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ABSTRACT

In 1970, 55 percent of the US population over age 25 had completed high school or some college and 11 percent had completed 4 or more years of college; by 1999, those figures had reached 83 percent and 25 percent, respectively. A comparison between 1982 and 1992 high school seniors found more completing some postsecondary credits (from 53 percent to 76 percent) and higher percentages completing degrees (from 27 percent completing an associate degree or higher to 29 percent completing a bachelors degree or higher). College offers a payoff in terms of lower unemployment and higher wages and the benefits increase with higher levels of education. An analysis of postsecondary technical certificates, academic and technical associate degrees and baccalaureate degrees shows that field of study, gender, related employment and program completion all have different effects on employment outcomes. However, many students enter but do not complete college, often because of inadequate academic preparation in high school. Analysts agree that some postsecondary training is essential for success in the workplace and that appropriate academic preparation for college is critical. For students lacking the academic foundations, a technical certificate or associate degree may be a wiser investment than attempting but failing to complete a bachelors degree. (CG)

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Everyone Goes to College Myths and Realities No. 25

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Everyone Goes to College

Does everyone go to college? Should everyone go to college? Some say the bachelor's degree is the credential for success in the world of work; others maintain subbaccalaureate credentials can offer equal, if not better, prospects for success. This *Myths and Realities* reviews participation in postsecondary education and examines views on the desirability of different postsecondary credentials.

Does Everyone Go to College?

Although not everyone goes to college, there is no question that more and more people do (Snyder 2002; Wirt et al. 2002), especially if "college" is defined to include both 2- and 4-year institutions. In March 1970, 55 percent of the U.S. population aged 25 and older had completed high school or some college and 11 percent had completed 4 or more years of college; by March 1999, those figures had reached 83 and 25 percent, respectively. Fall-term undergraduate enrollment in degree-granting 2- and 4-year institutions increased from 7.4 million in 1970 to 12.7 million in 1999 and is projected to increase to 15.3 million by 2011; higher enrollment rates of recent high school graduates (and older women) offset decreases in the 1980s and 1990s of the traditional college-age population. Between the 1969-1970 and 1999-2000 school years, the number of associate degrees granted had increased from 206,023 to 564,933; the number of bachelor's degrees, from 792,316 to 1,237,875. Although growth in undergraduate enrollments slowed somewhat in the 1980s, faster growth set in again in the 1990s and is projected to continue through 2011. [Data in this section are from Snyder 2002 and Wirt et al. 2002.]

To put such raw numbers into proportion, we can look at analyses of two national longitudinal datasets: High School and Beyond (HSB), a sample of 1980 high school sophomores scheduled for graduation in 1982, analyzed by Rosenbaum (2001); and the National Education Longitudinal Study of 1988 (NELS:1988), a sample of 1988 eighth-graders scheduled for high school graduation in 1992, analyzed by Ingels et al. (2002). Both analyses used data from follow-up studies conducted 8 years after scheduled high school graduation. Unfortunately, the two studies aggregated and reported data on postsecondary participation and completion somewhat differently, but a comparison is informative nonetheless. Rosenbaum (2001) found that, of all HSB seniors, 71 percent planned to complete an associate degree or higher, 76 percent actually entered college, 53 percent acquired at least some postsecondary credits, and almost 27 percent completed an associate degree or higher. Ingels et al. (2002) found that among NELS:88 seniors, 76 percent acquired at least some postsecondary credits and 29 percent had completed a bachelor's degree or higher. Thus, the percentage of 1992 seniors who actually acquired postsecondary credits equaled the percentage of 1982 seniors who entered college at all, whether they acquired credits or not. Furthermore, the percentage of 1992 seniors who completed a bachelor's degree (or higher) was greater than the percentage of 1982 seniors who completed an associate degree or bachelor's degree (or higher). Clearly, postsecondary participation and completion had increased in 10 years.

However, those statistics also show that many students enter but do not complete college. Although higher percentages of NELS:88 seniors earned credits and completed a degree than HSB seniors—and degree attainment is understated compared to the HSB cohort—significant numbers of postsecondary students presumably had left college with no degree. And although there is universal agreement that noncompletion is a problem, there are disagreements on the extent and significance of noncompletion.

Gray and Herr (2000), for example, argue passionately that increasing numbers of students enter college without appropriate academic preparation; in their estimation, only half of all high school graduates are prepared for college-level academics. Boesel and Fredland (1999), on the other hand, contend that standardized achievement scores recovered from a decline in the late 1960s and 1970s; students entering college now are as able and prepared as in the past. Furthermore, the significance of "noncompletion" at 2-year postsecondary institutions is considered open to question (ibid.; Gray and Herr 2000; Grubb 2002a). What about students who enroll at the local community college to see if college suits them? What about students who enroll for a few specific technical courses with no intention of getting a degree? Should those students be considered noncompleters—i.e., failures?

There is widespread agreement, however, that high school academic preparation has an effect on postsecondary persistence. For example, Wirt et al. (2002) showed a strong correlation between an academically rigorous secondary curriculum and persistence 3 years into pursuing a bachelor's degree. Rosenbaum (2001) found that 64 percent of HSB seniors with college plans and a grade point average (GPA) of A had completed their planned degree, compared to only 14 percent of seniors with a GPA of C or lower. Similarly, 12 percent of the seniors who entered college with a high school GPA of A had no credits or no transcript 8 years later, compared to 52 percent of those with high school GPA of C or lower. And in the most telling analysis, Rosenbaum found that controlling for high school grades, achievement test scores, and homework time reduced the effect of low socioeconomic status on educational attainment by almost 40 percent and *reversed* the effect of race/ethnicity—white students had lower educational attainment than either black or Hispanic students with similar high school grades, achievement test scores, and homework time.

Is There a Payoff to College?

There is indeed a payoff to college—and as a general rule, the more college, the bigger the payoff in increased career options, better promotion opportunities, higher earnings, and lower unemployment (Dohm and Wyatt 2002). Recent statistics can flesh out that statement with convincing detail:

- In 2000, the unemployment rate for workers aged 25 and over with a high school diploma was 3.5 percent; some college but no degree, 2.9 percent; associate degree, 2.3 percent; bachelor's degree, 1.8 percent; master's degree, 1.6 percent; professional or doctoral degree, 0.9 percent (Bureau of Labor Statistics n.d.; Dohm and Wyatt 2002).
- In 2000, median earnings of year-round, full-time workers aged 25 and over with a high school diploma were \$28,800; some college but no degree, \$32,400; associate degree, \$35,400; bachelor's degree, \$46,300; master's degree, \$55,300; doctorate, \$70,500; professional degree, \$80,200 ("Education Pays" 2002).

Another way to state the earnings benefits of college is the "college premium"—that is, the increase in earnings over those of a high school graduate. One synthesis of research studies (Boesel and Fredland 1999) concluded overall that college premiums had changed between 1960 and 1997, rising moderately in the 1960s to a peak around 1970, then falling considerably until around 1980 and rising sharply until the late 1980s and more slowly after that. Another synthesis (Grubb 2002a) calculated college premiums using Current Population Survey data and showed somewhat different results for premiums to males and females for bachelor's degrees but with 1996 premiums clearly above

those for 1967 for both groups. The 1996 premium for bachelor's degrees was 69 percent for males and 75 percent for females; for associate degrees, 28 percent for males and 39 percent for females; for some college but no degree, 14 percent for males and 17 percent for females (ibid.). Both syntheses agreed that earnings were higher for males but that premiums were higher for females because of the lower earnings of female high school graduates.

Interestingly, Rosenbaum (2001) also found a correlation between high school GPA and earnings for HSB students. Overall, HSB associate and bachelor's degree completers received about 10 and 15 percent higher earnings, respectively, than high school graduates without degrees. However, bachelor's degree completers with high school a GPA of C or lower enjoyed only a 4.3 percent increase in earnings—and associate degree completers with a high school GPA of C or lower earned 7 percent less than those with no degree.

What about the payoff to postsecondary career and technical education (CTE)? Earnings benefits and premiums of postsecondary CTE are lower than those for bachelor's degrees but are, on the other hand, offset by lower costs (Boesel and Fredland 1999). A more detailed analysis of the outcomes of postsecondary technical certificates, academic and technical associate degrees, and baccalaureate degrees shows a different story, with field of study, gender, related employment, and program completion all having different effects on outcomes (Grubb 1999, 2002a, 2002b; Kerckhoff and Bell 1998):

- **Field of study.** Earnings benefits for academic associate degrees tended to be small, whereas those of technical associate degrees could be substantial in certain occupational areas, matching or even bettering the typical earning benefits of a bachelor's degree. Likewise, the earnings benefits of technical certificates in certain occupational areas could equal the average benefits of associate degrees and exceed those of an academic associate degree.
- **Gender.** Men received higher earnings benefits from associate degrees in engineering, computer fields, public service, and vocational/technical fields; women, higher benefits in business and health fields. Overall, men with technical certificates received earnings comparable to men with associate degrees. However, women with typist, beautician, and medical assistant certificates had earnings comparable to women with associate degrees, whereas women with nurse assistant certificates had lower earnings than women with associate degrees.
- **Related employment.** Individuals who found employment related to their field of study received the highest earnings benefits. Next in earning benefits came individuals with academic degrees—and last came individuals with an occupationally related degree who were employed in an unrelated area.
- **Program completion.** With few exceptions, completing a program and acquiring a certificate, associate degree, or bachelor's degree led to greater earning benefits than acquiring the same amount of course credits without the credential.

Of course, the payoff on any postsecondary certificate or degree, academic or technical, depends on the labor market. There is some debate on labor market projections for occupations requiring bachelor's degrees as opposed to occupations requiring technical certificates or technical associate degrees (e.g., Boesel and Fredland 1999; Gray and Herr 2000). Nevertheless, it seems clear that both groups of occupations are growing fast and can reasonably be expected to provide plentiful job openings, whether through creation of new jobs or replacement of current workers (Crosby 2002-2003; Dohm and Wyatt 2002).

Should Everyone Go to College?

All analysts agree that at least some postsecondary education is essential for success in the workplace. There is also agreement on the critical importance of appropriate academic preparation for college and the detrimental affects of noncompletion. Certainly, a bachelor's degree

can be a good foundation for workplace success, but pursuing a bachelor's degree is a risky proposition for students without the appropriate academic foundations. For such students, a technical certificate or associate degree may indeed be a wiser investment—completing a program in a high-skill/high-wage occupational area and finding related employment can be a comparable foundation for workplace success.

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