

# **Student Perceptions Concerning Higher Education and the Labor Market**

By Don Sutherland

At the beginning of each semester, my BBA 407 (Strategic Management) students receive a diagnostic exam that is used as a pre-test for helping measure student learning. The exam also typically includes one or more survey questions.

This semester, the exam included a question concerning educational attainment and unemployment. The outcome was surprising. 60% of the students suggested that the unemployment rate is lowest for people who have either less than a high school diploma or only a high school diploma. 40% correctly noted that the unemployment rate is lowest among those who have a Bachelor's Degree or higher.

As per a follow-up discussion on student perceptions concerning educational attainment and employment, the following explanations were offered for those who believed that the unemployment rate would be lowest for people with less than a high school diploma or a high school diploma, no college:

1. Misread the question.
2. More competition among the highly educated meaning it's tougher for them to get jobs.
3. Companies are seeking to keep labor costs low leading to hiring fewer college-educated workers and outsourcing.
4. Companies can hire and train multiple low wage people for the cost of a college graduate (related to #3).
5. Companies prefer experience not degrees.
6. International student: Not familiar with the U.S. labor market.

When asked whether any of them had exposure to employment/wage data and educational attainment e.g., at orientation, none of the students recalled any such discussion. However, most felt that students should know about such data.

The last item is more complex. What should international students know? Some may return to their home countries, but some might want to stay in the U.S. More engagement with international students would make sense (better knowledge of the U.S. would enable them to make better-informed decisions about staying, might make them feel more included, etc.).