

## EDUCATION INDEX

# The American Dream in Crisis

Data from the new 2024 **EdAssist by Bright Horizons**® Education Index tells a story: How student loan debt and rapidly advancing technology are putting workers' career goals out of reach.

# American dream or nightmare?

**Mounting student loan debt and rapidly advancing technology are stalling careers and creating talent shortages.**

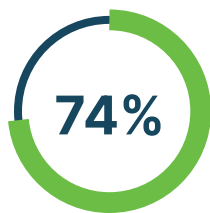
American workers' struggles to achieve career advancement and financial mobility have reached an all-time high. With AI's rapid advancements requiring workers to learn skills and no universal student loan forgiveness in sight, many feel that they are up against insurmountable barriers that prevent them from pursuing the American dream.

Today, student loan debt has taken such a toll on U.S. workers that the majority (68%) who currently have personal student loan debt question whether their degree was worth it, especially as they face the reality of needing to acquire new skills to keep pace with the myriad of technological advancements required for today's workforce.

For companies hoping to combat the current industrial, societal, and economic demands, enabling employees to gain new skills — and grow in their roles — is vital for their businesses' survival. The reskilling revolution has arrived and employers need to have a solid plan in place to move their employees and their business forward.

New data from the **2024 EdAssist by Bright Horizons® Education Index**, conducted by the market research and analytics firm The Harris Poll, **shows workers are luckily onboard for the reskilling ride, with many wanting to prioritize learning and skills development.**

**The online survey of over 2,000 U.S. employees age 18+ shows:**



of workers, and 99% of GenZ employees, are **interested in developing new skills or pursuing additional education**

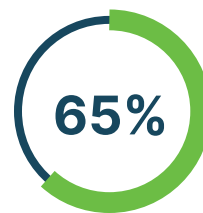
**72%**

would prefer a **short-term approach to learning/ skills building**

**83%**

would be **motivated to pursue education if provided with financial assistance, time and access to information** about available opportunities

**However, significant barriers still weigh heavily on workers' minds**, preventing them from pursuing mutually beneficial learning opportunities:



of employees say **their employer has not given them any training on how to use AI** in their day-to-day work, despite many (42%) wishing for such training from their employer

**53%**

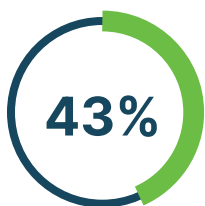
of employees say knowing that they would incur **student loan debt has prevented them from pursuing additional education**

**42%**

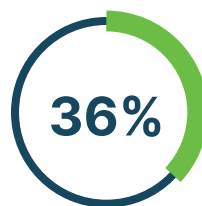
of managers say they **don't feel they have the resources to properly support direct reports** in learning new skills or continuing their education

Student loans, in particular, have had a far-reaching impact and remain an enduring burden on workers who currently have student loan debt.

From its toll on financial and mental wellbeing to its impact on career advancement and presidential voting decisions, student loans weigh down workers.



say student debt has negatively impacted their mental health



say student loan repayment will factor into their voting decision in the 2024 presidential election — with this sentiment jumping to 61% among those who personally have student loan debt

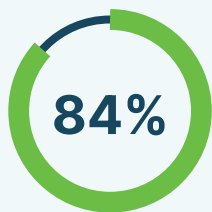
55%

of workers say student loan debt has negatively impacted their financial situation

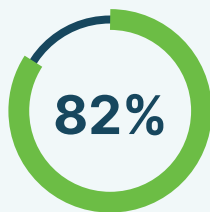
29%

say student debt has negatively impacted their sleep

Companies that find themselves in the talent war should also take notice of employees' eagerness to pursue learning opportunities:



say they would be more loyal to a company that invested in their education



would choose a job at such a company over one that did not offer education benefits



Forward-thinking organizations anticipating the skills needed as technology evolves — and those willing to help their employees overcome the barriers preventing their associated upskilling ambitions — will be able to **potentially future proof their business and solidify a talent acquisition strategy that meets the demands of today's workforce.**

# Workers seek career mobility without a roadmap from employers.

**In an era of constant change, workers seek career mobility — yet they lack direction from employers on how to get there, preventing them from pursuing their career goals.**

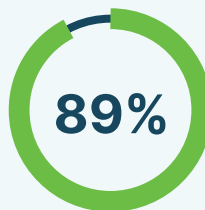
Nearly three quarters (74%) of workers report that they are interested in developing new skills or pursuing additional education, and 45% believe they need more education to achieve their career goals. Additionally, 36% of employees take that a step farther, stating that developing new skills/continuing their education is among their top career priorities.

**However, it's not always easy to determine the right educational path to take — even for the most driven employees.**



**58%** of workers want to learn new skills relevant to their career, but struggle to figure out where to start — with 52% believing it's their employer's responsibility to inform or guide them on how to pursue learning new skills.

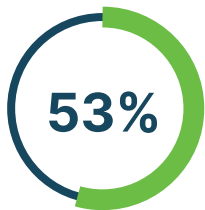
This drive to grow their careers, coupled with added pressures faced in the workplace, may also be causing employees to be more proactive in raising their hands for learning and upskilling opportunities within their companies.



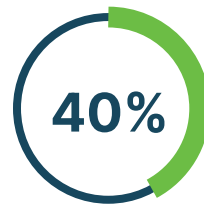
**89%** say it's their own responsibility to pursue new skills — with nearly 2 in 5 strongly agreeing with this statement (38%).

# Student loan debt encumbers workers' financial and mental wellbeing.

The student loan debt crisis is continuing to gain momentum and is having a far-reaching impact on workers of all ages — with 80% of workers with student loans saying it is a huge burden for them. Additionally, it's also having a major effect on their educational pursuits:



53% of workers say knowing that they would incur student loan debt has prevented them from pursuing additional education



40% of workers say they can't advance their career because they can't afford to take on student loan debt for additional education

Beyond the impact student loan debt has on employees' educational decisions, it is also having a negative ripple effect on the day-to-day lives of those who currently carry this burden:

55%

say **student loan debt has negatively impacted their financial situation**, financial situation, with **20% reporting it's had a very negative impact**

43%

of workers say it has **negatively impacted their mental health**

41%

of workers say it has **impacted their plans for the future**

29%

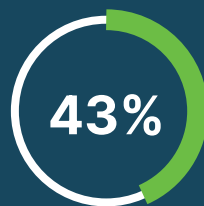
of workers say it **has even negatively impacted their sleep**

Unfortunately, this may have many doubting the return on their investment received through their additional education — **with more than two-thirds of those who currently have student loan debt (68%) feeling the education they received hasn't proven to be worth the impact that student loan debt has had on their overall well-being.**

Many say that student loan debt could play a role in their voting decisions for the upcoming presidential election:



36% say student loan repayment will factor into their voting decision in the 2024 presidential election — with this sentiment jumping to 61% among those who personally have student loan debt



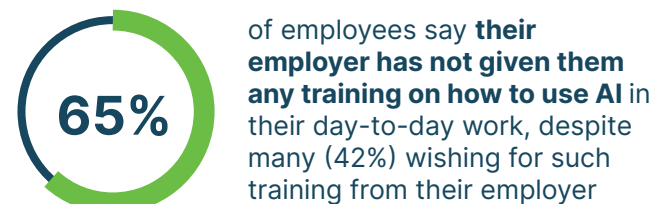
43% of Democrats say student loan repayment will factor into their presidential voting decisions, nearly 1 in 3 Republicans agree (30%)

## AI angst — upskilling expectations don't align with employer-provided trainings.

Artificial Intelligence (AI) is currently the buzzword heard around the world – and the corporate watercooler. However, despite its seeming omnipresence and an ongoing pressure to keep pace with emerging technology, few employees report actually utilizing it regularly.



This low rate of AI adoption may be partly due to a lack of training:



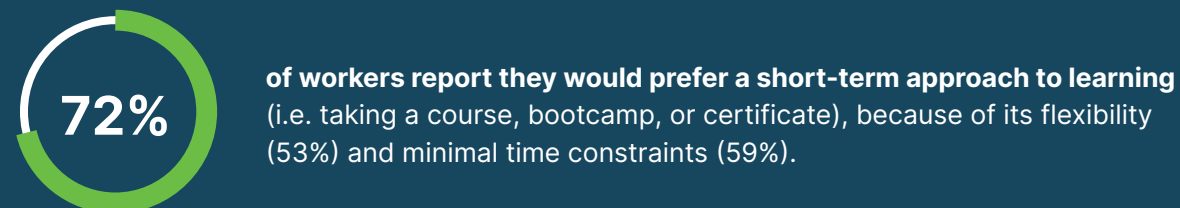
**32%** report that **their employer expects them to learn how to use AI on their own**



Despite the positive impacts AI can have on employees' jobs and their interest in learning how to utilize it, some appear to have concerns regarding their job stability — with 3 in 10 (30%) saying they're worried AI will replace their job and over half (51%) believing AI will have an impact on their job either now or in the future. Perhaps because of these concerns, **AI may be driving employee pursuit of new skills, with 1 in 4 (26%) feeling more pressure to learn new workplace skills given AI advancements.**

## Stackable, skills-based learning is on the rise.

With education costs reaching an all-time high, workers may be increasingly seeing the benefits of nontraditional learning paths.



When combined with the fact that **more than 2 in 5 employees feel pressure to perform tasks outside of their specific role (44%) and want to stay competitive in their industry (48%)**, it makes sense that many are looking for a quick upskilling option.

# A lack of employer guidance amplifies skill gaps and stalled careers.

In recent years, companies have made great strides towards championing their employees and making them feel heard.

This may explain why most employees do not seem to be worried about their employer (72%) or manager (73%) supporting them in pursuing additional education.

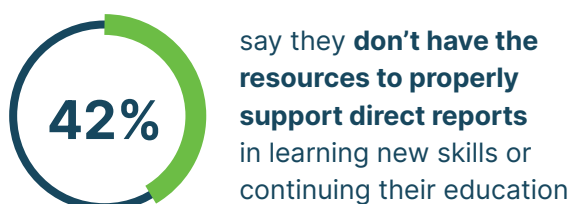
However, there are still hurdles that need to be overcome as few employees report discussing how to learn new skills or how to take advantage of company-provided benefits with their managers:

- ▶ Only 28% of workers have discussed how to learn new, relevant workplace skills with their manager in the past year
- ▶ Only 17% of workers have discussed how to take advantage of company-provided education benefits with their manager in the past year



55% wish their employer provided guidance on how to best accomplish education goals while working

Additionally, while 75% of managers want their reports to learn new skills or continue their education, they also appear to lack guidance on how to navigate these conversations.



Managers cite a variety of offerings that they feel would help them have better conversations with their direct reports about additional education opportunities:



would like a clear understanding of the skill development/education employees would prefer and 34% want to understand the roles their company would prefer employees pursue



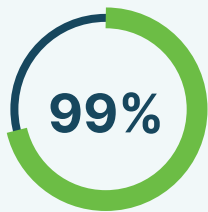
would like additional resources to refer their direct reports to



would like more time during the workday for these types of discussions with their direct reports

## Misunderstood GenZ workers are driving a new education uprising.

While recent work trends may paint younger generations' productivity and commitment in a negative light, data shows they're more likely than their older counterparts to be interested in pursuing additional education, which may be a result of the pressures they feel in the workplace.



**99%** of GenZ workers are interested in developing new skills or pursuing additional education — and aren't shying away from the extra workload that would entail.

However, **Gen Z may be particularly hindered from pursuing education** because they lack clear guidelines from their employer and are more likely than their older counterparts to be dissuaded by the possibility of incurring student loan debt:

**67%**

wish their employer provided guidance on how best to accomplish their education goals

**61%**

believe it's their employer's responsibility to inform or guide them to pursue learning new skills

**69%**

of Gen Z workers say **knowing that they would incur student loan debt has prevented them from pursuing additional education** compared to their older counterparts (vs. 51% Gen X and 28% Boomers)



While one may think that younger generations are more tech-savvy, findings show that **they're more likely than their older counterparts to have anxiety related to AI and to feel pressure to learn new skills as a result** (49% of Gen Z vs. 43% of Millennials, 32% of Gen X and 21% of Boomers).



## Key employer takeaways.

As we continue to navigate an era ripe with technological upheaval and rapid change, employers are increasingly needed to not only embrace a more robust learning approach for their employees to achieve ever-shifting priorities, but also provide the supports needed for employees to feel comfortable taking the mutually beneficial leap.

To help lessen employees' burden, companies need to provide the right benefits that address educational barriers head on. Additionally, for companies that already offer these benefits, it's imperative that they rethink how the offerings are promoted internally as over half of workers are unaware that they have access to education benefits. This will not only result in a more loyal workforce but could positively affect the business's bottom line by increasing employees' upward mobility and reducing turnover (thus decreasing recruiting costs). Employers that implement programs rooted in developing transferable skills will also help their workforce not only navigate but adapt to their ever-evolving industries.



**The employers who win the reskilling revolution will be those that make education investments that simultaneously enable employees to learn and advance while building a workforce that's ready for the future.** This also provides a real opportunity to attract and retain talent, as early adopters that ensure upskilling and reskilling are ingrained in their company's DNA will catch the eyes of GenZers entering the workforce.

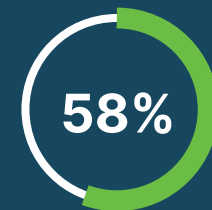
Findings clearly show what workers want from their employers when it comes to their career growth:



would prefer **short-term approach to learning/skills**



report **financial support** in pursuing additional education would encourage them to do so



want to learn **new skills relevant to their career** but don't know where to start



report **knowing they would incur student loan debt** has prevented them from pursuing additional education

## Survey methodology.

**The research was conducted online in the U.S. by The Harris Poll on behalf of Bright Horizons among 2,007 adults aged 18 and over who reside in the U.S and are employed. The survey was conducted from May 13 – 21, 2024.**

Data are weighted where necessary by age by gender, race/ethnicity, region, education, marital status, household size, employment, household income, and smoking status to bring them in line with their actual proportions in the population.

Respondents for this survey were selected from those who 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  $\pm$  3.2 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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