

TIME TO BACCALAUREATE DEGREE IN THE LABOR MARKET: EVIDENCE FROM A FIELD EXPERIMENT

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1 | INTRODUCTION

The time between initial postsecondary enrollment and completion of a bachelor's degree is considered a key indicator of student success.

Many students take longer than 4 years to graduate:



Since employers routinely make inferences about a worker's productivity based on observable characteristics such as on a resume, time to degree could be meaningful in the labor market if employers value it as a signal of an applicant's potential performance as an employee.

2 | EXPERIMENTAL DESIGN

Does time to bachelor's degree affect labor market outcomes after graduation?

I study this question by conducting a [resume audit experiment](#) that randomly assigns time to degree on fictitious, yet realistic resumes submitted to real online job postings.

My experimental design includes 2 [educational treatments](#) on the resumes:

1. **Time to degree**
 - Either 4 or 6 years
 - Indicated by the range of years listed next to bachelor's degree
2. **College selectivity**
 - Either a more or less selective public college
 - Indicated by college names listed on the resumes

I submitted about 7,500 resumes to about 2,000 entry-level business jobs.

3 | RESULTS

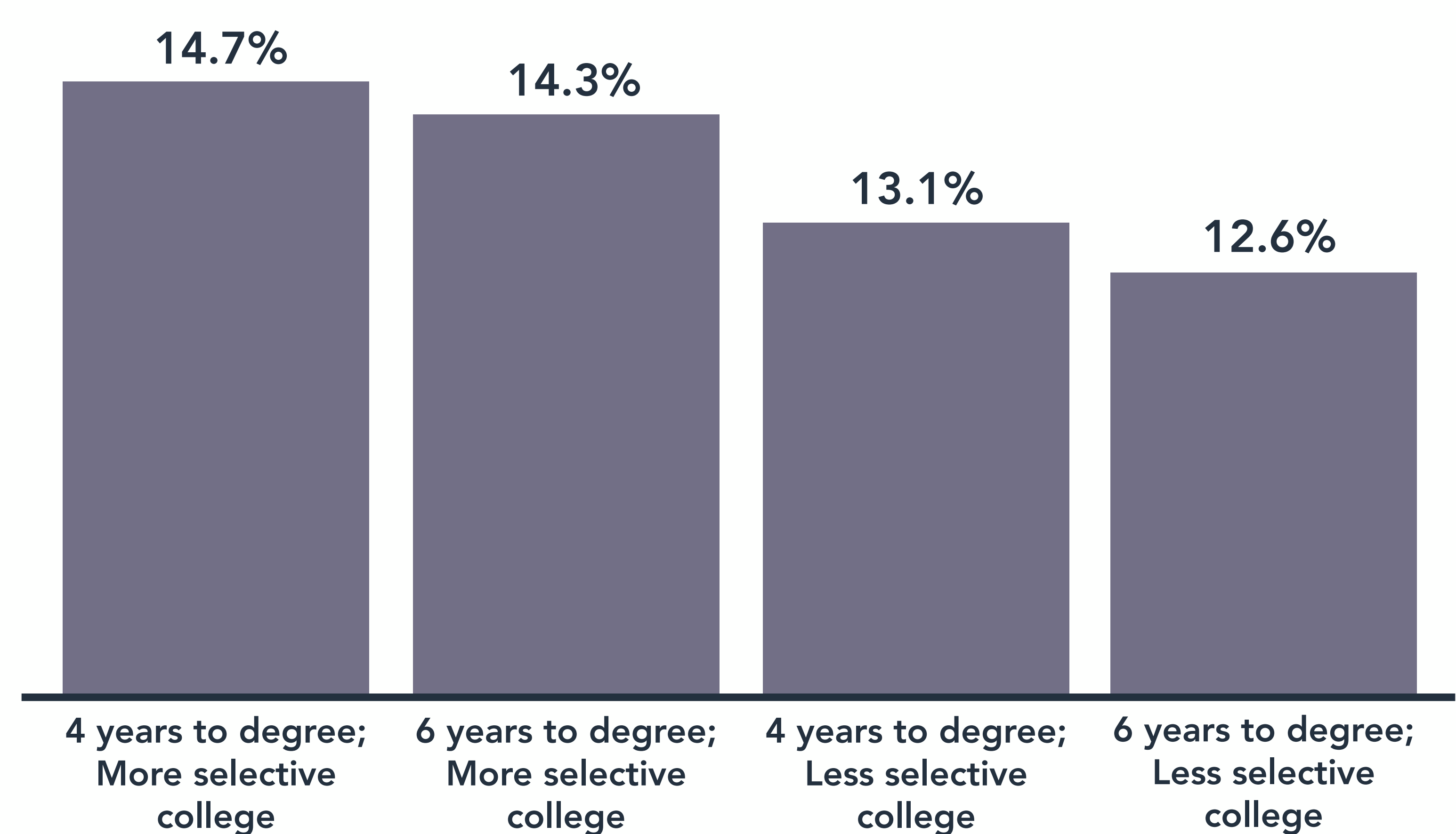
Time to Degree Results: Little evidence that employers value time to degree

- Resumes listing six years to degree have **3 percent (0.4 percentage points)** lower employer response rates than resumes listing four years to degree, though this difference is not statistically significant.
- The difference in the time to degree effect between more and less selective colleges is negligible.

College Selectivity Results: Employers use college names as a signal of applicant quality

- Resumes listing a more selective college receive about **13 percent (1.7 percentage points)** more responses than resumes listing a less selective college (with about 300 points lower average SAT scores).
- Among the top half highest paying jobs in the sample, the effect of college selectivity is higher, about **33 percent**.

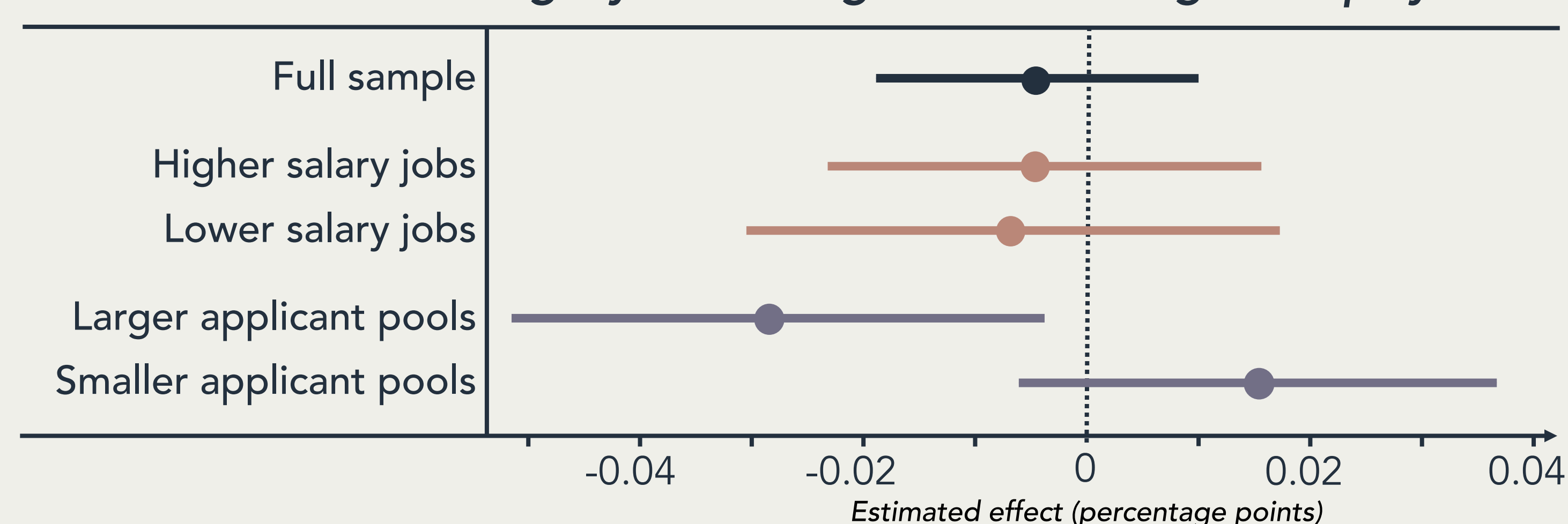
Employer response rates across the 4 resume treatment types:



4 | INTERPRETATION

- No differential effect of time to degree between higher and lower salary jobs suggests "reverse discrimination" does not explain the results
- A time to degree effect emerges among jobs with larger applicant pools, suggesting employers can notice time to degree on resumes

Estimated effects of listing 6 years to degree on receiving an employer callback:



5 | CONCLUSION

My results provide evidence that colleges and students should not have significant concerns about initial labor market consequences of delayed graduation.

- Employers may only value time to degree on the margin when job openings are particularly competitive.
- Even so, the skills and employment experiences that graduates can list on their resumes likely will be more valuable than time to degree.

Policy efforts should continue to focus attention on helping students to graduate, regardless of whether it takes an extra couple of years to do so.

- If students can afford it, extending college enrollment beyond the standard on-time amount of time may not have large private costs, especially if the extended enrollment allows a student to pursue a major in a more lucrative field.

CONTACT

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