# Hibbs Brief

Hibbs Institute for Business & Economic Research

### **Educational Pathways in East Texas: The Smartest Decision**

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In this edition of the <u>Hibbs Brief</u>, we explore how educational pathways are shaping the economic and social future of East Texas.

Maybe you or someone you know has just graduated from high school. A big question that arises is whether college is still worth it. For some, higher education means better jobs and long-term success. For others, it feels too expensive, too time-consuming or less of a guarantee than it once was. This leaves many asking what the smartest decision is today.

Across the country, tuition has skyrocketed. On average nationwide, tuition and fees at public universities have more than tripled — rising from about \$2,364 in 1963 to \$9,750 in 2023, even after adjusting for inflation.<sup>1</sup> At the same time, settling for just a high school diploma has become increasingly risky. Jobs that once paid well with just a high school diploma, like manufacturing or construction, now often require technical training or a two-year degree. In Texas, most new jobs today demand some level of education beyond high school.<sup>2</sup>

That doesn't mean everyone needs a four-year degree. Education is not a one-size-fits-all route. For many high school graduates, the most common paths are certificates, associate degrees and bachelor's degrees. Each comes with its own timeline and trade-offs: certificates are quick and affordable; associate degrees can lead to well-paying jobs in fields like healthcare and manufacturing, while bachelor's degrees typically provide the strongest long-term earning potential (Table 1).

The value of education becomes more evident as individuals advance further into their career paths. On average, Americans with a bachelor's degree earn about 76% more than those with only a high school diploma and roughly 48% more than those with an associate degree over their working lives. By their late 40s, bachelor's

graduates earn around \$116,000 annually, compared to \$84,000 for associate degree holders and \$60,000 for high school graduates.<sup>4</sup>

**Table 1. Comparing Higher Education Pathways** 

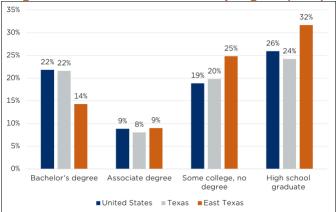
	Bachelor's	Associate	Certificates
Duration	4 Years (on average)	2 Years (on average)	4-18 Months
Total Cost	\$37,349 (on average)	\$6,754 (on average)	\$500-\$5,000
Biggest Advantage	Often comes with higher job security and wage growth over time	Quick entry into the workforce and strong early- to mid-career wages	Focus only on the skills you need — no general education courses
Biggest Trade-off	Highest time and cost commitment often require more years of study and higher financial investment	Limited upward mobility without further education in some career fields	Focused training makes it less flexible across careers

Source: Hibbs Institute for Business and Economic Research using several data sources (see End Notes<sup>3</sup>).

## **Education Pathways and Their Payoffs in East Texas**

Although formal education provides clear benefits, East Texas lags behind both the state and the nation in educational attainment. By 2023, only 14% of adults in the region had earned a bachelor's degree, compared to 22% statewide and nationally.<sup>5</sup> At the same time, a larger share of residents ends with a high school diploma or leaves college without completing a degree (**Figure 1**). This gap in higher education places East Texas at a disadvantage, as communities with more educated workforces tend to attract more employers, support higher wages and foster long-term economic growth.

Figure 1. Educational Attainment by Degrees (2023)



Notes: Data includes individuals aged 25 and older. "Some college no degree" category includes certificates.

Source: Hibbs Institute for Business and Economic Research using 2023 American Census Survey Data 1-Year Estimates

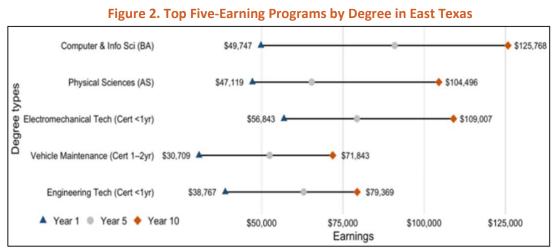
While this gap presents challenges, it also highlights the importance of alternative pathways that can give East Texans access to competitive wages and career mobility. Education in the region is not defined by bachelor's degrees alone. Community colleges and technical schools offer shorter programs that open doors quickly and often pay well. For instance, graduates with an associate degree from Kilgore College or Panola College earn in the mid-\$40,000s just one year after completion, with earnings rising above \$60,000 within a decade — comparable to bachelor's-level wages.<sup>6</sup>

To better visualize these differences across educational levels, **Figure 2** compares the top five-earning programs in East Texas by pathway — bachelor's, associate and certificate — and tracks their overtime progress. Bachelor's degrees lead in long-run earnings, but shorter-term programs show rapid growth that narrows the earnings gap considerably.

For instance, Electromechanical Technology certificates start with modest wages but rise to more than \$100,000 within a decade from graduation, rivaling four-year degrees. Vehicle Maintenance credentials also show strong gains, with earnings more than doubling after 10 years (from \$31,000 in the first year to \$72,000). Physical Sciences, an associate degree program, begins near \$47,000 and surpasses \$100,000 by year 10.6

Technical programs such as industrial production at Kilgore College and engineering technologies at Panola College reach earnings above \$110,000 10 years after graduation.<sup>6</sup> Health-related certificates and associate degrees, such as radiology and registered nursing programs at Tyler Junior College, Paris Junior College and Kilgore College, also show strong returns, with graduates earning between \$50,000 and more than \$70,000 within a decade, approaching four-year degree levels.<sup>6</sup>

In fact, some associate and technical programs in East Texas outpace bachelor's degrees in earnings, particularly in fields like industrial technology and healthcare. Still, bachelor's degrees remain the most reliable pathway overall, providing stability and flexibility across careers. At The University of Texas at Tyler, for example, average earnings one year after graduation are around \$61,000, with some graduates from high-demand programs such as nursing and engineering exceeding \$80,000 after one year and climbing beyond \$125,000 within a decade. The broader value of a bachelor's degree lies not only in earnings but also in the expanded career opportunities it creates for long-term growth and advancement.



Notes: BA: Bachelor's degree, AS: Associate degree, Cert <1 yr: Certificate earned in less than 1 year, Cert 1-2yr: Certificate degree earned within 1-2 years

Source: Hibbs Institute for Business and Economic Research using U.S. Census Post-Secondary Employment Outcomes.

### **Pulling the Threads Together**

So, is college still worth it? In East Texas, a better question might be: which path is worth it for you? The good news is that East Texans today face a wider menu of educational pathways than ever before. Certificates and associate degrees can offer quick entry into the workforce with strong early- to mid-career earnings, particularly in healthcare, manufacturing and technical fields. Bachelor's degrees, meanwhile, remain the most reliable path to higher and more sustainable earnings over the course of a career. Furthermore, pursuing a master's or doctoral degree can open doors to advanced career opportunities, higher earning potential and leadership roles that often require specialized expertise.

The economy may be changing, but the value of education remains strong. What has shifted is the path — there's no longer a single, one-size-fits-all route. The right choice today is finding an education that fits not just your goals, but also the opportunities growing here in East Texas. And, when that happens, the payoff goes far beyond a paycheck. It strengthens families, builds thriving communities and helps the entire region to continue growing together.

This information was also featured in the October/November issue of TYLER TODAY Magazine. Visit <a href="https://doi.org/10.21/2012/bluetoad.com/publication/?i=853277&p=164&view=issueViewer">bluetoad.com/publication/?i=853277&p=164&view=issueViewer</a> to read the article for free.

#### **End Notes**

<sup>1</sup> National Center for Education Statistics (NCES). Table 330.10 – Average Undergraduate Tuition and Fees and Room and Board Rates Charged for Full-Time Students in Degree-Granting Postsecondary Institutions. https://nces.ed.gov/programs/digest/d23/tables/dt23\_330.10.asp

The Hibbs Institute has created a <u>LinkedIn</u> page that frequently releases business and economic information. Follow our page for future brief updates, announcements and links to **our periodic publications**.

<sup>&</sup>lt;sup>2</sup> Georgetown University Center on Education and the Workforce. (2021). The College Payoff. <a href="https://cew.georgetown.edu/cew-reports/collegepayoff2021/">https://cew.georgetown.edu/cew-reports/collegepayoff2021/</a>

<sup>&</sup>lt;sup>3</sup> College Board (2023) – Trends in College Pricing and Student Aid 2023 (<a href="https://research.collegeboard.org/media/pdf/Trends%20Report%202023%20Updated.pdf">https://research.collegeboard.org/media/pdf/Trends%20Report%202023%20Updated.pdf</a> U.S. Department of Education – College Scorecard (<a href="https://collegescorecard.ed.gov/">https://collegescorecard.ed.gov/</a>); Georgetown University Center on Education and the Workforce (2021) – The College Payoff (<a href="https://cew.georgetown.edu/cew-reports/collegepayoff2021/">https://cew.georgetown.edu/cew-reports/collegepayoff2021/</a>); National Center for Education Statistics (NCES) – Education Pays (<a href="https://nces.ed.gov/programs/coe/indicator/cba/annual-earnings">https://nces.ed.gov/programs/coe/indicator/cba/annual-earnings</a>); U.S. Bureau of Labor Statistics – Occupational Outlook Handbook (OOH) (<a href="https://www.bls.gov/ooh/">https://www.bls.gov/ooh/</a>); MDRC (2016) – The Value of a Certificate or Associate Degree.

<sup>4</sup> American Census Survey Data 1 Year Estimates. <a href="https://data.census.gov/">https://data.census.gov/</a>

<sup>&</sup>lt;sup>5</sup> U.S. Census Bureau, U.S. Department of Commerce. Educational Attainment. American Community Survey, ACS 1-Year Estimates Subject Tables, Table S1501. <a href="https://data.census.gov/">https://data.census.gov/</a>

<sup>&</sup>lt;sup>6</sup> U.S. Census Bureau, Post-Secondary Employment Outcomes (PSEO). <a href="https://lehd.ces.census.gov/data/pseo">https://lehd.ces.census.gov/data/pseo</a> experimental.html</a>
<sup>7</sup> Steppingblocks – UT Tyler Graduate Outcomes.



In fall 2024, the **Hibbs Institute for Business and Economic Research** launched the Hibbs Internship Program — an intentional investment in cultivating the next generation of regional researchers and leaders. The program provides undergraduate students with hands-on experience in economic analysis, allowing them to engage with real-world data and contribute to applied research focused on East Texas.

One of the program's first participants, **Sara Maldonado**, played a key role in this project. Reflecting on her experience, she shared:

"I'm incredibly grateful for the opportunity to contribute to this project. As someone about to complete my bachelor's degree, I've come to realize that there is no single right path, only the one that's right for you. This project has only reaffirmed that belief for me. I hope it reaches a high school student standing where I was four years ago and reminds them that, whatever their path looks like, they have a place here in East Texas."

Sara's perspective captures the spirit of this research. Her story — and those of the thousands of workers shaping East Texas' future — reminds us that economic growth is more than numbers. It is about creating opportunities where every path, from certificates to degrees, leads to meaningful and lasting prosperity.













