ADULT EDUCATION: GATEWAY TO A MORE COMPETITIVE WORKFORCE
About the Mississippi Economic Policy Center

The Mississippi Economic Policy Center (MEPC) engages in rigorous, accessible and timely analysis to inform the policy debate on issues that affect the economic and social well being of working families and low-wealth Mississippians. An independent, nonpartisan initiative, MEPC is managed by the Enterprise Corporation of the Delta (ECD), a regional financial institution and community development intermediary dedicated to strengthening communities, building assets and improving lives in economically distressed areas in the Mid South.

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Investing in Adult Education is an important strategy for building a competitive workforce and a key first step in connecting low-income and low-skilled workers to family sustaining wages. As seen from recent successful economic development bids, global competition and increased use of technology require multiple strategies for Mississippi to expand its ability to generate high-quality jobs. According to the State Workforce Investment Board, the biggest challenge to Mississippi’s economy moving into the next decade is a shortage of qualified workers. For instance, population projections reveal a shortfall of 100,000 workers by 2014.¹

With 80 percent of jobs nationwide requiring workers to have education or training beyond high school, the state must focus on its large population of working age adults who lack a high school diploma or GED.² These 335,420 working age adults (18-64) could fill the above cited projected worker shortage three times over.³ Tapping this population is also an efficient way to address the shortage because the potential workforce is equal to more than 14 of the next graduating classes from the public K-12 system, assuming level enrollment.⁴

Impact of Educational Attainment on Earnings

125,400 of the state’s working families are low income.

27.6 percent of these families have a parent who has not finished High School or earned a GED.

In 57 percent of these families neither parent has any post-secondary education.


Introduction

Figure 1: Working Age Adults Key to State’s Economic Future

Source: Working Poor Families Project generated from Population Reference Bureau, analysis of 2007 American Community Survey; *MEPC Analysis, assumes constant class sizes based on size of 2005-2006 graduating class as reported in Mississippi Department of Education Annual Report.

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What is the impact of nearly 1/5 of the state’s working age population having such low levels of educational attainment? Not only do low levels of educational attainment have an adverse impact on the economic stability of working families, but they also have a negative effect on the state’s economy. Workers with higher levels of educational attainment are much less likely to be unemployed, rely on public assistance programs, or live in poverty-level households. Using 2008 data from the Census Bureau and Department of Labor, Figure 2 illustrates the relationship educational attainment has to average median earnings and unemployment rate. The average weekly income of a college graduate was more than twice that of a high school dropout. Conversely, the unemployment rate for a high school dropout is more than six percentage points higher than for a college graduate.

With 18.7 percent of working age adults lacking a high school diploma or GED, the state ranks 49th in the percentage of its population with such low levels of educational attainment. Consistent with the relationship between educational attainment and earnings, 125,400 (or 39.4 percent) of Mississippi’s working families are low-income. In 57 percent of these families, neither parent has any post-secondary education. Similarly, 27.6 percent of them have at least one parent who has not finished High School or earned their GED.

Moreover, workers with higher levels of education contribute more to their state and local tax systems than those with lower levels of education. There is a strong correlation between personal income per capita and actual tax revenues per capita. Therefore, strong personal income translates into a strong economy and more funding for state investments. Mississippi had the lowest per capita income of $29,569 in 2008, an amount 34.4 percent below the national average of $39,751. Educational attainment not only impacts a worker’s ability to find a quality job, but it also impacts the state’s ability to attract and generate high quality jobs. Workforce educational attainment is also a key consideration for businesses seeking to expand or locate in the state.

Figure 2: Educational Attainment, Median Weekly Earnings, and Unemployment Rate, U.S. Adults age 25+ 2008

<table>
<thead>
<tr>
<th>Educational Attainment</th>
<th>Median Weekly Earnings</th>
<th>Unemployment Rate in 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Than High School Diploma</td>
<td>$1,000</td>
<td>9.0%</td>
</tr>
<tr>
<td>High School Graduate</td>
<td>$900</td>
<td>5.7%</td>
</tr>
<tr>
<td>Some College</td>
<td>$800</td>
<td>5.1%</td>
</tr>
<tr>
<td>Associate Degree</td>
<td>$700</td>
<td>3.7%</td>
</tr>
<tr>
<td>Bachelor’s Degree</td>
<td>$600</td>
<td>2.8%</td>
</tr>
</tbody>
</table>

As businesses increasingly need workers with higher skill levels, a high school diploma or GED does not have the value that it once had in the job market. Researchers have identified a “tipping point” where a worker’s educational attainment leads to a job that pays wages sufficient to support a family. Surprisingly, this tipping point can be reached before attaining a bachelor’s degree. Many mid-level skill jobs pay family sustaining wages and are in high demand among employers. Mid-level skills jobs are jobs that require more than a high school diploma but less than a bachelor’s degree.

Workers can gain a substantial increase in earnings by getting at least one year of college and a credential. Thirty units (about one year’s worth of full-time enrollment) has been shown to increase wages and earnings substantially, up to 11.3 percent for men and 11.8 percent for women in one study. In Washington state, a longitudinal study of low-skilled adult students, which measured the benefits of taking a year’s worth of college credits and earning a credential, showed that students who started in ABE or GED had an average annual earnings advantage of $8,500 after five years. This advantage was in comparison to other ABE or GED students who earned fewer than 10 college credits.

Adult education should be viewed as an important first step in a continuum that prepares a skilled workforce. Mississippi’s working families need access to adult and post-secondary education in order to realize economic opportunities and contribute to the state’s economic growth by filling the growing demand for a globally competitive workforce. Table 1 shows the mid-level skills jobs with the highest projected growth and the associated educational attainment levels needed for employment.

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Average Annual Wage</th>
<th>Education Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered Nurse</td>
<td>$48,460</td>
<td>Associate’s Degree</td>
</tr>
<tr>
<td>Licensed Practical Nurse</td>
<td>$28,140</td>
<td>Vocational Education</td>
</tr>
<tr>
<td>Welders</td>
<td>$31,950</td>
<td>Vocational Education</td>
</tr>
<tr>
<td>Automotive Service Technicians and Mechanics</td>
<td>$28,040</td>
<td>Vocational Education</td>
</tr>
<tr>
<td>Truck Drivers, Heavy and Tractor Trailer</td>
<td>$32,890</td>
<td>Vocational Education</td>
</tr>
</tbody>
</table>

Adult Education in Mississippi

In Mississippi, the State Board for Community and Junior College System (SBJCJC) plays a major role in connecting low-skill adults to training and educational opportunities. The SBJCJC helps these workers move up the economic ladder through its Adult Basic Education (ABE) and GED Testing program, through its for-credit coursework programs, and through its workforce training programs. During FY 2008, the 15 colleges within the SBJCJC system enrolled 93,972 students in for-credit programs. Simultaneously, SBJCJC connected 179,979 students to non-credit training programs that focused on ABE, GED preparation, Literacy, Workforce Development, and Continuing Education. The average age of students served in SBJCJC’s for-credit programs in FY 2008 was 26.6 years.

The SBJCJC is responsible for administering the Adult Basic Education Program for the state. This free program provides a wide range of adult education and skill training, such as GED preparation, English as a Second Language, lower level literacy instruction, employability skills, and basic skills training. In FY 2008, there were 30 adult basic programs providing over 500 classes statewide. These programs were operated in each of the state’s 15 community and junior colleges, 11 in public schools, one in a community-based organization, one in a university, and two in correctional institutions. In FY 2008, these programs served 20,373 students for a total of 1,212,692 instructional hours at an average cost of $410 per student. Of the 12,094 GED tests administered, 7,144 or 59 percent resulted in GED diplomas being issued. Seventy three percent of GED test takers were younger than 25, while 27 percent of test takers were 25 years of age or older.

Given the potential and existing opportunities surrounding the Mississippi ABE Program, the following section highlights best practices that could be used to create economic opportunities for working families across the state.

Best Practices

The best practices highlighted in this section showcase ways that states are working to ensure that a student can easily enter the adult system, complete the program, transfer to post-secondary, and attain a degree or credential linked to the labor market. By setting state goals for post-secondary transition, providing support services that encourage successful completion, developing flexible targeted programs to connect students to high demand jobs, and collecting data to measure results, Mississippi can strengthen its economic growth and fill the growing demand for a globally competitive workforce.

Supporting Student Success

States can encourage student success by providing support services that help them balance their work, family, and financial responsibilities with their educational goals. Providing wrap-around services like career counseling in addition to traditional supports, such as child care and transportation, will increase persistence and completion. In Kentucky, the state’s Ready to Work Initiative provides intensive case management to low-income students. This program connects students with financial aid, child care, and work-study jobs.

In Mississippi, two community colleges, Itawamba and Northeast, have used private grants from the CREATE Foundation’s Learn More Earn More initiative to increase GED completion at their schools by providing support services. These services include child care, transportation allowances, and GED testing fee scholarships. As a result, both Itawamba and Northeast saw a 33 percent increase in the number of GED completions compared to the previous year. These impressive results provided evidence for the Legislature to award $1.5 million in funding for dropout recovery for each community college to emulate this program in FY 2009.
Career Pathways

“Career pathways” is a term that describes a regional framework that connects customized education and training programs to the needs of the local labor market. In a career pathway program, a student can move through a series of sector-specific education and training programs progressing to successively higher levels of employment in that sector. These programs can provide advancement opportunities for current workers, jobseekers and new entrants to the labor market. To that end, they enhance a region’s economic competitiveness by ensuring that a well-trained workforce is available to fill high-growth jobs.

One of the hallmarks of career pathways is their data-driven determination of which industries and occupations to target. Then, a curriculum is developed with input from industry employers, educators, and workforce development professionals. This curriculum is anchored by an emphasis on “learning by doing” and earning credentials such as industry certifications and licenses. Because the programs serve current workers as well as jobseekers, they are usually designed with working adults in mind, leading to flexible scheduling and multiple entry and exit points.

Career pathways can be assembled for many different sectors. In Arkansas, several agencies and organizations including the Arkansas Department of Higher Education, Arkansas Department of Workforce Education, Department of Workforce Services, the Arkansas Association of Two Year Colleges and the Southern Good Faith Fund work together to assist very low-income Arkansans with the attainment of a “marketable education credential.”

The training targets high-demand occupations such as nursing, welding, teaching or industrial maintenance that offer advancement opportunities. Twenty five colleges offer the program, which assesses each student’s financial and supportive service needs along with aptitude and academic skill. Once assessed, a counselor works with each student to create an individual career plan that includes short and long-term goals. Career pathways is available for students who meet the eligibility requirements, which include receipt of some type of social assistance – TANF, Medicaid, or Food Stamps – or family income below 250 percent of the Federal Poverty Line.

Here in Mississippi, Pearl River Community College (PRCC) was able to build a career pathways system by bridging the gap between adult basic education, developmental studies, and career-technical programs to produce a workforce-centered environment for learning. PRCC’s career pathways system uses block scheduling to implement a flexible program for high-demand occupations such as construction, electrical utility technology, HVAC, and CADD. This program utilizes two week intensive courses to be taken one at a time. It provides an opportunity for a two-week break between courses, which can be used to work an internship. It allows participants to complete degrees in less than two years and provides an opportunity for experiential contextualized learning. The program was designed to be industry friendly and to follow an industry model. In fact, the program instructors worked with various industries to gather input on designing the individual programs. This industry interaction may be part of the reason this program has been so well-received. For example, it has received nearly $2 million in donated funds and equipment from companies such as Puckett Machinery, the Caterpillar Foundation, and Huey Stockstill Inc.

In addition to their career-technical classes, students also must complete 15 hours of academic classes to earn their associate’s degree. Academic classes are not available in block format, but students may utilize the virtual community college system for some courses. This program has a much lower drop out rate than traditional programs and has a higher job placement rate for its students. A survey of students in the program shows they rate this block format favorably. Furthermore, as of November 2007, the program had a wait list of 190 students.
Setting State Goals for Transition to Postsecondary

Since a High School diploma or GED does not have the value that it once had in the job market, its attainment should not be the final step. For instance, the state of Kentucky has set an explicit goal for their adult education system of increasing the number of adult learners who transition to postsecondary education. This goal was set by the legislature in 2000 as part of a comprehensive reform of that state’s adult education system. This law outlines a pathway for students to transition from adult education to developmental education, and then on to postsecondary coursework. The implementation of these changes has led to a significant improvement in the percentage of GED graduates who enroll in postsecondary education within two years. In 1998, GED students were enrolling at a rate of 12 percent. By 2005, this rate had increased to 22 percent, an improvement of 83 percent.

Data and Accountability

Data collection can be an important starting point in tracking and improving performance. Data can also help states identify and set program goals. When a state has a comprehensive and integrated data system, it can track ABE students over time, across workforce programs, and into the labor market.

Mississippi is developing an extensive data system called the Mississippi Integrated Education and Workforce Development Performance System. The goal of this system is to align education (K-20) with workforce expectations and to measure the performance of workforce training programs. The system can measure the performance outcomes of state education and training programs by tracking whether participants are successfully entering and retaining employment, as well as their average earnings and earnings gains. This system has widespread data participation from state agencies and education departments, including the Mississippi Department of Employment Security, the Mississippi Department of Human Services, Institutions of Higher Learning, and the State Board for Community and Junior Colleges, among others. The system is highly innovative and has been recognized as one of the top five in the country for measuring workforce performance.
Policy Recommendations

Mississippi should continue to increase its investment in Adult Education. These investments will ensure that the state can maximize student support services for success. Additionally, the state should build on successful efforts to build career pathways programs that connect low-skilled adults to sector-specific education and training programs that prepare them for high-demand jobs that pay family sustaining wages. And finally, the state can use its data collection expertise to establish goals, track progress, and make program enhancements over time.

**Continue to Increase State Investment in Adult Education**

With only 5.8 percent of Mississippi’s adults who lack a high school diploma or GED enrolled in adult basic education programs, the state has both challenges and opportunities in strengthening its workforce. Figure 3 shows that between 2004 and 2006, the resources allocated for adult education per adult without a high school degree increased. During that time, its per eligible adult spending has increased. The Legislature also appropriated $1.5 million for FY2009 to fund a dropout recovery program within the state Community and Junior college system. Mississippi should continue to increase its per eligible student investment and increase its funding for the dropout recovery pilot. Through data collection and analysis the state can target these resources to the programs showing the best outcomes.

**Maximize Student Support Services for Success**

Adult students are often balancing work and family responsibilities while pursuing their GED. Support services such as transportation, child care, and GED testing fee scholarships can help students persist with their GED preparation long enough to successfully pass the exam. Support services at Itawamba and Northeast have proven to be valuable in increasing GED attainment. By taking the supportive services available in the dropout recovery pilot program to scale, Mississippi can support the success of even more students. To maximize funding for supportive services, the state could also work to ensure that GED students who are eligible for federal supportive services through the WIN Job Centers can access supportive services such as child care and transportation vouchers.

**Accelerate Learning through Career Pathways**

Career pathways programs like the one at PRCC make transitioning from Adult Education to post-secondary more feasible for low-income adults. By design, career pathways programs provide a series of connected education and training programs and support services that enable students to secure employment within a specific industry or occupational sector. Over time, these programs allow students to advance to higher levels of education and employment within that sector. Career pathways are an important way to target jobs that are in-demand for local economies. Mississippi could work toward implementing other career pathways at a scalable level in high-demand occupations across the state.

*Source: Working Poor Families Project, generated from U.S. Department of Education and U.S. Census Bureau American Community Survey*
Use Data Collection to Enhance Accountability

The SBCJC and the Workforce Investment Board have been working to implement the Mississippi Integrated Education and Workforce Development Performance System, which will measure program performance by tracking student outcomes. This system can assess a program’s impact on average student earnings and their ability to find and retain work. On the issue of adult education, Mississippi could add to its measurement and accountability system by tracking the percentage of Adult Education graduates that transition into post-secondary education and obtain a certificate or degree, tracking the earnings of Adult Education graduates benchmarked to 100 percent and 200 percent of poverty-level wages, and tracking the percentage of low-income students positively placed after completing studies within the community and junior college system and making the data publicly available. The data could be used to establish goals and track progress. Once developed, public reports showing positive outcomes could be used to make the case for larger and sustained investment in the state’s adult education and worker training programs.

Moving Forward in Today’s Economy

Investing in the Mississippi’s workforce is critical for moving the state forward in today’s economy. Fortunately, Mississippi has a strong foundation in its community and junior college system. By strengthening investments in the adult education system, building on successful career pathway initiatives, and using the data collection capacity to set goals, evaluate, and improve programs, Mississippi will realize the returns now and in years to come.

2. Ibid.


7. This brief defines a low-income working family as a family with children and members who are working with an income below 200 percent, or double, the federal poverty threshold as defined by the U.S. Census Bureau. Twice the federal poverty level for a family of four is used as a proxy for self-sufficiency, which is earning enough income to cover all of a family’s expenses without government assistance.


9. Ibid.


15. Ibid.


19. Ibid.


21. Ibid.

22. Ibid.


24. Ibid.

25. Ibid.

26. Ibid.

27. Ibid.


30. Ibid.


32. Ibid.

33. Ibid.


35. Ibid.

36. Ibid.


38. Ibid.


40. Ibid.


42. Ibid.

43. Ibid.

44. Ibid.


47. Ibid.


