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Is Getting a College Degree Worth It?

While the decision to attend college can seem like a daunting task and be especially difficult for young students to decide for themselves, I would like to use findings from my peer-reviewed sources, to build a case supporting the benefits of receiving a degree, and how to go about it. After reading over many sources, it seems 95% of researchers find that the monetary benefits from receiving a degree do exist, over time. So why doesn't everyone go to college? The number one problem individuals run into, is the enormous amount of money required to enter and stay in school, for a four year period. If students cannot provide funds themselves or with family support, they are required to take a student loan, or scholarship if they are eligible. The cost of tuition, accommodation, and time it takes too complete, is enough for some individuals to disregard college immediately. They may think entering the work force at 18 will give them a four year advantage over college graduates, while not accumulating all the debt that college graduates obligate to pay off. During their four year head start in the work force, they may find themselves gaining promotions or raises that keep them satisfied.

As we know, college tuition prices have increased over 1000% since 1978 (Patricia Morton, 2018). Credible studies show increasing costs of college tuition prices, while schools are receiving less federal and state funding. This has led to young students becoming much more reliant on their families for funding. Universities are more pressured now than ever to find ways

to reduce the cost of college, and find alternative ways to generate revenue (Morton, 2018). It has been shown that something as simple as assistance with the FAFSA form (free application for federal student aid), led to a 25% increase in the likelihood of students attending and staying in college (Oreopoulos, Philip, and Uros Petronijevic, 2013). This information has led me to wonder about ways we can further assist students with the decision to attend college, instead of just a study to prove its effectiveness.

My suggestion is to implement a system into society in which individuals thinking about going to college can go to, and get all the assistance they need regarding logistical information surrounding college. As we know, the complexity of financial aid programs can be extremely difficult to navigate, and seem intimidating for young students to take on themselves. With the results from (Oreopoulos, Philip, and Uros Petronijevic, 2013) study, we can see something as simple as assistance with the FAFSA form, can prove quite effective for students. One could imagine the stress and pressure an individual may be under if that individual is obligated to figure the logistics by themselves (student loan, scholarship, etc), and on top of that actually attend and graduate from a four year institution. This is why a place for individuals to go, where they can meet an “advisor”, could prove very effective in taking stress off the students, while also having someone be able to analyze the individual's situation, and help them develop a clear path to graduation. It would also result in an increase in people attending college, as we saw from Philip and Uros study, as long as the system is free, or at least reasonably priced. This would need to be a ten day program, and federally or state funded.

A great theory used to describe the decision to attend college, that should be implemented into my system, also comes from (Oreopoulos, Philip, and Uros Petronijevic, 2013). The

classical investment theory is a method where the individual weighs the returns of college, with the investment made, while accounting for direct and indirect aspects, (tuition, forgone earnings while attending etc). This method asks the students to project their anticipated future occupation and degree. The goal of this method is to help the individual visualize the investment, and analyze the returns, in order for them to decide if the benefits really do outweigh the costs. The theory says that if the difference between the benefits and the costs is larger than the present value of a students lifetime earnings without attending college, the individual would attend (Oreopoulos, Philip, and Uros Petronijevic, 2013). While this theory is flawed in many ways, for example an individual may not be sure the degree they want to pursue until after starting, I do see it as a good blueprint for individuals to use when they start thinking about the decision.

I think the classical investment theory should be paired with the relative education theory from (Jonathan Horowitz, 2018) in my implemented system. The relative education theory helps individuals determine their future anticipated occupation. It does this by assuming for individuals to obtain the scarce resource of a good job, they need to have more education than other potential applicants. It also assumes that as more individuals attend college, employers will raise the educational requirements in order to screen for better qualified applicants. Lastly, it accounts for the context of ones degree and determined labor force. Meaning, a person who gets a degree in a less-educated labor force may be seen as highly desirable, while the same person who attains a degree in a highly-educated labor force may be seen as minimally qualified rather than elite. Another important insight to remember is that the value of ones degree depreciates, as it becomes more common in the labor market (unless skilled job demand increases similarly or faster) (Jonathan Horowitz, 2018). If an individual has their degree declared and is sure they are going

to pursue it, they should use this theory to their advantage by looking into the context of their degree, and determined labor force. They need to understand the competition in their labor field, by analyzing the educational attainments of peers.

As I mentioned before, universities are more pressured these days to find ways to reduce the cost of college, and find alternative ways to generate revenue. My suggestion for this is to encourage our universities to do things like rent out unused labs, conference rooms, and auditoriums as additional ways to generate revenue. Also building our fundraising programs at the U is the most effective way for the school to bring in money, as fundraising programs can give donors the opportunity to support the school, as well as a good cause. This also allows for students to be apart of a fundraising team and handle money, as well as show students how to put on an event, and use rhetoric and linguistic skill to hopefully persuade the donors to donate to whatever their cause happens to be. Now with covid, this may be difficult to do, but not impossible. Small research teams or limited capacity events would have to be in place. At the University of Utah, I could only imagine most of the school being vacant. This would be a great time for small bubbles of people to get together and elaborate on ways we can increase revenue the U receives.

As I continued with my research, I found interesting statistics from (Jonathan Horowitz, 2018). I would like to share these statistics as I feel they add more context to help paint a better picture of the value of a college education. These findings indicate that in the United States, there has been a dramatic increase in college enrollment and completion over the past 80 years. In 1950, only 7.7% of people in the US between ages 25-29 had a bachelors degree or more. This number tripled to 22.5% by 1980, and in 2010 is now up to 31.7%. With these statistics we can see that the cultural value that individuals and employers attach to a college education is

increasing. We also see the advantages of having a college education to be strengthening, including the monetary returns to education increasing drastically in the last part of the twentieth century (Jonathan Horowitz, 2018).

With research from (Josipa Roksa and Tania Level, 2010), we can see people with a college education seem to have emerged as winners in the modern economy. They provide evidence that due to a strong demand for more educated workers, mixed with a slowdown in their supply, has led to a sharp increase in the wage premium of college degrees (since the 1980s). They suggest that the increase in returns to post secondary school, has not only produced a greater wage inequality between college educated people and other workers but also an increasing wage dispersion among highly educated workers. I particularly like this research as it also focuses on how individuals chosen fields of study correlate to their occupational trajectories over time. (Josipa Roksa and Tania Level, 2010), aim to examine inequality in occupational status among college graduates. As mentioned in the study, limited research is available regarding the majors individuals attain, and how that correlates to their occupation. As we know the US educational system tends to grant less occupationally specific credentials, when compared with other industrialized nations. This allows for more variation across educational sectors. I mean, some occupations or career paths, such as being a teacher, have a much tighter connection to the labor market as this profession and ones similar, require specific occupational training, and even certain state certifications. On the other hand there is options such as attaining a sociology degree, but this type of credit focuses more on general skills and has less discernible occupationally specific components. Meaning whether one becomes successful with this degree or not, it could be hard to correlate how this major relates to their occupation. Whats interesting

is how (Josipa Roksa and Tania Level, 2010) findings indicate that, those with high occupationally specificity are advantaged when they enter the labor market, however they have the lowest growth in occupational status over time. Contradictory, graduates in fields with low occupationally specificity, tend to experience a slower but ok beginning to their careers, but experience the highest rate of growth in occupational status over time. This leads me to believe that specific skills tend to offer more specific labor market trajectories, while general skills tend to offer great opportunities for occupational mobility. I believe this information to be important for the individual considering to attend college.

Contradictory to the benefits seen from college graduates, and the trajectories of their future occupational status, (Patricia Morton, 2018) concludes that in order for higher education to remain viable, they must figure strategic ways to reduce costs and generate revenue. She states that an educational institution can no longer assume that society embraces the value of higher education or that its longevity is assured. She concludes this by providing evidence that fiscal sustainability is in jeopardy at many institutions and universities. Patricia also shows evidence that supports her claim in that as a result of a decline in state and federal funding, costs have shifted to students and their families. She shares a statistic indicating college tuition in the United States has increase over 1000% since 1978. She also counters my standpoint on a college education being worth it, by showing a statistic that suggests the growth in the wage gap between high school and college graduates has slowed, and 25% of college graduates now earn no more than the average high school graduate. She also indicates that 68% of college students graduate with a debt averaging at \$30,000, and student loans now exceed 1.4 trillion. Patricia also highlights median income growth per household has not seen anywhere close to the rises seen in

tuition costs. Patricia believes the educational systems should focus on more of a credential based system, with shorter non-degree programs, where badges, micro certificates and certificates could be obtained, allowing for a more diverse, compilation of attainments rather than the traditional college degree.

While I think Patricia highlights valid points, I don't agree with her conclusion that in order for educational institutions in the US to remain viable, they must act deliberately and strategically to reduce costs and generate revenue. In 2020 we saw our country and many others get thrown into one of the biggest recessions in history. Now is a more difficult time than ever for institutions to generate revenue and even for some individuals who may be students, to find employment. With all the financial obstacles we are all figuring out together amidst the pandemic, undergraduate college enrollment is only down 2.5%, while public four-year schools saw even less of a change. This shows Patricia's conclusion of society not being able to embrace the value of higher education due to fiscal reasons, not being 100% true. It seems people for the most part still have incentive to partake in higher education and still value it. While Patricia may not agree, I would like to continue by analyzing further research to help me back my claim, that getting a college degree is worth it.

Lastly, I would like to share findings from (Carol Mishler, 2016) that reassure my conclusion that a college degree is worth it. Carol shows from her research that the percentage of full-time workers jumped from 54% before getting a degree, to 78% three years after receiving a degree. She also reports half of employed graduates experienced increased job responsibilities, pay, status and security. Only 11% indicated that getting a degree caused no change in their employment situation. Also it should be mentioned that outstanding personal growth has been

reported by most graduates in areas of personal achievement, development of intellectual curiosity, and the understanding of their own abilities. 85% of graduates would “definitely”, return for their degree if they had to do it over, 12% said “probably”, and only 2% said definitely not (Carol Mishler, 2016). Within the research is presented a summary of comments that graduates left regarding their experience in college and the process of obtaining a degree. Of the 150 comments received, 130 were positive and 22 negative. The top three things affirmed by graduates are, satisfaction and accomplishment, employment opportunities and enjoyment of learning and college (Carol Mishler, 2016). These findings demonstrate the worth of a degree to adult students, and helps me feel affirmed about my stance on the decision regarding college.

To conclude, it seems the benefits to a college education and degree do exist, as higher education has been seen as key to generating solutions to major issues society faces. However, we saw evidence from (Patricia Morton, 2018), that indicates the economic benefit of a college degree has been decreasing over the past 18 years. This brings me back to the importance of my idea of a system we can implement into society that will help individuals build a logistic, financial plan so they can have the opportunity to complete their education. We need a place for individuals to discuss their situations with an advisor, so they can determine if it’s realistic or even necessary for them to obtain a degree/additional schooling. While college tuition is increasing and has been over the past 30 years in the United States, I still see the returns to a college education paying off. While most would agree the costs are outrageous, higher education is a key part in our society. In my case, it makes sense and is realistic, and after further research into the returns of the investment, I am happy with my decision. While there is always ways we can encourage the schools to build their fundraising programs, bring in additional revenue, we

should embrace the worth of degree holders. 90% of research I analyzed displays the noticeable benefits reported by graduates through primary research.

Reference

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