# The "HBCU Effect"



WILEY COLLEGE

The "HBCU Effect" seeks to understand, validate and promote the success of historically Black colleges and universities (HBCUs) to develop a counter narrative that fully illustrates the value and competitiveness of our institutions.

## Returning on the Investment<sup>1</sup>

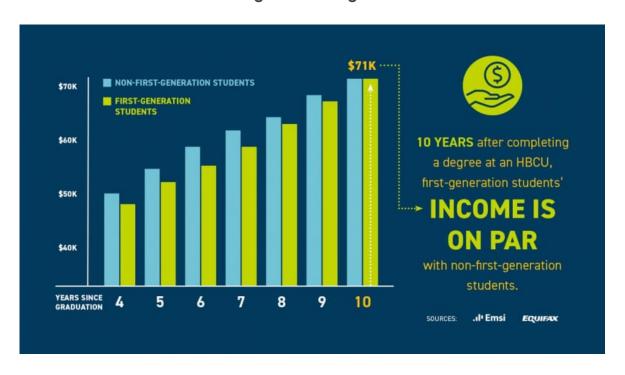
Education has always been considered one of the great equalizers in the United States. Research on the value of a college education clearly demonstrates that education continues to play a major role in helping Black students climb the economic ladder. Data from the UNCF Frederick D. Patterson Research Institute (FDPRI) reinforces this, revealing that just three years after graduation, HBCUs students earn \$10,000 more annually than students with only a high school diploma.



### **Equipping First-Generation Students**

Login

First-generation students often have a more difficult time navigating the higher education space and securing a job upon graduation.<sup>2</sup> However, 10 years after completing a degree at an HBCU, first-generation graduates' income is on par with non-first-generation graduates. This is important to note, as most predominately white institutions report lower income levels for first-generation graduates.



#### **Transforming Generations**

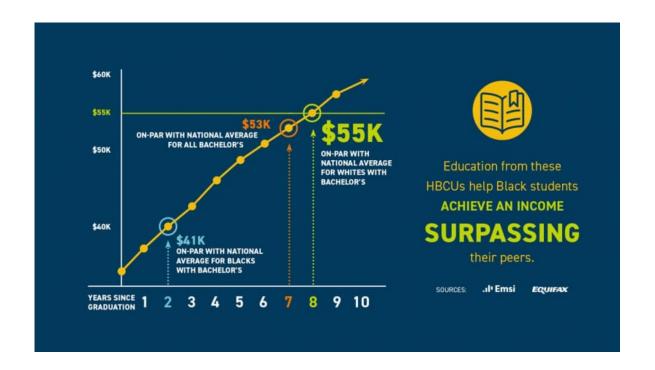
Just as HBCUs were instrumental in creating the Black middle class, they continue to improve the socio-economic mobility of Black Americans. More than 70% of HBCU students are federal Pell Grant-eligible; however, HBCU graduates surpass their family income level (with the Pell-eligibility threshold being \$50,000) six years after graduating, demonstrating the positive effect HBCUs have on intergenerational socio-economic mobility.





### Closing the Gap

For those who question the legitimacy of an HBCU education, it is critical to note that Black HBCU students achieve an income on average surpassing Black college graduates. Between two and eight years post-graduation, they climb the income ladder, out-earning the average Black graduate by year three and meeting the average income for white graduates by year eight. Although the income disparities between white and Black graduates still exist, HBCUs are playing a major role in helping close the earning gap.



1 The data used in this analysis were provided by Emsi and Equifax. The data is comprised of 21 HBCUs that are a part of UNCF's Career Pathways Initiative.

2 Rubio, Lena, Candi Mireles, Quinlan Jones, and Melody Mayse. <u>Identifying issues surrounding first generation students</u> (<u>http://www.ajuronline.org/uploads/Volume\_14\_1/AJUR\_Vol\_14%20Issue\_1\_04192017\_pp5-10.pdf</u>). American Journal of Undergraduate Research 14, no. 1 (2017): 5-10.

