

At 30% of Colleges, More Than Half of Students Earn Less Than High School Graduates After 10 Years, Georgetown CEW Finds

CEW's new rankings of 4,500 colleges and universities reflect updated College Scorecard data

(Washington, DC, Feb. 15, 2022) Is college worth it? In an attempt to answer this question, the Georgetown University Center on Education and the Workforce (CEW) released an [online tool](#) with updated rankings of 4,500 colleges and universities based on new College Scorecard data. CEW also analyzed a new metric that measures the share of students at an institution whose earnings 10 years after enrollment are higher than those of workers with only a high school diploma.

An average of 60% of college students across institutions earn more than a high school graduate after 10 years, the analysis finds. However, at 1,233 postsecondary institutions (30% of all colleges), more than half of students 10 years after enrollment earn less than a high school graduate. CEW's previous research suggests that these low earnings may be related to low college graduation rates and disparities in earnings by gender and by race and ethnicity.

"College typically pays off, but the return on investment varies by credential, program of study, and institution," CEW Director Dr. Anthony P. Carnevale said. "It's important to inform people about the risk of taking out loans but not graduating, which could leave them without the increased earnings that would help them repay those loans."

Private colleges that primarily offer bachelor's degrees lead the list of institutions that provide the highest returns on investment 40 years after enrollment, just as they have in earlier versions of the College Scorecard. In fact, the 10 colleges with the best long-term net economic gains, ranked below, are four-year non-profit institutions, led by three pharmacy schools. Charles R Drew University of Medicine and Science, the Massachusetts Institute of Technology, and the University of Health Sciences and Pharmacy in St. Louis also rank in the top 10 for short-term returns.

1. University of Health Sciences and Pharmacy in St. Louis (\$2.68 million)
2. Albany College of Pharmacy and Health Sciences (\$2.61 million)
3. Massachusetts College of Pharmacy and Health Sciences (\$2.51 million)
4. California Institute of Technology (\$2.49 million)
5. Massachusetts Institute of Technology (\$2.49 million)
6. Charles R Drew University of Medicine and Science (\$2.39 million)
7. Harvey Mudd College (\$2.37 million)
8. Bentley University (\$2.25 million)
9. Babson College (\$2.24 million)
10. University of Pennsylvania (\$2.21 million)

Meanwhile, colleges that predominantly offer certificates or associate's degrees have the highest return on investment 10 years after enrollment. Twenty-five of the 30 institutions with the best short-term net

economic gains primarily grant certificates or associate's degrees. Because these programs require fewer credits to complete, they generally leave students with less debt and allow them to enter the workforce sooner. In the long run, however, the returns of these programs fall behind those of bachelor's degree-granting institutions because students' long-term earnings are lower.

The type of institution also makes a difference in overall return on investment. Public colleges, where tuition is lower and students accumulate less debt, lead to better returns than private colleges at the 10-year horizon. Likewise, at the 40-year horizon, four-year public institutions lead to higher returns (\$1.03 million) than four-year private nonprofit institutions (\$984,000). Public institutions primarily granting associate's degrees have a long-term return of \$856,000 while the return at private nonprofit institutions at the same degree level is \$780,000.

These findings hold true for many schools, but there are notable exceptions. In some cases, public and private for-profit institutions offer returns of more than \$1 million at the 40-year horizon, exceeding the median 40-year returns of private institutions. For example, Southern Westchester BOCES-Practical Nursing Program has 40-year returns of about \$1.6 million, and the Ocean Corporation, a private for-profit institution, has 40-year returns of about \$1.5 million.

"We need a comprehensive career counseling system to help students and their families use this information to make decisions about college," said Martin Van Der Werf, CEW director of editorial and education policy.

Visit cew.georgetown.edu/ROI2022 to view a sortable table of 4,500 colleges and universities ranked by ROI metrics including tuition, median student debt and earnings, and the share of students with earnings greater than high school graduates.

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