

# GALLUP®

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## Graduates With Good Job Upon Graduation Earn More, Faster

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## STORY HIGHLIGHTS

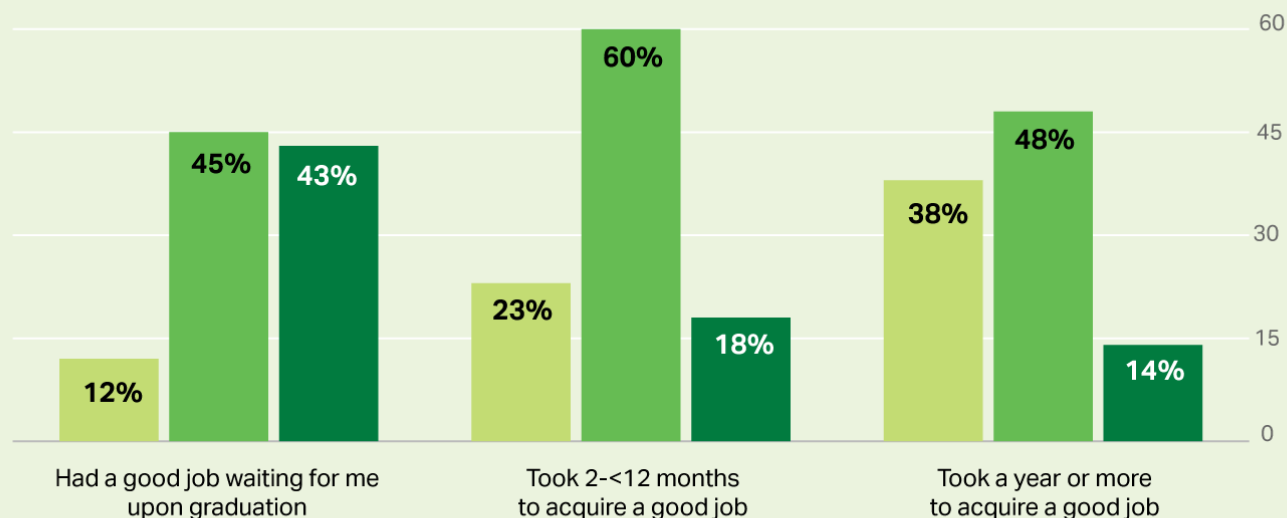
- 43% of recent graduates who found a good job quickly earn \$60,000+
  - Graduates who found a good job quickly earn higher wages faster
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WASHINGTON, D.C. -- Recent college graduates who got a good job immediately upon graduation earn considerably higher salaries -- over both the short and long term -- than graduates who took longer to land a first good job out of college. Graduates who had a good job -- as self-defined by the respondent -- waiting for them upon graduation are 2.4 times more likely to be earning \$60,000 or more in personal income today than graduates who took two to less than 12 months to land a good job after graduation.

## Current Personal Income by Time to Acquire Good Job After Graduation

(Among 2010-2016 graduates who were seeking employment): "About how long did it take for you to obtain a good job after you completed your undergraduate education at [institution]?"

■ Current income: <\$24,000   ■ Current income: \$24,000-<\$60,000   ■ Current income: \$60,000+



STRADA-GALLUP ALUMNI SURVEY

Forty-three percent of recent graduates who had a good job waiting for them upon graduation now earn at least \$60,000 in personal income, compared with fewer than two in 10 graduates who took two to less than 12 months (18%) or one year or more (14%) to find a good job.

Additionally, more than a third (38%) of recent college graduates who took a year or more to land a good job now earn less than \$24,000 in personal income. By comparison, Americans earning the federal minimum hourly wage can earn \$15,080 a year by working 40 hours each week in jobs that typically do not require a bachelor's degree. About a quarter of recent graduates (23%) who took two to less than 12 months to find a good job now earn less than \$24,000. However, only about one in 10 recent graduates who had a good job at graduation now earn that same low yearly wage (12%).

The findings come from the Strada-Gallup Alumni Survey (formerly known as the Gallup-Purdue Index), based on interviews with more than 4,429 U.S. adults aged 18 and older who earned a bachelor's degree between 2010 and 2016. For the purposes of this analysis, graduates who were not immediately seeking a job after graduation -- such as those who pursued additional education -- are excluded from the analysis. The research is drawn from Gallup's nationally representative survey of college graduates that has interviewed 80,000 different college graduates over four administrations.

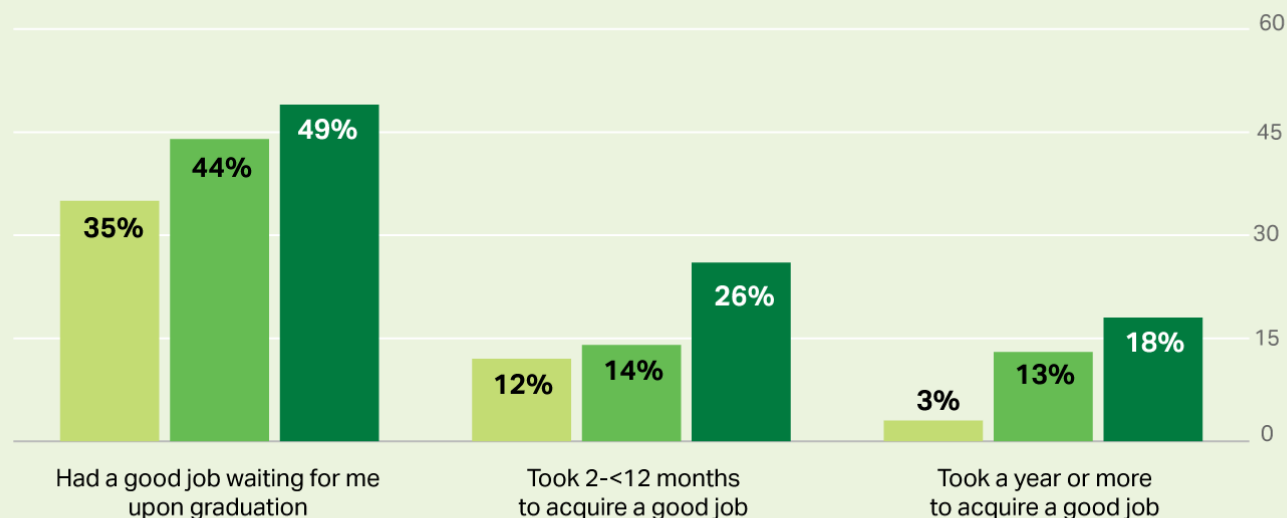
## Graduates Who Had Good Job Quickly Start With High Wage and Earn More Later

In addition to earning higher salaries overall, recent graduates who had a good job at graduation earn a higher income in their first years out of college than those who took longer to find a good job. More than a third of graduates (35%) who are one to three years past graduation and who had a good job immediately after college now earn \$60,000 or more in personal income -- a rate nearly 12 times higher than their peers who took a year or more to find a good job.

## % Currently Earning \$60,000+ in Personal Income by Years Since Graduation and Time It Took to Acquire a Good Job

(Among 2010-2016 graduates who were seeking employment)

1-3 years since graduation   4-5 years since graduation   6-7 years since graduation



STRADA-GALLUP ALUMNI SURVEY

Graduates who found good jobs quickly are also more likely to achieve a high salary in less time. Among graduates who had a good job at graduation, 44% who graduated four to five years ago now earn \$60,000 or more and nearly half (49%) who graduated six to seven years ago now earn at least \$60,000. Only 3% of those who graduated one to three years ago who took a year or longer to find a good job now earn \$60,000 or more. And even among those who graduated six to seven years ago, only 18% of those who took a year or more to find a good job after graduation now earn at least \$60,000.

## Bottom Line

College graduates' first job out of college is particularly critical because it can set them on a career trajectory that is difficult to change. Recent research by Strada Education Network and Burning Glass shows that college graduates who are underemployed in their first job often remain underemployed even a decade after graduation. In short, graduates who start "high" on the career ladder remain atop the career ladder, while those who start "low" struggle to climb their way to better jobs and higher salaries.

These findings underscore how important it is for colleges to help their students graduate both prepared to compete in the workforce and able to identify quality jobs immediately upon graduation. For graduates who take just a few months to find that first good job after college, their earnings are significantly and negatively affected, compared with their peers who have jobs waiting for them upon graduation. While graduates who have a job immediately upon graduation likely represent the highly motivated "go-getters," institutions can be purposeful in helping their other students find good jobs as well.

Previous Gallup and Strada research about college students and graduates has demonstrated actionable ways that colleges and universities can help their students prepare for success in the workforce, including fostering high-impact learning experiences and career-specific discussions between students and faculty. For example, graduates across all fields of study who had a job or internship where they could apply what they were learning in the classroom were twice as likely to have had a good job at graduation. Additionally, college students who said that a faculty member initiated a conversation with them about their career options are far more likely to express confidence about their job prospects.

Students, parents and the public, alike, believe pursuing higher education is the key to getting a good job. There is certainly long-standing evidence that those who get a college degree earn considerably more over their lifetime, but this new evidence suggests that there is also a difference in earnings among college graduates based on how quickly they land a good job after graduating. Colleges and universities that can help their students find that good job *quickly* after graduation can help set their graduates on a successful career trajectory.

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- Transform your students' college experience by inspiring and empowering them.
- View previous national findings of the Strada-Gallup Alumni Survey and sign up to receive the next report.
- Create a culture of positive human development -- one where faculty and staff develop and learn and where students thrive.

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SURVEY METHODS



Results for the Strada-Gallup Alumni Survey (formerly the Gallup-Purdue Index Survey) are based on 4,429 U.S. adults aged 18 and older who earned a bachelor's degree between 2010 and 2016. The surveys were conducted via web in three administrations: Feb. 4-March 7, 2014; Dec. 16, 2014-June 29, 2015; and Aug. 22-Oct. 11, 2016, with random samples of 29,560 respondents, 30,151 respondents, and 11,483 respondents, respectively, who had a bachelor's degree or higher and were aged 18 and older, with internet access, living in all 50 U.S. states and the District of Columbia. For results based on those with a bachelor's degree from national comparison institutions, the margin of sampling error is  $\pm 2.1$  percentage points at the 95% confidence level.

The 2014 Gallup-Purdue Index sample was compiled from two sources: the Gallup Panel and the Gallup Daily tracking survey. The 2015 and 2016 Gallup-Purdue Index samples were recruited via the Gallup Daily tracking survey. The Gallup Panel is a proprietary, probability-based longitudinal panel of U.S. adults who are selected using random-digit-dial (RDD) and address-based sampling methods. The Gallup Panel is not an opt-in panel. The Gallup Panel includes 60,000 individuals, and Panel members can be surveyed by phone, mail or web. Gallup Panel members with a college degree and access to the internet were invited to take the Gallup-Purdue Index survey online. The Gallup Daily tracking survey sample includes national adults with a minimum quota of 70% cellphone respondents and 30% landline respondents, with additional minimum quotas by time zone within region. Landline and cellular telephone numbers are selected using RDD methods. Landline respondents are chosen at random within each household on the basis of which member had the most recent birthday. Gallup Daily tracking respondents with a college degree, who agreed to future contact, were invited to take the Gallup-Purdue Index survey online.

Gallup-Purdue Index interviews are conducted via the web, in English only. Samples are weighted to correct for unequal selection probability and nonresponse. The data are weighted to match national demographics of gender, age, race, Hispanic ethnicity, education and region. Demographic weighting targets are based on the most recent Current Population Survey figures for the aged 18 and older U.S. bachelor's degree or higher population.

All reported margins of sampling error for the Gallup-Purdue Index of all college graduates include the computed design effects for weighting.

In addition to sampling error, question wording and practical difficulties in conducting surveys can introduce error or bias into the findings of public opinion polls.

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