

EDUCATION INDEX:

FINANCIAL FEARS AND WORRIES ABOUT JOB SECURITY DRIVE EMPLOYEES TO TAKE CHARGE OF CAREERS

New data shows American workers want to enhance their skills and look to employers to invest in them

More than two years after the pandemic first rattled the workforce's collective sense of security, the 2022 Bright Horizons® Education Index, the second of a series of reports that explore issues related to education, shows employees shifting their priorities. Answers to a survey of more than 2,000 working adults, conducted by market research and analytics firm The Harris Poll, show employees looking for more than a paycheck, and instead hoping to forge solid futures, as well as careers. With an eye on stability, they're focused on financial and career mobility and see skills development as the pathway to both. **Nearly three-quarters of employees (73%) feel new skills would give them more job opportunities, and a similar proportion (70%) feel pressured to develop skills in order to succeed in their current field.** Yet the road to those educational opportunities isn't always clear, with many people challenged by the triple barriers of money, confidence, and time that stand in their way.

Nearly three-quarters of employees (73%)

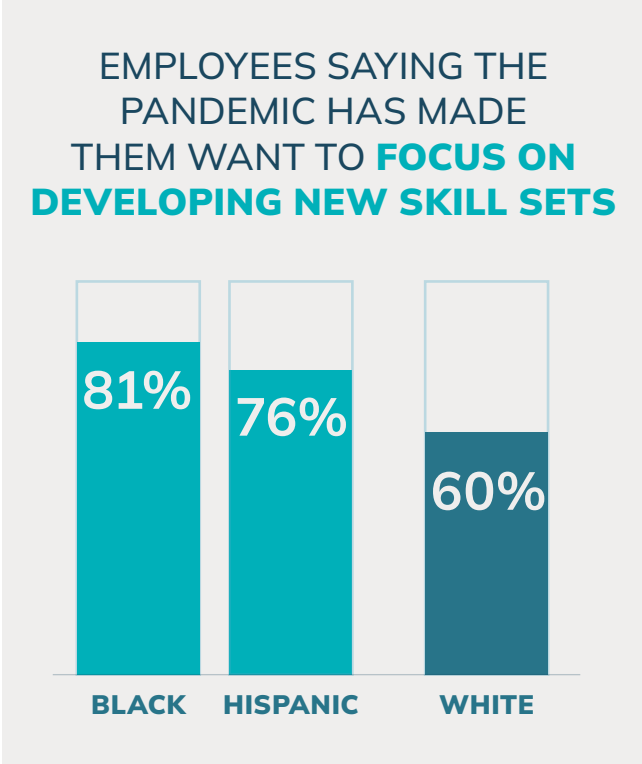
feel **new skills** would give them more job opportunities, and **70% feel pressured to develop skills to succeed in their current field.**

The 2022 Education Index paints a clear picture of employees looking to take charge of their careers. At a time of rapid-fire innovation and technological change, more than a quarter (26%) are stressed about job security; more than a third (39%) are struggling to keep up with accelerated trends in their industry; and more than a third (36%) are concerned that technology will replace them if they don't continue to develop their skillset. This year's data illustrates education's potential across all employee demographics — particularly as people continue to resign in droves in search of both jobs that are engaging and opportunities that will set them solidly up for whatever comes next.

REELING FROM FEELINGS OF INSTABILITY

Two-thirds of working adults (66%) say the pandemic has increased their focus on developing new skills. For underrepresented groups, this desire is even stronger, with roughly **three-quarters of Black and Hispanic employees (81% and 76%) saying the pandemic has made them want to focus more on developing new skill sets, versus 60% of white peers.** What's behind this social stratification?

For some, the impetus is fear. More than two-thirds of working adults (70%) feel pressure to develop new skills in order to succeed in the industry they're currently in, and a third (37%) say they don't feel that they have the right skillsets to advance in their career. What's more, many are struggling to keep up with accelerated trends in their industry today (39%); or are worried they will be replaced by technology if they do not continue to develop their skillset (36%).



EMPLOYEES SEE **EDUCATION** AS A WAY TO:

73% OPEN MORE **OPPORTUNITIES**

EARNING PAY RAISES 45%

44% HEIGHTEN **FINANCIAL SECURITY**

SECURING A PROMOTION 39%

37% IMPROVING **JOB SECURITY**

Black and Hispanic employees are more likely than white employees to worry about the impending threat of technology replacing their jobs (46% and 51% and 30% respectively); they're also significantly more likely (47% and 43%) than white employees (33%) to feel they're missing the right skillsets to advance in their careers.

Other employees are seeking advancement. **Nearly three-quarters (73%) feel a few specific skillsets would open far more job opportunities. Many see education as a way to increase their chances of earning pay raises (45%), heightening financial security (44%), securing a promotion (39%), and improving job security (37%).**

Others are driven by desires for betterment in the here and now. After two years of hardship, many employees are seeking education as a way to

enjoy their careers more; 85% like to challenge themselves and continue to learn new things in their career, and 83% say they feel more engaged at work if they are learning new things.

FEARS ABOUT MONEY HOLDING PEOPLE BACK

Working adults are clear that finances are one of the primary obstacles to pursuing additional education — exacerbated by large amounts of student debt. **Nearly six in ten (59%) say the anticipation of student loan debt has prevented them from pursuing additional educational opportunities;** half (50%) say they can't advance in their career because they can't afford to take on additional student loans for further educational opportunities.

In underrepresented groups, Black employees (39%) are nearly twice as likely as white peers (19%) to be burdened by student loan debt.

When it comes to employer-offered education-related benefits, workers are most interested in fully paid degrees (40%), reimbursement for tuition (40%), and educational opportunities that work around their schedule (39%). In addition, with debt being a substantial obstacle, many expect their employers to provide additional education or guidance on topics related to student loan debt including:

- ▶ Loan forgiveness options (33%)
- ▶ The best way to pay back student loan debt (26%)
- ▶ The types of student loan debt (23%)
- ▶ General one-on-one coaching (19%)
- ▶ How to manage family members' student loan debt (17%)

59%

Nearly **six in ten** say the anticipation of **student loan debt** has **prevented them from pursuing** additional educational opportunities.

Drowning in Student Loan Debt — Younger Generations With High Expectations

Millennial and Gen Z employees have emerged as a particular turnover risk, with 54% of Gen Z and 37% of Millennial employees likely to leave their current employer in the next year, versus 26% and 30% of Gen X and Boomers respectively.

With considerably more Gen Z and Millennial employees (Gen Z 35%; Millennials 34%; Gen X 18%; Boomers 4%) carrying student loan debt, these younger employees are also more likely than Gen X or Boomer employees to seek information and guidance on managing that debt (Gen Z 39%; Millennials 30%; Gen X 20%; Boomers 8%). In fact, help with debt has a lot of sway with these younger generations, with nearly three-quarters of Millennial employees (74%) and two-thirds of Gen Z employees (66%) saying they would choose to work for an employer that offered student loan debt benefits and resources over one that did not.

The survey responses give clues to what else they are looking for. In addition to seeking more guidance on managing student loan debt than their older counterparts, these employees are also more likely to prioritize education. Roughly half of Gen Z (50%) and Millennials (45%) call new skills/continuing their education a career priority (versus 29% and 18% of Gen X and Boomers respectively).

Most **Gen Z and Millennial employees** see furthering their skillset as the ticket to:



RAISES

Gen Z **56%**

Millennials **53%**

Gen X **42%**

Boomers **26%**

PROMOTIONS

Gen Z **46%**

Millennials **47%**

Gen X **36%**

Boomers **21%**

BREAKING THROUGH ADDITIONAL BARRIERS: TIME AND CONFIDENCE

In addition to financial concerns, many working adults are dealing with other priorities that compete with their desire to engage in an education offering. Beyond stress about finances (51%), many respondents are stressed about workloads (43%), overall health (37%), the skills they will need to advance in their career (32%), their job security (26%), and their relationships with friends and family (24%). As one working mom explains, “In order to continue my education, I would need to have night classes online that would be flexible to accommodate for child care as well.” Another respondent shared, “I feel a lot of opportunities available are surface level and not valuable for advancement. I would want something that was truly worth my time.” It’s no surprise, then, that employees say, to fit their lives, it is important that education opportunities be affordable (65%), flexible (60%), and self-paced (53%).

Alongside time and money looms a third obstacle — confidence — with many respondents held back by worries about whether education is worth the substantial investment of the first two. In fact, **60% wish they had additional guidance on how to continue learning in their careers**; half (50%) say they don’t know what form of education will help them achieve their goals; and 71% wish there was a continuing education opportunity that fit their specific challenges and needs. In underrepresented groups, Black and Hispanic employees (66% and 67%) are most likely to desire additional guidance on how to go about continuing to learn in their careers (versus 55% of white employees).

Surprisingly, the right tools for these employees may already be available to them. Data show that some employees are unclear about what education-related benefits their employers currently offer. And while most (81%) say they are generally aware of various continuing education opportunities, they are most likely to be familiar with more common formats such as online courses (87%), professional certifications/licenses (81%), and certificates (80%), as well as undergraduate (79%) or advanced (77%) degrees.

60%

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WHAT THE DATA MEANS FOR EMPLOYERS

With employees ready to flee their jobs, employers are forced to rethink their calculus for talent. More than a third of employed adults (34%) say they are at least somewhat likely to leave their current employer in the next 12 months. Yet turnover is not a foregone conclusion. In fact, a majority **(80%) say they would be more loyal to an employer that invested in their continuing education; 79% would be willing to stay at a specific job longer for such an investment; and just as many (79%) would choose a job at a company that invested in their continuing education over one that did not.**

There are particular elements employees say make a worthy education investment. Since nearly six in ten agree that student loan debt has prevented them from pursuing educational opportunities, it's no surprise that many expect their employers to provide various forms of help with their finances:

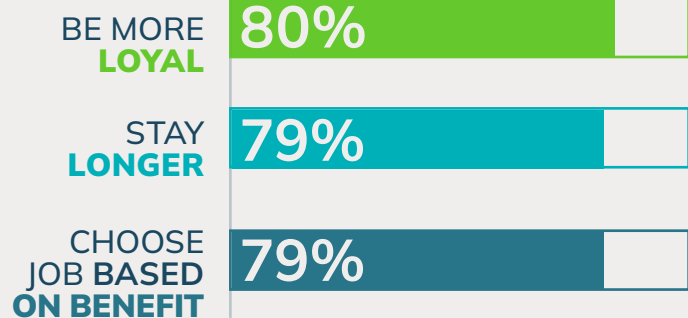
- ▶ Student loan reimbursement (40%)
- ▶ The opportunity to go back to school for free (39%)
- ▶ Delayed student loan payment programs (20%)

For employers, there is even more than recruitment and retention on the line. The pandemic has lit a fire under innovation and technological advancements, creating ripples company-wide. And as future transformations continue ramping, emerging skills will become problematic not just for the individual, but for the organization as well.

It means by developing employees' skills and loyalty to the company, investing in education promises to deliver for employers on multiple fronts.

(FOR AN EMPLOYER THAT
INVESTS IN THEIR EDUCATION)

**A Majority
of Employees
Would:**



About The 2022 Bright Horizons Education Index

The research was conducted online within the United States by The Harris Poll on behalf of Bright Horizons between February 16th – March 1, 2022 among 2,025 adults aged 18 years or older who are employed either full- or part-time. Data are weighted where necessary by age by gender, race/ethnicity, region, education, marital status, household size, employment, household income, and propensity to be online to bring them in line with their actual proportions in the population.

Respondents for this survey were selected from among those who have agreed to participate in our surveys. The sampling precision of Harris online polls is measured by using a Bayesian credible interval. For this study, the sample data is accurate to within ± 2.9 percentage points using a 95% confidence level. This credible interval will be wider among subsets of the surveyed population of interest.

All sample surveys and polls, whether or not they use probability sampling, are subject to other multiple sources of error which are most often not possible to quantify or estimate, including, but not limited to coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments.

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