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Colleges Award Similar Number of Certificates and Associate's Degrees Combined as They Do Bachelor's Degrees, Says New Georgetown University Report

Certificate and associate's degree programs disproportionately enroll racial and ethnic minorities

(Washington, DC, January 28, 2020) While a bachelor's degree is the gold standard for stable employment and lifetime earnings, it is not the only route to economic opportunity. A new report from the Georgetown University Center on Education and the Workforce (CEW) finds that field of study especially influences future earnings for certificates and many associate's degree programs since these programs are tightly linked with specific occupations. *The Overlooked Value of Certificates and Associate's Degrees: What Students Need to Know Before They Go to College* examines the labor-market value of associate's degrees and certificate programs, revealing that the combined number of certificates and associate's degrees awarded by colleges is similar to the number of bachelor's degrees awarded—around 2 million per year—with certificates and associate's degrees each accounting for about 1 million.

"Field of study matters most when it comes to certificates and associate's degrees," said Dr. Anthony P. Carnevale, lead author and CEW director. "A worker with an associate's degree can earn more than a worker with a bachelor's degree, and shorter-term credentials like certificates and certifications can out-earn associate's degrees."

Associate's degree holders who studied engineering have median earnings between $50,001 and $60,000 per year, compared to workers with a bachelor's degree in education, who have median earnings between $30,001 and $40,000 per year. Workers with certificates in construction trades and other blue-collar fields have median earnings that are as high as those of bachelor's degree recipients in liberal arts and humanities (between $40,001 and $50,000).

Certificate and associate's degree programs are linked strongly to careers—about 94% of certificates and 57% of associate's degrees are awarded in career-oriented fields. And within each award, earnings vary by field of study in a pattern similar to that found among bachelor's degrees.

For workers with associate's degrees, engineering leads to median earnings that are roughly twice as high (between $50,001 and $60,000) as for degrees in education and the arts (between $20,001 and $30,000). Workers with associate's degrees in liberal arts and general studies, which typically are transfer-oriented degrees, have lower median earnings (between $30,001 and $40,000) than those in the health and business fields and blue-collar fields, such as construction (between $40,001 and $50,000).

Among workers with certificates, those who studied engineering technologies have median earnings between $75,001 and $150,000, easily outpacing those with certificates in cosmetology and education, who have median earnings between $10,001 and $20,000. Earning a certificate in a blue-collar field (such as mechanic or repair technologies, manufacturing, and construction trades) can lead to a job with median earnings between $40,001 and $50,000.

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The researchers also looked at enrollment trends by program type and the demographics of those enrolled, determining that more students are enrolled in certificate and associate's degree programs than in bachelor's degree programs. About 50% of postsecondary students taking undergraduate coursework are enrolled in certificate and associate's degree programs, and 47% are enrolled in bachelor's degree programs. About 3% of students are taking coursework but are not enrolled in a certificate or degree program.

Students enrolled in certificate and associate's degree programs are disproportionately racial and ethnic minorities. Among certificate, associate's degree, and bachelor's degree seekers enrolled in college, Black and Latino students are more concentrated in certificate and associate's degree programs (56% and 62%, respectively) than in bachelor's degree programs (44% and 38%, respectively). The reverse is true for Whites, who are more concentrated in bachelor's degree programs (53%) than in certificate or associate's degree programs (47%).

Furthermore, in states where Blacks and Latinos each make up a sizable proportion of the state population, they are overrepresented in certificate attainment relative to their population shares. For example, in Mississippi, Blacks are 37% of the population but earn 50% of certificates awarded. In California, Latinos are 36% of the population but earn 44% of certificates awarded. In all of these states, Whites are overrepresented in bachelor's degree attainment.

"Even though Blacks and Latinos are earning postsecondary credentials at higher rates today, the fact that they are obtaining lower levels of postsecondary attainment than Whites means we have a lot of work to do to close equity gaps," said Tanya I. Garcia, co-author of the report and senior fellow at CEW.

The report also analyzed the labor-market outcomes of associate's degrees and certificates in 10 states: Colorado, Connecticut, Indiana, Kentucky, Minnesota, Ohio, Oregon, Texas, Virginia, and Washington. Across these states, workers with associate's degrees in engineering technologies and health professions out-earn those with associate's degrees in other fields in nearly every state. Among certificate programs, engineering technologies is the only broad field of study that places in the top five in eight of the 10 states, and it ranks as the single top-earning field for certificate holders in three of the states that provided data. Workers with certificates in blue-collar fields have the highest earnings among certificate holders in more than half of the states.

Other Findings:

- Workers who report being employed in a job related to their certificate program have higher median earnings (between $40,001 and $50,000) than those who are not working in a related job (between $20,001 and $30,000).
- About 8% of workers have a certificate as their highest level of educational attainment, and 9% have an associate's degree. An additional 15% of workers have some college but no credential.
- In Texas, workers with associate's degrees in chemical technology have median earnings of $75,500, compared to $50,600 in median earnings for bachelor's degree holders in the state.
- In Ohio, certificate holders in industrial technology make $65,000 in median earnings, well above the $45,700 in median earnings for workers with bachelor's degrees there.

Building student pathways from certificate programs to associate's and bachelor's degree programs will help students better progress in their careers. But without an improved understanding of the educational and economic value of the full range of credentials on the middle-skills pathway, policymakers and higher education leaders risk formulating public policy that excludes a large segment of students.

To read the full report, visit cew.georgetown.edu/SubBA.

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