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How Certificates Can Lift Income

By *MOTOKO RICH*

With so much focus on whether college is worth it, relatively little attention has been paid to the value of certificate programs – vocational courses of study beyond high school that do not lead to an associate’s or bachelor’s degree.

Over the last few years, these certificates **have been proliferating**, in fields ranging from health care and computer technology to cosmetology, interior design and paralegaling.

A **new report** from the **Center on Education and the Workforce** at **Georgetown University** examines whether these certificates actually help students in the labor market.

For some people, they can be viable alternatives to a full-blown college degree, lifting earnings well above what the average high school graduate earns. The median earnings of people who hold certificates are 20 percent higher than the median earnings of workers who go no further than a high school diploma. If certificate holders work in the field in which they earn the certificate, their median income is just 4 percent less than the median income of associate degree holders.

“We are developing a very American version of the European system” for vocational training, said **Anthony P. Carnevale**, director of the Center on Education and the Workforce and the lead author of the report, in an interview. Mr. Carnevale likened certificates to apprenticeships in Germany.

Certificates may particularly benefit those who struggle with academics. The report, which analyzed data from the National Longitudinal Study of Youth, administered by the **United States Department of Education**, and the Survey of Income and Program Participation, administered by the **Census Bureau**, found that those who gained certificates earned about the same median income as those who attended some college. Yet the median score of certificate holders on the National Assessment of Adult Literacy, a standardized test, is several points lower than those who complete some college.

Mr. Carnevale said that certificates delivered “focused training” that could help people who struggled academically in gaining “sufficient skills to give them jobs above what they would normally get based on their educational achievement.”

The picture for certificates becomes mixed depending on the field of study, and when it comes to women, who actually tend to fare poorly.

Men with certificates enjoy a wage premium that is 27 percent higher than the median earnings of those who stop at a high school diploma. For women, the premium is much lower, at 16 percent.

“The advice to women is you better get past a certificate,” Mr. Carnevale said. For many women, he said, “certificates tend to be a drain or a detour.”

One factor is that women more often pursue certificates that lead to low-paying professions. Women are dominant in both health care and cosmetology certificate programs, which offer little or no premium to the median earnings of women with high school diplomas.

Perhaps more crushing is the fact that 77 percent of health care and cosmetology certificates are earned at for-profit institutions, where the median costs after financial aid are close to \$20,000.

Mr. Carnevale said such data showed that rules requiring [for-profit schools](#) to prepare students for “gainful employment” that can cover their debts are “necessary, not just a good idea.”