



AMERICAN
COMPASS

Banning Bachelor's Degree Requirements

PROHIBIT EMPLOYERS FROM MAKING A BACHELOR'S DEGREE A JOB REQUIREMENT

WHAT'S THE PROBLEM?

Millions of able American workers are locked out of good jobs because employers require job applicants to have college degrees.



Degree requirements have risen rapidly—but not because more jobs need a degree to perform them well. Employers use them as an easy mechanism for screening applicants.

The expectation of a degree for its own sake is pushing more Americans to pursue expensive degrees they don't need, in turn producing an excess of indebted graduates.



A DESTRUCTIVE CYCLE

Employers increasingly require degrees for jobs that did not previously need them. In 2015, 16% of production supervisors had a degree, yet 67% of job postings in the field required one. This “degree inflation” is driven not by major changes in the skills these jobs require, but by changes in hiring practices.

Degree requirements like these remove an estimated 15.7 million capable American workers from consideration for jobs they can do. This is devastating both for those workers and for employers who needlessly exacerbate worker shortages.

Excessive demand for degrees also amplifies the message that college is the primary path to prosperity, which pushes young people to pursue expensive degrees they don't need. Over the past two decades, colleges minted 22 million new workers with at least a bachelor's degree, but the labor market added only 10 million jobs in which workers typically hold one.

Everyone loses in this destructive cycle: workers without degrees, many workers with degrees, employers seeking workers, and taxpayers asked to subsidize the system.

WHAT'S THE SOLUTION?

Congress should pass legislation prohibiting the use of college degree requirements in private sector job descriptions and hiring criteria. Reasonable exceptions should be limited to situations in which a specific degree is a legal requirement or mandated by a third-party professional standard.

This prohibition would foreclose recruitment processes and HR policies that preemptively dismiss applicants without degrees—including hiring algorithms and AI tools that discard applications from applicants without degrees.

Employers could still consider educational achievement when evaluating an application, but capable job applicants without degrees must be allowed to enter the pool.

THE PRESIDENTS AND GOVERNORS KNOW...

In June 2020, President Trump issued Executive Order 13932, which requires the federal government to prioritize skills over degrees in hiring.

The Biden administration has continued the policy, and the governors of Maryland, Utah, and Pennsylvania have announced similar state-level initiatives.

These efforts provide guidance for legislators seeking to extend this approach to the private sector. Congress or the president could also build on this approach by further prohibiting federal agencies from requiring degrees from their contractors and consultants.



FREQUENTLY RAISED OBJECTIONS

“THE GOVERNMENT SHOULD NOT MANDATE HIRING PRACTICES”

The federal government has long played a role in regulating labor markets. Unfair and unreasonable hiring practices impose major social costs and federal law rejecting them has proved vital to positive change. The case for government action is heightened when taxpayers find themselves responsible for hundreds of billions of dollars in annual subsidies to a broken higher education system.

“THIS IS TOO BLUNT AND WILL BURDEN EMPLOYERS”

Current practice is burdensome on employers. Inertia is not the same thing as wisdom. While many employers fear that hiring nontraditionally sourced candidates will reduce their productivity, research shows such applicants often outperform their competition in work ethic, creativity, and many other measures.

“THE PRIVATE SECTOR IS ALREADY DOING THIS”

Some employers are indeed voluntarily moving away from degree requirements. Research suggests this will open about 1.4 million new jobs to workers—admirable, but far short of the over 15 million locked out due to degree requirements.

FURTHER READING

Chris Griswold. “Escaping the Bachelor’s Fad.”
American Compass, 2022.

A policy paper outlining this proposal in greater detail.

Oren Cass & Richard Oyeniran. “The False Promise of Good Jobs.”
American Compass, 2022.

An analysis of the misalignment between the American education system and labor market.

Joseph B. Fuller, Manjari Raman, Eva Sage-Gavin, Kristen Hines.
“Hidden Workers: Untapped Talent.”
Harvard Business School, 2021.

A research paper examining how nontraditional job applicants are excluded from consideration despite ability to perform.

“The Emerging Degree Reset.” *The Burning Glass Institute*, 2022.
An analysis of the scale and causes of degree inflation in the U.S.

President Trump. “Executive Order 13932 of June 26, 2020: Modernizing and Reforming the Assessment and Hiring of Federal Job Candidates.” *Federal Register*.

KEY FACTS

67% Production supervisor job postings requiring a college degree (2015)¹

16% Currently employed production supervisors who have a college degree (2015)²

62% Americans over 25 who don’t have a 4-year degree (2021)³

15.7M Workers removed from consideration for middle-skill jobs by degree requirements⁴

1.4M Jobs potentially opened to workers without degrees over the next five years due to voluntary private sector shifts away from degree requirements⁵

ABOUT AMERICAN COMPASS

Our mission is to restore an economic consensus that emphasizes the importance of family, community, and industry to the nation’s liberty and prosperity. American Compass is a 501(c)(3) nonprofit organization.

For more information, visit americancompass.org

¹ Joseph B. Fuller, Manjari Raman. “Dismissed by Degrees.” *Harvard Business School*, 2017.

² *Ibid.*

³ “Census Bureau Releases New Educational Attainment Data.” *United States Census Bureau*, 2022.

⁴ “The Emerging Degree Reset.” *The Burning Glass Institute*, 2022.

⁵ *Ibid.*