate a combined relevance score between two and 10 for each person.

Through this analysis, we learn that increased relevance is strongly tied to higher ratings of quality and value. The results are remarkable.

Comparing the individuals with the lowest relevance score to those with the highest, we see (Figure 1):

- A 63-percentage point difference in the likelihood to strongly agree their education was worth the cost (14% vs. 77%); and,
- A 50-percentage point gap in the likelihood to strongly agree they received a high-quality education (27% vs. 77%).

This finding becomes even more powerful as we use statistical regression analysis to compare the predictive power of relevance while accounting for important demographic characteristics — gender, race/ethnicity, age, income, and type of higher education experience (courses but no degree, and two-year, four-year, post-graduate or professional degrees). Relevance scores are far more powerful predictors of consumer ratings of educational quality and cost value than these other factors.

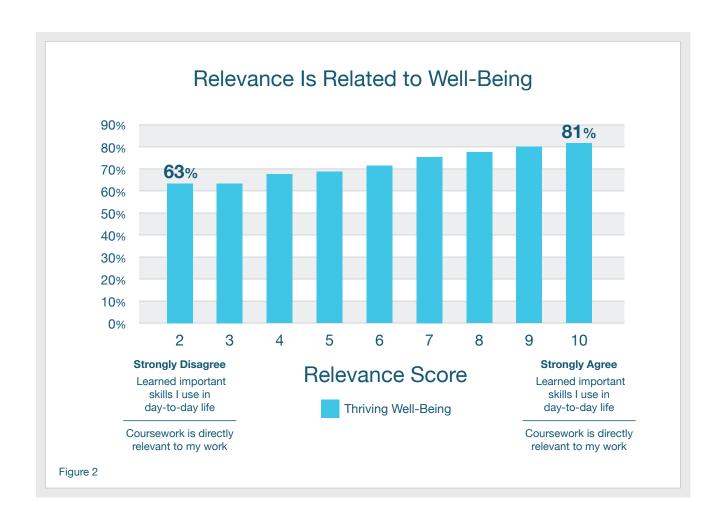


Results

Relevance Matters for Well-Being

Importantly, relevance scores have an impact beyond purely educational outcomes — they are related to an individual's overall sense of well-being. Among those who are "thriving," there is an 18-percentage point difference between those with relevance scores of two compared with those with scores of 10. Figure 2 shows the same linear trend for well-being as seen in quality and cost value; each increase in educational relevance is tied to an increase in self-reported well-being.

These implications for the importance of relevance are powerful as they demonstrate another dimension of value that higher education provides to individuals, communities and our nation. This is vital during a time when many in higher education are challenged to demonstrate their value in ways that resonate with all stakeholders.



Results

Relevance Matters More

Another lens for examining the "relevance of relevance" is comparing the predictive power of relevant coursework and skills to other data points widely included in college rankings. Once again, through a multiple regression analysis, the data demonstrate that relevance scores are significantly more powerful in predicting how consumers rate the quality and cost value of their higher education.

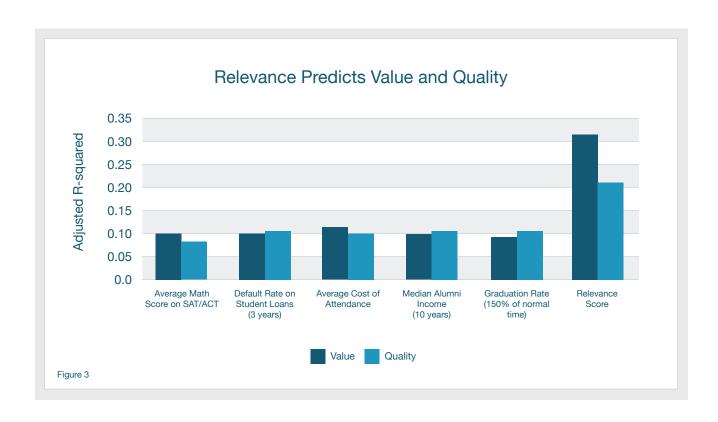
The U.S. Department of Education's public College Scorecard and College Navigator databases provide profiles of student characteristics and outcomes for individual schools. The Strada-Gallup Education Consumer Survey also asks individuals to identify the higher education institutions they attended.

For this assessment, we grouped education consumers by the college or university at which they enrolled and then added the Department of Education's data for the same school to create a profile that includes both information sources. This allows us to compare how well the different data points explain consumer ratings of quality and value.

Relevance is three times more powerful in predicting value and twice as powerful in predicting quality when compared with the public data widely used to create rankings of colleges and universities.

Specifically, as seen in Figure 3 below, relevance scores are more powerful than average SAT/ACT math scores, student loan default rates, average cost of attendance, a measure of alumni income earnings and graduation rates. Results are controlled for gender, race/ethnicity, age, income, and individuals' highest levels of education.

Figure 3 shows the R-squared values — a statistical measure of the variation explained by a set of predictors in multiple regression analysis.





The power of these findings warrants a comprehensive examination to help us all see what higher education consumers value so we can meet them where they are and help them succeed in education, work and life.

Following this overview of key findings, part two in this series examines the predictive power of relevance across the spectrum of individual pathways, fields of study, occupations and experiences.

Part three engages leaders in the field to identify implications and solutions that will allow us to meet education consumers where they are and inform our collective work to transform higher education, including its reputation, customer relationships, and role in the present and future of work.

As we embark in this exploration of relevance, we note that the clarity and strength of these education consumer voices also

tells us this is not about the long-standing "education versus training" debate in the field. This is not an either/or question, nor does it point to a singular solution. It is a critical piece in how consumers assess the quality and value of their education. It's also an insight into the degree to which we effectively deliver relevant coursework and help students understand how it applies to their work and day-to-day lives. This is something many postsecondary institutions and programs already do well — and something many can do better. It points to opportunities for front-line student experiences and scalable solutions.

Relevance matters tremendously to students, so it matters to all of us. We look forward to the lessons we'll learn by listening to America's education consumers as we journey forward together.

Methodology

What is the Education Consumer Survey?

The Education Consumer Survey, started in 2016 by Gallup and Strada Education Network, is a survey of 350 U.S. adults every day that strives to give a voice to higher education consumers. The survey measures the opinions, experiences and expectations of prospective, current and former students. It includes questions such as whether the coursework that people took is directly relevant to their jobs and whether they would recommend their educational path to other people like them.

Gallup routinely incorporates additional questions into the Education Consumer Survey on a short-term basis. These extra questions cover topical issues such as Americans' views of college funding, diversity in higher education and skills gaps in the workforce.

How are interviews conducted for the Education Consumer Survey?

Gallup interviews U.S. adults aged 18 to 65 living in all 50 states and the District of Columbia using a dual-frame design, which includes both landline and cellphone numbers. Gallup samples landline and cellphone numbers using random-digit-dial methods. Gallup purchases samples for this study from Survey Sampling International (SSI). Gallup chooses landline respondents at random within each household based on which member has the most recent birthday and is between the ages of 18 and 65. Each sample of national adults includes a quota of 70% cellphone respondents and 30% landline respondents, with additional minimum quotas by time zone within region. Gallup conducts interviews in Spanish for respondents who primarily speak Spanish.

How many people are interviewed as part of the Education Consumer Survey?

Gallup interviews approximately 350 U.S. adults ages 18 to 65 daily, equaling about 2,450 interviews every week.

How often are the Education Consumer Survey interviews conducted?

Gallup conducts interviews every day, excluding major holidays and other events, for 350 days per year.

Are the Education Consumer Survey samples weighted?

Yes, Gallup weights samples to correct for unequal selection probability, nonresponse and double coverage of landline and cellphone users in the two sampling frames. Gallup also weights its final samples to match the U.S. population according to gender, age, race, Hispanic ethnicity, education, region, population density and phone status (cellphone only, landline only, both and cellphone mostly). Demographic weighting targets for the U.S. as a whole and individual states are based on the most recent Current Population Survey figures for the aged 18 and older U.S. population, while weighting targets for metropolitan areas and congressional districts are based on Nielsen Claritas statistics. Phone status targets are based on the most recent National Health Interview Survey. Population density targets are based on the most recent U.S. Census. All reported margins of sampling error include computed design effects for weighting.

Where can I find results from the Strada-Gallup Education Consumer Survey and learn more about the Consumer Insights portfolio?

Learn more and sign up to receive the latest news and reports about Strada-Gallup Education Consumer Insights at stradaeducation.gallup.com.



U.S. Headquarters

9998 Crosspoint Blvd. Suite 400 Indianapolis, IN 46256

1.317.806.1200

www.stradaeducation.org



World Headquarters

The Gallup Building 901 F Street, NW Washington, D.C. 20004

t + 1.877.242.5587 f + 1.202.715.3045

www.gallup.com