



When Purpose Meets Payoff

How Program, Institution, and Field Shape Postsecondary Value

Executive Summary

Higher education remains one of the surest paths to economic mobility and financial security, but students still see varying returns on their credentials, depending on the institution they attend, the credential they pursue, and their field of study.

When Purpose Meets Payoff: How Program, Institution, and Field Shape Postsecondary Value evaluates undergraduate programs' postgraduate earnings outcomes using data from the College Scorecard and

compares them to two benchmarks. The first, the [earnings premium threshold](#) in the One Big Beautiful Bill Act (OB3), requires postgraduate earnings for all programs that receive federal loans to be higher than the earnings of a typical high school graduate. The second, the Postsecondary Value Commission's [Threshold 0](#), measures whether students are better off financially for having earned their credential, after accounting for the costs of college.



Programs of Value

Key Finding

The majority of graduates attended programs that perform well against the OB3 earnings threshold, usually regardless of field. But fewer graduates attended programs that pass Threshold 0, indicating that a number of programs produce earnings above a high school graduate's *without fully offsetting the cost of college attendance.*

- Nearly all bachelor's degree recipients, including in highly socially valuable fields like Education and Social Work, attended programs that pass the OB3 threshold, and 90 percent attended programs that pass Threshold 0.
- Associate's degree programs perform almost as well as bachelor's degree programs: 96 percent of associate's degree holders attended programs that pass the OB3 threshold and 86 percent attended programs that pass Threshold 0.
- Public institutions perform especially well: 99 percent of undergraduates attended programs that pass the OB3 threshold and 91 percent attended programs that also meet Threshold 0.
- While 92 percent of graduates from private nonprofit institutions attended programs that meet the OB3 threshold, in many fields substantially fewer graduates attended programs that pass Threshold 0, likely due to higher costs.

Failing Programs

Key Finding

Programs at for-profit institutions and certificates across all institution types *account for most failing programs.* These trends have important implications for which students are most at risk of earning a credential with little financial value and which programs are most likely to be affected by accountability policy.

- Although certificate programs produce only 24 percent of all graduates, they account for 91 percent of graduates from programs that fail the OB3 threshold.
- For-profit programs account for 35 percent of all graduates, but 85 percent of graduates from programs that fail the OB3 threshold, likely because, in our sample, the majority of for-profit programs are certificates.



Programs in Socially Valuable Fields

Key Finding

Undergraduate programs in Education, Human Development and Family Studies (which includes early childhood education programs), and Social Work pass the OB3 threshold at high rates but clear Threshold 0 less consistently, following many of the same patterns as other programs.

- Most graduates in these fields attended programs that pass the OB3 earnings premium threshold, though certificate programs are a notable exception.
- Approximately nine out of ten graduates in Social Work attended programs that pass Threshold 0. But some specific field categories within Education, particularly those containing early childhood education programs, fall short of Threshold 0 more often, reflecting higher costs relative to earnings.

Measures of Value Beyond Earnings

Earnings alone do not capture the full scope of postsecondary value. We use data from the Baccalaureate and Beyond Longitudinal Study and the Beginning Postsecondary Students Longitudinal Study to investigate graduates' access to and satisfaction with employer-provided benefits like health insurance, paid time off, and retirement plans.

Key Finding

While benefits are fairly accessible in socially valuable fields, they do not appear available enough to fully offset the lower earnings associated with many of these professions. And while graduates in these fields often report satisfaction with their job security, dissatisfaction with compensation remains persistent and heightened, making it clear that nonearnings factors provide an important but insufficient counterweight to lower pay.

- The likelihood of Education graduates having access to benefits is typically greater for more advanced credentials. In contrast, Public Administration and Social Services (which includes Social Work programs) stands out as one of the few fields where access to benefits does not increase with credential level.
- Graduates in Education as well as Public Administration and Social Services report satisfaction with their job security at or above the average rate. But graduates in both fields fall below the average rate of satisfaction with compensation, reinforcing the importance of earnings outcomes.



Policy Recommendations

Though financial returns are just one dimension of postsecondary value, programs should not consistently leave students worse off than if they had never attended, even if they are pursuing public service careers. Federal, state, and institutional leaders each have a role to play in ensuring programs deliver a minimum economic return by addressing three areas:

1. Support and incentivize strong outcomes for all students.

- Federal policymakers should enforce minimum standards for post-college earnings across all programs of study.
- Institutions and employers should improve the education-to-career pipeline.
- States and employers should provide additional support to workers in highly socially valuable fields by increasing wages, revising credentialing and licensing requirements, and providing targeted financial support.

2. Invest in affordability to improve value.

- Congress should protect and increase funding for Federal Pell Grants.
- States should expand investments in higher education.
- Institutions should invest in need-based financial aid.

3. Improve data and promote transparency in higher education.

- Congress should pass the College Transparency Act and create a federal student-level data network to address gaps in available data about postsecondary student outcomes.
- The U.S. Department of Education (ED) should ensure the timely implementation of the Student Tuition and Transparency System (STATS), publish the Financial Value Transparency (FVT) data already reported by institutions, and integrate STATS program-level cost and outcomes data with the College Scorecard.
- ED should reinstate and expand longitudinal, nationally representative studies that provide information about the nonearnings benefits of higher education.
- Federal and state policymakers should invest in modernizing and maintaining state data systems to promote evidence-driven policymaking.

Read the full report at
www.ihep.org/PurposeMeetsPayoff