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Which College Grads Earn the Most?

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It makes sense that graduating from a prestigious school with a strong network of well-positioned alumni can lay the foundation for a high-paying job. But how much does your potential to earn big bucks as a midcareer professional have to do with the name brand of that bachelor's degree hanging on your wall? A new report from PayScale.com points to a pretty significant link.

BusinessWeek.com used data from the PayScale report to compare top earning alumni across the nation and found that -- even 10 or more years into their careers -- graduates of prestigious institutions, especially Ivy League universities, earned the biggest salaries. (The study reflects only undergraduate schools and does not include graduate degrees.)

Yale University topped the list, which ranked in the 90th percentile of midcareer salaries of alumni from each institution (Employees in this range include CEOs, CFOs, other C-level executives, stock traders, and hedge fund managers). Top earners with Yale degrees typically earned \$326,000 a year compared with the best-paid graduates of, say, Kent State University, a respectable public university in Ohio, who earned \$124,000, on average.

Elis in the Lead

The starting median salary for a Yale graduate was \$59,100, the 19th best starting salary in the nation and just behind the median salary for a recent graduate of Lehigh University, a highly selective private university in Bethlehem, Pa. But the midcareer median for a Yale graduate was \$126,000, compared with \$105,000 at Lehigh.

All of the Ivy League schools made the top 25. Other colleges on the list include Colgate, Stanford, University of Chicago, Bucknell, Georgetown, Notre Dame, Union College, Lehigh, Villanova, Vanderbilt, Massachusetts Institute of Technology, Duke, New York University, and Rice.

Interestingly, median starting salaries for alumni of MIT, California Institute of Technology, and Harvey Mudd College, which have strong engineering programs, are the highest in the country (\$75,500, \$72,200, and \$71,800). But the salaries do not get as high for midcareer professionals from those schools as they do for graduates of the elite liberal arts schools.

Become a Manager

Graduates with technical skills do well in the short term. But in the long run, it's the folks who move into management positions that take home the biggest paychecks. Top earners who majored in economics or finance have higher salaries than

any other major, followed by chemical engineering, math, and physics, according to PayScale.com.

"If you can take technical skills and turn them into something entrepreneurial," you have the chance to make a top salary, says Russell Miller, managing director at Executive Compensation Advisors in New York. "Lots of people who graduate from MIT start up their own technology firms."

It might be that alumni from top schools choose professions that pay better, says Al Lee, director of quantitative analysis at PayScale.com, which provides real-time salary information to individuals and employers. "Whether it's because they're better connected or more ambitious," he says, "the net effect is that they are more ambitious when it comes to money."

The Dartmouth Route

Dartmouth graduates, who have the highest midcareer median salaries in the nation, tend to gravitate to financial services and consulting jobs, but plenty of graduates also work in teaching and public service, says Monica Wilson, the university's associate director for career services.

Dartmouth graduates include U.S. Treasury Secretary and former Goldman Sachs (NYSE:GS - News) chief Henry Paulson, Jeffrey Immelt, CEO of General Electric (NYSE:GE - News) and former IBM (NYSE:IBM - News) CEO Louis Gerstner.

"The raw talent is a primary factor, but I think the experience somebody gets at their college plays a part," Wilson says. "The network of people you meet and the kinds of experiences you have in and out of the classrooms helps form who you are and what you become."

But Does School Brand Matter?

Universities that made the top 50 have good reason to tout the report, which will likely help attract top students and justify high tuition costs. But it's not clear that the universities themselves are responsible for the salaries of their graduates.

A study completed in the late 1990s by Princeton economist Alan Krueger and researcher Stacy Berg Dale concluded that Ivy League graduates are better paid than others, but not because of what they learned in school, or even alumni connections. It's just that elite colleges select students for such characteristics as intelligence and drive, which also relate to earning potential. The study found that students who graduated from Ivy League institutions earned about the same as graduates with similar abilities who went elsewhere.

Jay Matthews, a Washington Post education columnist and author of *Harvard Schmarvard: Getting Beyond the Ivy League to the College That Is Best for You*, says it makes little sense to choose a college based on the salary of its graduates. "The happiest and richest people look for schools to help them develop their talents in whatever field that owns their soul," says Matthews, who graduated from Harvard.

"People in my class were very good at jobs where they follow rules: doctors, lawyers, professions where you learn stuff and do it by the book," Matthews says. "People who really break out of the envelope, the really creative people in the world, far more often than not did not go to brand-name schools."

[Click here to see the 50 colleges whose graduates earn the highest salaries.](#)

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