

Retaining Recent College Graduates: An Update on Current Trends

Beantown Buzz: Make that NetWORK!

June 17, 2013

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Who Leaves?

Massachusetts attracts a relatively high share of non-native students, many of whom leave the region when they graduate.

Graduating Class of 2008

Division / State of Institution:	Share of College Students Who Are Non-Natives (Percent)	Share of College Graduates Living in Same Division/State as B.A. Institution One Year After Graduation (Percent)		
		All Graduates	Natives	Non-Natives
New England	33.6	63.6	85.7	19.8
Massachusetts	43.4	52.0	75.7	21.1
Competitor states				
California	5.4	87.3	89.8	43.3
Illinois	13.1	78.2	87.6	16.2
New York	15.2	76.4	83.8	35.3
North Carolina	20.6	66.7	80.1	14.9
Pennsylvania	21.7	67.6	81.6	16.9
Texas	5.6	86.8	88.4	60.8
Washington	10.7	82.8	88.0	N/A

Source: Baccalaureate & Beyond Longitudinal Study, National Center for Education Statistics, U.S. Department of Education, 2008—2009 and 2000—2001.

Why do they leave?

Recent college graduates leave New England primarily for job-related reasons—not high housing costs.

Primary Reason for Leaving

	Employment	Family	Housing	Other
<u>Division to division moves:</u>				
New England	57.9	11.3	1.6	29.2
Middle Atlantic	54.0	9.6	5.2 *	31.1
East North Central	61.0	10.0	3.3	25.7
West North Central	57.7	10.6	3.2	28.5
South Atlantic	58.6	14.2	3.2	24.0
East South Central	70.1 *	9.1	2.8	18.1 *
West South Central	66.6	9.8	4.1	19.5 *
Mountain	49.8	13.5	2.3	34.5
Pacific	52.5	15.5	6.7 **	25.3
United States	58.1	11.6	3.7 *	26.6

Source: March Current Population Survey (Annual Demographic File), 1999—2012

Note: *Indicates that the difference between New England and the division is statistically significant at the 10-percent level and **at the 5-percent level.

Policy Action

Massachusetts is already pursuing policies to boost retention among college graduates.

- Building stronger ties between colleges and employers to better link students to jobs through internships that lead to permanent positions.



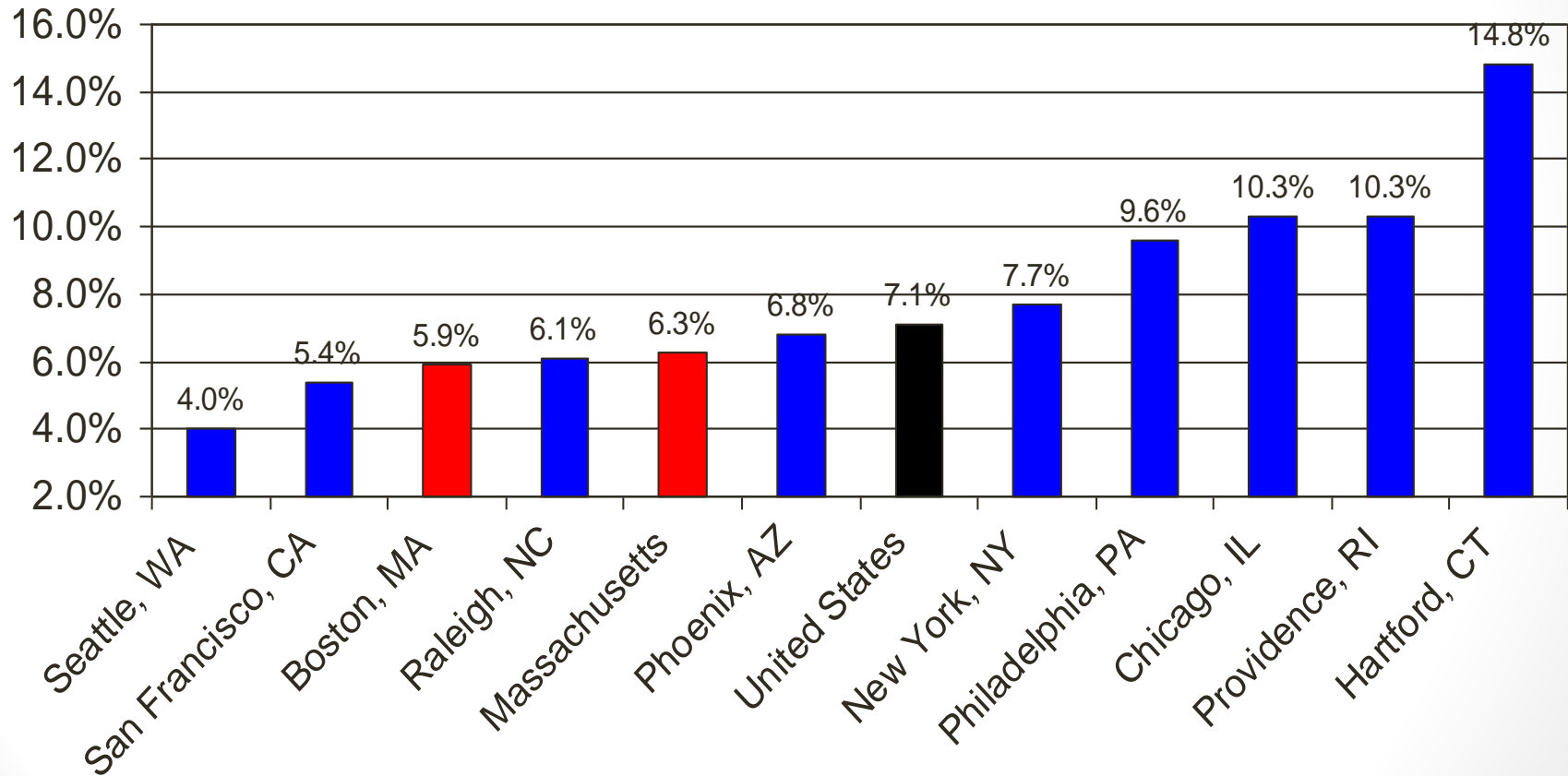
<http://intern.bostonchamber.com/about-chamber-intern-connect/>

- Branding the region to appeal to recent college graduates as a place to “work, play, and stay.”

Lower Unemployment

Massachusetts and greater Boston currently have lower jobless rates than most comparable metro areas.

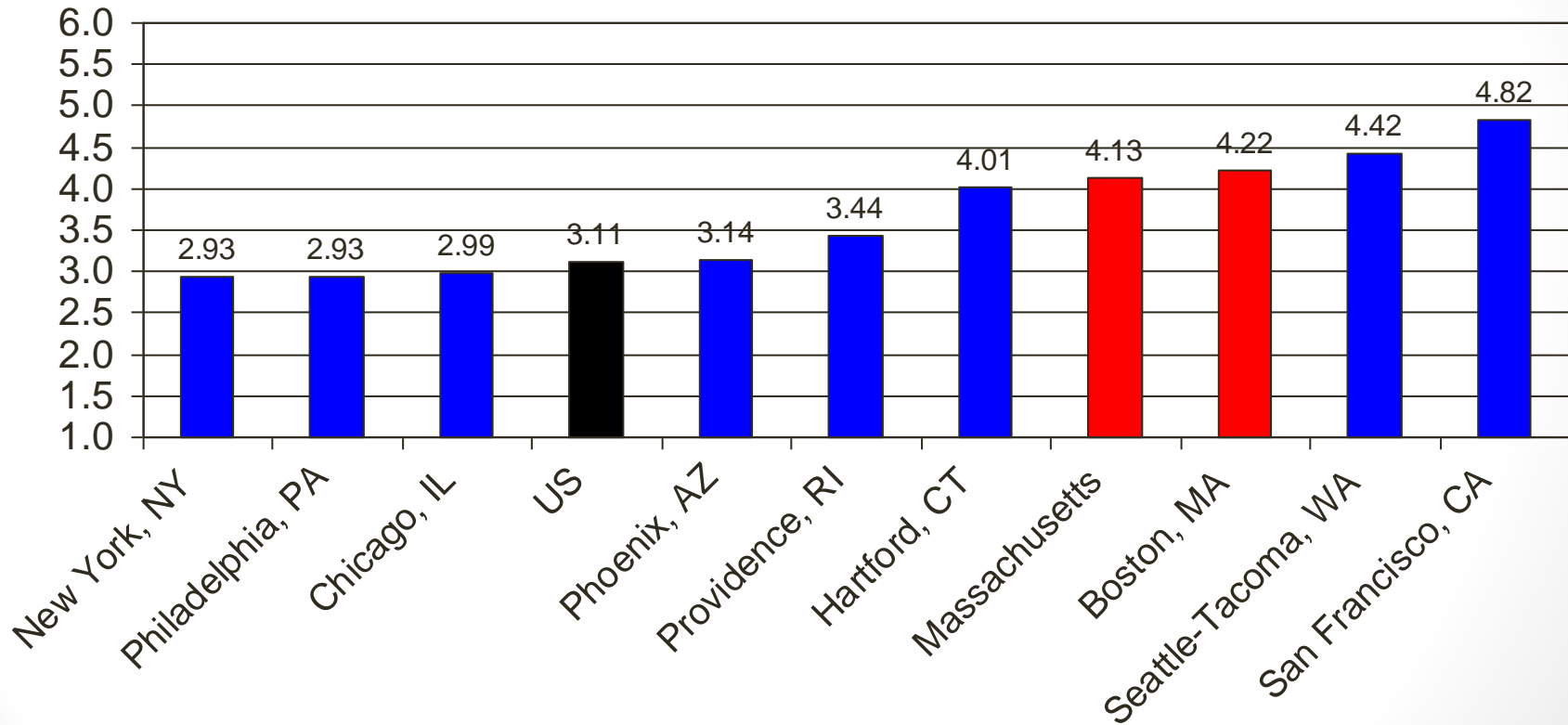
April 2013 Unemployment Rate, NSA (percent)



More Job Openings

Massachusetts and greater Boston also have more job openings per labor force participants than most comparable metro areas.

May 2013 Online Ads Rate



Source: The Conference Board, May 2013.

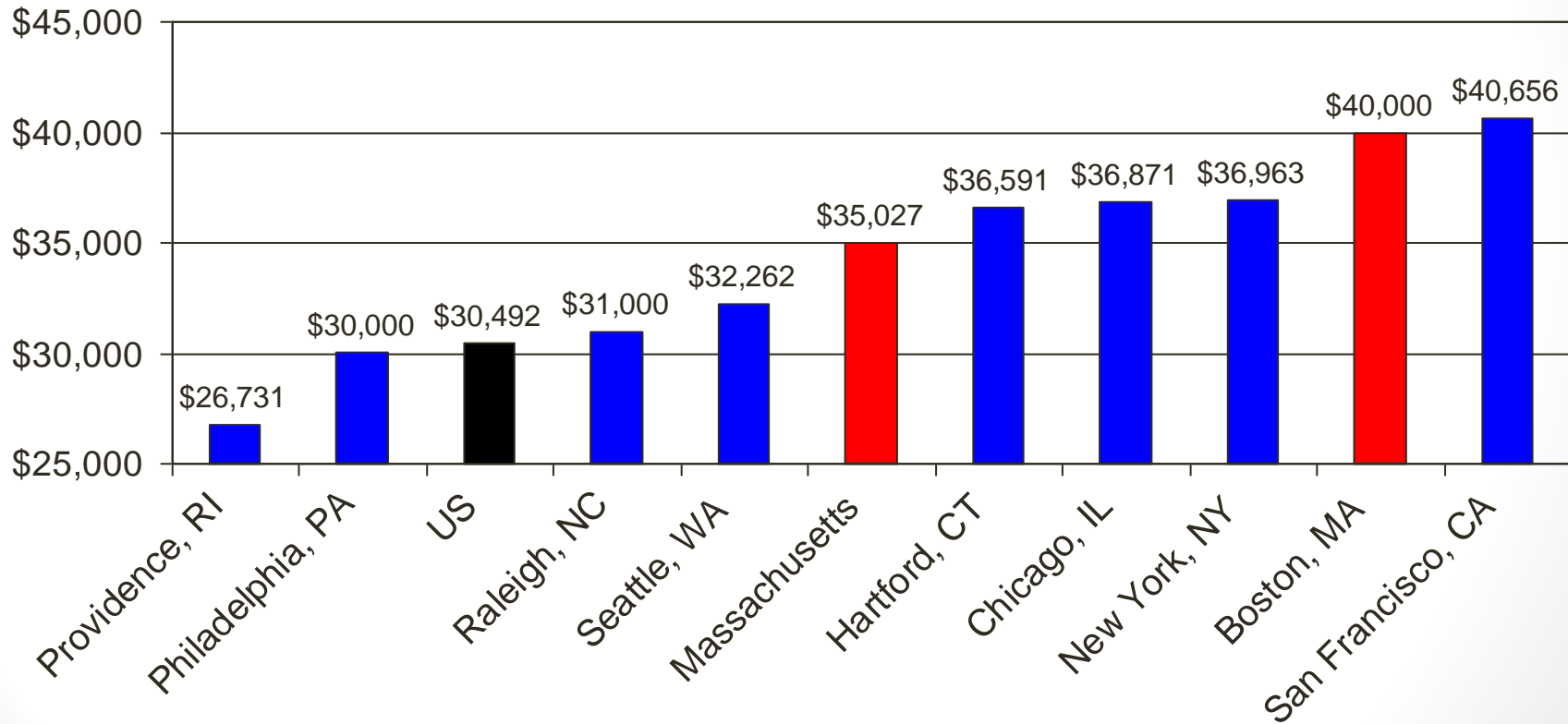
Note: Ads rates represent the number of ads per 100 participants in the civilian labor force. Ads rates are calculated as a percent of the most currently available BLS civilian labor force data.

Relatively High Incomes

Annual incomes of recent college graduates are higher in Massachusetts and greater Boston compared to most comparable metro areas.

Median Personal Income, 2011

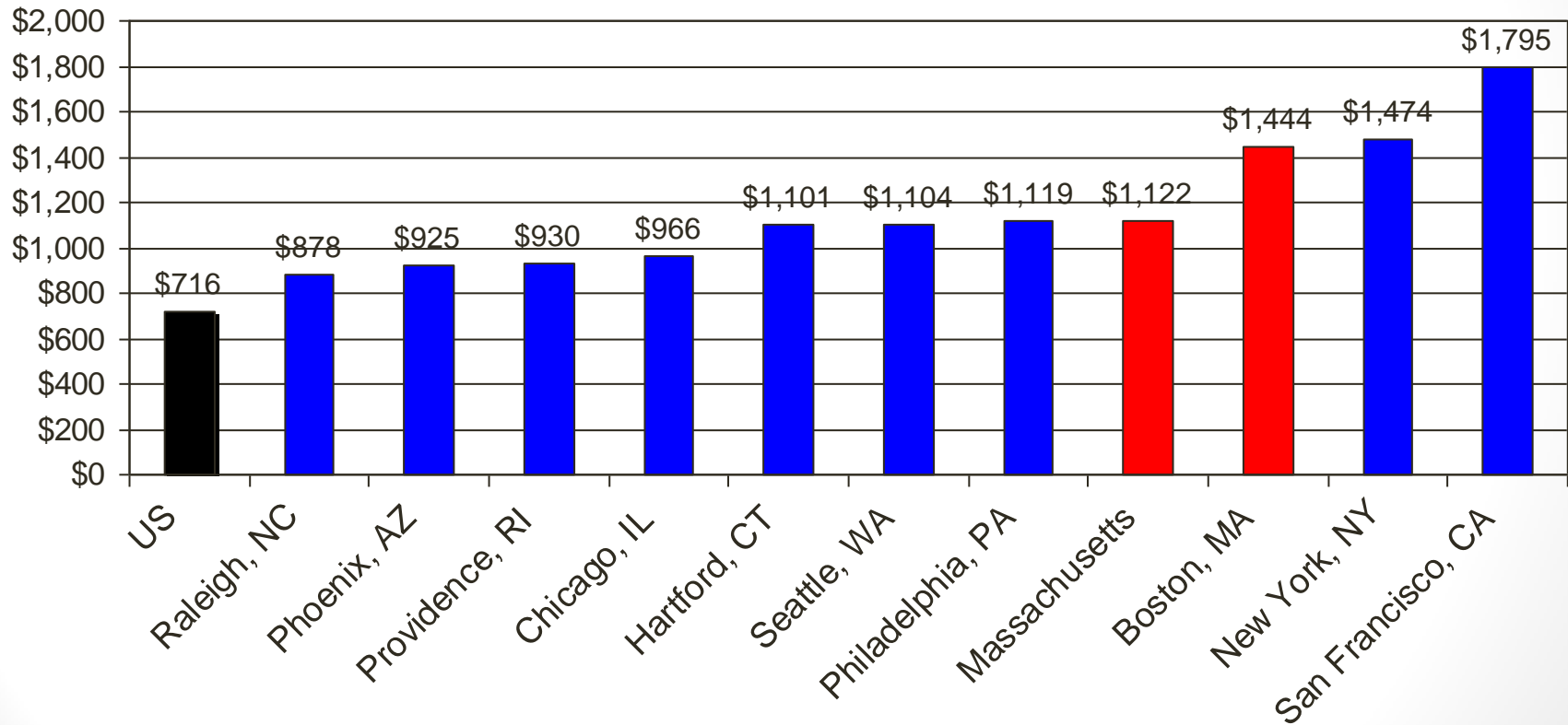
Individuals Age 22 to 27, not in school, with a BA or Higher



Cost of Living

At first glance, rental housing in Massachusetts and greater Boston appears expensive compared to some competitor cities.

Monthly Two Bedroom Fair Market Rent, 2013

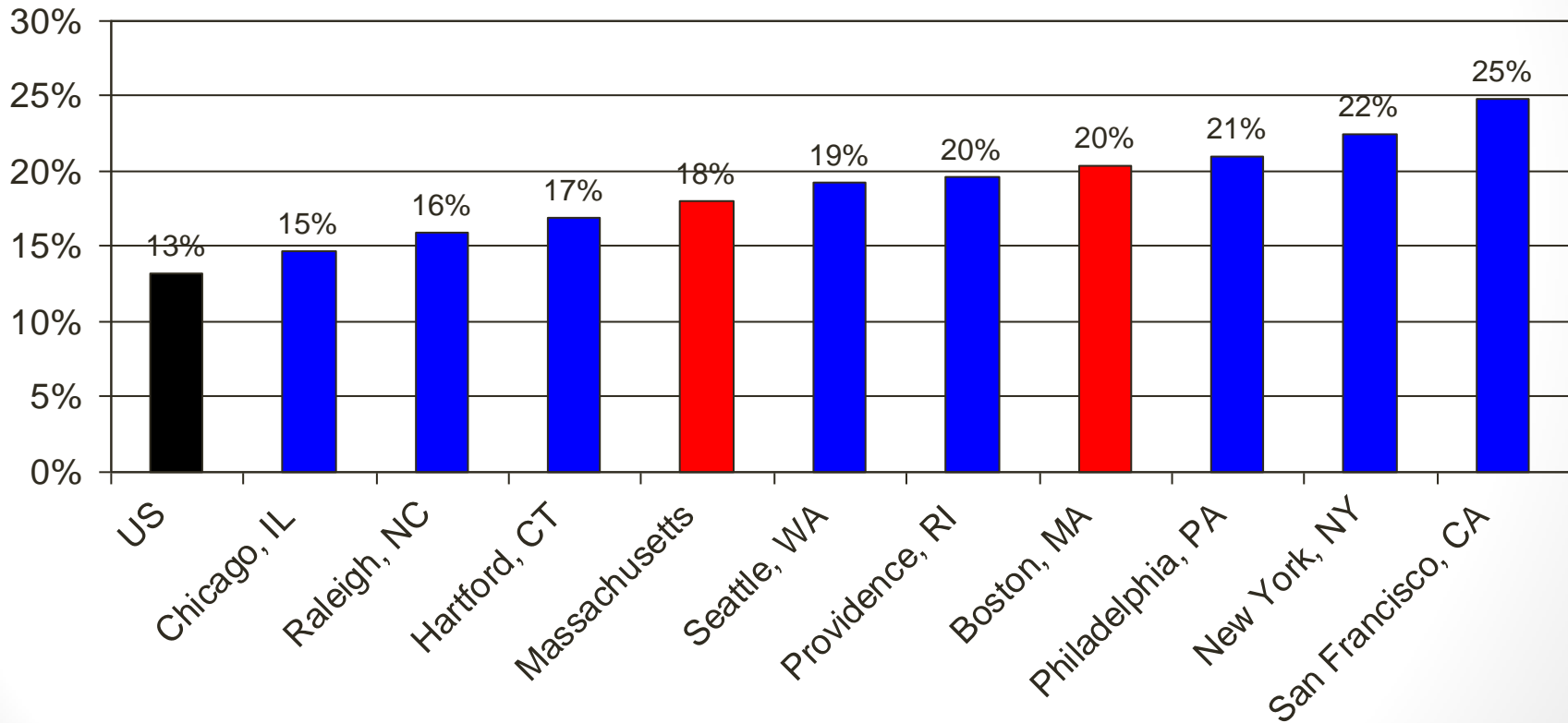


Source: Housing and Urban Development fiscal year 2013 fair market rents in effect April 30, 2013.

Accounting For Higher Incomes

Housing is more affordable once the higher incomes earned by Massachusetts and Boston residents are taken into account.

Rent to Income Ratio, 2013



Notes: Median income from the 2009-2011 American Community Survey (ACS), adjusted to real \$2013.

Monthly rent is fair market rent for a two-bedroom apartment as reported by HUD.

You Get What You Pay For

- Boston ranked consistently in the top 10 by Forbes magazine for careers, culture, and nightlife.
- Boston ranked 6th for the “Best Places to Start a Career” ahead of New York, Philadelphia, Chicago, and Seattle.
- Boston ranked 2nd for “Best Cities for Singles” ahead of Chicago, Washington D.C., Seattle, and San Francisco.