The college degree has become the new high school degree



Karina Munoz, 21, left, a junior business management major from Houston, talks with a recruiter Wednesday, Sept. 3, 2014, during the Part Time Job, Volunteer and Internship Fair at Stephen F. Austin State University in Nacogdoches, Texas. (Andrew D. Brosig/AP)



By Catherine Rampell Opinion writer September 9, 2014

You've heard of grade inflation? Welcome to the world of degree inflation.

A new report finds that employers are increasingly requiring a bachelor's degree for positions that didn't used to require baccalaureate education. A college degree, in other words, is becoming the new high school diploma: the minimum credential required to get even the most basic, entry-level job.

The report is from Burning Glass, a labor market analytics company that mines millions of online job postings. The company found that a wide range of jobs — in management, administration, sales and other fields — are undergoing "upcredentialing," or degree inflation. As examples, just 25 percent of people employed as insurance clerks have a BA, but twice that percentage of insurance-clerk job ads require one. Among executive secretaries and executive assistants, 19 percent of job-holders have degrees, but 65 percent of job postings mandate them.

What's going on?

The most benevolent explanation is that technology has changed the nature and responsibilities of many jobs. Duties are becoming more complicated, requiring more technical knowledge and stronger critical thinking skills.

Being in charge of logistics a generation ago required strong organization and management skills, whereas today it might also require familiarity with sophisticated optimization and simulation software. And on the bright side, the pay in many of these upcredentialing careers is rising as workers are expected to be higher-skilled and more productive.

And sometimes there are quantifiable differences between the skills needed at jobs requiring BAs and those that don't, even when the title of the job is the same. Postings for loan officers that require BAs are more likely to ask for national accreditations and specific commercial and retail lending skills than are postings for loan officers that don't call for a bachelor's degree. Note, though, that the skills required of college grads are not always ones they are taught in college.

Which brings me to another, potentially more troubling explanation for degree inflation: signaling.

Regardless of what you actually learn in college, graduating from a four-year institution may broadcast that you have discipline, drive and stick-to-it-iveness. In plenty of jobs — such as I.T. help-desk positions — there is little to no difference in skill requirements between job ads requiring a degree and those that do not, Burning Glass found. But employers still prefer college graduates.

With college attendance more routine today it was than in the past, degrees are becoming a common, if blunt, tool for screening job applicants. In 2013, 33.6 percent of 25- to 29-year-olds had a BA, vs. 24.7 percent in 1995. Bachelor's degrees are probably seen less as a gold star for those who have them than as a red flag for those who don't. If you couldn't be bothered to get a degree in this day and age, you must be lazy, unreliable or dumb.

Or so employers — especially their HR departments — seem to suspect. A 2012 survey of employers conducted by the Chronicle of Higher Education found that human resources professionals (as opposed to executives and managers, who were also surveyed) were less likely to overlook an applicant's lack of a degree if the worker otherwise had "the right fit."

Of course, the majority of workers, including millennials, still don't have a bachelor's degree. But with a weak labor market, employers can afford to be picky.

They're certainly acting picky, too. Employers are taking longer than ever before to fill vacant positions, according to the Dice Hiring Indicators Report. Inflated, unrealistic job requirements may be one explanation. Employers who demand postsecondary education for positions that didn't traditionally require it seem to be waiting especially long periods before selecting their ideal

candidate. Burning Glass found that construction supervisor positions that require a bachelor's degree take 61 days to fill on average, while those that don't take just 28 days.

As the economy recovers, workers become less desperate and businesses feel more urgency to fill vacancies, hiring managers may have to get a little less persnickety about their workers' pedigrees. But in the meantime, college grads are landing in positions that probably don't use the skills they've piled up thousands of dollars in debt to acquire, and many high school grads and college dropouts are being shut out from the first rung of the career ladder altogether. The resulting damage to all these workers' career trajectories could last for many years to come.