

Are We Playing the Same Game?

Employee vs. Manager Perceptions of Education and Career Development



About University of Phoenix

University of Phoenix is constantly innovating to help working adults move efficiently from education to careers in a rapidly changing world. Flexible schedules, relevant and engaging courses, and interactive learning can help students more effectively pursue career and personal aspirations while balancing their busy lives. University of Phoenix serves a diverse student population, offering associate, bachelor's, master's and doctoral degree programs from campuses and learning centers across the U.S. as well as online throughout the world. For more information, visit www.phoenix.edu.

The Industry Strategy Group at University of Phoenix offers research and advisory services to help industries meet national and global workforce development needs. Collaborating with national and international industry associations, University of Phoenix helps industry leaders and employers to identify what skills and competencies today's workers need, and how best to help working learners build these skills while pursuing an industry-endorsed certification or an accredited college degree. University of Phoenix regularly adapts its certification and degree programs to align with industry needs, and helps employers increase workforce competitiveness in multiple economic sectors. Visit industry.phoenix.edu or contact IndustryStrategy@phoenix.edu.

About EdAssist™

In August 2013, EdAssist™ completed its acquisition of EdLink™. For years, our organizations admired one another and shared a commitment to excellence in tuition assistance management that benefits both employers and adult learners. By combining EdAssist and EdLink, we have created the unmatched leader in tuition program management which offers an even more compelling value proposition to our current and future clients.

EdAssist is revolutionizing the way organizations strategically and cost-effectively build a smarter, more loyal workforce through our comprehensive, managed employee education assistance and intelligence solutions. We are the leaders in the education management industry, with best-in-class technology, the largest education network, world-class educational advising, unrivaled customer service, and a steadfast commitment to maximizing our clients' tuition assistance investment and achieving a measurable ROI.

Table of Contents

EXECUTIVE SUMMARY	1
INTRODUCTION	3
Purpose of the Study	3
How This Study Differs From Previous Research	3
Talent Development Challenges and Strategies	4
RESEARCH METHODOLOGY	5
Employee Respondent Demographics: Midcareer Learners	6
KEY FINDINGS	7
Part I: Disparities Between Employee and Manager Perceptions of Education and Career Development	7
• Studying in the Dark: Educational Pursuits vs. Job Requirements	7
• The “Soft” Side of College: Broad Education vs. Job-Specific Skills?	8
• Career Planning: Who's in Charge?	9
Part II: Disparities Between Survey Results and Previous Research	10
• Not Mapped, Not Measured: Education's Unknown Impact	10
• MOOCs: Mystery or Money-Saver?	10
• No Time for Career Planning: Accountability Takes Vacation	11
Part III: Other Key Findings	11
• Unused Incentives	11
• Funding Is Fundamental	12
• Opportunities for Outreach	12
RECOMMENDATIONS FOR EMPLOYERS	13
CONCLUSION	14
APPENDIXES	15
Appendix A: Survey Respondent Demographics	15
Appendix B: Employee Survey Questions	18
Appendix C: Manager Survey Questions	21
Appendix D: Employee Survey Data	24
Appendix E: Manager Survey Data	28
ACKNOWLEDGMENTS	32
LEARN MORE	32

Are We Playing the Same Game?

Employee vs. Manager Perceptions of Education and Career Development



EXECUTIVE SUMMARY

The 21st-century career landscape is increasingly complex and difficult to navigate. The pace at which job skills and even careers become obsolete has reinforced the need for continuous career planning and skill building at all stages of an individual's working life span.

To shed light on perceived responsibilities for career planning and advancement, **University of Phoenix and EdAssist conducted a joint research study to explore perceptions of the role of employers, workers, and postsecondary institutions in career development.**

Using an online survey tool, researchers surveyed 533 workers from diverse industries who were pursuing company-sponsored higher education, as well as 501 managers of such workers, between January and March 2013. Participants considered various aspects of career development, including educational attainment, skill acquisition, and career planning, with a major focus on career development responsibilities of individuals, employers, and institutions of higher learning.

Survey results revealed key disparities between workers' and managers' perceptions of career development responsibilities and related educational requirements:

- A significant discrepancy exists between the educational credentials employees are pursuing and those that managers want them to have.
- Workers and managers disagree on the role of higher education in career-relevant skill building, reflecting a possibly outdated concept of career development.



- Employers and workers see colleges and universities as less involved in the career planning process than they see each other or themselves. But they also disagree about which aspects should be each party's responsibility, suggesting an unclear combination of roles in the career-preparation process.
- Both workers and managers believe workers are largely responsible for building their own job-hunting skills. Workers overwhelmingly acknowledge their own responsibility for their career development, but separate research indicates an apparent disconnect between the responsibilities workers acknowledge and those they actually fulfill.
- Nearly all workers surveyed said they pursued education for personal and/or professional growth. About two-thirds of workers said some form of company involvement (tuition benefits, managerial or company encouragement) had motivated them to pursue their education.
- The impact of education on workers and organizations is largely unmeasured. Few organizations help workers map their formal education to specific job skills and career paths, or measure the impact of tuition assistance on individual or organizational performance.

Based on aggregate research results, the survey report details the following **recommendations for employers:**

1. Become a more proactive partner in employees' career planning and development, and in measuring the impact of education on individual and organizational advancement.
2. Engage educators by helping institutions to align their programs with the real and anticipated needs of the workplace, and to craft programs that aid students in career planning and job hunting.
3. Elevate tuition assistance strategies to accelerate educational achievement, reduce skills gaps, and build a talent and leadership pipeline.

Overall, the survey revealed a complex and unclear combination of roles in the career-preparation process. Although workers and managers are willing to accept some responsibility, there is confusion over "who's in charge" at various stages of career planning. Perceptions differ over higher education's role in career development, indicating an opportunity for better alignment between educational programs and employment requirements. Opportunities also exist to clarify education-to-career pathways, to define credentialing and skills requirements, and to design better metrics to assess education's impact on workers and organizations.

INTRODUCTION

The 21st-century career landscape is increasingly complex and difficult to navigate. Today's workforce skills gap and uncertain economy have sent growing numbers of midlife career-changers back to school to upgrade their professional skills or learn a new trade. Meanwhile, the pace at which job skills and even careers become obsolete has reinforced the need for continuous career planning and skill building at all stages of an individual's working life span.¹

Purpose of the Study

Against this backdrop, University of Phoenix and EdAssist conducted a joint research study to explore perceptions of the role of workers, employers, and postsecondary institutions in career development. Surveying more than 500 employees pursuing company-sponsored higher education, as well as 500 managers of such employees, the research team examined respondents' perceptions of key components of career development: education and career credentialing, linkages between education and career paths, and the importance of employer-provided educational support. In addition, the study queried managers on the use of metrics to assess the impact of tuition assistance on individual or organizational performance.

How This Study Differs From Previous Research

A wealth of literature exists on corporate training, talent development, learning cultures, and the need for an educated, skilled workforce.² The literature reflects a general consensus on the importance of continuous learning for organizational effectiveness and career growth.³ However, a significant gap exists in the research to date: Although talent development professionals acknowledge the challenge of building a career-ready and sustainable talent pool, no definitive research exists on how to create more effective linkages from education to career competencies, and from individual career growth to improved organizational performance. Moreover, most research on workforce training or educational assistance examines these issues from the employer perspective only, without taking into account the motivations, aspirations, challenges, or viewpoints of employees themselves.⁴

The current study takes an important step toward filling existing research gaps by incorporating three significant components:

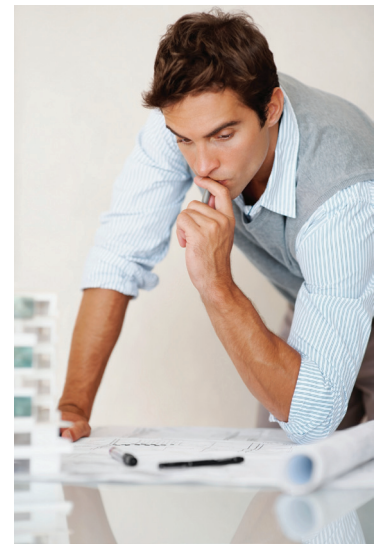
1. An examination of *employee perspectives* on key issues related to education and career development;
2. A *comparison of employee and manager viewpoints* on accountability for career development; and
3. An *analysis of significant disparities* between employee and manager perspectives.

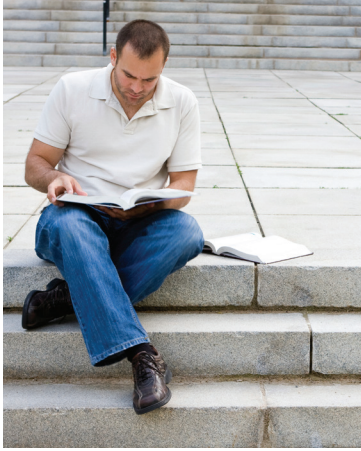
¹ For instance, younger baby boomers with at least a bachelor's degree held an average of 11.8 jobs between ages 18 and 46; U.S. Bureau of Labor Statistics, "Number of Jobs Held, Labor Market Activity, and Earnings Growth among the Youngest Baby Boomers: Results from a Longitudinal Study," <http://www.bls.gov/news.release/pdf/nlsoy.pdf>.

² Kent Barnett and John R. Mattox II, "Measuring Success and ROI in Corporate Training," *Journal of Asynchronous Learning Networks* 14, no. 2 (2010), 28–44; Nancy R. Lockwood, "Talent Management: Driver for Organizational Success," *2006 SHRM Research Quarterly* 51, no. 6 (June 2006), special section; Teresa Manuela Rebelo and Adelino Duarte Gomes, "Conditioning Factors of an Organizational Learning Culture," *Journal of Workplace Learning* 23, no. 3 (2011): 173–94.

³ Todd J. Maurer and Elizabeth M. Weiss, "Continuous Learning Skill Demands: Associations with Managerial Job Content, Age, and Experience," *Journal of Business and Psychology* 25 (2010): 1–13; N. Antonoaie and C. Antonoaie, "The Learning Organization," *Bulletin of the Transilvania University of Brasov* 3, no. 1 (2010), 105–8.

⁴ One notable exception to this trend is Leslie A. Miller, Debbie Ritter-Williams, and Ruby A. Rouse, *Bundled Value: Working Learners' Perceptions of Tuition Benefit Programs* (Phoenix, AZ: University of Phoenix, 2011).





Although no single study can provide definitive answers, the findings from the current study can help firms and their employees better understand one another's role and priorities in the career development process. Through increased understanding and better-informed decision making, employers can improve their ability to develop and manage talent, and ensure a better match between employees' educational pursuits and organizational performance goals.

Talent Development Challenges and Strategies

For U.S. employers, finding, hiring, and developing a workforce with the right skill sets is a critical challenge. In a 2012 survey, 84% of organizations reported that they faced a workforce skills gap, up from 79% in 2009.⁵ That same year, ManpowerGroup reported that 49% of U.S. firms are having trouble filling jobs because applicants lack experience, technical competencies, and soft skills such as teamwork and critical thinking.⁶ Previous University of Phoenix research has shown that workers and employers often disagree about which skills the workforce currently possesses, and which skills will be needed to meet future demands.⁷ In addition, workers and employers have differing opinions about the level of education that will be needed to develop those in-demand skills.⁸

Companies have long recognized the value of incorporating educational assistance into their talent development strategies. Bersin & Associates reported in 2012 that 71% of the U.S. organizations they surveyed paid for part or all of their employees' education.⁹ This includes enrollment in certificate programs and individual college courses as well as full degrees at the bachelor's level or higher.¹⁰ Firms spent \$21.9 billion on tuition reimbursement in 2011, according to the American Society for Training & Development.¹¹ Research also indicates that companies increasingly deploy tuition benefit programs as a strategic talent management tool; 86% of companies in Bersin's 2012 study say they align these programs with talent development strategies, versus 49% in 2009.¹²

Companies are not alone in taking accountability for workforce development. Higher education institutions and workers themselves are recognizing opportunities to do their part to close the skills gap and promote continuous career progression. Exploring employees' and managers' views on where responsibility lies for career development—with colleges and universities, with employers, and with individual workers—can provide talent development professionals with insights that enable more effective interactions with stakeholders in talent development efforts.

⁵ American Society for Training & Development, *Bridging the Skills Gap* (Alexandria, VA: American Society for Training & Development, October 2012), http://www.astd.org/~media/Files/About%20ASTD/Public%20Policy/Bridging%20the%20Skills%20Gap_2012.pdf, 5.

⁶ Manpower Group, *2012 Talent Shortage Survey Research Results*, May 29, 2012, http://www.manpowergroup.us/campaigns/talent-shortage-2012/pdf/2012_Talent_Shortage_Survey_Results_US_FINALFINAL.pdf, 13.

⁷ Keri L. Heitner and Leslie A. Miller, *The Great Divide: Worker and Employer Perspectives of Current and Future Workforce Demands* (Phoenix, AZ: University of Phoenix, 2010), 23, 27.

⁸ *Ibid.*

⁹ Bersin & Associates, *Tuition Assistance Programs—Key Findings and Maturity Model*, November 28, 2012, http://www.bersin.com/uploadedFiles/112812_MB_TuitionAssistance_KL_Final.pdf, 1.

¹⁰ EdLink, *EdLink's Annual Review of Employer Tuition Assistance Programs: Data and Trend Analysis, 2013* (Chicago, IL: EdLink, 2013), http://www.edlinktuition.com/publications/annual_review_2013.html, 4.

¹¹ Laurie Miller, "ASTD 2012 State of the Industry Report: Organizations Continue to Invest in Workplace Learning," *T+D Magazine*, November 8, 2012, <http://www.astd.org/Publications/Magazines/TD/TD-Archive/2012/11/ASTD-2012-State-of-the-Industry-Report>.

¹² Bersin & Associates, *Tuition Assistance Programs*, 1.

RESEARCH METHODOLOGY

The Career Development Survey was conducted between January and March 2013 using an online survey tool as part of EdAssist's process of administering tuition assistance programs. The survey population of 23,035 included individual employees of EdAssist's client companies who had enrolled in a higher education course at one of 1601 colleges and universities in the United States, and who were applying for tuition reimbursement, or who were planning to enroll in a higher education course and were applying for tuition benefits.¹³ The survey population also included these employees' managers who were involved in an approval process for tuition benefits applications and requests for tuition reimbursement.



The survey questions were divided into two subsets—an Employee Survey and a Manager Survey—corresponding to the target respondent pools. The voluntary survey garnered 533 employee responses and 501 manager responses, with margins of error of approximately $\pm 4.24\%$ and $\pm 4.38\%$, respectively, at a 95% confidence level. However, the disproportionate representation of managers in the financial services industry (69%) presents a challenge to generalizing across all industries. Still, the consistency of responses from respondents in nonfinancial services industries with the responses from the financial services industry suggests that given larger samples in the nonfinancial services industries, the results would have been similar.¹⁴

To maximize the response rate, the survey instrument was purposefully designed to consist of no more than 12 employee questions and no more than 8 manager questions, so that

¹³ The EdAssist student database indicates that approximately 2% of the survey population consisted of University of Phoenix students. Researchers did not track respondents by educational institution; therefore the number of University of Phoenix students in the sample is unknown, but assumed to be consistent with the percentage in the total survey population (2%).

¹⁴ One component of the manager survey results that may reflect the disproportionate number of financial services respondents is Question M-4, regarding educational credentials required by employees at the organization. See footnote 15 on p. 6 and the chart, **Credentials Workers Pursue vs. Those That Managers Want Workers to Have**, p. 7.

each survey could be completed in less than 3 minutes. Participants were asked to consider various aspects of career development, including educational attainment, skill acquisition, and career planning. A major focus of the survey was on the career development responsibilities of the individual, the employer, and institutions of higher learning. The survey also included questions about the impetus for pursuing higher education, the impact of tuition assistance on one's educational pursuits, and the types of assistance that employees believe employers should provide to support their educational attainment. In addition, the survey contained questions for managers about whether organizations measured the impact of tuition assistance on individual or organizational performance, and whether organizations helped employees to map their formal education to job-specific skills and career paths.

To help put the survey results in the context of current talent development best practices, researchers conducted qualitative interviews of talent development executives from a small cross-section of industries to gather their insights on topics covered in the survey. Excerpts from a sampling of these interviews are included in the sidebars of this report (see pp. 12-14).

Employee Respondent Demographics: Midcareer Learners

More demographic data were collected for employees than for managers, to gain deeper insight into the types of employees who choose to pursue employer-sponsored education. Employee demographic data include gender, age, race/ethnicity, industry of employment, and length of tenure with the company and in the employee's current position. Manager demographics include gender and industry only. Graphs illustrating all demographic data collected for both employees and managers are located in Appendix A.

It is significant to note that in the employee group, survey respondents were mostly female (57%), aged 30-49 (62%), with more than 5 years of tenure with the company (53%). For the current study, these numbers are interesting for three reasons:

1. The prevalence of female respondents is consistent with the gender profile of U.S. college students in general: According to the National Center for Education Statistics, 57% of college students in 2010 were female.¹⁵
2. The preponderance of respondents in midlife (62% aged 30-49) or older (14% aged 50-64) suggest that the vast majority (more than three-quarters) of workers pursuing employer-sponsored education are seeking advancement in mid-career, or perhaps retooling for a late-worklife career switch or "encore" career. This demographic profile reflects the apparent need for career-relevant education throughout the entire working lifespan, and not just for entry-level positions or early-career promotions.
3. The fact that more than half (53%) of employee respondents had more than 5 years of tenure with the company, but only 23% said they were pursuing education to move into another job, may indicate that the majority of tuition assistance recipients view education as necessary to maintain career relevance in their *current* job and at their *current* firm. This data would seem to contradict the perception of a greater risk of turnover among employees who use tuition benefits.

Overall, the employee demographic data reflect a population of largely midcareer professionals who are investing in their ongoing career development—a population whose viewpoints should matter to the employers who seek to cultivate and retain those workers.

¹⁵ National Center for Education Statistics, "Table 196. Enrollment, staff, and degrees/certificates conferred in postsecondary institutions participating in Title IV programs, by level and control of institution, sex of student, type of staff, and type of degree: Fall 2009 and 2009-10," Digest of Education Statistics, U.S. Department of Education, accessed July 30, 2013, http://nces.ed.gov/programs/digest/d11/tables/dt11_196.asp.



KEY FINDINGS

Part I: Disparities Between Employee and Manager Perceptions of Education and Career Development

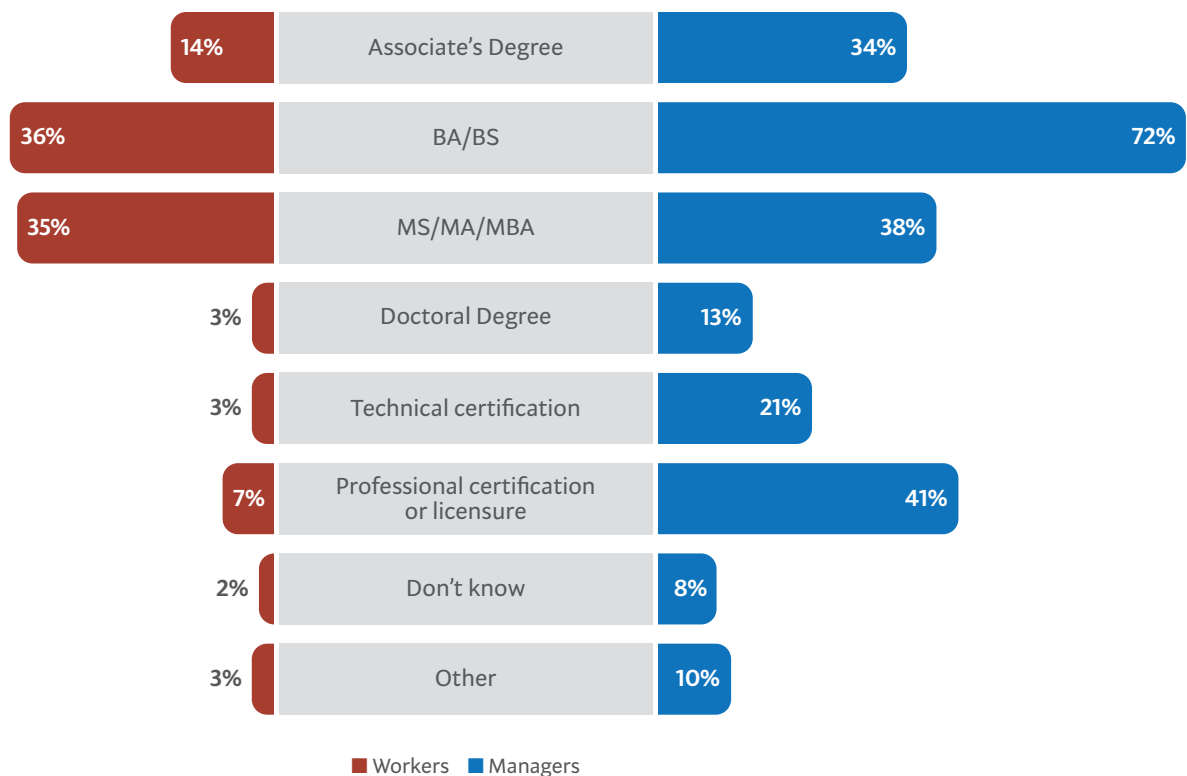
Survey results revealed key disparities between workers' and managers' perceptions of career development responsibilities and related educational requirements. These discrepancies suggest that workers and employers are not "playing the same game" when it comes to building talent.

Studying in the Dark: Educational Pursuits vs. Job Requirements

A significant discrepancy exists between the educational credentials that employees are pursuing, and the credentials that managers want employees to have. Among the study participants, nearly equal numbers of workers were pursuing bachelor's and master's degrees, but when asked what credential was needed for jobs in their organizations, managers cited a master's degree only about half as often as a bachelor's. Although at least a third of managers said an associate's degree or a professional certification or license would qualify people to work at their organizations,¹⁶ few employees reported they were working to obtain those credentials.

¹⁶ The disproportionate representation of managers from the financial services industry (69%) may account for the fact that a relatively high percentage of managers (41%) identified professional certifications or licensures as required credentials at their firms.

Credentials Workers Pursue vs. Those That Managers Want Workers to Have



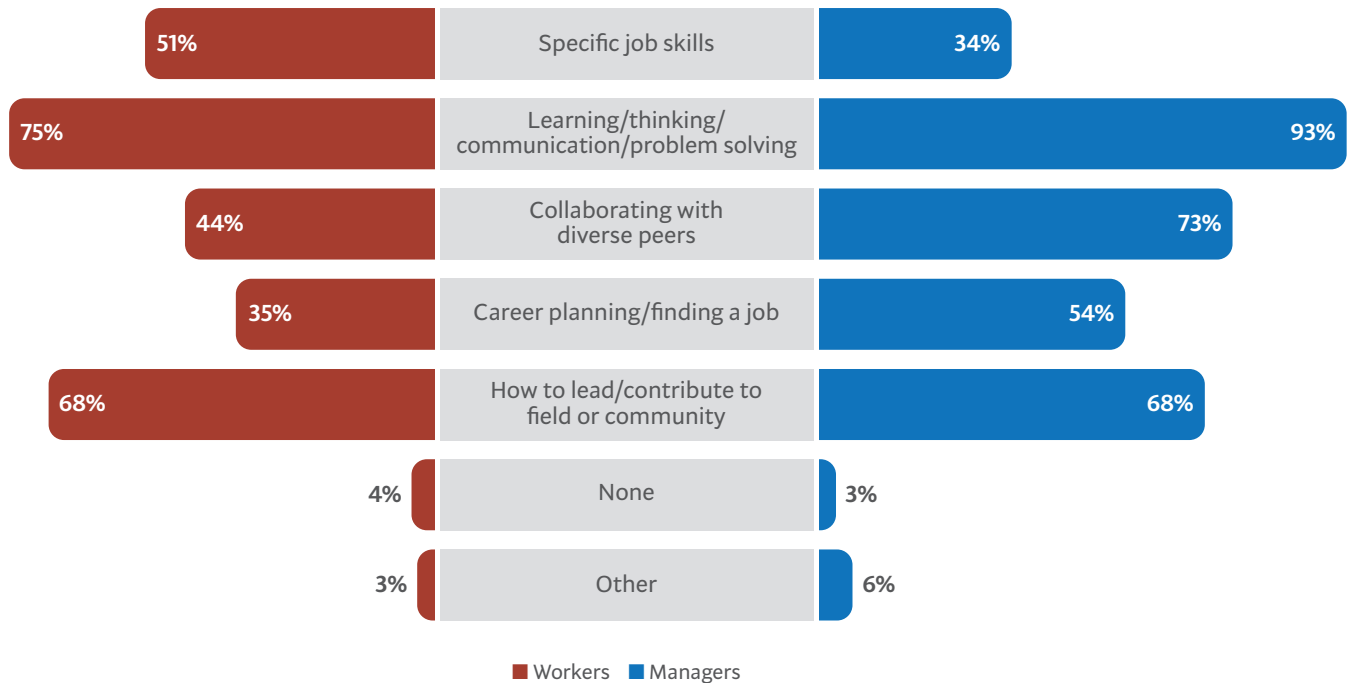
This result is partially consistent with University of Phoenix research from 2010 that showed a mismatch between the types of degrees workers felt they would need in the future (associate's and doctoral degrees), and the types of degrees employers anticipated would be most in-demand (bachelor's and master's).¹⁷ Although the types of education identified as important by each group seem to have changed over time, a misalignment persists between worker and employer viewpoints about which level of education is most career-relevant. In this regard, employees seem to be pursuing education “in the dark”—without a clear tie-in to their employers’ expectations or requirements.

The “Soft” Side of College: Broad Education vs. Job-Specific Skills?

Workers and managers disagree on the role of colleges and universities in career-relevant skill building. Nearly half of employees said their college or university should be responsible for helping them develop specific job skills. However, only a third of managers agreed—a result that is surprising in light of the widely reported skills shortages.

Instead, 93% of managers believed that colleges should teach soft skills such as how to think, learn, and communicate—and 75% of workers agreed. In addition, 73% of managers believed higher education should teach students how to collaborate with diverse peers (but only 44% of workers agreed).

Which Skills Higher Education Should Develop



In contrast to developing cross-functional soft skills, 96% of managers said that providing technical training, building job-specific skills, and offering professional development are the *employer’s* responsibility.

These results may indicate confusion about higher education’s evolving role in career development. Managers’ view that “college is for soft skills” may reinforce an outdated

¹⁷ Heitner and Miller, *The Great Divide*.

concept of career development as compartmentalized between formal education (at college) and professional development (on the job), overlooking opportunities for coordination between the two. At the same time, employees' view that college should help develop job skills may indicate that employers are not as effective as they could be in providing career-relevant training.

In any case, employees' and managers' differing expectations of higher education's responsibility calls for increased role clarity and coordination among all three stakeholder groups—individuals, employers, and educational institutions—to maximize education's effectiveness and value in the employment marketplace.

Career Planning: Who's in Charge?

Managers and employees disagree about which aspects of career planning should be the responsibility of the individual, the employer, or the higher education institution. The current survey revealed that employers and workers see colleges and universities as less involved in the career planning process than employers or workers see each other or themselves.

Fifty-four percent of managers felt it was *colleges'* responsibility to teach employees how to plan a career and find a job; only 35% of workers agreed (see chart, **Managers: Colleges' Responsibility for Career Development**, p. 29, and chart, **Workers: Colleges' Responsibility for Career Development**, p. 24). At the same time, about two-thirds of managers said they believe it is the *employer's* responsibility to help workers understand how education relates to career growth; only 45% of workers agreed.

There was a greater degree of consistency between workers' and managers' responses when asked about job- and career-hunting. Seventy percent of employees and 80% of managers indicated that *workers* are responsible for building their own job-hunting skills; 71% of workers and 87% of managers said *employers* are responsible for identifying job opportunities and career paths.

These results suggest, again, a complex and unclear combination of roles in the career-preparation process. Although workers and managers are willing to accept a share of the responsibility, the confusion over "who's in charge" at various stages of career planning may prevent individuals from identifying appropriate growth goals aligned with available and attainable careers.



Part II: Disparities Between Survey Results and Previous Research

Not Mapped, Not Measured: Education’s Unknown Impact

About two-thirds of managers surveyed believe it is the responsibility of an employer to help workers understand how education relates to career growth; 45% of workers agree. These results would seem to align with companies’ self-reported practices: In Bersin’s 2012 study, 86% of companies said they align educational assistance programs with talent development strategies.¹⁸

Yet only 8% of managers in the current survey “strongly agreed” that their organization helps workers map their formal education to specific job skills and career paths, and only 41% of managers “somewhat agreed” (see chart, **Organization Maps Education to Specific Career Paths**, p. 31).

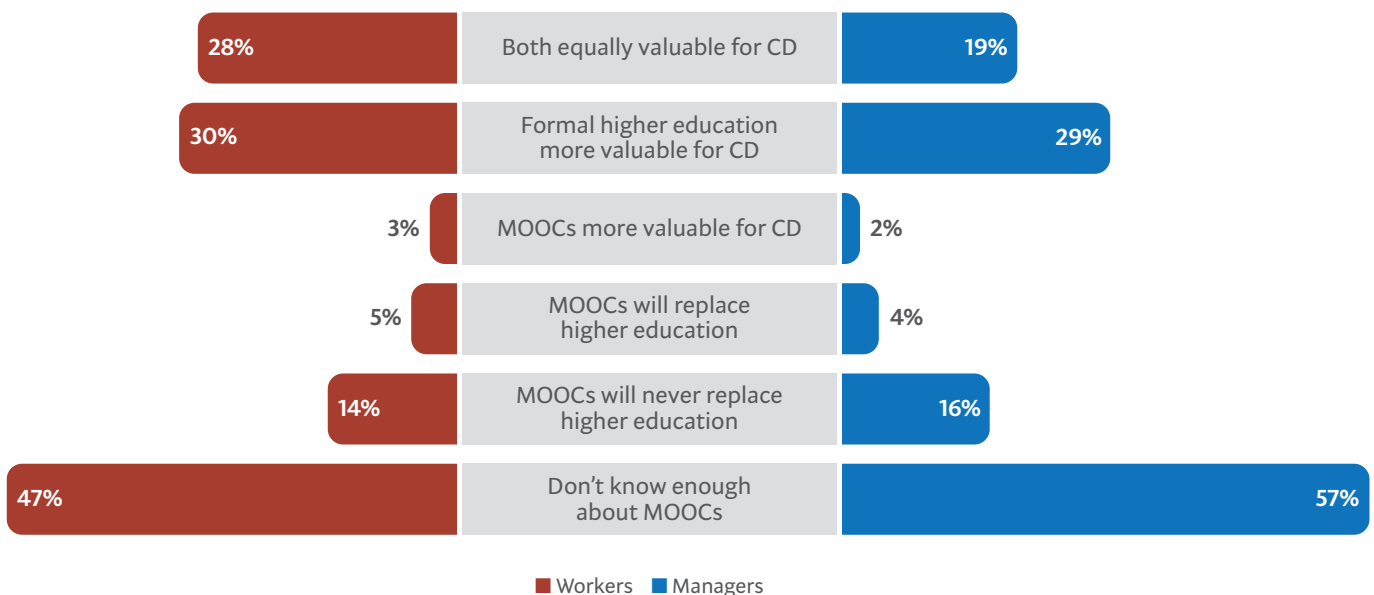
In addition, only 14% of managers said their organization measures the impact of tuition assistance on individual or organizational performance. The vast majority of managers (86%) were either unaware of any such measurement (55%), or said the organization did not track it (31%; see chart, **Does Organization Measure Tuition Benefits’ Impact?**, p. 28). These results suggest a need for improvement in bringing organizational talent development strategies to bear on individual professional development plans. They also reinforce the need for better ways to measure and communicate the value of tuition assistance for individual and organizational performance.

MOOCs: Mystery or Money-Saver?

Workers and managers were asked to compare formal higher education programs and free, massive open online courses (MOOCs) such as those offered by Coursera® and edX®. Both employees and managers are still largely unfamiliar with MOOCs; of those respondents

¹⁸ Bersin & Associates, *Tuition Assistance Programs*, 1.

Formal Higher Education vs. MOOCs for Career Development (CD)



who did know enough about them to have an opinion, nearly 30% said that traditional higher education is more valuable than MOOCs for career development.

Drawing on separate data, EdAssist reports that 40% of its tuition assistance clients encourage their employees to seek alternative pathways to education, including MOOCs, as potential cost-effective solutions.¹⁹

Further research is needed to determine whether MOOCs are as effective as formal degree programs in providing the workforce skills employers need, and whether MOOCs may become a viable option for complementing or enhancing college coursework.

No Time for Career Planning: Accountability Takes Vacation

Workers overwhelmingly acknowledge their own responsibility in their career development. Seventy percent of workers agreed they should take primary responsibility for building their career planning and job-hunting skills; 77% said they take accountability for identifying job opportunities and career paths; and 83% said expanding their professional networks was their own responsibility (see chart, **Workers: Own Responsibility for Career Development**, p. 25).

However, despite workers' self-identified accountabilities, separate research shows the average person spends only 1.5 hours per year on career planning, as compared to an average of 946 hours per year spent on leisure and sports and 22.5 hours on vacation planning.²⁰ This apparent disconnect between workers *acknowledging* their responsibilities and actually *fulfilling* them may account for missed personal development opportunities, reflected at the macro level in widespread skills and employment gaps. Employees could benefit from using career advisory services offered by their employer and/or educational institution to help map out career goals and take a more disciplined approach to achieving them.

Part III: Other Findings

Unused Incentives

When asked what had prompted their decision to pursue education at this time in their work life, 98% of workers cited the desire for "personal and/or professional growth." Significantly, only 3% said their education would be needed to keep their current job, and only 23% said it would be needed to move to a different job. Forty-three percent of employees said a motivator was that their company had promoted tuition benefits, 14% reported being given educational encouragement by a manager, and 10% said their companies communicated the need for education (see chart, **Workers' Reasons for Pursuing Education**, p. 24).

Considering that only 5%-7% of employees who are eligible for tuition assistance actually apply for it,²¹ these results suggest that employers are leaving important educational incentives untapped. Employers have an opportunity to capitalize on workers' desire for growth by making educational opportunities more transparent, more accessible, and more practically integrated with workforce development strategies.



¹⁹ EdLink, *Annual Review*, 4.

²⁰ "Americans Spend More Time Researching a Car Purchase Than Their Home Loan, According to Recent Zillow.com® Survey," Reuters, April 3, 2008, <http://www.reuters.com/article/2008/04/03/idUS126258+03-Apr-2008+PRN20080403>; U.S. Bureau of Labor Statistics, "Charts from the American Time Use Survey," last modified July 10, 2013, www.bls.gov/tus/charts/; Amy Liu et al., *Findings from the 2008 Administration of the College Senior Survey (CSS): National Aggregates* (Los Angeles: Higher Education Research Institute, Graduate School of Education & Information Studies, University of California, Los Angeles, June 2009), http://heri.ucla.edu/PDFs/pubs/Reports/CSS2008_FinalReport.pdf.

²¹ EdLink, *Annual Review*, 9.



“To support talent development, employers need to provide incentives that are mutually beneficial for the employee and the company—such as more funding for education that promotes better performance, productivity, and job satisfaction.”

Jon Campbell, Vice President,
Business Development,
Translation Source

Funding Is Fundamental

Workers see tuition assistance as the most helpful type of educational support their organization can provide. Sixty-one percent of workers feel providing funding for their higher education should be their employer’s responsibility. Without this benefit, 40% of workers would not have pursued higher education, and almost 60% would slow the rate at which they take classes, or not take them at all.

Still, employees want even more financial assistance from their employers to help pay for school. Greater financial support was workers’ top response when asked what additional support would most advance their education (see chart, **Most Helpful Employer Support for Education**, p. 27). This finding squares with previous University of Phoenix research on the factors that influence adult college students’ decision to drop out. In a survey of nearly 4500 adult learners who attended more than 1300 higher education institutions in the United States, anxiety or stress over college-related expenses was the most frequently reported issue affecting students’ decision to quit.²²

Employees’ emphasis on funding as the most important educational support—and lack of funding as the biggest impediment to completing their education in a timely manner or at all—underscores the need for employers to consider a wide range of consequences and risk factors when making strategic decisions about educational funding.

Opportunities for Outreach

There is consensus among workers and managers that employers are largely responsible for enabling and implementing career development. More than 70% of workers in the study said they look to their employers to provide various types of workplace training, identify career paths, and clarify job opportunities. Likewise, managers were nearly unanimous in reporting that they need to establish a learning culture, provide vital workplace skills training, and act as mentors (see chart, **Workers: Employers’ Responsibility for Career Development**, p. 25, and chart, **Managers: Employers’ Responsibility for Career Development**, p. 30).

Yet given the perceived role of higher education in the career development process, and the acknowledged accountabilities of individual workers, it appears that opportunities

²² Debbie Ritter-Williams and Ruby A. Rouse, *To Graduate or Drop Out? Factors Affecting College Degree Completion of Baby Boomer, Generation X, and Millennial Students* (Phoenix, AZ: University of Phoenix, 2012).

exist for increased employer outreach as well as better coordination and integration of talent development efforts among workers, educators, and employers. Although employers may see themselves as the primary drivers of the career development process, this view may reinforce outdated notions of career paths as linear (e.g., from college to company to retirement) rather than promote emerging concepts of careers as multidirectional and continuously intertwined with education.

RECOMMENDATIONS FOR EMPLOYERS

In the increasingly complex employment landscape, employers must carry a significant responsibility for employees' career development—and workers rely on them to live up to this role. Yet opportunities exist for employers to maximize existing talent development resources, engage educational partners in these efforts, and tap into workers' expressed desire for personal and professional advancement. Following are three key recommendations for employers based on insights from the survey and related research.

1. Be a Career Development Partner

Employers can help increase the effectiveness of employees' self-advancement efforts by becoming a proactive partner in individual career planning and development. For example, managers should provide employees with:

- Assistance in creating specific career plans, including timelines with milestones for achieving career goals;
- Advice about the career-relevance and relative value of diverse educational credentials—including formal degrees, certifications, licensures, and alternative educational formats such as MOOCs, prior learning assessments, and examinations for college credit;
- Access to on-the-job learning opportunities such as job rotations, job shadowing, mentoring, and targeted training to improve task-specific (“hard”) skills as well as soft skills;
- Mechanisms to map educational progress to individual and organizational performance goals;
- Opportunities to apply new learning to work-related challenges in real time;
- Encouragement and support for educational and career progress; and
- Pathways to pursue career interests aligned with organizational needs and goals.

2. Engage the Educators

Employers can play a key role in helping educational institutions align their programs with the real and anticipated needs of the workplace. For example, companies might advise educators on the types of workplace scenarios that require independent problem-solving, teamwork, or the ability to work in multicultural environments, so that institutions could help students develop these skills in more targeted, practical ways.

Employers and educators could also work together to design programs that help students become proficient in career planning, job-hunting, and identifying professional opportunities and options. Employers could encourage colleges and universities to take a more active role in students' career preparation and development—not just at the end of an educational program, but early and throughout the learning trajectory—by promoting company-sponsored internships, work-study opportunities, workplace observation, and career-related volunteerism.

“Career development should be enabled by the organization and driven by the employee.”

Ed Cohen, Executive Vice President, Nelson Cohen Global Consulting

“Closing the nationwide skills gap is dependent on aligning educational programs to today’s career needs. The gauge for educational return on investment must be the value that training has in the marketplace.”

Mike Mayor, Senior Vice President, Career Outcomes, University of Phoenix

“Organizations that provide assistance to workers seeking to further their education are making an important investment in those employees. When deployed strategically, tuition reimbursement benefits can help develop internal talent and enhance organizational performance.”

Mark Ward, Vice President and General Manager, EdAssist

3. Elevate Tuition Assistance Strategies

Although tuition assistance is a widely offered employee benefit, employers have an opportunity to improve their use of these benefits as a strategic talent development tool. Strategically deployed tuition assistance can help incentivize or accelerate educational advancement, reduce skills gaps, and build a talent pipeline or leadership succession queue.

To maximize the effectiveness of tuition assistance, employers should:

- Ensure continued funding, and even increase financial support for participation in approved educational programs, whenever possible;
- Develop and use metrics to determine the return on investment of educational funding—for example, the impact on training costs, employee retention, and turnover;
- Map and measure the correlations between company-sponsored education and individual and organizational performance;
- Consider outsourcing tuition assistance programs to specialized companies that can help design programs that help drive the organization’s human capital initiatives, ensure accuracy and quality, provide insight into program outcomes, and support both career and talent development;
- Engage the 93%–95% of eligible employees who would otherwise leave tuition benefits “on the table” by:
 - Clarifying the financial advantages of subsidized education, both for degree attainment and future earning potential;
 - Explaining the value and relevance of education for career growth;
 - Making the tuition benefits application process and program requirements highly visible and accessible to employees—for example, by offering application workshops or demonstrations;
 - Engaging tuition assistance program graduates as education ambassadors and spokespeople;
 - Offering facilities to accommodate collaborative study, educational support groups, and career networking;
 - Cultivating an expectation of lifelong learning for all employees, including organizational leaders; and
 - Celebrating educational achievements as contributions to the organization’s learning strategy and culture.

CONCLUSION

Career development is a shared responsibility among workers, employers, and higher education institutions. Results of the career development survey show that all three parties acknowledge having a role in this process. Some roles are complementary (higher education develops broad skills; employers help to teach job-specific skills), and some overlap to reflect a collaborative approach (e.g., employees must work with their managers to craft career plans and track educational achievements along career development paths).

The survey revealed disparities in perceptions of higher education’s role in career development, which indicate an opportunity for better alignment between educational programs and employment requirements. Opportunities exist to define clearer education-to-career pathways, to communicate credentialing and skills requirements more openly among all parties, and to design better metrics to assess the impact of education on individual and organizational performance.

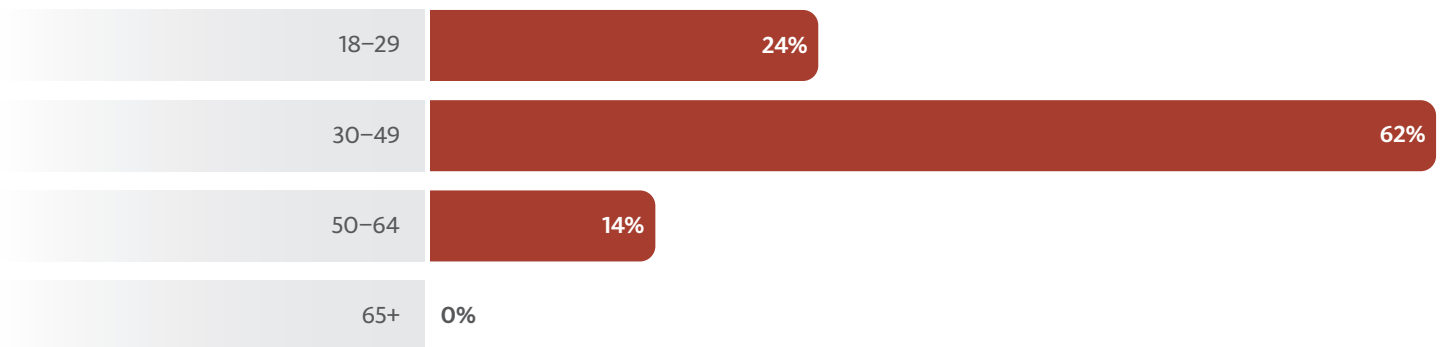
Appendix A: Survey Respondent Demographics

Employees

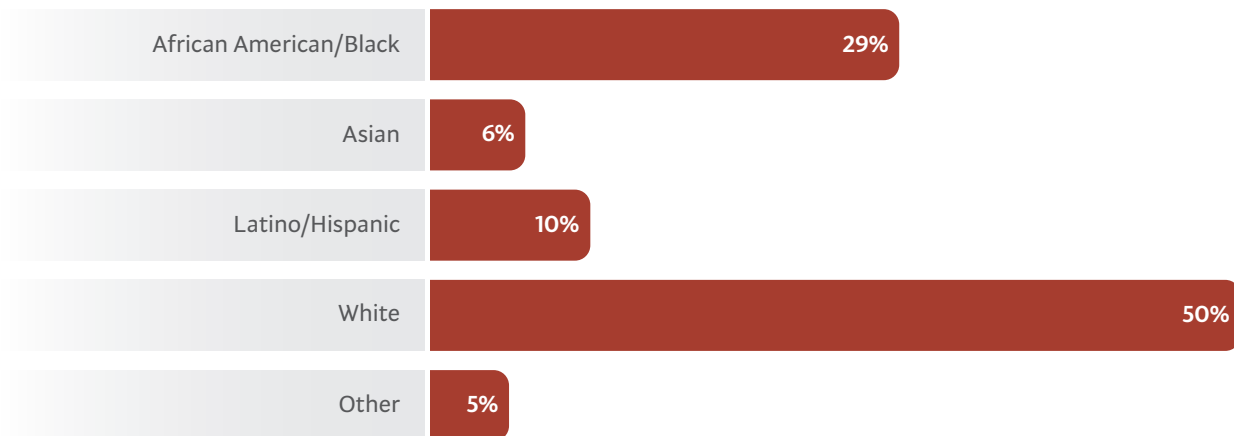
Workers' Gender



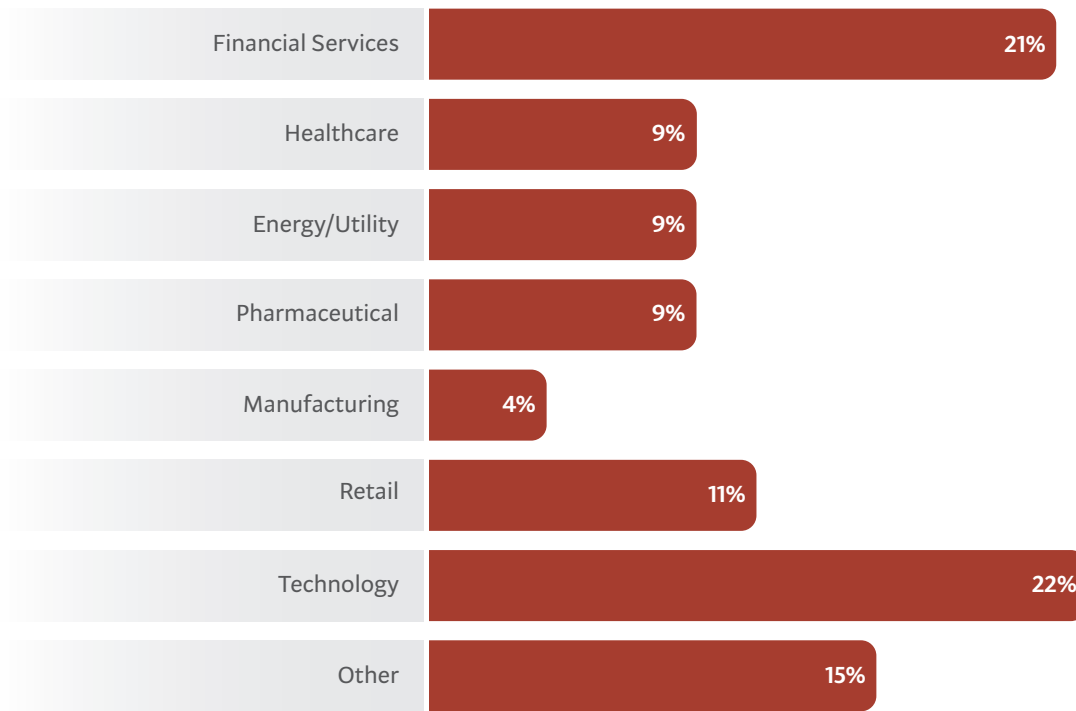
Workers' Age



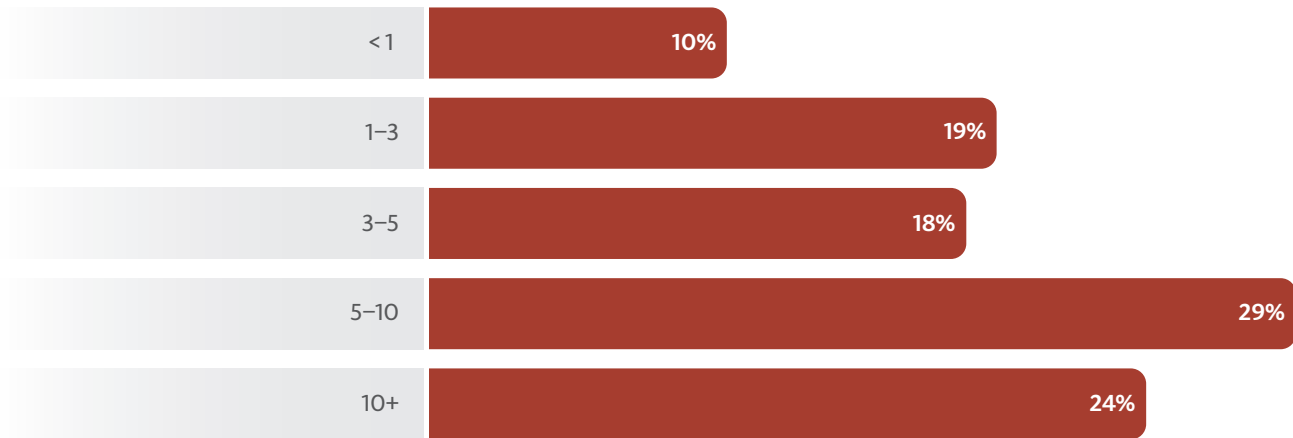
Workers' Race/Ethnicity



Workers' Industry



Workers' Tenure in Current Firm (Years)



Workers' Tenure in Current Position (Years)

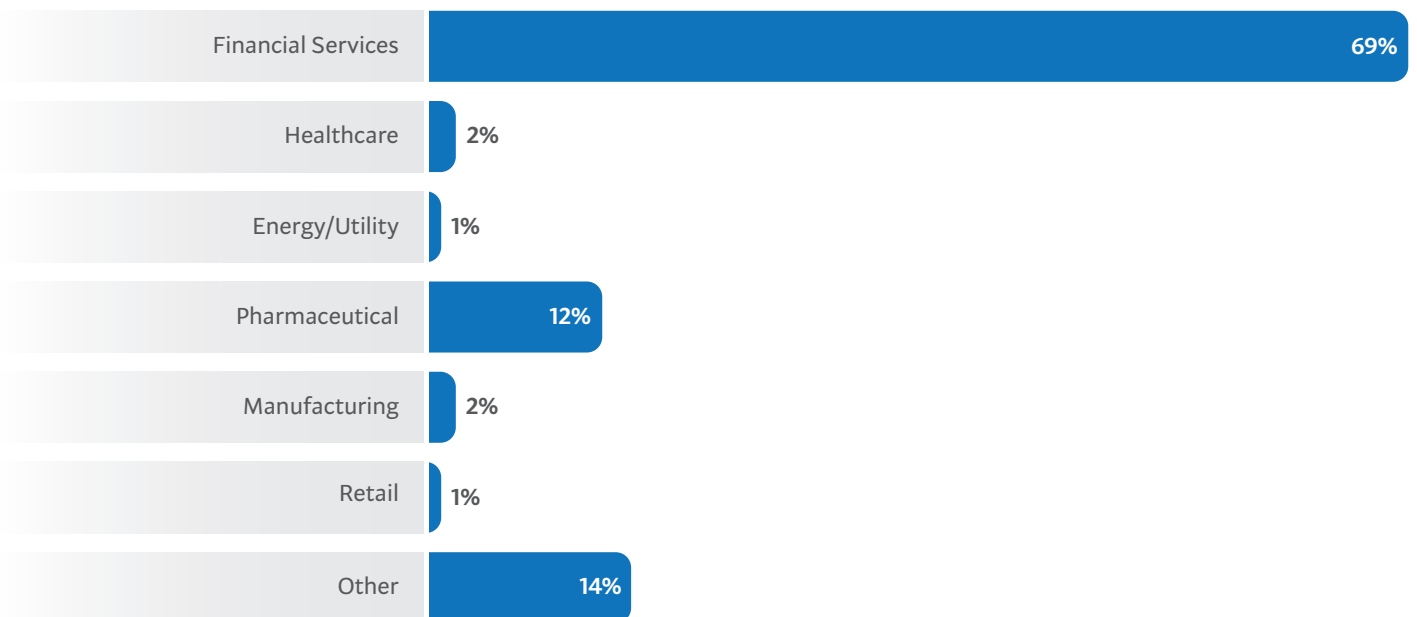


Managers

Managers' Gender



Managers' Industry



Note: Numbers exceed 100% due to rounding.

Appendix B: Employee Survey Questions

E-1. What prompted you to pursue higher education at this time?

(Select all that apply.)

- My company promoted the tuition assistance program
- My company communicated the need for education
- My manager encouraged me
- A friend, family member, or coworker encouraged me
- I need it to keep my job
- I need it to move into another job
- I want personal and/or professional growth
- My family situation changed
- Other

E-2. a) In your opinion, which aspects of your career development should be the responsibility of YOUR COLLEGE OR UNIVERSITY?

(Select all that apply.)

- Teaching me specific job skills
- Teaching me how to learn, think, communicate and problem-solve
- Teaching me how to collaborate with diverse peers
- Teaching me how to plan my career and find a job
- Teaching me how to be a leader and contribute to my field or community
- Other
- None

E-2. b) In your opinion, which aspects of your career development should be the responsibility of YOUR EMPLOYER? (Select all that apply.)

- Creating a learning culture
- Ensuring I continually improve my job skills
- Providing technical training, job-skills training, and/or professional development training
- Providing funding for my higher education
- Providing mentoring for my career advancement
- Helping me understand how education relates to career growth
- Helping me identify job opportunities and career paths at the firm
- Other
- None

E-2.c) In your opinion, which aspects of your career development should be YOUR OWN responsibility? (Select all that apply.)

- Building my work skills
- Continually updating or improving my work skills
- Advancing my education
- Expanding my professional network
- Identifying job opportunities and career paths
- Building my job-hunting and career-planning skills
- Other
- None

E-3. Which of the following educational goals are you currently pursuing?

- Associate's degree
- BA/BS
- MS/MA/MBA
- Doctoral degree
- Technical Certification
- Professional Certification or Licensure
- Other
- Don't Know

E-4. Without tuition assistance, I would:

- Pursue the same educational program at the same pace
- Pursue the same educational program, but at a slower pace
- Pursue a shorter or lower-cost program
- Not pursue higher education at this time
- Not pursue higher education at all
- Don't know

E-5. What additional support from your employer would most help you advance your education?

- Flexible work hours
- Paid time off to attend classes and do coursework
- Greater financial support for education
- College/university classes held at my work location
- Assistance with childcare and/or childcare costs
- Mentors or peer coaches at my company
- Other

E-6. Comparing formal higher education programs to free, massive open online courses (MOOCs) such as Coursera or MITx, I believe:
(Select all that apply.)

- Both types of classes are equally valuable for career development
- Formal higher education is more valuable for career development
- MOOCs are more valuable for career development
- MOOCs will eventually replace formal higher education
- MOOCs can never replace formal higher education
- Don't know enough about MOOCs to respond

E-7. In which industry do you work?

- Financial Services
- Healthcare
- Energy/Utility
- Pharmaceutical
- Manufacturing
- Retail
- Technology
- Other

E-8. How many years have you been in your current position?

- Less than 1 year
- 1-3 years
- 3-5 years
- 5-10 years
- 10+ years

E-9. How many years have you worked at your current firm?

- Less than 1 year
- 1-3 years
- 3-5 years
- 5-10 years
- 10+ years

E-10. What is your gender?

- Female
- Male

E-11. In which category is your current age?

- 18-29 years
- 30-49 years
- 50-64 years
- 65 years+

E-12. What is your race?

- African American / Black
- Asian
- Latino / Hispanic
- White
- Other

Appendix C: Manager Survey Questions

M-1. In the last six months, I have:

(Select all that apply.)

- Encouraged an employee to pursue higher education
- Encouraged an employee to use tuition assistance
- Discussed promotion opportunities and career paths with my employee(s)
- Discussed an employee's educational advancement
- Discussed current job skills and requirements
- Discussed other jobs and skill requirements
- None of the above

M-2. My organization:

- Measures how tuition benefits impact employee/organizational performance
- Does NOT measure how tuition benefits impact employee/organizational performance
- Don't know

M-3. a) In your opinion, which aspects of employee career development should be the responsibility of a COLLEGE OR UNIVERSITY?

(Select all that apply.)

- Teaching specific job skills
- Teaching the employee how to learn, think, communicate and problem-solve
- Teaching the employee how to collaborate with diverse peers
- Teaching the employee how to plan a career and find a job
- Teaching the employee how to be a leader and contribute to the field or community
- Other
- None

M-3. b) In your opinion, which aspects of career development should be the EMPLOYEE'S OWN responsibility?

- Gaining basic work skills
- Continually updating or improving one's work skills
- Advancing one's education
- Expanding one's professional network
- Identifying job opportunities and career paths
- Building one's job-hunting and career-planning skills
- Other
- None

M-3.c) In your opinion, which aspects of employee career development should be the responsibility of THE EMPLOYER? (Select all that apply.)

- Creating a learning culture
- Ensuring employees continually improve their job skills
- Providing technical training, job-skills training, and/or professional development training
- Providing funding for employees' higher education
- Providing mentoring for employees' career advancement
- Helping employees understand how education relates to career growth
- Helping employees identify job opportunities and career paths at the firm
- Other
- None

M-4. Which of the following credentials are required for positions at your organization? (Check all that apply.)

- Associate's degree
- BA/BS
- MS/MA/MBA

- Doctoral degree
- Technical Certification
- Professional Certification or Licensure
- Other
- None
- Don't Know

M-5. My organization helps employees map their formal education to specific job skills and career paths.

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree
- Don't know

M-6. Comparing formal higher education programs to free, massive open online courses (MOOCs) such as Coursera or MITx, I believe:
(Select all that apply.)

- Both types of classes are equally valuable for career development
- Formal higher education is more valuable for career development
- MOOCs are more valuable for career development
- MOOCs will eventually replace formal higher education
- MOOCs will never replace formal higher education
- Don't know enough about MOOCs to respond

M-7. In which industry do you work?

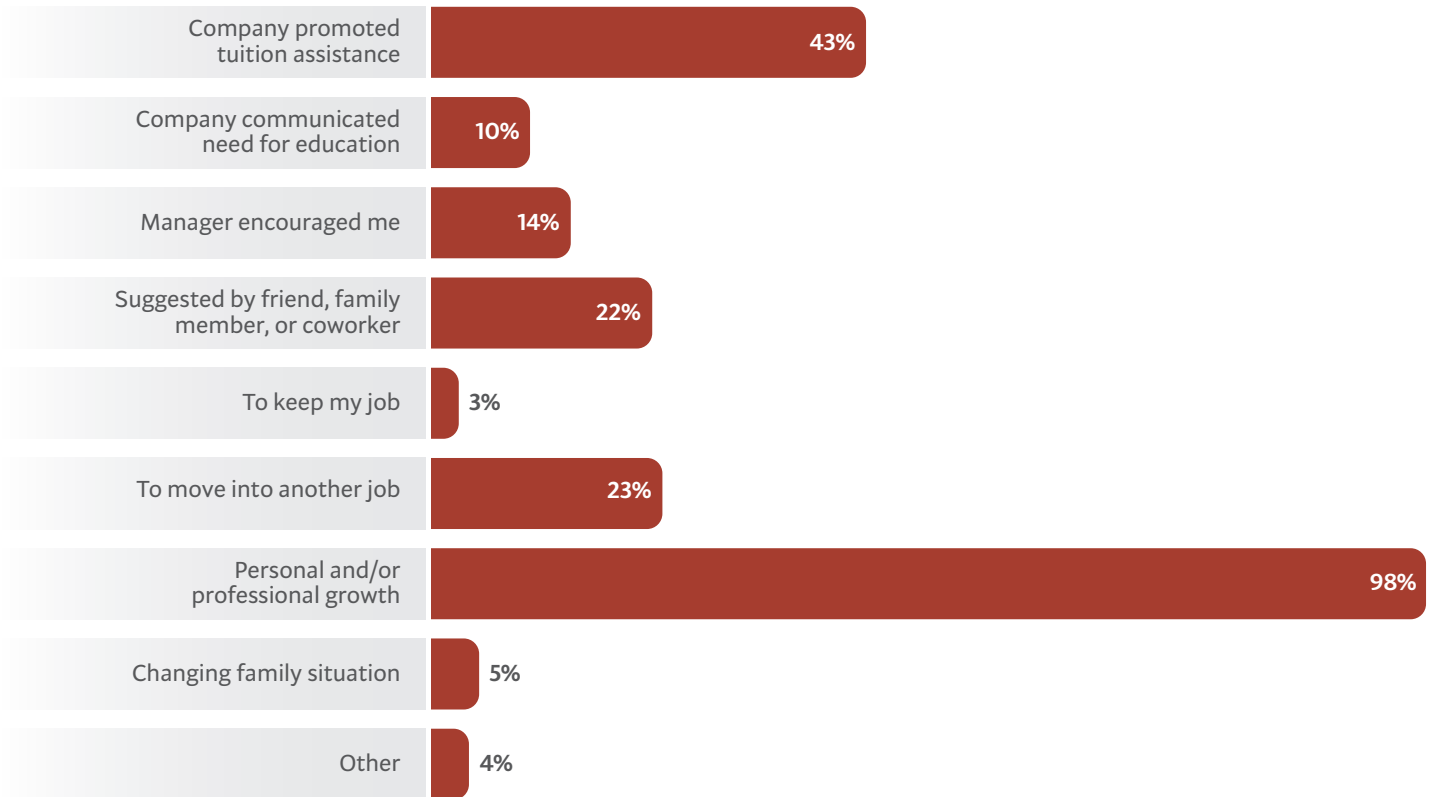
- Financial Services
- Healthcare
- Energy/Utility
- Pharmaceutical
- Manufacturing
- Retail
- Technology
- Other

M-8. What is your gender?

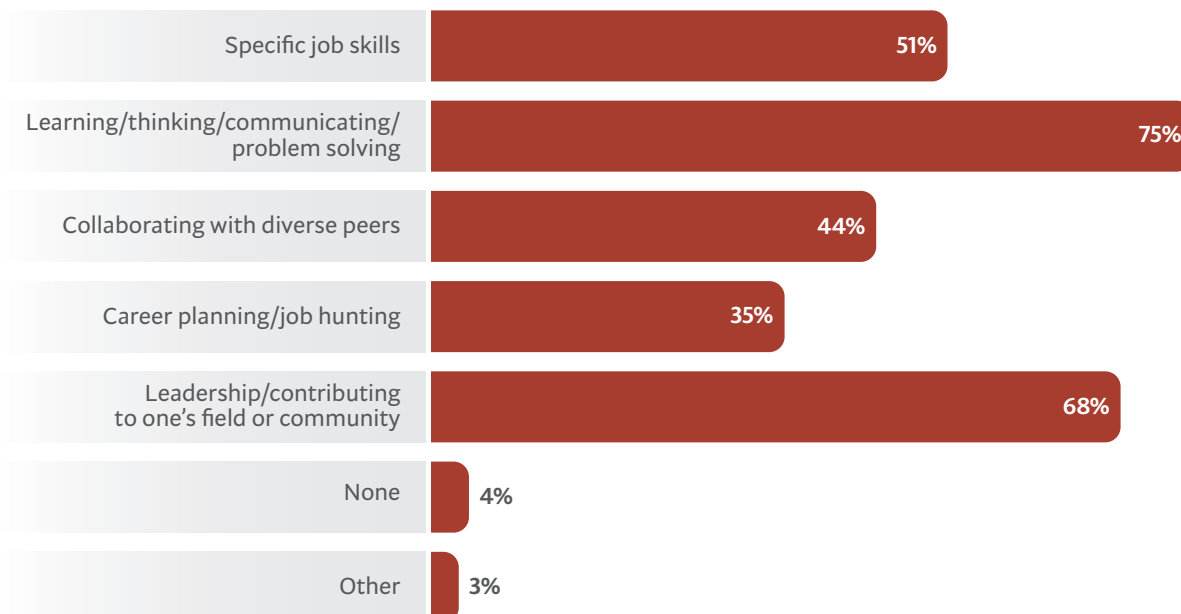
- Female
- Male

Appendix D: Employee Survey Data. For employee demographic data, see p. 15.

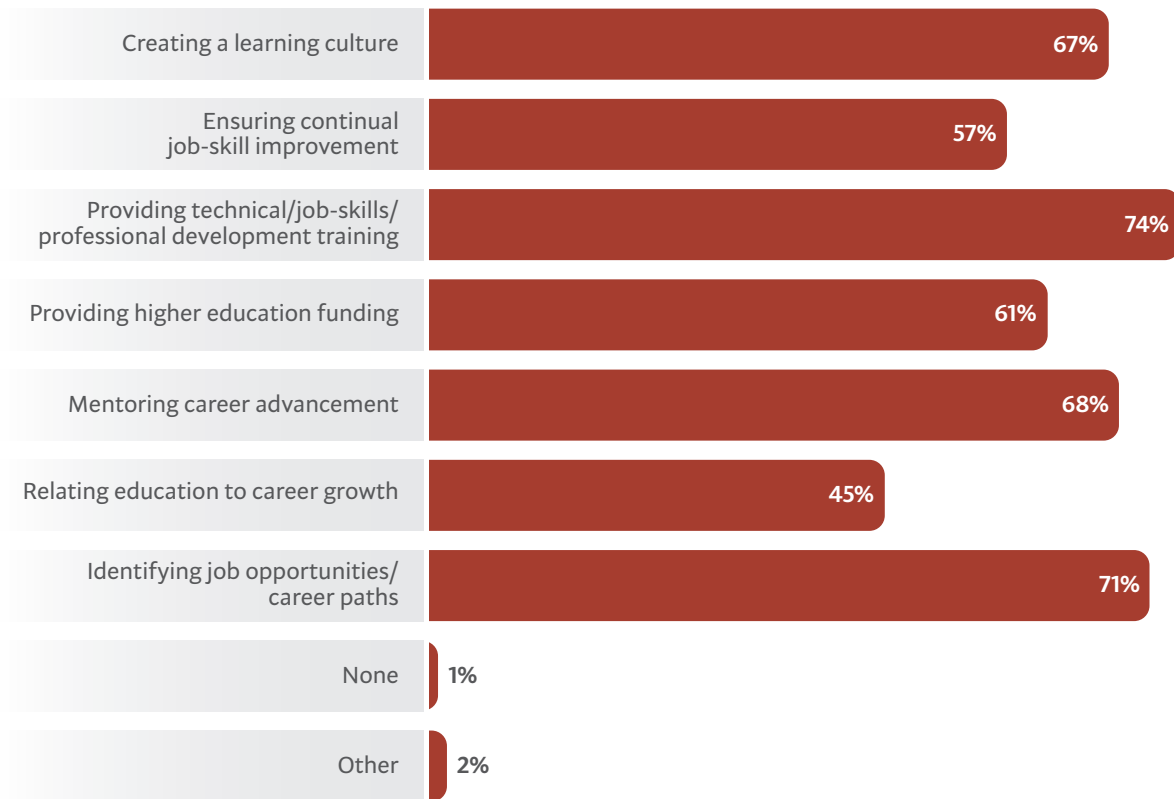
Workers' Reasons for Pursuing Education



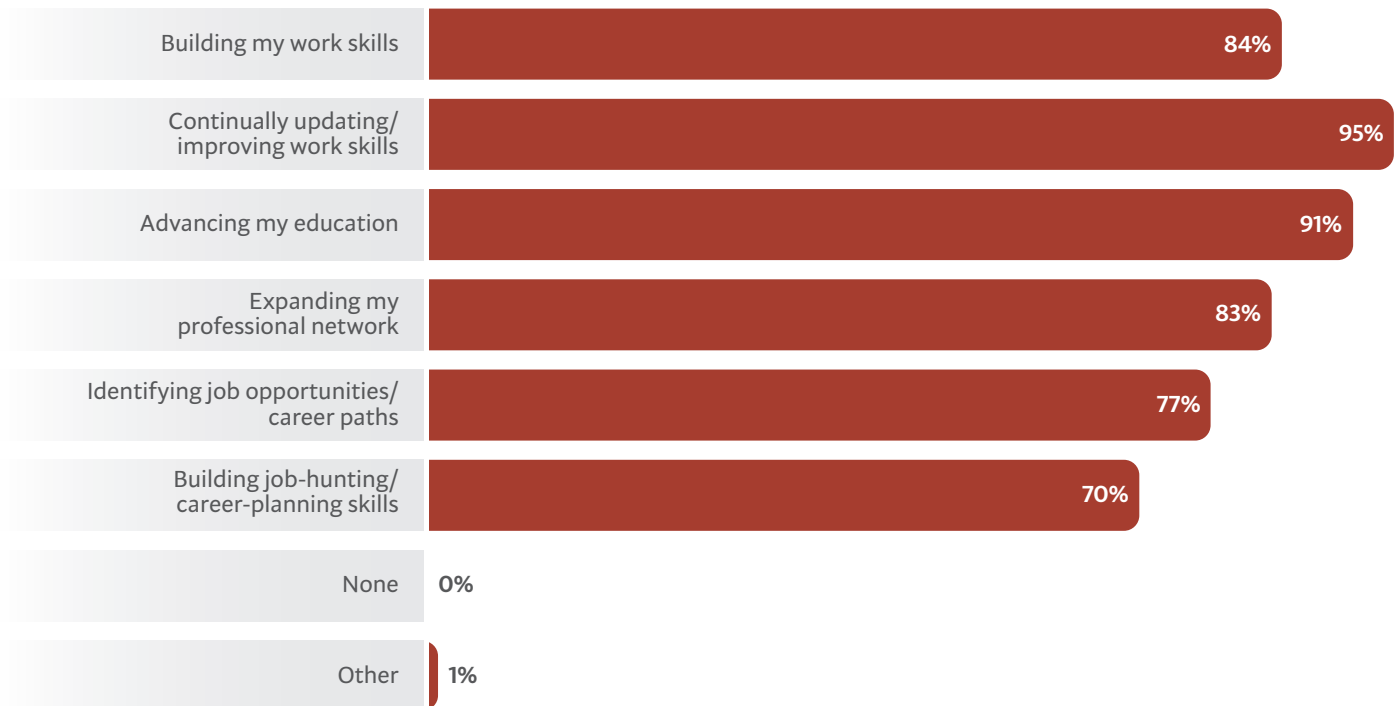
Workers: Colleges' Responsibility for Career Development



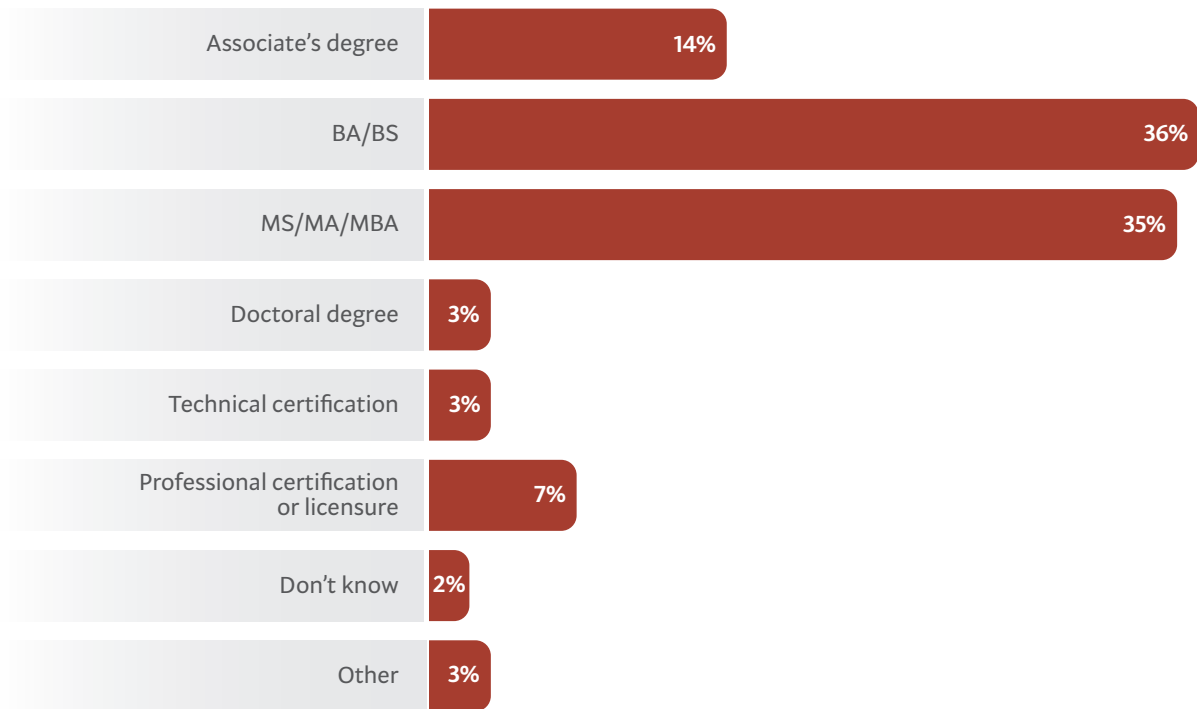
Workers: Employers' Responsibility for Career Development



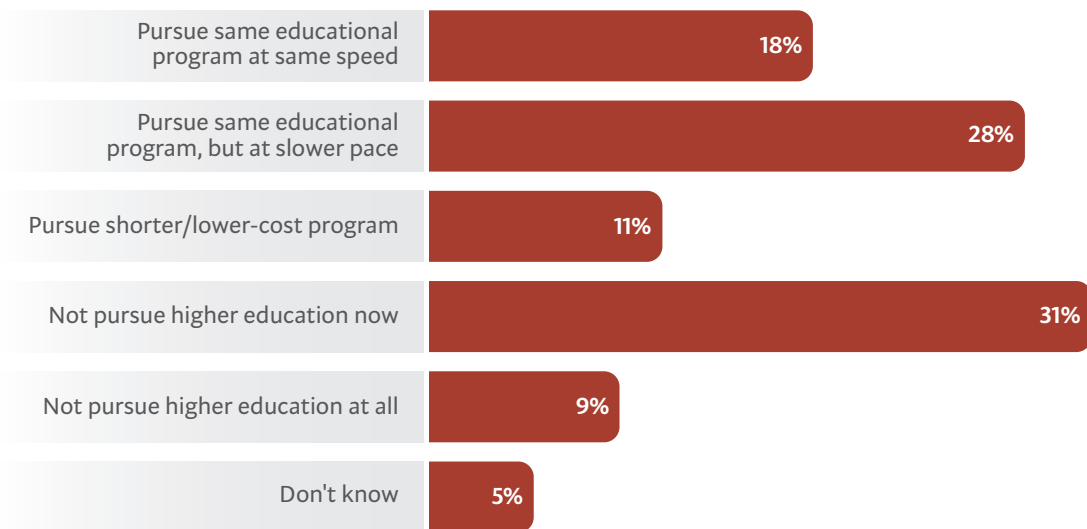
Workers: Own Responsibility for Career Development



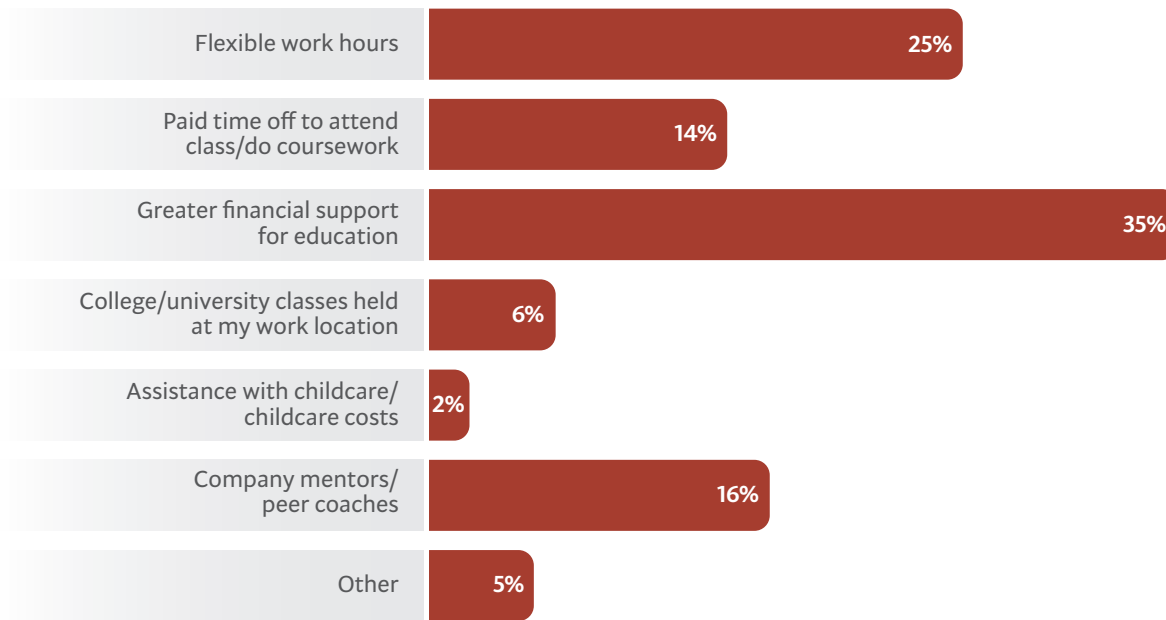
Educational Goals of Tuition Assistance Recipients



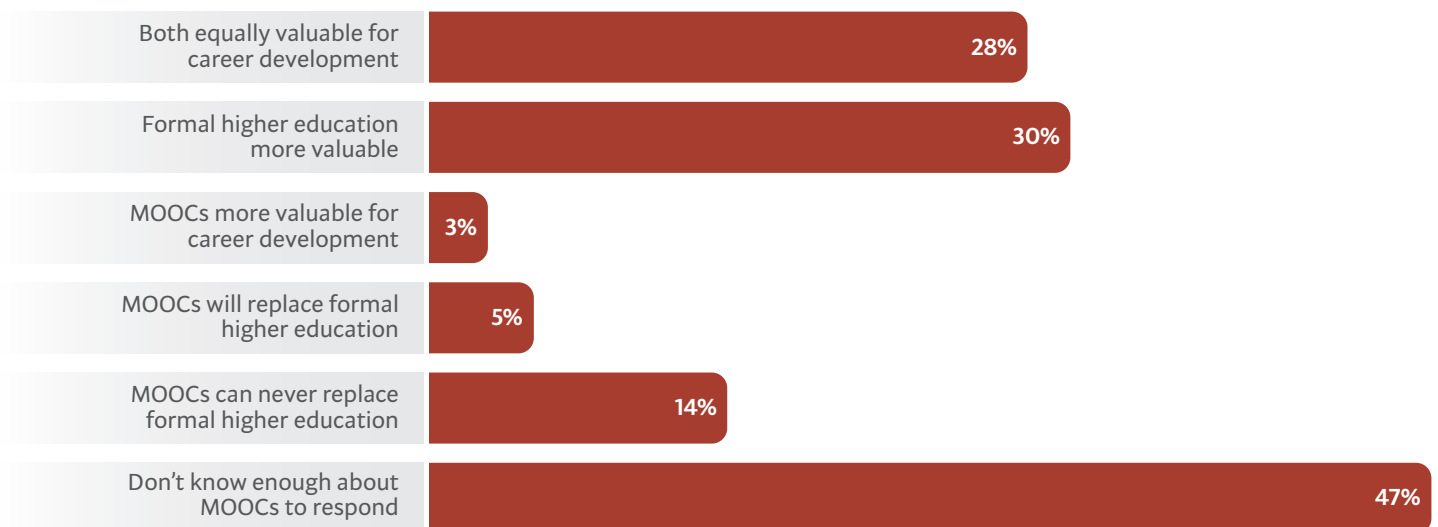
Education Alternatives Without Tuition Assistance



Most Helpful Employer Support for Education

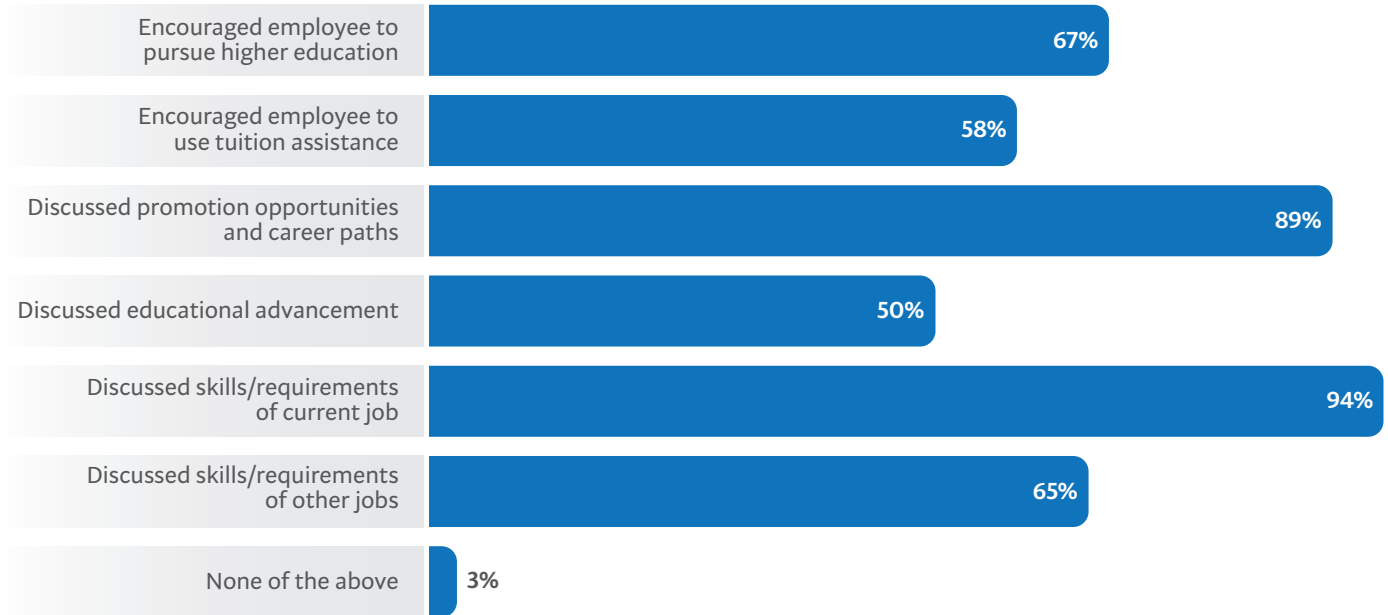


Workers' View: Formal Higher Education vs. MOOCs

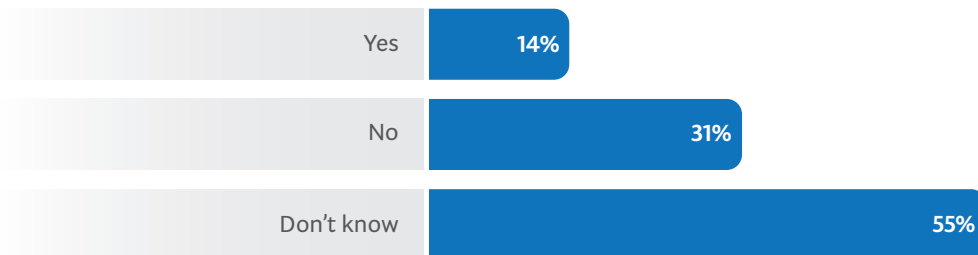


Appendix E: Manager Survey Data. For manager demographic data, see p. 17.

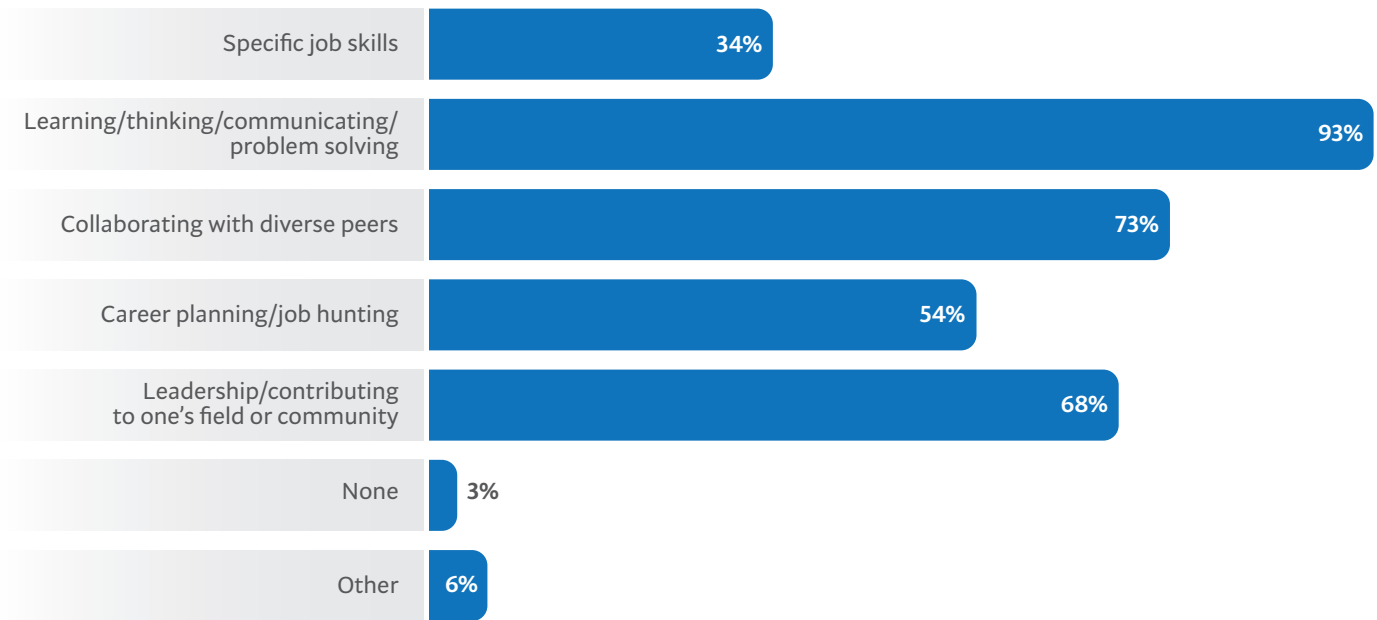
Manager/Worker Communication (Last 6 Months)



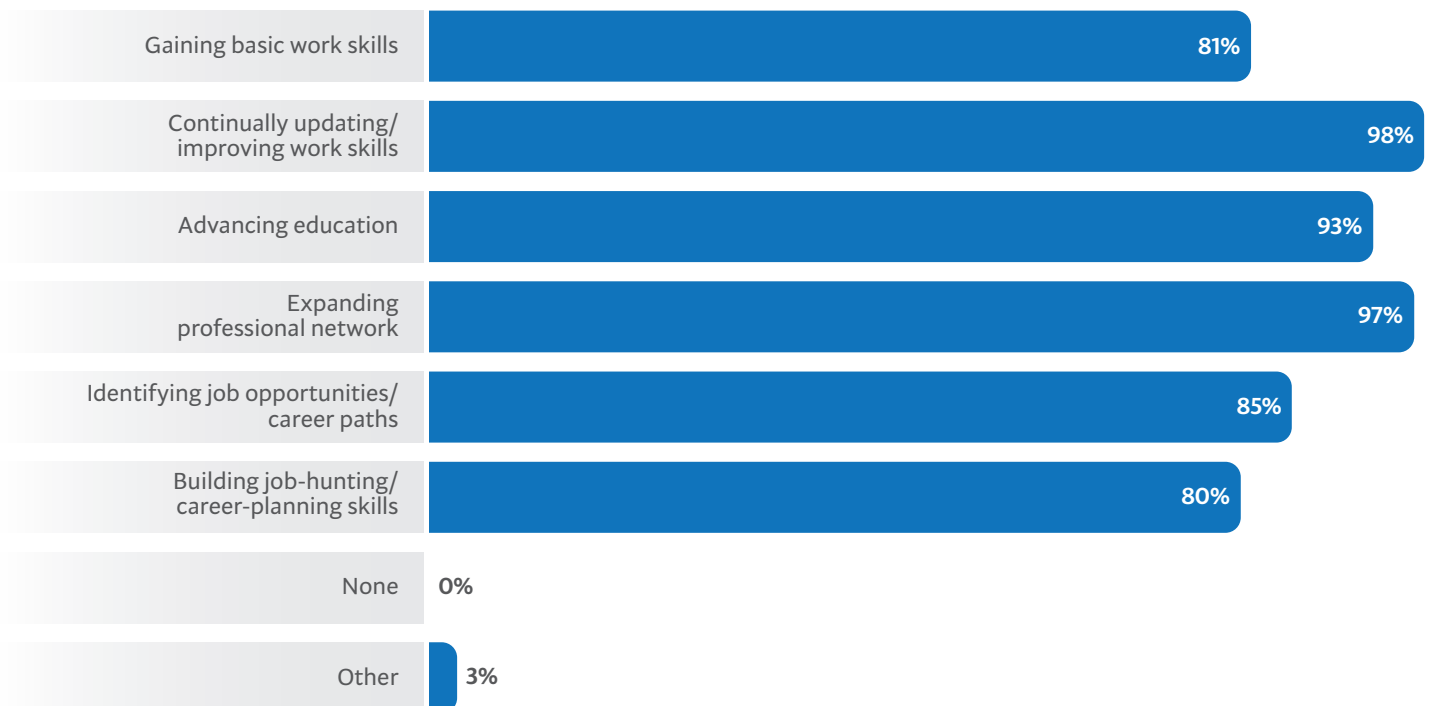
Does Organization Measure Tuition Benefits' Impact?



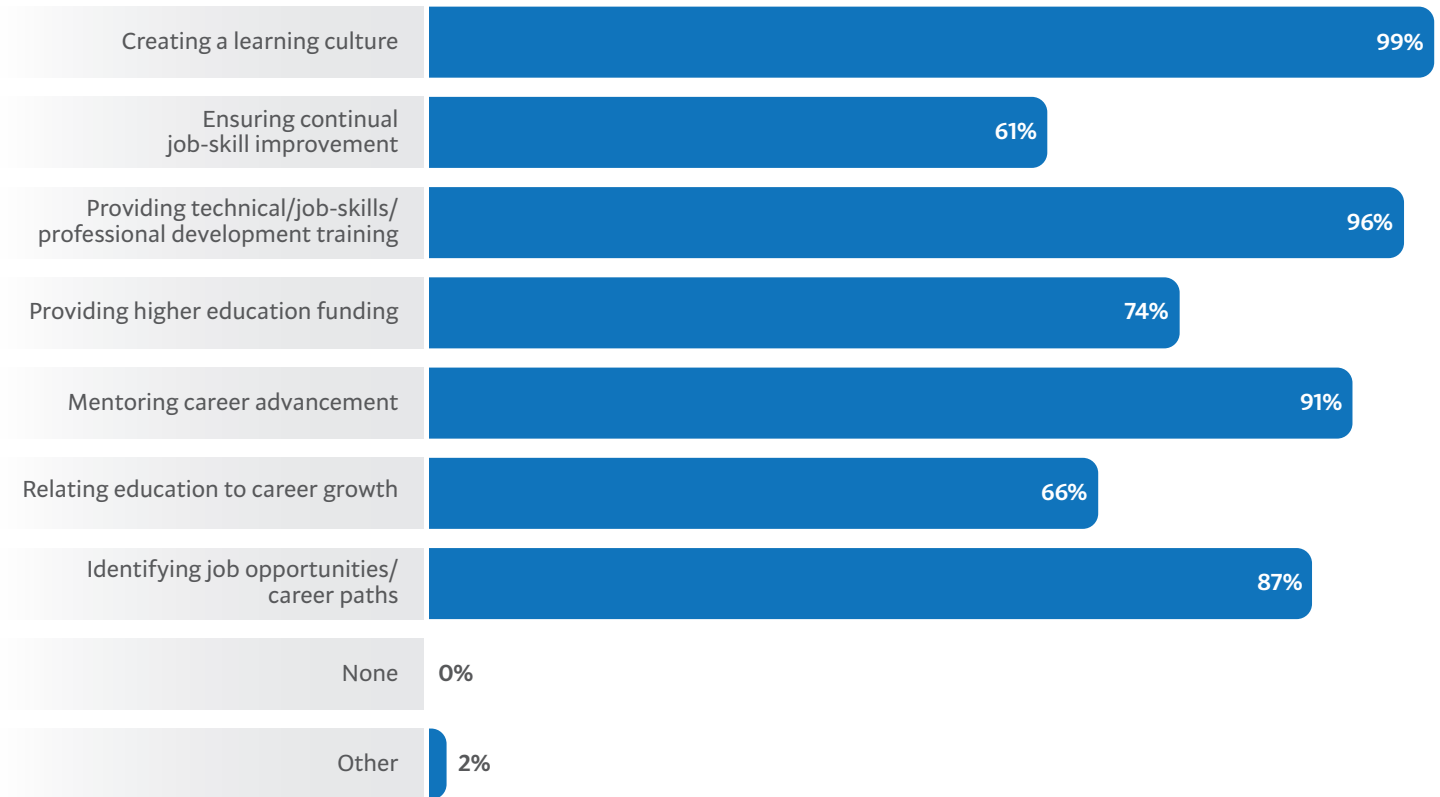
Managers: Colleges' Responsibility for Career Development



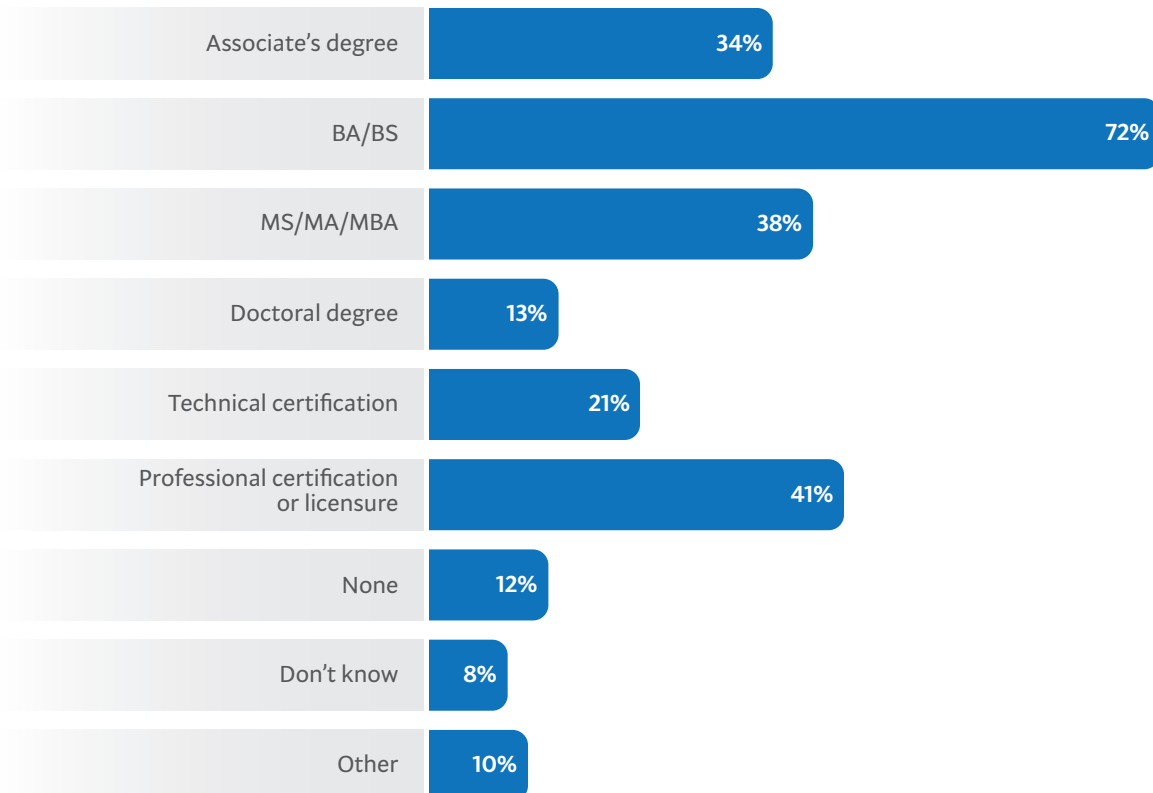
Managers: Workers' Responsibility for Career Development



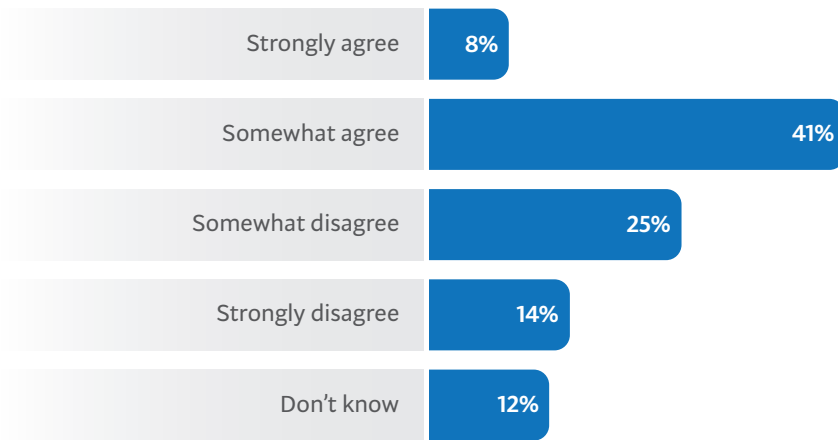
Managers: Employers' Responsibility for Career Development



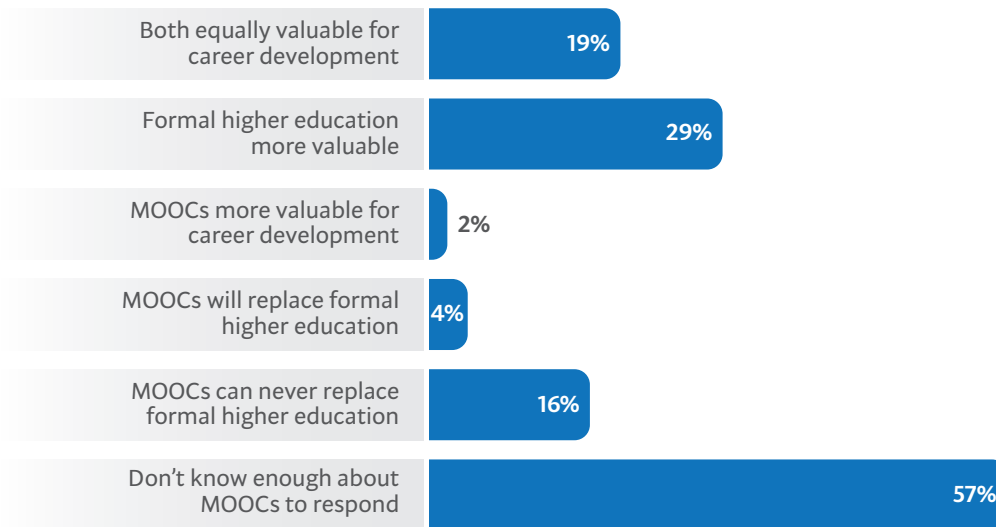
Managers: Credentials Required for Jobs at Firm



Organization Maps Education to Specific Career Paths



Managers' View: Formal Higher Education vs. MOOCs



ACKNOWLEDGMENTS

The research for this report was developed collaboratively by University of Phoenix and EdAssist. Special thanks belong to the EdAssist team for providing the survey platform and administering the survey, as well as helping to craft the survey instrument, promote survey participation, compile the data, and refine the interpretation of the findings.

The Research and Publications team of the University of Phoenix Industry Strategy Group took primary responsibility for designing the study, developing the survey instrument, analyzing and interpreting the data, authoring the report, and publishing the results.

EdAssist Contributors

John Zappa, Vice President, Business Strategy

Lynn Schroeder, Vice President, Sales and Marketing

Elizabeth Hibner, Director, Product Management

University of Phoenix Contributors

Author

Caroline Molina-Ray, PhD, Executive Director, Research and Publications, Industry Strategy Group

Support Team

Sheila Bodell, Research Librarian

David Laslo, PhD, Research Analyst

James M. Fraleigh, Copy Editor and Proofreader

Graham Smith, Graphic Designer

Christine Eveker, Director, Publishing Operations, Industry Strategy Group

Jill Jensen, Research and Publications Assistant

Corinne Lyon, Research and Publications Assistant

Talent Development Consultants

Jon Campbell, Vice President, Business Development, Translation Source

Ed Cohen, Executive Vice President, Nelson Cohen Global Consulting

Mike Mayor, Senior Vice President, Career Outcomes, University of Phoenix

Mark Ward, Vice President and General Manager, EdAssist

LEARN MORE

For more information about the study and related research, visit industry.phoenix.edu or contact IndustryStrategy@phoenix.edu.

© 2013 University of Phoenix. All rights reserved.

