Bridging the Gap Between Higher Education and the Workplace:

A Profile of Tennessee College Graduates



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Two-thirds of Tennessee college graduates say college prepared them well for life.

About the Transforming Higher Education Partnership

The U.S. Chamber of Commerce Foundation and education experts from American Institutes for Research (AIR) and Gallup collaborated on the "Transforming Higher Education: Achieving Better Return on Investment and Employee Engagement" project supported by USA Funds. The project aims to bridge the gaps for higher education institutions, employers and students by exploring the relationships between postsecondary experiences — such as internships and relationships with mentors — and key performance indicators vital to graduates and businesses. Such indicators include employment, productivity, well-being and employee engagement among college graduates.

The partners aim to close the gaps in communication, skills and accountability between the U.S. higher education system and the country's employers through a focus on the outcomes that matter to everyone. In summer 2016, Tennessee's consumer information Web tool, www.edutrendstn.com, will receive an upgrade to include new information on return on investment and employee engagement, which can help inform students and families as they consider higher education options.

Introduction

For many students, the decision to go to college is driven by the belief that earning a degree will help them build a life that is both personally and professionally rewarding. Increasingly, through organizations such as College Measures, information is available that helps students better understand the financial return on their investments in postsecondary education. Less is known, however, about the overall quality of college graduates' lives and how their undergraduate experiences affected them.

Together, Gallup and Purdue University created an index that examines the long-term success of graduates as they pursue a good job and a better life. The Gallup-Purdue Index provides insight into the relationship between the college experience and long-term outcomes in various areas. This brief report focuses on Tennessee graduates' experiences and long-term outcomes based on their responses to the Gallup-Purdue Index survey in 2014 and 2015. The Gallup-Purdue Index study includes responses from 55,748 college graduates surveyed nationwide in 2014 and 2015, including 1,024 respondents who received a bachelor's degree from a Tennessee college or university between 1947 and 2014.

This report will focus on three key measures of life among Tennessee graduates — work, well-being and the evaluation of their college experience — to illustrate the link between undergraduate experiences and success in the workforce and in life after college.

Tennessee graduates' perceptions of and experiences with undergraduate education are generally similar to those of college graduates nationally on several of these key measures; however, lower-than-average household income levels point to a heightened financial burden for Tennessee college graduates compared with the Gallup-Purdue Index national average. And, while nearly eight in 10 Tennessee college graduates find their work interesting, less than half are fully engaged in their jobs, revealing an opportunity for Tennessee businesses to more fully engage their employees and reap additional benefits from these efforts.

Great Jobs: Workplace Engagement

Workplace engagement is more than job satisfaction. It involves employees being intellectually and emotionally connected with their organizations and work teams because they are able to do what they're best at, they like what they do and they have someone who cares about their development at work.

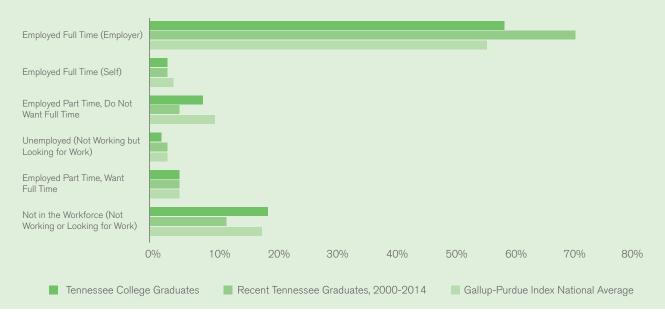
Gallup's expertise on engagement in the workplace is rooted in more than 30 years of research on the 12 elements that best predict employee and workgroup performance. Based on responses to items that measure the 12 elements, Gallup categorizes workers as engaged, not engaged or actively disengaged. People who are engaged with the work they do are more likely to be loyal and productive, resulting in tangible financial savings for businesses seeking to retain talented and productive employees.

Those who are not engaged may be productive and satisfied with their workplaces, but they are not intellectually and emotionally connected to them. Workers who are actively disengaged are physically present but intellectually and emotionally disconnected. They are unhappy with their work, share their unhappiness with their colleagues and are likely to jeopardize the performance of their teams.

If higher education does not lead graduates to an engaging job, then it has failed to deliver on a central expectation of students and their families who support them through college.

Six in 10 Tennessee college graduates (60%) who graduated in 1947 or later are working full time for an employer, which is on par with the national average of 57%. This increases to 72% among recent Tennessee graduates who graduated between 2000 and 2014. Three percent of all Tennessee college graduates are self-employed full time, and 2% of graduates report being unemployed.

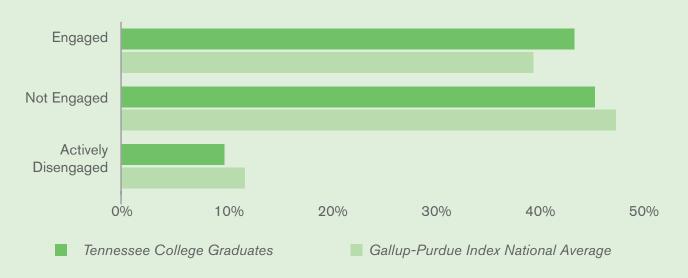
Employment Status of U.S. College Graduates



NEARLY HALF OF EMPLOYED TENNESSEE COLLEGE GRADUATES ARE ENGAGED AT WORK

Recent Gallup research shows that only 30% of employed U.S. adults are engaged in their jobs, meaning U.S. workplaces are missing vital opportunities to increase their employees' productivity and well-being, and receive economic benefits from doing so. The Gallup-Purdue Index shows that college graduates in the U.S. are more likely, at 40%, to be engaged at work than employed Americans overall. About the same percentage of Tennessee graduates (44%) are both employed and engaged at work. About one in 10 Tennessee graduates are actively disengaged at work.

U.S. College Graduates' Employee Engagement



Tennessee graduates seem to have a slight edge over college graduates nationally when it comes to having a job that allows them to do work that interests them. Gallup asked graduates how strongly they agree with the statement, "My job gives me the opportunity to do work that interests me," on a 5-point scale, where 5 means "strongly agree" and 1 means "strongly disagree." Respondents who graduated from a Tennessee college or university are slightly more likely than the Gallup-Purdue Index national average to agree that their work interests them. Forty-five percent of Tennessee graduates "strongly agree" with this statement, and 34% express some agreement by selecting the "4" response.

"My job gives me the opportunity to do work that interests me."

34% Tennessee College Graduates Agree

32% Gallup-Purdue Index National Average Agree

45% Tennessee College Graduates Strongly Agree

42% Gallup-Purdue Index National Average Strongly Agree

This level of engagement among Tennessee college graduates is important for their employers because engaged workers are vital to their organizations. <u>Gallup workplace engagement</u> studies show that business or work units that score in the top half of their organization in employee engagement have nearly double the odds of success (based on a composite of financial, customer, retention, safety, quality, shrinkage and absenteeism metrics) compared with those in the bottom half.

Companies with highly engaged workforces outperform their peers by 147% in earnings per share and realize:

- 41% fewer quality defects
- 48% fewer safety incidents
- 28% less shrinkage (an allowance made for reduction in the earnings of a business due to waste or theft)
- 65% less turnover (low-turnover organizations)
- 25% less turnover (high-turnover organizations)
- 37% less absenteeism

A highly engaged workforce means the difference between a company that thrives and one that struggles.

MOST TENNESSEE GRADUATES REPORT EXPERIENCING AT LEAST SOME UNDERGRADUATE SUPPORT

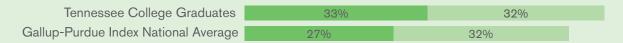
Prior to entering the workforce, undergraduates often rely on their university's support to guide their learning and development in a meaningful way. Gallup measures the support a university provides its undergraduate students by asking whether graduates strongly agree that they had a professor who cared about them as a person, had at least one professor who made them excited about learning and had a mentor who encouraged them to pursue their goals and dreams.

Tennessee graduates are slightly more likely than national graduates overall to strongly agree that professors at their college cared about them as a person, 33% vs. 27%, respectively. An additional 32% agree with this statement. A majority of Tennessee graduates (66%) strongly agree that they had at least one professor who made them excited about learning, which is on par with the 64% of national graduates who strongly agree with this statement. An additional 22% of Tennessee graduates agree with the statement.

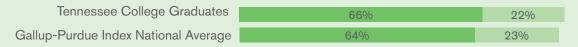
Tennessee graduates are more likely than graduates nationally to strongly agree (29%) and agree (24%) that they had a mentor who encouraged them to pursue their goals and dreams while they attended college.

Nearly one in five Tennessee graduates (19%) strongly agreed with all three statements about undergraduate support.

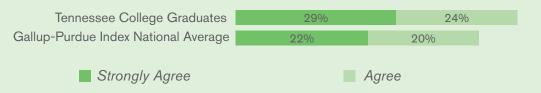
"My professors at (College/University name) cared about me as a person."



"I had at least one professor at (College/University name) who made me excited about learning."



"While attending (College/University name), I had a mentor who encouraged me to pursue my goals and dreams."



ABOUT HALF OF TENNESSEE GRADUATES PARTICIPATED IN AT LEAST ONE EXPERIENTIAL LEARNING OPPORTUNITY

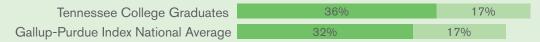
In addition to support from professors and mentors, hands-on learning outside of traditional class time contributes to the value of the overall undergraduate experience. Gallup measures "experiential learning" opportunities available during college by asking if graduates strongly agree that they had an internship or job that allowed them to apply what they were learning in the classroom, were extremely active in extracurricular activities and organizations and worked on a project that took a semester or more to complete.

Nationally, if graduates strongly agree that they participated in all three experiential learning activities, their odds of being engaged at work double, suggesting these experiential learning opportunities might assist in preparing students for good jobs later in life.

About half of Tennessee college graduates agree that they had at least one of these learning experiences. Of the three learning experiences, Tennessee college graduates are most likely to strongly agree that they worked on a project that took a semester or more to complete (36%). Nearly three in 10 Tennessee graduates (29%) strongly agree that they had an internship or job that allowed them to apply their classroom learning during college. Tennessee college graduates are least likely to strongly agree that they were extremely active in extracurricular activities and organizations (24%). These figures are all on par with the national average for college graduates.

Only 6% of Tennessee college graduates strongly agree that they had all three of these experiences while pursuing their undergraduate degree.

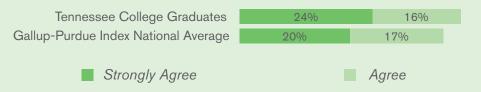
"While attending (College/University name), I worked on a project that took a semester or more to complete."



"While attending (College/University name), I had an internship or job that allowed me to apply what I was learning in the classroom."



"I was extremely active in extracurricular activities and organizations while attending (College/University name)."



Gallup also asked Tennessee college graduates if they participated in a research project with a professor or faculty member while in college. Nearly four in 10 Tennessee graduates report that they did — similar to the 35% of graduates nationally who say this.

"While attending (College/University name), did you participate in a research project with a professor or faculty member? This may include a project you participated in as part of a class you took, a thesis project or paper, a research project submitted to a professional conference, or a paper submitted to a journal for publication."

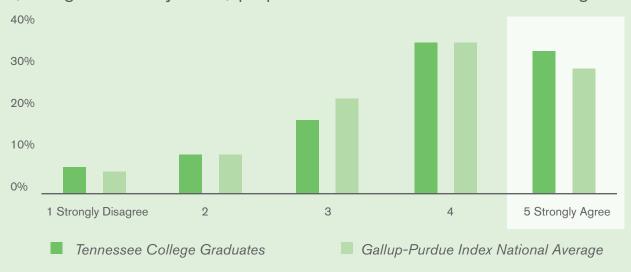


Graduates since 2000 are 20 percentage points more likely than those who received their degrees before 2000 to say they participated in such a research project: 49% vs. 29%, respectively. This difference suggests an increased emphasis in such opportunities in recent years.

MOST TENNESSEE GRADUATES AGREE COLLEGE PREPARED THEM WELL FOR LIFE

While support and experiential learning help shape students' overall undergraduate experience, the real test of the value of their degree comes with how well prepared they are for life outside of college. Overall, more than two-thirds of Tennessee college graduates either strongly agree (33%) or agree (35%) that their college or university prepared them well for life outside of college — similar to graduates in the national sample who agree. Few Tennessee graduates disagree that their college or university prepared them well for life outside of college.

"(College/University name) prepared me well for life outside of college."



Tennessee college graduates are much more likely to agree that their college or university prepared them well for life outside of college if they also report having experienced three or more of the support and experiential learning experiences described previously. This finding underscores the importance of these undergraduate experiences in preparing students for the future.

Great Lives: Well-Being

The undergraduate experience shapes a graduate's workplace experience later in life and his or her individual well-being. Well-being is not only about being happy or wealthy, nor is it only synonymous with physical health. Rather, it is about the interaction and interdependency between many aspects of life such as finding fulfillment in daily work and interactions, having strong social relationships and access to the resources people need, feeling financially secure, being physically healthy and taking part in a true community.

Gallup and Healthways developed the Gallup-Healthways Well-Being 5 View to measure these important aspects. This survey, based on findings from the Gallup-Healthways Well-Being Index® and years of joint research, asks 10 questions that gauge well-being in five elements:

Purpose Well-Being: Liking what you do each day and being motivated to achieve your goals

Social Well-Being: Having strong and supportive relationships and love in your life

Financial Well-Being: Effectively managing your economic life to reduce stress and increase security

Community Well-Being: The sense of engagement you have with the areas where you live, liking where you live and feeling safe and having pride in your community

Physical Well-Being: Having good health and enough energy to get things done on a daily basis

Gallup categorizes people's well-being in each of the elements as "thriving," "struggling" and "suffering," based on their responses. Those who are thriving are strong, consistent and progressing, while those who are struggling are moderate or inconsistent. Those who are suffering are at high risk.

Understanding how people think about and experience their lives is one of the first steps in determining the appropriate interventions that organizations, communities and higher education institutions need to take to solve their biggest challenges. This research can provide colleges and universities with insight into how to improve the lives of current undergraduates in these key areas that are within their control.

A majority of Tennessee college graduates are thriving in one or more of the five interrelated elements of well-being. Of the five elements, the highest percentage of Tennessee college graduates are thriving in purpose well-being. This means that a majority (54%) of Tennessee graduates like what they do every day and get to learn or do something interesting on a daily basis. Forty-nine percent of Tennessee graduates are thriving in social well-being, which means that a majority have strong and supportive relationships and love in their lives.

Tennessee College Graduates' Well-Being

	Thriving	Struggling	Suffering
Purpose Well-Being	54%	39%	6%
Social Well-Being	49%	41%	10%
Community Well-Being	45%	42%	13%
Financial Well-Being	43%	35%	22%
Physical Well-Being	32%	59%	8%

Tennessee college alumni, similar to their national counterparts, are least likely to be thriving in physical well-being. About a third of Tennessee college graduates (32%) are thriving in physical well-being. Less than half (45%) are thriving in community well-being. These graduates enjoy living in their communities, and they work to improve them. Likewise, about four in 10 Tennessee college graduates (43%) are thriving in financial well-being. These graduates have less financial stress and feel that their finances allow them to do the things they want to do. These figures are statistically on par with graduates in the national Gallup-Purdue Index.

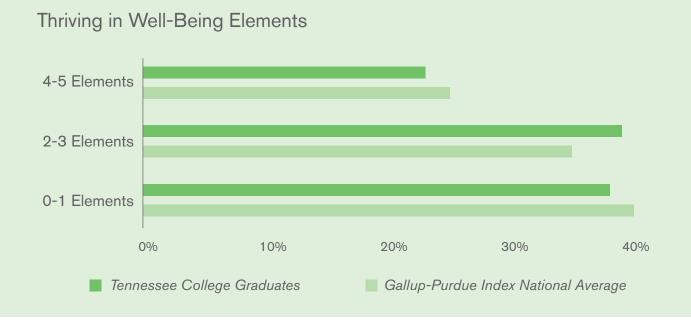
Tennessee college graduates are most likely to be suffering in financial well-being than any other element — more than one in five are suffering financially. One reason Tennessee graduates are suffering more in financial well-being than in any of the other elements could be that they earn an average of \$11,000 less annually in household income than the national average for graduates, according to the Gallup-Purdue Index data. Lower-than-average earnings could place Tennessee graduates at a disadvantage compared with graduates nationally.

"What is your total annual HOUSEHOLD income, before taxes?" (mean)

\$107,754/year - Tennessee College Graduates

\$118,831/year - Gallup-Purdue Index National Average

Tennessee college graduates are just as likely as graduates nationally to have achieved the difficult-to-reach goal of thriving in four or more well-being elements. Overall, about one in four Tennessee graduates (23%) are thriving in four or more areas of well-being, on par with alumni in the national Gallup-Purdue Index.



Great Experiences: Alumni Attachment

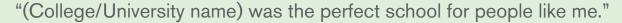
Gallup's research across hundreds of organizations in many industries shows that fully engaged customers buy more, stay with you longer and are more profitable than average customers — in good economic times and in bad.

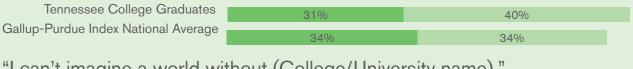
The Gallup-Purdue Index measures graduates' current emotional attachment to their alma mater by adapting Gallup's research on customer engagement to assess graduates' perceptions of their colleges both in retrospect to their undergraduate experiences and their views as current alumni.

Because students spend significant resources preparing for life outside of college, it is crucial to gauge whether the experiences they had in college promoted a well-lived life. This includes if they perceive that the college was a great fit for them, that they had professors who cared and made learning exciting and, most importantly, that their school prepared them well for life outside of college.

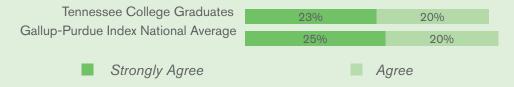
Gallup explores the connection between "customers of higher education" and their alma maters by looking at their level of agreement with two questions: "I can't imagine a world without [College/University name]" and "[College/University name] was the perfect school for people like me." Graduates who strongly agree with both items are considered "emotionally attached" to their alma mater.

About seven in 10 Tennessee college graduates either strongly agree (31%) or agree (40%) that their college or university was the perfect school for them. About four in 10 agree that they couldn't imagine a world without their college or university. Nearly one in five Tennessee college graduates (18%) are emotionally attached to their alma mater, which is comparable to the national average (19%).





"I can't imagine a world without (College/University name)."



Tennessee graduates are more likely than graduates nationally to have participated in a national fraternity or sorority, intramural sports or a student club or organization while attending college. These experiences measure the depth of the college experience for alumni and demonstrate the extent to which they participated in aspects of college life outside of the classroom during their undergraduate years.

Nearly two-thirds of Tennessee graduates say they participated in a student club or organization while in college, compared with 56% of college graduates nationwide. Slightly more than a third of Tennessee college graduates (34%) participated in intramural sports, and 24% say they were a member of a national fraternity or sorority.

"While attending (College/University name) "					
	Tennessee College Graduates	Gallup-Purdue Index National Average			
Did you participate in a student club or organization? (%Yes)	64%	56%			
Did you participate in intramural sports? (%Yes)	34%	29%			
Were you a member of a national fraternity or sorority? (%Yes)	24%	15%			

Final Thoughts

Higher education should prepare students for success both in the workforce and in life. The Gallup-Purdue Index data create the opportunity to bridge the gap for higher education institutions, employers and students by exploring the relationships between postsecondary experiences — such as internships and relationships with mentors — and key performance measures vital to graduates and businesses.

Tennessee graduates' perceptions of and experiences with undergraduate education are generally similar to those of college graduates nationally on several of these key measures; however, lower-than-average household income levels point to a heightened financial burden for Tennessee college graduates compared with the Gallup-Purdue Index national average. And, while nearly eight in 10 Tennessee college graduates find their work interesting, less than half are fully engaged in their jobs, revealing an opportunity for Tennessee businesses to more fully engage their employees and reap additional benefits from these efforts.

Methodology

Results represent data collected over the course of two years as part of the national Gallup-Purdue Index.

Year one of the study was conducted Feb. 4-March 7, 2014, with a random sample of 27,385 respondents with a bachelor's degree or higher, aged 18 and older, with Internet access, living in all 50 U.S. states and the District of Columbia. The sample was compiled from two sources: the Gallup Panel and the Gallup Daily tracking survey.

The Gallup Panel is a proprietary, probability-based longitudinal panel of U.S. adults who are selected using random-digit-dial (RDD) and address-based sampling methods. The Gallup Panel is not an opt-in panel. The Gallup Panel includes 60,000 individuals. Gallup Panel members with a college degree and access to the Internet were invited to take the Gallup-Purdue Index survey online. The Gallup Daily tracking survey sample includes national adults with a minimum quota of 50% cellphone respondents and 50% landline respondents, with additional minimum quotas by time zone within region. Landline and cellular telephone numbers are selected using RDD methods. Landline respondents are chosen at random within each household on the basis of which member had the most recent birthday. Gallup Daily tracking respondents with a college degree, who agreed to future contact, were invited to take the Gallup-Purdue Index survey online.

Year two of the study was conducted Dec. 16, 2014-June 29, 2015, with a random sample of 28,363 respondents with a bachelor's degree or higher, aged 18 and older, with Internet access, living in all 50 U.S. states and the District of Columbia. The sample was recruited using the Gallup Daily tracking survey.

Gallup-Purdue Index interviews are conducted via the Web, in English only. Samples are weighted to correct for unequal selection probability and nonresponse. The data are weighted to match national demographics of gender, age, race, Hispanic ethnicity, education and region. Demographic weighting targets are based on the most recent Current Population Survey figures for the aged 18 and older population with a U.S. bachelor's degree or higher.

All reported margins of sampling error for the Gallup-Purdue Index of all college graduates include the computed design effects for weighting.

For results based on the total sample of those with a bachelor's degree or higher, the margin of sampling error is ±<1 percentage points at the 95% confidence level.

For results based on employee engagement of those with a bachelor's degree or higher, the margin of sampling error is ±<6 percentage points at the 95% confidence level.

In addition to sampling error, question wording and practical difficulties in conducting surveys can introduce error or bias into the findings of public opinion polls.

National Comparisons

For the purposes of this report, data from the Tennessee college graduate cohort (those who received a bachelor's degree from a Tennessee college or university between 1947 and 2014) are compared with data collected from respondents in the national Gallup-Purdue Index study, all of whom obtained a bachelor's degree during the same period. Some differences may exist between the national comparison points included in this report and national estimates that Gallup has previously released because this report focuses on graduates who received their undergraduate degree from 1947 to 2014.

National college graduates compared with Tennessee graduates in this report include those who received their bachelor's degrees from Title IV degree-granting four-year public, private, for-profit or not-for-profit institutions in the U.S. as defined by the U.S. Department of Education. Demographically, the sample of Tennessee graduates is similar to graduates interviewed in the Gallup-Purdue Index national survey.

About Gallup

Gallup delivers analytics and advice to help leaders and organizations solve their most pressing problems. Combining more than 80 years of experience with its global reach, Gallup knows more about the attitudes and behaviors of employees, customers, students and citizens than any other organization in the world. Gallup works with leaders and organizations to achieve breakthroughs in customer engagement, employee engagement, organizational culture and identity, leadership development, talent-based assessments, entrepreneurship and well-being. Gallup's 2,000 professionals include noted scientists, renowned subject-matter experts and bestselling authors who work in a range of industries, including banking, finance, healthcare, consumer goods, automotive, real estate, hospitality, education, government and business-to-business.

About Healthways

Healthways is an independent, global well-being company that provides comprehensive improvement solutions to increase performance and lower healthcare costs in its client populations. Dedicated to creating a healthier world one person at a time, Healthways uses the science of well-being and behavior change to produce and measure well-being improvement for its customers. Healthways provides personalized support to individuals to optimize each participant's health and productivity and to reduce health-related costs, and also advises leaders on how to maximize well-being across an organization.

About USA Funds

USA Funds is a nonprofit corporation that supports Completion With a Purpose, building a more purposeful path for America's students to and through college, and on to rewarding careers and successful lives. USA Funds pursues its nonprofit mission through philanthropic activities and partnerships, policy research and programs and services that enhance preparation for, access to and success in higher education. Learn more at www.usafunds.org.

About the U.S. Chamber of Commerce Foundation

The U.S. Chamber of Commerce Foundation is dedicated to strengthening America's long-term competitiveness and educating the public on how our free enterprise system improves society and the economy. The Foundation conducts research and produces events on issues facing business now and in the future. Through its initiatives, the Foundation builds skills, drives innovation and encourages growth.

About American Institutes for Research

American Institutes for Research (AIR) is one of the world's largest behavioral and social science research and evaluation organizations. The overriding goal is to use the best science available to bring the most effective ideas and approaches to enhancing everyday life. For AIR, making the world a better place is not wishful thinking. It is the goal that drives them. Founded in 1946 as a not-for-profit organization, they conduct their work with strict independence, objectivity and nonpartisanship.

About College Measures

A unit of AIR, College Measures works with U.S. states to identify the labor market success of postsecondary students after they complete their degrees or other credentials. By measuring student economic success, College Measures helps students and taxpayers identify the return on the investment for students, families and governments in postsecondary education, and helps them make better informed decisions about borrowing and choice of majors.

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