



EDUCATION
FOUNDATION®

Institute for the Future of Work

Peter Riley Bahr, Ph.D.

Vice President and Managing Research Director

peter.bahr@stradaeducation.org

The national challenge: A rapidly changing labor market that often is not working for employers or individuals

Key labor market challenges:

- **Tech innovation** is driving significant changes in employers' talent needs¹
- **Meeting talent needs** is the top concern of business executives²
- **Worker shortage**: there is a major gap between the number of unemployed workers (6.4M) and the number of job openings (8.7M)
- **Good jobs shortage**: ~30 million full-time employed adults working in jobs paying < \$35k/year
- **Misalignment**: 52% of graduates with a terminal bachelor's degree are underemployed one year after completing.
- **Chronic undersupply** of talent in high-demand fields (e.g., tech, engineering, nursing, skilled trades, manufacturing technicians)

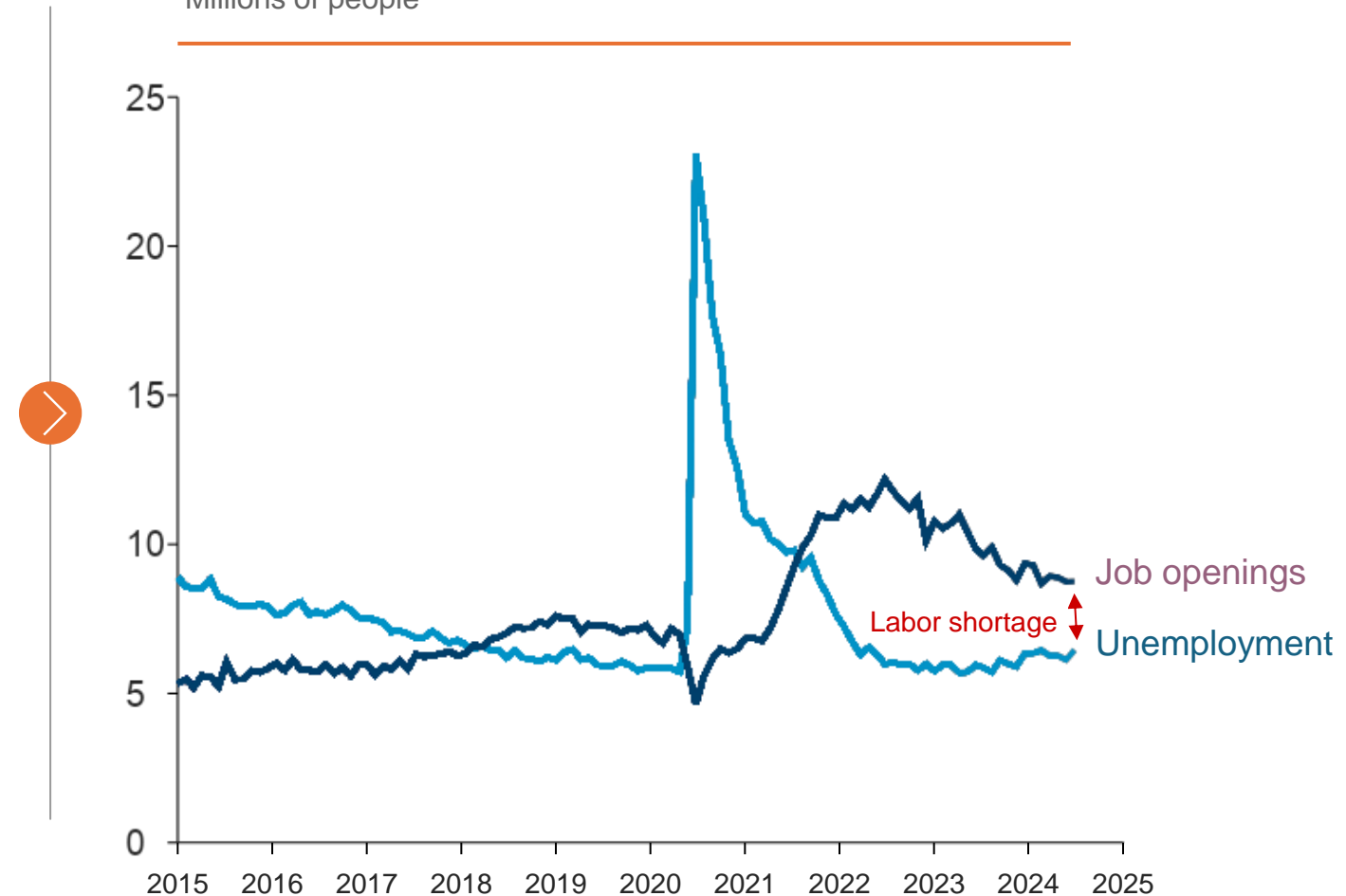
1. World Economic Forum, *The Future of Jobs Report*, 2023.

2. *Area Development*, 2021.

3. *Strada*, 2024

Job openings vs. unemployed workers

Millions of people



Source: Bureau of Labor Statistics, 2020-2024





Strada Institute for the Future of Work

Research is a lever for change. The ***Institute for the Future of Work*** develops and conducts rigorous, field-leading research that provides actionable insights on how to strengthen educational pathways that lead to economic opportunity for individuals and respond to the talent needs for employers.

The ***Institute*** guides and grows national discourse on education and employment by investigating important but underdeveloped issues that are critical to individuals, employers, states, and the nation's economy.

The ***Institute's*** audiences include policymakers, employers, institutional leaders, researchers, scholars, students, families, and philanthropic organizations.



The Institute's Research Areas

1. **Increasing the labor market value of postsecondary credentials**

Examples: aligning education with occupational opportunity, identifying pathways to in-demand jobs, and reducing barriers to employment

2. **Improving employment outcomes of nontraditional learning and contexts**

Examples: noncredit occupational education, upskilling/reskilling, older learners, and postsecondary education in prison

3. **Reducing education and employment disparities**

Examples: the gender gap in college enrollment and completion, the declining labor force participation of working-age men, and persistent gaps in educational opportunities by socioeconomic background

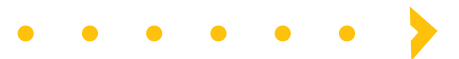
4. **Strengthening state talent planning**

Examples: analytic models of talent migration, strategies for increasing labor force participation, and innovative solutions to increase access to high-ROI majors





Catalyzing **Collaboration**
and **Action**



The Business-Higher Education Forum is a national network connecting **pioneering corporate and higher education leaders** to identify emerging skills and co-develop pathways that address talent gaps.



We empower and catalyze collaborations that deliver accelerated, inclusive, and effective solutions across education and work.

Business and university leaders join the Forum to **lead innovation** that meets the changing talent needs of learners, workers, and businesses.

Our mission is to build the inclusive higher education paths that align to the workforce of future

With our network and partners, we focus on three goals critical for economic mobility...



Increase the number of learners/ earners completing with high-value skills, credentials aligned to employer needs



Expand access and adoption of work-integrated learning models that inclusively connect and prepare talent



Scale and implement with regional networks and leaders

Driving Impact through BHEF's Solutions Lab



Insights & Thought Leadership: Deliver market intelligence, actionable insights, toolkits, and public case studies.

Higher Education Transformation: Assessment, planning tool and experience to empower higher education institutions to be the partner of choice for business and align with workforce needs.

New Talent and Credential Models: Co-design innovative business and education solutions to develop, recruit, and connect talent to evolving workforce needs.

Execution, TA and Impact Partnership: Intermediary and technical assistance support for federal grants and capacity building via fostering communities of practice.

Catalyze Regional Partnerships: Design and champion regional convenings and empower leaders to develop and accelerate impact of collaborative models for economic growth.

Turn Your Challenge into An Opportunity – Connect with our Solutions Lab Team!

Forging Partnerships to Align Education & Industry

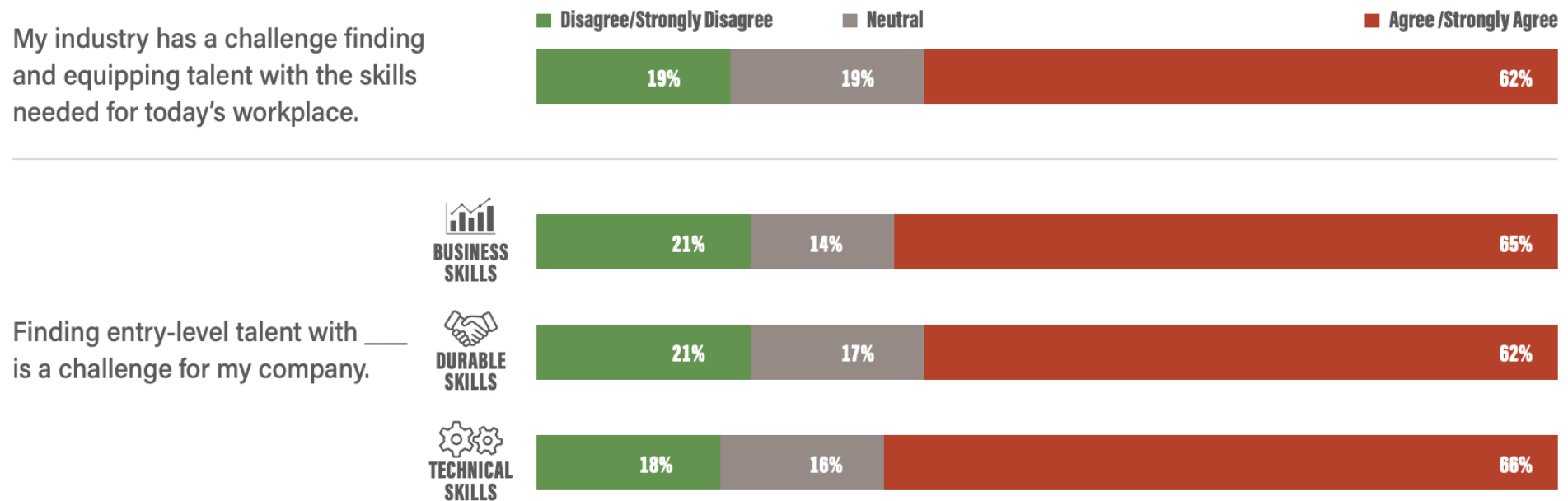
Guiding Research Questions & Methodology

Research Questions

1. To what extent are the graduates of higher education completing with skills **aligned** to employer needs?
2. What is the **current state of business-higher education partnerships and effectiveness** in supporting learners as they acquire these in-demand, emerging skills?
3. How can business and higher education work most effectively together to **build inclusive, effective pathways** that are preparing learners with in-demand, emerging skills and the future of work?

Partnerships are Critical for Preparing Learners with Future Ready Skills

Business Leaders' Perception of Talent and Skills Challenges



Note: N=380 business leader responses. Fig. 1 shows the percent of business leader respondents who select statement. Survey Question: "Please rate your agreement with the following statements as it pertains to skill shortages: Finding entry-level talent with business skills is a challenge for my company; Finding entry-level talent with soft or durable skills is a challenge for my company; Finding entry-level talent with the technical skills needed for emerging occupations is a challenge for my company; My industry has a challenge finding and equipping talent with the skills needed for today's workplace."

Source: SSPRS 2024 responses.

In-Demand Occupations

Occupations In-Demand but Difficult to Find Qualified Talent for Today

	Occupation	Business Leaders Select
1	Business Management and Operations	40%
2	IT and Computer Science	32%
3	Customer and Client Support	25%
4	Clerical and Administrative	22%
5	Finance / HR / Construction / Engineering (tied)	14%

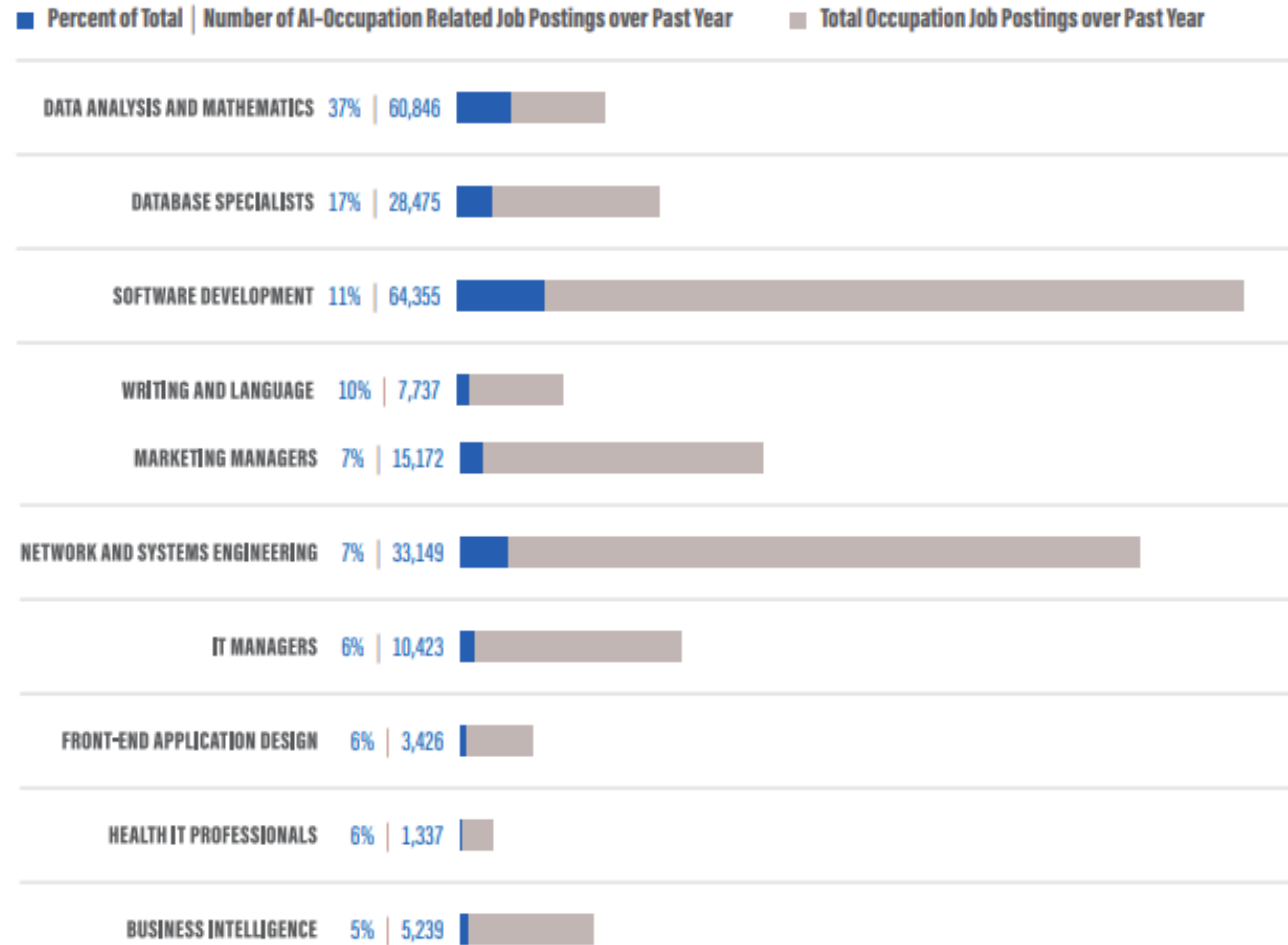
Emerging Occupations with Expected Job Openings in the Next 24 Months

	Occupation	Business Leaders Select
1	Artificial Intelligence	45%
2	Cybersecurity and Data Technologies	38%
3	Advanced Computing	32%
4	Operations	32%
5	Human-Machine Interfaces	25%

Note: N=380 business leader responses. This graphic shows the percent of business leader respondents who selected occupation. 5A Survey Question: "Which occupations are in-demand but are difficult to find qualified talent for right now? (Select all that apply)." 5B Survey Question: "For which of the following emerging occupations do you expect to have job openings at any level in the next 24 months? (Select all that apply)." **Source:** SSPRS 2024 responses.

AI Disruption is Proliferating Across Occupations

Top Occupations that Requested AI Skills Over Past Year as a Percentage of Total Occupation Job Postings



Source: BHEF Analysis of Lightcast Job Postings Data, 2024

State of Business-Higher Education Partnerships



87%

of **higher education leaders** agree that partnerships with business are a priority



89%

of **business leaders** agree that partnerships with higher education are a priority



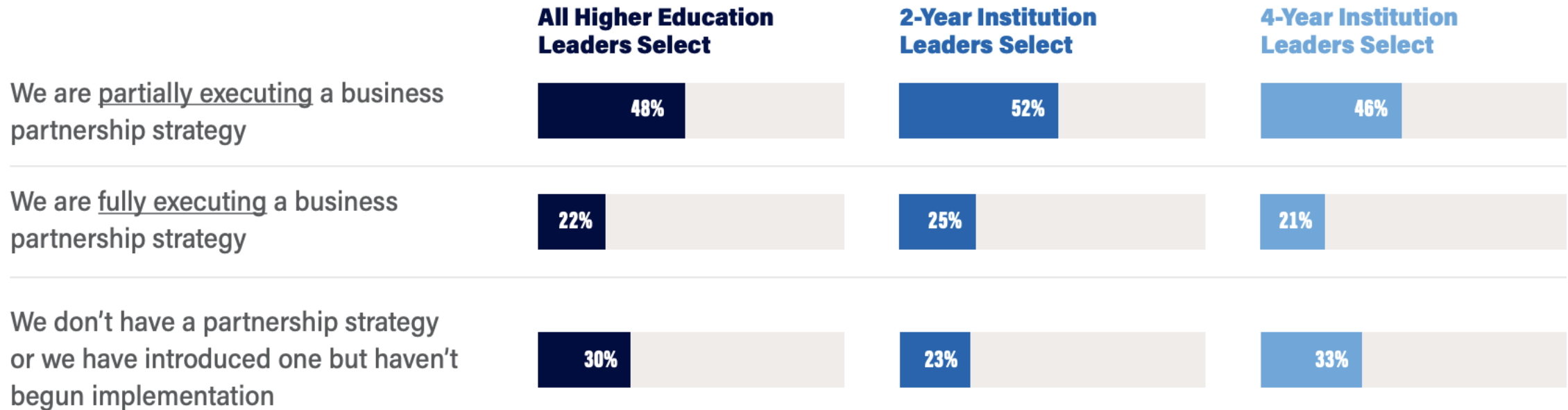
22%

of **higher education leaders** say they are fully executing a partnership strategy



Partnership Strategies Are Not Fully Realized

Status of Higher Education's Business Partnerships by Institution Type



Note: N=226 higher education leader responses. Fig. 13 shows the percent of respondents who selected each option. Survey Question: "What is the status of your institution's business partnerships?"

Source: SSPRS 2024 responses.

Partnership Priorities

Business Leaders Select Top Priorities for Higher Education Partnerships



45%

PROVIDING UPSKILLING/RESKILLING TRAINING TO EXISTING WORKFORCE



35%

STRENGTHEN RECRUITMENT AND HIRING PIPELINES



31%

INCREASE ACCESS TO EXPERIENTIAL LEARNING



29%

EXPAND EMPLOYER ENGAGEMENT IN DEVELOPING AND TEACHING CURRICULA ALIGNED TO INDUSTRY NEEDS



27%

ENSURE STUDENTS HAVE THE RIGHT SKILLS AND CREDENTIALS TO ENTER THE WORKFORCE

Higher Education Leaders Select Top Priorities for Business Partnerships



56%

ENSURE STUDENTS HAVE THE RIGHT SKILLS AND CREDENTIALS TO ENTER THE WORKFORCE



53%

INCREASE ACCESS TO EXPERIENTIAL LEARNING



31%

PROVIDE BETTER INFORMATION ON CAREER PATHWAYS TO STUDENTS AND WORKERS



30%

STRENGTHEN RECRUITMENT AND HIRING PIPELINES

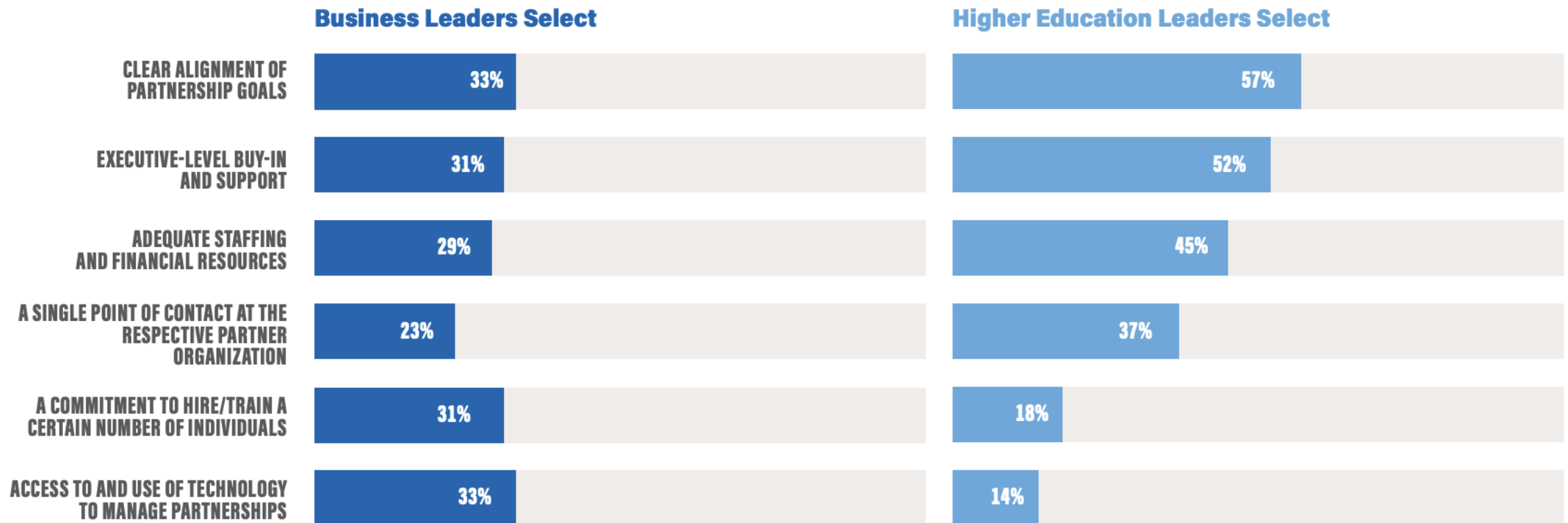


25%

EXPAND EMPLOYER ENGAGEMENT IN DEVELOPING AND TEACHING CURRICULA ALIGNED TO INDUSTRY NEEDS

Building Strong Partnership Foundations





FIG. 14 Elements that Make Business-Higher Education Partnerships Successful



Note: N=379 business leader responses and N=214 higher education leader responses. Fig. 14 shows the percent of respondents who selected each option. Survey Question: "What elements make business/higher education partnerships most successful at your organization? (Select top three)."

Source: SSPRS 2024 responses.

The Path Forward

-  **Pursue Transparency and Build Trusting Relationships:** Strong alliances thrive when partners operate with trust, openness, and a dedication to advancing each other's success. Establishing a sustainable, mutually beneficial business model is crucial.
-  **Streamline Partnership Functions:** Implement structured governance and effective communication processes to ensure smooth collaboration between partners.
-  **Leverage Technologies:** Use data analytics, CRMs and other tools to align educational programs with current and future industry needs.
-  **Use Intermediary Organizations:** Engage third-party organizations to facilitate and strengthen partnerships, providing additional resources and expertise.

A robust **skills infrastructure** that aligns education and training with labor market needs is vital for scaling and sustaining successful programs.



Thank You!

Download the full report:

<https://www.bhef.com/publications>

Subscribe to our newsletter: Share your email address at our website, [bhef.com](https://www.bhef.com)

To learn more about our Solutions Lab:

candace.williams@bhef.com

Reach out to learn more about our leadership network:

stephanie.blochinger@bhef.com

