

# The Graduate Degree's Golden Age

How Trends in the Job Market, Society, and Academic Innovation Are Shaping Demand for Post-Baccalaureate Education

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**July 11, 2016**

*Council of Graduate Schools*

Savannah, GA





**Higher education**  
**Is college worth it?**  
**The Economist**


Too many degrees are a waste of money. The return on higher education is better if college were cheaper

Apr 20th 2014 | CHICAGO | From the print edition



Like 100

**COLLEGE  
 DISRUPTED**



THE GREAT UNBUNDLING OF  
 HIGHER EDUCATION

**RYAN CRAIG**

**The  
 End of  
 College**

Creating the Future of Learning  
 and the University of Everywhere

**KEVIN CAREY**

**The death of degrees? 9  
 alternative credentialing  
 approaches**

By Roger Riddell / February 21, 2013

THE CHRONICLE OF HIGHER EDUCATION  
**'Badges' Earned Online Pose Challenge  
 to Traditional College Diplomas**



**CHIEF LEARNING OFFICER**  
**The End of the Master's Degree?**

August 26, 2012  
 By Eric Frenson



Last week, The Wall Street Journal reported that graduate students across the country are taking on more college loan borrowing. According to the press, grad programs can reach up to \$20,000 and \$30,000 a year — a full year handed off to the federal government through loan forgiveness programs.

**R.I.P.**

**Graduate  
 Degree**

1150 - 2012

**LinkedIn eats the university**

WWW.CMUL.EDU/UNIVERSITY-VENTURES APRIL 16, 2013 6:00 PM  
 TAGS: EFFICIENT, UNIVERSITY, LEADERSHIP, RYAN CRAIG



**The Degree Is Doomed**  
**Harvard Business Review**

By Michael Reardon

The credential — the degree or certificate — has long been the quantitative value proposition of higher education. Americans have embraced degrees with a fervor generally reserved for hot dogs. Everyone should have them. Many and others feel that government value elsewhere in the world — in debt in particular — is if anything even higher.

**THE WALL STREET JOURNAL.**

U.S. | EDUCATION

**Grad-School Loan Binge Fans Debt Worries**  
 Graduate students account for 40% of borrowing; many seek federal forgiveness

By **JOSH MITCHELL**  
 August 18, 2015

Virginia Murphy borrowing becoming a public defense American borrower: those

**Newsweek**

**TECH & SCIENCE**

**CHEAPER AND SMARTER: BLOWING  
 UP COLLEGE WITH NANODEGREES**

BY KEVIN MANEY ON 10/4/15 AT 1:53 PM

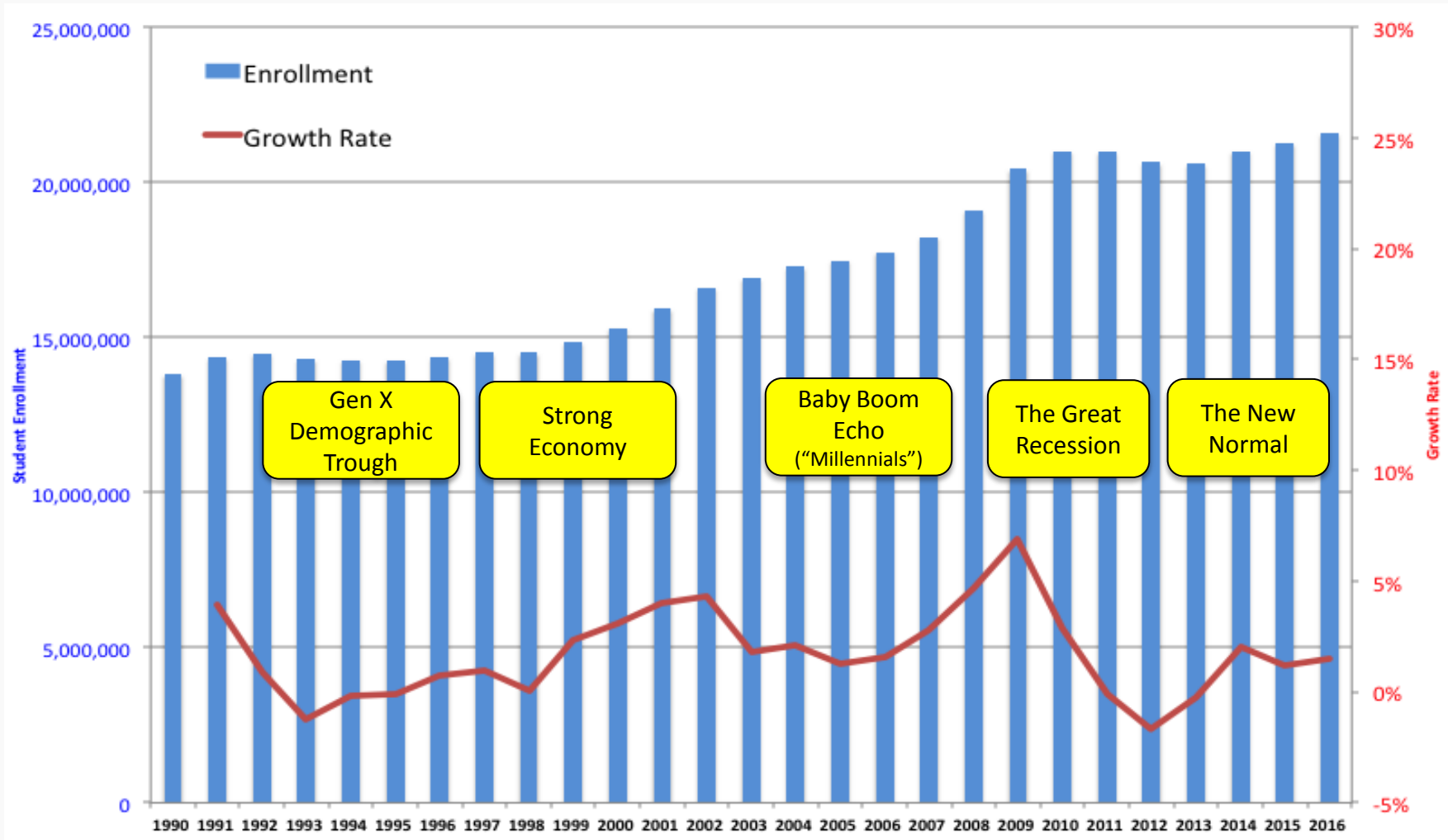
**Are master's degrees on their way out?  
 Alternatives grow as enrollment fades**

By Jeffrey J. Seidman April 23, 2015

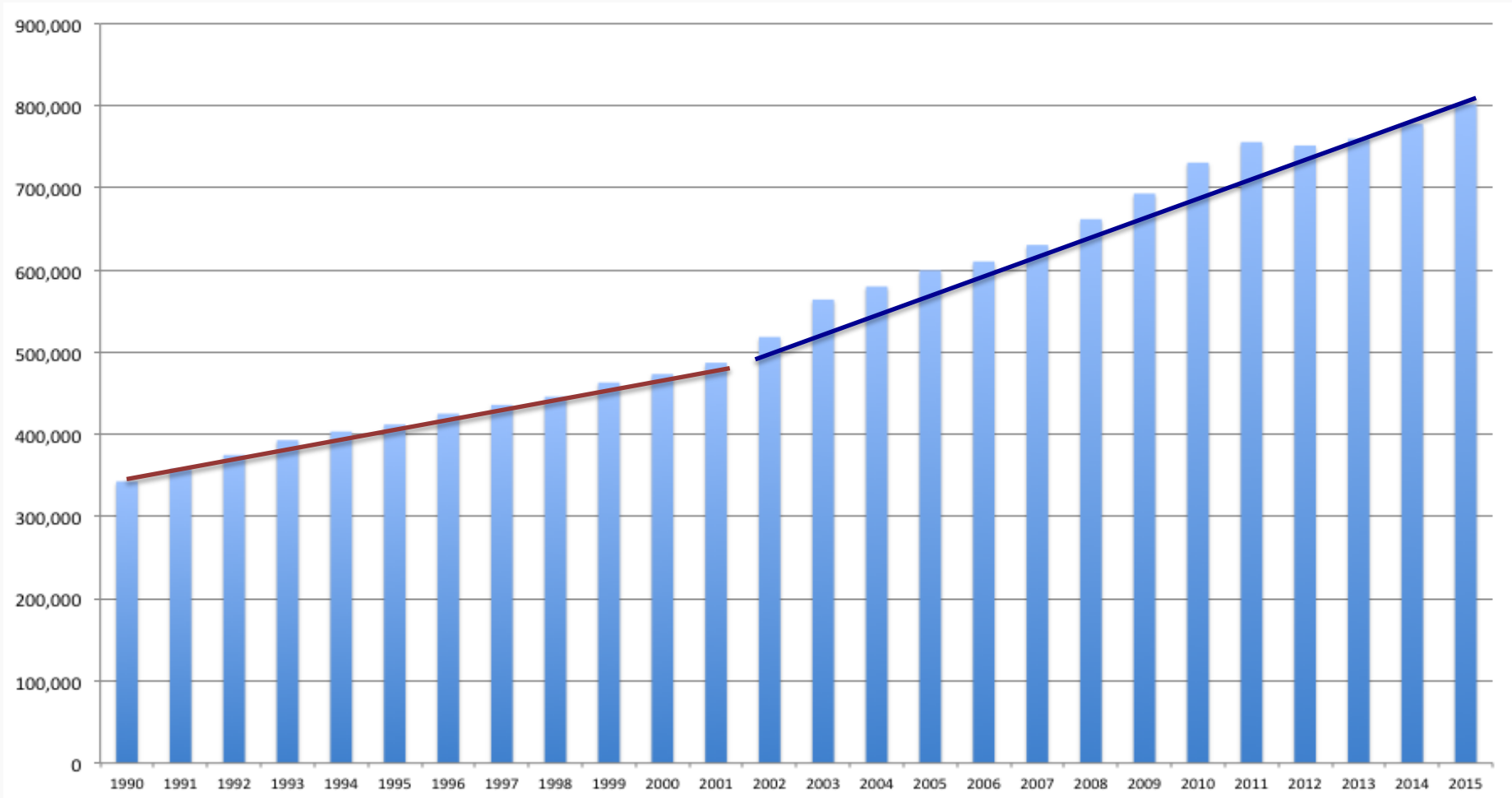
**The Washington Post**



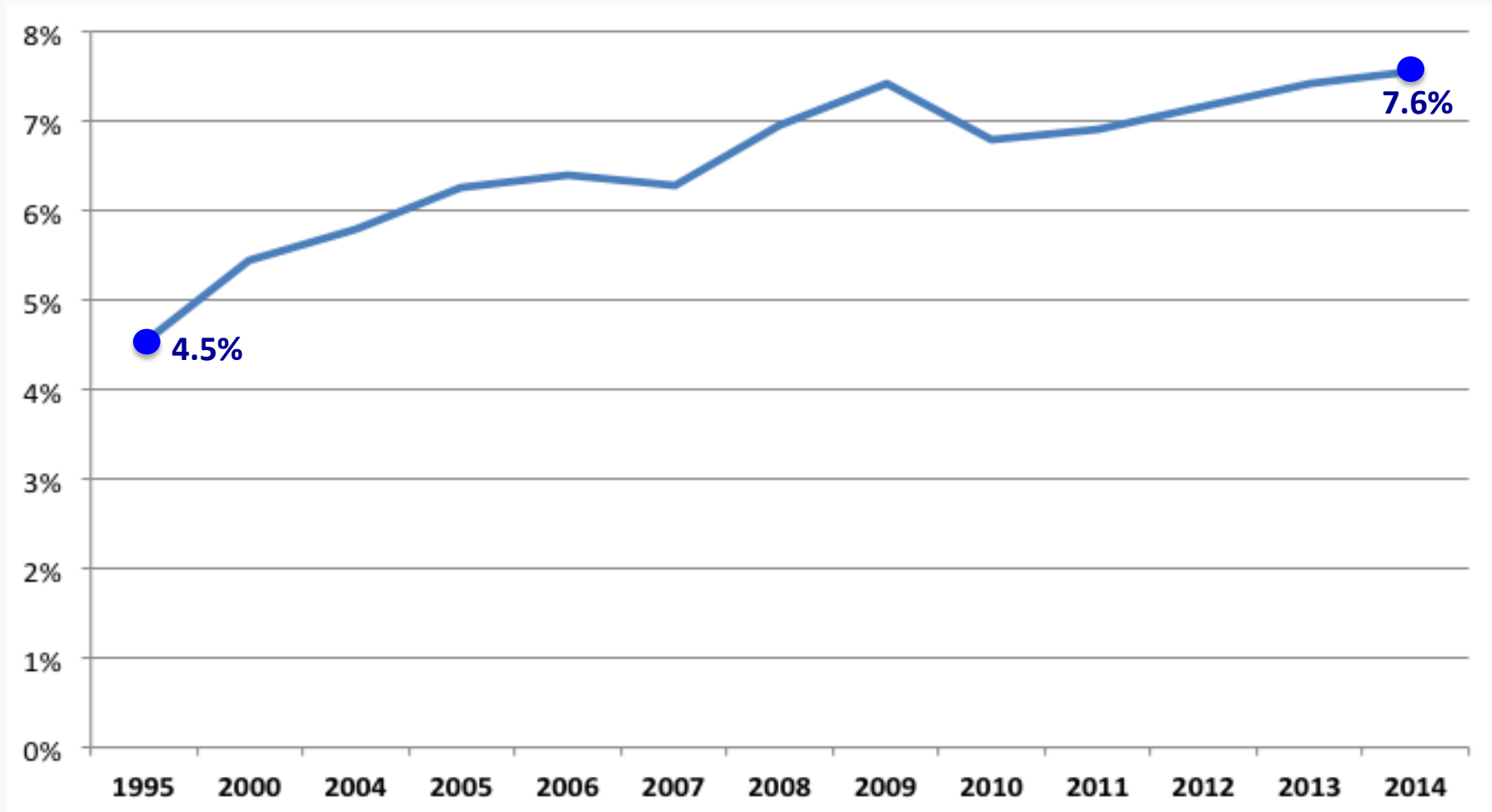
# The Big Picture: 25 Years of Generally Rising Higher Ed Demand



# 75% Growth in Master's Degrees Conferrals Since 2000

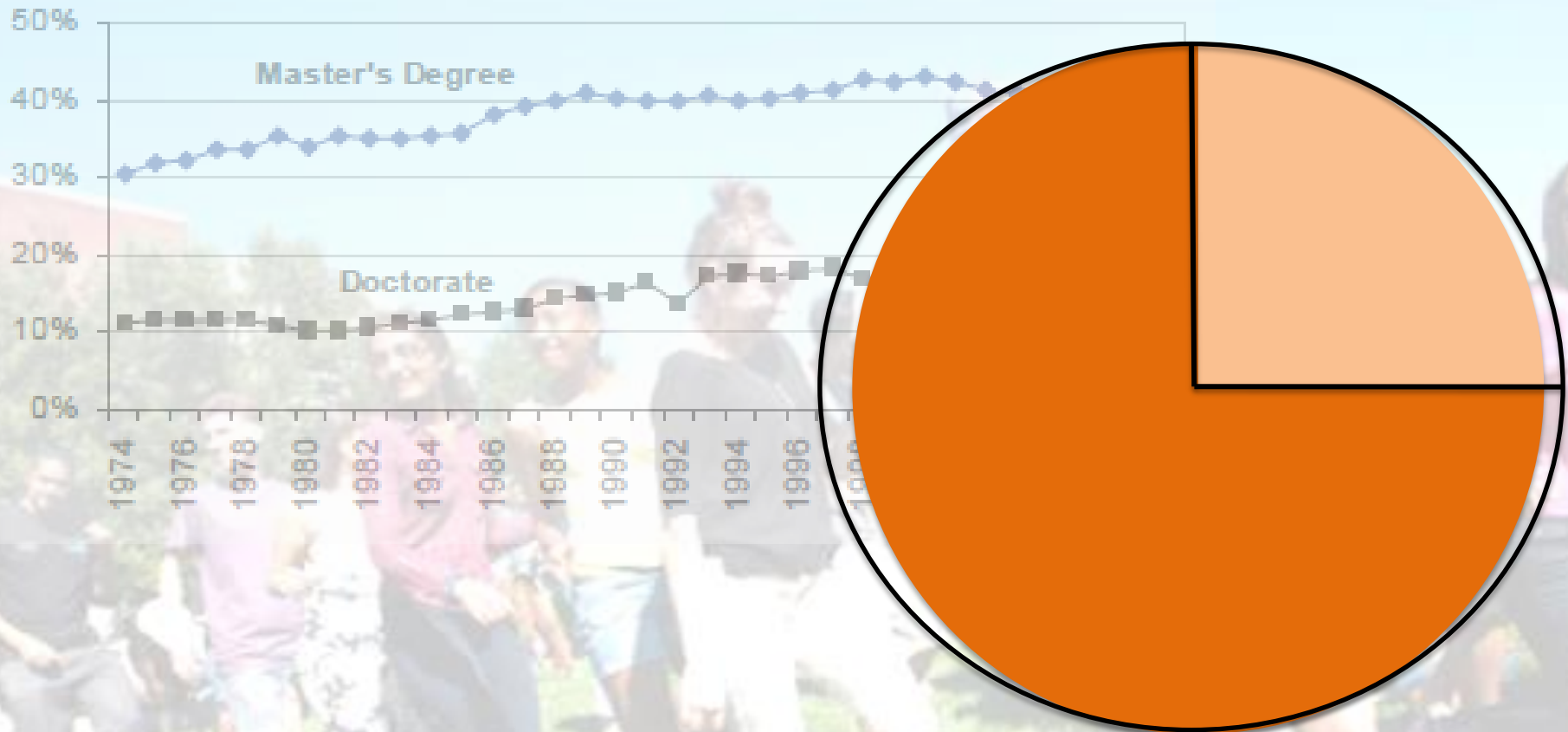


## Master's Degree Attainment Among 25-29 Year Olds Has Nearly Doubled Over the Last 20 Years



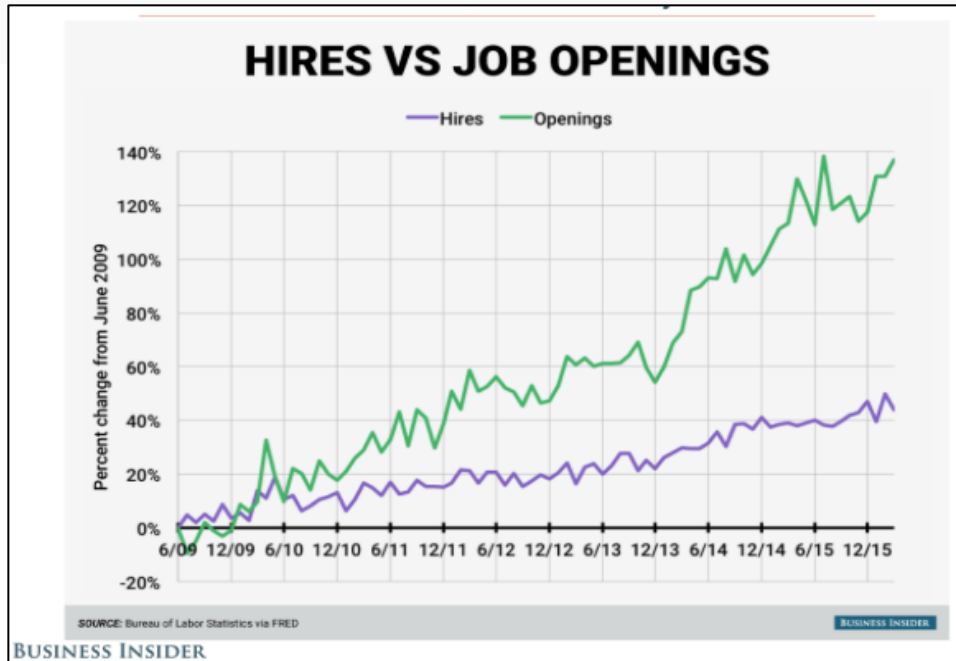


# Evolving Student Preferences: 75% of Entering Freshmen Report They Intend to Earn an Advanced Degree



# A Strong Job Market

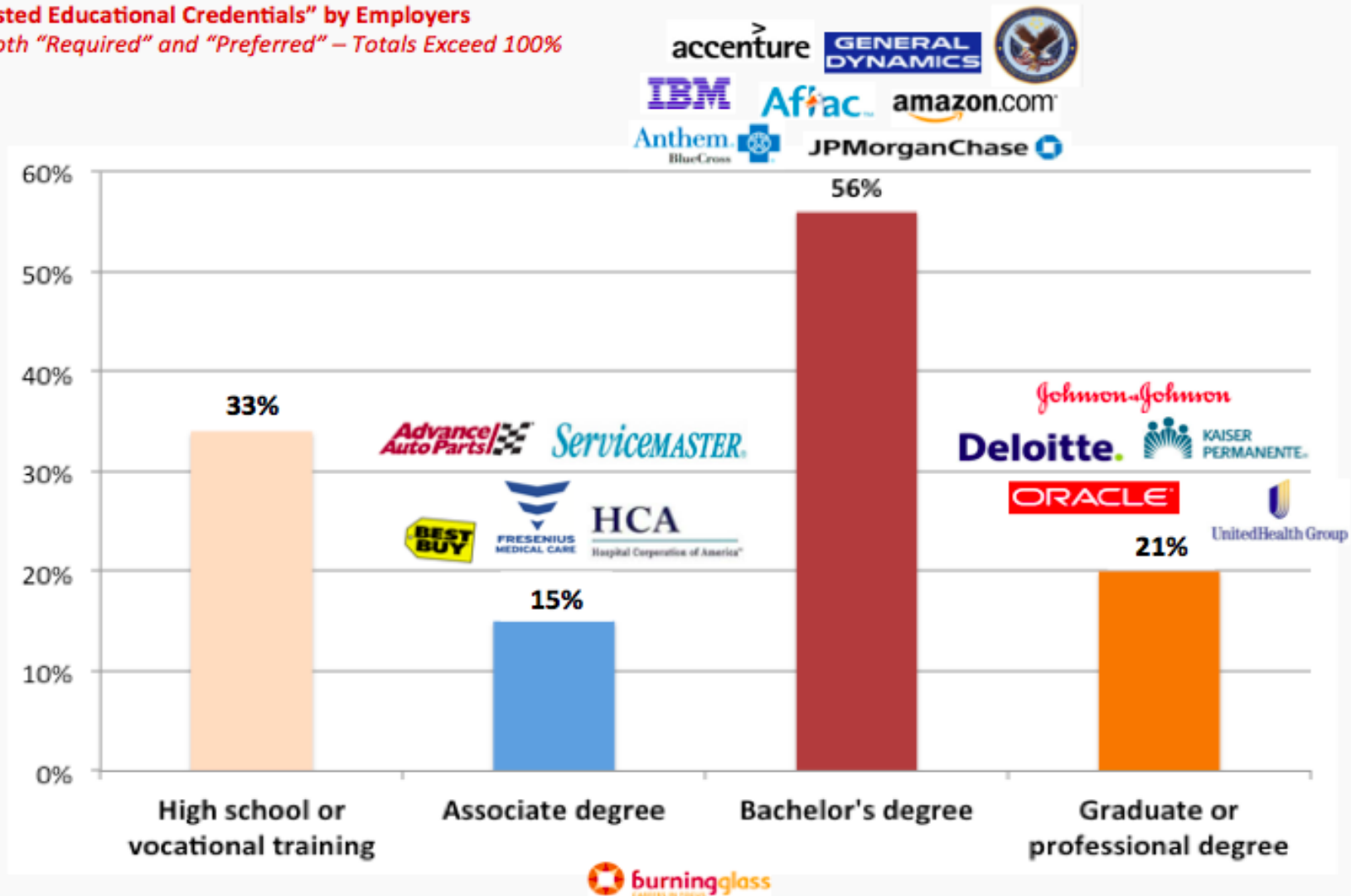
*2.5% Unemployment Rate for Bachelor's & Above*



# Today's Job Market is Demanding Bachelor's Degrees and Above

"Requested Educational Credentials" by Employers

Note: Both "Required" and "Preferred" – Totals Exceed 100%





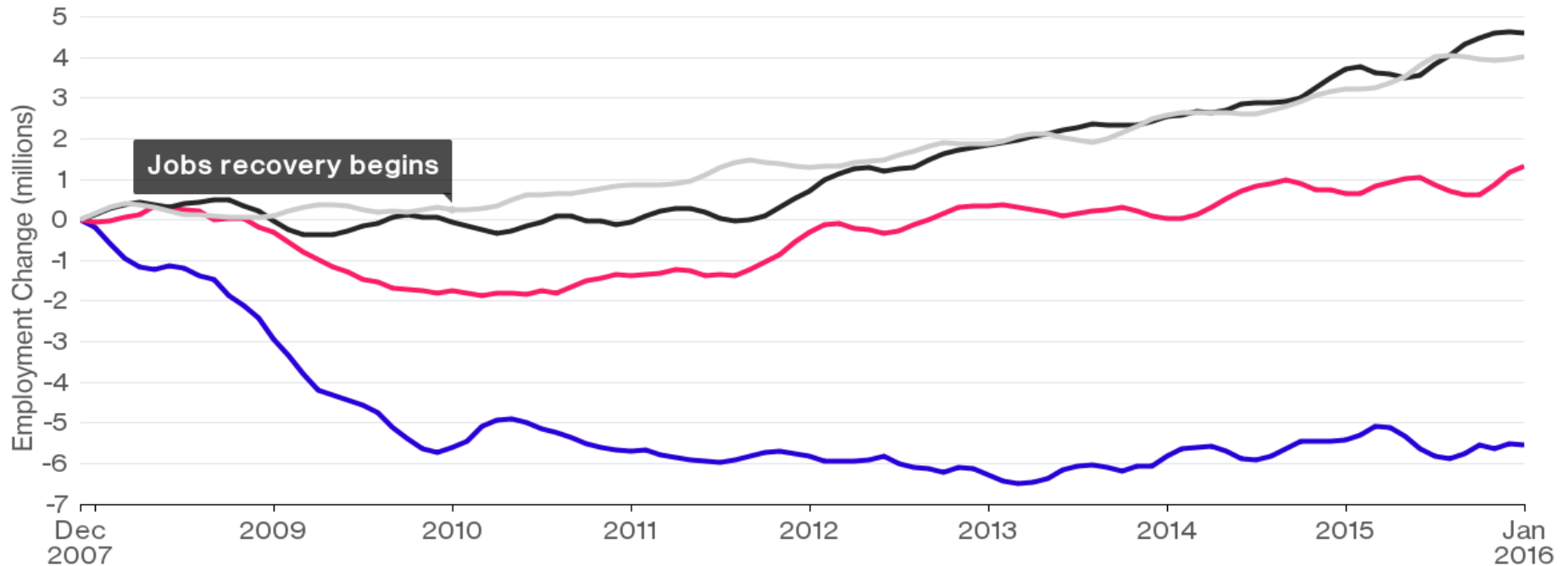
# Graduate-Level Job Creation Has Outperformed

## No College Graduate Left Behind

Study shows most jobs created since recession went to high-skilled college grads



■ High school or less    
 ■ Associate's or some college    
 ■ Bachelor's    
 ■ Master's or higher

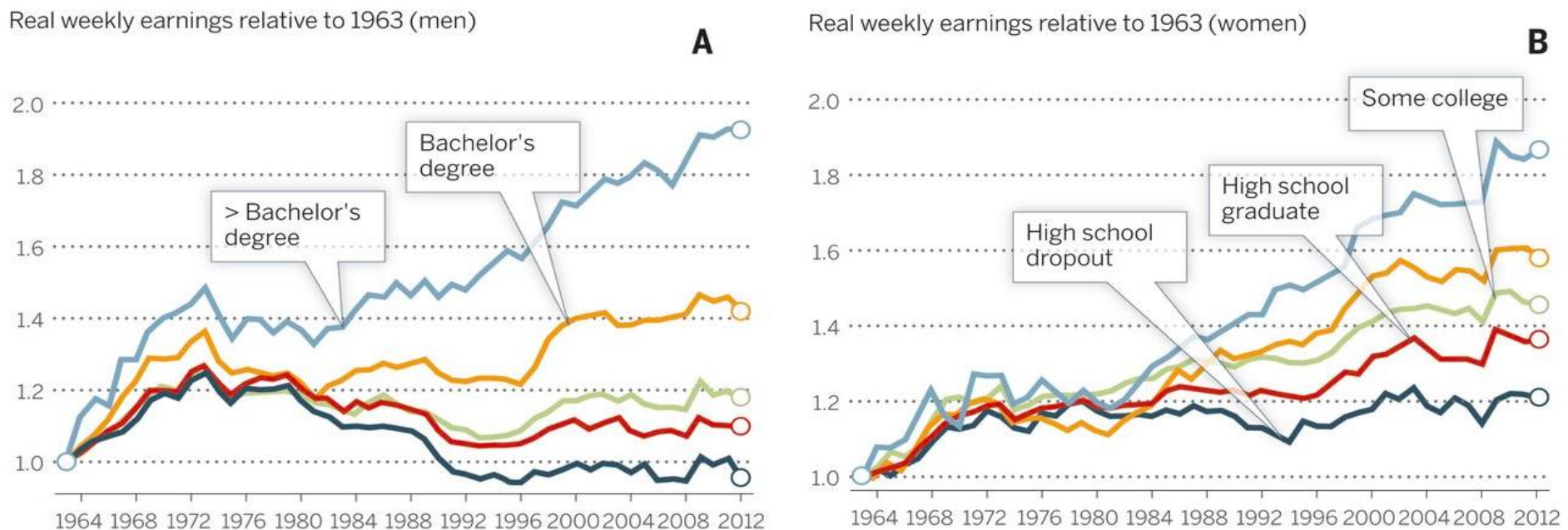


Source: Georgetown University Center on Education and the Workforce, Current Population Survey  
 Note: Seasonally adjusted numbers



# All of the Growth in the “College Wage Premium” Since 2000 is Due to Advanced Degrees

## Changes in real wage levels of full-time U.S. workers by sex and education, 1963–2012



**Science**

David Autor,  
 “Skills, education, and the rise of earnings  
 inequality among the “other 99 percent”  
 May 23, 2014

# Occupations Typically Requiring a Grad Degree for Entry are Forecast to Grow the Fastest through 2024

## Non-College Level

**4 - 7%**

- *Cooks,*
- *Bartenders,*
- *Landscapers...*

## Undergraduate

**8%**

- *Financial Advisors*
- *Engineers*
- *Accountants*
- *Software Developers*
- *Nurses...*

## Advanced Degree

**12%**

- *Statisticians*
- *Physical Therapists*
- *Nurse Practitioners...*



## National Survey of 2,300 Hiring & HR Managers 2016

- **32%** of employers increased their educational requirements over past year - 60% because skills had evolved
- **27%** hiring employees with master's degrees for positions previously at bachelor's level
- Employers who raised requirements reported *as a result:*
  - + Quality work: **57%**
  - + Productivity: **43%**
  - + Communication: **38%**
  - + Innovation: **37%**
  - + Employee retention: **32%**





**“20 years ago, nobody had advanced degrees. People have realized that... oftentimes it will get you that interview, and it’s a differentiator.”**

**“For many roles, these days it’s almost like bachelor’s degrees are table stakes. Master’s degrees are what separate you. You’re going to need that to break out from the pack.”**

**“As a general qualification the master’s has become the de facto requirement at management levels and above.”**



## **Bachelor's Degrees as the Floor; Master's Degrees the Differentiation in the Career Ladder**

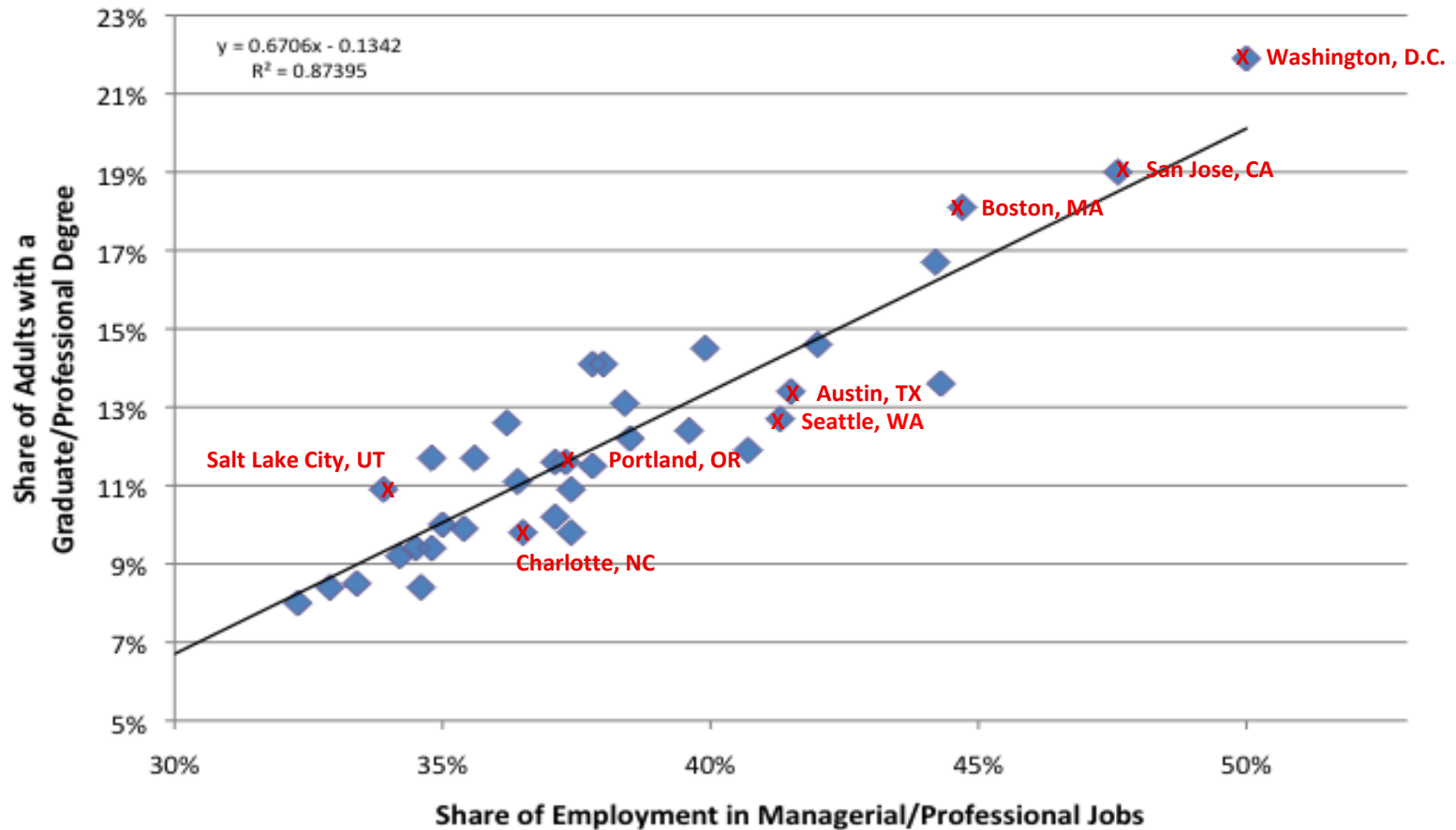
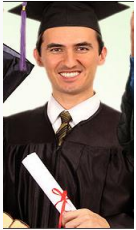
- Preference vs. requirement
- Condition of entry to LDPs



## Top *Skills* Desired By Employers

- Communication
- Writing
- Research
- Leadership
- Teamwork / Collaboration
- Project Management
- Critical Thinking
- Problem Solving
- Intercultural Competency

# How Will Demand for Advanced Degrees be Shaped by a *Global Market for Talent*?



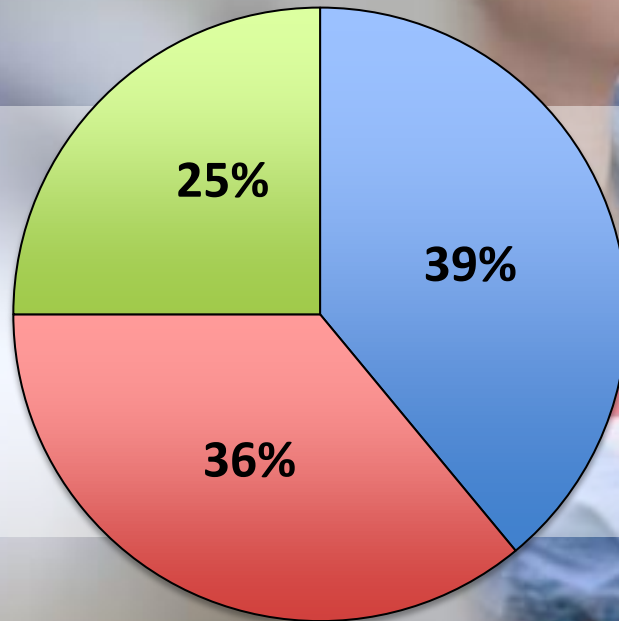
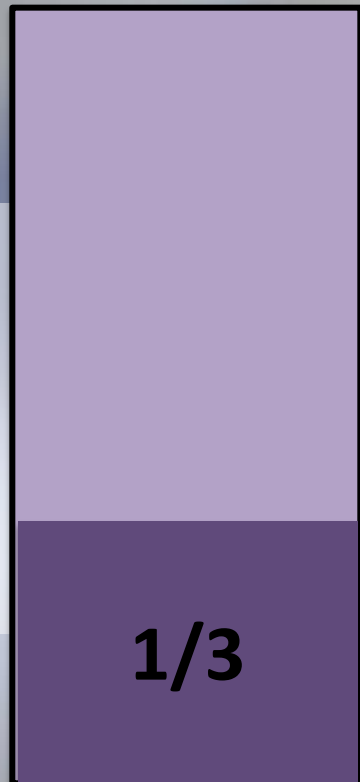


## Education vs. Experience

- Difficult to decouple
- Potential “dilution”
- Toward experiential models



# Online/Hybrid Delivery Accounts for 33% of All Grad-Level Enrollment and is Growing 6% Annually



- Public
- Private
- For-profit

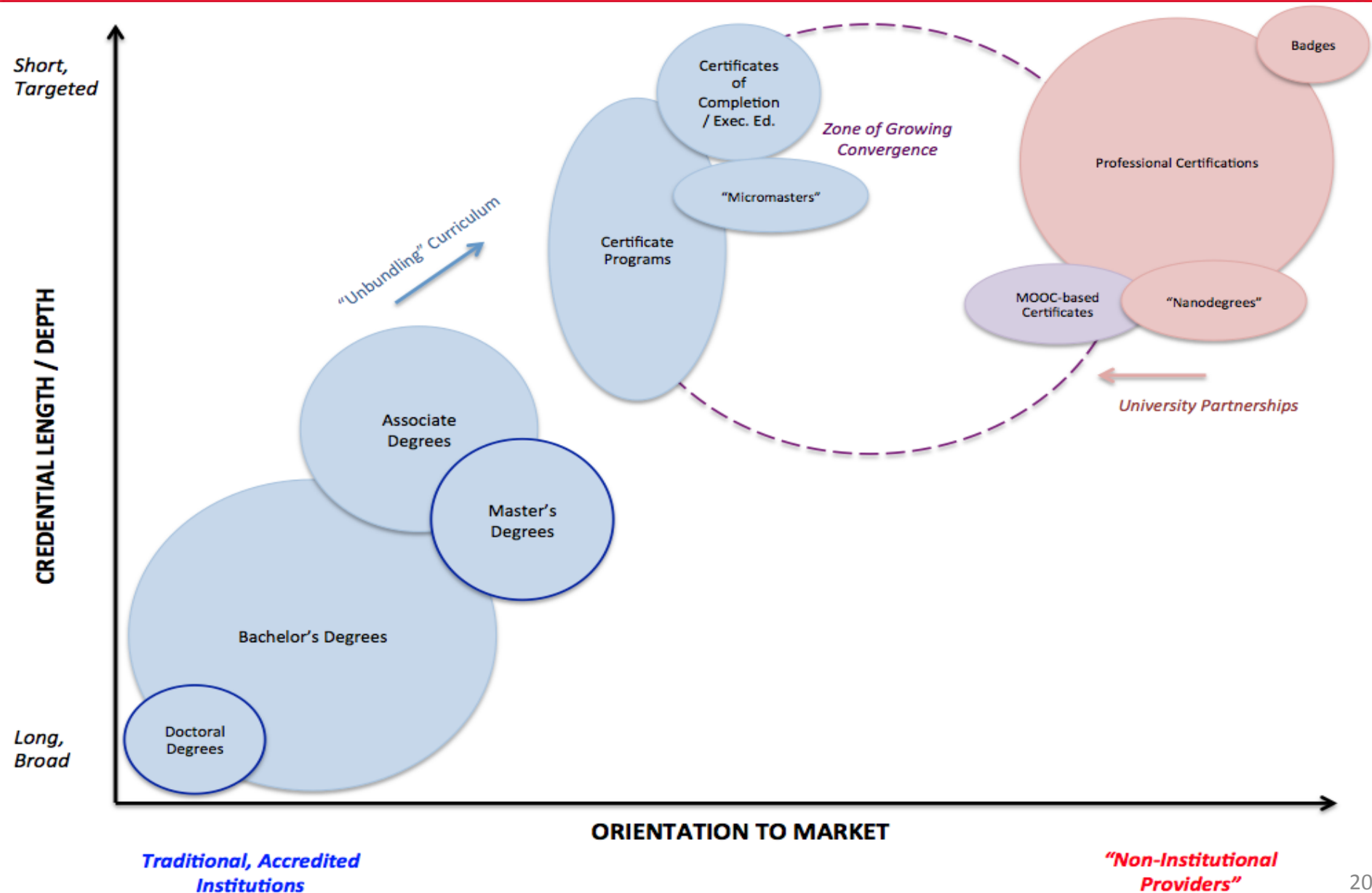
*Market Share  
(2014)*

# Graduate-Level Credential Alternatives, Substitutes are Emerging

## *What Will Their Impact Be?*

- “Badges”
- Boot-camps / bridge programs
- MOOCs and MOOC-driven Certificates
- Non-credit training/lifelong learning







# A Post-Baccalaureate World

- Skills-biased technological change
- Episodic experiences
- “Stacking” and portability



# Toward a “Competency-Oriented” Ecosystem



Tech Sector  
Precedent?

Competency-  
Based *Hiring*

Competency-  
Based Education

Professional  
Grad Innovation



Theoretical



Traditional F2F



Monolithic



Instructor-led



Static

Practical



Online



Unbundled,  
short-form



Self-paced



Adaptive



# Talent Analytics & Pre-Hire Assessment: True Potential “Disruptors”

- Reshaping the role of credentials
- “Quality of hire” analysis
- Core school model
- New rankings and measures



**Are Governance and  
New Program Development  
Prepared to Adapt to a Rapidly  
Evolving Environment?**



# Standards and Interoperability

- Communicating the “meaning” of a graduate degree/credential
- A potential taxonomy or “standards movement”



# Significant Policy Issues

- **Haves and have not's**
  - Access to leadership roles
- **Loan eligibility/rates, tax advantages, etc.**
- **Emergence of non-degree alternatives**



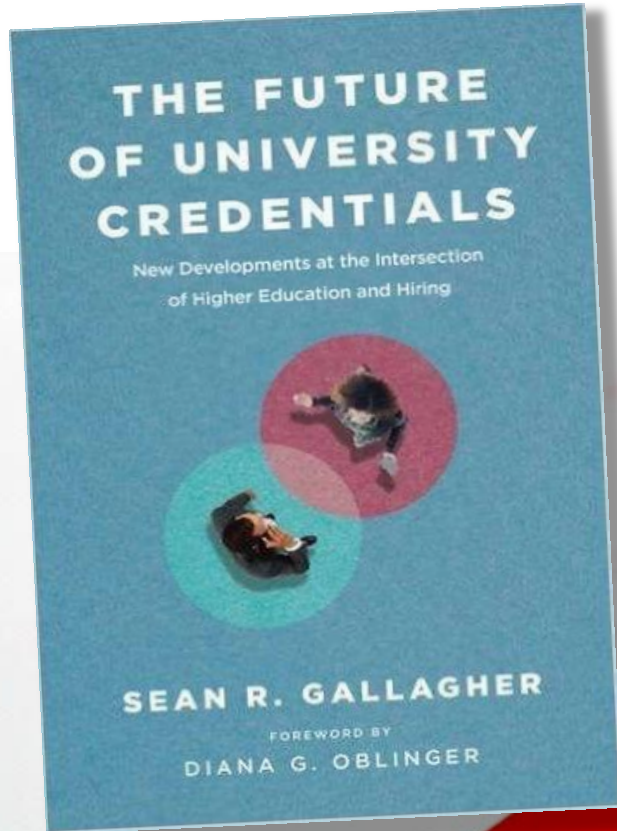


# A Dynamic Future for Graduate Education

- Growing global demand
- Dialogue within the “ecosystem”
- Revisiting fundamental constructs:
  - “Credit”
  - Faculty roles
  - Brand, selectivity, and scale
- Credential inflation?
- Graduate degree or graduate education’s golden age?



# DISCUSSION



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