# **Common believe people with college degree earn more on average**

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It is a common belief that people with college degree will earn higher salary than those without. Many parents keep telling to their kid degree is a must thing to have a good life. Many college graduates struggled to find an answer if it was worthed earning one. People hearing all over the news advertisements about enrolling to school and earn degree which will substantially improve their life. Just earn it and one will make a lot more on average than those without. This common believe is very questionable.

On television and in the news many people including very high political personalities advocating to go to college. At the same time, former president Barack Obama and current president Joe Biden pushing hard to pass a law to a congress that will forgive student debt. So many college graduates in our society holding various degrees and yet our country facing student debt crisis? If college degree is worth it as many advocating, then how come people with degrees not able to serve their debt? Are they working? Or perhaps they got jobs not for what they were majored? Or they earned a degree in an industry that does not have much prospect to allow them to earn enough to make a comfortable living? Should people earn their degrees in order to earn higher salary? May be one would be better off just go to a vocation school acquire some trade skills and find a job that would allow to earn more money than those with college degree.

An elevator mechanic working for MTA (Metropolitan Transportation Authority) in New York City making 80K per annum without college degree and an accountant with degree making approximately 60K. An electrician in the same city making an average salary of 75K annually. At the same time one with a college degree can earn six-digit salary in Information Technology field and earning more than high school teachers or accountants who are both educated people. Running the following google search “how much high school teachers make” generates result between $53,600 and $68,400 per annum and running “how much accountants make on average” gives a result of $68,563. The following google search for a programmer “how much programmer make” returns a median salary of $91,116.

Does it make any sense then to earn one? Probably it does but only if one chose a degree in an industry with good growth opportunities. Earning any degree will not work well for many people. A lot of people with degrees earning less than the once without. I am convinced there is a strong positive correlation between earning a higher salary with college degree and working in an industry with high growth prospect as oppose having a college degree and working in an industry with low prospect. In other words, if an industry does not have growth prospects, then one with one or more degrees will find it hard to make a good living. Observing many people throughout many years I noticed it is not about how many degrees they have but instead it is the industry there working in which plays a major role in the potential of their career.

To prove my point, I will use CRISP-DM methodology to find correlation between salaries and industries. First, I will select many industries with total market sizes and average salaries where college degree required. I want to find positive correlation between industry market size and average salary. The higher industry’s market size should lead to higher average salary. Also, I will collect employees’ salaries without college degrees for the same industries and for the industries where college degrees are not required. This way I can compare how salaries are differed across industries. Second, I will research wages, years of experience and understand the data if the salaries include bonuses. Third, I will clean up and prepare the data by removing bonuses, over times and keep only base salaries for comparison purposes because many companies do not pay bonuses and wages with overtime can be inflated substantially. Removing salaries of CEOs and owners would be wise since I only interested in regular wages without outliers that will inflate overall result. Fourth, I will select the modelling technique and build the model. Fifth, I will analyze the result and see if it proves my point. In other words, are people with college degrees earn higher salaries on average in the same industry and in other industries where degree not required. In addition, are there any positive patter between industry market size and employee salaries. Sixth, if my point is proved to be legitimate then I will generate final report and deploy my findings to the public with below conclusion.

## Conclusion

People with degree earn more on average is a vague statement. One should very carefully in selecting degree and industry he or she wants to pursue. At the end of the day, an industry will decide how much one will earn and not how many degrees one has. The general statements that we hear on the news or common believe that people with college degree earn more is misleading. One can earn many degrees and being very highly educated person but if industry does not present a growth opportunity and small in market size then all those degrees and good grades are worthless. One will end up with worthless degree and a lot of student debt. Perhaps it explains why so many college grads unhappy. Instead, one who decides to pursue a degree should look at the industry size and growth opportunity it presents. Otherwise, pursuing a degree in a small cap industry will not give ability to earn good income and one will find hard time to pay back borrowed loans and a lot of regret and unhappiness will follow.