The
Value Index

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Creating the Value Index

The value of higher education is multifaceted, not just about earnings. This study combines quantitative and qualitative benefits into one Value Index

Sources of Data

- American Community Survey – 2019 (approximately 2.1 million records)
- Current Population Survey – Multiple samples from 2018 and 2019 (approximately 110,000 records)
- General Social Survey – 2016 (approximately 1,300 records)
- CDC – 2019 mortality multiple cause file – (2.8 million records)

Note: All data for the US

Value Index Dimensions and Variables

The **Value Index** is a qualitative and quantitative measure with five **dimensions** – each of which have four **variables** – that indicate value relative to educational attainment

Economic Related

Earnings
Employment Status
Labor Force Status
Poverty Status

Health Related

Age of Death
Health Insurance Status
Food Security
Access to Vehicles

Home related

Housing Mobility
Doubled-up Household Status
Home Ownership
Access to Internet

Civic/Social Related

Voter Participation
Voter Registration
Attended Movies
General Happiness

Professional Related

Occupational Prestige
Job Tenure
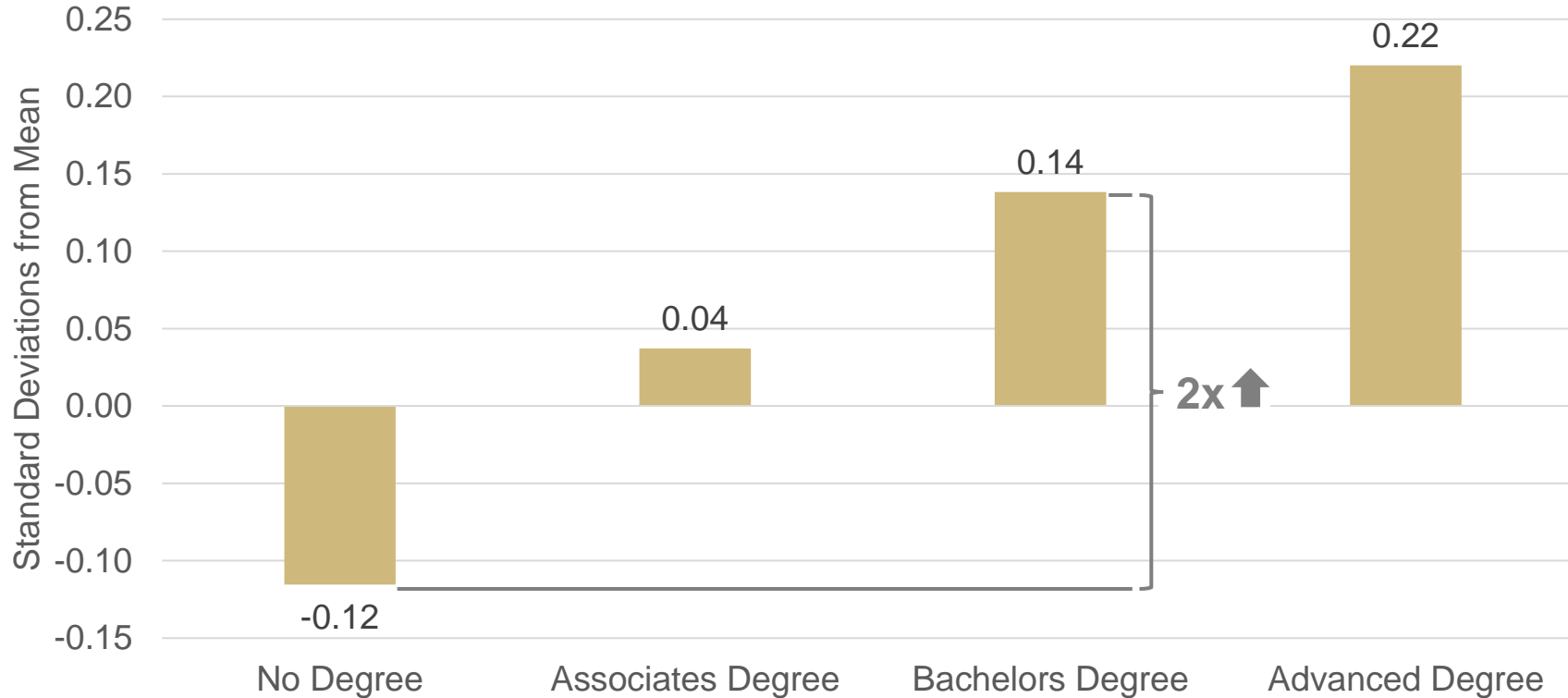Career Satisfaction
Travel Time to Work

Methodology

1. Converted all Value Index variables into "standard scores" – stated as standard deviations from the mean
   - This allows for "apples to apples" comparisons of variables and for combination of variables into indexes (indexes created by averaging the "standard scores")

2. Broke the data into 4 education cohorts
   - No degree
   - Associates Degree
   - Bachelors Degree
   - Advanced Degree

3. Compared the Value Index across the 5 dimensions and compared them over the 4 education cohorts

Overall Index of Value of Higher Education
(Combination of all Variables)

Standard Deviations from Mean

0.25	
0.20	
0.15	
0.10	
0.05	
0.00	
-0.05	
-0.10	
-0.15	

No Degree: -0.12
Associates Degree: 0.04
Bachelors Degree: 0.14
Advanced Degree: 0.22

2x ↑

Across the spectrum of factors, more education results in a higher Value Index score.

Americans with a bachelor's degree score approx.

2x higher

higher on the Value Index compared to those with no degree

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The 0.00 line is the mean. Positive values are an index value greater than the population average. Negative values are an index value lower than the population average.

Radial Graph Reading

- The 0.0 contour (dotted line) is the mean – the national average for the given Dimension or Variable.

- The contours are scaled as standard deviations above or below the national average.

- Points outside the 0.0 contour identify education cohort scores *above* the national average and inside the 0.0 contour identify cohort scores *below* the national average.
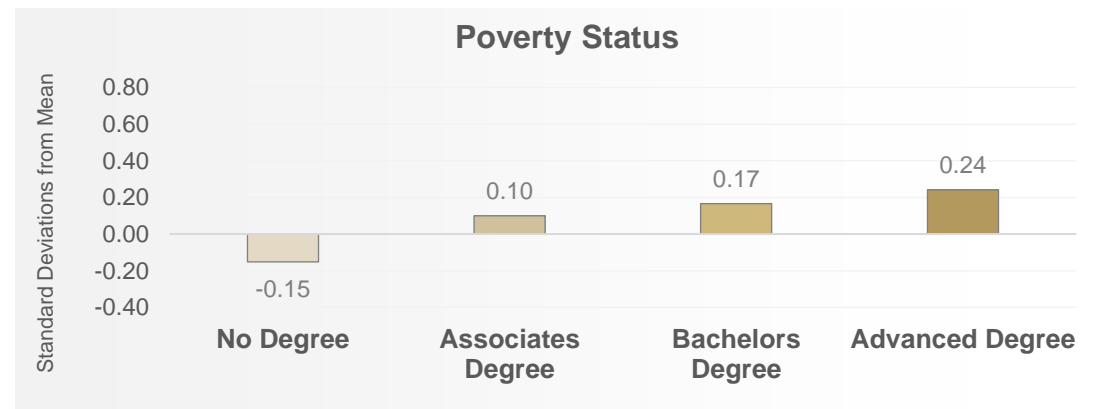
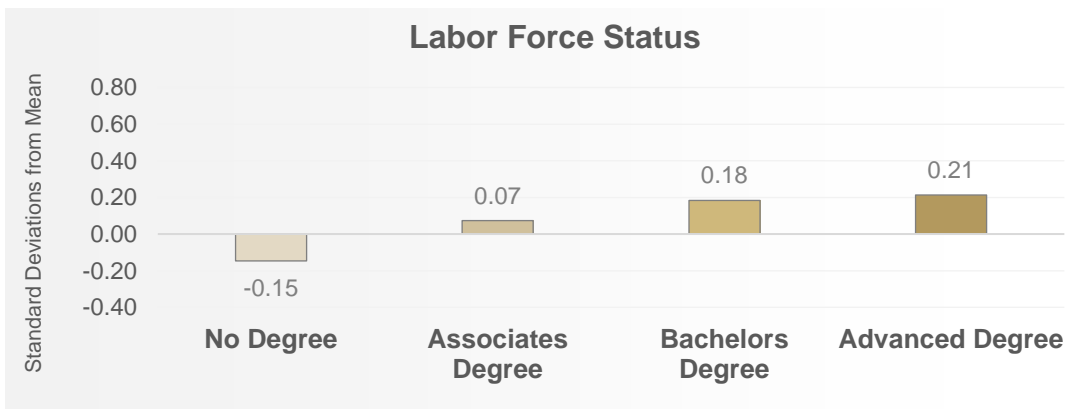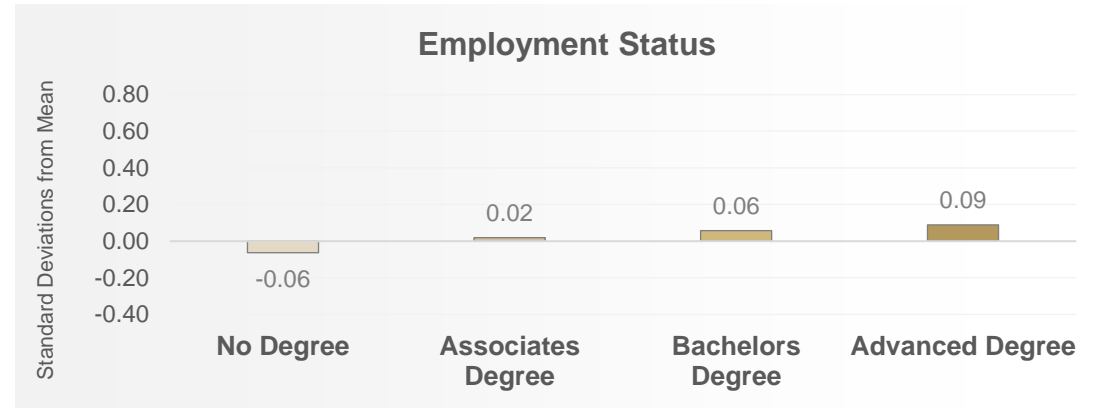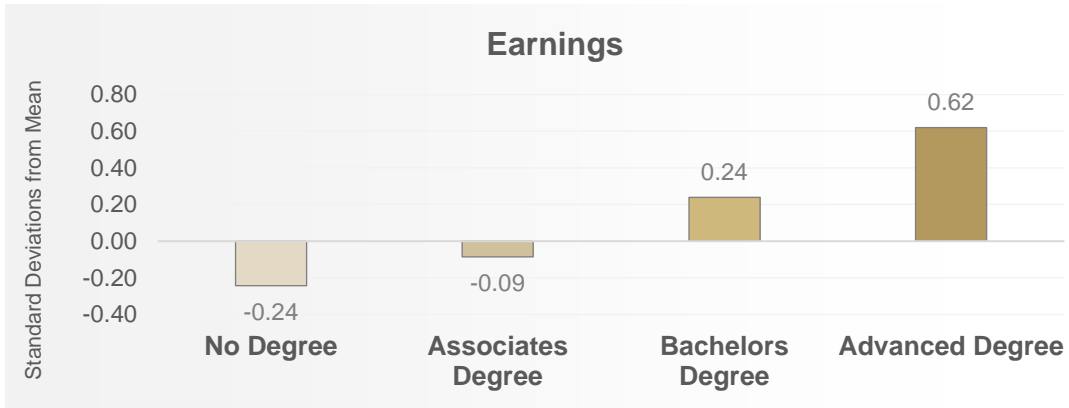- The further out on the graph, the higher the score.
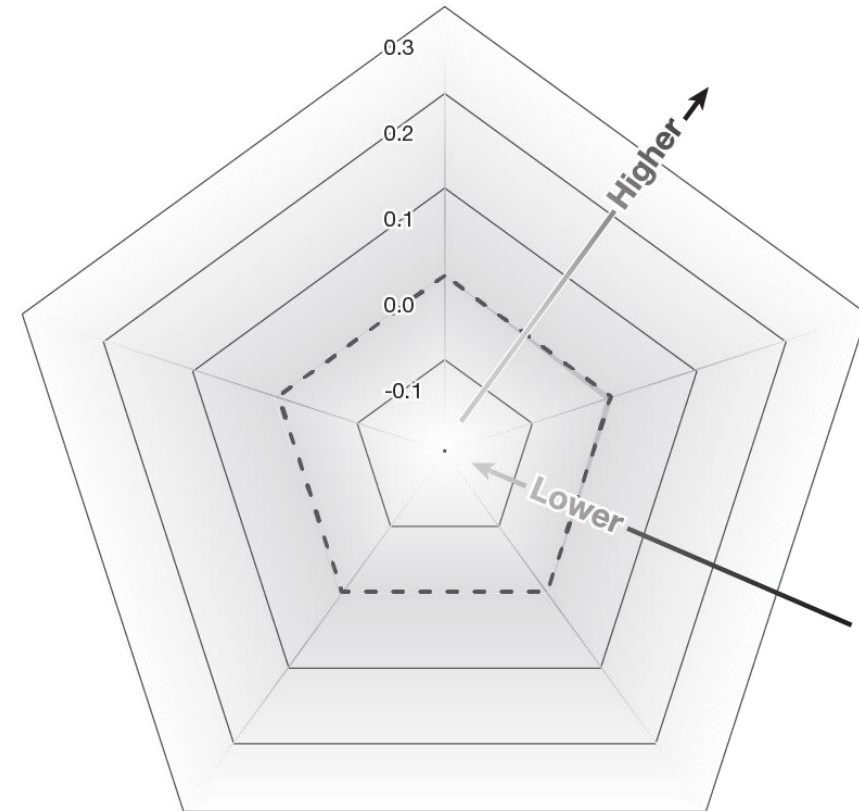
Valuing an Academic Degree by Major Dimension
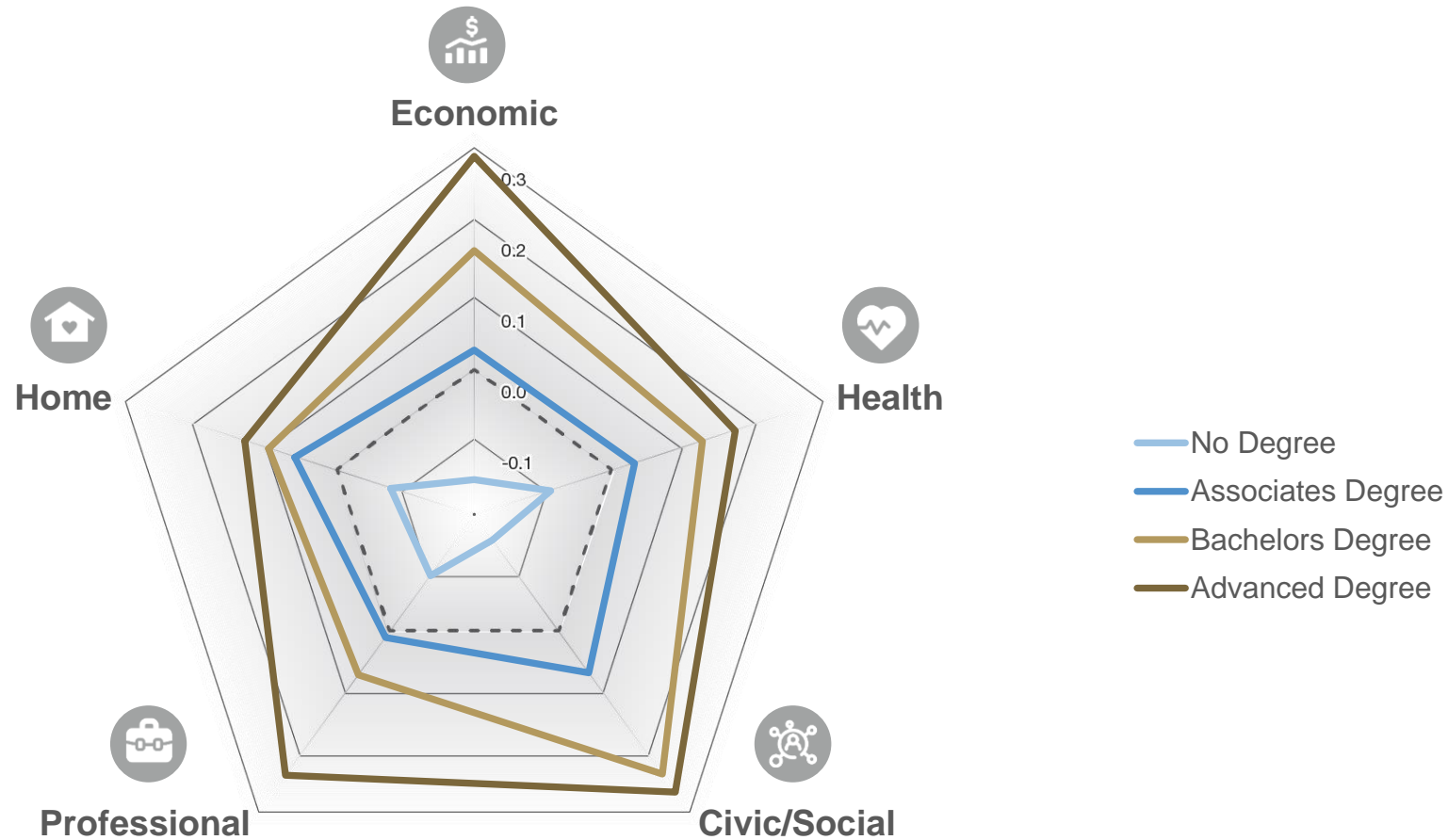
More education results in a higher Value Index score even when drilling down into individual dimensions.

Legend:
- No Degree
- Associates Degree
- Bachelors Degree
- Advanced Degree

Axes: Economic, Health, Civic/Social, Professional, Home

Scale: 0.3, 0.2, 0.1, 0.0, -0.1

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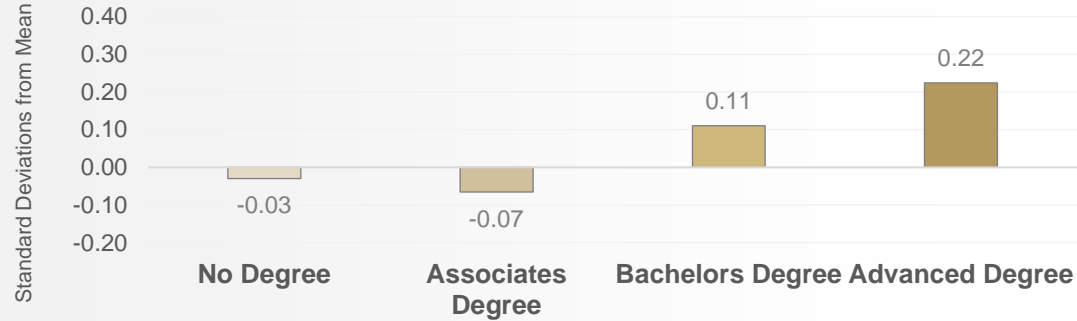
Economic by Individual Variables

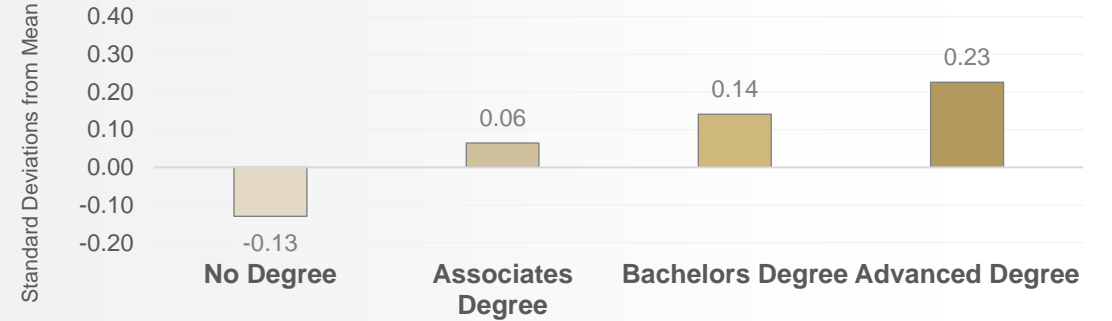Wage and Salary Earnings; Employed or not; In the Labor Force or not; Above or below poverty line
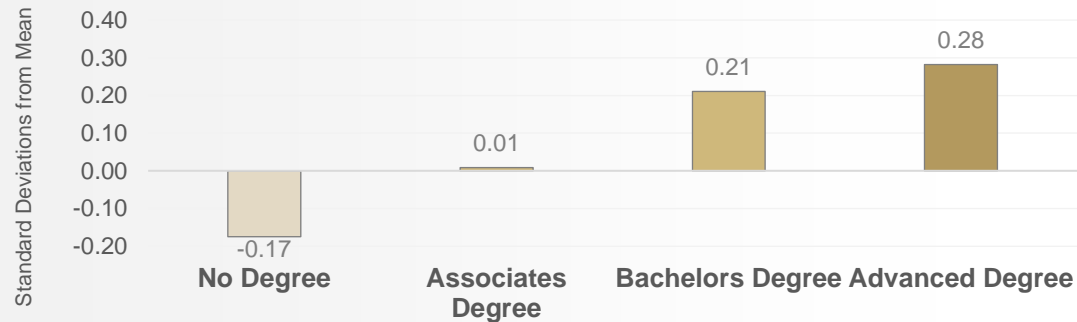
Health by Individual Variables
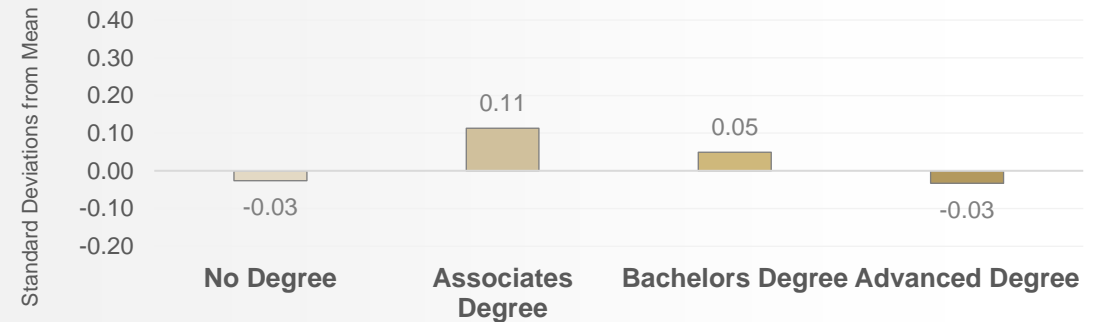
Average age of Death

No Degree	Associates Degree	Bachelors Degree	Advanced Degree
-0.03	-0.07	0.11	0.22

Health Insurance Status

No Degree	Associates Degree	Bachelors Degree	Advanced Degree
-0.13	0.06	0.14	0.23

Food Security

No Degree	Associates Degree	Bachelors Degree	Advanced Degree
-0.17	0.01	0.21	0.28

Access to vehicle(s)

No Degree	Associates Degree	Bachelors Degree	Advanced Degree
-0.03	0.11	0.05	-0.03

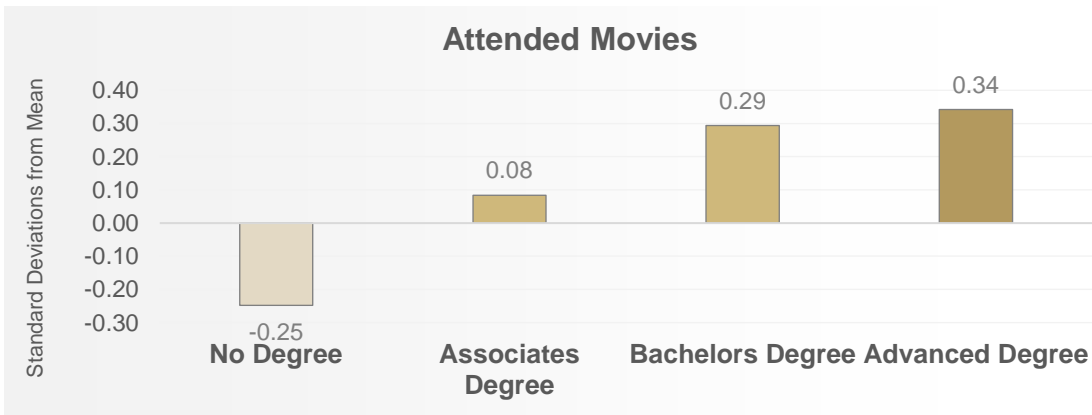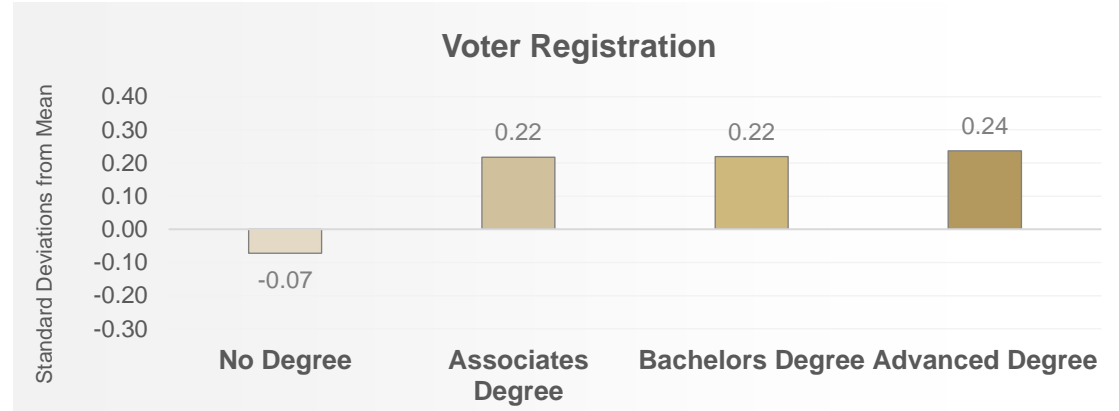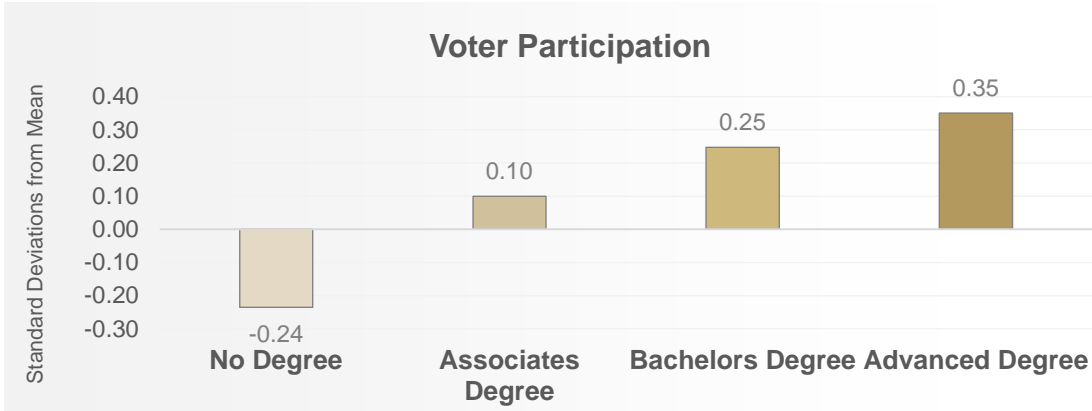*Average of the ages of death reported on the death certificates; Had health insurance coverage or not; Level of food security; Number of cars available to household members*
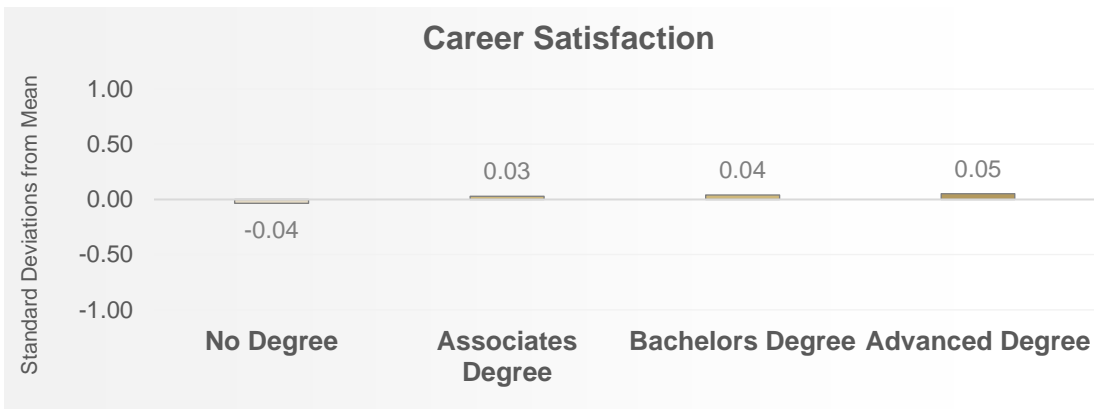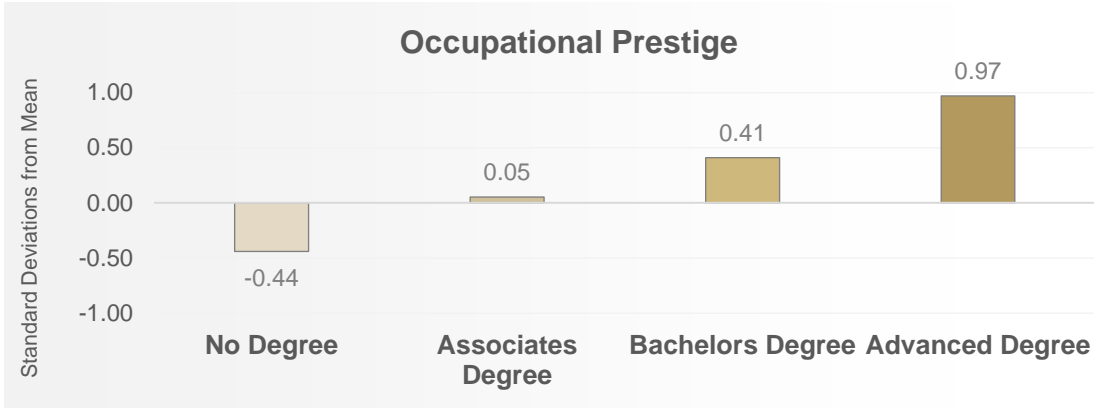
Civic/Social by Individual Variables

Voter Participation

Standard Deviations from Mean

- No Degree: -0.24
- Associates Degree: 0.10
- Bachelors Degree: 0.25
- Advanced Degree: 0.35

Voter Registration

Standard Deviations from Mean

- No Degree: -0.07
- Associates Degree: 0.22
- Bachelors Degree: 0.22
- Advanced Degree: 0.24

Attended Movies

Standard Deviations from Mean

- No Degree: -0.25
- Associates Degree: 0.08
- Bachelors Degree: 0.29
- Advanced Degree: 0.34

General Happiness

Standard Deviations from Mean

- No Degree: -0.08
- Associates Degree: -0.14
- Bachelors Degree: 0.19
- Advanced Degree: 0.14

Voted in last election or not; Registered to vote or no; Attended movies in last year or not (proxy for recreational amenities); Self reported happiness scale

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Professional by Individual Variables

Occupational Prestige

Standard Deviations from Mean

- No Degree: -0.44
- Associates Degree: 0.05
- Bachelors Degree: 0.41
- Advanced Degree: 0.97

Job Tenure

Standard Deviations from Mean

- No Degree: 0.00
- Associates Degree: 0.01
- Bachelors Degree: -0.05
- Advanced Degree: 0.06

Career Satisfaction

Standard Deviations from Mean

- No Degree: -0.04
- Associates Degree: 0.03
- Bachelors Degree: 0.04
- Advanced Degree: 0.05

Travel time to work

Standard Deviations from Mean

- No Degree: 0.08
- Associates Degree: -0.06
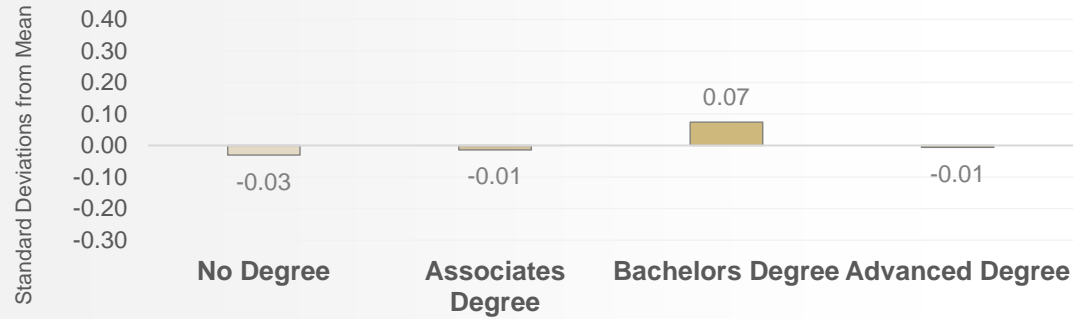- Bachelors Degree: -0.13
- Advanced Degree: -0.13

A constructed variable that assigns a prestige score to each occupation using the occupational classification; Years at current job; Self reported career satisfaction scale; Minutes it takes to get to work
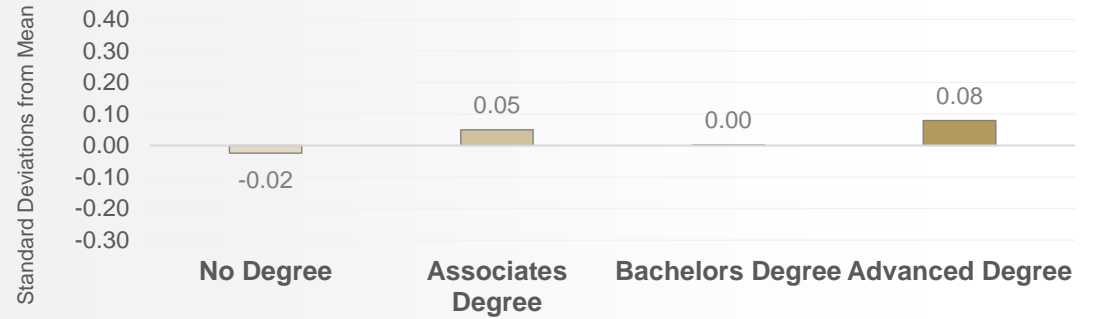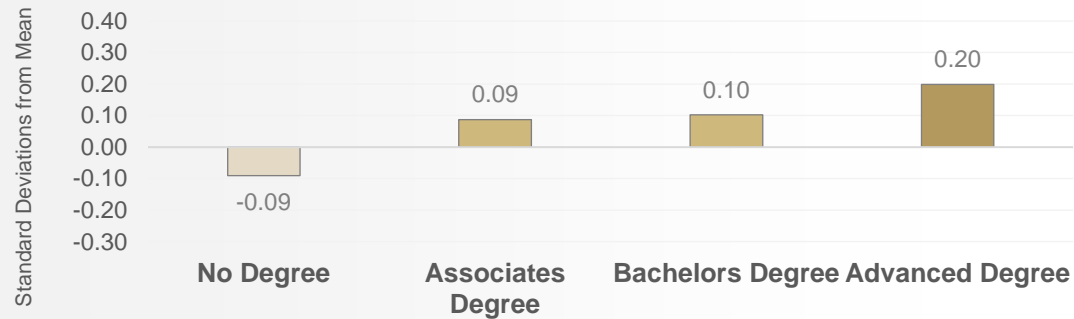
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Home by Individual Variables
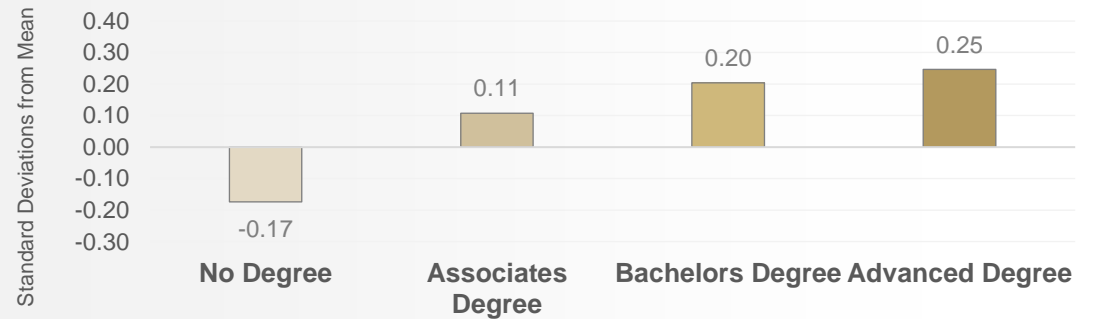
Housing Mobility

Doubling up - subfamily count

Home Ownership

Access to Internet

Years at current address; Number of discrete subfamilies living with the primary family in the housing unit; Own your house or not?; Access to the internet or not?