

Grad School: Is it Worth the Investment for Mid-Careerists?

Whether looking to advance in your current occupational field or hitting the fast track to a new one, a graduate degree can be just the ticket. However, that ticket comes with a price. So, before you commit to a post-graduate program as a mid-careerist, consider your return on investment — *financially, personally and professionally*. Is it worth it? To answer this question, there are several important line items you should include on your personalized balance sheet.

Crunch the Numbers

From a *financial perspective*, figure out your return on investment. Consider both the costs and the benefits of earning the degree.

✓ The Debit Side

A lot of media attention has been paid to the value of a post-secondary education, both at the undergraduate and graduate levels. After all, [education pays!](#) Yet, even though a graduate degree may lead to higher earnings and greater employment security, it comes with a big price tag.

- **Tuition & Other Costs**

Consider the cost of a Master of Business Administration (MBA) degree, for example. In 2022, tuition costs for most two-year, full-time programs range from \$60K – \$80K; in [highly-ranked MBA programs](#), the tuition tab runs from \$100K – \$168K!

To find costs for the grad programs you're considering, visit each school's website. Most of them have a sample budget. Of course, if you work for an employer that offers tuition aid, the debit side of your balance sheet will be lower than it'll be if you're signing the tuition checks yourself.

According to a [2023 Employee Benefits Survey](#) by the Society for Human Resource Management (SHRM), forty-eight percent of U.S. companies provide tuition assistance. However, even if your tuition costs will be reimbursed, employer benefits typically do not cover books, fees, travel, incidentals, etc. What's more, most companies put a [cap on tuition assistance](#) (with the median at \$5,250 per year for undergraduate education and \$10,500 annually for graduate education).

Furthermore, many employers require that you earn an "A" in a course to be eligible for full reimbursement (as defined by benefits policies). And, if you resign within a

specified period of time after earning your degree (usually within two years), you may have to reimburse your employer for the tuition assistance you received.

- **Loans**

You may need to take out student loans to pay for grad school. In 2023, graduates with a master's degree had a [median loan debt](#) of \$82,810 for their undergrad and grad degrees combined. Be sure to include loan costs on the debit side of your balance sheet.

- **Impact on Income, Benefits & Retirement**

On top of the high costs of a post-secondary education, *if you plan to leave the workforce or work only part-time while pursuing your degree*, factor in the:

- loss of income during grad school,
- impact on retirement benefits (i.e., loss of tax breaks from 401K contributions, loss of employer contributions into your 401K account, amount of time it will take to become fully-vested when starting with a new employer after grad school, etc.),
- changes in health coverage and other benefits (i.e., potential increase in coverage costs, possible changes in access to and quality of coverage, etc.).

✓ **The Credit Side**

What's on the plus side of your balance sheet?

- **Higher Earnings & Lower Unemployment**

You may reap the benefits of a bigger paycheck and increased employment security. The U.S. Bureau of Labor Statistics [2022 Unemployment Rates and Earnings Table](#) shows that education continues to pay off — not only in increased earnings but in lower unemployment rates as well. The chart indicates that master's degree-holders earn approximately \$11,900 more per year in comparison to workers with a bachelor's.

It's important to note, however, that these statistics are based on overall averages by *educational attainment level* — regardless of degree discipline. Median salary differentials for undergrads versus post-graduates in business, for example, are significantly higher than in some other disciplines (such as the arts, humanities, or social services). Furthermore, depending on their field of study, many career changers make less money — *at least initially* — as they transition from one occupational field to another.

Even so, depending on your age, you might work another 15 – 30 years. So calculate the increased earnings potential an advance degree affords. Then subtract the cost of schooling. Is the bottom line on your balance sheet in the black? If it is, that's good news. (Even better news — your degree may help you get a promotion, putting even more money in your pocket with each paycheck.)

The Things You Can't Put on a Balance Sheet

Numbers aside, consider the pros and cons of grad school from a *personal perspective*.

✓ Advantages

Grad school can have a positive impact on job satisfaction. Carefully assess whether the career path / occupations related to the degree are a good fit for you. To research occupations (including associated work tasks, educational requirements, salary range, and job outlook) check out [Occupational Outlook Handbook](#); [O*NET](#); [CareerOneStop](#).

In addition to increased job satisfaction, post-grad education can yield other personal rewards. Learning can energize you by bringing you into contact with new people, fresh ideas, and different perspectives. As such, grad school can challenge and engage you in ways that are inspirational in all areas of your life.

✓ Disadvantages

Post-graduate education requires time, energy, and commitment — even before you *set foot in a classroom*. For instance, it's probably been quite a while since you've had to study. You may need to do some brush-up on the basics.

In addition, you'll need time to prepare for the required graduate entrance exam, if you haven't taken it already. ([GMAT and GRE test scores](#) are valid for only 5 years.) Begin test preparation at least three months prior to your planned test date. In addition, your graduate school application will require significant time and attention, so plan your time wisely.

Once you're in school, balancing personal life and academics may be difficult. Taking classes means more time away from family and friends. Moreover, the hours you'll spend in the classroom are relatively few in comparison to the time you'll have to dedicate to course assignments. The academic workload may be strenuous and stressful; and it's even harder when you're also working full time. What's more, spreading yourself too thin may negatively affect performance in your current job — and that can be very costly in the long term from a professional perspective.

Unsure whether you want to commit to grad school until you have a better understanding of the rigors of the endeavor and its impact on your personal and

professional life? Then enroll in a program as a “graduate student-at-large”. This option allows you to “test drive” up to three classes prior to acceptance into the graduate program. You’ll earn credit for the courses while further evaluating whether grad school is right for you. Contact your chosen university’s graduate admissions office for details about the student-at-large option.

No Guarantees

From the *professional perspective*, it’s important to keep in mind that earning a *graduate degree* does not guarantee higher earnings or career advancement. If you’re banking on further education as a way to save a few steps in achieving your future career goals, get the information you need to assess the odds.

- ✓ Talk to others who’ve done it and find out how it worked for them.
- ✓ Set up informational interviews with people working in your targeted positions.
- ✓ Read job postings.
- ✓ Speak to some recruiters who specialize in your intended or chosen occupational field.
- ✓ And — *most importantly* — find out if a graduate degree is absolutely necessary to achieve your career goals!

Perhaps there are other options that fit your specific needs, such as [certification programs](#), seminars, or training programs. (Of course, some occupations and professional licenses *require* post-graduate education, in which case a graduate degree is your only option.)

Consider, also, the argument that a post-graduate degree may be a detriment in some circumstances. You may be viewed as “overqualified” for some openings, although this is generally not the case. After all, grad school is about expanding your knowledge, drawing relationships between theory and practice, analysis, and critical thinking. As such, further education means increased knowledge, skills, and abilities — which employers value.

The Bottom Line

After deep introspection about how grad school will impact your life and discussion with your significant others, you may still be left wondering, “Is grad school worth it for me?” Clearly, it’s a very complex question and the “right” answer depends on your individual circumstances. If you don’t have all the answers to make your decision after carefully evaluating the costs and benefits of earning a graduate degree, you may find it helpful to consult with a financial advisor, career counselor, and / or trusted mentors.