

**Education**

# **The U.S. Education System Isn't Giving Students What Employers Need**

by Michael Hansen

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**Summary.** There's a direct disconnect between education and employability in the U.S., where employers view universities and colleges as the gatekeepers of workforce talent, yet those same institutions aren't prioritizing job skills and career readiness. This not only hurts... [\*\*more\*\*](#)

The Covid-19 pandemic stripped millions of Americans of their jobs. As of April 2021, the economy was still down 4 million jobs compared to February 2020. At the same time, we are seeing unprecedented labor shortages, with 8.1 million jobs open and unfilled across the U.S. Markets that saw explosive growth due to the pandemic, such as cybersecurity and technology, are struggling to maintain the levels of innovation needed to continue that trend, because they can't find the right talent.

How can this be the case when nearly 10 million people are currently unemployed and looking for a job?

It's because the U.S. education system is not held accountable for ensuring that students are properly equipped with the skills and capabilities to prepare for a career where they can obtain financial stability. Additionally, employers continue to rely on a traditional four-year degree requirement as a primary means of determining job candidate employability. The disconnect here is obvious, and the result is nearly 15 million un- or under-employed individuals.

This archaic system simply no longer works in our modern world. The U.S. education system must be reevaluated to better prepare students with employable skills. And employers need to adjust how they evaluate candidates and job requirements. By facing this problem head on, the education industry can aid in the economic recovery from the pandemic and prevent similar hiring gaps in the future.

To start, we must focus on how our current education system is preparing students for employment. A recent Cengage survey (publication forthcoming) of Americans who graduated from a two-year/community or four-year college in the past five years found that nearly one in five (19%) reported that their college education experience did not provide them with the skills needed to perform their first post-degree job. Additionally, more than half (53%) of these college graduates have not applied to an entry-level job in their field because they felt unqualified, and nearly half (42%) felt unqualified because they did not have all the skills listed in the job description.

Since the beginning of the pandemic, job postings for entry-level positions that require a bachelor's degree fell by 45% — pointing to the fact that employers simply want candidates who have more skills and experience in the real world. But if our system is failing to prepare students for a career, how can we expect education to be the building block of our economy and a tenet of talent recruitment?

There's a direct disconnect between education and employability, where employers view universities and colleges as the gatekeepers of workforce talent, yet those same institutions aren't prioritizing job skills and career readiness. This not only hurts employers, but also sets the average American worker up for failure before they've even begun their career, as new employees who have been hired based on their four-year educational background often lack the actual skills needed to perform in their role. To create change as an industry, we must provide greater credibility to alternate education paths that allow students to gain employable skills.

### **A Longstanding Stigma Around Vocational and Non-Traditional Education**

The U.S. may be one of the only countries where a stigma around vocational and technical training still exists. In Europe, countries such as Germany, Austria, and Switzerland have long seen vocational education as a pathway to the middle class, and an effective system to provide students with the skills they'll need to further their career. In America, two-thirds (65%) of all open jobs require a bachelor's or associate's degree, which eliminates career paths for millions of Americans and, quite frankly, is not necessary to succeed in many of today's open jobs. Yet, businesses continue to penalize applicants who follow nontraditional education paths, as nearly two-thirds (61%) of business and HR leaders admit to tossing out resumes without four-year degrees, even if the applicant was qualified.

This means that businesses are losing out on millions of qualified candidates for whom a four-year education in America wasn't attainable. And for many of these individuals, it's because the cost of a four-year degree isn't affordable. In 2019, the U.S. median household

income was roughly \$68,703 per year, while tuition and fees alone for higher education institutions reached \$10,560 for in-state students at four-year public institutions in the 2020-21 academic year; \$27,020 for out-of-state four-year public institutions; and \$37,650 for four-year private institutions. (With room and board and other fees, many four-year college degrees can cost as much as \$70,000 per year.) This cost is not sustainable for many families (arguably, *most* families), which is why opting for a skills-based vocational education can and should be a fruitful path to consider.

## **Evolving the Employer Mindset — Breaking Free of Traditional Paths**

Some organizations are taking their own approach to providing valuable alternate education options. For example, IBM created their Pathways in Technology Early College High School (P-TECH) to help students gain employable digital skills, while Google recently announced new certificate programs and job search experiences aimed at finding roles that match candidates' experience and education. At Cengage, we are also continuing to question the system, working with higher ed institutions to create equitable access to education and drive career readiness, while also rethinking our own hiring policies to expand beyond degree-only requirements. For example, within our technology organization, we have dropped bachelor's degree requirements, recognizing that for a number of these jobs, the skill set required can be obtained through alternate pathways outside of a traditional degree, such as micro-credentials and certificate programs.

To build a strong workforce with the skills needed to find career success, we need to realize that both employers and higher education institutions have a role to play.

Hiring managers must consider traditional education paths may no longer be the standard:

- Consider how many of your open roles truly require a traditional degree. Start by defining what skills are needed for open roles and

determine if those skills can be developed through alternate pathways other than a traditional degree. What supplementary value does a degree bring to the role?

- Make adjustments to current job requirements and descriptions where possible to cater to a variety of educational pathways. Consider having a third party review open job descriptions to ensure the language you're using is not inhibiting candidates from nontraditional backgrounds from applying. Continuing to overlook prospective employees who have pursued a different learning path will prevent workforce diversity, equity, opportunity, and meaningful output.
- Offer opportunities for training and certificate programs to help upskill employees.

Higher education institutions should collaborate with employers to align educational offerings with the skills needed to perform jobs in the real world:

- Create a stronger dialogue between businesses and institutions, rather than the blind trust we see today, to establish a workforce where people are prepared for their careers.
- Provide options for micro-credentials, badges, programs, and certificates as interest is rising among American students.
- Rather than focusing on the two- or four-year degree or credential as the output, help students identify and more easily demonstrate to employers what job-ready skills they've developed as part of their education and training.

Misalignment between success in enrollment and career readiness at educational institutions creates a difficult dichotomy for recruiters and HR teams, who must choose between hiring an employee with a required degree versus one with the skills needed for the job. The answer should be obvious — the employer attitude toward non-traditional education paths must change to open the talent pool and build a workforce that's ready for the future. Now is the time for

employers to increase credibility for skills-based hiring, to remove stigmas around vocational education, and to move forward to create equal opportunities for all students.

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