

Thought Leadership

# Grad Nation: If Not College, Then What?



Junior  
Achievement™

## Is College Worth It?

For decades, the conventional wisdom has been that earning a four-year college degree was an important step in promoting upward mobility. For the most part, that continues to be the case, as research from [Georgetown University](#) demonstrates that those with a bachelor's degree earn significantly more during their lifetimes than those without a college education.

In recent years, though, many have begun to question the value of college. As the [National Center for Education Statistics \(NCES\)](#) reports, the rise of college costs has far outpaced inflation over the past 40 years. Student loan debt in the United States [now exceeds \\$1.77 trillion](#). According to the [New American](#) think tank, 3.5 million Americans above the age of 60 still owe on student loans.

Given these economic realities, it shouldn't be surprising that research by [Gallup](#) shows Americans' confidence in higher education has declined substantially in recent years. This could help explain why college enrollment has fallen substantially over the past decade, according to [Inside Higher Ed](#).



## If Not College, Then What Comes Next?

In the past, if someone chose not to go to college, they would either pursue some other form of postsecondary education or training, get a job, maybe start a business, or possibly enlist in the military. However, today's young adults appear to be opting for a "None of The Above" approach instead. [The Federal Reserve Bank of Dallas](#) reports that the percentage of young adults between the ages of 18 and 24 who are "disconnected" - meaning not working at a job or pursuing education - is the highest it has been in nearly four decades. This could help explain why [one in three U.S. adults between 18 and 34](#) still lives at home with their parents.

These findings might lead one to conclude that Generation Z doesn't want to work, but [many of those in Gen Z](#) express frustration that the jobs they can get don't pay enough to match the ever-increasing cost of living. And, unlike previous generations, Gen Z is more concerned with jobs that align with their values and that offer a reasonable work-life balance.

While it's not difficult to appreciate young people's skepticism about the value of a college degree given some of the current realities they are facing, the fact is in order to find a job or career that pays more, aligns with personal values, offers work/life balance, and more, some level of education or training to gain marketable skills is necessary.

So, if not college, what then?

## Alternative Pathways

According to the [Society for Resource Management \(SHRM\)](#), Gen Z interest in skilled trades has grown significantly in recent years, demonstrated by a decline in college enrollments and an increase in participation in vocational training programs. There are many reasons for young workers to consider skilled trades, notes recruitment firm [HireLevel](#). These include high-demand occupations with job security, competitive pay, quick entry and minimal debt, hands-on learning, and diverse career opportunities. Additionally, many of those who have spent their careers in the skilled trades report that they are satisfied with their jobs.

There are also professions in [healthcare](#) and [technology](#) that don't require a degree, according to job search site Indeed. Many good-paying positions can be obtained with a combination of certifications, apprenticeships, and on-the-job training.



Even employers that traditionally sought job candidates with degrees are starting to take into consideration applicants who don't have degrees but do have real-world experience. In fact, [research by Intelligent.com](#) shows that about half of employers in the U.S. have dropped college degree requirements for applicants to expand the pool of potential candidates and promote more inclusive hiring practices.

## A Complicated Reality

Even with these promising changes, the disconnect between perceptions and reality in streamlining the transition between education and employment continues to be a challenge. For instance, despite the potential of skilled trades, the [National Association of Home Builders \(NAHB\)](#) notes that many teens are still skeptical about pursuing opportunities in these fields. Reasons for this include a lack of understanding of the earning potential of these professions, continued societal bias against what are considered "blue collar" jobs, and the ongoing emphasis on college degrees by the K-12 educational system.

And while more employers are dropping their college degree requirements, [it hasn't resulted in an increased hiring](#) of those without degrees in many cases. Even in instances when non-degreed candidates have been hired, they tend to be paid less than their college degree-holding predecessors.

While this is a complicated reality, it's a reality young people need to understand before making life-changing decisions. There are no easy answers, but giving young people the ability to ask the right questions to make a plan before taking on student debt, or opting out of promising education, training, or career paths completely, is preferable to not having a plan for the future at all.

## Our Response

Junior Achievement is committed to helping streamline the transition from education to employment through our focus on work and career readiness. JA partners with organizations in the communities we serve to help students make the connection between what they learn in school and life outside the classroom, including future jobs and careers. [Research conducted by Ipsos](#) for Junior Achievement shows that JA Alumni report their JA learning experiences having a positive impact on their education and career outcomes.

When it comes to education, jobs, and careers, JA Alumni say Junior Achievement positively influenced their decision to pursue higher education (84% overall – 83% White JA Alumni, 86% Black JA Alumni, 85% Hispanic/Latino JA Alumni), their professional development (84% overall – 84% White JA Alumni, 87% Black JA Alumni, 84% Hispanic/Latino JA Alumni), and their career path (81% overall – 80% White JA Alumni, 89% Black JA Alumni, 82% Hispanic/Latino JA Alumni). Ninety percent say it exposed them to different ways of thinking, 89 percent say it motivated them to succeed in their professional lives, and 88 percent say JA widened their horizons. Similarly, 88 percent say it made them think of new work opportunities or career paths. Four in five report that their careers are extremely fulfilling (80%).

In terms of aligning education with career outcomes, nearly three-in-four (73%) JA Alumni who graduated from college say they work in a field they studied in college (71% White JA Alumni, 72% Black JA Alumni, 78% Hispanic/Latino JA Alumni). Research by the Federal Reserve Bank of New York shows that just one-in-four (27%) American college graduates [say they work in the field they studied in school](#).



Additionally, more than two-thirds (69%) of JA Alumni say they currently work in their dream career (72% White JA Alumni, 69% Black JA Alumni, 69% Hispanic/Latino JA Alumni). Research by MidAmerica Nazarene College shows that only 25 percent of Americans say they are in their “dream career.”

To learn how to engage with Junior Achievement in your community, visit [JA.org/Locations](https://www.ja.org/locations).