



Policy Brief Higher Education and Workforce Alignment

Western Governors University (WGU) was built by states to complement and supplement state systems of higher education and bring innovative, adaptable, and accessible educational opportunities to adults seeking a postsecondary pathway to opportunity. As a result, WGU helps state and local economies thrive by providing working adults with flexible, online, competency-based higher education.

Employers appreciate that WGU's competency-based model aligns with workforce needs by adapting programs to meet industry demands. Hundreds of companies have partnered with WGU as the educational provider for their employees because the university offers degree programs and certifications that exclusively lead to in-demand careers.¹ These programs and certificates are informed by industry data that gives insight into the current and future direction of the workforce and the skills needed for specific roles.

WGU's programs closely align with employer needs so employers can confidently trust that WGU graduates have the required job skills and competencies for a position, which are vital when addressing current labor shortages. Approximately 75% of U.S. companies have felt the devastating effects of the ongoing labor shortage², and there are 9.9 million job openings with only 5.9 million unemployed workers to fill those positions.³ Many of these positions need workers with applicable bachelor's and master's degrees in the business, health professions, information technology, and teaching sectors.

To address growing labor shortages, it is critical to increase access to workforce training and to recognize the role of higher education as a part of the solution.

Role of Higher Education

Today's graduates are no longer guaranteed the economic and social mobility enjoyed by previous generations. The National Conference of State Legislatures explained that college graduates will struggle if their degree programs are misaligned with employers' labor needs, and employers will also struggle to find the right talent and skills to fill open positions.⁴ States must invest in opportunities to develop employee talent by supporting higher education. Higher education plays a critical role in being the primary provider of workforce training at the state level.

Higher education must create value for students by aligning program outcomes with in-demand skills. Data suggests that reskilling and upskilling—which allow employees to learn new skills—can help prepare individuals to fill high-demand, open positions.⁵ In fact, a survey of over 2,500 individuals revealed that 82% of employees and 62% of human

resource directors believed workers should reskill or upskill at least once a year to remain competitive in the global job market.⁶

Higher education must hold institutions accountable. While institutional missions may vary in the specific populations served and what programs these institutions provide, policymakers must prioritize outcomes over inputs in higher education. Institutions can make innovation core to their culture and hold themselves accountable for delivering solid results by embracing new models that can serve students better.⁷ Measuring outcomes such as improved completion rates, a strong return on investment, and equity in access and attainment will ensure accountability while enabling innovation.⁸ Though accountability and innovation can be challenging to balance simultaneously, it is possible to do so when institutions are focused on providing educational value for students where instruction aligns with workforce demands.

When higher education is aligned with workforce needs, employers and employees benefit. For example, in a 2020–2021 Strada-Gallup Education poll, 79% of the nearly 20,000 survey respondents cited the ability to support themselves and their families as very or extremely important in their decision to pursue their highest level of education.⁹ These statistics further promote the importance of higher education and workforce alignment such that institutions are accountable for providing valuable education to all learners.

Conclusion

To maintain a robust economy, higher education must be aligned with the needs of today's workforce. This will ensure that individuals have a clear pathway to opportunity while aligning workforce demands with talent supply.

Policymakers should continue to collaborate with educators and business leaders to participate in funding, building, and adapting the educational infrastructure for the future of work. Through these collaborations, policymakers can better understand how to expand access to higher education and workforce training programs to help state and local economies flourish while encouraging greater alignment between higher education and current workforce needs. As colleges and universities face innumerable constraints that propagate the status quo and make innovation challenging, WGU and others are demonstrating what is possible when an institution is clear about its purpose and singularly focused on delivering value to students by aligning education with workforce needs.

About WGU

Established in 1997 by 19 U.S. governors with a mission to expand access to high-quality, affordable higher education, online, nonprofit WGU now serves more than 130,000 students nationwide and has more than 317,000 graduates in all 50 states. Driving innovation as the nation's leading competency-based university, WGU has been recognized by the White House, state leaders, employers, and students as a model that works in postsecondary education. In just 25 years, the university has become a leading influence in changing the lives of individuals and families while training the workforce needed in today's rapidly evolving economy. WGU is accredited by the Northwest Commission on Colleges and Universities, has been named one of Fast Company's Most Innovative Companies, and has been featured on NPR, NBC Nightly News and CNN and in The New York Times. Learn more at wgu.edu and wgu.edu/advocate.

References

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- ⁴ Expand the Labor Force With Workforce Preparation (ncsl.org)
- ⁵ Data Deep Dive: Upskilling and Reskilling Our Workforce | U.S. Chamber of Commerce (uschamber.com)
- ⁶ As Businesses Prepare For The Future Of Work, The Need To Upskill And Reskill Workers Becomes More Essential (forbes.com)
- ⁷ WGU | WGU President Congressional Testimony
- ⁸ Strada (stradaeducation.org)

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