

BENEFITS OF COLLEGE – A REVIEW OF THE LITERATURE

There are various advantages to higher education and gaining a college degree that can bring benefit to students throughout their lives. Some of the benefits are financial, while others are social or personal. One way to categorize the benefits is to use a four-quadrant framework for measuring college outcomes proposed by researchers at the University of California (Hutton, 2017). The four quadrants are:

- Personal economic good
- Public economic good
- Personal social capital
- Public social capital

The literature identifies numerous benefits of college that we can classify using these four quadrants.

Personal economic good

Personal economic good refers to outcomes that positively affect the students' financial status (Hutton, 2017). These outcomes might affect finances directly, as in the case of salary differentials, or indirectly, as in the case of employment opportunities.

With the trend of increasing college costs and stagnant wage increases in today's economy, financial researchers still find evidence that earning a bachelor's degree is still a wise financial decision. On average, earning a bachelor's degree will allow students to earn \$1 million more than high school graduates over the course of their careers (Abel & Deitz, 2014).

Choosing a college that is a good academic match is an important factor in increasing a student's odds of completing a degree and finishing on-time. Even if a student chooses a more selective school with a higher sticker price, the amount of extra out-of-pocket expense might not be as large as the student might expect, and the benefits typically outweigh the amount of additional money spent. The benefit of selecting a college match is most pronounced for low-income students, but high-income students can see a substantial benefit as well (Howell & Pender, 2015).

College graduates tend to experience lower unemployment compared to high school graduates. In November 2011, college graduates had a 4.4 percent unemployment rate, while the rate was 8.5 percent for high school graduates. Underemployment is sometimes cited as a problem for college graduates, but research shows that even those students who earn a degree and find themselves underemployed generally acquire a college-level job by their mid-thirties (Abel & Deitz, 2014).

Public economic good

Public economic good refers to ways in which college graduates bring benefit to the financial status of the communities, regions, states, and nations in which they live. These benefits might include such things as tax revenue generated, charitable contributions, and jobs filled (Hutton, 2017).

In today's tech-driven economy, organizations are looking for workers who excel in skills that are often nonroutine and abstract, such as problem solving, multitasking, and creativity. A student's college experiences can aid in the development of such skills (Oreopoulos & Petronijevic, 2013).

Personal social capital

Personal social capital relates to a person's individual development. Benefits can cover a broad range that can include such things as critical thinking skills, understanding international perspectives, and interpersonal skills (Hutton, 2017).

One substantial way in which college can help students build social capital is through the development of interpersonal relationships. College offers students an opportunity to work with and learn from professional mentors. Mentors can provide career guidance and assistance with job-related skills as well as guidance that aids in personal development. Job-related mentoring might help students to acclimate into a work environment or help students grow a professional network and develop networking skills. Whereas personal development mentoring might help students with psychosocial tasks such as identifying areas where they can make self-improvements. Personal development mentoring has been shown to have a greater influence on a student's future capacity for socially responsible leadership. With the right type of mentor who encourages such things as being open to new experiences, appreciating diversity, and living up to their potential, students can grow into effective leaders (Campbell, et al., 2012).

Mentorship is just one way in which a college degree opens doors for future career flexibility and growth. College graduates also tend to have more job satisfaction, jobs that offer a greater sense of accomplishment, more independence and opportunities for creativity in the workplace, and more social interactions with colleagues compared to high school graduates.

Public social capital

Public social capital refers to social benefits to the community. Components of social capital include civic engagement, social cohesion, and involvement in nonprofit, teaching, and healthcare occupations (Hutton, 2017).

Getting involved as a college student can lead to greater civic involvement over a lifetime. This involvement could involve voting, political candidacy, and volunteering. One study showed college completion to have an especially large impact on the volunteering patterns of those students who were considered the least likely to earn a degree (Brand, 418). The author attributes this phenomenon to the idea that college is an "acutely consequential life-altering event among disadvantaged, low propensity college goers," (p. 429).

College graduation is also a positive indicator of both health and family benefits, which can bring benefits both to the individual and to the greater community.

Among the health advantages of college graduates are longer life expectancy, lower obesity rates, lower likelihood to smoke, and lower instances of mental illness.

Family advantages include lower likelihood of divorce and greater likelihood that their children will be successful in school.

CONCLUSION

College can be a life-altering experience for students in ways that go far beyond academics. Working toward and completing college degree can help set the student's personal and career trajectory and bring benefits that persist throughout the student's life.

COLLEGE BENEFITS TOP 10*

Student-friendly language:

1. Earn \$1M more over your lifetime.
2. Be happier in your job.
3. Connect with peers and mentors.
4. Make a difference in your community (volunteer, vote, run for office).
5. Develop your creativity and problem-solving skills.
6. Feel a sense of accomplishment.
7. Grow your career independence
8. Prepare for success in a technology-driven world.
9. Live longer and healthier.
10. Have a more satisfying family life.

In summary, college is “life-altering”!

Teacher-friendly language:

1. \$1M more lifetime earnings (Abel & Deitz, 2014)
2. Greater job satisfaction (Pew Research Center 2014)
3. Professional mentors and lifetime network (Campbell, Smith, Dugan, & Komives, 2012)
4. Higher civic engagement: More likely to vote and run for office and to volunteer in their communities (Brand, 2010; Hutton, 2017, Ishitani & McKitrick, 2013)
5. Lower unemployment rates (Bureau of Labor Statistics, 2018)
6. Develop creativity and problem-solving skills (Oreopoulos & Petronijevic, 2013)
7. Sense of accomplishment and independence (Hutton, 2017)
8. Prepared for tech-driven economy (Oreopoulos & Petronijevic, 2013)
9. Better mental health (Oreopoulos & Petronijevic, 2013) and physical health (Baum et al. 2013)
10. Longer life expectancy (Ishitani & McKitrick, 2013, Olshansky, et al. 2012)
11. Healthier family life (lower likelihood of divorce (Oreopoulos & Petronijevic, 2013), children more successful in school)

*These benefits generally compare the average student with a bachelor’s degree to the average student with a high school diploma.

College can be a life-altering experience for students, and not only academically. Here are just a few of the ways in which college can change your students' lives for the better:

1. Earning a bachelor's degree will allow students to earn, on average, \$1 million more than high school graduates over the course of their careers (Abel & Deitz, 2014).
2. College offers students an opportunity to build relationships with mentors and peers that will benefit them throughout their careers (Campbell, Smith, Dugan, & Komives, 2012).
3. College is a place where students can develop personally and grow into adulthood (Blumenkrantz & Goldstein, 2014).
4. College graduates tend to have more job satisfaction, jobs that offer a greater sense of accomplishment, more independence and opportunities for creativity, and more social interactions in their jobs than noncollege graduates (Oreopoulos & Petronijevic, 2013; Hutton, 2017).
5. Graduating from college increases students' prospects for employment. Over the last 20 years, the unemployment rate for college graduates has been approximately half that of high school graduates (Bureau of Labor Statistics, 2018).
6. College helps students develop skills that prepare them for careers in the tech-driven economy, including nonroutine, abstract skills that aid in problem solving, multitasking, and creativity (Oreopoulos & Petronijevic, 2013).
7. College can broaden students' understanding of the world and international perspectives (Hutton, 2017).
8. Getting involved as a college student can lead to greater civic involvement over a lifetime. College graduates are more likely to vote, run for political office, and volunteer in their communities (Brand, 2010; Hutton, 2017; Ishitani & McKitrick, 2013).
9. College graduates experience health benefits, including longer life expectancy, lower obesity, lower likelihood to smoke, and lower instances of mental illness (Baum et al. 2013; Oreopoulos & Petronijevic, 2013).
10. College graduates tend to experience family benefits, including lower likelihood of divorce and children who are more successful in school (Oreopoulos & Petronijevic, 2013).

BIBLIOGRAPHY

Abel, J. R. & Deitz, R. (2014). Do the benefits of college still outweigh the costs? *Current Issues in Economics and Finance*, 20(3), 1-9.

Considering the various costs and benefits in today's economy, earning a college degree still shows evidence of being a wise decision.

"Despite entering the labor force at a later age, workers with a bachelor's degree on average earn well over \$1 million more than high school graduates during their working lives" (p. 4).

Even students who earn a degree and find themselves underemployed eventually tend to acquire college-level jobs.

Brand, J. E. (2010). Civic returns to higher education: A note on heterogeneous effects. *Social Forces*, 89(2), 417-433.

The author's research considers whether civic returns differ for different segments of the population.

"Schools function to embed the nation's youth with moral and civic norms and prepare them to participate in an informed and intelligent manner" (p. 428).

"College completion has the largest impact on volunteering among individuals least likely to complete college," (p. 429).

Recent findings show that "college is an acutely consequential life-altering event among disadvantaged, low propensity college goers."

Bureau of Labor Statistics, U.S. Department of Labor, (2018). Unemployment rate 2.1 percent for college grads, 4.3 percent for high school grads in April 2018. *The Economics Daily*, Retrieved from <https://www.bls.gov/opub/ted/2018/unemployment-rate-2-1-percent-for-college-grads-4-3-percent-for-high-school-grads-in-april-2018.htm>

Twenty-year graph shows that between 1998 and 2018 the unemployment rate for college graduates has consistently been around half that of high school graduates. The unemployment rate for those without a high school diploma is significantly greater.

Campbell, C. M., Smith, M., Dugan, J. P., & Komives, S. R. (2012). Mentors and college student leadership outcomes: The importance of position and process. *The Review of Higher Education*, 35(4), 595-625.

The article examines how different mentoring processes and different types of mentoring relationships affect the mentee's capacity for leadership.

Two primary types, career mentoring and psychosocial mentoring are compared.

"Career mentoring tends to focus on socialization to the work-world, networking, and job-oriented skills. Psychosocial mentoring tends to yield outcomes such as reflective abilities, challenging oneself, coping skills, and openness to new experiences" (p. 615).

The authors make the claim that psychosocial mentoring has a strong connection to mentoring for personal development and is effective in influencing the capacity for socially responsible leadership.

More than simply having a mentor, the details of the actual mentorship process influence a student's leadership development. "The findings suggest that mentors who want to instill socially responsible leadership should focus on the student's personal development and leadership empowerment within the mentoring relationship...for example, helping them to be open to new experiences, to appreciate diversity, to be a role model, or to live up to their potential" (p. 619).

[Howell, J. S. & Pender, M. \(2015\). The costs and benefits of enrolling in an academically matched college. *Economics of Education Review*, 51, 152-168.](#)

The article considers the potential economic benefits of attending a college that is a good match for a student's academic achievement.

It discusses the relationship between college selectivity and academic match and a student's outcomes, including degree completion and experience on the labor market. Students must weigh the potential benefits of attending a more selective college with the potential drawbacks of a larger sticker price for such colleges.

The authors considered SAT data as well as NPSAS and National Student Clearinghouse data in their analysis. They examined net price of attendance and bachelor's degree completion rates.

"The results indicate that low-income students throughout the distribution of academic ability have the most to gain (in terms of on-time completion) at the lowest additional expense from enrolling in an academically matched college, but that the predicted increases in completion probability per additional dollar spent are dramatic even for high-income students who would likely pay the full cost of attendance" (p. 153).

[Hutton, H. \(2017\). Learn to articulate the value of college beyond dollar signs. *Recruiting & Retaining Adult Learners*, 19\(7\), 6-7.](#)

The author presents a four-quadrant framework for measuring college outcomes from University of California researchers. The framework has the intention of going beyond purely financial considerations to explore the diverse benefits of degree attainment.

Public economic good

Tax revenue generated, charitable contributions, and jobs taken within the community.

Personal economic good

Income, employment outcomes, and the student's earnings compared with parent's earnings. Low-income students were cited as making double their parents' income within five years of graduation.

Personal social capital

Personal development, critical thinking skills, understanding international perspectives, interpersonal skills.

Public social capital

Civic engagement, social cohesion, work in nonprofit, teaching, and healthcare occupations.

[Ishitani, T. T. & McKittrick, S. A. \(2013\). The effects of academic programs and institutional characteristics on postgraduate civic engagement behavior. *Journal of College Student Development*, 54\(4\), 379-396.](#)

The article describes the relationship between college program and civic engagement after graduation. Its focus goes beyond purely economic benefits to consider one aspect of social capital. The study's intent is to consider how the higher education experience contributes to a student's future civic engagement.

One notable finding was that higher college engagement related to a significantly increased likelihood of higher levels of civic participation after college.

Trends in life expectancy at birth from 1990 to 2008 within the four educational categories indicate that among the six subgroups, only Hispanic females did not experience rising longevity among those with a high school education or higher, as seen in the Appendix exhibits.³⁶ For those with less than a high school education, white males and white females experienced a consistent pattern of decreasing longevity, while blacks and Hispanics of both sexes exhibited increasing longevity (Exhibit 2 shows the data for white females).

[Le, S. \(2015\). Can college outreach programs improve college readiness? The case of the college bound, St. Louis program. *Research in Higher Education*, 57\(3\), 261-287.](#)

"Baum et al. (2013) found that in 2011, those with a bachelor's degree earned approximately \$21,000 more annually than those with a high school diploma. Similarly, Carnevale et al. (2011) found that on average, college graduates with a bachelor's degree earn \$2.3 million over their lifetime compared to \$1.3 million for those with a high school degree."

"People with a bachelor's degree are more likely to have better health, including having lower rates of obesity (Baum et al. 2013), lower proclivity to smoke (National Center for Health Statistics 2012), and longer life expectancy (Olshansky et al. 2012). College graduates are also likely more to vote (Mitra 2011) and to volunteer in their communities and engage in other civic activities (Ryu 2015) than high school graduates with no college degree. College graduates also report higher levels of satisfaction with their jobs (Pew Research Center 2014) and with their marriages (Pew Research Center 2010)."

"Undermatching, is more prevalent among lower-income students (nearly 50 %) than among higher-income students (34 %) (Smith et al. 2013)."

"Social support can take many forms, but one of the most critical factors is students' perceptions of support by their peers, family, and instructors."

"Campus engagement, as well as mentoring experiences with faculty, are important factors in the college experience because they are positively predictive of postsecondary persistence (Fischer 2007; Lehmann 2007)."

[Olshansky, S. J., et al. \(2012\). Differences in life expectancy due to race and educational differences are widening, and many may not catch up. *Health Affairs*, 31\(8\), 1803-1813.](#)

Across demographic groups, those who had attended at least one year of college have higher life expectancy.

[Oreopoulos, P. & Petronijevic, U. \(2013\). Making college worth it: A review of the returns to higher education. *The Future of Children*, 23\(1\), 41-65.](#)

The authors cite technological change as one aspect of why the earnings gap between college graduates and high school graduates is growing.

They refer to a FAFSA experiment wherein students who received assistance with completing the FAFSA were 25 percent more likely to enter and stay in college.

The unemployment rate for college graduates tends to be lower than for high school graduates. In November 2011, college graduates had a 4.4 percent unemployment rate, while the rate was 8.5 percent for high school graduates.

The authors postulate that college graduates have become more valuable in the tech-driven economy because they excel in nonroutine, abstract skills that aid in problem solving, multitasking, and creativity.

The authors cite research that indicates " workers with more schooling hold jobs that offer a greater sense of accomplishment, more independence and opportunities for creativity, and more social interactions than jobs available to noncollege graduates" (p. 55).

Greater education has also been shown to relate to better family life, including reduced likelihood of divorce or mental illness.