Is a college degree worth it? Interventions are needed to enhance the practical relevance of higher education.

Many young people around the world struggle to find jobs despite having obtained university degrees. Asit K. Biswas and Julian Kirchherr outline what needs to change in order to boost the practical value of higher education. Recruiting academic staff with work experience outside of academia could provide richer teaching experiences and a more developed understanding of which skills are needed, even essential, in the job markets.

Approximately 290 million young people worldwide are neither studying nor working – that is almost a quarter of the global youth. Unemployment rates even top 50% in many countries for those between 15 and 24. For instance, Greece’s youth unemployment rate now stands at 54%, Spain’s at 58%, South Africa’s at 53% (World Bank). Policy-makers have claimed for many years that education would be the best insurance against unemployment. Indeed, the OECD has repeatedly lobbied that countries ought to maximize their tertiary education rates. Even Germany – supposedly Europe’s model student nowadays with its vocational education system – was criticized for not producing enough university graduates.

The truth is, though, that post-secondary education does not automatically enhance employment opportunities. Take Italy – in Italy, it is actually harder to find a job nowadays with a college degree than without one: 33% of college graduates between 20 and 24 remain out of work, compared to 30% of those who have only a high school degree. Many young people understand that college education is no silver bullet against unemployment or underemployment. Indeed, only 50% of youth stated in a recent survey that their postsecondary education helped them to find a job. Meanwhile, only 42% of employers think that educational institutions would adequately prepare youth for a job.
Evidently, university education is not all about maximizing employability. People go to university because of various reasons. Many only want to study the subject they are most passionate about – and we very much believe this can be a recipe for success. Yet these ‘heart decisions’ seem to be increasingly outweighed by ‘head decisions’ among the current generation of students and universities should respond to these shifting priorities.

Indeed, quite a few universities are already attempting to enhance the practical relevance of their schooling. Yet pathways chosen are frequently questionable. For instance, many universities have launched various seminars on networking and communication skills to enhance their students’ employment prospects. Professors who have never led more than a team of 3-4 20-something research assistants are now being asked to teach courses on leadership and communications practices.

Closing the skill gap is a complex task. Many interventions are needed to enhance the practical relevance of higher education. Lectures on leadership may not be essential. One particular intervention may prove particularly effective and enduring could be to incentivize those who teach, or aim to teach, in universities to leave the ivory tower at least once for a reasonable period of time during their lives. Work experience outside of academia is seldom valued by academic promotion panels. In order to obtain tenure, scholars must churn out as many peer-reviewed articles as possible, publications in prestigious peer-reviewed journals are the most important key performance indicator within academia. Sadly, most academic articles are barely noticed even within the scientific community. For instance, 82% of articles published in humanities are not even cited once.
Additional indicators need to be considered for hiring and promotion considerations, with previous work experience outside of academia being a particularly decisive indicator to boost the practical value of higher education for university students. This ‘work experience indicator’ is already implemented in Germany’s Fachhochschulen, established in the 1970s. These Fachhochschulen (best translated as ‘universities of applied sciences’) offer primarily practically oriented courses on various subjects, from business administration to engineering or even gender studies. A third of all German college students are currently enrolled in Fachhochschulen.

Those leading Fachhochschulen frequently require professors to have gathered work experience outside of academia prior to their appointments because they believe that this experience would demonstrate to scholars which skills are needed, even essential, in the job markets. These insights, in turn, may then be reflected in research and university teaching. Furthermore, the networks developed by professors, while working outside of academia, may also benefit the students.

Much teaching in Fachhochschulen is case-based. Students are asked to solve various hands-on challenges, some of which the professor may have faced in their professional lives prior to joining the university. Students collaborate in teams and then present solutions to the entire class. This working style mirrors how many organizations, both in the public and private sector, currently operate. Long-term internships (just as studying abroad) are usually also a key component of courses in Fachhochschulen. University professors at Fachhochschulen frequently set up internship programmes with firms they had worked at previously. The Berlin School of Economics and Law maintains cooperation with 480 companies and an internship for an entire semester is mandatory in various of its Bachelor’s courses.

The success of Germany’s Fachhochschulen, from a labour market perspective, has been remarkable. Unemployment rates of graduates from Fachhochschulen are even lower than those of university graduates in Germany. Overall unemployment rate of academics in Germany stands at a mere 2.4%. Germany’s overall youth unemployment rate is only 8%. Many experts agree that Germany’s Fachhochschulen and their professors with work experience outside the academy are important reasons for this success.

Slowly, the value of scholars with work experience outside of academia is being recognized beyond Germany. While most job postings for professors still tend to largely focus on research publications in most countries, ‘Professor of
Practice posts seem to have become more common in recent years. Equally, recruiting for doctoral programs sometimes accounts for practical experience now. For instance, Princeton’s Woodrow Wilson School of Public and International Affairs now aims to recruit a doctoral cohort with “academic strengths, life and work experience”. Similarly, many students admitted to Columbia’s various doctoral programmes indeed must also have professional experience.

Change is indeed happening. However, it is only incremental and occurring in a few places. This too at a snail’s pace.

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