

The Truth About: Master's Degrees

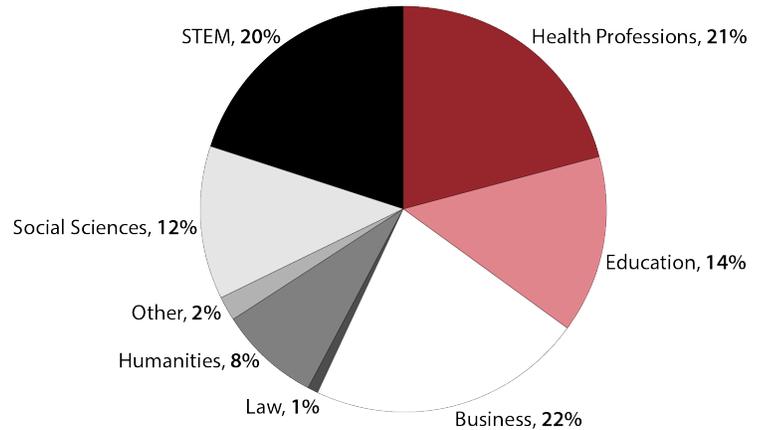
Demand for Master's Degrees is Diverse and Growing

[Master's degree programs](#) are generally two years in length and teach knowledge and skills in a specialized field. Programs are increasingly [flexible](#), [demographically diverse](#), and support career development in a [variety of fields](#). As **Figure 1** demonstrates, over half of Ohio's Master's degree graduates studied an applied field in the health professions, business, or education.

Occupations that require at least a Master's degree are now projected to be the growth leader in the labor market (**Figure 2**). Additionally, four out of the ten [fastest growing occupations](#) also require a Master's degree for entry-level positions. Nurse practitioners and physician assistants lead this group and demonstrate how Master's degrees provide both individual and societal benefits through [higher wages](#) and narrowing health disparities in [rural areas](#) and other [underserved communities](#). Other Master's degree programs support specialization or retraining in emerging occupations, such as with information security analysts, an occupation projected to grow [32 percent](#) in the next ten years.

Figure 1: Master's Degrees Awarded in Ohio

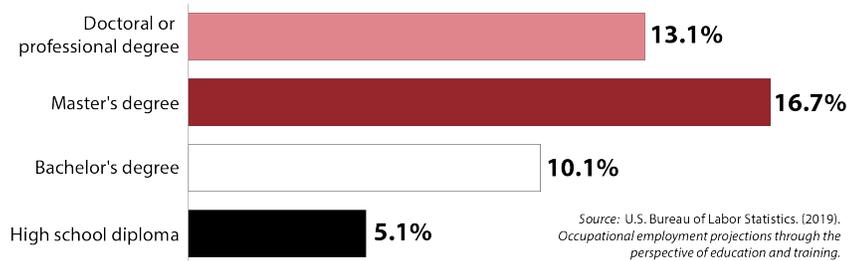
Percent of Master's degrees awarded in Ohio during the 2019-20 academic year by field



Source: Integrated Postsecondary Education Data System Completions Data. (2020).

Figure 2: Projected Occupational Growth

Projected growth in occupations by entry-level education through 2026



Source: U.S. Bureau of Labor Statistics. (2019). Occupational employment projections through the perspective of education and training.

Master's Degrees Provide a Good Return on Investment

Master's degrees have a [positive return on investment](#) for graduates and society at large, particularly in applied fields (**Figures 3 and 4**). The [median salary](#) for Master's degree graduates is also higher than the median salary of Bachelor's degree graduates. However, the [wage premiums](#) vary by field and undergraduate degree. Prospective students should evaluate how a degree will fit into their long-term career plan and potential for earnings, but ultimately a Master's degree is often a [worthwhile investment](#) for professionals and the broader public.

Figure 3:

Average Net Percent Value (NPV) of Master's Degrees

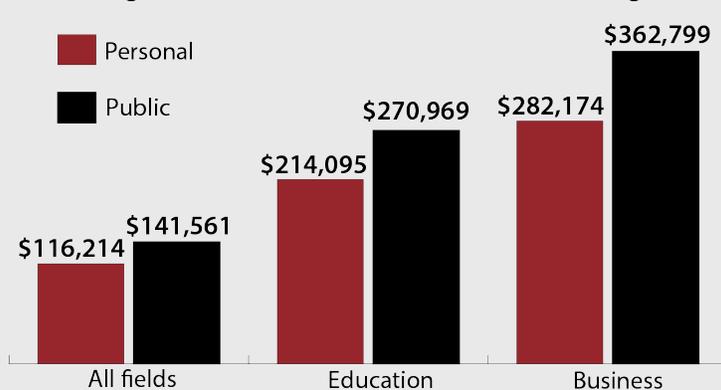
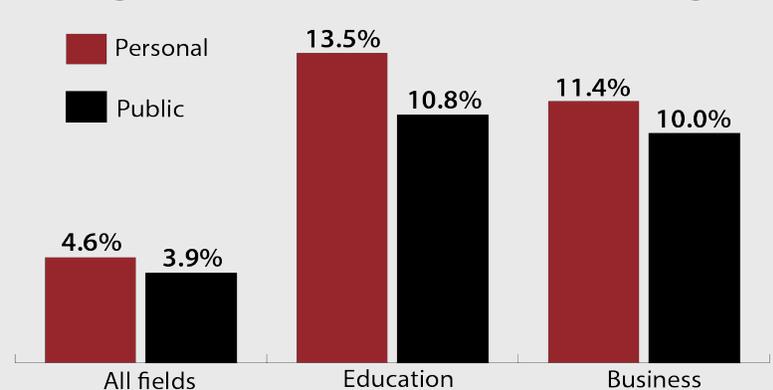


Figure 4:

Average Internal Rate of Return (IRR) of Master's Degrees



Note: NPV and IRR represent two different methods for calculating return on investment (ROI). NPV calculates cash flows, whereas IRR calculates profitability using a percentage value. Personal ROIs reflect wage gains. Public ROIs reflect income tax gains, excluding all personal benefits.

Source: Gandara, D. & Toutkoushian, R. K. (2017). Updated estimates of the average financial return on Master's degree programs in the United States. *Journal of Education Finance*, 43(1), 21-44.