

**State
Opportunity
Index**

Executive Summary



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EDUCATION FOUNDATION

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Executive Summary

Many Americans pursue a college degree as a path to a better life, seeking both personal growth and preparation for a career that provides economic security and mobility. While postsecondary education usually delivers on that promise, many learners invest substantial time and money without achieving strong career and earnings outcomes. Meanwhile, many employers struggle to find individuals with the preparation and skills they need to fill high-wage jobs. These challenges have persisted even as educational attainment has continued to rise across the country. What has become clear is that completion of postsecondary education alone does not always ensure a strong connection between education and opportunity.



Postsecondary education is also associated with meaningful non-economic benefits, such as improved health and well-being, but these advantages are difficult to fully realize for graduates who do not achieve a positive return on investment (ROI). Nationally about 70 percent of graduates of public higher education institutions can expect to secure a positive ROI within 10 years of completion, ranging from 53 to 82 percent across the states. While most graduates experience a positive ROI, these results show that every state has room to strengthen employment outcomes.

The State Opportunity Index offers a framework to help policymakers, higher education system leaders, and institutions strengthen the link between education and opportunity. The Index centers on five research-backed keys to improve outcomes for learners and employers alike:

- ▶ **Clear Outcomes** – providing accurate information on career and earnings outcomes so learners can make well-informed choices
- ▶ **Quality Coaching** – offering personalized guidance and support so learners can navigate education and career pathways with confidence
- ▶ **Affordability** – making sure cost is never an insurmountable barrier to opportunity
- ▶ **Work-Based Learning** – expanding opportunities for paid internships, apprenticeships, and other immersive experiences that connect education to career
- ▶ **Employer Alignment** – ensuring prepared learners can readily access programs that lead to quality jobs and upward financial mobility

The Index benchmarks progress across 50 states and the District of Columbia in each of these five focus areas, where data are available, highlighting both advances and areas for improvement. Since the inaugural 2024 report, many states have made meaningful strides. Yet results from the 2025 Index make clear that many learners still face barriers to achieving a positive return on their education investment.

To track progress in each focus area, the Index assigns each state to one of four categories.

LEADING	ADVANCED
State is at the forefront, demonstrating strong progress	State has made substantial progress
DEVELOPING	FOUNDATIONAL
State is in the early stages of improvement	State is just beginning its journey



Clear Outcomes

Anyone considering a postsecondary program deserves a clear understanding of where it may lead, including the kinds of jobs graduates secure and what those jobs pay. While many states still lack robust systems to track and report such outcomes, progress is occurring across the country.

- With substantial improvement since last year, most states are now Leading (20) or Advanced (17) for Clear Outcomes overall.
- Nationally, states improved in eight of the 10 elements of Clear Outcomes, representing broad-based progress across the country.
- Many states are now actively working to enhance their wage records in order to have more actionable information about employment outcomes. This year's report includes a third-party validated measure to more accurately compare progress across states.
- Many opportunities for improvement remain, especially in implementation of enhanced wage records, verified data for learning mobility, and dedicated insights capacity.



Quality Coaching

When learners receive timely labor market information, personalized guidance, and support in overcoming obstacles, they are more likely to secure a college-level job and feel satisfied with their early career progress. Yet too few learners have all of these experiences, limiting outcomes for both graduates and the workforce.

- No state is currently Leading or Advanced for Quality Coaching for its four-year institutions. In contrast, more than half of the states with available data (15 of 25) are Advanced for Quality Coaching at their two-year institutions.
- Students at four-year institutions are most likely to receive support setting goals (70 percent) and overcoming obstacles (73 percent), while they are least likely to receive timely information about labor market opportunities (21 percent).
- Similarly, students at two-year institutions are most likely to receive support setting goals (74 percent) and overcoming obstacles (74 percent), while they are least likely to receive timely information about labor market opportunities (33 percent).



Affordability

Cost remains one of the greatest barriers to achieving a positive return on investment. While community colleges are relatively more affordable, four-year institutions pose greater challenges.

- Florida is the only state Leading in Affordability of four-year institutions.
- In contrast, 35 states are Leading and 10 are Advanced in Affordability of two-year institutions.
- On-time completion (a major factor in the cost of a degree) is a challenge in every state. There are only 13 states in which the majority of students at public four-year institutions complete a degree in four years.



Work-Based Learning

Quality work-based learning experiences are instrumental in improving employment outcomes. In particular, paid work-based learning experiences are associated with higher post-completion earnings and increased probability of securing a college-level job. Participation is growing, but uneven, and data tracking participation in work-based learning remains spotty.

- About 43 percent of seniors at four-year institutions had at least one paid work-based learning experience, including an internship, co-op, practicum/clinical/student teaching, undergraduate research, and/or apprenticeship.
- Participation in paid internships among seniors at four-year institutions in 2025 increased to 37 percent nationally, up from 26 percent of graduates from 2020–2023. (Some of this increase may reflect a return to more typical levels after reduced activity during the pandemic.)
- At the two-year level nationally, 17 percent of students reported having at least one paid work-based learning experience. (Note that many community college students are likely to already have a job, so many are unable to complete a separate work-based learning experience tied to their postsecondary program of study.)



Employer Alignment

For postsecondary education to consistently deliver economic opportunity, learners must have access to programs that prepare them to secure high-wage, high-demand jobs. Employers also need reliable pipelines of qualified graduates. Employer Alignment remains a major challenge nationwide.

- Consistent with 2024, no states are Leading in Employer Alignment overall. Only three states (California, Rhode Island, and Utah) are Advanced. This outcome underscores the high underemployment rates of college graduates in every state, even as employers struggle to fill more high-wage, high-demand entry-level jobs than there are graduates with the skills to take them.
- College-level employment rates of early-career graduates are highest in the District of Columbia (72 percent) and Utah (63 percent), as well as in Maryland, Massachusetts, and Washington (62 percent each), reflecting that even in the top states, many early-career graduates struggle to secure a college-level job.
- The top states for meeting the demand for talent in opportunity jobs (i.e., selected roles in higher-wage, high-demand occupations) are California, Mississippi, Rhode Island, and Utah.
- Compared to last year, many more states are developing an adequate supply of talent in software development, data analytics, and information technology/cybersecurity to fill available openings.
- States are most likely to have gaps in finance and accounting (both professionals and support roles), health care technicians and technologists, manufacturing/trades technicians and technologists, and nursing.

THE WORK AHEAD

| Strengthening Pathways to Opportunity

With the strong majority of postsecondary students enrolled in public institutions, state policymakers, higher education systems, and public institutions play pivotal leadership roles in strengthening pathways to opportunity across America. While progress is happening across the country, too many states and institutions still lack the policies, practices, and infrastructure needed to effectively connect education with opportunity. Policymakers and institution leaders can strengthen outcomes beyond completion by adopting targeted policy and/or programmatic measures. For example:

Ensure that outcomes are clear. Address any gaps in state education-to-employment data infrastructure (e.g., enhancing wage records to understand occupational outcomes of each postsecondary program) and analytical capacity to ensure that everyone has the information needed to make well-informed choices about postsecondary education.

Expand access to quality education-to-career coaching. Invest in or strengthen education-to-career coaching for high school and college students to ensure that learners have timely labor market information, personalized guidance, and support in overcoming obstacles.

Close affordability gaps. Incorporate effective practices to enhance affordability (e.g., need-based financial aid, no-cost dual enrollment programs, initiatives to reduce time to completion, accelerated degree programs, institutional efficiency measures) to ensure cost is not a barrier to opportunity.

Scale quality work-based learning. Invest in or strengthen efforts to expand student access to quality, paid, work-based learning experiences, including incentives and supports for institutions, employers, and the intermediaries who connect them.

Improve employer alignment. Provide support for institutions to expand access to high-wage, high-demand programs – recognizing that current state funding models do not adequately reflect the typically higher cost of such programs.

While much work remains to strengthen the connection between education and opportunity in America, the 2025 State Opportunity Index illuminates positive momentum nationwide. The efforts state leaders are making to implement five keys for improving graduate outcomes will also strengthen talent availability for employers and advance economic vitality across states and the communities within them. Accomplishments to date and the continued work ahead can lead to fulfillment of the promise of postsecondary education as the most reliable pathway to opportunity in America.

| Invitation for Feedback and Partnership

The State Opportunity Index is designed to reflect the best available research and the real progress states and institutions are making nationwide. Updated each year, it is a shared resource. We welcome your feedback and partnership so we can continue learning together and help more learners experience the full promise of postsecondary education.





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