

[REPORT]

National Association of Social Workers
MEMBERSHIP WORKFORCE STUDY

IN THE RED:
**SOCIAL WORKERS AND
EDUCATIONAL DEBT**

NATIONAL ASSOCIATION OF SOCIAL WORKERS

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“I believe that unmanageable debt, poor preparation in training for job negotiations, and low salaries in the social work profession make the social work profession untenable.”

—Survey Participant



INTRODUCTION

The 2004 benchmark national study of licensed social workers provided a wealth of information about social workers' roles and work environments. The study also raised new questions about the social work workforce that required further exploration. Although the 2004 findings pointed to a looming shortage of licensed social workers, there was still much to learn about why this was the case. In what ways did career decision points, educational debt, workplace stressors, and other factors influence the recruitment and retention of this professional workforce? The *NASW Membership Workforce Study* was an effort to respond to such remaining questions and to gain more insight into the social work workforce.

METHODOLOGY

The NASW Membership Workforce Survey was administered online from August 30, 2007, to November 30, 2007. NASW members were invited to participate through electronic *Memberlink* newsletters, Specialty Practice Section alerts, mailed copies of the *NASW News*, and the NASW Web site. Survey responses were anonymous. The survey received a total of 3,653 responses.

Survey respondents volunteered to participate in the survey and were not randomly selected from the total NASW membership. Due to the sample being based on those who self-selected to participate, estimates of sampling error cannot be calculated. The findings are based solely on the responses and are not generalizable to the entire population of NASW members.

BACKGROUND

During the past few years, media attention has increasingly focused on the growing burden facing college graduates as a result of debt accumulated from student loans and other educational costs.

“The amount of debt from graduate school is horribly expensive to pay off when compared to salaries.”
—Survey Participant

While the amount of educational debt is not confined to a particular segment of the student population, the implications are vastly different for those who choose careers, like social work, in which salaries tend to be lower. Social workers have been identified as one group of professionals especially burdened by educational debt (Asinof, 2006; Jones & Cohen, 2006; NASW, 2004).

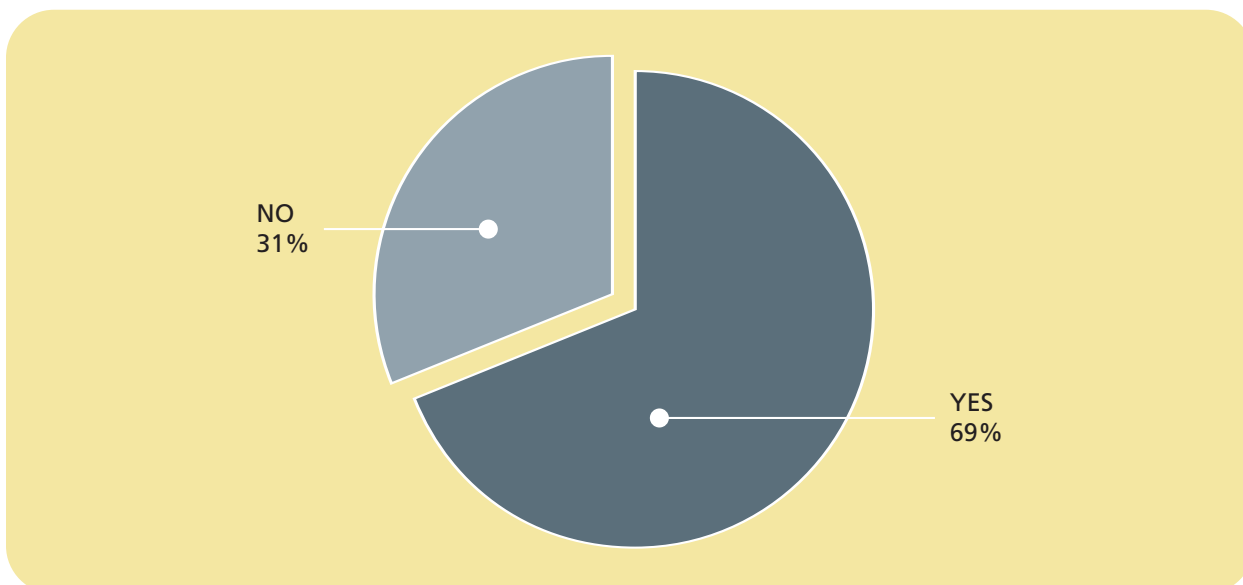
Staggering educational debt affects many life decisions, and can influence or delay home purchasing, retirement planning, and personal savings (Block, 2006). Educational debt has also been blamed for deterring students from public service careers, like social work (Swarthout, 2006; Pew, 2006), thus increasing pressures on a workforce already facing shortages (Whitaker, Weismiller, & Clark, 2006).

THOSE WHO OWE

Prevalence

Sixty-nine percent of respondents (n=3,653) incurred debt to finance their social work education (Figure 1). Of these, 66 percent had one social work degree; 34 percent had more than one social work degree; and seven percent did not yet have social work degrees.

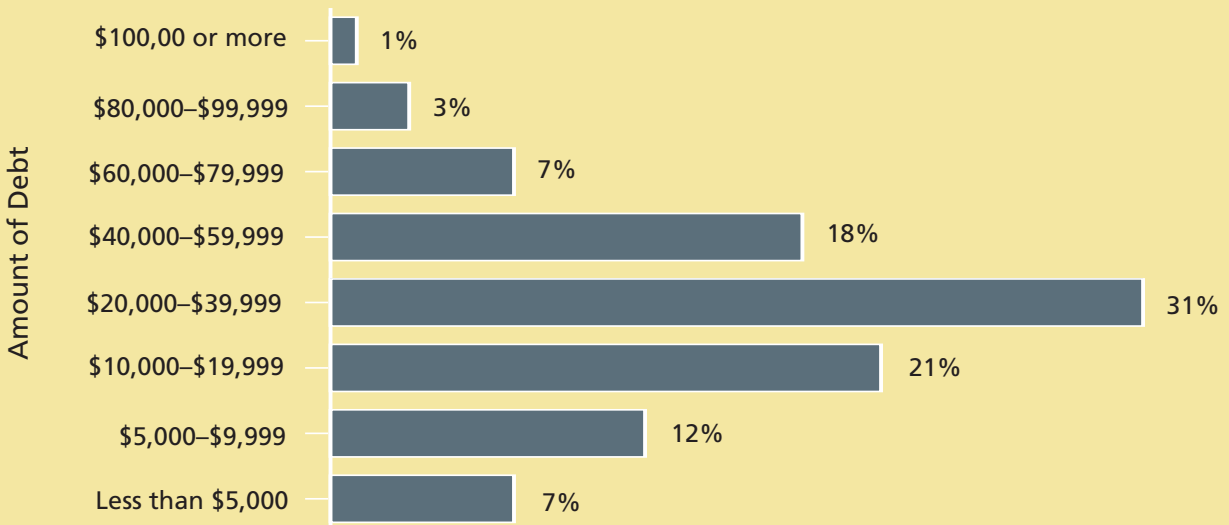
FIGURE 1. PERCENTAGE OF RESPONDENTS WHO INCURRED DEBT FOR SOCIAL WORK EDUCATION



Amount of Debt

Debt burdens for the study respondents ranged from less than \$5,000 to more than \$100,000. Fifty-two percent of the respondents incurred between \$10,000 and \$39,999 in educational debt, with 31 percent owing between \$20,000 and \$39,999. Seven percent had debt burdens of less than \$5,000, while four percent had debt burdens greater than \$80,000 (Figure 2). For those without social work degrees, 82 percent had incurred debt for their social work education, and 41 percent owed between \$20,000 and \$39,999.

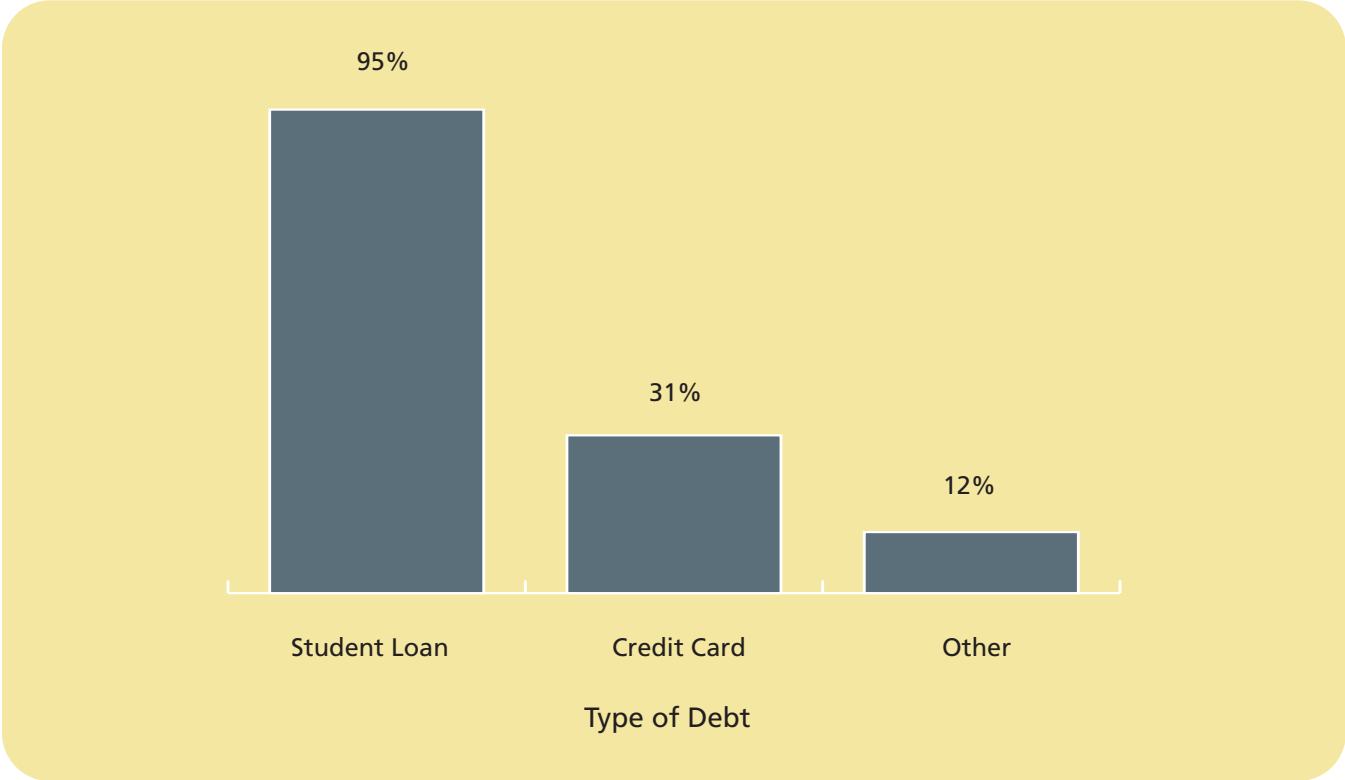
FIGURE 2. AMOUNT OF EDUCATIONAL DEBT



Type of Educational Debt

When asked about the type of debt they had incurred, 95 percent reported student loans; 31 percent used credit cards to finance their education, and 12 percent described “other” types of debt (Figure 3).

FIGURE 3. TYPE OF EDUCATIONAL DEBT*



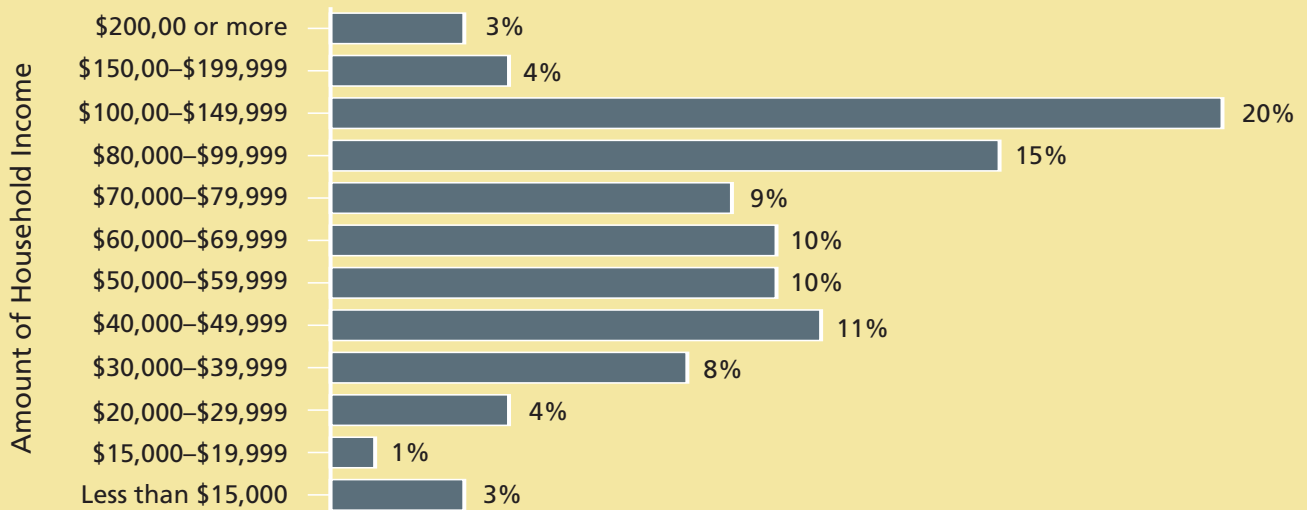
* Percentages added may exceed 100, since participants were allowed to select more than one answer for this question.

“Try to find a way to pay for school other than loans.” —Survey Participant

Income

The amount of the gross annual household income reported by those who incurred debt ranged from less than \$15,000/year (3%) to more than \$200,000/year (3%). The most commonly reported income range was \$100,000–\$149,999/year (20%) (Figure 4).

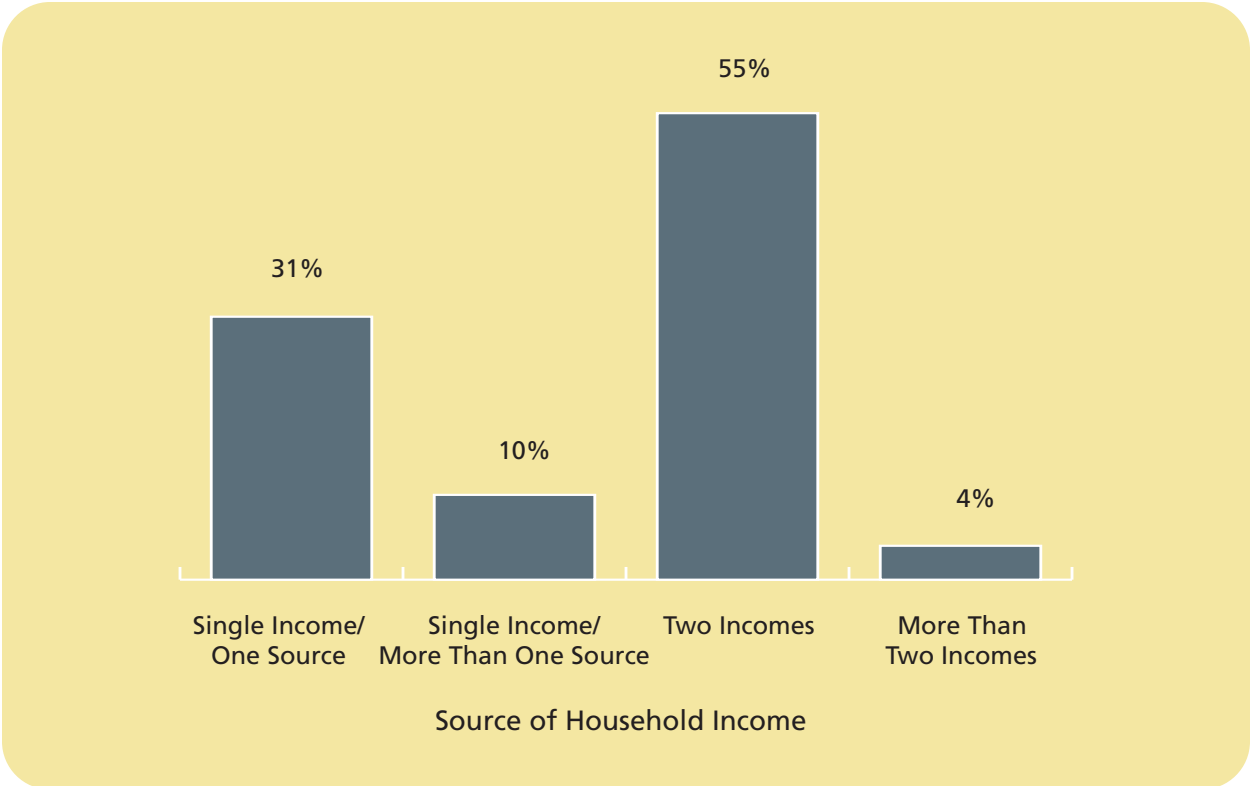
FIGURE 4. HOUSEHOLD INCOME



“Salary is the number one challenge that I face, because I have so much school-related debt that I cannot maintain a comfortable life as a single woman. I will either change careers or find a second job.”
—Survey Participant

Forty-one percent of those who incurred debt were solely responsible for their household income, whether based on one source (31%) or more than one source (10%). Fifty-five percent derived their total household income from two incomes, whereas four percent had more than two incomes (Figure 5).

FIGURE 5. SOURCE(S) OF HOUSEHOLD INCOME



PAYING BACK: EMPLOYMENT AND SALARY

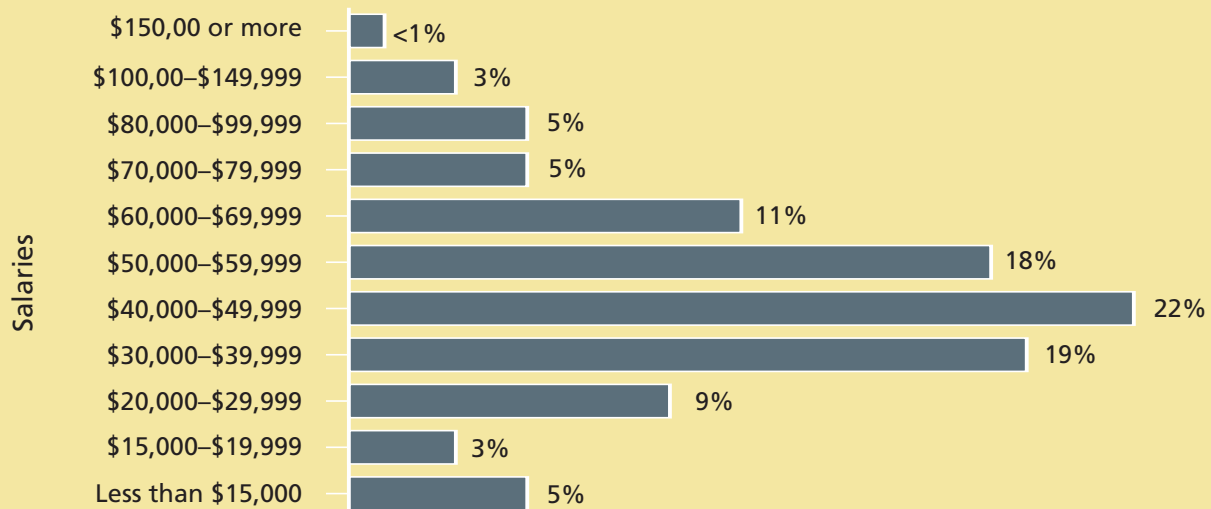
The majority of respondents who incurred debt work only in a social work capacity (73%); 14 percent work in a combination of social work and non-social work capacities; and three percent work only in a non-social work capacity. Ten percent are not working and are either retired (1%), volunteering (2%), or unemployed (7%).

“Students considering the field will think twice when they have student loans and not enough money to pay them.”
—Survey Participant

Social Work Income

More than a third of respondents (36%) with educational debt had social work salaries of less than \$40,000/year. Twenty-two percent earned between \$40,000/year and \$49,999/year. Less than one-third (29%) earned between \$50,000/year and \$69,000/year, and only 13 percent earned more than \$70,000/year (Figure 6).

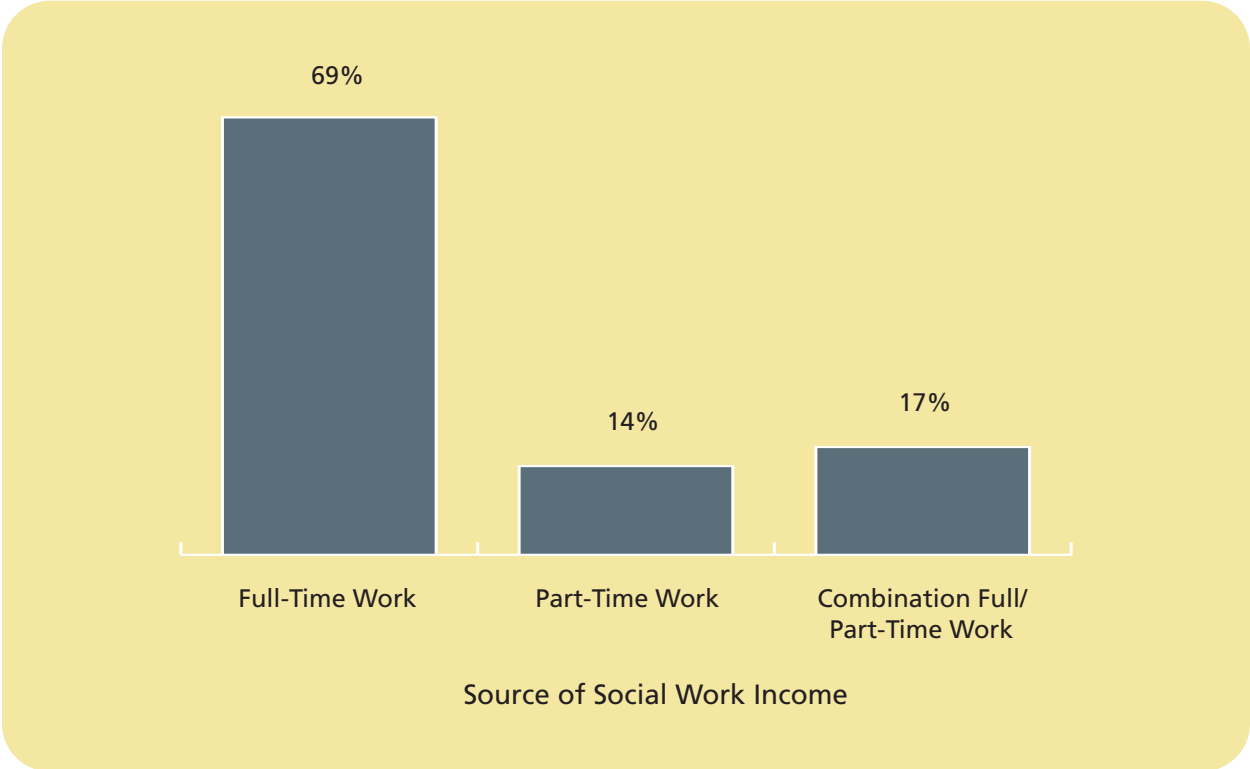
FIGURE 6. SALARIES FOR SOCIAL WORK EMPLOYMENT



Source of Social Work Income

Participants derived their social work income from full-time work only (69%), part-time work only (14%), and a combination of full- and part-time work (17%) (Figure 7).

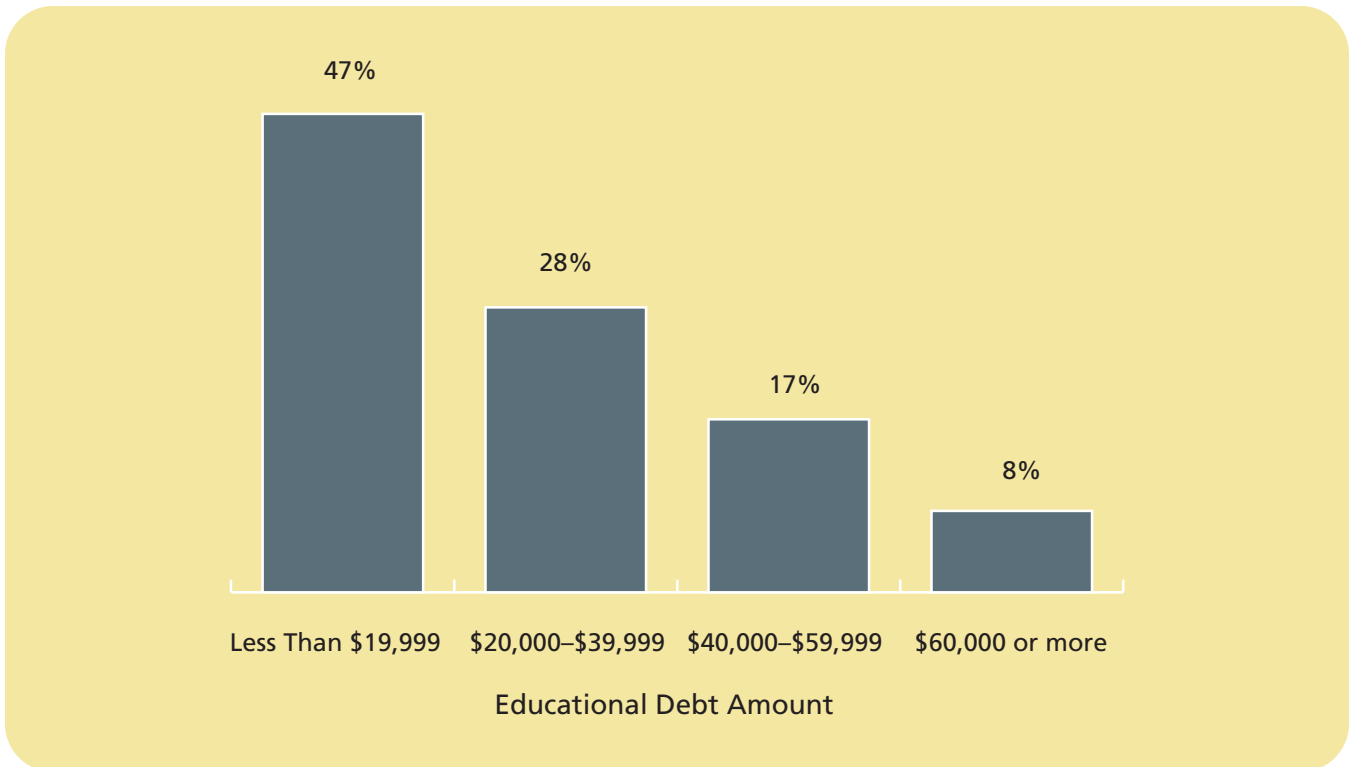
FIGURE 7. SOURCE(S) OF SOCIAL WORK INCOME



Educational Debt and Salaries

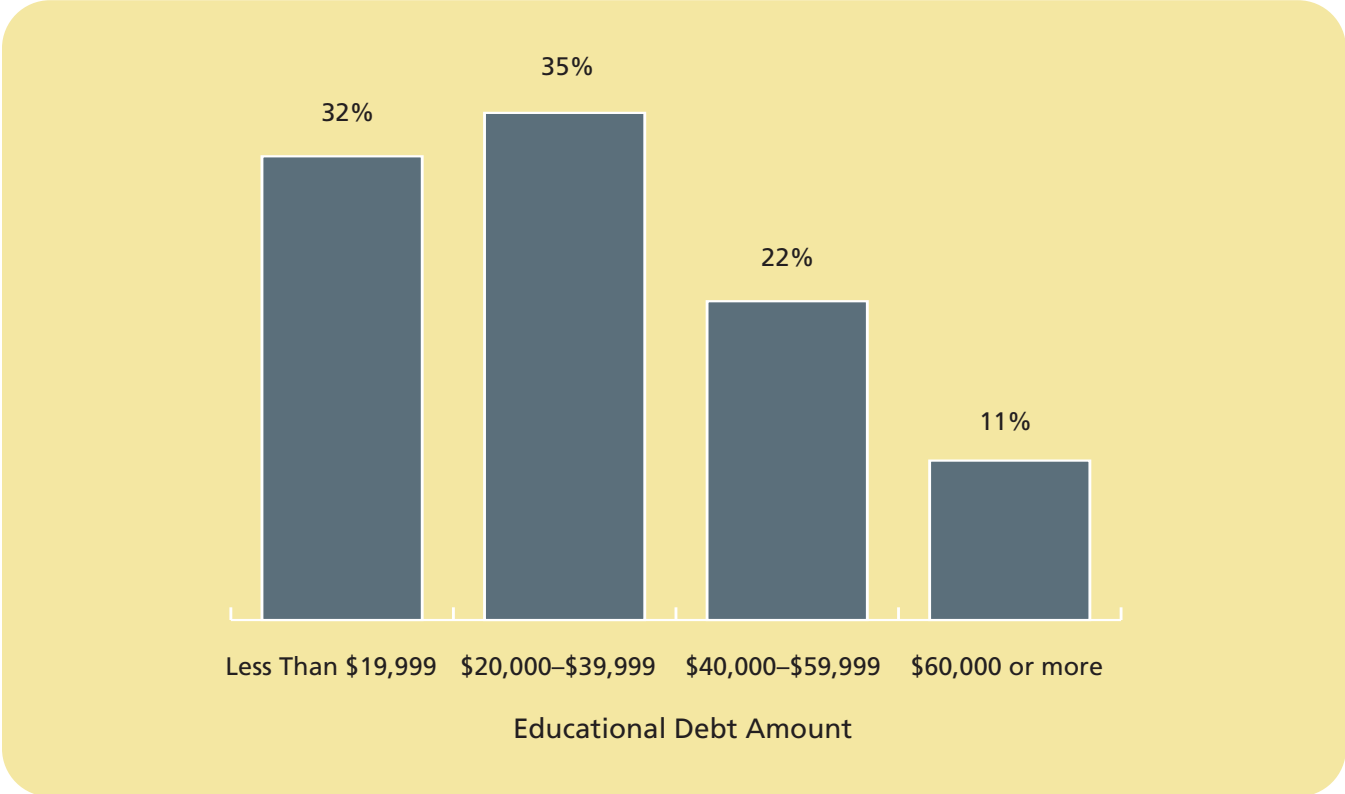
Educational debt amounts were compared with annual salary levels. More than half of the respondents (53%) who earned less than \$19,999/year (n=163) had educational debt that was greater than their annual salaries. Twenty-five percent of these respondents had educational debt that was more than twice their annual salaries (Figure 8).

FIGURE 8. EDUCATIONAL DEBT OF THOSE WHO EARNED LESS THAN \$19,999 PER YEAR



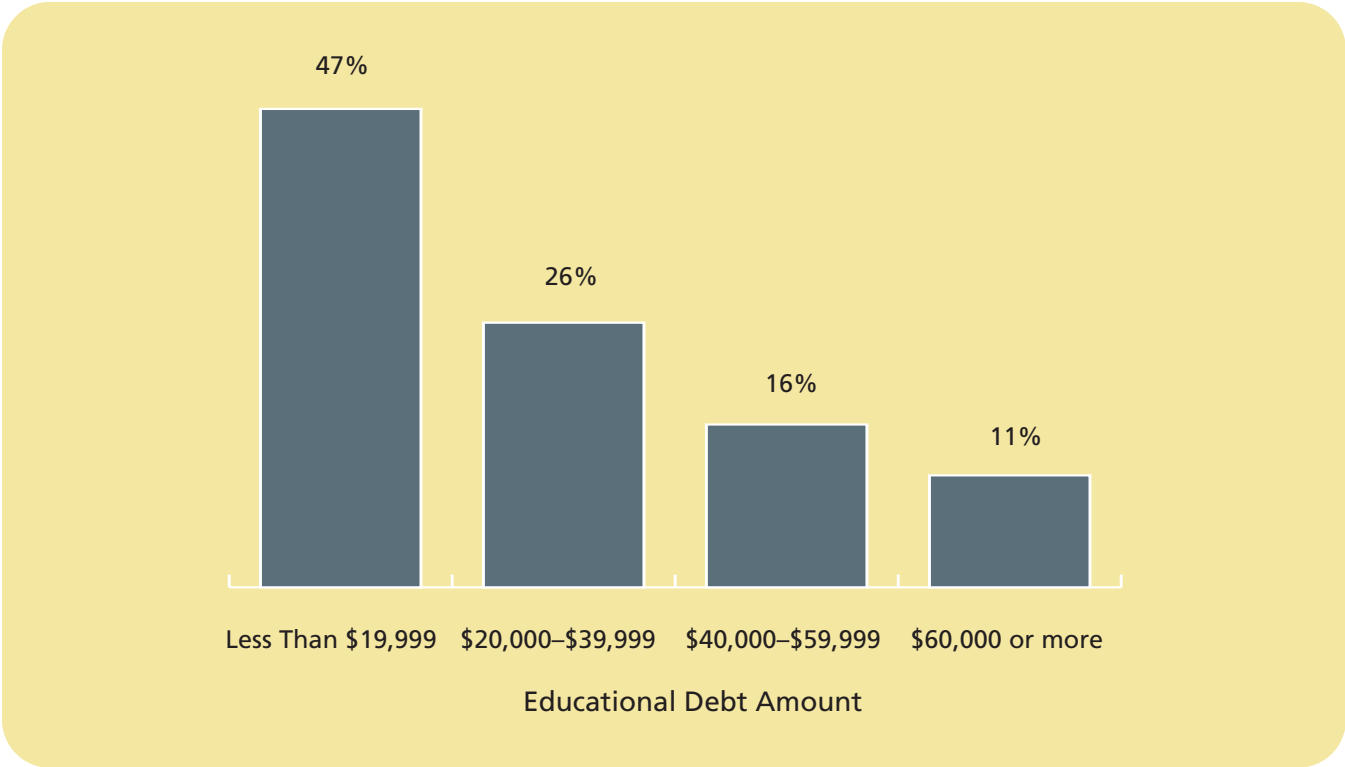
A little more than two-thirds of the respondents (67%) who earned between \$20,000 and \$49,999 per year (n=1079) had educational debt that was less than their annual salaries. Eleven percent of these respondents, however, had educational debt that totaled more than \$60,000 (Figure 9).

FIGURE 9. EDUCATIONAL DEBT OF THOSE WHO EARNED BETWEEN \$20,000 AND \$49,999 PER YEAR



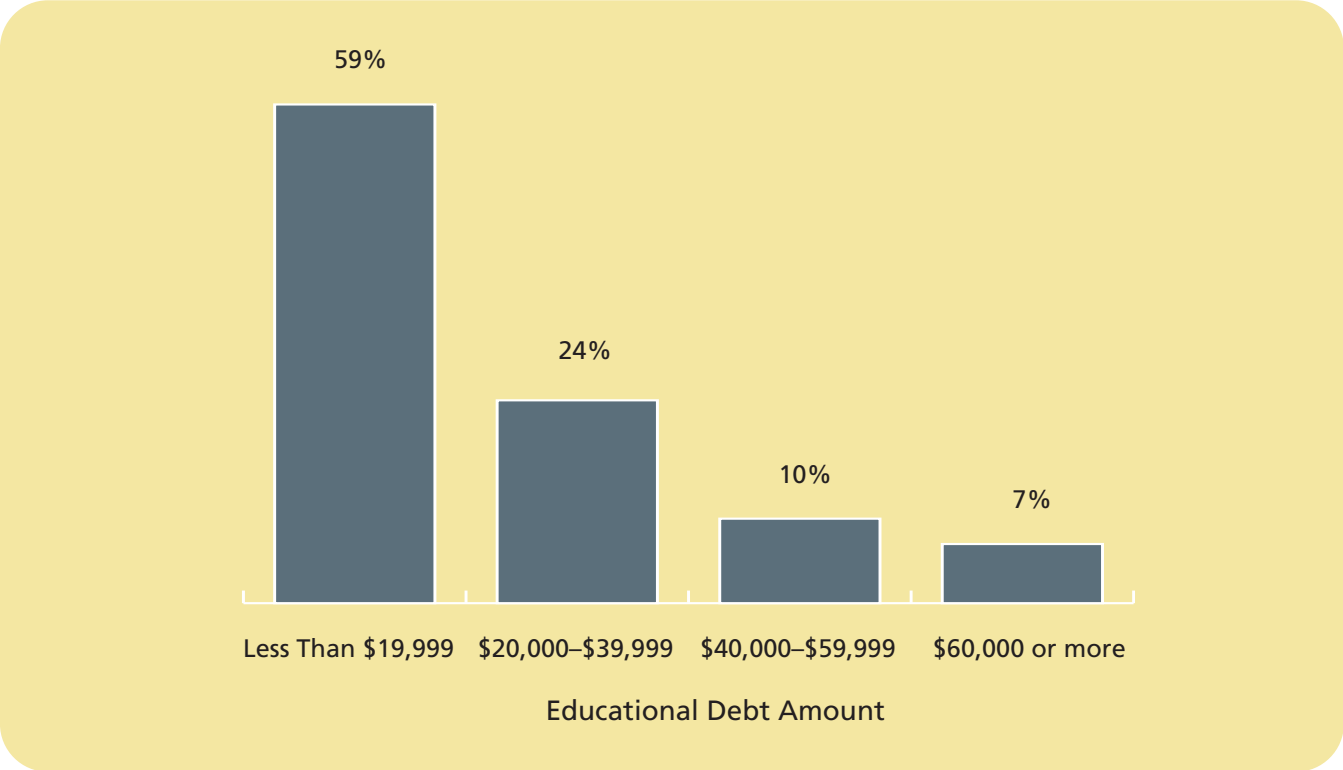
Nearly three-quarters of the respondents (73%) who earned \$50,000–\$79,999 per year (n=733) had educational debt that was less than \$39,000. Eleven percent had debt that was \$60,000 or more (Figure 10).

FIGURE 10. EDUCATIONAL DEBT OF THOSE WHO EARNED BETWEEN \$50,000 AND \$79,999 PER YEAR



Of those who earned more than \$80,000 per year (n=175), nearly three-fifths (59%) owed less than \$19,999 in educational debt; seven percent owed more than \$60,000 (Figure 11).

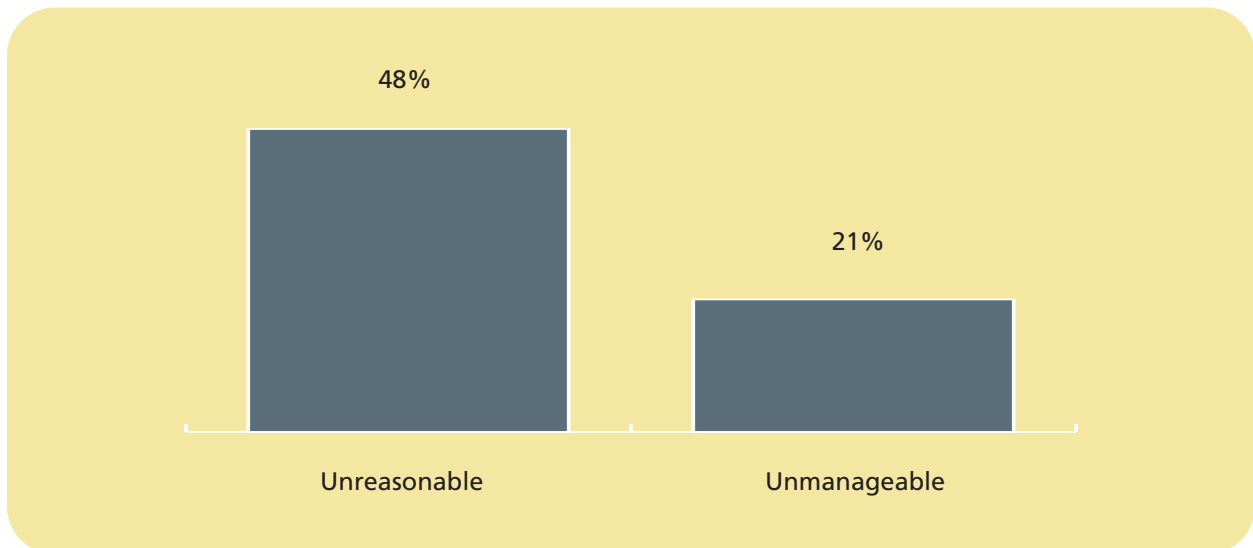
FIGURE 11. EDUCATIONAL DEBT OF THOSE WHO EARNED MORE THAN \$80,000 PER YEAR



MANAGING DEBT

Participants were asked to characterize the reasonableness and manageability of their educational debt. Almost half of the respondents (48%) described their debt load as unreasonable. Nearly a quarter (21%) described their debt load as unmanageable (Figure 12).

FIGURE 12. CHARACTERIZATION OF EDUCATIONAL DEBT BURDEN



WHOSE DEBT IS UNMANAGEABLE?

When compared to those who described their debt as manageable (n=1885), those with unmanageable debt (n=493) were more likely to be younger (Figure 13). In terms of gender, women were more likely than men to have unmanageable debt (Figure 14). Single people (never married, divorced, or widowed) were more likely to have unmanageable debt than those who were married (Figure 15). In terms of race/ethnicity, African Americans/Blacks were more likely to have unmanageable debt than Caucasians/Whites (Figure 16).

“Despite having an advanced degree, and being respected as somewhat of an expert, I barely get by due to student loan repayment.”
—Survey Participant

FIGURE 13. MEAN AND MEDIAN AGES BY MANAGEABILITY OF EDUCATIONAL DEBT

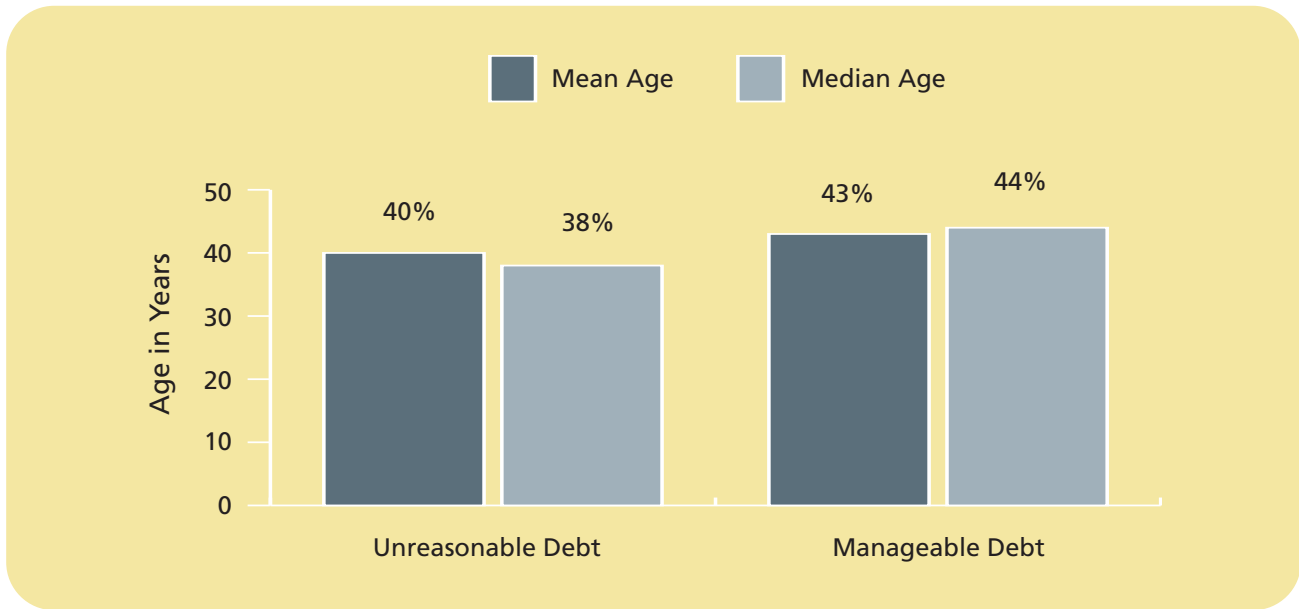


FIGURE 14. MANAGEABILITY OF EDUCATIONAL DEBT BY GENDER

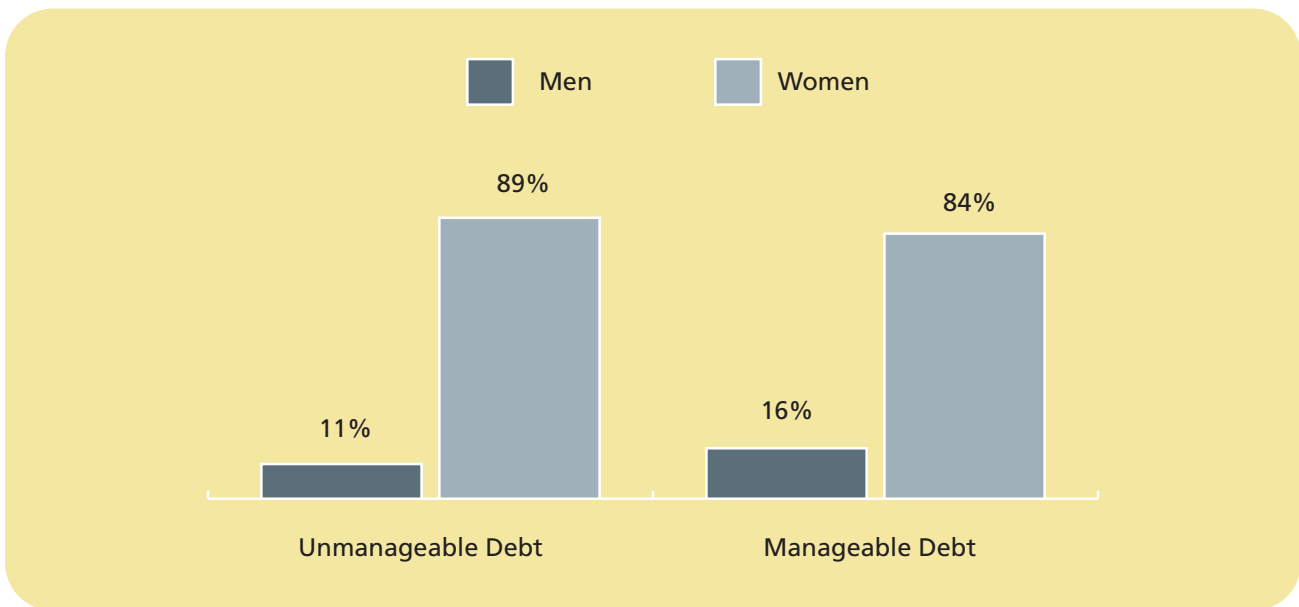


FIGURE 15. MANAGEABILITY OF EDUCATIONAL DEBT BY MARITAL STATUS

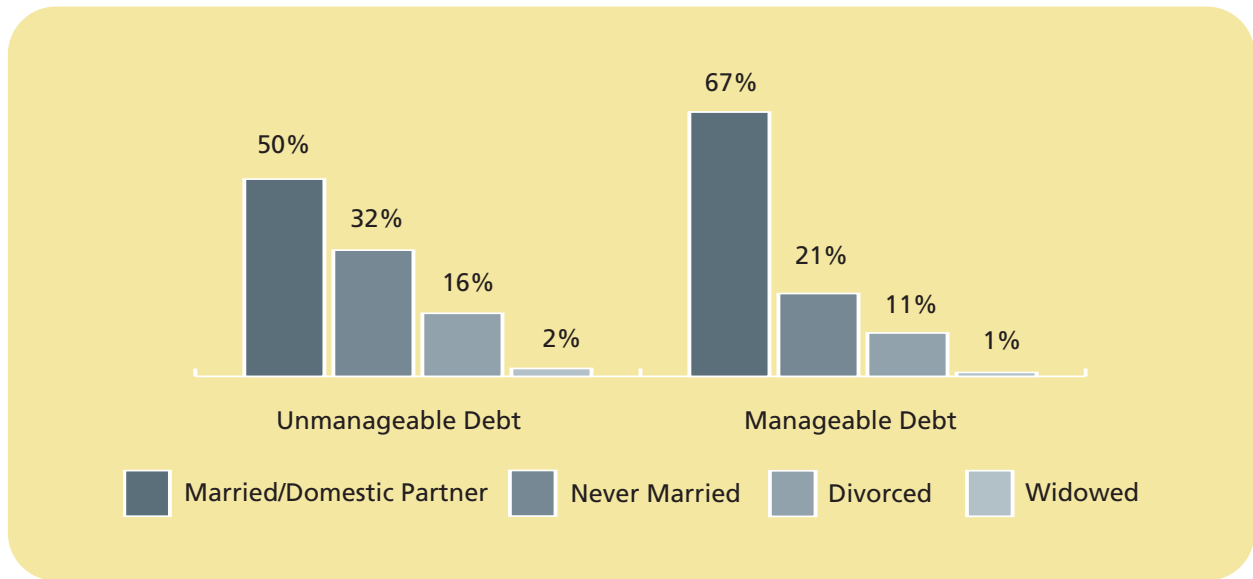
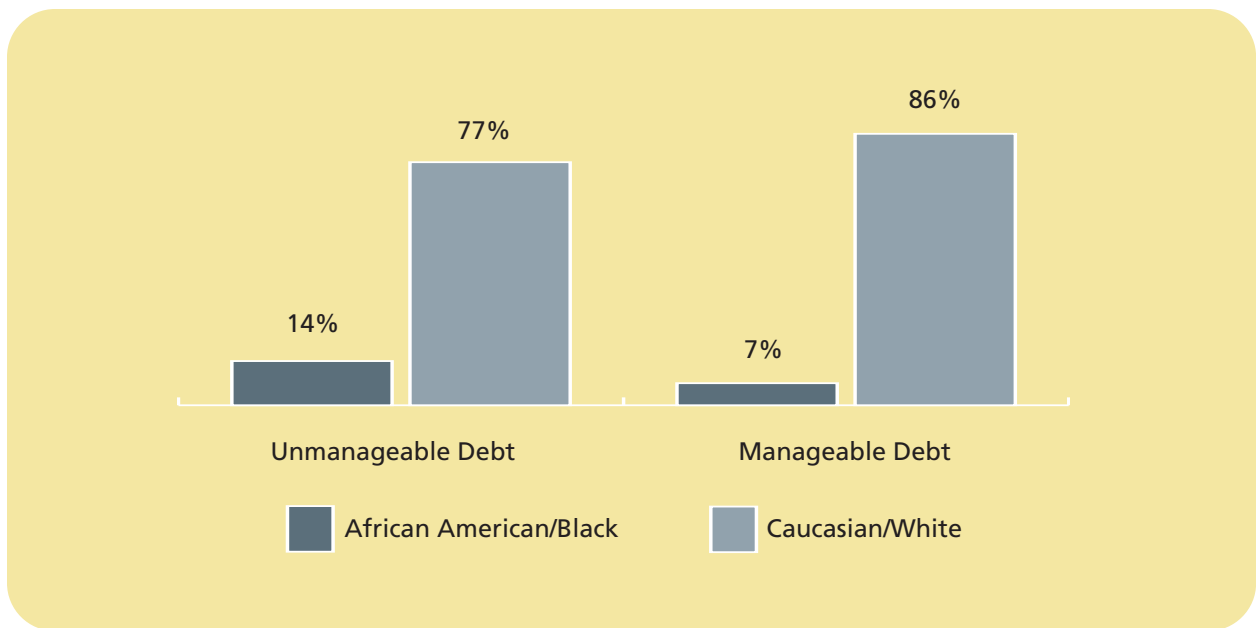
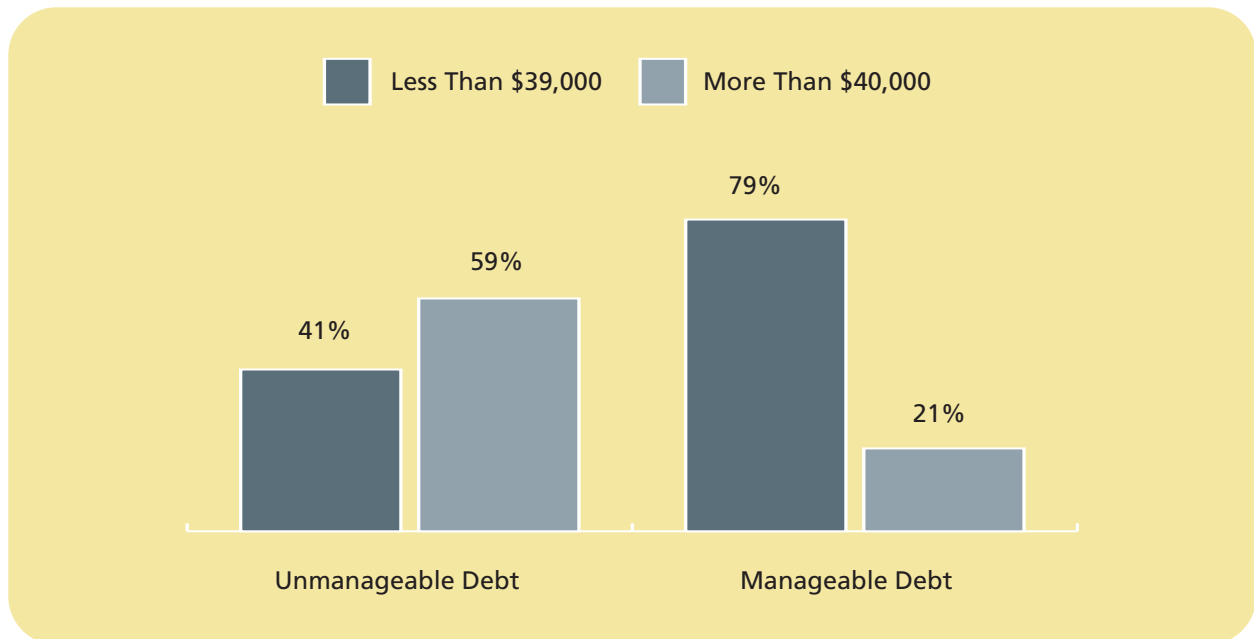


FIGURE 16. MANAGEABILITY OF EDUCATIONAL DEBT BY RACE/ETHNICITY



Not surprisingly, those with manageable educational debt had lower debt burdens and earned higher salaries than those with unmanageable debt. Nearly three-fifths (59%) of those with unmanageable debt had debt burdens greater than \$40,000, compared to only 21 percent of those with manageable debt (Figure 17).

FIGURE 17. MANAGEABILITY OF EDUCATIONAL DEBT BY DEBT BURDEN



Sixty-seven percent of those with unmanageable debt earned less than \$49,999 per year, compared with 54 percent of those with manageable debt. By contrast, 46 percent of those with manageable debt earned more than \$50,000 per year, compared with 33 percent of those with unmanageable debt (Figure 18). Similarly, those with manageable debt were more likely to characterize their salary/wages as adequate (60%), compared with respondents with unmanageable debt (36%) (Figure 19).

“In order for someone to be considered a ‘Professional Social Worker,’ that person must have an advanced degree and licensing (LMSW, LCSW, etc). However, it takes a lot of money to achieve that status, and even once someone does, they are far in debt.” —Survey Participant

FIGURE 18. MANAGEABILITY OF EDUCATIONAL DEBT BY SOCIAL WORK SALARY

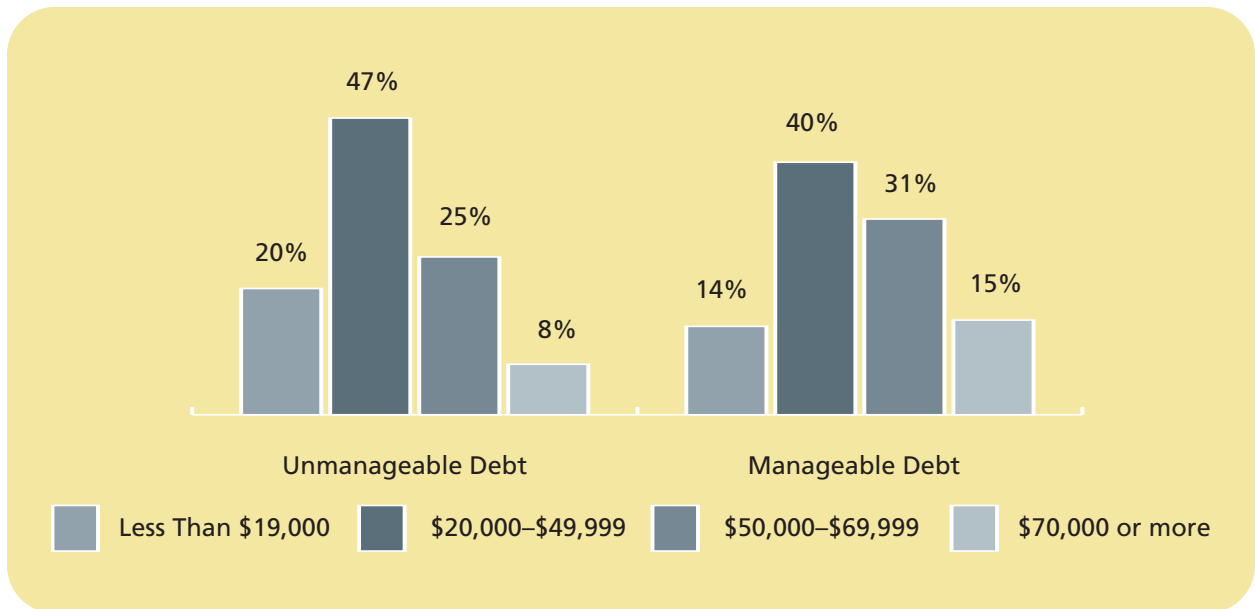
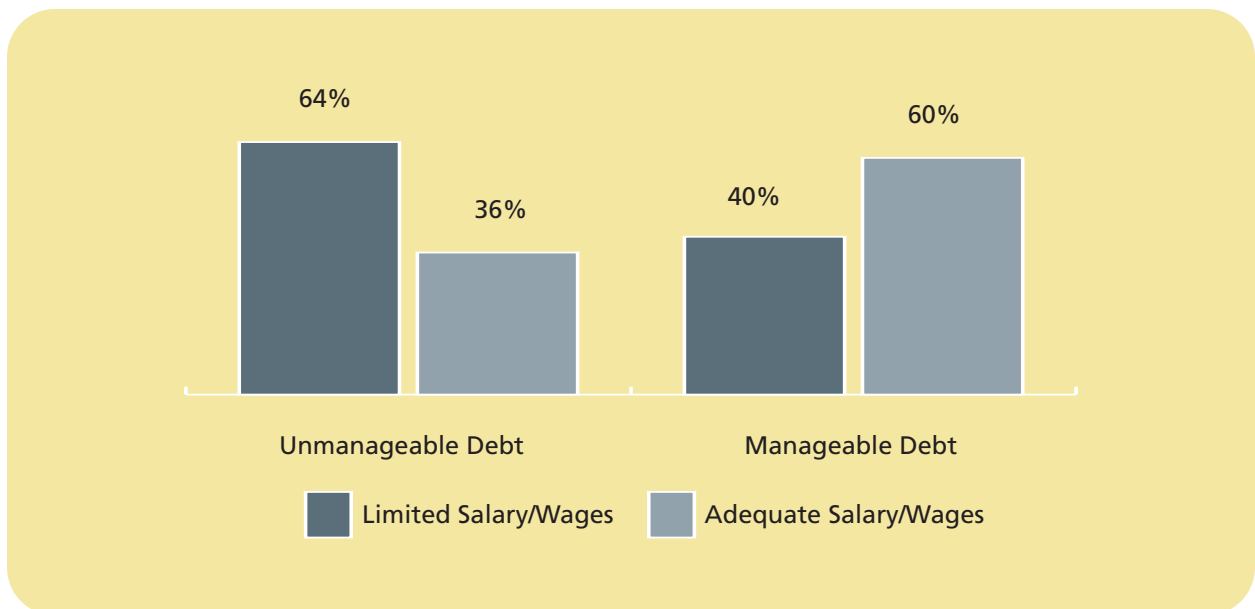


FIGURE 19. MANAGEABILITY OF EDUCATIONAL DEBT BY SATISFACTION WITH SALARY/WAGES



SUMMARY

Clearly, high educational debt and low salaries are challenges many social workers face. This financial burden is experienced by individual social workers, but it also affects the profession itself.

The social work profession is trying to attract younger people into the field, and to increase its racial and ethnic diversity, but these groups are more likely to face unmanageable educational debt. The amount of frustration and dissatisfaction expressed by social workers faced with educational debt cannot be dismissed. The nation's demographics demonstrate an increasing demand for social workers, but educational debt is pushing people away from a challenging, yet rewarding field. A choice to pursue a career in social work should not be a decision to live **in the red**.

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