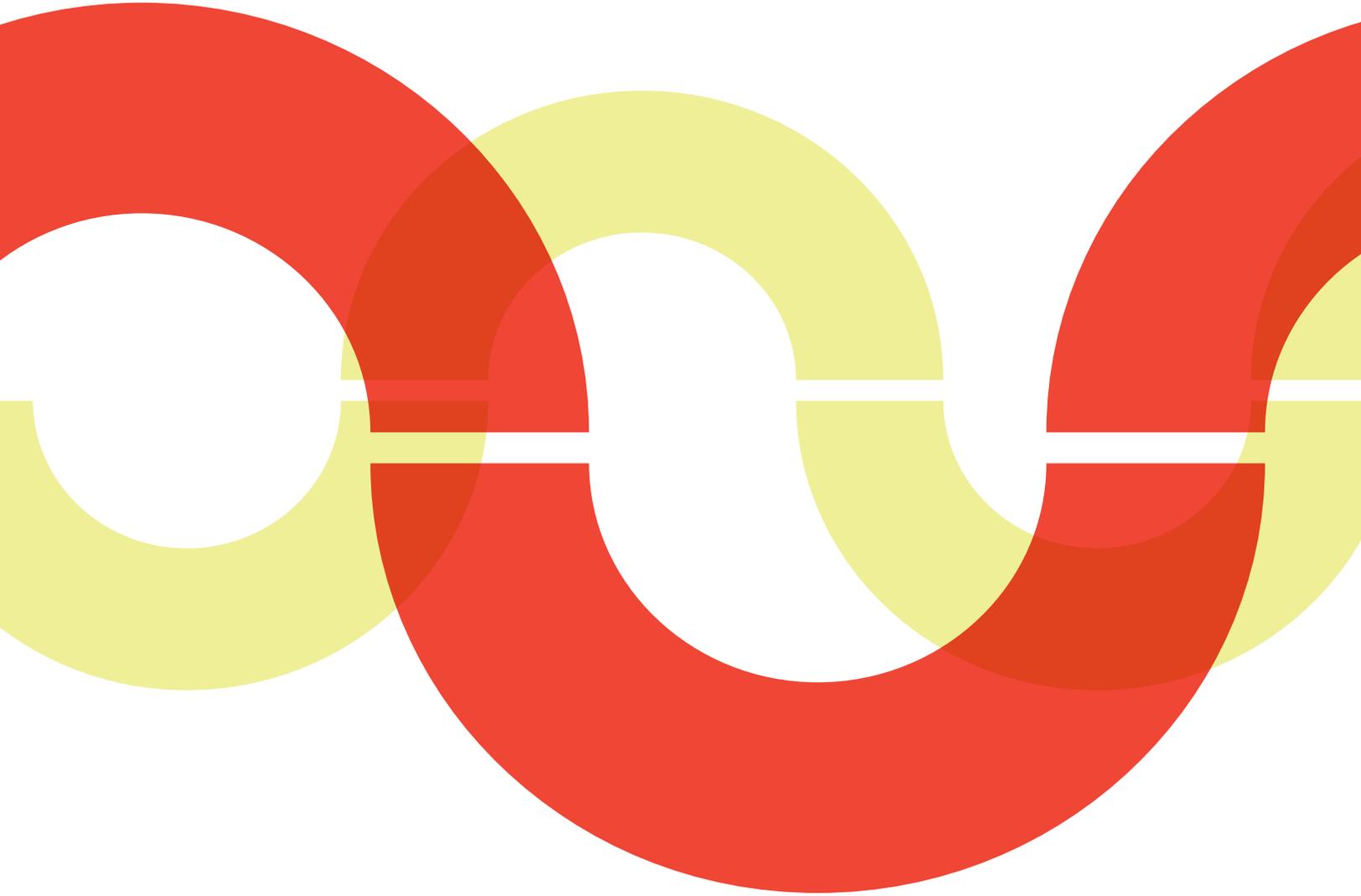


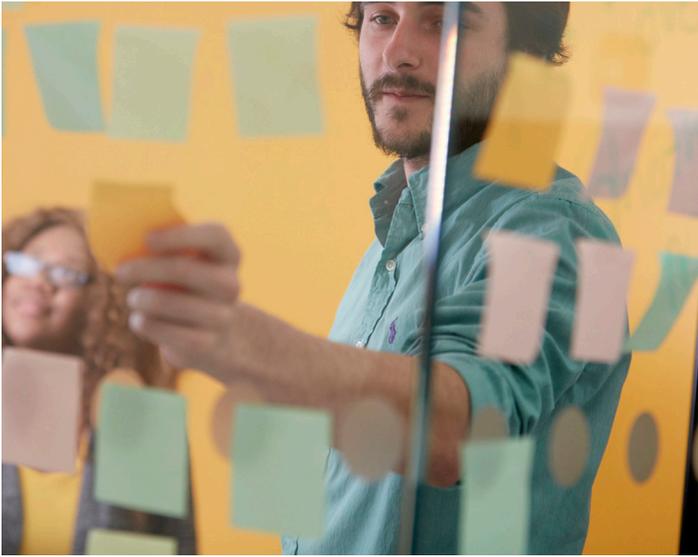
# Recognizing the Value of Alternative Pathways to Work



## Overview:

College cannot be the only pathway to middle- and high-wage work in the U.S. Millions of people have accumulated foundational skills to thrive in the good jobs of the 21st century but lack a four-year degree. The time has come for employers to recognize this untapped resource of workers Skilled Through Alternative Routes (STARs) and embrace them as key to the success of their business.





College cannot be the only path to success, but in America today, a four-year college degree represents the most direct route to securing middle – and high-wage work. Currently, there are 120 million people in the U.S. labor market who have graduated from high school but do not have a four-year college degree.<sup>1</sup>

Many lack the time, access, and funds to attend – and graduate – from four-year institutions, and employers systematically screen out those applicants who lack a degree – even when those people have the requisite skills and experience.

While “college for all” is an admirable goal, and is floated as a plan by policymakers, it’s not realistic for everyone, and has been largely unattainable for most. There are:

- Prohibitive costs: For low-and moderate-income families, the cost of college is nearly equal to the family’s yearly income.<sup>2</sup>
- Crippling debt: More than 44 million people in the U.S. owe more than \$1.5 trillion in federal education debt.<sup>3</sup> What’s worse, between mid-2014 to mid-2016, 3.9 million under

graduates with federal student loan debt dropped out,<sup>4</sup> putting them no closer to a career.

- Education deserts: Limited access is another problem, particularly for students in rural areas. Nearly 40% of first-time, full-time college freshmen attend schools fewer than 50 miles from home. But that’s not feasible for the more than 11.2 million adults living in rural areas who must drive over an hour to reach the nearest public college.<sup>5</sup>

There are millions of non-degreed workers with on-the-job experience who need to continue learning to keep pace with the changing nature of work. Going to college isn’t necessarily an option for this group, but they have valuable skills and can be retrained to remain relevant in a workplace that’s increasingly shaped by automation and artificial intelligence.

By excluding candidates without four-year college degrees, employers overlook millions of potential workers who are Skilled Through Alternative Routes (STARs) and have the valuable skills, talent, and drive to succeed in today’s workforce.

These STARs are capable workers with in-demand skills who never get the chance to prove their worth and improve their lives.

### Recognizing Skills Developed Through Alternative Pathways Could Open Doors for Millions

There are literally millions of STARs who have obtained the experience and skills needed to excel in the workplace through

## College Isn’t the Only Way

There are many alternative pathways that can prepare workers for in-demand jobs today.



“ We need to recognize the amazingly vast future of work and create a much wider variety of alternative pathways – besides just four-year colleges. That could be apprenticeships or on-the-job training. It could be boot camps or the certifications. There are so many options.

It’s essential today for the more than hundred million workers in America without a four-year-degree. But it’s really for all of us, because the practices that hurt those without college degrees today may well hurt those with degrees tomorrow.”

Byron Auguste, CEO and Co-Founder, Opportunity@Work

a variety of avenues that are not well understood by most employers. But if we properly value the skills earned through these alternative pathways, employers will be able to tap into a much larger talent pool, fill open positions faster, improve workplace productivity, and build a more diverse workforce.

The most prominent and significant alternative pathway is prior work experience – including military service. Many STARs have accumulated foundational skills over time that are highly relevant for middle- and high-wage work, but candidates today struggle to articulate these skills, and employers struggle to value them.

For example, military service often includes advanced technical training that builds skills that are transferable to the civilian workplace. Veterans can take advantage of programs like the Microsoft Software & Systems Academy, which builds on core values learned in the military and trains vets for civilian jobs in computing or IT.<sup>6</sup> And evidence based on employer surveys shows that workers with relevant experience – but not four-year

## American Veterans and Tech Training

Two thirds of veterans can take advantage of programs like the Microsoft Software & Systems Academy.



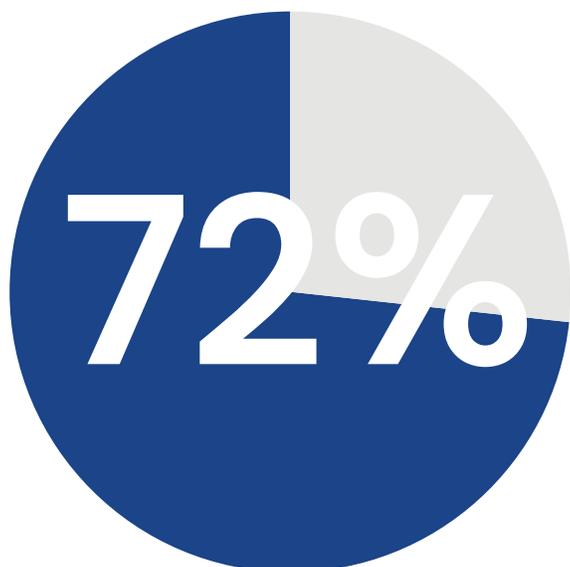
degrees – performed as well or better than recent college graduates.<sup>7</sup>

In addition, there are a host of alternative pathways that teach technical or role-specific skills. For example:

- Bootcamps are high-intensity programs that teach technical skills such as coding, data science, or UX design. According to Indeed.com, 72% of employers think bootcamp graduates are just as prepared to succeed in a job as college graduates.<sup>8</sup>
- Micro-credential programs deliver highly specific, online professional development training and issue competency-based certifications.
- Community colleges provide two years of post-secondary education and grant certificates and associate degrees that prepare students for many jobs.
- Trade schools offer a post-secondary education option designed to provide students with specific technical knowledge for a specific occupation.
- Apprenticeship programs provide quality on-the-job training and work experience in many trades. According to the Department of Labor, 9 in 10 apprentices are employed upon completion of their apprenticeships.<sup>9</sup>

## Bootcamp Grads

The percentage of employers that think bootcamp graduates are just as prepared as college graduates



## Value Candidates with Skills Acquired Through Alternative Pathways

Employers must scrutinize their college degree requirements, remove those that are unnecessary, consider the large pool of talent from alternative pathways, and hire on the basis of skills, not pedigree. Opportunity@Work invites companies and training providers to collaborate with us in elevating the visibility and value of STARs.

If companies, training providers, workforce development funders define, identify, learn from, and invest in alternative pathways, they will fill open positions faster and millions of STARs will get greater access to middle- and high-wage jobs of the future.

By collaborating with partners across the ecosystem to lift up STARs and empower companies to embrace alternative

avenues to career-worthy jobs, we will help companies hire one million STARs over the next decade.

Join us.

## Apprenticeship Programs

9 out of 10 apprentices get jobs after on-the-job training.

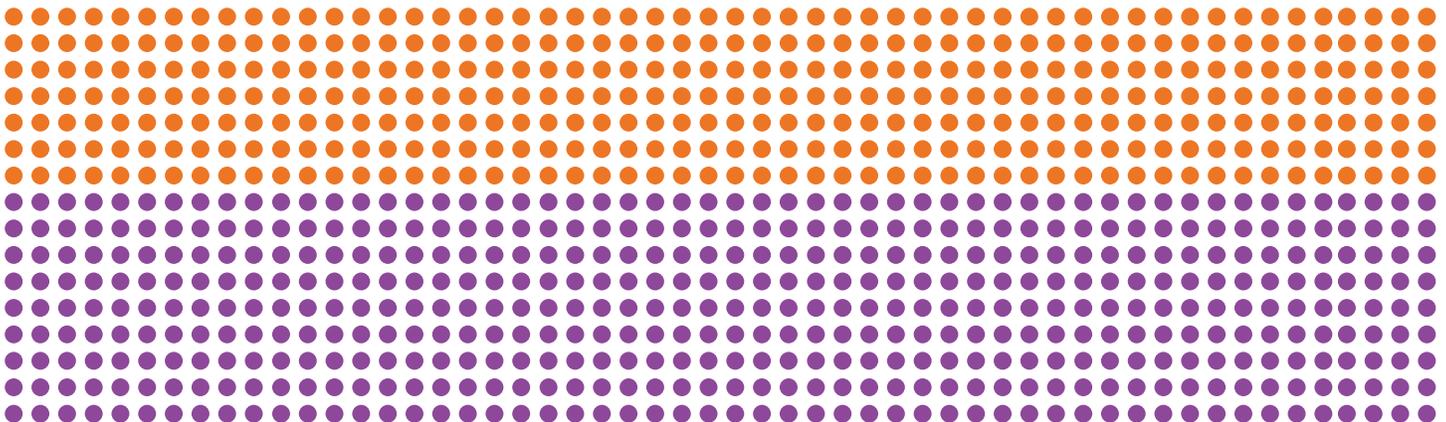


## 120 Million Individuals

According to the U.S. Bureau of Labor Statistics, 120 million individuals in the U.S. labor market graduated from high school but do not have a four-year college degree.

Each Dot =  
139,000 people

● = STARs



<sup>1</sup>United States Bureau of Labor Statistics, "Employment status of the civilian noninstitutional population 25 years and over by educational attainment, sex, race, and Hispanic or Latino ethnicity," Report 2018. <https://www.bls.gov/cps/cpsaat07.html>

<sup>2</sup>Poutre, Alain, Rorison, Jamey, and Voight, Mamie, "Limited Means, Limited Options," March 2017. <http://www.ihep.org/limited-means-limited-options>

<sup>3</sup>Federal Reserve & New York Federal Reserve, "Center for Microeconomic Data," <https://www.newyorkfed.org/microeconomics/topics/student-debt>

<sup>4</sup>Barshay, Jill, "Federal data shows 3.9 million students dropped out of college with debt in 2015 and 2016," November 2017. <https://hechingerreport.org/federal-data-shows-3-9-million-students-dropped-college-debt-2015-2016/>

<sup>5</sup>Eagan, Kevin, Stolzenberg, Ellen Bara, Zimmerman, Hilary B., Aragon, Melissa C., Sayson, Hannah Whang, and Rios-aguilar, Cecilia, "The American Freshman: National Norms Fall 2016," Report 2017. <https://www.heri.ucla.edu/monographs/TheAmericanFreshman2016.pdf>

<sup>6</sup>Military Times, "Going digital: your fast track to a career in tech," April 25, 2019. <https://www.militarytimes.com/native/microsoft-systems-academy/2019/04/25/going-digital-your-fast-track-to-a-career-in-tech-4/>

<sup>7</sup>Fuller, Joseph B., and Manjari Raman. "Dismissed by Degrees: How Degree Inflation Is Undermining U.S. Competitiveness and Hurting America's Middle Class," Report

October 2017. <https://www.hbs.edu/managing-the-future-of-work/Documents/dismised-by-degrees.pdf>

<sup>8</sup>Indeed, "What Do Employers Really Think About Coding Bootcamps?," May 2, 2017. <http://blog.indeed.com/2017/05/02/what-employers-think-about-coding-bootcamp/>

<sup>9</sup>U.S. Department of Labor, "The Federal Resources Playbook for Registered Apprenticeship." <https://www.doleta.gov/oa/federalresources/playbook.pdf>

### Graphic Citations

*In Debt and Dropped Out:* Ben Miller, "Who Are Student Loan Defaulters?," December 4, 2017

*Bootcamp Grads:* Indeed, "What Do Employers Really Think About Coding Bootcamps?," May 2, 2017

*American Veterans and Tech Training:* Military Times, "Going digital: your fast track to a career in tech," April 25, 2019

*Apprenticeship Programs:* U.S. Department of Labor, "The Federal Resources Playbook for Registered Apprenticeship."

*120 million Individuals:* Employment status of the civilian noninstitutional population 25 years and over by educational attainment, sex, race, and Hispanic or Latino ethnicity, 2018.