

Re-enrolling and completing a bachelor's degree has positive effect on annual income

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Returning to college to earn a bachelor's degree leads to both an immediate increase in annual income after graduation and an increase in annual income growth each year after graduation, according to a Kansas

State University economics researcher.

Amanda Gaulke, assistant professor of economics in the College of Arts and Sciences, found that students who return to [college](#) and finish a bachelor's degree earn on average \$4,294 more immediately after graduation and experience an extra income growth of \$1,121 per year, on average. The *Economics of Education Review* recently published the study.

"No matter how I looked at the data, those who returned and finished a bachelor's degree see an economically meaningful increase in income after degree completion," Gaulke said. "The average age at graduation for this sample is 27, so they certainly have a lot of working years left to experience improved labor market outcomes."

While current economic literature mainly focuses on the traditional college [student](#)—those who graduate high school, go to college, earn a degree, and then start a career—Gaulke wanted to determine if returning to finish a bachelor's degree resulted in improved economic outcomes compared to both those who never returned and those who returned to complete a bachelor's degree but dropped out again.

"This information is important for people who are wondering if they should return to school," Gaulke said. "When thinking in terms of weighing costs and benefits, it is important for those people to know that there are real economic benefits of going back and completing a bachelor's degree."

Gaulke's study also shows students who re-enroll and earn a degree are significantly more likely to be employed, work more weeks and work more full-time weeks each quarter. Additionally, those students who return but do not complete a degree also realized slight [income](#) gains.

Ultimately, businesses and the U.S. economy also benefit from having a trained workforce.

"To maximize [economic output](#), we have to use resources efficiently," Gaulke said. "If employees are not as productive or skilled because they are unable to make well-informed decisions about re-enrolling and completing their bachelor's degrees, this reduces worker productivity."

Gaulke said another benefit of this study is that many institutions of higher education have concerns about enrollment numbers and are expanding their recruitment efforts beyond students coming straight from [high school](#). Many private sector companies now offer services to help colleges and universities re-enroll students who left without completing their degrees. The results of this study suggest that colleges and universities that develop or implement policies to help students re-enroll and finish a bachelor's degree can potentially improve enrollment numbers and also help improve economic outcomes for these students as well.

More information: Amanda P. Gaulke, Returns to bachelor's degree completion among stopouts, *Economics of Education Review* (2022). DOI: [10.1016/j.econedurev.2021.102218](https://doi.org/10.1016/j.econedurev.2021.102218)

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