

The Value of a Business Degree in 2015-2025 A Review of Literature

Jon Griffin (2015) of DoctorMyDocument conducted a review of literature about the value of a business degree from an American college/university in the 21st century. Most of the recent literature supports the idea that business degrees, and college educations in general, continue to be advantageous despite the rapidly increasing cost of tuition in the United States. For example, the Pew Research Center (2011) estimates that Americans who graduated from college enjoyed incomes more than \$20,000 higher than those without degrees.

Consistent with those findings, a team of economists recently demonstrated that a college degree is still a worthwhile investment because the financial are still significantly greater than the cost of tuition in the long run (Abel & Deitz, 2014). The researchers collected data from 1970 to 2013, and adjusting for inflation they calculated that Americans with bachelor's degrees earned \$64,500 per year, while those with associate's degrees earned \$50,000, and workers with high school as their highest education levels earned \$41,000. In fact, according to Abel and Deitz the advantage enjoyed by degree-holders is at one of the highest levels ever because the average incomes of people without degrees are quickly falling.

However, determining the value of a degree is more complicated than it might seem. Other researchers have pointed out that the degree is not the only factor contributing to greater earnings by graduates. It has been demonstrated that college graduates more disciplined, intelligent, and dependable than people whose highest levels of education are high school diplomas (Webber, 2012). The implication is that some college graduates might do as well in their careers even if they do not complete a degree, as long as they possess those beneficial attributes typical of graduates.

References

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