How Employers View Online, For-Profit Bachelor's Degrees

While a stigma remains, some employers might be becoming more receptive to these degrees, some recruiters say.

By [Jordan Friedman](http://www.usnews.com/topics/author/jordan-friedman) | Editor Aug. 15, 2016, at 10:30 a.m.

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* [StumbleUpon](http://www.stumbleupon.com/badge/?url=http%3A%2F%2Fwww.usnews.com%2Feducation%2Fonline-education%2Farticles%2F2016-08-15%2Fhow-employers-view-online-for-profit-bachelors-degrees%3Fsrc=usn_su)
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One Harvard University study suggests that hiring managers are less likely to hire a bachelor's degree holder from an online, for-profit school than a traditional university. (Sam Edwards/Getty Images)

Anthony Jones of Virginia doesn't regret getting his [bachelor's degree online](http://www.usnews.com/education/online-education/bachelors) from a for-profit school, despite some of the criticisms he initially heard of these programs, such as them being of lower quality.

"I was looking for a place where continuing my education and being able to still work full time would be met," the 39-year-old said via email. The [University of Phoenix](http://www.usnews.com/education/online-education/university-of-phoenix-online-campus-372213) fulfilled those criteria, he says.

But to a certain extent, Jones was also worried about his job prospects.

"I did not want to invest a great deal of time, effort and [money](http://www.usnews.com/education/online-education/features/paying-for-online-education), and in the end my efforts would not be recognized to the same stature as traditional brick-and-mortar establishments and their students," he says.

[Ask [four questions before enrolling in a for-profit online program.](http://www.usnews.com/education/online-education/articles/2015/02/27/4-questions-to-ask-before-enrolling-in-a-for-profit-online-program)]

Jones, who's now an account manager at a software provider, was ultimately satisfied with his undergraduate experience and even went on to earn a master's degree from the school. But employers and recruiters offer mixed opinions about the online, for-profit sector, which has faced [declining enrollment](http://www.usnews.com/education/online-education/articles/2016-02-09/study-enrollment-in-online-learning-up-except-at-for-profits) and criticism about low graduation rates, high student loan default rates and [questionable recruitment practices](http://www.usnews.com/news/business/articles/2016-06-23/big-accreditor-of-for-profit-colleges-could-lose-authority).

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Still, recruiters say, the negative perception of undergraduate, for-profit education that some employers have held in recent years may be starting to shift, and not all are skeptical.

"Although I think that still somewhat of a stigma might exist against the for-profit universities, given the current state of the job market today and the low unemployment rates, employers are starting to get really creative and are definitely placing more value on this type of degree than they had in the past, and are much more willing to extend an offer to these applicants," says Amy Glaser, senior vice president of Adecco Staffing, a worldwide employment agency.

Employer views also vary depending on the program, Glaser says, and an applicant's undergraduate education is just [one part of the hiring decision](http://money.usnews.com/money/blogs/outside-voices-careers/articles/2016-03-07/heres-exactly-what-hiring-managers-look-for-in-a-resume).

Karl McDonnell, chief executive officer at Strayer Education, Inc. – including the for-profit [Strayer University](http://colleges.usnews.rankingsandreviews.com/best-colleges/strayer-1459), which grants online bachelor's and other degrees – says it's inaccurate to lump all for-profit bachelor's programs into one category. He says there's some degree of variability in outcomes in any industry.

While the school offers "very little" in terms of [career services](http://www.usnews.com/education/online-education/articles/2016-01-26/evaluate-career-services-in-an-online-education-program), for instance, McDonnell says, it has relationships with hundreds of Fortune 1000 companies.

[Discover [how to vet a for-profit online program.](http://www.usnews.com/education/online-education/articles/2013/04/19/how-to-vet-a-for-profit-online-program-2)]

"Are there institutions where maybe outcomes have been low and therefore the economic return for students has been lower than what somebody had hoped? I think that's clear; I think that's obvious. But to say that that is the case for an entire sector – it's not representative of our experience," McDonnell says.

Representatives from three other online, for-profit programs declined or were unavailable to comment.

Still, employers deciding between two equally qualified job candidates are more likely to prefer the one with an [undergraduate education](http://colleges.usnews.rankingsandreviews.com/best-colleges) at a traditional university over the one with an online, for-profit bachelor's, says Glaser from Adecco Staffing.

Greg Keller, chief operating officer at the Washington, D.C.-based national recruiting firm Bloomfield & Company, says [online degrees](http://www.usnews.com/education/online-education) alone don't carry as much as a stigma as the for-profit classification because reputable institutions have launched online programs in the past few years.

Based on what he's seen among employers, "My guess would be that if you've got five really qualified applicants, and one of them has the for-profit degree, it could work against them," he says.

A [study](http://pubs.aeaweb.org/doi/pdfplus/10.1257/aer.20141757) published this year that found applicants are 22 percent less likely to receive a callback from an employer if they have an online, for-profit business bachelor's degree listed on their resume than if they include a non-selective public university without specifying on ground or online, says David Deming, one of the authors of the report and a professor at the [Harvard Graduate School of Education](http://grad-schools.usnews.rankingsandreviews.com/best-graduate-schools/top-education-schools/harvard-university-06095).

The findings might indicate that [public universities](http://colleges.usnews.rankingsandreviews.com/best-colleges/rankings/national-universities/top-public) have existed for longer, so employers may simply be more familiar with them, or that some employers have had negative experiences with hires from for-profit bachelor's programs, Deming says.

Among other findings, the study revealed that the online, for-profit schools in the sample spent less money per student than the non-selective public universities on instruction in 2013, Deming says.

While a school's reputation matters, recruiters say, what's more important is that an [online program is accredited](http://www.usnews.com/education/online-education/slideshows/consider-10-factors-to-decide-if-an-online-degree-program-is-legit), along with an applicant's skills. Education also matters less for those with several years of work experience, says Jay Houston, president of finance and accounting at the Addison Group, a staffing firm.

[Explore [how to tell if an online program is accredited.](http://www.usnews.com/education/online-education/articles/2013/10/16/how-to-tell-if-an-online-program-is-accredited)]

"So many times, we know that a given person with an online degree from a for-profit institution has all the capabilities of anybody else," especially if they balanced a job with their education, he says. That context, he says, is important.

And many employers won't rule out a candidate based on their for-profit education. Connie Ford, vice president of professional practice at the [Phoenix Children's Hospital](http://health.usnews.com/best-hospitals/area/az/phoenix-childrens-hospital-6860210) in Arizona, says the hospital has hired graduates from the University of Phoenix, for instance.

"We are looking for the best candidate to fit our culture, and to provide the care that children need," she says.

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