

Assessing the Value of a College Degree

by Gene Rodriguez, III

What is real value of a college degree?

Certainly there is a financial benefit, and, given the cost of college tuition, it's no surprise that money takes center stage. However, other benefits may not be as obvious. The college experience imprints students with education, encounters and life skills that may outweigh the monetary value of a college degree.

Let's Look At the Numbers

A recent study by the College Board set the lifetime income value of a college degree at \$1 million dollars. Critics of the study have pointed out that after accounting for inflation and the cost of getting the degree, the number is closer to \$300,000. While the adjusted number is smaller, it still represents an almost 200% return on investment.

A college degree is also the "golden ticket" to graduate level studies. The College Board and others agree that those who earn a master's, law or other professional degree will have average incomes that are almost double that of someone with an undergraduate degree.

Employment Benefits Beyond Pay

Although the numbers still back the value of college degree, there are other career benefits for college graduates:

- Better benefits. The College Board study also showed that college graduates are more likely to be hired into companies that have higher than average health and retirement benefits.
- Access to higher paying jobs. Although starting salaries are higher for those with a college degree, it has also been shown that advancement opportunities are more readily available as well.
- Networking opportunities. As students pass through college, they develop a web of relationships and acquaintances that will follow them forward in professional life. These contacts (who also have college degrees) are valuable points of contact for job opportunities and career advancement.

Benefits to Society

College graduates are more likely to vote and volunteer in their community. The College Board reports that 76% of college graduates voted in the 2004 presidential election, compared to 49% of high school graduates. The same study reported that 43% of college graduates volunteered in their community, while only 20% of high school graduates listed themselves as volunteers.

<http://www.life123.com/parenting/education/college/assessing-the-value-of-a-college-degree.shtml>