New Survey Finds 80% of Employers Believe in Prioritizing Skills Over Degrees, Yet Gen Z Teens and Employers Still Default to College

American Student Assistance and Jobs for the Future report calls for closing the gap between interest in and willingness to pursue non-degree pathways as key to addressing the nation's talent pipeline shortage

BOSTON, Aug. 9, 2022 /PRNewswire/ -- Employers are increasingly finding value in looking beyond traditional degrees to identify and hire best-fit candidates, but more than one-third of teens believe hiring managers and companies still favor a college education, according to a national survey commissioned by American Student Assistance® (ASA), a national nonprofit changing the way middle and high schoolers learn about careers and navigate education-to-career opportunities, and Jobs for the Future (JFF), a national nonprofit that drives transformation in the American workforce and education systems.

The new research, conducted by Morning Consult, consisted of interviews and baseline surveys of 1,500 Gen Z teens and more than 600 employers, to understand current familiarity with and perceptions of non-degree postsecondary pathways. The key findings of the survey are part of a new report, "<u>Degrees of Risk: What Gen Z and Employers Think About Education-to-Career Pathways...and How Those Views are Changing.</u>"

"The four-year college degree is clearly not the only path to success. Encouraging students to pursue that route without considering all their options is outdated and is increasingly out of step with the demands of a new generation of young people hungry for skills, opportunities, and a career journey that offers financial freedom on their own terms," said Jean Eddy, president and CEO of ASA. "That's why ASA is collaborating with JFF on this important initiative to increase awareness, understanding, and acceptance of non-degree learning opportunities."

According to the report, both students and employers say that non-degree pathways can be high-quality learning opportunities, but both groups believe that they need more information to better understand the full range of options and their quality, including non-traditional degrees and other credentials.

While both groups also agree that proof of skills should be prioritized over degrees, the survey found a gap between understanding the options and willingness to participate in or take action on non-degree options. Gen Z teens and employers are both apprehensive about making the wrong choice, either in the pathway they pursue or candidates they hire. They don't understand the options for non-degree credentials and the value they provide, and believe the risk is too great to diverge from the known entity of a degree.

"This research underscores that despite shifting attitudes about college—declining enrollment, a desire for more flexible pathways, and a trend toward skill-based hiring—there is still difficult and important work ahead to ensure that students understand the full breadth of options available to them, and employers can have the confidence to hire workers without a college degree," said Maria Flynn, president and CEO of JFF.

Key findings from the study include:

- Skills-Based Hiring Gains Traction. Both employers and Gen Z rank skills as the most important consideration in choosing an education or training program: 74% of Gen Z want to earn skills that will lead to a good job and 81% of employers believe they should look at skills rather than degrees when hiring. More than two-thirds (68%) of employers say they want to hire from non-degree pathways.
- Employers—and Young People—Still Default to Degrees. Even though most employers (72%) don't see a degree as a reliable signal for assessing the skills of a candidate, the majority (52%) still hire from degree programs because they believe it is a less risky choice when hiring. Gen Z students are still defaulting to degree programs because many (37%) believe employers favor degrees.
- Fear of the Unknown. As a result, Gen Z fear there is too much risk associated with choosing the wrong non-degree post secondary path (65%). And 80% of employers want more information on how non-degree paths differ.

"Degrees of Risk: What Gen Z and Employers Think About Education-to-Career Pathways...and How Those Views are Changing" offers recommendations for the way forward to expand high-quality postsecondary options for all learners. In addition to the report, a landscape of non-degree pathways and a survey of policymakers and politicians on their perceptions of these nontraditional paths, will be published later this year as part of this research.

JFF and ASA will continue to build a coalition of support for widespread acceptance of quality education-to-career pathways. This will include supporting existing pathway programs and spurring innovation to create new models, working to ensure there is a strong quality-assurance infrastructure, and fostering strong career navigation supports. By connecting ideas, convening partners, and uplifting solutions, we will enable more young people to be well-positioned to make informed, confident choices to

achieve success in their chosen career fields, which will ultimately lead to more equitable economic advancement for all.

About American Student Assistance® (ASA)

American Student Assistance® (ASA) is a national nonprofit committed to helping students know themselves, know their options, and make informed decisions to achieve their education and career goals. ASA believes all students should have equitable access to career readiness learning, starting in middle school, so they can develop a plan for their future. ASA fulfills its mission by providing digital-first programming, resources, and experiences, including Futurescape®, directly to millions of students, in addition to support for educators and intermediaries. To learn more about ASA, visit www.asa.org/about-us.

About Jobs for the Future (JFF)

Jobs for the Future (JFF) drives transformation of the American workforce and education systems to achieve equitable economic advancement for all.

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For further information: Notes to Editors: Reporters interested in receiving the white paper and research decks can reach out to ASA's PR/Communications Director Sandy Dawkins at sdawkins@asa.org.

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