

Newsletter

*Does higher education mean higher salaries?*

November 1, 2009

At the turn of the 20th century, only a minority of adults had a high school diploma. But these days, education is playing an even bigger part in your career than ever before. As our society has continued to evolve, education has become the most favorable route to professional success. Pursuing a degree seems to be the best way to receive training, to gain expertise in a given field, and even to guide you and help you make choices about your career. Today, a formal and focused education is an essential ingredient. Employers have increasingly used diplomas and degrees as a way to screen applicants.

According to [earnmydegree.com](http://earnmydegree.com), a person with a Bachelor's degree will earn, on average, almost twice as much as workers with a high school diploma over a lifetime. The real question now is whether or not to pursue an even higher degree.

Discouraging forecasts of smaller raises coupled with a tough job market have increased the number of people returning to school. Numbers have been steadily growing because of increased educational requirements in the job market and the fact that on average a higher level of education translates into a higher annual salary. Additionally, college students are rethinking their entry into the real world. Many students are continuing their education in hopes to dodge the unsightly job market. But is this really the best way to combat these growing issues?

Salary.com's calculations placed bachelor's degree holders at an average salary of \$43,000, and master's degree holders at \$53,000. Many professionals assume it is logical to go back to school just as many undergraduates assume it is a good idea to avoid the tough job market altogether and enter graduate school immediately upon graduation. But many experts disagree, and are encouraging individuals to first weigh the benefits along with the drawbacks of attending graduate school. While it may seem like a good choice for everyone, there are costs associated with attaining a higher degree, not to mention the career risks one takes if rushing into such a decision.

Many career counselors suggest that workers seek a higher degree to pursue a passion or strong interest that they have in a subject. You should avoid chasing a degree in hopes to gain a higher income or job security because these are not always guaranteed. It is also advised to first gain work experience in your specific field to help confirm your interests and better make a decision. In the past, employers have encouraged employees to take advantage of tuition reimbursement programs to go back to school but when the economy took a downturn, many of these programs were eliminated.

Average graduate school and living costs per year are running upwards of \$26,000 a year according to [USNews.com](http://USNews.com), not to mention the burden of loans upon graduation and the lost income and savings due to being out of the workplace. This is the reason some experts suggest taking classes part-time while continuing to work. This way you won't forgo potential promotions and the income will help with the cost of attending school.

It is also important to keep in mind how valid your degree is in your chosen field. Going back to school in a field because it is in high demand or pays a high salary is risky as it's possible the job market will have changed once you graduate. Another factor to consider is the type of company at which you want to work for upon receiving the degree. While Fortune 500 companies often require an M.B.A for advancement, it may not be necessary or even beneficial to obtain that degree for other companies.

All in all, it is most important that you define your own personal priorities and goals regarding a higher degree before making a decision. [CBSalary.com](http://CBSalary.com) states that more formal education or advanced credentials in your specific field of work or occupational area will carry some weight in starting-salary offers but how much difference will depend on the employers and their practices. It's also important to remember that in this economy, the job market

is more competitive than ever. While it may not boost your salary in some cases, having higher education on your resume certainly won't hurt.