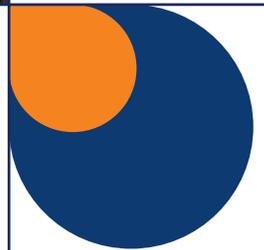




# State of Education

2022



# CEO TALENT COUNCIL LEADING PUSH FOR SOLUTIONS

Thank you for taking the time to explore the 2022 Detroit Regional Chamber's State of Education report.

As the leader of a talent company that employs hundreds of thousands of people annually, I have seen firsthand how enriching work gives people a sense of dignity, a better quality of life, upward mobility, and the opportunity to contribute more meaningfully to their community. That's something we all want for our region's residents.

I also see daily – particularly in today's difficult talent recruitment and retention environment – how businesses desperately need the right talent to innovative, grow, and thrive.

That's why Kelly sponsors this report and the incredibly important data it contains. This third annual release of the report begins to paint the picture of how the COVID-19 pandemic caused significant interruption to postsecondary educational and skills attainment. In some cases, it accelerated already disturbing trends identified by my partners at the Chamber prior to the pandemic.

As a representative of the private sector and the chair of the Detroit Regional Chamber CEO Talent Council, I can say that's reason for concern and action among all of us. Michigan students, families, communities, our business environment, and economy at large depend on a strong and prepared workforce now and into the future. The solutions to our problems won't be simple, but we must come together to give them the attention they deserve.

I applaud the Chamber for bringing together education, business, government, philanthropy, and community organizations to take the necessary steps to get back on track to our goals of achieving 60% postsecondary attainment and reducing the racial equity gap by half by 2030. Only a true collaborative effort will yield success.

Thank you to everyone who raises their hand to be part of the solution. I stand with you!



*PW Quigley*

**PETER QUIGLEY**  
PRESIDENT AND CHIEF EXECUTIVE OFFICER, KELLY;  
CHAIRMAN, CEO TALENT COUNCIL

**Kelly**<sup>®</sup>

FUNDING PARTNER: THE KRESGE FOUNDATION

RESEARCH PARTNER: **M** | YOUTH POLICY LAB  
UNIVERSITY OF MICHIGAN

The Detroit Regional Chamber operates the most comprehensive suite of education and talent programs for the Detroit region. By increasing the number of individuals in the region with a postsecondary degree, the talent pool will grow.

**GOAL:** Increase postsecondary educational attainment to **60%** and cut the racial equity gap in half by **2030**.

## CEO TALENT COUNCIL

Regional business leaders who provide strategic direction to inform the below strategy.

### Increasing Access

Removing barriers for individuals to pursue a postsecondary education.



Universal tuition-free college access for Detroit high school graduates.



Assistance to adults 25 years and older to pursue an education.



Supports students throughout the postsecondary process.

### Ensuring Success

Robust support to ensure all individuals and students achieve their pursuit of a postsecondary education.



Shared values among stakeholders in business and higher education focused on improving retention, graduation rates, and upskilling.



A nationally recognized campus coaching model to ensure students adjust, navigate, and remain enrolled in community college.



Student success initiative to maximize credit attainment, credential completion, and employment outcomes.

### Growing Talent

Ensuring talent remains in the region following postsecondary completion and continues to thrive.



Integrates technology and community to retain and attract young professionals.



Grow talent for the long-term needs of the automotive and mobility industry.



Guidance for employers to create and scale talent development and upskilling initiatives for their workforce.



Automotive CEOs committed to industrywide DEI and economic equity efforts.



Project to connect employers and education institutions to bolster the high-tech talent pipeline.

#### LEADERSHIP DEVELOPMENT



### Collective Impact



A collective impact effort among business, education, civic, and government stakeholders to achieve a postsecondary attainment rate of 60% by 2030 and cut the racial equity gap in half. Alignment among all entities is imperative to reaching both goals.



### Policy and Advocacy

The Chamber's government relations team works at the local, state, and federal levels on issues impacting pre-K to 12, higher education, and skilled training. The Chamber is coordinated and aligned with Launch Michigan, a shared agenda to boost education excellence, and MIHEART, a statewide coalition to drive postsecondary attainment.

# EXECUTIVE SUMMARY AND KEY TAKEAWAYS

## COVID-19 PUTS ALREADY LEAKY TALENT PIPELINE AT GREATER RISK

This third release of the Detroit Regional Chamber's State of Education report comes as COVID-19 has brought forward historic hiring and retention challenges that are jolting businesses across the country. In Michigan, more than 1.5 million employees quit their jobs in 2021 as the Great Resignation is forcing employers across economic sectors to scramble for talent.

Looking over the longer term, the trajectory of postsecondary attainment for traditional-aged students and adult learners does not bode well for resolving talent challenges employers face. It also suggests that long-standing inequities in educational attainment based on race and income are likely to continue.

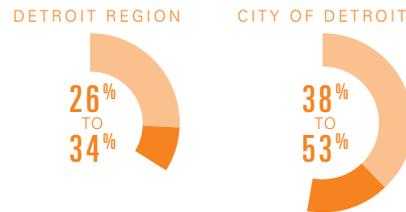
Despite some minor progress in overall retention and graduation, the pre-pandemic decline in postsecondary enrollment continues while student preparedness is suffering and adult degree completion is dropping. While the true impact will not be known until more data becomes available, there is no question that the pandemic has significantly interrupted educational advancement and upward mobility for students and families.

The data in this report illustrates a harsh reality: The long-term COVID-19 impact on education threatens an already leaky talent pipeline where large numbers of students do not enroll in postsecondary education while far too many of those that do, fail to graduate or earn a credential after six years. If trends accelerated or created by the pandemic continue, desired attainment and equity outcomes are at risk and will create increased workforce challenges across all industries.

Now is the time for increased collaboration across all sectors – education, business, government, philanthropy, and community organizations. As more is learned about the pandemic's long-term impact, doubling down on the necessary steps to achieve the goal of 60% postsecondary attainment and reducing the racial equity gap by half by 2030 has never been more urgent.

## ENROLLMENT IN COLLEGE STILL DECLINING, Detroit's Rate Drops Below 50%

High school graduates who do not enroll in postsecondary education increases. (2015 - 2019)



Very few students who take a gap year after high school actually enroll in college.

Meaning once they exit the talent pipeline they are gone for good. Only 2.2% of the class of 2019 who took a year off enrolled in college in the fall of 2020.

More on page 8.

## PROGRESSION AND GRADUATION Gains Not Fast Enough to Meet Attainment Goals

Progression toward college completion increases for the Detroit region's students.



Of the students who pursue postsecondary education, many have not earned a degree or certificate within six years of graduating high school, putting attainment goals at risk.



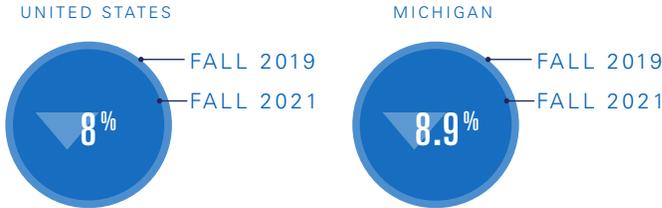
More on pages 9 and 10.

## ENROLLMENT DECLINES

from COVID-19 Disrupting Talent Pipeline

Two-year colleges were the most significantly impacted in Michigan as an overactive job market continues to attract prospective students away from community colleges.

Total Undergraduate Enrollment

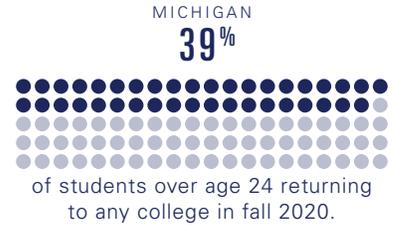


More on page 12.

## ADULTS HAVE HIGHEST DROPOUT RATE

as Degree Completions Continue to Fall

Adults had the highest postsecondary dropout rate.



The region will not be able to meet its 60% attainment goal without more adults completing degrees.

More on page 16.

## EDUCATION EQUITY GAPS

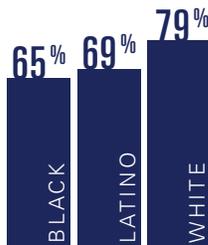
Along Race and Poverty Widen During the Pandemic

Percent of students enrolling in college from high-poverty high schools declines.



There is now a 28 percentage point gap in college enrollment between low-poverty and high-poverty high schools.

Black and Latino students had the lowest college re-enrollment rate.



The region must close equity gaps to reach its 60% attainment goal by 2030.

More on page 13.

## WAGES AND LIKELIHOOD OF EMPLOYMENT

Remain Connected to Education Levels

Unemployment rates for high school graduates higher than those with bachelor's degree.



Among the top in-demand occupations, those paying a livable wage required a bachelor's degree for entry-level positions.

More on page 17.

# EDUCATION PIPELINE

High School  
Graduation

Postsecondary  
Readiness



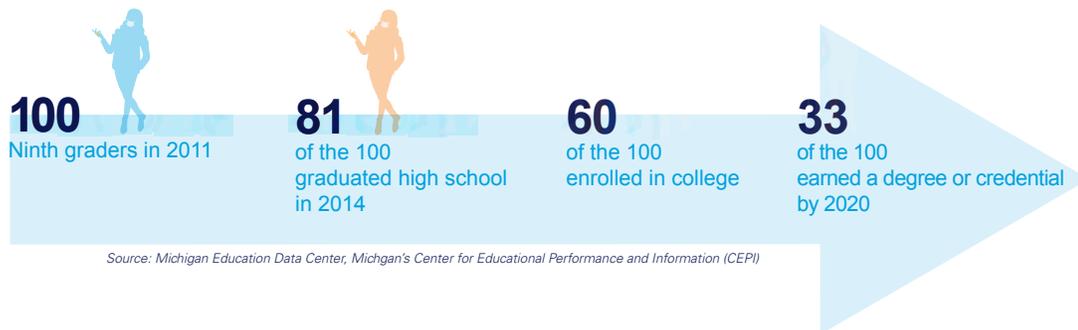
Oakland University students engaging in a discussion in one of the college's many classrooms designed for interactive learning.

## STUDENT PERFORMANCE DICTATES FUTURE WORKFORCE SUPPLY

Schools from K-12 to two- and four-year colleges and universities make up a pipeline that supplies graduates to the workforce. Student access to and success in the educational system is key to growing the talent base of highly skilled employees needed to compete. Leaks in the talent pipeline occur when students leave school without attaining a postsecondary credential. Enrollment, progression, and completion rates all serve as indicators to help businesses understand and predict workforce trends and future talent availability.

### The Detroit Region's Talent Pipeline Has Too Many Leaks

The analysis follows a group of students for six years after their initial enrollment in college. In the example below, the cohort of ninth graders include those who would go on to graduate high school, enroll in college within 12 months, and earn a degree within six years.



### Public High School Students Included in this Report

This data reports on students in the Detroit region. Data for the city of Detroit has been broken out for additional analysis.



Note: Percentages represent 2014 high school graduates. Private schools are not required to share data with the state and are not included in any analysis.

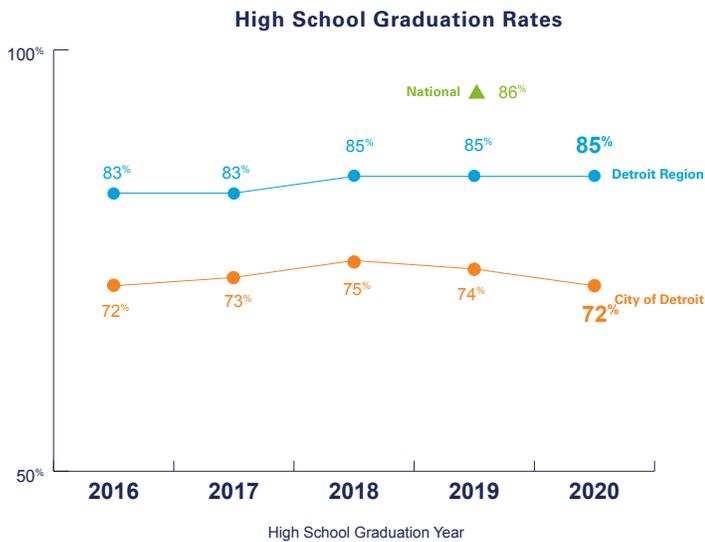
### Regional Detroit Students

The regional Detroit students represented in this report reside in the Detroit Metropolitan Statistical Area (MSA), which includes the following six counties – Lapeer, Livingston, Macomb, Oakland, St. Clair, and Wayne.

### City of Detroit Students

The city of Detroit students represented in this report include all students who reside in the city. They attend public schools, charter schools, and schools in districts outside of the city. Students also attend schools governed by the Education Achievement Authority of Michigan, the statewide school system that took over failing schools in the city of Detroit in 2012.

## High School Graduation Rates in Region Remain Near National Rate



Source: Center for Educational Performance and Information; U.S. Department of Education Office of Elementary and Secondary Education 2019

High school graduation rates for the Detroit region have remained steady for the past three years, nearly matching the national rate of 86%. The city of Detroit's graduation rate decreased for a second year, to 72%, amid the onset of the pandemic. As shifts to virtual instruction occurred in early 2020, many districts faced challenges such as ensuring access to devices, internet, and support services, which may have had a role in decreasing graduation rates.

### COVID-19 IN DETROIT: IMPACT ON EDUCATION

The shift to K-12 remote learning amid the pandemic has exacerbated gaps in student achievement, particularly in Detroit. Chronic absenteeism increased as students struggled with access to instruction, leading to poorer academic outcomes.

Source: New Detroit, February 2022

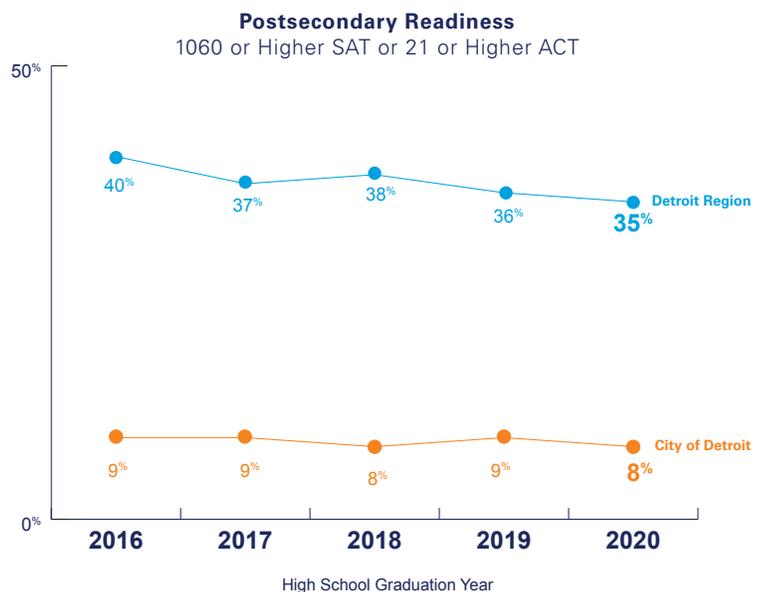
CHAMBER  
RESPONSE

LAUNCH  
MICHIGAN

The Chamber supports Launch Michigan, a partnership of education, philanthropy, business, government, and parents advancing children's futures through K-12 public education. It seeks to reimagine school structure and funding to ensure equity, performance, and accountability for all students while supporting educators.

## Postsecondary Readiness Decrease Over Past 5 Years Has Costs for Region and Students

Over the past five years, the Detroit region's high school students considered college-ready has decreased five percentage points from 40% to 35% while the rate is only 8% in the city of Detroit. Students that are not college-ready face additional coursework and tuition costs before enrolling in college-level mathematics, English, or science courses.



Source: Michigan Education Data Center

Students who must enroll in  
developmental education

earn a credential at a  
lower rate than those who do not.

Using multiple measures to place students into academic coursework, such as a test score and high school GPA, is a common practice to ensure students are placed more accurately into college-level coursework.

Source: Center for the Analysis of Postsecondary Readiness

Note: The SAT recently replaced the ACT as the required standardized test for public schools; the first students affected were in the graduating class of 2017.

## FAFSA Completion Linked to Increased Enrollment

FAFSA Completion  
Detroit MSA

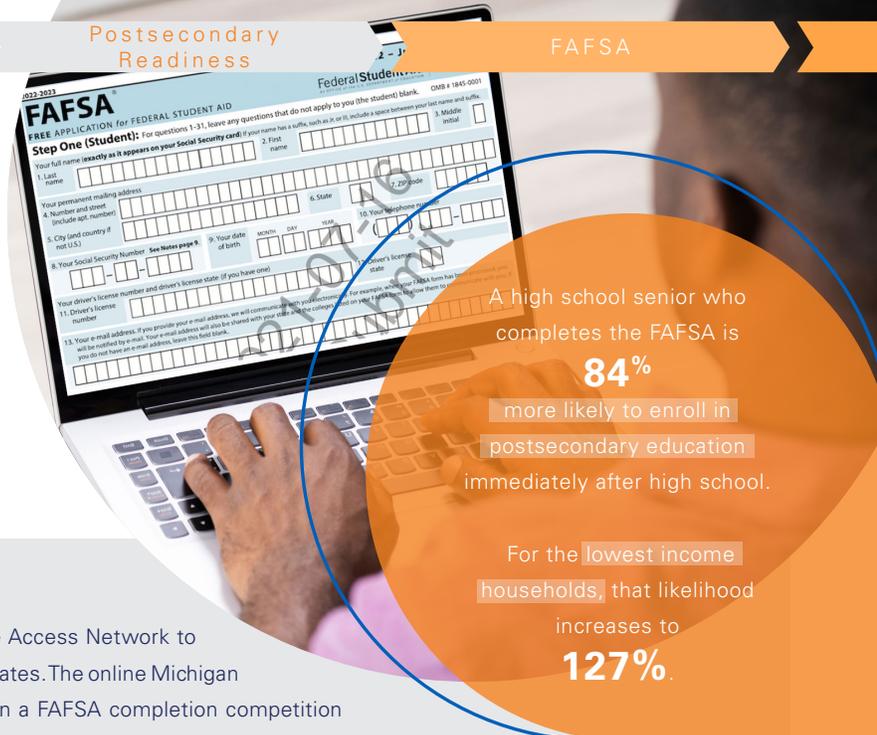
**51%**

2020-21  
ACADEMIC YEAR  
Through July 2021

**35%**

2021-22  
ACADEMIC YEAR  
Through Feb. 4, 2022

Source: Office of Federal Student Aid U.S. Department of Education



CHAMBER  
RESPONSE



The Chamber partners with the Michigan College Access Network to increase the FAFSA completion rate for 2022 graduates. The online Michigan Affordability Tracker allows participating schools in a FAFSA completion competition to track trends, compare completion to previous cycles, and see current completion rates.

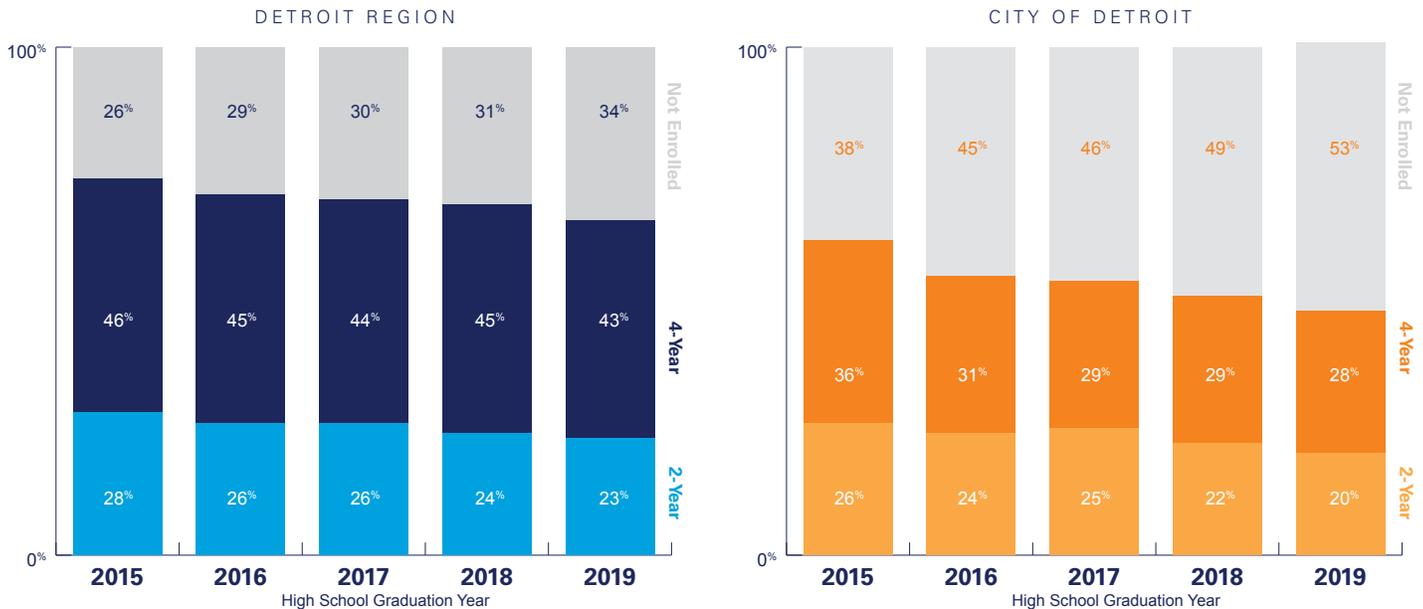
Source: National College Access Network

## Postsecondary Enrollment Trending Downward for Region, City

The region's high school graduates not enrolling in any postsecondary education has increased from 26% to 34% from 2015 to 2019. More starkly, 53% of the city of Detroit high school graduates have not enrolled in postsecondary education within 12 months, a 15-percentage point increase from 38% to 53%. In the region, enrollment at two-year institutions has continued to decline since 2015, decreasing from 28% to 23%.

### Postsecondary Enrollment

Percentage Enrolled within 12 Months of High School Graduation



Source: Michigan Education Data Center, National Center For Education Statistics

THE GAP  
YEAR TRAP

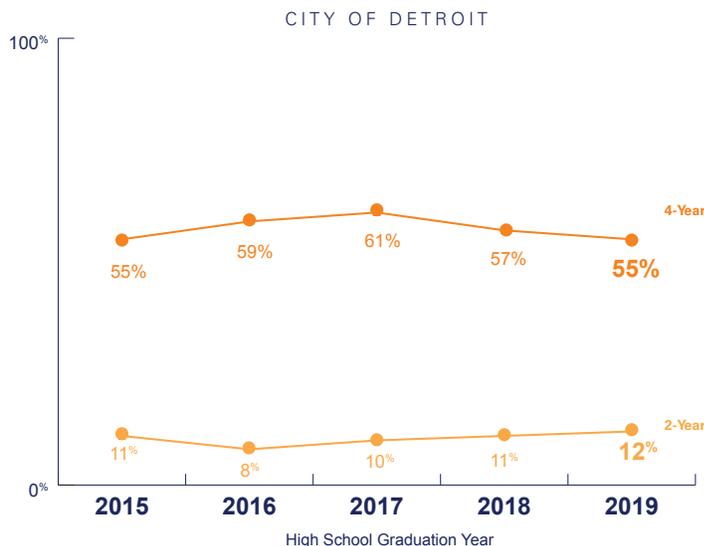
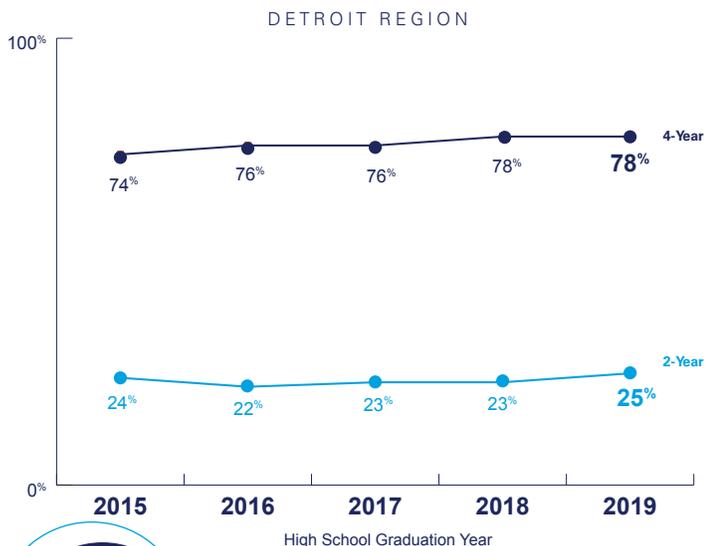
Very few students who take a gap year after high school actually enroll in college.

Meaning once they exit the talent pipeline they are gone for good. Only **2.2%** of the class of 2019 who took a year off enrolled in college in the fall of 2020.

### Postsecondary Progression Increasing at Two-Year Institutions

A key indicator of students successfully achieving graduation, or a postsecondary credential, is completing coursework within an academic year. Since 2015, two-year students achieving 24 credits in the first year of enrollment has slightly increased from 24% to 25%, and the rate at four-year institutions has increased from 74% to 78%.

**Postsecondary Progression**  
Percentage of Students Completing 24 Credits within 12 Months of Enrollment



Source: Michigan Education Data Center

### CHAMBER RESPONSE



The Chamber is committed to giving every Detroit-residing student an opportunity to achieve a postsecondary degree regardless of finances. The Detroit Promise offers a tuition-free path to an associate degree, bachelor's degree, or technical certificate at 26 two-year and four-year institutions in Michigan.



Launched in 2016, the Detroit Promise Path provides financial incentives and wraparound services to Detroit Promise students, including campus coaches, to support their success as they work toward their credential.



Earning more credits in a timely manner increases the likelihood of student success.

Students are academically more successful and more likely to return to college if they take 15 credit hours per semester. The Chamber's Detroit Promise and Detroit Promise Path aim to increase full-time enrollment.

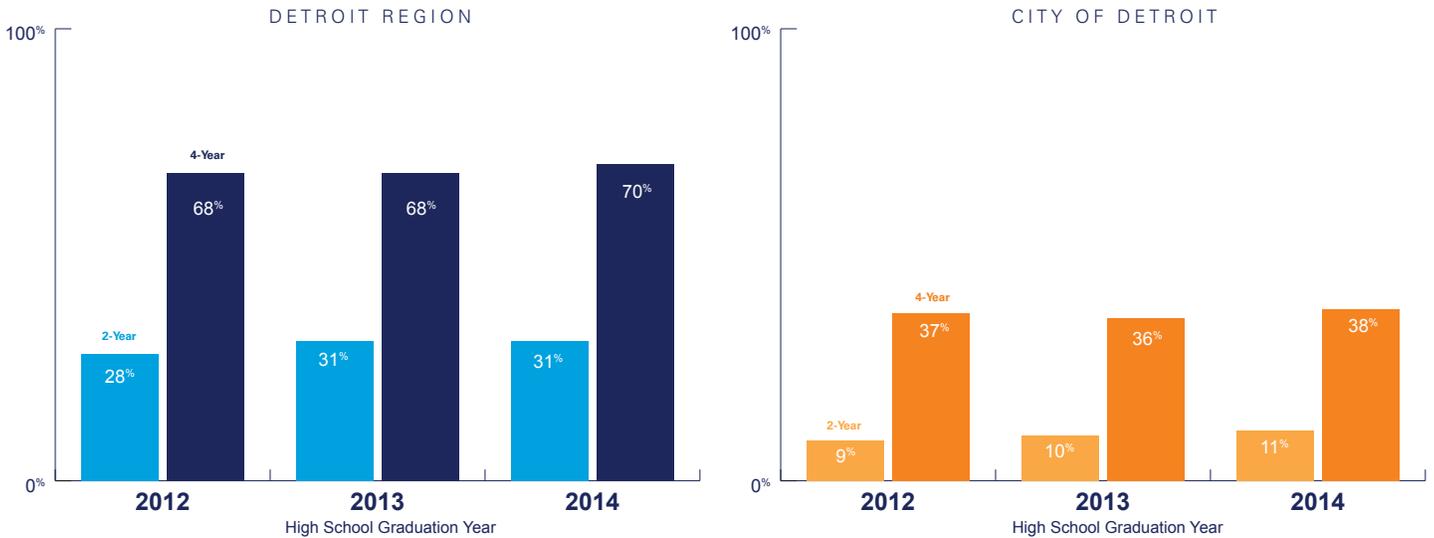
Students who participate in the Detroit Promise Path receive recognition for their dedication and academic achievement.

Source: Complete College America

## Postsecondary Graduation Rates Rising Incrementally for Region and City

Graduation rates at four-year and two-year institutions have risen incrementally over the past four cohorts of the region's high school graduates. Nearly 70% of students pursuing four-year degrees have earned a degree within six years. The graduation rates for those pursuing two-year degrees is 31%, less than that of those four-year students. The city of Detroit high school graduates pursuing higher education at four-year institutions have seen improved rates of graduation from 36% to 38% from the 2013 to 2014 cohorts.

**Postsecondary Graduation Rates**  
Six Years from Initial Enrollment



Source: Michigan Education Data Center



Henry Ford College President Dr. Russell Kavalhuna celebrates commencement with graduates.

Only **31%** of the region's high school graduates enrolled in two-year institutions have graduated within six years.

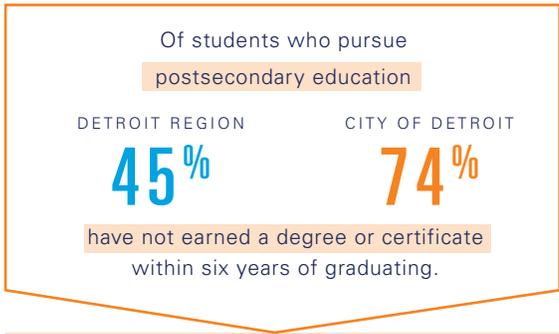
CHAMBER RESPONSE



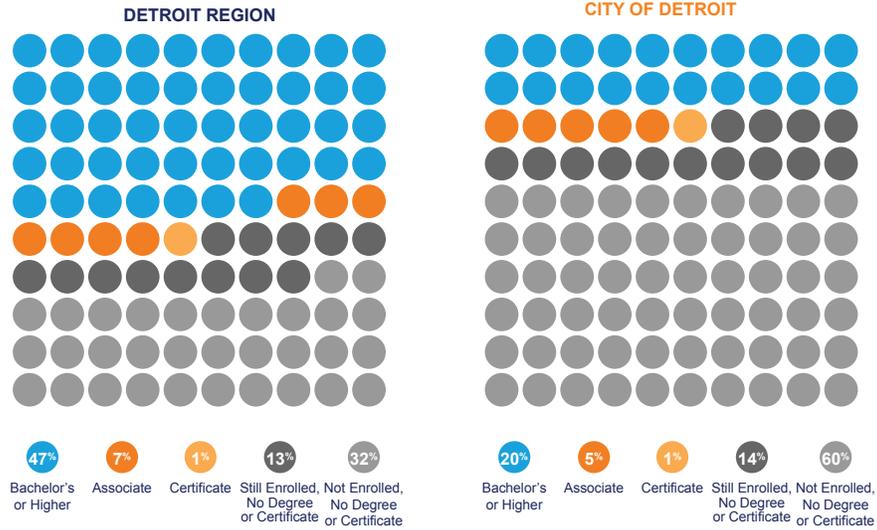
2022 LEGISLATIVE PRIORITY

Implementing Launch Michigan's K-12 recommendations remains a top Chamber priority to **provide the reforms needed** to better prepare graduates, ensure student success, and close equity gaps.

### Nearly Half of College Students Have Not Earned a Degree in Six Years



1/3 of those high school graduates in the region who have not earned a college degree are no longer enrolled after six years.



Source: Michigan Education Data Center

### Four-Year Public Institutions Provide Greater Income Mobility

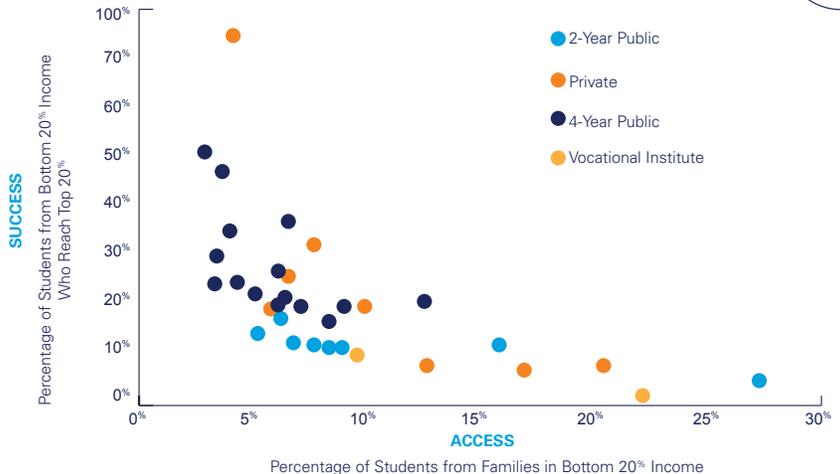
Higher education is widely viewed as a pathway to upward income mobility. Opportunity Insights, based out of Harvard University, explores how colleges and universities influence intergenerational mobility.

Mobility rates measure the likelihood that a child from a low-income family reaches the top 20% of the income distribution. The mobility rates of an institution can be evaluated by access – the percentage of students from low-income families admitted to the institution, and success – the percentage of low-income students that move to the top income quintile by the time the individuals reach 35 years old.

Institutions across the region, including Michigan's public four-year institutions, admit similar levels of low-income students, with an average of 9% of students coming from low-income families. However, four-year public institutions have the highest rates of upward mobility – with an average of 27% of low-income students moving to the top income brackets by the age of 35.

Access for low-income students remains relatively similar across institutions in the region, with an average of 9% of students coming from families in the bottom income.

#### Upward Mobility in Postsecondary Institutions Access Rate Versus Success Rate



Source: Opportunity Insights

Note: Institutions included are located in the Detroit region, with the addition of Michigan four-year public universities.

# PANDEMIC IMPACTS



## ENROLLMENT DECLINES, ATTAINMENT GOALS JEOPARDIZED

Since the beginning of the pandemic, hundreds of thousands of students have left college nationwide, and Michigan is no different, except that it lags most of its peers in educational attainment. The enrollment decline has impacted the trajectory of efforts led by the Detroit Regional Chamber to increase educational attainment to 60% by 2030, and the hard-fought battle to increase degree completion to allow for greater economic mobility. Without a solid and swift enrollment recovery, the Detroit region may struggle to stop the leak in the talent pipeline.

## EMPLOYERS, FAMILIES TO FEEL IMPACT OF DROPPING ENROLLMENT

While the Great Resignation receives much attention, COVID-19's impact on the education pipeline and future workforce also presents a major challenge for businesses and families. Fewer students enrolling in postsecondary education due to the pandemic creates a greater pipeline leak that will translate to fewer qualified workers with the education to pursue employers' in-demand jobs that also pay middle-class or higher wages.



### U.S. ENROLLMENT DROPS ACROSS THE BOARD, BUT HARDER AT TWO-YEAR SCHOOLS<sup>1</sup>

Since the fall of 2019, there has been a nearly 8% drop in undergraduate enrollment in the U.S. From fall 2020 to fall 2021, the country experienced a 3.5% drop in undergraduate enrollment. Two-year colleges have been the hardest hit in enrollment, suffering a 14.8% enrollment loss since the beginning of the pandemic.



**drop in total  
undergraduate  
enrollment**

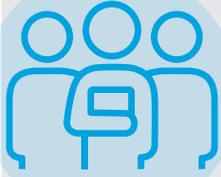


### MICHIGAN ENROLLMENT DECLINE PARALLELS NATIONAL TRENDS<sup>1</sup>

In Michigan, colleges experienced an 8.9% loss in enrollment between fall 2019 and fall 2021. Two-year colleges were the most significantly impacted with a decrease of 10.5%, while four-year colleges experienced a 7.7% enrollment decline between fall 2019 and fall 2021. However, between fall 2020 and fall 2021, Michigan's total undergraduate enrollment dropped only 1.5% over the previous year.



**drop in total  
undergraduate  
enrollment**



## U.S. FALL FRESHMAN CLASS DROPS

The fall 2021 class of first-time college freshmen in the United States was **9.2% smaller** than the fall 2019 class.<sup>2</sup>



## MICHIGAN'S MINOR GAIN IN FRESHMAN ENROLLMENT IS A BRIGHT SPOT



First-time freshman enrollment at four-year colleges in Michigan was **up by 1.7%** for fall 2021.<sup>3</sup>



## HUGE COLLEGE ENROLLMENT GAP BASED ON HIGH SCHOOL POVERTY RATES

Students enrolling in college who graduate from high-poverty high schools **fell by 10%** – from 55% to only 45% in 2020. There is a 28 percentage point gap in enrollment between students from a low-poverty and high-poverty high school.

## MORE THAN 25% OF U.S. STUDENTS DROPPED OUT OF COLLEGE



Nationally, **only 73.9%** of students who started college in fall 2019 returned to college in fall 2020. This is the lowest number since 2012.

**Black and Latino students** had the lowest reenrollment in college from fall 2019 to fall 2020.

**64.9%**  
BLACK

**68.6%**  
LATINO

**79.3%**  
WHITE



## ADULTS HAVE HIGHEST POSTSECONDARY DROPOUT RATE

In Michigan, adults had the highest postsecondary dropout rate, with **only 39.2%** of students over age 24 returning to any college in fall 2020.

# CHAMBER RESPONSE



## RECONNECTING ADULTS TO EDUCATION IN DETROIT

Detroit Reconnect is a Chamber initiative to assist adults in returning to higher education or attending for the first time to learn new skills and advance in the workplace.



## TAKING ON THE EQUITY GAP

The Chamber's Detroit Drives Degrees champions the 60% educational attainment goal by 2030 while also cutting the racial equity attainment gap in half. The pandemic has further illuminated the disparities in college enrollment and degree attainment of Black and Latino students.



## CONNECTING ADULTS TO EDUCATION IN MICHIGAN

Launched in February 2021, Michigan Reconnect is a scholarship program for Michiganders who are 25 years and older. The scholarship provides free or significantly discounted tuition. Since the announcement, 12,000 students have enrolled or re-enrolled in college with 91,000 additional students accepted into the program.

Sources: 1. National Student Clearinghouse; 2. National Student Clearinghouse High School Benchmarks Report; 3. Michigan Association of State Universities

# TALENT



A student at Henry Ford College demonstrates their skills in preparation to excel in the workforce.

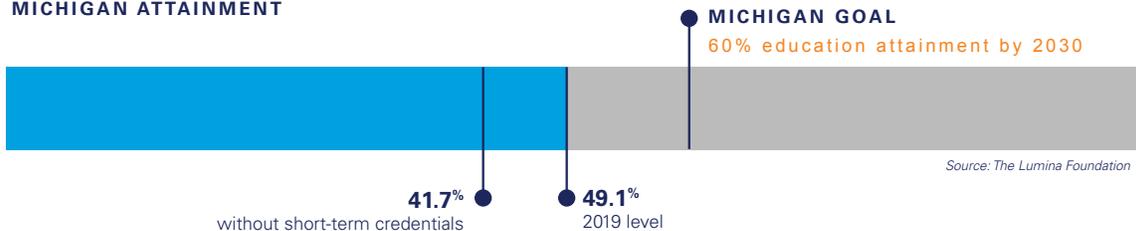
## REGION'S PROSPERITY AND TALENT HELD BACK BY EDUCATIONAL ATTAINMENT AND EQUITY GAPS

The Detroit region's educational attainment rate correlates directly with the talent available for future jobs. Offering a competitive talent pool requires an equitable education system where students of all racial and socioeconomic backgrounds can acquire the skills and quality education they need to thrive. The Detroit region must close its attainment and equity gaps to prosper and for all its residents to have the chance to accumulate wealth.

### Enrollment Increases Needed to Sustain Progress, Reach 60% Attainment Goal

According to the Lumina Foundation, Michigan's overall rate of educational attainment has increased by 13.3 percentage points since 2009, with the inclusion of workforce certificates (beginning in 2014) and certifications (in 2018). To reach the goal of 60% for ages 16 to 64 by 2030, the state must continue to increase postsecondary enrollment and completion of all types of credentials.

#### MICHIGAN ATTAINMENT



Source: The Lumina Foundation

#### CHAMBER RESPONSE

### DETROIT REGIONAL TALENT COMPACT

A collective impact initiative led by the Detroit Regional Chamber's Detroit Drives Degrees program that brings together stakeholders from business, philanthropy, government, and K-12 and higher education to accomplish the following goals:



#### FOCUS AREAS

INCREASE  
POSTSECONDARY  
ACCESS

IMPROVE  
POSTSECONDARY  
SUCCESS

GROW  
ADULT  
ATTAINMENT

ENSURE  
TALENT  
PREPARATION



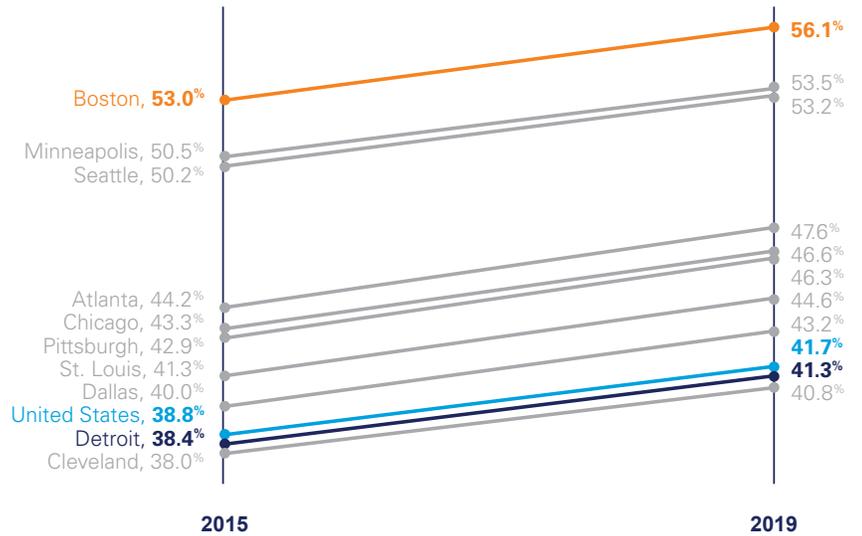
#### 2022 LEGISLATIVE PRIORITY

A long-standing supporter of rigorous academic and curriculum standards, the Chamber is **advocating for legislation necessary to reach 60% postsecondary educational attainment and cut the racial equity gap in half by 2030.**

## Educational Attainment Rising, but Still Lagging Among Peer Regions

The population with an associate degree or higher in the Detroit region has continued to rise over the past five years. Despite the region's educational attainment rate increasing to 41.3% between 2015 to 2019, Detroit continues to lag behind peer regions and the national average. The region's attainment rate includes 8.9% with an associate degree, 19.2% with a bachelor's degree, and 13.2% with a graduate or professional degree. Over 1.2 million residents in the Detroit region have earned an associate degree or higher.

**Educational Attainment**  
Associate Degree or Higher, Population 25 and Up



Source: U.S. Census Bureau, 2019 American Community Survey One-Year Estimates

CHAMBER  
RESPONSE

**2022 LEGISLATIVE PRIORITY**

The Chamber **supports equitable funding structures** that ensure students from underserved populations have the resources and support they need to receive the highest quality education.

**Adult educational attainment is essential to reaching the 60% by 2030 goal.**

There were 676,546 adults in the Detroit region with some college credits but no degree or credential in 2019. There is no path to 60% educational attainment without increasing the number of adults with “some college, no degree” to degree or credential completion.



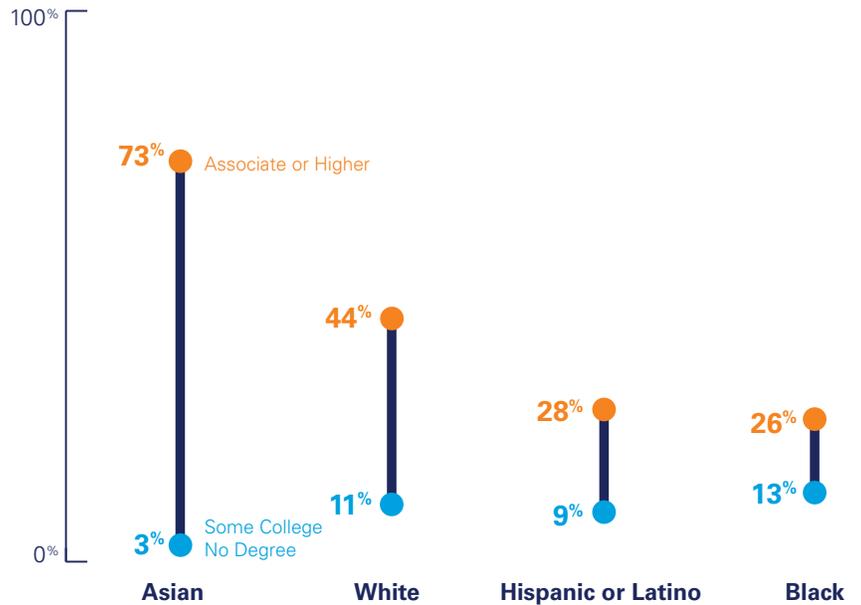


Oakland University students learn through hands-on education in one of the college's many labs.

## Educational Attainment Varies by Race and Ethnicity Among Adults

The Asian population reflects the highest rate of associate degree or higher attainment, along with the smallest "some college, no degree" population. The Black and Hispanic or Latino adult population in the region reflects the lowest adult educational attainment rates (26% Black) and (28% Hispanic or Latino). The racial groups with the largest share of "some college, no degree" are Black (13%) and white (11%).

**Educational Attainment by Race**  
25 Years and Older, Detroit MSA



Source: U.S. Census Bureau, 2019 American Community Survey One-Year Estimates;  
Note: Hispanic or Latino are of any race

## Adult Graduation Has Decreased by 24% Over the Past Five Years

**Degree Completions**  
Adults 25 and older



Source: IPEDS

Annual adult degree completions of associate and bachelor's degrees from the Detroit region's postsecondary institutions have decreased 24% over the past five academic years. Community colleges have seen adult graduation totals decrease 37%, falling from 7,082 adult graduates in 2016 to 4,442 adult graduates in 2020. Four-year institutions have also seen declines at 8% with 5,718 adult graduates in 2016 dropping to 5,268 in 2020.

CHAMBER  
RESPONSE

**2022 LEGISLATIVE PRIORITY**

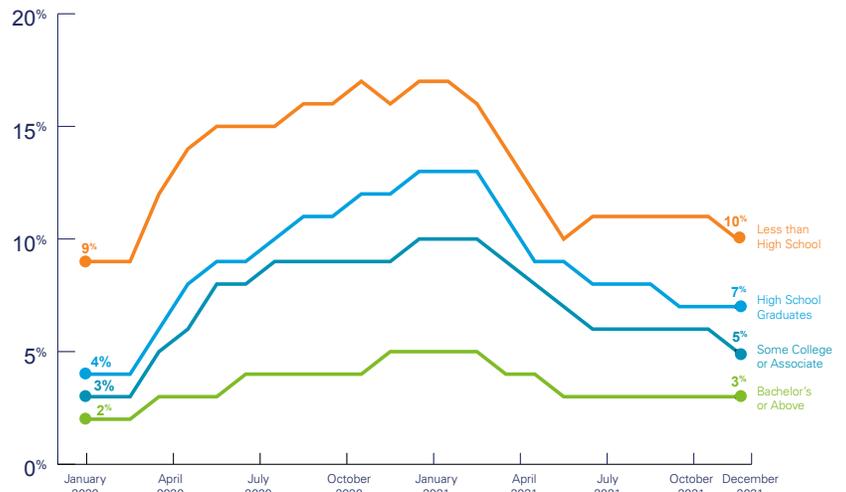
The Chamber is committed to **ensuring all Michiganders can access postsecondary education and graduate** with in-demand credentials regardless of their financial circumstances.

## Higher Education Levels Associated with Greater Likelihood of Employment

Among people age 25 and older, higher levels of education are associated with a greater likelihood of employment. Higher levels of education create better access to higher paying jobs and support the crucial role of education in improving labor market outcomes.

Nationally, earnings increased with educational attainment in 2020. Workers with a bachelor's degree or higher earned a median of \$66,423, compared to high school graduates who earned a median of \$34,540.

Unemployment Rate by Education Level  
Michigan



Source: State of Michigan Department of Labor Management and Budget

In Michigan, individuals with higher educational attainment consistently experience lower levels of unemployment. Rates for high school graduates were 2.5 times higher than those with bachelor's degrees or higher in 2021.

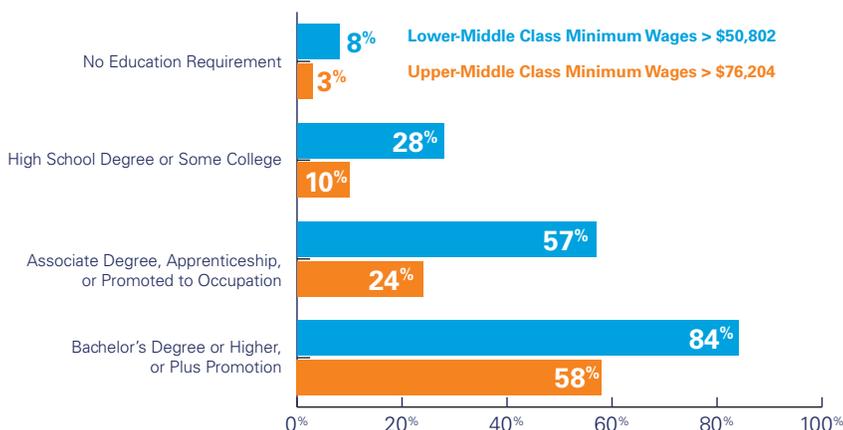
## Jobs Paying Middle-Class Wages Require Higher Educational Attainment

Data continues to show that the best way for a single earner to support a household of three at a middle-class or higher income (>\$50,802) is to attain a bachelor's degree or higher.

More than half the jobs in the Detroit region do not pay enough to support a family of three at a middle-class income. Across the 1.7 million jobs in the Detroit region, only 44% paid over \$50,802, which is the minimum middle-class income for sustaining a family of three. Only 24% paid more than \$76,204, which is an upper-middle class income.

In the Detroit region, 30% of jobs require a bachelor's degree or higher. Of these, 84% pay more than the minimum needed to support a family of three (\$50,802), and 58% can support a family of three at an upper-middle class income (\$76,204 or higher).

Share of Jobs Paying Middle Class Wages by Educational Attainment  
Detroit MSA



Source: Michigan Future Inc., University of Michigan  
Note: Data as of May 2020

Only 8% of jobs that require no formal education pay a middle-class income.

For jobs requiring a high school diploma or some college coursework, the rate is 28%.

## Highest Paying, In-Demand Jobs Require a Bachelor's Degree

In the Detroit region, unique job postings totaled 893,996 over the course of 2021. Registered nurses were the top in-demand occupation with a total of 59,287 jobs and median annual earnings of \$76,028. Additionally, among job postings, the most in-demand qualifications included: commercial driver's licenses, nursing assistant certification, bachelor's degrees in nursing and business, and practical nurse licenses. Among the top in-demand occupations, those earning a livable wage required a bachelor's degree for entry-level positions.

**Top In-Demand Occupations**  
Detroit Region

	Unique Job Postings (Jan. - Dec. 2021)	Total Jobs (2021)	Median Annual Earnings	Typical Entry Level Education
<b>Registered Nurses</b>	34,485	59,287	\$76,028	Bachelor's degree
<b>Retail Salespersons</b>	28,052	66,635	\$26,495	No formal educational credential
<b>Software Developers and Software Quality Assurance Analysts and Testers</b>	23,611	28,389	\$93,843	Bachelor's degree
<b>Customer Service Representatives</b>	21,130	47,128	\$36,800	High school diploma or equivalent
<b>Wholesale and Manufacturing Sales Representatives</b> (Except Technical and Scientific Products)	20,387	26,395	\$67,087	High school diploma or equivalent
<b>Laborers and Freight, Stock, and Material Movers, Hand</b>	19,390	41,965	\$31,732	No formal educational credential
<b>First-Line Supervisors of Retail Sales Workers</b>	18,264	19,425	\$39,201	High school diploma or equivalent
<b>Personal Service Managers, All Other; Entertainment and Recreation Managers</b> (Except Gambling; and Managers)	17,614	11,404	\$65,494	Bachelor's degree
<b>Fast Food and Counter Workers</b>	17,509	54,095	\$23,137	No formal educational credential
<b>Heavy and Tractor-Trailer Truck Drivers</b>	16,068	33,095	\$45,362	Postsecondary nondegree award

Source: ESMI



Health care careers are in high-demand. Many educational programs are offered at our partner colleges in Southeast Michigan.

In 2021,

**1.5 million workers**  
quit their jobs in Michigan.

The quit rate reached a 20-year high of 3.1%. The quit rate is the number of monthly quits as a percentage of total employment.

THE GREAT RESIGNATION

HIRES PER JOB OPENING

In 2021, job vacancy ratio, measured by hires per openings, decreased to a 20-year low of 0.61, as job openings reached a high of 4 million and hires rose to 2.4 million in Michigan.

A ratio less than 1 can mean less efficiency in filling job openings – which is expected with such a high number of job postings.

Source: U.S. Bureau of Labor Statistics, Job Opening and Labor Turnover Survey

## Health Care Industry Demand Reaches over 100,000 Job Postings in 2021

Of the top five industries with talent needs in the Detroit region, health care and the social assistance industry employs over 335,700 individuals in the region with median annual earnings of \$57,160. In 2021, health care and social assistance job postings totaled over 109,000 unique postings. The industry sector also has a high demand for entry-level jobs providing an opportunity for recent graduates in the region.

### In-Demand Industries Detroit Region

	Unique Job Postings (Jan. - Dec. 2021)	Total Jobs (2021)	Median Annual Earnings (2021)	Entry Level Job Demand (2019)
<b>Health Care and Social Assistance</b>	109,049	335,708	\$57,160	47,246
<b>Administrative and Support and Waste Management and Remediation Services</b>	97,059	146,096	\$45,141	24,387
<b>Retail Trade</b>	98,186	246,585	\$37,912	28,831
<b>Professional, Scientific, and Technical Services</b>	72,442	232,926	\$96,562	15,974
<b>Manufacturing</b>	65,045	279,120	\$72,702	14,332

Source: ESMI



## SIGNIFICANT CHALLENGES AHEAD DESPITE STRONG ECONOMIC RECOVERY

Despite another year of strong economic recovery from the pandemic, the 2022 State of the Region report shows that Michigan faces significant short-term and long-term obstacles to economic prosperity. Despite increases in job postings throughout 2021, many of these positions continue to go unfilled. This is a national trend, but Michigan's labor force participation lags significantly behind other states. Challenges with labor, supply chain issues, a spike in demand for goods, and a large influx of government spending are just some reasons for the highest inflation levels in 40 years. The full report is available at [detroitchamber.com/sor](https://detroitchamber.com/sor).

### PRIVATE SECTOR JOBS

▼ 2.6%

in the Detroit region since February 2020

### LABOR FORCE PARTICIPATION RATE

59.6%

in Michigan in December 2021, RANKING 40<sup>TH</sup> IN THE NATION

### JOB POSTINGS

▲ 41%

in the Detroit region over the course of 2021

### PERSONAL INCOME

▲ 7.1%

per capita personal income in the Detroit MSA in 2020

### CONSUMER PRICES

▲ 7%

year over year as of December 2021

**Data Disclaimer:** This analysis utilizes data obtained through a confidential data application process submitted to the Michigan Education Data Center (MEDC)/Michigan Education Research Institute (MERI). Youth Policy Lab at the University of Michigan requested data access and completed the analysis included in this report. The data are structured and maintained by the MERI-Michigan Education Data Center (MEDC). MEDC data is modified for analysis purposes using rules governed by MEDC and are not identical to those data collected and maintained by the Michigan Department of Education (MDE) and/or Michigan's Center for Educational Performance and Information (CEPI). Results, information, and opinions solely represent the analysis, information, and opinions of the author(s) and are not endorsed by, or reflect the views or positions of, grantors, MDE and CEPI, or any employee thereof.



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