Average Earnings, Employment, & Retention by National Career Readiness Certificate & Education Levels

A Monograph

Frank Neely, Research Analyst, WIB of SW MO
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Many advocates of credential based hiring have long held that jobseekers will earn higher wages or salaries commensurate to higher scores on credentials such as the National Career Readiness Certificate. This document examines the average earnings, entered employment, and retention rates by NCRC and education levels of ‘Adult’ enrolled clients over three years, and quantifiably demonstrates the benefits to jobseekers that choose to demonstrate their skills via the completion of such assessments.
Thanks to Dr. Merrilea Mayo of Mayo Enterprises, LLC & Brenda Ancell & Roger Baugher of the Missouri Division of Workforce Development.
Average Earnings, Employment, & Retention by National Career Readiness Certificate & Education Levels: A Monograph

Utilizing data from MoPerforms, Missouri’s workforce statistics engine, data on ‘Adult’ enrolled jobseekers over two and three-quarters program years was retrieved and plotted to generate the tables and figures below. With regard to the average earnings analysis, 3,709 individuals were considered. The entered employment rate analysis examined 6,968 individuals, the retention rate analysis 4,485.

**Average Earnings by Education & NCRC Level**

- Average Earnings – the total earnings in 2\textsuperscript{nd} and 3\textsuperscript{rd} quarters after exit *divided by* the number of exiters with wages in 1\textsuperscript{st}, 2\textsuperscript{nd}, and 3\textsuperscript{rd} quarters after exit; includes all employed in 1\textsuperscript{st}, 2\textsuperscript{nd}, and 3\textsuperscript{rd} quarters after exit based on wage records, regardless of employment status at registration.

Not many would argue with the assertion that the farther one advances their education, the more likely they are to earn more – Figure 1 goes further and quantifiably demonstrates increased earnings for those with higher NCRC scores across all levels of education.

**Figure 1 - Annualized Adult Average Earnings by Education and NCRC Level, MO, PYs 10-12**

![Graph showing annualized adult average earnings by education and NCRC level]

For those with less than a high school diploma who have taken the NCRC, there is a 24% increase in average earnings between bronze and silver and a 14% increase between silver and gold.

The impact on those with a GED is less pronounced up to the silver level – a 1% increase exists between bronze and silver, with 22% between silver and gold.

For high school graduates, a 13% increase exists between bronze and silver, 14% between silver and gold. For those who hold associate’s and bachelor’s degrees, the increase between silver and gold is 12% and 15%, respectively.

\[ ^1 \text{A single program in which Career Center clients over the age of eighteen and who meet income requirements may be enrolled.} \]
Figure 2 - % Difference in Adult Average Earnings by NCRC Level by Education

![Bar chart showing % difference in adult average earnings by NCRC level and education.]

**Entered Employment Rates by NCRC Level**

- Entered Employment Rate – the number employed in 1st quarter after exit divided by the number of exiters; (exclude employment at registration, not including job for which a layoff notice received)

The examination of entered employment rates of ‘Adult’ enrolled clients over the same time period reveals that the higher a jobseeker’s NCRC score, the more likely they are to attain employment.

Figure 3 – MO Adult Entered Employment Rates by NCRC Level

![Bar chart showing entered employment rates by NCRC level and year.]

PY10
PY11
PY12
For example, in PY12, 62% of bronze NCRC holders entered employment compared to 71% for gold NCRC holders. The trend is much the same across PY10 and PY 11.

**Retention Rates by NCRC Level**

- Employment Retention Rate – the number of participants who are employed in both the 2nd and 3rd quarters after exit divided by the number of participants who exit during the quarter; based on those employed in quarter after exit, regardless of employment status at registration.

The examination of retention rates of ‘Adult’ enrolled clients over the same time period reveals that the higher a client’s NCRC score, the more likely they are to retain their new employment.

**Figure 4 – MO Adult Retention Rates by NCRC Level**

Although the effect is not as pronounced as with average earnings or entered employment, retention does increase with each NCRC level. For example, in PY10, 72% of clients with a bronze NCRC retained their new employment compared to 92% of clients with a gold NCRC.

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www.workforcezone.net
<table>
<thead>
<tr>
<th></th>
<th>PY12&lt;sup&gt;2&lt;/sup&gt;</th>
<th>PY11</th>
<th>PY10</th>
<th>Weighted Average Earnings (PY10-12)</th>
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<td>Adults who aren’t High School Grads</td>
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<td></td>
<td></td>
<td></td>
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<td>4</td>
<td>118</td>
<td>$14,200</td>
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<td>Adults who received Gold</td>
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<td>8</td>
<td>1</td>
<td>$19,696</td>
</tr>
<tr>
<td>Adults who received Platinum</td>
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<td>8</td>
<td>1</td>
<td>$18,522</td>
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<td>$23,900</td>
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<td>33</td>
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<td>578</td>
<td>93</td>
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<td>4</td>
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<td>$18,576</td>
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<td>18</td>
<td>$17,668</td>
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<td>38</td>
<td>5</td>
<td>$19,254</td>
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<td>6</td>
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<td>$21,414</td>
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<td>26</td>
<td>-</td>
<td>$25,706</td>
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<td>Subset who received Gold</td>
<td>42</td>
<td>13</td>
<td>-</td>
<td>$29,162</td>
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<td>Subset who received Platinum</td>
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<td>1</td>
<td>-</td>
<td>$18,008</td>
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<tr>
<td>Adults w/ a Bachelor’s Degree/Equiv</td>
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<td></td>
<td></td>
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<td>$34,326</td>
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<td>6</td>
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<td>4</td>
<td>-</td>
<td>$21,718</td>
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<tr>
<td>Subset who received Silver</td>
<td>49</td>
<td>35</td>
<td>5</td>
<td>$25,900</td>
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<td>Subset who received Gold</td>
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<td>25</td>
<td>1</td>
<td>$30,688</td>
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<td>Subset who received Platinum</td>
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<td>-</td>
<td>$4,740</td>
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<td>Adults with Edu beyond Bachelor’s</td>
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<td>1,977</td>
<td>1,325</td>
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<td>$42,824</td>
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<td>Subset who received Silver</td>
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<td>Subset who received Gold</td>
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<td>2</td>
<td>-</td>
<td>$29,086</td>
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<td>Subset who received Platinum</td>
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<td>-</td>
<td>-</td>
<td>$37,052</td>
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</tbody>
</table>

<sup>2</sup> Measures in red denote figures with too few data points to be included in the analysis.

<sup>3</sup> PY12 lacks the final quarter of the year’s data.
Table 2 – MO Adult Entered Employment Rates by NCRC Level

<table>
<thead>
<tr>
<th></th>
<th>Bronze</th>
<th>Silver</th>
<th>Gold</th>
<th>Platinum</th>
</tr>
</thead>
<tbody>
<tr>
<td>PY12</td>
<td>756</td>
<td>2,123</td>
<td>698</td>
<td>91%</td>
</tr>
<tr>
<td>PY11</td>
<td>751</td>
<td>1,556</td>
<td>545</td>
<td>89%</td>
</tr>
<tr>
<td>PY10</td>
<td>141</td>
<td>296</td>
<td>102</td>
<td>100%</td>
</tr>
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</table>

Table 3 – MO Adult Retention Rates by NCRC Level

<table>
<thead>
<tr>
<th></th>
<th>Bronze</th>
<th>Silver</th>
<th>Gold</th>
<th>Platinum</th>
</tr>
</thead>
<tbody>
<tr>
<td>PY12</td>
<td>548</td>
<td>1,488</td>
<td>574</td>
<td>83%</td>
</tr>
<tr>
<td>PY11</td>
<td>406</td>
<td>916</td>
<td>323</td>
<td>86%</td>
</tr>
<tr>
<td>PY10</td>
<td>57</td>
<td>123</td>
<td>50</td>
<td>100%</td>
</tr>
</tbody>
</table>
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