

## Time is money for brainy workers who earn much more over life course

March 3 2010, by Cathy Keen

(PhysOrg.com) -- Brains translate into big bucks in the workplace, according to a University of Florida study, which finds that bright people have earned at least half a million dollars more by middle age than those who are less intellectually inclined.

Smart <u>people</u> start out with modestly higher paychecks, but their income and job status greatly accelerate over time, said Ryan Klinger, a UF graduate student in management and one of the study's researchers.

"Although we expected mental ability to influence whether someone had a more prestigious job and earned more money, we were surprised by the magnitude of the difference," he said. "Over the course of the study individuals with high <u>intelligence</u> outgained those with low intelligence by more than \$580,000."

Smart people set themselves apart as they make known their quickness of mind, problem-solving skills and workplace adaptability, Klinger said. "Because of the ease and flexibility with which people with greater mental ability learn and apply knowledge to complex situations, they enjoy much steeper growth in their occupational success over time," he said.

Klinger worked with UF management professor Timothy Judge and graduate student Lauren Simon on the national study published in the January issue of the <u>Journal of Applied Psychology</u>. The researchers analyzed Department of Labor data from a nationally representative set



of more than 12,500 people who have been tracked since 1979 when they were between 14 and 22 years old and just entering the work force. In addition, each of these participants took an aptitude test to assess their general intelligence.

When the study began, intelligent people earned an average of \$1,575 more a year than less intelligent ones, with the gap widening to \$16,474 a decade later, Klinger said. The change was dramatic by 2006 with smarter employees making an average of \$38,819 more per year, a difference at least 20 times that of when they started, he said.

Huge variations in occupational prestige kept pace with rises in income, Klinger said. At the end of 28 years, a person of low intelligence moved up from a job at the level of apprentice plumber to that of plumber, while a highly intelligent person rose from a position comparable in status to vehicle dispatcher to one of the same standing as a civil engineer, he said.

Not only were intelligent individuals likely to acquire more knowledge and skills through education, on-the-job training and other means, but they were better at capitalizing on their assets, Klinger said. They used additional experience along with their superior mental skills to increase on-the-job knowledge, which boosted their careers, he said.

"If two people had the same level of education, the person of higher intelligence was likely to do more with that education in applying that education or training to a job," he said.

"Put simply, it is not only the amount one learns that matters, but also the flexibility and ease with which what is learned can be applied and manipulated," he said. "With these capabilities, the intelligent have an advantage and one that is likely to translate into higher pay and greater occupational prestige."



The gap could widen as the increasingly specialized workplace demands intelligent workers, Klinger said. "As jobs become more complex, we can expect these advantages to increase even more," he said.

Klinger cautions against assumptions that brains alone could seal one's fate for life. Hard work, more education and good social skills can make great differences, he said.

"It might be disheartening to think that intelligence is predetermined to a certain extent by your genes, but I wouldn't want people to interpret our findings to mean they can be born into an unsuccessful life," he said. "There certainly were individuals in our study who were able to compensate for their low intelligence and achieve tremendous levels of career success and likewise individuals who because of their intelligence may have seemed destined for greatness but never met those expectations."

Even people with little intelligence who acquired additional education and training advanced farther in their careers than those who never sought those opportunities, he said.

And other factors besides brains can explain much of a person's success, such as the ability to get along well with other people, Klinger said. "Research shows that in some cases people are able to compensate for low cognitive abilities with emotional intelligence," he said.

The study examined only how intelligence relates to measures of achievement society uses and not those of individuals, Klinger said. "People often evaluate their own success based on more internal judgments, such as whether or not they enjoy going to work every day or whether or not they have the power to make a difference at their job," he said.



## Provided by University of Florida

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