

From Higher Education to Employment

How Your University Can Connect Learning to Career Outcomes

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for campus

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Executive summary

At Coursera, we view employability as an ecosystem: a network of interdependent parts, none of which can succeed without the others. This ecosystem includes two primary actors: the first, students in higher education who are searching for their first, post-degree jobs; the second, employers who are looking to fill entry-level roles.

By providing students with both a holistic education and job-specific skills, higher education has the unique ability to bridge both sides of this ecosystem. With this vision in mind, Coursera launched [Career Academy](#), a solution that prepares students for in-demand jobs with skills training and professional certificates from the world's leading companies, including Google, IBM, and Meta.

In August 2022, following Career Academy's launch, Coursera conducted a survey of 3,600 students

and employers in eight countries—Australia, India, France, Germany, Mexico, Turkey, the UK, and the U.S.—in collaboration with the market research firm, Dynata. Our goal was to gain a holistic understanding of the motivations, needs, and challenges that confront each of these groups as they strive, on the one hand, to complete their studies and begin their working lives and, on the other hand, to foster early-career talent and bring fresh graduates into their businesses. Our sample sizes enabled us to obtain results with an industry-standard range of error at a 95% confidence level.

The story that emerged from our data is definitive and offers valuable learnings for college and university leaders who seek to improve their competitive position in an increasingly crowded higher education landscape. In 2022, students across the globe look to higher education as a stepping stone to a promising job, yet they feel that their institutions are not doing

enough to advance their career goals. At the same time, while employers still value traditional degrees, they increasingly recognize the value of skills-based credentials, like professional certificates, that are tailored to needs of specific jobs.

This e-book unpacks the data gathered in our survey. It begins by describing the trends that are reshaping higher education and work—and, with them, students' expectations and needs. It then presents our top five learnings, each of which contains an action for college and university leaders to consider. It concludes with next steps that your higher education institution can take to connect classroom learning with the career outcomes to which students aspire.

Here are our top five learnings:

- 1** When given 10 options, **43% of students** identified their ability to get a job among the top three factors motivating their decision to enroll in a degree program.
- 2** **More than 50% of students** struggle to both decide what job to pursue and understand what employers are looking for.
- 3** **Nearly 90% of students** either agree or strongly agree that earning a professional certificate will help them stand out to employers and secure jobs when they graduate.
- 4** Professional certificates help hiring decision-makers **solve for their top two challenges:** identifying and validating applicants' skills.
- 5** Employers both recognize and value professional certificates: they are on average **76% more likely to hire a candidate** who has earned one.

Where we are

Today's students approach higher education with a specific goal in mind: to secure a job upon graduation. Across the globe, young adults are voicing their understanding of higher education as a route to a promising career. In a 2022 study, 82% of students ranked job opportunities as their top criteria in choosing a path beyond high school, followed closely by the ability to develop real-world skills and increase their earning potential.¹ A 2021 survey echoed these findings, with 92% of students in the UK affirming that the ability to gain employability skills was a key factor in their choice of university.²

While students increasingly look to higher education to achieve their career goals, their degree programs are falling short of getting them job-ready. Many higher education institutions are not meeting students' expectations for coursework that prepares them for a successful job search upon graduation. Just 19% of recent graduates in the U.S. agreed that their degree equipped them with the skills needed to perform their

first post-degree job.³ In the U.K., the numbers are equally concerning: only 16% of university students and recent graduates surveyed in 2022 felt very prepared for getting a job. In India, tests of key business, communication, analytical, problem-solving, and coding skills have found that 47% of engineering graduates are not employable in knowledge-economy positions.⁴

As the nature of in-demand jobs, and the skills required to perform them, changes, higher education is struggling to keep pace. By 2025, advances in digitalization, data, and artificial intelligence promise to create 97 million new jobs while displacing 85 million existing roles.⁵ These new jobs require new sets and combinations of skills, from analyzing, managing, and communicating data to critical thinking and advanced problem-solving. Yet, without ties to industry, higher education institutions have difficulty identifying these skills and integrating those that are lacking into their degree programs. In India, for example, most STEM students describe

their education as “theoretical with little exposure to industry,” while only 22% agree that their academic programs involved “work-based learning” that prepared them for “real problem-solving.”⁶

These gaps between higher education and industry leave students ill-informed about promising career paths and without the concrete skills needed to pursue them. In 2022, more than half of current university students and recent graduates in the U.K. reported not knowing what job opportunities were suitable for them.⁷ A 2021 study found that the majority of recent graduates in the U.S. had not even applied to entry-level jobs because they felt unqualified and lacked the skills listed in the job descriptions.⁸ This widespread inability of educated young people to enter the workforce has serious ramifications, not only for their professional development and the economic prosperity of the countries in which they live, but also for their senses of self-worth, self-efficacy, and hopefulness about the future.⁹

At the same time, graduates are entering a job market with intense competition for entry-level roles. In today's economy, getting hold on the first rung of the career ladder is exceedingly difficult. A global analysis of nearly four million job descriptions between 2017 and 2021 revealed that 35% called for at least three years of relevant work experience: a percentage that rose to 60% for coveted jobs in software and IT services.¹⁰ Without added, job-specific skills, a university degree is no longer seen as sufficient by many companies. Indeed, since 2020, hiring in the U.S. for entry-level roles requiring a bachelor's degree has fallen by 45%: the sharpest decrease among all categories of educational attainment.¹¹

These interwoven challenges confront higher education at a moment of record global youth unemployment. Long elevated, the global youth unemployment rate in 2021 stood at nearly 16%: more than three times the adult rate.¹² The pandemic dealt a disproportionate economic blow to young people due to their lack of seniority, their concentration

in affected industries, and business' decisions to postpone recruitment, among other factors. In the U.K., for example, persons under the age of 35 accounted for almost 80% of jobs lost in the first year of the pandemic.¹³ By 2022, less than half of the global youth employment deficit created during the pandemic is expected to be recouped.¹⁴

Despite these headwinds, the growth in technology-based jobs provides immense opportunities for students who are prepared to seize them.

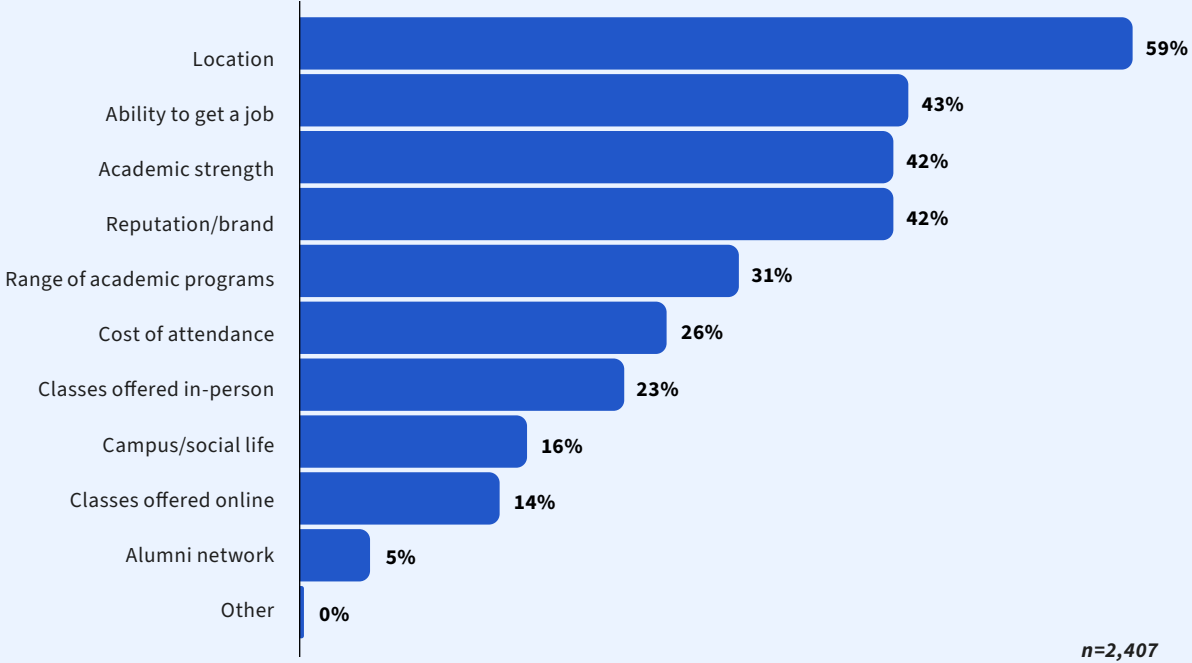
In the coming years, technological shifts will create myriad new, digitally-intensive jobs in fields such as software development, cloud computing, data analysis, cybersecurity, digital marketing, product development, customer success, and more.¹⁵ These shifts, together with the global economy's ongoing digital transformation, will open career pathways with tremendous growth potential. Students who gain the skills needed to pursue these pathways will position themselves for professional success, both immediately upon graduation and throughout their working lives.

Top five learnings

1

When given 10 options, 43% of students identified their ability to get a job among the top three factors motivating their decision to enroll in a degree program. Employability was second in importance only to a school's location—and more important than its academic strength, reputation, and cost. As students increasingly base their decision to pursue higher education on their desired career outcomes, colleges and universities must take action to support student employability in order to remain competitive.

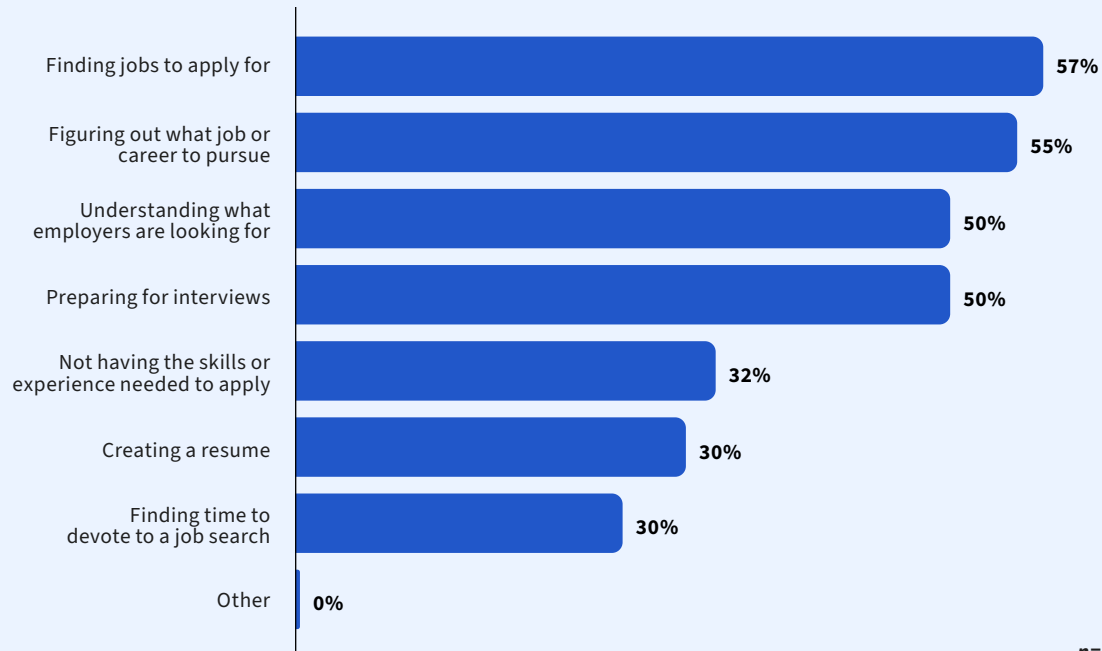
Top three most important factors students consider when choosing a degree program



2

More than 50% of students struggle to both decide what job to pursue and understand what employers are looking for. Receiving a job offer is the endpoint of a broader employability journey: one that begins with becoming aware of and exploring a range of career options. Determining the skills needed to pursue a desired career, and acquiring these skills through a focused plan of study, requires insight into industry dynamics that many higher education institutions are not equipped to provide. Colleges and universities must do more to bridge the gap between classroom learning and industry needs—thus ensuring that their students are prepared to successfully apply for full-time work.

Top three challenges students face in deciding what job to pursue after graduation



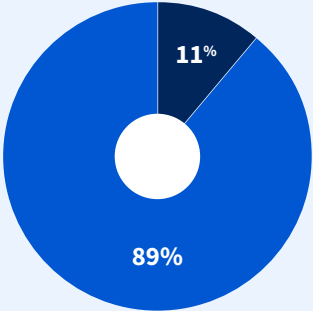
n=2,407

3

Nearly 90% of students either agree or strongly agree that earning a professional certificate will help them stand out to employers and secure jobs when they graduate. Combined with the importance that students place on employability, this may explain why including professional certificates in an academic program makes students, on average, 75% more likely to enroll in that program. By adding professional certificates to their academic offerings, higher education institutions can meet students' demand for job-role-based learning—and boost their competitive standing in the process.

Earning a professional certificate will help me stand out to employers and get a job when I graduate

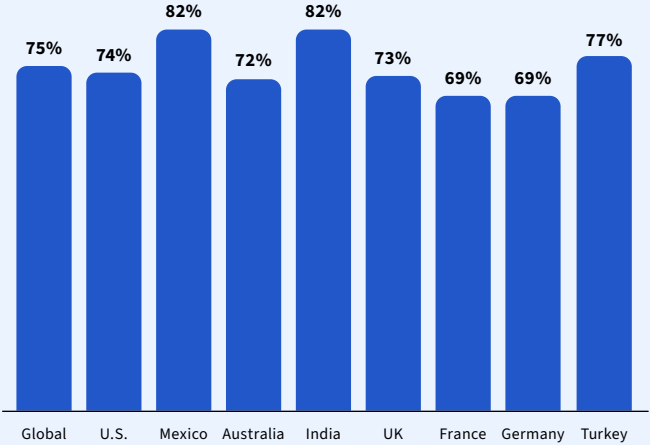
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- Strongly agree or agree
- Strongly disagree or disagree

Influence of professional certificates on students' likelihood to enroll in a degree program

(average %)



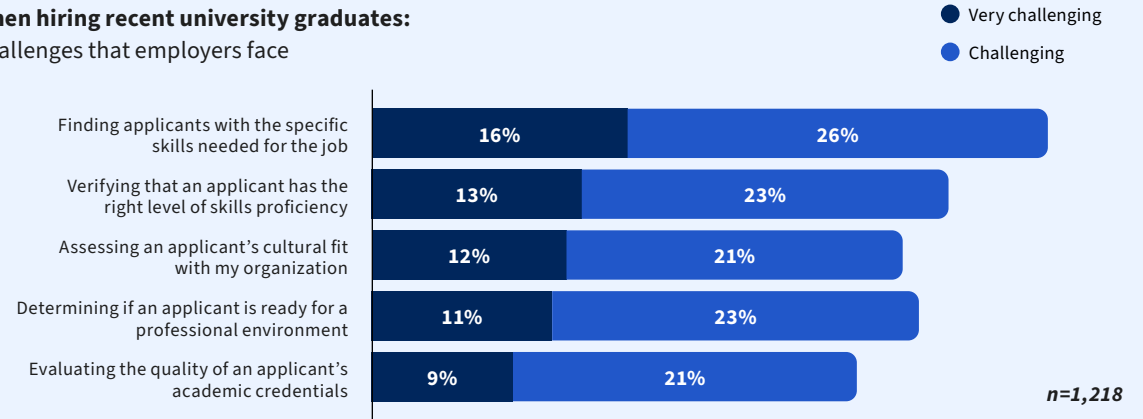
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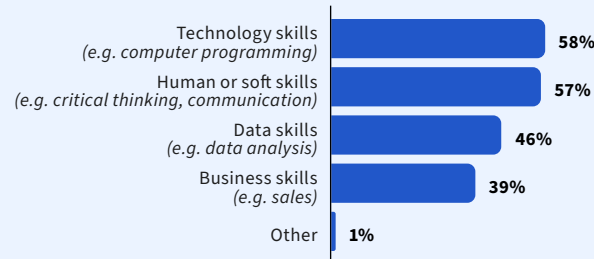
Professional certificates help hiring decision-makers solve for their top two challenges: identifying and validating applicants' skills.

When hiring recent university graduates, 42% of employers report difficulty sourcing candidates with the specific skills needed for the job, while 36% struggle to verify that candidates have the right level of skills proficiency. These challenges apply to both technology and human skills, which employers report are also the most difficult to find in the applicant pool. By earning a professional certificate, students both learn the skills needed for a given job and demonstrate these skills through hands-on projects. The result enables employers to solve their most urgent hiring challenges, providing a powerful signal that students will be successful if hired.

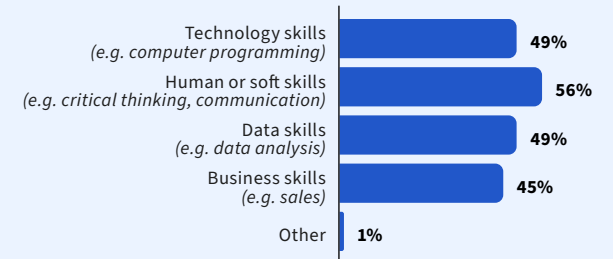
When hiring recent university graduates:
Challenges that employers face



Skills that are most difficult to evaluate



Skills that are most difficult to find



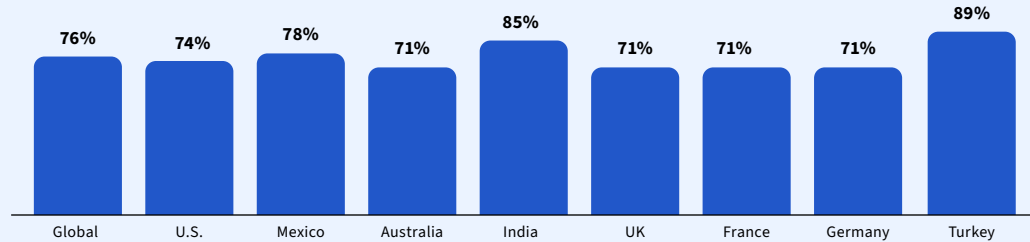
5

Employers both recognize and value professional certificates: they are on average 76% more likely to hire a candidate who has earned one. When

presented with a range of hiring scenarios that include both a candidate with a professional certificate and a candidate without one, hiring decision-makers repeatedly expressed a strong preference for the candidate with a professional certificate. In line with this finding, 92% of employers either agree or strongly agree that a professional certificate strengthens a candidate's application. College and university leaders can thus have confidence that professional certificates will help their students realize the job outcomes that they look to higher education to secure.

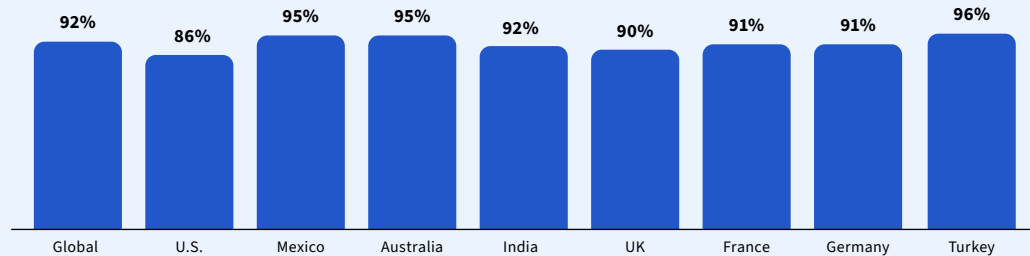
Influence of a professional certificate on an employer's decision to hire a candidate for an entry-level role
(average %)

n=1,218



Strongly agree or agree:
Earning a professional certificate strengthens a candidate's job application

n=1,218



How to take action

By adopting skills-based learning, higher education institutions can fill gaps in their curricula and directly connect their degree programs to the labor market. By thus aligning classroom learning with industry needs, colleges and universities can help their students build confidence and accomplish their career goals. As students' decision-making toward higher education is strongly motivated by their desired job outcomes, improving graduate employability is one of the most impactful steps that higher education leaders can take to attract and retain students.

Employers are taking note, expressing strong interest in skills-based credentials like professional certificates as complements to traditional academic degrees. When assured in quality and developed in partnership with industry, skills-based credentials like professional certificates provide a powerful signal to employers about students' ability to perform

and succeed in a given entry-level role. Indeed, in a recent study, the vast majority (70% or more) of U.S. executives agreed that employees who have skills-based credentials gain credibility and are better performers than their colleagues who do not.¹⁶

When combined with the findings of Coursera's survey, the case is clear: by earning a professional certificate alongside their degree, students pair their academic knowledge with job-specific skills that employers both recognize and value.¹⁷ By enabling students to discover in-demand career paths, build role-specific skills, and earn a professional certificate, all available through Career Academy from Coursera, students connect job exploration and learning with the needs of employers. The result is more job-ready students and more resilient higher education institutions.

Prepare your students for in-demand jobs with Career Academy

Career Academy from Coursera prepares students for for in-demand jobs with skills training and Professional Certificates from the world's leading companies. Students can explore different career paths, earn a valuable credential, and access hands-on learning, no prior experience required.

[Contact us](#) today to learn more about [Career Academy](#).

Endnotes

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