High-Level Takeaways
Value of Higher Education Study

1. Higher education continues to deliver strong economic returns.
Each additional year of postsecondary education increases annual wages by approximately **13.9 percent**. That is a substantial and statistically significant return.

2. The economic benefit is consistent across industries.
The study found positive returns in **all 15 major industry sectors** examined — from agriculture and manufacturing to health care, finance and public administration. Education pays, regardless of field.

3. Returns are especially strong in sectors critical to Tennessee.
Wage premiums ranged from:

- 9.4 percent in Social Services
- Up to 17.0 percent in Agriculture
- Double-digit returns in health, manufacturing, education and transportation

This reinforces higher education's importance to rural economies, industrial sectors and workforce development statewide.

4. Education remains one of the strongest investments an individual can make.
A nearly 14 percent wage increase per additional year rivals — and often exceeds — many traditional investment returns.
Higher education is not just a personal milestone. It is an economic growth strategy.

5. The data contradict growing skepticism.
Despite declining public perception about the value of a college degree nationally, the evidence shows the economic return remains strong and measurable.
There is a growing gap between perception and reality.

6. Higher education strengthens both individual mobility and state prosperity.
The wage premium translates into:

- Higher lifetime earnings
- Increased tax revenues
- Stronger regional competitiveness
- More resilient workforce pipelines

This is not just about students. It is about Tennessee's economic future.

7. Returns are durable and consistent over time.

The study analyzed 20.5 million working-age Americans over an 18-year period (2005–2023). The findings are not based on a short-term trend — they reflect sustained, long-term value.

8. Education is a workforce strategy — not a partisan issue.
The results align with long-standing human capital research and reinforce the role of public universities in supporting economic development, workforce readiness and industry growth.