

New Study on Value of a College Degree in Georgia Shows Payoffs for USG Graduates, State; Highlights Disciplines in Demand

Clayton County Eighth in Educational Value Derived; Clayton State Grads Eighth in Average Wages Earned

Atlanta, Nov. 5, 2003 – A new report on higher education in Georgia shows that, for recent graduates of the University System of Georgia (USG), a college degree is worth an average of \$14,000 a year more than a high-school graduate could expect to make. Over the course of a working career, the average graduate of a public college or university in Georgia can expect to earn nearly \$1 million more than a high-school-educated neighbor. The study also confirms that the USG is the major source of recent college graduates in Georgia — about half of all Georgians who hold recent postsecondary degrees were educated by a USG institution.

Commissioned by the USG's Intellectual Capital Partnership Program (ICAPP), the "Value of University System of Georgia Education" study was conducted by researchers at the Georgia Institute of Technology. The authors analyzed the earnings of nearly 90,000 University System students who graduated between 1993 and 1997 and found that, overall, the increased earnings resulting from their college degrees added \$1.25 billion to the state's economy during 1998 – the most recent year for which data was available. Clayton College & State University graduates fared especially well in this metric, ranking eighth among the USG's 34 institutions with an average wage of \$33,070.

In addition, Clayton County ranked eighth among Georgia's 159 counties in educational value gained from the University System in 1998, with \$23.6 million of the wages earned by USG graduates employed there attributable to higher education. Given that figure, it's not surprising that six of Clayton State's baccalaureate degrees ranked in the top 10 statewide for the greatest total economic impact in 1998 based on educational value – Business Administration & Management (first), Nursing (second), Middle School Teacher Education (fourth), Accounting (sixth), Computer and Information Sciences (seventh) and General Business (10th). Two Clayton State School of Health Sciences programs, Health Care Management (fifth) and Nursing (10th) ranked among the top 10 in greatest average economic impact in 1998 based on educational value.

"The economic value of college graduates is so massive, so widespread and so long-lasting that we tend to take it for granted," said Bill Drummond, a professor in Georgia Tech's City and Regional Planning Program, who collaborated with Jan Youtie, a researcher in Georgia Tech's Economic Development Institute (EDI), in preparing the report. "It is one of the huge, but hidden, drivers of Georgia's rapid economic growth, which is the envy of most other states in the country.

"Georgia benefits from the University System in many ways, including the production of an educated labor force, the generation of new knowledge through research, the creation and expansion of businesses, and — perhaps most important in a democracy — the development of educated and responsible citizens," Drummond said. "But this study has shown that one factor alone — the direct economic impact of University System graduates — more than justifies Georgia's investment in higher education."

"As our funding partners struggle with grave budget issues, I would encourage them not to harm this generator of economic growth," said University System Chancellor Thomas C. Meredith. "Georgia so far has resisted the trend

we see in many states to reduce substantially the state's investment in higher education. Our economy has benefited from that decision, and as this study has shown, those benefits will continue to increase in the decades to come.”

In addition to measuring the value of a college education, Drummond and Youtie also looked at the educational specialties that offer the greatest financial rewards, the demand for specific college disciplines, occupations in which shortages are anticipated and migration patterns related to occupational needs.

Projections from the Georgia Department of Labor (DOL) indicate that occupations requiring a higher-education degree will make up 25 percent of all the state's jobs by 2010, a figure that has increased from 23 percent in 2000. The DOL forecasts that the top three occupations requiring higher education, based on numeric employment increases, will be registered nurses, computer support specialists and accountants and auditors – all programs Clayton State offers on the bachelor's degree level.

The study also found that significant shortages of labor exist in just 12 specialties, among them elementary and kindergarten teachers, registered nurses, medical records and health information technicians, and medical and clinical laboratory technicians... again, all programs offered at Clayton State.

Full copies of “The Value of University System of Georgia Education” may be downloaded from the ICAPP website at: <http://www.icapp.org/publications.htm>.

Clayton College & State University, “Your University” for Atlanta's “Southern Crescent,” is a state university of the University System of Georgia, located in Morrow.

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