

Why GAO Did This Study

Postsecondary education plays an important role in producing a skilled workforce able to compete in the global economy. Some stakeholders have suggested that collecting information on graduates' employment outcomes—whether they are employed in their field of study, for example—will provide better information to help assess the impact of a postsecondary education. The Higher Education Opportunity Act directed GAO to study the information that states have on the employment outcomes of postsecondary graduates. This report describes (1) the extent and purposes for which states collect employment-related information and the challenges they faced in doing so, (2) potential approaches to expanding states' collection efforts across states and nationwide, and (3) how selected states and schools collaborate with employers to align education and workforce needs. To address these objectives, GAO reviewed relevant research and interviewed officials from the U.S. Departments of Education (Education) and Labor, as well as postsecondary institutions, state agencies, and employers in seven states and two countries selected based on their data collection capabilities.

What GAO Recommends

GAO recommends that Education clarify means by which states can collect and share graduates' employment information under the Family Educational Rights and Privacy Act and establish a time frame for doing so. Education agreed with the recommendation.

[View GAO-10-927 or key components.](#)
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POSTSECONDARY EDUCATION

Many States Collect Graduates' Employment Information, but Clearer Guidance on Student Privacy Requirements Is Needed

What GAO Found

Twenty-six states collect some employment-related data, such as data on salary and industry, on individual postsecondary graduates by linking student databases with states' labor data, according to a national 2010 study of state education databases. Officials in seven states GAO contacted reported using graduates' employment data for a variety of purposes, including economic development and institutional feedback. For example, one state reported using the data to compile information on the educational level of the local workforce to accommodate an out-of-state employer interested in opening offices in that area. However, some stakeholders cautioned against potentially inappropriate uses of the data, such as holding institutions accountable for the employment outcomes of graduates, noting that such outcomes are often beyond schools' control. Additionally, some state officials said that they faced challenges in their data collection efforts, including the means by which they can appropriately link student and employment data and comply with the Family Educational Rights and Privacy Act (FERPA), which prohibits disclosing a student's education records without written consent. Education officials acknowledged that confusion exists among some states and said they are planning to provide further guidance through various means, but as of September 2010, these plans had not been implemented.

A review of relevant literature and interviews with state officials and experts helped identify three potential approaches for expanding the collection of graduates' employment data, but many stakeholders emphasized the need to decide upon the specific purposes of the system prior to creating it. Possible approaches include expanding direct state-to-state data sharing, using a third party to expand interstate data sharing, and expanding existing national education-related surveys. An advantage of state-to-state data sharing is to follow individual students who go to school in one state and get a job in another. However, many stakeholders noted that sharing student data across states raises privacy concerns under FERPA, much like sharing data across different agencies within the state. In Australia and the United Kingdom, postsecondary institutions conduct national surveys of all recent graduates to obtain employment and other outcome information.

States and schools that GAO contacted collaborate with employers to align education and workforce needs in several ways, including through workforce investment boards, advisory committees, and employer surveys. The extent of school efforts to partner with employers varied depending on the mission and goals of the institution, with community colleges and vocational schools—with their emphasis on career and technical training—making greater use than 4-year schools of advisory committees. For example, a private, nonprofit technical school in one state has an advisory committee for each program that drives the curriculum for that program. On the basis of employer input, the school discontinued its auto body program because of a lack of opportunities and began networking with employers to identify programs in new areas.