MAKING THE BACHELOR'S DEGREE MORE VALUABLE



Why the Degree Still Works,
Where It Doesn't,
and How To Redesign the B.A.
To Be Worth More in a
Degree-Optional World

By Matt Sigelman and Jeffrey Selingo

Key Findings

- The bachelor's degree remains a valuable commodity in the job market. On average, the B.A. delivers an immediate 25 percent wage premium within a year of graduation—a dividend that held steady over the 12-year period we studied.

- Having a B.A. delivers a wage premium worth more than four years of experience for non-B.A. workers. Even degree holders in B.A.-optional jobs earn a premium of 15 percent compared to those without a college diploma in the same positions.

- The B.A. is more valuable than the two-year associate's degree. Wages for those with no degree are nearly the same as those with an A.A. making it critical that community college students transfer to a bachelor's degree program.

- Beyond a wage premium, the B.A. gives college graduates mobility. Having a B.A. increases the odds overall of landing a better job, especially after a few years in the job market. What's more, B.A.'s working in degree-optional jobs are more than twice as likely as those without a degree to move to a position with higher degree requirements.

- Colleges and universities are mistaken if they think they can continue to coast on the historical value of the B.A. We found that the selectivity of an institution, major, and skills all impact the ultimate value of a college's degree.

  Selectivity: Money-wise, graduates from selective institutions start out ahead of those who earned their degree from less-selective institutions. That said, those with B.A.'s from less-selective institutions still benefit from a wage premium over someone with no degree.

  Majors: Technology and engineering degrees, even from less-selective institutions, can out-earn business, social science, and health and life-science majors from top-ranked institutions. Not surprisingly, STEM (science, technology, engineering, and math) majors are most rewarded, on average, by the wage premium.

  Skills: The B.A.'s with the biggest wage premium have a mix of Foundational (i.e., broadly applicable) and Specialized (i.e., specific and concentrated) skills.

- In every major, there are specific skills that increase graduate earnings significantly. That's as true of liberal arts degrees as it is of STEM programs. One skill can sometimes deliver big value. The wage premium for a specific skill can also differ across majors.

- The onus is on institutions to make the B.A. more valuable in a marketplace where it faces competition from microcredentials, industry-based certificates, and increasingly well-paying jobs that don't require a four-year degree. Given the already lower college-going rates among today's high school graduates, it will be difficult for institutions to reverse the decline in the college-going rate and persuade more students to buy its product as is.

- There are four key areas where institutions can build academic programs and student services that capitalize on the wage premium for the B.A. and ultimately improve the value and outcomes of the degree: skills and career planning; breaking the B.A. into smaller, usable credentials; certifying the skills with the greatest wage premium into B.A.'s; and revising the general curriculum regularly to keep pace with the changing demand for skills.

Introduction



The bachelor's degree is facing an identity crisis.

In the last year and a half, Maryland, Pennsylvania, and Utah have stopped requiring a four-year degree for most jobs in their state governments. The private sector, too, has moved toward skill-based hiring, with Delta, General Motors, Google, Apple, and IBM, among others, dropping the B.A. prerequisite for many positions. Even the federal government is urging its agencies to rely on job-seekers' skills rather than the sheepskin to fill vacancies.

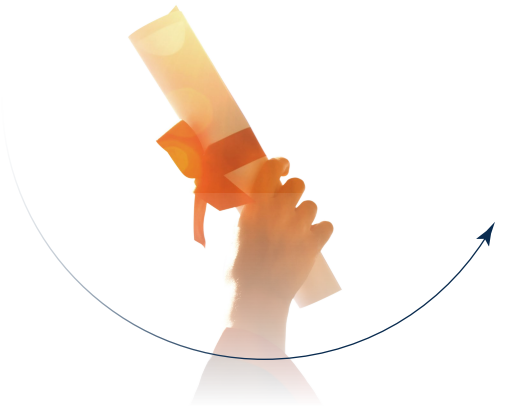
While some of the latest hiring moves are the result of a tight post-pandemic labor market, the trend even before Covid had been toward lowering the degree barrier. Doing so was seen as a way to remedy structural inequities in the job market and combat a trend toward "degree inflation"—requiring a B.A. for jobs that historically didn't—that had accelerated after the Great Recession. Between 2017 and 2019, some 46 percent of middle-skill jobs and 31 percent of high-skill occupations experienced a "degree reset," according to earlier research by the Burning Glass Institute.

Despite those good intentions to increase access to jobs, however, the shift has also fed the notion that college, and the bachelor's degree in particular, isn't necessary for success in life. Just a decade after the federal government and foundations started setting goals for postsecondary attainment, the nation's college-going rate is moving in the opposite direction. Young adults are getting mixed messages about what kind of education they need after high school—and whether they need anything at all.

The result is that undergraduate enrollment in the U.S. has fallen each year since it peaked in 2010-11 and then experienced a sharp drop in the first full year of the pandemic. Nationwide, fewer high school seniors are choosing to enroll in college immediately after graduation. In 2022, only 62 percent of high school graduates immediately went on to college. In some states, not even half of high school graduates are pursuing higher education.

As we show in this paper, the B.A.—a term we use interchangeably with the bachelor's degree throughout to encompass every type of four-year degree—remains a valuable commodity in the job market. But colleges and universities can no longer coast on the historical value of the four-year degree to enroll students going forward. The onus is on institutions to make the B.A. more valuable in a marketplace where it faces competition from microcredentials, industry-based certificates, and increasingly well-paying jobs that don't require a four-year degree.

"Colleges aren't just competing with each other for students anymore," said Georgia Lorenz, the president of Seminole State College in Florida. "They're competing with Amazon, Walmart, and other employers where people can get jobs without a degree and often can get an education at the same time as a benefit."



IMPROVING THE B.A. BEFORE THE DEMOGRAPHIC CLIFF. The competition is heating up just as higher education faces a looming demographic cliff caused by the sharp drop in birth rates that began in 2007. The number of high school graduates in the U.S. is projected to peak at 3.9 million with the Class of 2025. After that, the U.S. will see successively smaller graduating classes through most of the next decade.

Given the already lower college-going rates among today's high school graduates, the impact of this demographic cliff on campuses could be even worse than expected––not only on the financial sustainability of institutions but also for the nation, resulting in a less-educated society.

The problem is that it will be difficult—if not impossible—for institutions to reverse the decline in the college-going rate and persuade more students to buy its product as is. Surveys show that public confidence in higher education is sinking and skepticism is rising toward the idea that a bachelor's degree should be the prerequisite for well-paying jobs. Colleges can continue to insist that the B.A. is valuable, but with ROI calculators now prevalent, including the U.S. Education Department's College Scorecard, students and their parents are increasingly saying the degree isn't always worth it.

To boost enrollment, retention, and graduation rates, it's critical that colleges and universities take steps to improve the value proposition of their primary product. As we lay out in the pages ahead, institutions can do that by knowing where the B.A. is valuable and where it isn't, and then designing their academic programs and career services with those features in mind to improve the student experience and ultimately student outcomes.

This report focuses on the individual economic return on the B.A. It's not that we don't value the public good of a college education and how those with degrees benefit our communities and strengthen our civic life. But the return on investment in a degree is not a binary choice between the public and private good of higher education. We concentrate here on the financial returns on a degree because surveys show that the No. 1 reason students go to college is to get a job, and, given the rising price of a B.A., that students and their families are increasingly asking what their return on investment is.

Our report is divided into three sections. The first section identifies macro trends around the wage premium, the long-held concept of the B.A'.s lifetime value over the high school diploma. While that premium still holds—and is most critical to career mobility—as we'll outline, it also varies widely by major, institutional brand, and occupation. In the second section we'll look at the skills that boost the returns on a bachelor's degree. The third section provides a framework for colleges to make the B.A. more valuable and describes what some institutions are doing to remake the degree for the 21st-century job market.

A Look Inside Our Approach to the Data

We studied 4.9 million career histories of workers who either graduated from college between 2010 and 2020 or were of similar age to those graduates but did not receive a degree, as observed through the Burning Glass Institute's analysis of data from Lightcast, a labor market analytics firm.

SKILLS ANALYSES

Skill Value is calculated by comparing the average salaries of job postings that mention a given skill with those that don't mention that skill, controlling for differences between occupations and education requirements. This allows us to understand how much more someone can expect to earn if they have that skill.

Skill Growth is calculated via a weighted average of metrics reflecting both simple growth (how often the skill appears in job postings over time) and a more complex measure of growth that takes into account changes in the range of jobs that require the skill.

Skill Breadth is based on the number of college majors and occupations in which the skill is commonly observed, based on career histories of workers with these skills. Skill breadth helps capture a skill's relevance across majors, jobs, and industries.

DEGREE VALUE ANALYSES

To determine **Degree Value**, we use career history data to identify two groups of similar workers: those with a college degree, and those without, who are of similar age and who started work in the same set of jobs around the same time. These workers' salaries and career progressions are compared over time, allowing us to understand the differences in career outcomes for workers with and without B.A.'s by college selectivity, college major, and starting occupation.

Where the B.A. Is Valuable

Higher education has been at this precipice before where both demography and distrust over the degree premium seemed to spell decline.

In the late 1970s, the tail end of the baby boomers were moving through college. Demographers looking at earlier birth rates projected that the number of high school graduates would drop by a quarter over the next decade-plus. An influential report sponsored by the Carnegie Commission on Higher Education warned of a "new depression" in the sector. It predicted that two-thirds of the colleges and universities in the United States were in or near grave financial difficulty.



There was also a narrative running through the public discourse, as there is now, that not everyone needed to go to college. In 1976, *Newsweek* ran a cover story asking, "Who Needs College?" with a picture of two college graduates in their caps and gowns on a construction site with a jackhammer and a shovel, suggesting that as much as "27 percent of the nation's work force may now be made up of people who are 'overeducated' for the jobs they hold." Because factory work provided a legitimate pathway to solid middle-class jobs for young adults at the time, the wage premium—how much more the typical bachelor's degree recipient earned compared to a high school graduate—was much narrower than it is today.

Of course, as we now know, the dire predictions about enrollment declines and worthless degrees didn't pan out. Several factors played a role in why college enrollment increased by more than 20 percent during the 1980s and early 1990s, even as the number of high school graduates declined. One was the recession of the early 1980s. It effectively killed off manufacturing as a significant player in the U.S. economy and made the financial payoff of going to college well worth the cost. Second, participation rates from historically underrepresented students increased. That was especially true among women, who in the late 1970s went to college in basically equal numbers to men but by the 1990s outpaced them.

Higher education grew without colleges changing their core product, the B.A. Yes, campuses added new schools, academic programs, and majors, but the enrollment increase was largely the result of increased demand. This time, with another demographic cliff looming, colleges and universities don't have the same levers to pull.

The degree premium—while still strong—hasn't grown as rapidly in the last decade as it did in the 1980s, as automation and artificial intelligence began replacing even jobs that recently required a degree. So the immediate return on investment of a college degree isn't as much of a slam dunk for today's students facing rising costs and more debt for a degree as it was for their counterparts four decades ago. If employers find success in hiring people without B.A.'s, higher education has no choice but to improve the utility and the appeal of the degree itself—and the percentage of students who eventually finish. (Right now, around two-thirds of students who start at a four-year college finish a bachelor's degree within six years.)



THE WAGE PREMIUM. The good news for higher education is that the sector heads into the demographic headwinds of this decade with two things in its favor: better wages and mobility for new graduates with bachelor's degrees.

- Our research found that, on average, the B.A. delivers an immediate 25 percent wage premium within a year of graduation—a dividend that holds steady over the 12-year period we studied.
- Having a B.A. delivers a wage premium worth more than four years of experience for non-B.A. workers.
- Degree holders in even B.A.-optional jobs earn a premium of 15 percent compared to those without a college diploma in the same positions. While being "underemployed" in non-B.A. jobs isn't good for a college graduate's long-term career prospects, in the short-term, it does deliver a wage premium.

That the B.A. remains a strong signal in the job market despite the mounting skepticism among the public and employers indicates the degree still provides information about a job applicant's potential. Indeed, what we found interesting in our research is that the B.A. is more valuable than another postsecondary credential also widely available to high-school graduates: the two-year associate's degree. We uncovered that the wage premium associated with the B.A. does not extend to the A.A., and the A.A. offers little financial gain in the job market. Wages for those with no degree are nearly the same as those with an A.A.

Why is this distinction between the A.A. and the B.A. important? Because the goal of most community college students—four in five students who enter a two-year college—is to transfer and earn at least a bachelor's degree, according to the Community College Research Center at Columbia University's Teachers College. But only 31 percent end up transferring to a four-year institution, and only about half of them complete a bachelor's degree.

Many community college students who had higher goals end up earning just a two-year degree—a degree that doesn't have much of a payoff in the job market. That makes it critical for higher education and policymakers to improve the transfer pathway from community colleges to four-year institutions and then for those colleges and universities to ensure transfer students graduate with a B.A.



THE B.A. PROVIDES MOBILITY. The wage premium of the bachelor's degree has always been among its biggest selling points. But the secret sauce of the B.A. right now in a degree-optional world might be its ability to give college graduates optionality in their jobs and in their careers. Here's what we found in our research when it comes to the career mobility the B.A. provides:

- Degree holders in B.A.-optional jobs not only earn a premium compared to those without a college diploma in the same position, but having the degree makes it easier for graduates to recover from early career underemployment. The degree does so by allowing those with a B.A. who are underemployed to more easily move up to jobs in which more of their co-workers have a degree. And when they move up to those jobs, their earnings move up with them.

- Having a B.A. also increases the odds overall of landing a better job, especially after a few years in the job market. For instance, within five years after graduation, B.A.'s working in degree-optional jobs are more than twice as likely as those without a degree to move to a position with higher degree requirements.

Why does mobility matter to the B.A.'s ultimate value? Because the degree's biggest competitors are increasingly an array of alternative credentials and pathways to employment outside of traditional higher education. The nonprofit Credential Engine, which tracks credentials, reported in 2022 that of the one million-plus unique credentials offered in the U.S., more than half now are from nontraditional education providers, such as businesses and professional organizations. But these credentials and pathways might be recognized only by their sponsoring employer, closing off opportunities for workers to easily move.

The B.A., meanwhile, allows new graduates to be "occupationally footloose," said Henry Siu, a professor at the Vancouver School of Economics at the University of British Columbia, meaning they can perform a variety of entry-level jobs in different occupations while they are young and "job shop" for a better match. The average American holds eight different jobs between the ages of 18 and 29, according to Siu's research. For the average college graduate, it takes four years to find a job that will last five years or more.

"We are living in an increasingly complex society with many more choices for occupations," more than anyone can reasonably explore while in college, Siu said. Trying out different occupations is now a part of life for twenty-somethings, an endeavor made easier by the bachelor's degree.

FIGURE 1

The Bachelor's Degree Allows for Worker Mobility

At five years of experience, those with bachelor's degrees who started in degree-optional jobs are twice as likely to move to jobs with more college graduates.



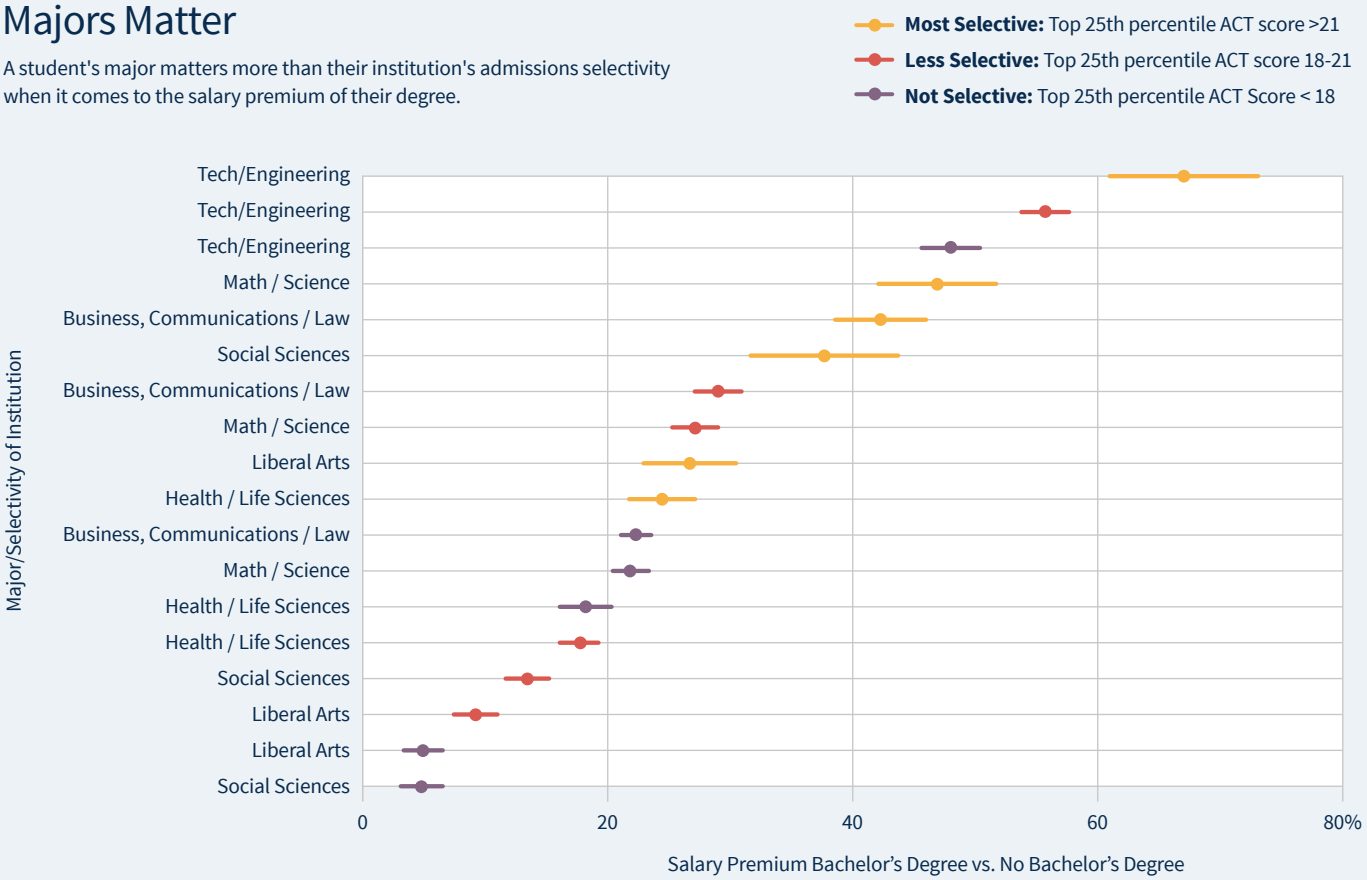
Source: Burning Glass Institute analysis of Lightcast career history data

Note: "Degree optional" includes occupations where 50-80 percent of workers have a B.A; "jobs with more college graduates" includes occupations with a greater share of workers holding a B.A.

FIGURE 2

Majors Matter

A student's major matters more than their institution's admissions selectivity when it comes to the salary premium of their degree.



Source: Burning Glass Institute analysis of Lightcast career history data

Note: School selectivity is based on the Carnegie Undergraduate Profile Classifications, which rely on standardized test scores among the undergraduate population at a given institution.

NOT ALL B.A.'S CREATED EQUAL.

The B.A. clearly still provides a premium to those who have one when it comes to earnings and mobility. But not all bachelor's degrees are created equal, according to our research.

Unlike in the 1980s, when the wage premium took off for anyone with a B.A. because the degree was differentiating in a marketplace where the credential was still relatively rare, now both the major and institution's name on the B.A. matter a lot more. Money-wise, graduates from the most selective institutions start out ahead of those who earned their degree from less-selective institutions. That said, those with B.A.'s from less selective institutions still benefit from a wage premium over someone with no degree.

Indeed, our research shows that major—and not selectivity alone—is more of a determinant of the wage premium. Technology and engineering degrees, for instance, even from less selective institutions, can out-earn business, social science, and health and life-science majors from top-ranked institutions. Not surprisingly, STEM majors are most rewarded, on average, by the wage premium; meanwhile, liberal arts majors, especially those in non-B.A. jobs, are losing out.

These macro-trends in the job market might partly explain why applications for admission have surged by some 30 percent at selective colleges since 2019, and why humanities enrollments have sharply declined, even at well-known institutions. Our findings suggest that if prospective students are basing their decisions on the ROI of the degree, then higher education leaders must prepare for these trends—both in where applications are going and the majors that students are selecting—to be the new normal rather than a short-term anomaly.

As we outline in the next section, less-selective institutions need to pay close attention to the skills that have the biggest payoff in the job market and then ensure those skills are embedded in the B.A., especially in non-STEM degrees. At the same time, with the number of liberal arts majors likely to continue to shrink, colleges can breathe new life into those programs by promoting the skills often attributed to those majors—such as communication, problem solving, working in teams—into degrees across all majors.

The Skills That Deliver Better Outcomes for College Grads

In a 2020 paper, *Good Jobs in Bad Times*, we concluded that for graduates "breaking into the post-college job market is increasingly about the skills they possess." The same is true for the wage premium: skills matter. The specific skills students leave college with are the third key ingredient, along with the selectivity of an institution and a student's major, to the ultimate payoff of the degree.

The Burning Glass Institute performed an in-depth analysis of Lightcast job postings data to identify skills that drive up wages for college graduates. We then separated that analysis into what we're calling Foundational Skills (i.e., skills that are more broadly applicable across fields, such as leadership and negotiation) and Specialized Skills (which are usually concentrated in a few fields). Finally, we looked at those two sets of skills through the prism of Value (how the skill impacts earnings), Growth (how much demand for the skill is expanding), and Breadth (how widely present the skill is across majors and occupations).

The goal of this analysis was to pinpoint the skills that drive the wage premium of the B.A. Here's what we found:

- The B.A.'s with the biggest wage premium have a mix of Foundational and Specialized skills. This is where the liberal arts could play a crucial role in every major because those academic programs provide many of the Foundational skills.

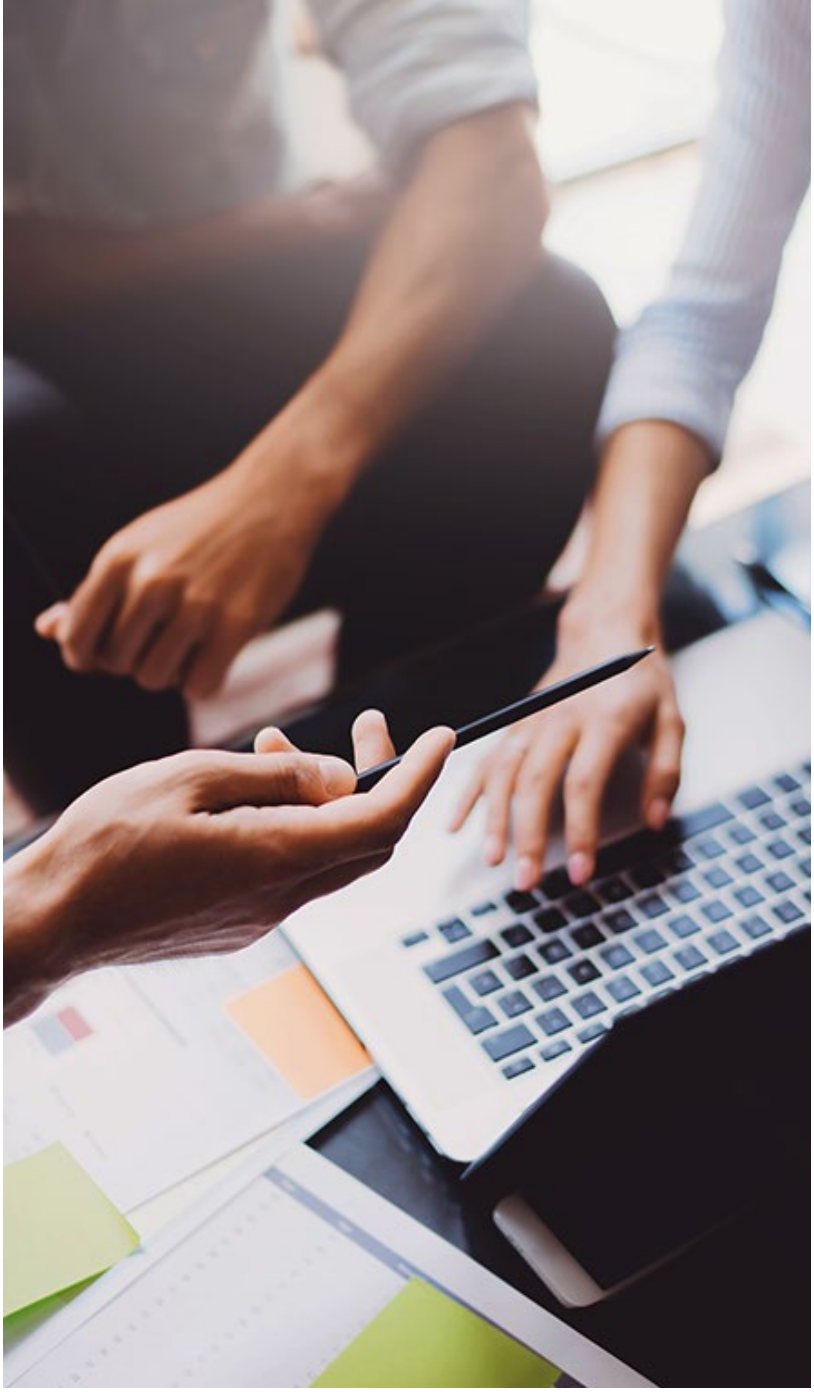
- Skills also change—and are changing quickly. In a separate report, *Shifting Skills, Moving Targets, and Remaking the Workforce*, the Burning Glass Institute, working with the Boston Consulting Group, found that 37 percent of the top 20 skills considered necessary for the average job have changed since 2017. One in five skills is entirely new. And certain sectors—including fields that are also popular college majors such as finance, media, business management and operations, human resources,

and information technology—have changed faster than others. This churn in skills requires colleges and universities to revise their curriculum and build (and sunset) academic programs at a much faster rate than they do now.

- Academic departments like to pack the B.A. with requirements, but there is no reason to necessarily stuff it with a menu of skills. We found that just *one* skill can sometimes deliver big value. For instance, a public administration major with a skill in "investments" can see their wage premium rise by nearly one-third.

- The wage premium for a specific skill can also differ across majors. In a world where occupations are increasingly integrating skills from across domains, some of the most valuable skills are those that are emerging but still relatively scarce within a field. For example, knowing SQL, a programming language, delivers a 11 percent wage premium to a Natural Resources and Conservation major (where SQL is a relatively scarce skill), but only a 4 percent return to a Math and Statistics major (where SQL is a relatively common skill).

- Foundational skills often deliver outsized returns, even relative to specialized skills. Influencing, negotiation, and consulting capabilities all boost graduate earnings more than would public accounting or strategic planning skills for a business major or would DevOps or Kubernetes for an engineer.



While skills are one of the three critical ingredients in the wage premium of the B.A., higher education doesn't speak the language of skills the way industry does; colleges speak in a language of "learning outcomes" instead of "skills." Yes, there is a correlation between the two, but they aren't the same. For instance, a college course might include field work to reinforce classroom learning; such an experience arms students with "project management" skills, but neither the syllabus nor professor might explicitly emphasize that skill, which provides a 22 percent wage premium, according to our research.

There are similar Specialized and Foundational skills that colleges are teaching but fail to take credit for because B.A. recipients don't know how to talk during job interviews about what they learned in the classroom and co-curricular activities. This "skills translation" problem is one that institutions must fix by mapping their learning outcomes to in-demand skills in the job market, so students know what they're learning and why it matters to life after college.

FIGURE 3

The Most Valuable Foundational Skills

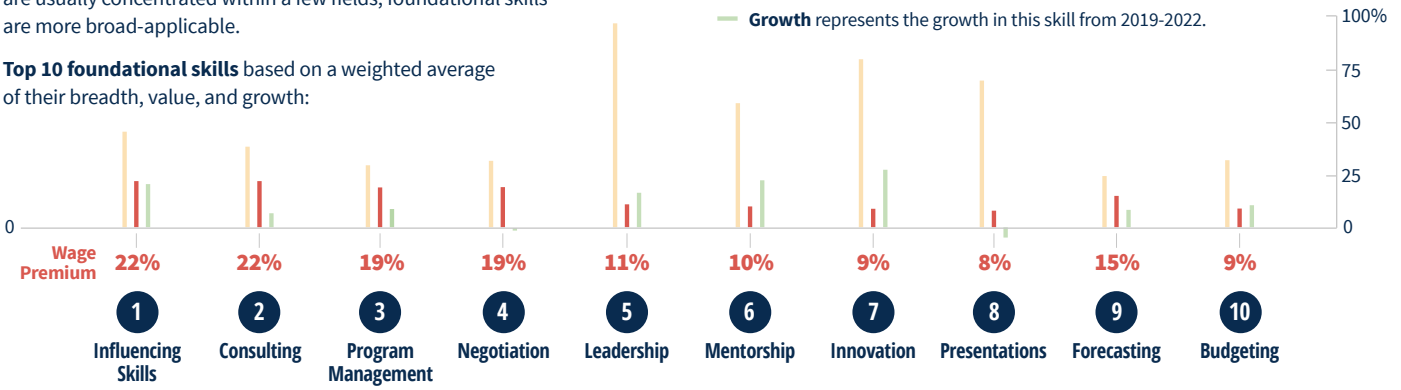
Compared to specialized skills that tend to be more specific and are usually concentrated within a few fields, foundational skills are more broad-applicable.

Top 10 foundational skills based on a weighted average of their breadth, value, and growth:

Breadth represents the share of total occupations where this skill is prevalent.

Value represents how each skill impacts worker earnings (Wage Premium), compared to a similar worker without that skill.

Growth represents the growth in this skill from 2019-2022.



Highest-Earning Skills Commonly Used by...

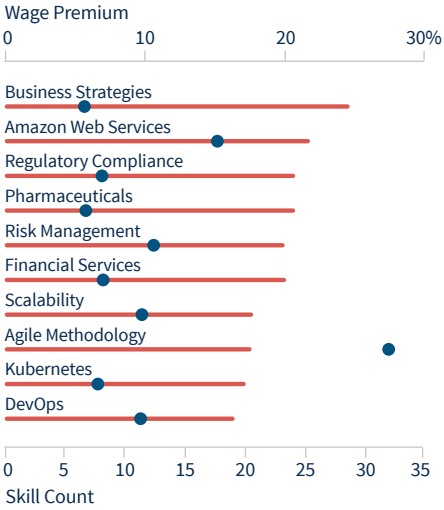
Wage Premium

Skill Count (in thousands) Per Million Postings

Business, Communications, and Legal Studies Majors



Math and Science Majors



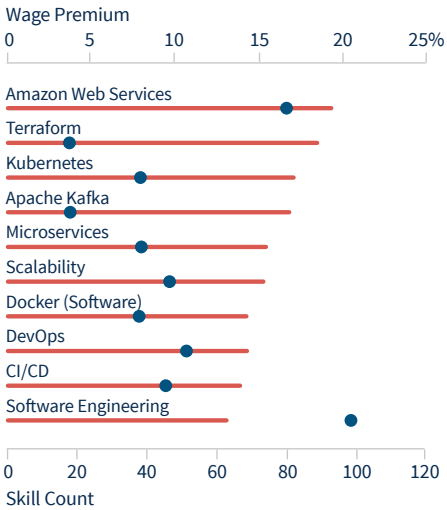
Liberal Arts Majors



Social Sciences Majors



Tech/Engineering Majors



Definition of metrics

Wage Premium:
How much more a worker with a given skill can expect to earn compared to a similar worker without that skill

Skill Count:
How often this skill appears in job postings relevant to this major, per thousand postings

Source: The Burning Glass Institute

CASE STUDY

Redesigning a Shorter Experience That Improves Retention in the Health Sciences

Most accelerated bachelor's degree programs stuff the traditional four years into a shorter amount of time. But when the University of Minnesota at Rochester decided to offer an expedited bachelor's degree in health sciences, officials started by redesigning the experience from the ground up.

The result, dubbed NXT GEN MED, is cohort-based and offers year-round classes over two-and-a-half years. About 80 students have enrolled since the program kicked off in August 2022.

The university continues to offer the traditional four-year program in health sciences and doesn't plan on changing that any time soon. "We see the expedited degree as a really important menu option for students," said Lori Carrell, the university's chancellor. "We've done a deep dive to determine the proficiencies, competencies, and habits that they all need."

The accelerated degree is especially geared for high-demand jobs in health care, such as data and analytics, digital health, and project management. By 2031, the U.S. is projected to need 2 million more workers in the health care sector, which includes doctors and nurse practitioners, but also technical and administrative support roles for jobs ranging from patient registration and supply chain management to in-home equipment training and health care strategy.

"We reframed our learning outcomes so that they align with those competencies and proficiencies," needed by the Mayo Clinic, a major employer for health science majors in the region, Carrell said. The hope is that because students see a direct pathway to a job the shorter degree will increase retention and completion in the health sciences major. The accelerated degree is also likely to reduce student debt.



University of Minnesota at Rochester

Students, who are guaranteed paid internships at Mayo, will be matched both with a mentor at Mayo and a success coach at the university. The accelerated degree will combine in-person and virtual classes that will include gamification, which will allow students to apply their knowledge in real-time scenarios and use virtual reality. The program was built on a Google platform that allows students to track their progress and retain documents in a digital portfolio so that they can translate in a job interview what they have learned in their classes.

Make no mistake, Carrell said, the accelerated curricula is just as rigorous as the four-year program. Her challenge to the faculty was to use "research-based practices" to redesign the degree, "particularly in an equitable way so that more students are successful."

"The key to speed is how can we drive down costs but also drive up retention," Carrell said.

Toward a More Valuable Bachelor's Degree

Our research and in-depth interviews with university leaders and workforce experts identified four key areas where institutions can build academic programs and student services that capitalize on the wage premium for the B.A. and ultimately improve the value and outcomes of the degree:

1 Incorporate discussions about skills and career planning throughout the undergraduate curriculum.

Some majors, such as engineering and accounting, have well-defined college-to-career pathways. But most majors don't have clear-cut next steps. Students in those majors "are not learning the basics around what it means to have a great career and a great life," said Andy Chan, vice president for innovation and career development at Wake Forest University. "They don't know how the college-to-career process works, so they just assume they major in something, get a good GPA, and they'll get there."

Talking about careers needs to begin during the admissions and orientation process, Chan said, with information tailored to students' interests, "much like Amazon or Netflix does," he added. Colleges should show students labor market data, such as earnings for jobs and the specific skills needed to get those jobs. And just as institutions have established academic interventions when students are struggling in classes, they should do the same with students who don't engage with career services. "The more that the career office reaches out into the community and develops relationships, the more the students see the career process is legit and important," Chan said.

2 Break the B.A. into smaller, usable credentials that can eventually lead to a degree.

As our research shows, the bachelor's degree is critical to career mobility. But many students who start a degree don't finish, and efforts to improve graduation rates are yielding limited gains. "We should stop thinking about college as one-size-fits-all," said Randy Bass, vice president of strategic education initiatives at Georgetown University, who directs its research and development arm known as The Red House.

Instead, Bass said, colleges should think of the degree as a "3-to-5 flex," which allows students to earn it at their own pace. "We have a flex system now by chaos and negligence," he said. "Some kids go faster, some kids go slower, but it's not with any kind of intentionality." The key to a flexible B.A. is for institutions to provide easy on- and off-ramps for students by slicing the degree into smaller pieces that provide evidence of skills. Students can then use that evidence to get a job before coming back to acquire more skills to advance in their career and eventually stack enough credentials to earn a B.A.



3 Certify the skills with the greatest wage premium into B.A.'s, especially in non-STEM degrees.

"It's no longer enough to just be thinking about helping our students across the completion finish line," said Courtney McBeth, senior vice president and chief program officer at Strada Education Network. "We also need to think about the outcomes beyond completion."

Strada is supporting an effort at the University of Texas system to insert workplace skills into the four-year degree, particularly in majors that typically make the lowest salaries. These microcredentials might range from digital skills to data analysis to business skills, such as project management. Colleges have identified the majors using data from SeekUT, an online tool which tracks earnings data of the system's graduates.

The City University of New York has also added a slate of microcredentials for students enrolled in a traditional bachelor's degree program. The microcredentials are offered in cybersecurity, data analytics, finance, marketing, project management, software engineering, systems administration, and user experience design. The 100-hour online "intensives," which usually last anywhere from one to two months, were developed in conjunction with 30 of the largest employers in New York City.

4 Revise the general curriculum regularly to keep pace with the changing demand for Foundational and Specialized skills.

The distribution model of general education—in which students select from a menu of courses that satisfy requirements—is the most popular form of general education, according to the Association of American Colleges & Universities. But often students adopt a checklist mentality, seeing these required courses as something to simply get through.

"At many universities, the general education program has not changed in 20 to 50 years," said Nariman Farvardin, the president of the Stevens Institute of Technology. "But the demands of life, the demands of the workplace, have changed dramatically."

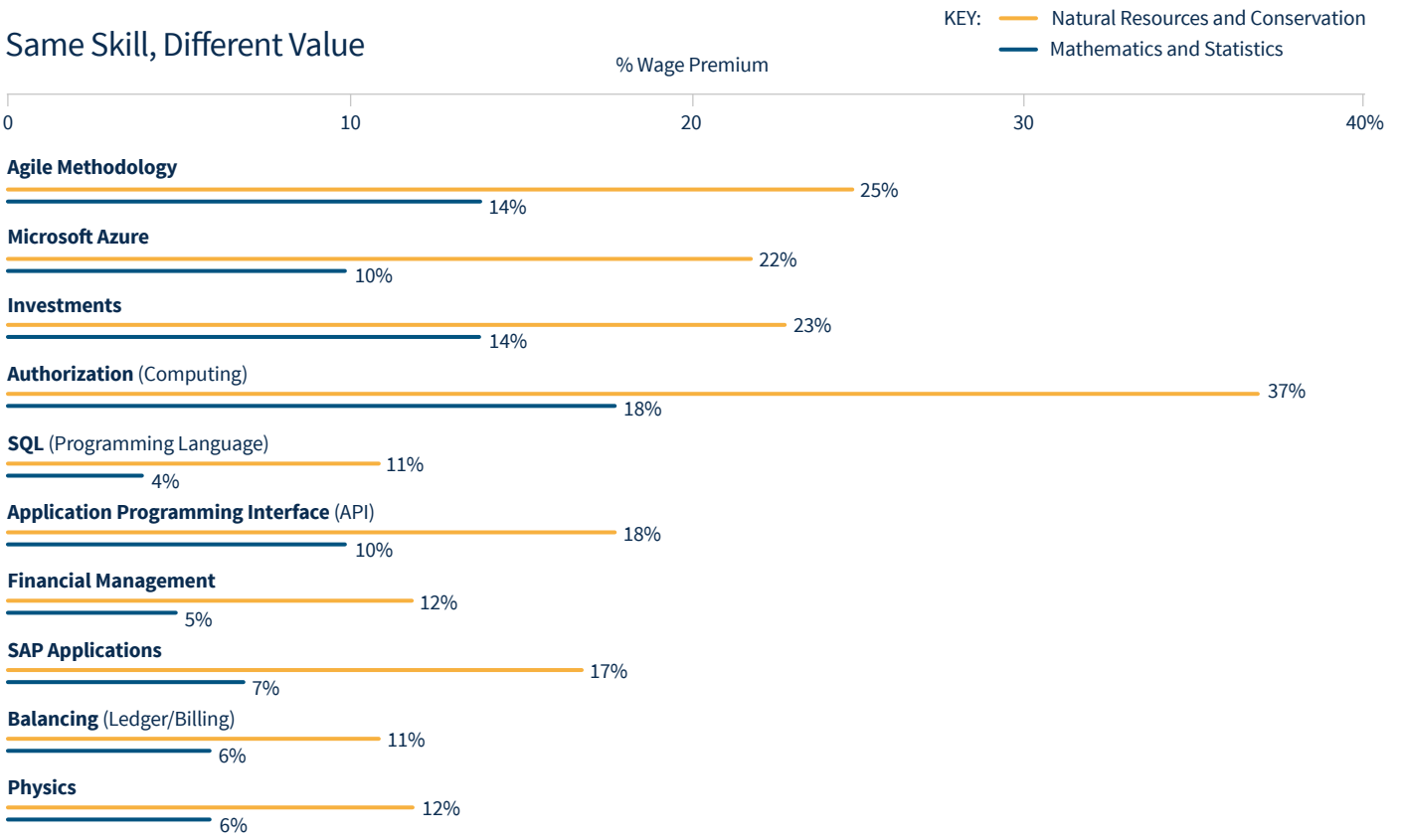
Stevens is in the midst of revising its core curriculum to include a first-year experience, with courses on writing, communication, computing, and entrepreneurship, as well as a "Frontiers of Technology," course, Farvardin said. That course will include the latest developments in technology.

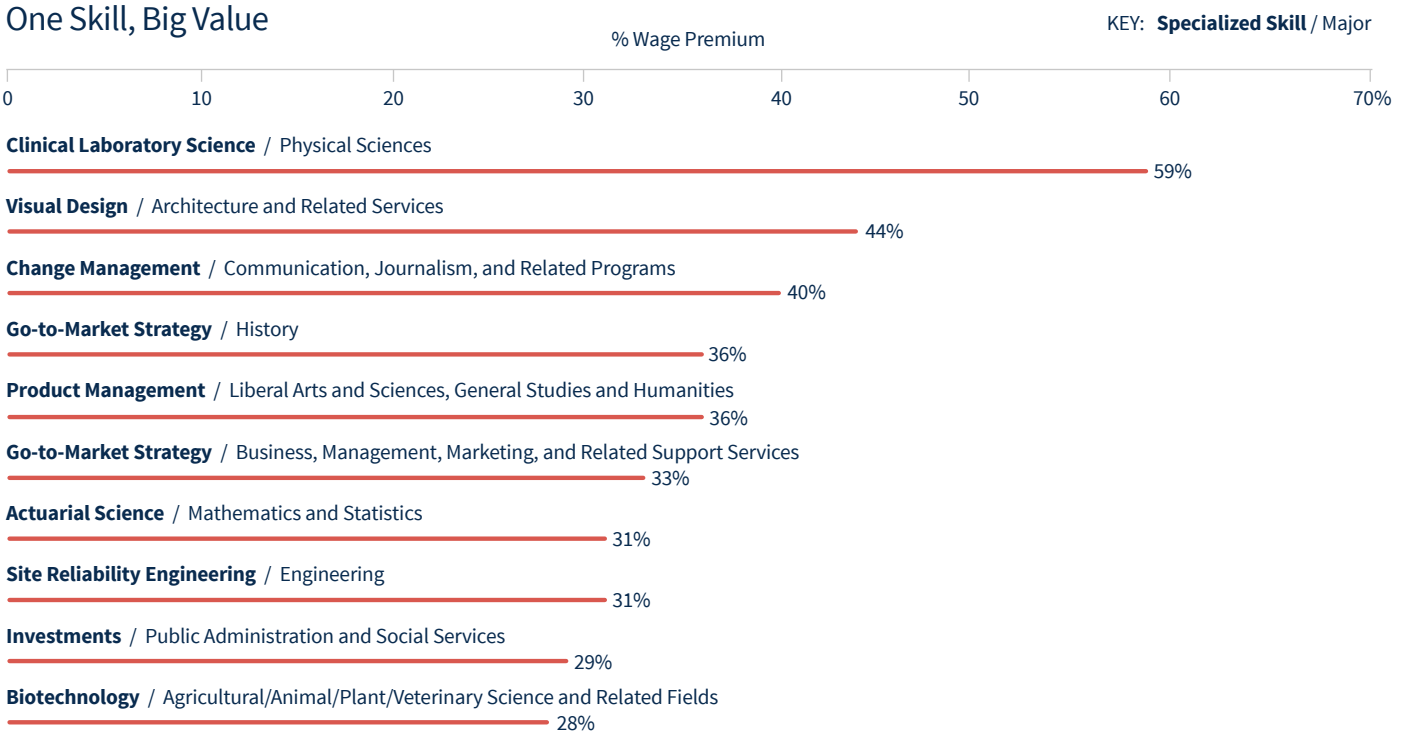
"By enhancing the content of the educational offering, you can add a lot to the value of the degree," Farvardin said.

FIGURE 4

Where Skills Matter

Sometimes just *one* skill can deliver big value. The wage premium for a specific skill can also differ across majors, bringing a big wage premium where it's relatively rare.





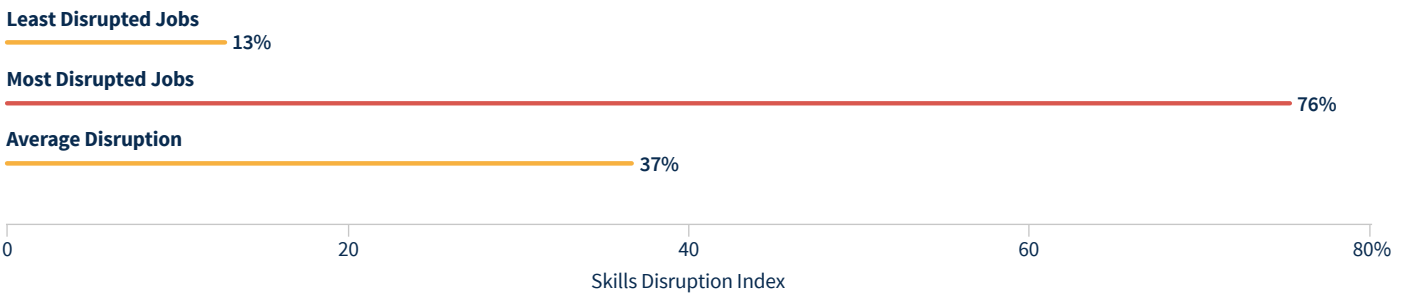
Source: The Burning Glass Institute

The Skill Disruption Index measures the change in the skills needed to perform each job over time, based on job ads across 680 occupations. These values for skill disruption are plotted on an index where the least disrupted job, mystery shopper, is assigned a 0, and the most disrupted job, data engineer, is assigned a 100.

FIGURE 5

The Half Life of Skills

In the top quartile of jobs, 76% of top 20 requested skills have changed since 2016.



Note: The analysis covered 2016 through the third quarter of 2021; n>15 million.
On average, a job posting has 16 skills; we have considered postings with at least 5 skills.

The Most Popular College Majors Also Most Likely to Be Disrupted

Four common job families across businesses and industries with relatively high Skill Disruption Index values



Sources: *Shifting Skills, Moving Targets, and Remaking the Workforce*, the Burning Glass Institute, the Boston Consulting Group, Lightcast, 2022

CASE STUDY

Accelerating the Bachelor's Degree by Crediting Experiential Learning and Building in Flexibility

In a red clapboard house across the street from Georgetown University's main campus, the university has established an academic incubator designed to reimagine the undergraduate experience.

The Red House is filled with posters dotted with sticky notes and elaborate drawings of models showing how students move through their undergraduate years. The chief architect of what happens in the house is Randy Bass, who is vice president for strategic education initiatives and an English professor.

The problem, as he sees it, is that many relevant learning experiences students have outside the classroom—service learning, undergraduate research, and internships—often don't contribute to the credits included in the price of a degree. "We only charge for a portion of what students see as the value, and too often these experiences remain disconnected from the curriculum," Bass said.

In the fall of 2023, Georgetown is launching a new bachelor's degree in environment and sustainability that it hopes will be a model for the future of the B.A. at selective colleges, which have been most resistant to changing traditional credentials. The program was built "as a whole degree, rather than just a major," Bass said.

The first two years provide students with an "integrated experience" between the broad liberal arts (the Foundational Skills outlined in this paper) as well as the Specialized Skills for the major. Credit-bearing immersions are built into the beginning and end of the semesters, with the final week focused on helping students to incorporate and understand the knowledge and skills they developed across their courses.



The Red House at Georgetown University

The second two years are highly customizable, allowing students to focus on experiential learning or to accelerate earning the degree by working year-round and eventually adding a master's degree that could be part of a 3+1 or 4+1 combination.

The goal is also to build the soft-skills, which Bass calls "personal formation" throughout the program, not just in courses or experiential learning. So one degree requirement mandates that all students in their final two years serve as either a peer mentor or peer teacher for lower division students to make the extensive project-based and experiential components in the program both doable and affordable.

"Given the degree's emphasis on experiential learning and research, we anticipate that there will be many opportunities to make credit-bearing progress over the summer, raising the possibility of accelerating without losing depth and breadth," Bass said. "This is a model that will start to shift our other programs in the future. This looks like nothing else we've ever done."

The Final Word

The bachelor's degree has evolved over centuries as the needs of society and the workforce have expanded and changed. But now the degree is facing perhaps its greatest threat. The public is increasingly questioning its price and usefulness. And the skills needed to keep up in any job are churning at a much faster rate than any B.A. curriculum can reasonability keep pace.

Yet, as our research shows, the B.A. remains a valuable commodity to those who hold one, providing a wage premium that is unmatched when compared to those with an A.A. or high school diploma. For colleges and universities, however, it would be a mistake to ride the tailwinds of the historical ROI of the degree. The data in this paper show that the upside of a degree varies depending on the selectivity of the institution, occupation, and skills.

As a result, it's critical for colleges to help mitigate those differences by developing strategies to make the degree more valuable for more students. This is especially important as a demographic cliff looms for higher education in the coming years, with a smaller overall number of prospective students expected to be in the pipeline to college for much of the next decade-plus.

By understanding how their B.A.'s perform in the job market and then adopting the approaches outlined in these pages to make them more valuable, colleges and universities can ensure demand for their programs far into the future. The path each institution takes will be slightly different, but the ideas presented here offer a practical guide to bringing the B.A. into a new century.

About the Authors:

Matt Sigelman is the president of the Burning Glass Institute, which advances data-driven research and practice for the future of work and workers. He is also chairman of Lightcast and a visiting fellow at the Project on Workforce at Harvard University.

Jeffrey Selingo is an higher education author and strategist who has written three New York Times bestselling books. His latest book, *Who Gets In & Why: A Year Inside College Admissions*, was published in September 2020 and was named among the 100 Notable Books of the year by the *The New York Times*. A regular contributor to *The Atlantic* and *The New York Times*, Jeff is a special advisor for innovation and professor of practice at Arizona State University. He also co-hosts the podcast, *Future U*.

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