

# Great Jobs, Great Lives.

The Relationship Between Student Debt,  
Experiences and Perceptions of College Worth

**GALLUP-PURDUE INDEX 2015 REPORT**

GALLUP®

**PURDUE**  
UNIVERSITY

Is college worth it?  
There is no more  
authoritative source  
on the topic than  
alumni themselves.

# Introduction

**AMERICA'S UNIVERSITIES HAVE LONG BEEN** the envy of the world. The country's higher education system is commonly regarded as a major factor in its status as the global economic leader. The American higher education system provides centers of scientific advancement and business innovation, avenues for social mobility and a workforce prepared to build the country's and the world's future. Hundreds of thousands of young adults worldwide come to the U.S. each year seeking a higher-quality education than is available to them at home.

But increasingly in recent years, the value of a college education in the U.S. has been subject to debate. As *The Economist* put it in 2012, "Rising fees and increasing student debt, combined with shrinking financial and educational returns, are undermining at least the perception that university is a good investment."<sup>1</sup> Average tuition has been rising more quickly than the rate of inflation since the 1980s, and more undergraduates now take out student loans that will burden them for many years after graduation.

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<sup>1</sup> Higher education: Not what it used to be. (2012, December 1). *The Economist*.

# Measuring What Matters

**THIS REPORT EXPLORES HIGHER EDUCATION'S** promise to provide students a valuable education by examining two questions: Do U.S. universities provide students with opportunities and experiences equal to increasing college fees? Do students graduate well-equipped to find good jobs and prosper financially as well as pursue their passions and lead healthy, fulfilling lives?

The dialogue has brought increased attention to the lack of good measures that hold universities accountable for these kinds of outcomes. In the absence of these measures, universities often place heavy emphasis on prominent ranking systems, most notably the annual list of colleges *U.S. News & World Report* produces. Such systems too often rely not on the outcomes that are most meaningful to students, but those that are easiest to measure, such as students' average SAT scores and the amount the university spends per student.<sup>2</sup> Of the *U.S. News & World Report* rankings, *New York Times* columnist Frank Bruni wrote in his 2015 book *Where You Go Is Not Who You'll Be*, "They're about vestigial reputation and institutional wealth as much as any evidence that children at a given school are getting an extraordinary education and graduating with a sturdy grip on the future and the society around them."<sup>3</sup>

In 2014, Gallup and Purdue University developed a student-focused approach for evaluating their experiences at institutions of higher education in the U.S. The idea was to rely not on the vague impressions of high school counselors and officials at peer universities, but on the opinions of those who had actually received their education at U.S. universities. The result is the Gallup-Purdue Index, which assesses alumni perceptions of their undergraduate experiences and how those experiences relate to their well-being and job quality later in life. In its inaugural administration last year, the index included surveys of more than 29,000

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2 Bruni, F. (2015). *Where you go is not who you'll be: An antidote to the college admissions mania*. New York: Grand Central Publishing.

3 Ibid.

U.S. college graduates, who had received an undergraduate degree or higher, to address various research questions, including:

- 1) Do specific undergraduate experiences matter more to alumni's overall impression of their alma mater, and which most consistently relate to positive outcomes such as high well-being and workplace engagement after graduation?
- 2) Do alumni from different types of schools (for example, public vs. private, research-intensive universities vs. others) hold consistently different views of their college experience?
- 3) To what extent do financial burdens, such as student loan debt, influence alumni's perceptions of their university and the quality of their lives after graduation?

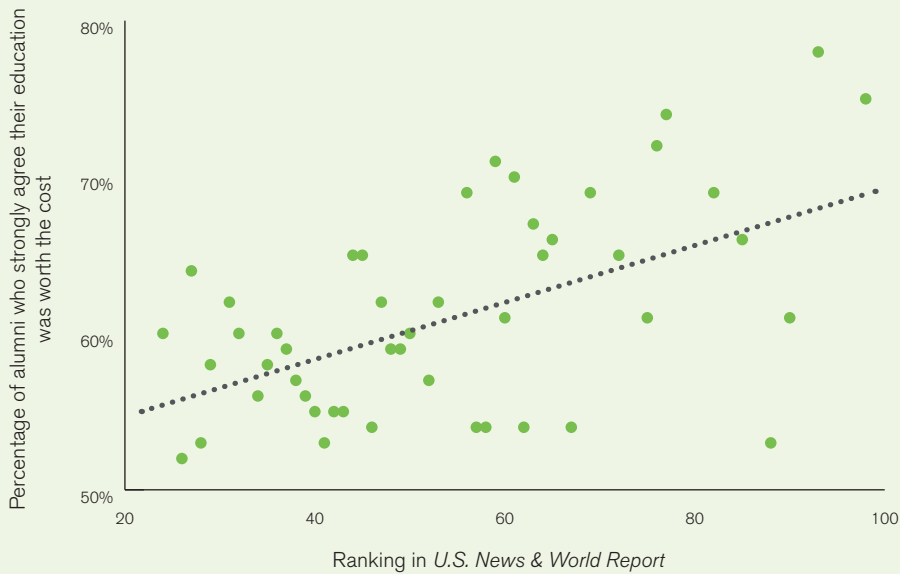
Gallup and Purdue based the 2014 inaugural report on a Web survey of a representative sample of more than 29,000 alumni from across the U.S. with a bachelor's degree or higher and with Internet access. This report is based on the second Web survey comprising a nationally representative sample of more than 30,000 alumni. The 2015 survey addressed several new research items, including which factors most strongly relate to alumni perceptions that their undergraduate experience was worth the cost.

Alumni perceptions such as those collected in the Gallup-Purdue Index often differ substantially from the data on college quality in commonly used rankings like those from *U.S. News & World Report*. The graph compares *U.S. News & World Report* college rankings with the combined percentage of students in schools at each ranking level who strongly agree that their education was worth the cost.<sup>4</sup> Though there is clearly a positive relationship between the two measures, there is also considerable distribution around the trend line, and the *U.S. News & World Report* rankings account for about one-third of the variation in alumni responses.

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<sup>4</sup> In some cases, Gallup combined results from universities at adjacent *U.S. News & World Report* score levels to ensure sufficient sample size at each level.

### U.S. News & World Report Rankings & Alumni Perceptions That Their Education Was Worth the Cost



The Gallup-Purdue Index seeks to address the other factors — beyond prestige rankings — that predict whether a graduate believes his or her education was worth it. This year's report builds on the results from last year's inaugural study, updates previous findings and adds insights from new questions, including a closer look at the effect of high student loan debt on alumni. More generally, the report focuses on the question so many Americans seem to be asking: Is college worth it? There is no more authoritative source on the topic than alumni themselves.

# Making College Worth It

## Higher education leaders can increase the value of the college experience for students.

**THE 2014 GALLUP-PURDUE INDEX REPORT** found that the *type* of school alumni went to — public or private, small or large, very selective or less selective — was far less likely to be related to the quality of alumni's lives after they graduated than specific experiences they had in college.

Since releasing the 2014 Gallup-Purdue Index Report, the debate about the value of higher education in the U.S. has only intensified. In November 2014, CNN captured the growing fervor over the issue with the documentary film *Ivory Tower*. The film cited some alarming statistics: Tuition has been rising at nearly three times the rate of inflation in recent years, and the total amount of outstanding student loan debt in the U.S. has grown to over \$1.2 trillion.

## Half of U.S. Alumni “Strongly Agree” Their Education Was Worth the Cost

**IN A NEW ITEM IN** the 2015 Gallup-Purdue study, alumni rated on a five-point scale whether they agreed their education was worth the cost. Given that many families invest heavily in higher education for their children, there should be little doubt about its value. However, only half of graduates overall (50%) were unequivocally positive in their response, giving the statement a 5 rating on the scale ranging from strongly disagree (1) to strongly agree (5). Another 27% rated their agreement at 4, while 23% gave it a 3 rating or less.

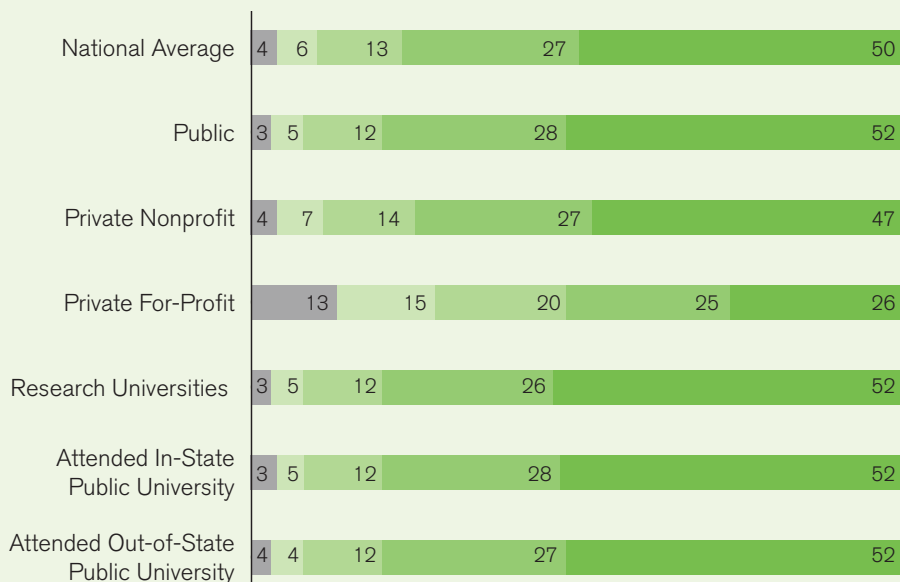
This figure varies only slightly between alumni of public universities (52%) and alumni of private nonprofit universities (47%), but it drops sharply to 26% among graduates of private for-profit universities. Alumni from for-profit schools are disproportionately minorities or first-generation college students and are substantially more likely than those from public or private nonprofit schools to have taken out \$25,000 or more in student loans.

Notably, graduates from institutions denoted as “research universities” in the Carnegie Classification system are no more likely than those from other schools to strongly agree that their education was worth the cost. Institutions with a high focus on research may be able to provide undergraduates with opportunities

to contribute to university research, possibly leading to additional meaningful interactions with professors and researchers. However, this does not seem to be the reality at most research universities. Also notable — given the typically higher fees and tuition public universities charge out-of-state students — is that results are nearly identical for graduates who attended an in-state public university and those who went to an out-of-state university.

### **My education from [University Name] was worth the cost.**

% Strongly agree



Recent graduates who received their degrees between 2006 and 2015 are significantly less likely than all graduates overall to think their education was worth the cost. To some extent, older alumni might be more likely to say their education was worth it because they are further along in their careers and making more money. Also, many recent graduates are possibly more likely than older alumni to be currently making student loan payments; the more undergraduate debt alumni have to take on to obtain their degree, the less likely they are to say their education was worth it.

Gallup found no significant differences when looking at perceptions of college education being worth the cost across race or first-generation students. Among

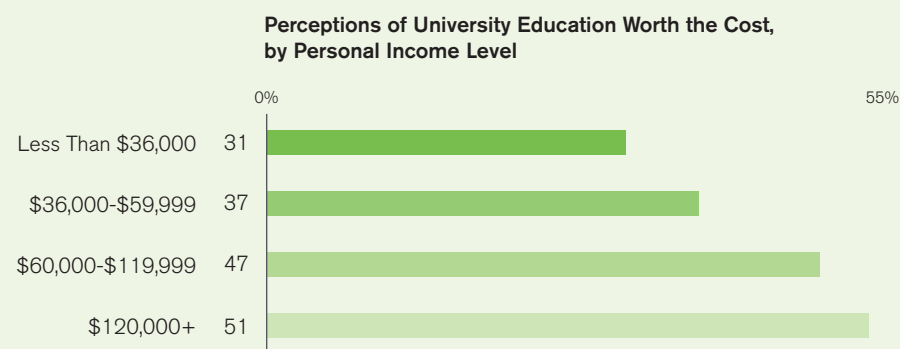
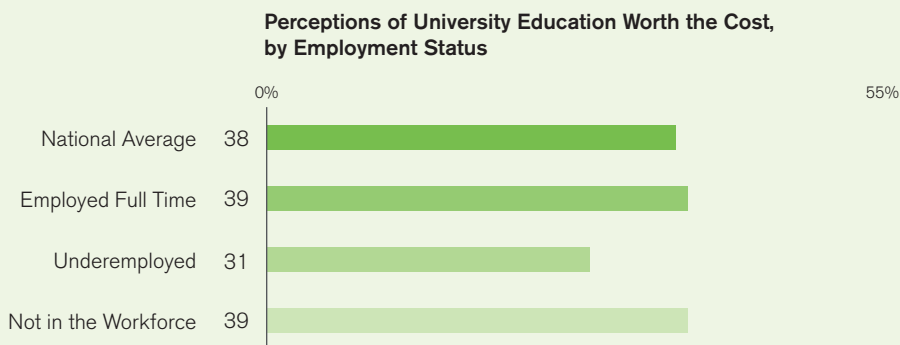


recent graduates, 37% of white, 39% of black and 37% of Hispanic alumni strongly agree that their education was worth the cost. Also, 37% of recent alumni whose parents did not attend college strongly agree with this statement.

Not surprisingly, however, recent graduates who are underemployed<sup>5</sup> are somewhat less likely than alumni who are employed full time and those not in the workforce to strongly agree that their education was worth the cost, at 31%. In contrast, those alumni with higher personal incomes are most likely to strongly agree that their university education was worth the cost. Graduates working in relatively lucrative fields such as law and engineering are among the most likely to strongly agree with this statement.

### My education from [University Name] was worth the cost.

% Strongly agree



<sup>5</sup> Gallup's U.S. underemployment rate combines the percentage of adults in the workforce who are unemployed and those who are working part time but desire full-time work.

## Relationships Most Affect Graduates' Perception That Their Education Was Worth the Cost

**ALUMNI DATA INDICATE THAT IF** universities pay attention to key factors from the Gallup-Purdue Index associated with positive outcomes later in life, this will help graduates feel that their school experience was worth the expense. The analysis in the table uses a logistic regression model to assess the unique influence of various collegiate experiences on the likelihood of alumni to report their education was worth the cost, while holding the relationships with other experiences constant.

The analysis accounts for graduates' employment status and amount of student loan debt. To help control for pre-existing personality traits that might cause graduates to rate both their college experiences and their post-college lives positively, the analysis also includes results from a set of scales measuring a commonly used five-factor personality model. The five factors measure graduates' openness to experience, conscientiousness, extraversion, agreeableness and emotional stability.

The results of the analysis reaffirm the importance of the six key factors identified in the 2014 Gallup-Purdue Index Report that relate to higher alumni well-being and employee engagement. Strong agreement with any of the first three items in the table — which measure students' support from faculty members and mentors — almost doubles the odds that a graduate will also strongly agree that his or her education was worth the cost.

### The odds of strongly agreeing education was worth the cost are:

**1.9x** Higher if ... My professors at [University Name] cared about me as a person.

**1.9x** Higher if ... I had a mentor who encouraged me to pursue my goals and dreams.

**1.8x** Higher if ... I had at least one professor at [University Name] who made me excited about learning.

**1.6x** Higher if ... I worked on a project that took a semester or more to complete.

**1.6x** Higher if ... I was extremely active in extracurricular activities and organizations while attending [University Name].

**1.5x** Higher if ... I had an internship or job that allowed me to apply what I was learning in the classroom.

**1.4x** Higher if ... I held a leadership position in a club or organization such as student government, a fraternity or sorority or an athletic team.

**1.3x** Higher if ... I was a member of a national fraternity or sorority.

**1.2x** Higher if ... I had a paid job or internship.

## Influence of College Experiences on Recent Graduates' Views

**THIS ANALYSIS HIGHLIGHTS SEVERAL IMPORTANT** implications for higher education leaders looking for ways to maximize the value of the college experience for students:

- **Supportive and motivating relationships with professors and mentors are crucial to undergraduates' college experience.** All universities need to strongly emphasize the quality of the interactions faculty members have with students to maintain their promise of a valuable college education to prospective undergraduates. In many cases, quality interactions mean finding innovative ways to make professors more accessible and students' interactions with them more meaningful. In the longer run, it may mean shifting the institution's culture to give faculty members more incentive to hone their teaching practices or to make a talent for engaging students and supporting learning outcomes a more important part of hiring criteria for educators.

For most institutions, these necessary changes are reasonable, particularly given evidence that faculty members do not need to have in-depth interactions with students to significantly influence students' lives. Describing a 10-year study with students and alumni of Hamilton College in a 2014 *New York Times* interview, Dr. Daniel F. Chambliss, coauthor of *How College Works*, noted, "Students who had a single dinner at a professor's house were significantly more likely to say they would choose the college again. In learning to write, it made a lasting difference if students had at least one experience of sitting down with a professor to go over their work, paragraph by paragraph; for the students it was someone serious saying their writing was important."<sup>6</sup>

- **Universities should consider more ways to foster formal and informal mentoring relationships.** Brandon Busteed, executive director of Gallup Education and Workforce Development, recently highlighted the pivotal role of career mentors for college students, arguing that programs such as those that recruit alumni as mentors do not need to be costly, but they can make a powerful difference in more effectively engaging both students and alumni.<sup>7</sup> Clemson University's Tiger Ties Mentorship Program in the College of Business and Behavioral Science is a good example of the

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6 Lewin, T. (2014, April 11). What makes a positive college experience? *The New York Times*. Retrieved September 17, 2015, from [http://www.nytimes.com/2014/04/13/education/edlife/what-makes-a-positive-college-experience.html?\\_r=2](http://www.nytimes.com/2014/04/13/education/edlife/what-makes-a-positive-college-experience.html?_r=2)

7 Busteed, B. (2014, September 25). The blown opportunity. *Inside Higher Ed*. Retrieved September 17, 2015, from <https://www.insidehighered.com/views/2014/09/25/essay-about-importance-mentors-college-students>

successful implementation of such an initiative.<sup>8</sup> Participants meet regularly with Clemson University graduates working in their field of study to discuss personal goals and to gain insights into their career ambitions.<sup>9</sup>

- **Quality relationships, rather than simple interactions, change graduates' perceptions of their college experiences.** It may be surprising that conducting a research project with a professor, for example, does not significantly relate to alumni perceptions that their education was worth the cost. Simply participating in such a project says little about the benefits students are deriving from it; in many cases, they may be assigned to mundane tasks and receive little focused attention from the professor leading the project. Unless such experiential learning opportunities have explicit objectives for improving students' understanding of subject matter, they may do little to boost alumni engagement with the university.

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8 Smith-Barrow, D. (2013, September 16). Find a career mentor in college. *U.S. News & World Report*. Retrieved September 17, 2015, from <http://www.usnews.com/education/best-colleges/articles/2013/09/16/find-a-career-mentor-in-college>

9 Wilson, D. (2014, January 27). Tiger Ties Mentorship Program: Building bridges for success. *The News-stand*. Retrieved September 17, 2015, from <http://newsstand.clemson.edu/tiger-ties-mentorship/>

# The Consequences of High Student Loan Debt

**Universities should mitigate the effects of students' debt burden by ensuring that students are well-equipped to thrive after graduation.**

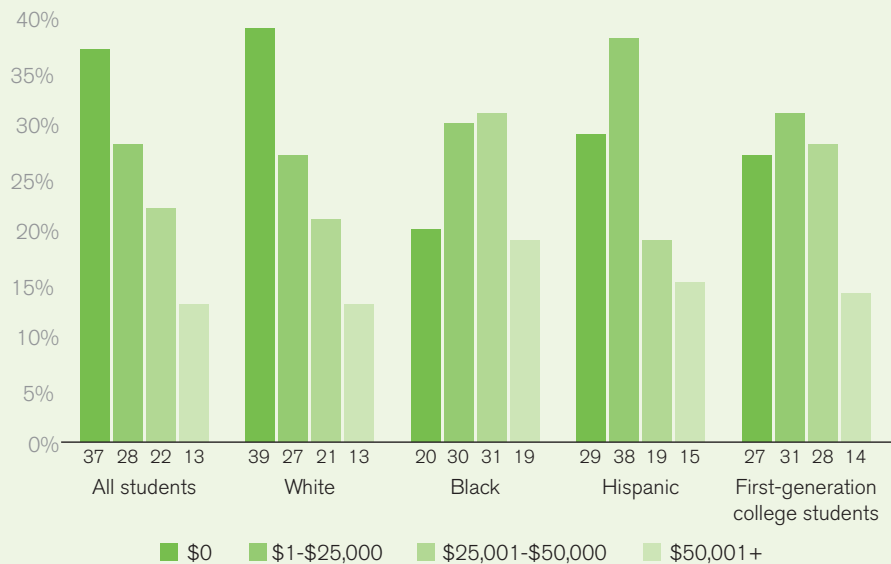
**THE WALL STREET JOURNAL CAPTURED** the attention of those concerned about the rising cost of higher education in the U.S. when it reported that almost 71% of class of 2015 graduates with a bachelor's degree have student loan debt, and put the average debt load among those graduates at slightly over \$35,000.<sup>10</sup> Results among recent graduates in the latest Gallup-Purdue Index survey are similar: Among those recent graduates who received their degrees between 2006 and 2015, 63% say they took out student loans for their undergraduate education, with the median reported amount at \$30,000.

Overall, 35% of recent graduates took out loans totaling more than \$25,000, which is the level at which debt burden appears to have a more serious impact on graduates' lives. That percentage rises to half among recent black alumni and to 42% among first-generation college students, raising particular concerns about how student loans affect the capacity of higher education to level the playing field for many Americans with less-advantaged backgrounds. Notably, Hispanic alumni are no more likely than white graduates to have incurred high levels of debt; however, they are less likely than whites to have taken out no loans at all.

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<sup>10</sup> Sparshott, J. (2015, May 8). Congratulations, class of 2015. You're the most indebted ever (for now). *The Wall Street Journal*. Retrieved September 17, 2015, from <http://blogs.wsj.com/economics/2015/05/08/congratulations-class-of-2015-youre-the-most-indebted-ever-for-now/>

### Student Loan Debt Incurred as Undergraduates Among Alumni Who Graduated Between 2006 and 2015



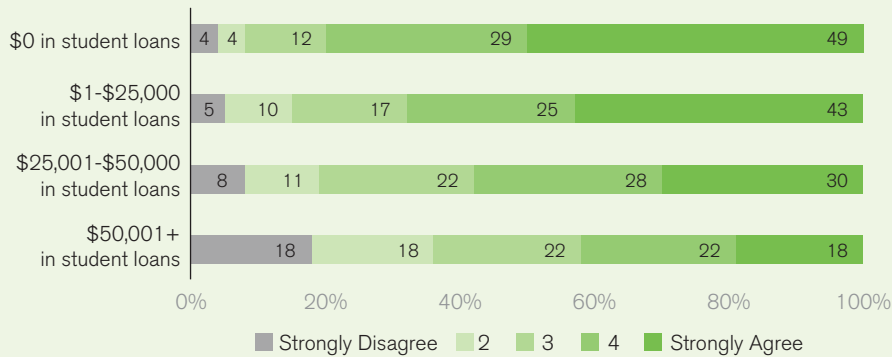
### One-Third of Recent Graduates With High Student Loan Debt Strongly Agree Their Education Was Worth the Cost

**THE PERCENTAGE OF ALUMNI WHO** strongly agree that their education was worth the cost drops significantly from 50% among graduates overall to 38% among graduates between 2006 and 2015. Among recent graduates who took out student loans of any amount, one in three (33%) strongly agree that their university education was worth the cost.

A closer look reveals that strong agreement differs only modestly between recent graduates who took out no debt (49%) and those who took out \$25,000 or less (43%), but there is a sharper drop to 30% among graduates who took out between \$25,001 and \$50,000. Those who took out more than \$50,000 in debt are just as likely to strongly disagree that their education was worth the cost (18%) as they are to strongly agree (18%).

### University Education Worth the Cost Among Alumni Who Have Graduated Between 2006 and 2015

My education from [University Name] was worth the cost.



### College Debt Leads Alumni to Delay Major Purchases, Including Postgraduate Education

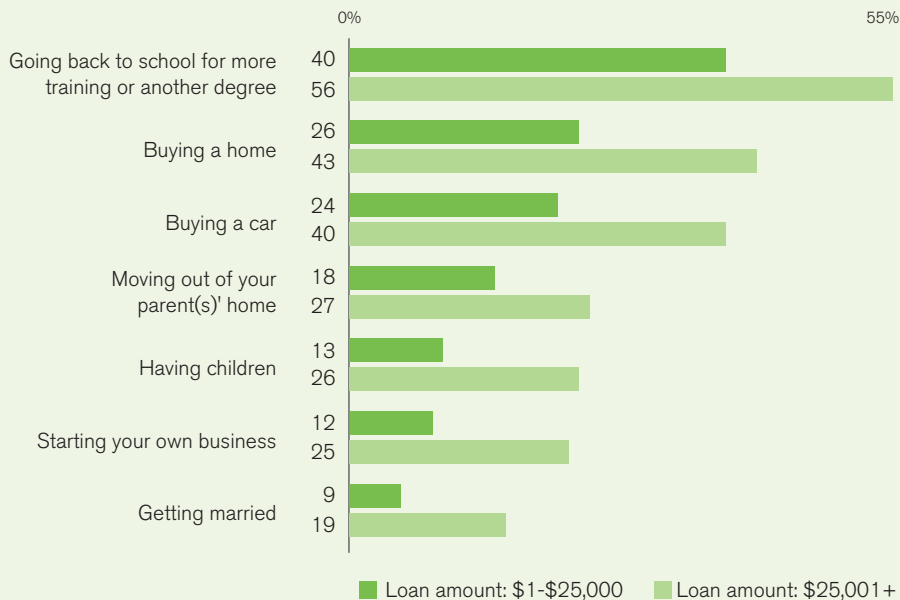
**THE 2014 GALLUP-PURDUE INDEX REPORT** highlighted how graduates' level of student debt reduces their likelihood to be thriving in various areas of well-being. This year's findings address to what extent student debt forces graduates to delay major purchases — but perhaps more importantly, their pursuit of further education. About half of recent graduates who took out any student loan debt (48%) say they have delayed postgraduate education because of it; this figure rises to a clear majority (56%) among those with debt loads over \$25,001.

More than a third of recent graduates with student loans (36%) say they have delayed buying a home — a significant concern given the U.S. economy's connection to the country's housing market.<sup>11</sup> One-third (33%) say they have postponed buying a car. Also important from an economic perspective, 19% of recent graduates who took out student loans — and 25% of those with loans totaling over \$25,001 — say the debt has forced them to delay starting their own business.

<sup>11</sup> Amadeo, K. (n.d.). How does real estate affect the U.S. economy? Retrieved September 17, 2015, from [http://useconomy.about.com/od/grossdomesticproduct/f/Real\\_estate\\_faq.htm](http://useconomy.about.com/od/grossdomesticproduct/f/Real_estate_faq.htm)

### Have you delayed any of the following because of your student loans? (% Yes)

#### Results among recent alumni who took out student loans as undergraduates

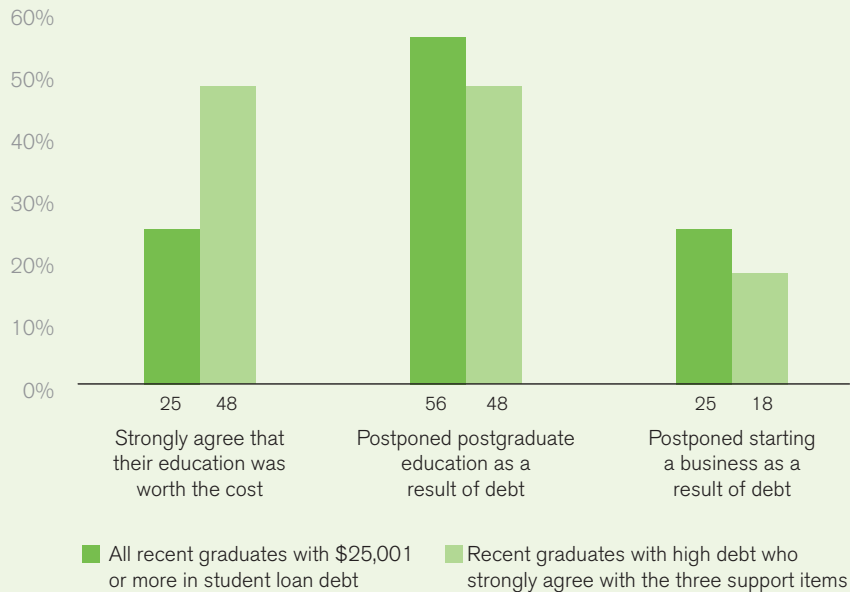


### Positive Relationships in College Reduce Reported Effects of High Student Loan Debt

**THE GALLUP-PURDUE INDEX RESULTS ALSO** offer some good news regarding student loan debt: Universities can influence both the amount of debt students must incur *and* to what extent their debt load prevents them from pursuing postgraduation goals. In particular, alumni who strongly agree with the three items that indicate they had supporting relationships with faculty members and mentors while attending college are far more likely to say their education was worth the cost. They are also less likely to say student loan debt has kept them from getting a postgraduate education or starting a business after graduation.



### Support May Alleviate the Effects of Student Debt



Many universities invest in state-of-the-art fitness facilities, dining halls and posh dormitories to provide a more attractive environment for undergraduates. While graduates might have appreciated those amenities at the time, in the long run, they may have been better off paying less money for college but having better relationships with those who could help them carve out a vision for their future and map a course for long-term success.

The idea that universities can focus on certain student experiences that research suggests potentially increase the value of a college education is good news for those concerned that education in the U.S. is no longer a “great equalizer”<sup>12</sup> for economic opportunity. Some researchers have demonstrated that higher education may actually be *contributing* to social inequality, and that student loans are increasingly part of the problem.<sup>13</sup> However, if universities can focus on the factors that better prepare students to manage the cost of their education, they can increase the odds that low-income or minority students can graduate and lead good lives just like their more advantaged peers.

12 Freed Wessler, S. (2015, March 16). Education is not great equalizer for black Americans. Retrieved September 18, 2015, from <http://www.nbcnews.com/feature/in-plain-sight/wealth-moves-out-grasp-blacks-so-does-opportunity-n305196>

13 Rhode, D., Cooke, K., & Ojha, H. (2012, December 19). The decline of the “great equalizer.” *The Atlantic*. Retrieved September 18, 2015, from <http://www.theatlantic.com/business/archive/2012/12/the-decline-of-the-great-equalizer/266455/>

# Positive Experiences, Regardless of Personality Type

**Support and experiential learning continue to have a strong relationship with positive life outcomes, regardless of a graduate's personality.**

**IN 2014, THE INAUGURAL GALLUP-PURDUE INDEX** found that when it comes to being engaged at work and experiencing high well-being after graduation, the type of institution alumni attended matters less than what they experienced there. Just as many graduates of public colleges as graduates of not-for-profit private colleges are engaged at work — meaning they are deeply involved in, enthusiastic about and committed to their work. Engagement is more than job satisfaction. It involves employees being intellectually and emotionally connected with their organizations and work teams because they are able to do what they're best at, they like what they do at work and they have someone who cares about their development at work. And just as many graduates of public as not-for-profit private institutions are thriving — which Gallup defines as strong, consistent and progressing — in all areas of their well-being:

**Purpose Well-Being:** Liking what you do each day and being motivated to achieve your goals

**Social Well-Being:** Having strong and supportive relationships and love in your life

**Financial Well-Being:** Effectively managing your economic life to reduce stress and increase security

**Community Well-Being:** The sense of engagement you have with the areas where you live, liking where you live and feeling safe and having pride in your community

**Physical Well-Being:** Having good health and enough energy to get things done on a daily basis

In 2015, Gallup further studied the influence of important collegiate experiences by controlling for the possible effects of graduates' personality types, which could lead respondents to positively evaluate their (retrospective) college experiences and their current lives. Gallup used the Ten Item Personality Measure (TIPI) that allows researchers to identify one of the five-factor personality dimensions (mentioned previously) and apply a control to determine the effect of these experiences across all personality types.

The tables show that a college graduate, regardless of his or her personality type, increases his or her odds of being engaged at work and thriving in all five elements of well-being if he or she strongly agrees to having had a specific experience. For example, if these graduates strongly agree they had a mentor in college, it increases the odds that they are engaged in their current job 1.9 times, and the odds that they are thriving in all five elements of well-being 1.4 times, after controlling for personality factors.

**The odds of being engaged at work are:**

**SUPPORT**

**1.7x** Higher if ... My professors at [University Name] cared about me as a person.

**1.7x** Higher if ... I had at least one professor at [University Name] who made me excited about learning.

**1.9x** Higher if ... I had a mentor who encouraged me to pursue my goals and dreams.

**2.0x** HIGHER IF ALL THREE

**EXPERIENTIAL LEARNING**

**1.8x** Higher if ... I had an internship or job that allowed me to apply what I was learning in the classroom.

**1.7x** Higher if ... I worked on a project that took a semester or more to complete.

**1.6x** Higher if ... I was extremely active in extracurricular activities and organizations while attending [University Name].

**2.0x** HIGHER IF ALL THREE

**The odds of thriving in all five elements of well-being are:**

**SUPPORT**

**1.4x** Higher if ... My professors at [University Name] cared about me as a person.

**1.4x** Higher if ... I had at least one professor at [University Name] who made me excited about learning.

**1.4x** Higher if ... I had a mentor who encouraged me to pursue my goals and dreams.

**1.5x** HIGHER IF ALL THREE

**EXPERIENTIAL LEARNING**

**1.3x** Higher if ... I had an internship or job that allowed me to apply what I was learning in the classroom.

**1.2x** Higher if ... I worked on a project that took a semester or more to complete.

**1.2x** Higher if ... I was extremely active in extracurricular activities and organizations while attending [University Name].

**1.4x** HIGHER IF ALL THREE

Gallup found that each of these experiences continues to have a statistically significant relationship with long-term life outcomes, regardless of graduates' personality dimensions, indicating that these experiences are beneficial to all college graduates. While graduates with a high degree of extroversion could be more inclined to seek out a mentor or to create a bond with a professor, those who are less likely to do so still see the benefit later in life from this experience. These less extroverted students may, however, need more formal institutional programs that help them make a connection with a professor or mentor.

# Final Thoughts

**BUILDING ON THE INITIAL FINDINGS** from the 2014 Gallup-Purdue Index, results from this second iteration shed further light on to what extent reports of certain college experiences relate to positive outcomes in the lives of alumni long after graduation.

The current findings also delve further into the cost-benefit ratio that all students — past, present and future — must reckon with. Given the rising cost of the college experience, it is imperative that university leaders seek reliable measures of the true value of the education their institution provides students. Gallup-Purdue Index results indicate that the value of a college education may be determined less by conventional indicators, such as a university's reputation or the amount of money it spends, and more by the less commonly measured factors, such faculty members' interactions with students and meaningful experiential learning opportunities for students, that have a lasting impact on graduates' lives.

## Some of Gallup's most important findings from this report:

### Making College Worth It

- Half of all alumni (50%) “strongly agree” their university education was worth the cost, according to a new item in this year’s Gallup-Purdue study. This figure varies only slightly between alumni of public universities (52%) and alumni of private nonprofit universities (47%), but it drops sharply to 26% among graduates of private for-profit universities who are more likely to have taken on higher levels of student loan debt.
- Universities’ *U.S. News & World Report* rankings only loosely relate to perceptions among their recent graduates<sup>14</sup> that their education was worth the cost.
- Recent graduates who strongly agree with *any* of three items measuring supportive relationships with professors or mentors are almost twice as likely to strongly agree that their education was worth the cost. These relationships hold even when controlling for personality characteristics and other variables such as student loan debt and employment status that could also be related to graduates’ perceptions that college was worth it.
- If recent graduates strongly agree that they had any of three experiential learning opportunities — an internship related to their studies, active involvement in extracurricular activities or a project that took a semester or more to complete — their odds that they strongly agree that their education was worth the cost increase by 1.5 times.
- However, whether recent graduates participated in a research project with a professor or faculty member is unrelated to their opinion that their education was worth the investment. This finding suggests that it is important to assess the quality of faculty members’ interactions with students — and the benefits students derived from them — rather than simply tracking participation in such projects.

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<sup>14</sup> For this analysis, Gallup defines recent graduates as those who have graduated from 2006 to 2015.

### **The Consequences of High Student Loan Debt**

- Almost two-thirds of alumni who graduated from 2006 to 2015 (63%) say they took out student loans to finance their education. Among those who did take out loans, the median reported amount is \$30,000.
- Nearly half of recent graduates who incurred any amount of student loan debt have postponed further training or postgraduate education because of their student loans. A third or more have delayed purchasing a house or a car because of their debt, and nearly one in five have put off starting their own business. Each of these figures rises significantly among those with a debt burden of \$25,001 or higher.
- Recent graduates with \$25,001 or more in student loan debt are almost twice as likely to strongly agree that their education was worth the cost if they recall supportive relationships with professors and mentors: 48% vs. 25% of other recent graduates with high debt.
- Recent graduates with high debt are also less likely to have put off continuing their education or starting a business because of their student loans if they strongly agree they had supportive relationships in college.

### **Positive Experiences, Regardless of Personality Type**

- The current Gallup-Purdue Index results reaffirm the importance to undergraduates of supportive relationships with professors and mentors. If employed graduates strongly agree that they had professors who cared about them as people, they had at least one professor who made them excited about learning and they had a mentor who encouraged them to pursue their goals and dreams, their odds of being engaged at work nearly double.
- Graduates' strong agreement with these three indicators of positive faculty and mentor relationships also make the odds 1.4 times higher that they score well in all five dimensions of well-being assessed in the survey: purpose, social, financial, community and physical.

# Methodology

**RESULTS FOR THE GALLUP-PURDUE INDEX** are based on Web surveys conducted Dec. 16, 2014-June 29, 2015, with a random sample of 30,151 respondents with a bachelor's degree or higher, aged 18 and older, with Internet access, living in all 50 U.S. states and the District of Columbia.

The Gallup-Purdue Index sample was recruited via the Gallup Daily tracking survey. The Gallup Daily tracking survey sample includes national adults with a minimum quota of 50% cellphone respondents and 50% landline respondents, with additional minimum quotas by time zone within region. Landline and cellular telephone numbers are selected using random-digit-dial 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.

For results based on the total sample of those with a bachelor's degree or higher, the margin of sampling error is  $\pm 0.8$  percentage points at the 95% confidence level.

For results based on employee engagement of those with a bachelor's degree or higher, the margin of sampling error is  $\pm 1.0$  percentage point at the 95% confidence level.

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.



# About

## About Gallup

**GALLUP DELIVERS FORWARD-THINKING RESEARCH, ANALYTICS** and advice to help leaders solve their most pressing problems. Combining more than 75 years of experience with its global reach, Gallup knows more about the attitudes and behaviors of the world's constituents, employees and customers than any other organization. Gallup consultants help private and public sector organizations boost organic growth through measurement tools, strategic advice and education. Gallup's 2,000 professionals deliver services at client organizations, through the Web and in nearly 40 offices around the world.

## About Purdue University

**PURDUE UNIVERSITY IS A VAST** laboratory for discovery. The university is known not only for science, technology, engineering and math programs, but also for our imagination, ingenuity and innovation. It's a place where those who seek an education come to make their ideas real — especially when those transformative discoveries lead to scientific, technological, social or humanitarian impact.

Founded in 1869 in West Lafayette, Indiana, the university proudly serves its state as well as the nation and the world. Academically, Purdue's role as a major research institution is supported by top-ranking disciplines in pharmacy, business, engineering and agriculture. More than 39,000 students are enrolled here. All 50 states and 130 countries are represented.

## About Lumina Foundation

**LUMINA FOUNDATION IS AN INDEPENDENT**, private foundation committed to increasing the proportion of Americans with high-quality degrees, certificates and other credentials to 60% by 2025. Lumina's outcomes-based approach focuses on helping to design and build an accessible, responsive and accountable higher education system while fostering a national sense of urgency for action to achieve Goal 2025.

Lumina Foundation provided seed funds for the first Gallup-Purdue Index.  
<http://www.luminafoundation.org/files/resources/galluppurdueindex-report-2014.pdf>

## About Healthways

**HEALTHWAYS IS AN INDEPENDENT, GLOBAL** well-being company that provides comprehensive improvement solutions to increase performance and lower healthcare costs in its client populations. Dedicated to creating a healthier world one person at a time, Healthways uses the science of well-being and behavior change to produce and measure well-being improvement for its customers. Healthways provides personalized support to individuals to optimize each participant's health and productivity and to reduce health-related costs, and also advises leaders on how to maximize well-being across an organization.

## About Gallup-Healthways Partnership

**IN 2008, GALLUP AND HEALTHWAYS** initiated a 25-year partnership merging decades of clinical research and development expertise, health leadership and behavioral economics research to track and understand the key factors that drive well-being. This partnership marked a transformation for American health by developing a national measure of well-being, the Gallup-Healthways Well-Being Index. The Well-Being Index provided the first in-depth look into Americans' perceptions of their daily experiences and the choices that impact their well-being, and after 2 million surveys, we now have the world's largest data set on well-being.

In 2012, building upon the success of the Gallup-Healthways Well-Being Index, Gallup and Healthways announced the creation of a global joint venture between the two firms to develop the next generation of Gallup-Healthways well-being assessment tools. This collaboration has already produced the Gallup-Healthways Well-Being 5 to measure an individual's well-being and the Gallup-Healthways Well-Being 5 View to evaluate organization and workgroup-level well-being. Research is continuing to further advance the science of well-being on topics such as how an individual's sense of purpose, social relationships, financial security, connection to community and physical health can be leveraged for overall well-being improvement. Our scientific measurement helps organizations establish a baseline, benchmark their population, determine gaps, prioritize and implement interventions and ultimately realize the full benefit of their investment in well-being. Measurement is a foundational step in the process of systematic and meaningful well-being improvement.

## If you are a college or university leader

who would like to learn more about Gallup's work with institutions of higher education, please contact [education@gallup.com](mailto:education@gallup.com).

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