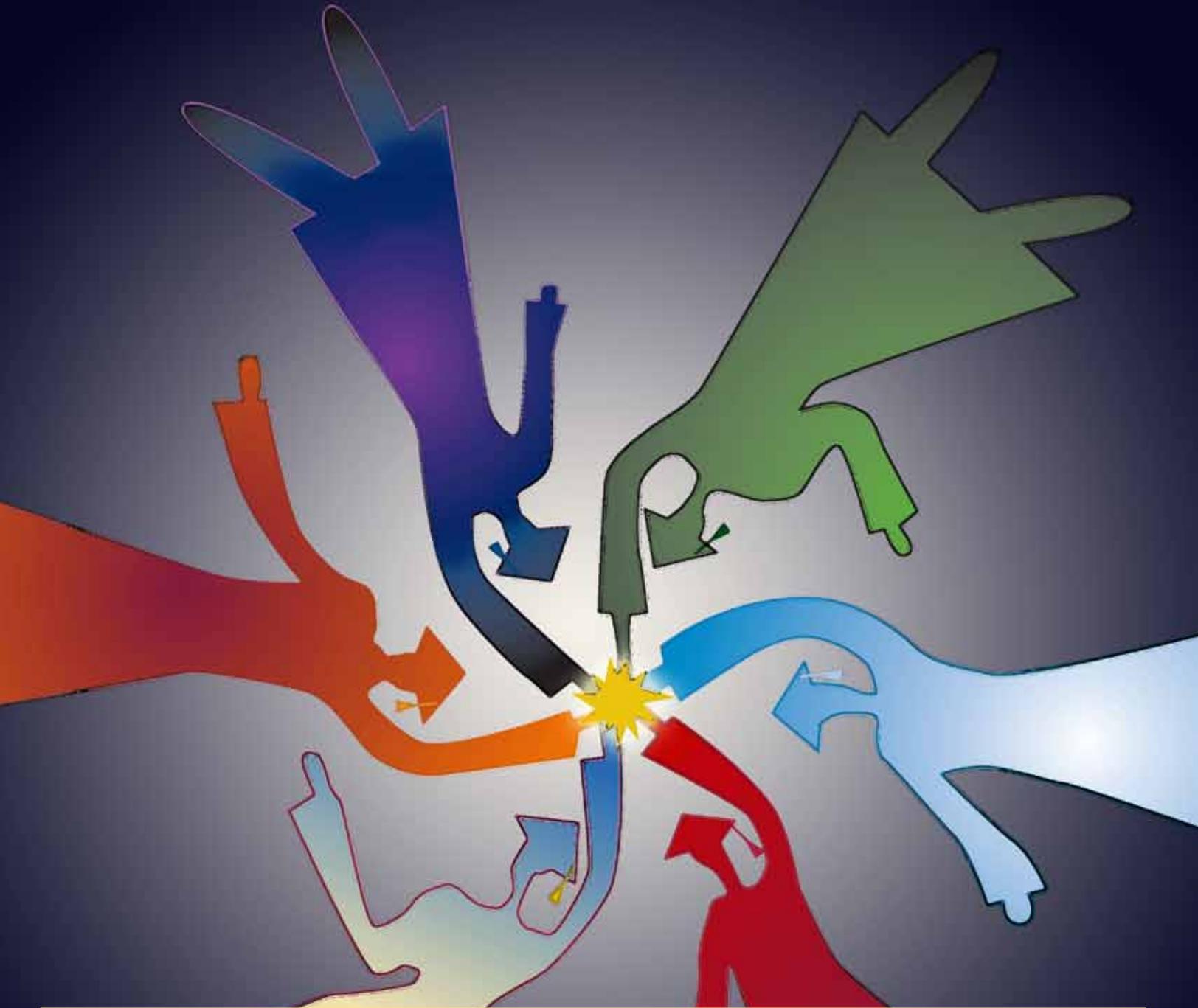


# The Changing World of Work

What Should We Ask of Higher Education?



**American Commonwealth Partnership • American Democracy Project  
American Library Association Center for Civic Life • Augsburg College • Campus Compact  
Imagining America • National Issues Forums Institute • The Democracy Commitment**

*The Changing World of Work: What Should We Ask of Higher Education* is a project of the American Commonwealth Partnership in collaboration with the American Democracy Project, the American Library Association Center for Civic Life, Augsburg College, Campus Compact, Imagining America, the National Issues Forums Institute, and The Democracy Commitment.



The **American Commonwealth Partnership** (ACP) commemorated the 150th anniversary of land-grant colleges through a yearlong alliance of higher education institutions and others dedicated to building “democracy’s colleges” throughout higher education. ACP initiated several ongoing projects, including the research that resulted in this document.



The **American Democracy Project** is a multi-campus initiative of the American Association of State Colleges and Universities focused on public higher education’s role in preparing the next generation of informed, engaged citizens for our democracy.



The **American Library Association Center for Civic Life** was launched in 2010 to build the capacity of libraries and librarians to help citizens get more engaged in the civic life of their communities.



Guided by the faith and values of the Lutheran church and shaped by its urban and global settings, **Augsburg College** educates students to be informed citizens, thoughtful stewards, critical thinkers, and responsible leaders.



**Campus Compact**

**Campus Compact** is a national coalition of more than 1,100 college and university presidents committed to fulfilling the public purpose of higher education. Its resources enable students to develop citizenship skills, and support students, faculty, and staff in forging effective community partnerships.



**Imagining America** brings together publicly engaged artists, designers, scholars, and community activists working toward the democratic transformation of higher education and civic life.



The **National Issues Forums Institute** (NIFI) coordinates a network of civic, educational, and other organizations, and individuals, whose common interest is to promote public deliberation in America.



The **Democracy Commitment** (TDC) is a national initiative providing a platform for the development and expansion of community college programs, projects, and curricula aimed at engaging students in civic learning and democratic practice across the country.

# The Changing World of Work

## What Should We Ask of Higher Education?

THERE IS A PERVASIVE ANXIETY in America about the future of higher education. Spiraling costs combined with seismic changes in the American workplace raise questions about whether a bachelor's degree is still worth the cost. In a recent cover story, *Newsweek* magazine asked: "Is College a Lousy Investment?" For a growing number of Americans, the answer appears to be yes.

Today's students accumulate an average of almost \$30,000 in debt by the time they graduate. They will go into a job market that looks especially bleak for young people. Many college graduates are unemployed or working minimum-wage jobs. Still more are working in jobs that don't require a college credential.

Some of the troubles facing new graduates can be attributed to the post-recession economy. But there are larger forces at work that are transforming the nature of employment in America—forces that colleges and universities have been slow to recognize, much less respond to.

### **The Transformation of the Workplace**

The changing nature of work is reflected in a host of converging trends. For example, the onrush of new technologies is rendering many jobs—even entire occupations—obsolete. Automation is hardly a new phenomenon, but some analysts say the combination of fast computers,

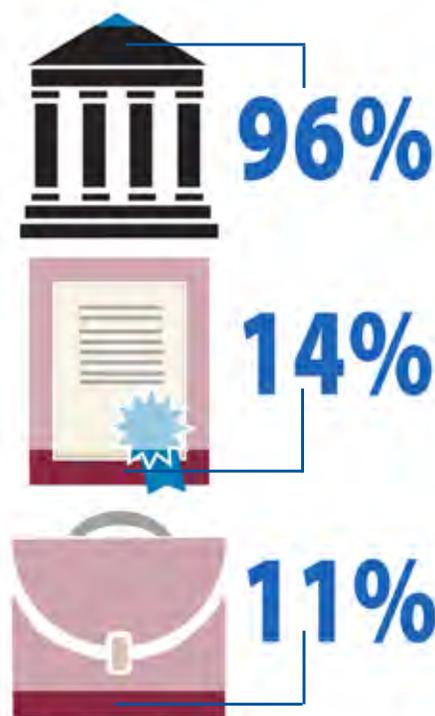


global networks, and sophisticated software is eliminating more jobs than it creates.

Just as technology is reordering the American workplace, globalization is also changing the rules of the game. To maximize efficiency and protect the bottom line, many employers are shifting production and services abroad. Companies are no longer bound in the same way to their employees or the communities in which they live and work.

Given the need for speed and adaptability, employers increasingly rely on a revolving cast of freelancers, independent contractors, and temporary workers—who receive little or nothing in the way of benefits or job security. Once a small segment of the workforce, these workers now make up about one-third of the US workforce. That number is expected to rise to 40 percent—some 60 million people—by the year 2020.

## The Work-Preparation Paradox



96% of chief academics officers rate their institutions as very/somewhat effective at preparing students for the world of work.

14% of Americans strongly agree that college graduates in this country are well prepared for success in the workplace.

11% of business leaders strongly agree graduating students have the skills and competencies that businesses need.

Sources: Lumina Foundation/Gallup Poll 2013

The 2013 Inside Higher Ed Survey of College & University Chief Academic Officers report

### Disengagement and Dissatisfaction at Work

For too many working Americans, work is stressful and unrewarding. More than 50 percent of American employees are “disengaged,” according to one study, and a full 18 percent are “actively disengaged,” meaning they are unhappy and unproductive at work and liable to spread negativity to coworkers.

Work is increasingly unsatisfying but, paradoxically, Americans are taking less time off than they have in decades. Experts refer to it as “defensive overworking.” Employees put in long hours and forfeit vacation time to insulate themselves from cutbacks.

“The labor force participation rate is at its lowest in decades,” writes *New York Times* columnist David Brooks. “Millions are in part-time or low-wage jobs that don’t come close

to fulfilling their capacities. Millions more are in dysfunctional or unhealthy workplaces. . . . The country is palpably in the middle of some sort of emotional recession.”

### The Challenge Facing Higher Education

These changes in the workplace come at a time of tumultuous change in American higher education. At most colleges and universities, tuition is going up, graduation rates are going down, and students are leaving with enormous debt and not enough of the skills needed for productive employment.

A recent Gallup study found that academic leaders are largely unaware of the disconnect between higher education and the workplace. Fully 96 percent of such leaders said their institutions were effective in preparing students for the world of work.

Yet only 14 percent of Americans strongly agreed with that assessment. And when asked whether they were getting enough college grads with the skills they need, barely 1 in 10 business leaders agreed.

“This isn’t just a skills gap, it’s an understanding gap,” says Gallup’s Brandon Busteed. “There is clearly a massive disconnect between higher education and the marketplace in terms of what it means to be prepared for work. The level of intentional collaboration between higher education and employers is downright pathetic at the moment.”

### Questions to Consider

In light of the momentous changes in the economy and the workplace, what should we expect of American higher education? Do our colleges and universities bear some responsibility for the challenges facing young graduates today? Do they owe it to society to train a new generation of entrepreneurs, innovators, job-creators, and citizen leaders? And do we still look to them to be the engines of social progress and economic development they have been in the past?

This publication explores three perspectives on these questions, each of which suggests differing ways that colleges and universities might focus their efforts in addressing this issue.

The first perspective stems from the conviction that the top priority for America’s colleges and universities should be to prepare students for good jobs. The second is based on the view that the mission of educators should be to develop effective citizen leaders, and the third focuses on the role of colleges and universities in driving social and economic development in their local communities.

# Prepare Students for the Job Market

*Colleges and universities should tailor their programs to the real needs of employers and direct more of their educational resources toward vocational and pre-professional training.*



IT USED TO BE that a high school diploma was all you needed to get a job and launch a successful career. But in today's competitive global economy, a high school education will not get most workers past a \$15-an-hour future, if that. Studies show that high school graduates now earn significantly less over their lifetimes than those with a bachelor's degree or higher.

The earnings gap is likely to widen further in the years ahead. According to projections by the Center on Education and the Workforce at Georgetown University, 65 percent

of all jobs will require some post-secondary education by the year 2020. That figure is up from just 28 percent in the 1970s.

This means that success in the workplace hinges more than ever on going to college. The experience is no longer just a means to a good education or a rite of passage to adulthood. For most students, a college degree has become an indispensable ticket to a decent job and a promising career.

This view makes the case that American higher education needs to go back to doing what it does best—preparing students for good jobs. Our

colleges and universities have to raise academic expectations and standards, tailor their programs to the real needs of employers, and direct more of their educational resources toward vocational and pre-professional training.

## **Lagging Academic Performance**

Over the last half-century, college attendance has been rising steadily in the United States. Three-quarters of all high school graduates now go on to get some post-secondary education within two years of earning their diplomas. A college degree has in many

## The Value of Higher Education

What is the most important reason people should go to college?

### General Population



To gain skills and knowledge for a career



To gain a well-rounded general education



To increase one's earning power



To become an informed citizen in a global world



To learn to think critically



To formulate goals and values for life

### College Leaders



21%

14%

2%

19%

30%

8%

Sources: The TIME/Carnegie Corporation of New York poll, conducted online by GFK Custom Research North America, surveyed a national sample of 1,000 US adults and 540 senior administrators at public and private two- and four-year colleges and universities.

ways become what a high school diploma was a century ago—a ticket to a decent job and a fulfilling career.

Not surprisingly, enrollment is surging at American colleges and universities today. But even as attendance is going up, the performance of many students is lagging. Less than half of those who enter college directly from high school graduate within six years. If you factor in community college students, the dropout rate is more than half.

“Many students are increasingly disengaged from the academic part of the college experience,” writes Louis Menand in the *New Yorker*.

“The system has become too big and too heterogeneous to work equally well for all who are in it. The system appears to be drawing in large numbers of people who have no firm career goals but failing to help them acquire focus.”

In *Academically Adrift*, their recent study of student learning, Richard Arum and Josipa Roksa show that about a third of today's undergraduates do not gain any measurable skills during their time in college. And for those who do, the benefits are generally very small. Those who graduate often lack the skills they need to succeed in the workplace—or even to get a job.

“Colleges and universities, for all the benefits they bring, accomplish far less for their students than they should,” says former Harvard University president Derek Bok. “Many seniors graduate without being able to write well enough to satisfy their employers . . . reason clearly or perform competently in analyzing complex, nontechnical problems.”

This has become a serious problem for employers. They say that many, if not most, college diplomas no longer tell them anything about graduates' readiness for productive work. In the past, they used to hire new graduates and train them to become specialists in their field. But in today's competitive economy, fewer companies are willing to invest in training new hires—especially when they fear those employees will leave them to work for a competitor. More than ever, they need graduates who can step immediately into high-skills jobs.

## The Skills Gap

According to some projections, the United States will be short about 1.5 million workers with bachelor's degrees by the year 2020. The problem is not only that America lacks skilled workers, but it's that too many of them are skilled in the wrong areas. Experts describe this as a skills gap—too many degrees are awarded in fields that don't align with job opportunities.

“The market is broken on both sides,” says Eleonora Sharef, co-founder of HireArt, a company that specializes in job applicant screening. “A degree document is no longer a proxy for the competency employers need,” she points out. “But employers also have unrealistic expectations. . . . They don't want to train you, and they expect you to be overqualified.”



Some companies are responding to the problem by using tests with names like “Collegiate Learning Assessment” that screen out job candidates who lack the necessary critical thinking skills. Others are raising their educational requirements.

But finding a long-term solution to the skills gap will require closer collaboration between educators and employers. Academic institutions have to design their courses to meet the real needs of employers, and employers have to partner with colleges and universities to develop the kind of courses and programs that will give students the skills they need to succeed in the workplace.

### What Colleges and Universities Could Do

Poor academic performance, low completion rates, and a widening skills gap can be damaging to students’ career prospects. But they are also costly to employers and take a toll on the economy as a whole. In this view, we need colleges and universities to do a better job preparing

students for the real world of work. Following are some practical actions that could be taken toward strengthening that mission:

- Develop closer partnerships between businesses and academic institutions, so that courses are tailored to meet the evolving needs of employers, and students graduate with the skills they need to succeed in the workplace. *But*, degree programs oriented primarily around workforce development typically lack the elements of a more well-rounded curriculum, like critical thinking, community service, and collaborative problem solving.
  - Offer students direct pathways to graduation with fewer elective requirements, thereby giving them less leeway to take courses that may not apply toward their major or degree program. *However*, academic quality and student engagement may suffer as students have less freedom to explore subjects outside their chosen focus of study—particularly in the humanities.
- Provide more internships and work/study programs that enable students to immerse themselves in the world of work and learn professional skills through direct experience. *However*, this type of on-the-job training would have to either substitute for time spent in the classroom—thereby watering down the curriculum—or extend the time needed to graduate.
  - Colleges and universities can strengthen K-12 education in their communities by working with high school teachers to help them prepare students for college, as well as by offering remedial education and tutoring for struggling students. *But*, this would mean shifting some of the responsibility for basic learning outcomes from high schools to colleges and universities, driving up the costs of an undergraduate education still further. Furthermore, these costs would likely be passed on to students in the form of higher tuition, or to taxpayers in the form of increased state spending on education.
  - Strengthen the accountability of America’s colleges and universities by introducing a rating system that compares schools on factors like how many of their students graduate, how much debt they accumulate, and how much they earn after graduating. *But*, such a system might assess schools based on their students’ future earnings rather than academic achievement. It would also hurt schools with large numbers of students in liberal arts, as these majors do not typically lead to lucrative jobs.

# Educate for Leadership and Change

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*Academic institutions should focus on preparing students to become effective citizen leaders — the men and women who will go on to create the jobs of the future, effect change, and build a better society.*



IN TODAY'S FAST-CHANGING and highly competitive economy, it's not enough to simply train students for jobs. Many of the positions available to new graduates are poorly paid, offer little in the way of job security or job satisfaction, and contribute little to the health and well-being of the community.

This view is based on the idea that colleges and universities need to look beyond today's job market and educate students for the work of the

future. That means equipping them with the skills they need not only to succeed at these jobs, but also to help create new ones. It means educating people to thrive in a world of uncertainty and flux.

Academic institutions also need to prepare students to become effective citizen leaders—men and women who can promote the kind of individual and societal changes that will bring greater opportunities for all people. This will improve

their own career prospects while at the same time changing jobs for the better.

These objectives are reflected in the mission statements of many colleges and universities. Belmont University seeks to empower students “to engage and transform the world,” for example. Clark Atlanta University speaks of “preparing citizen leaders to be problem-solvers.” And Marian University stresses the importance of knowledge and values that can

“transform the individual, our communities and the world.”

But important as they are, these institutional objectives are often overshadowed by more immediate concerns, such as making financial ends meet, keeping pace with the onrush of new technologies, and better preparing students for the workplace. Academic institutions need to renew their commitment to educating students for a world marked by persistent challenges and accelerating change.

### 21st-Century Learning

In this view, colleges and universities should focus on the importance of a broad general education—not just job training. The emphasis should be on teaching students essential aptitudes and habits of mind—not just technical skills. The program should be designed to help students learn how to learn, so they can adapt and thrive in the midst of change. But what does such a curriculum look like?

In *College Learning for the New Global Century*, the National Leadership Council for Liberal Education and America’s Promise describes it as a course of study that ranges widely across different fields of study and types of knowledge. It focuses on the development of both intellectual and practical skills, emphasizes personal and social responsibility, and revolves around solving complex problems and addressing real-life challenges. It also helps students become lifelong “intentional learners.”

Schools that embrace this approach to learning stress the importance not only of academic study but also of experiential education. Students are encouraged

—and in many cases required—to gain real world experience through work/study programs, community service, study abroad, action research, and other programs that integrate theory and practice.

### Civic and Collaborative Learning

These institutions also emphasize collaboration and community-building skills that help students learn how to work better with others to address difficult problems. This work is often done off-campus, as many academic institutions have community partnerships and outreach projects in place that give students opportunities to learn by addressing real world problems.

But civic skills can also be taught in the classroom. “Students actually have a lot to learn from each other,” says Columbia University’s Andrew Delbanco. “The college classroom is perhaps the best rehearsal space for

democracy. Students learn to speak with civility and listen to one another with respect. Most of all, they learn that you can walk into a room with one point of view and walk out with another.”

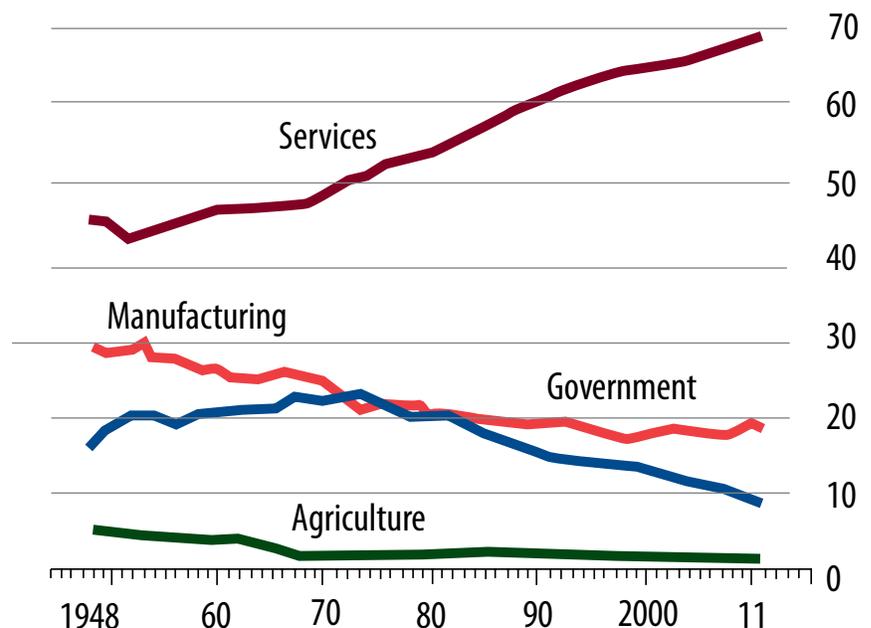
The important thing is that students are given opportunities to sort out values, conflicting issues, and complex moral questions—essential leadership skills in both the business world and the public sphere. That cannot be done through classroom discussion or academic study alone.

### Institutions as Agents of Change and Innovation

Colleges and universities can also prepare students for leadership by embracing their historical roles as cultural critics and social innovators. Schools don’t have to take sides on social and political issues to be agents of change. They can do this by actively encouraging dialogue and debate, by calling attention to social

### Not What It Was

US Employment by Sector, % of Total Employment



Source: US Bureau of Labor Statistics



problems, by encouraging thoughtful conversations about how to address these problems, and by being sources of creative thinking and innovative ideas.

A 2013 study by Walden University found that fully 93 percent of all adults they surveyed believed that schools should offer opportunities for young people to be involved in work for social change. “It is no longer a question of whether or not to incorporate social change initiatives into schools and curricula,” says Walden’s president Cynthia Baum. “We now know it is essential to the development of future generations of social change agents.”

Academic institutions can also play a greater role in shaping the market by partnering with businesses and organizations in assessing future workforce needs. They can direct their sizable research budgets toward addressing challenging social problems. And they can help seed creative social ventures by offering

fellowships and mentoring to student entrepreneurs.

### What Colleges and Universities Could Do

Here are some of the practical ways that colleges and universities can develop effective leaders—the men and women who will go on to create jobs, effect change, and build a better society:

- Redesign the curriculum to emphasize “soft” skills, such as critical thinking, collaborative problem solving, leadership development, professional ethics, and other aptitudes and habits of mind needed for the jobs of the future. *However*, rising tuition and the prospect of heavy debt mean that many students cannot afford to invest in a broad general education, one that focuses on intellectual discovery and the development of “soft” skills.
- Require that undergraduates develop knowledge and skills

outside the classroom, through internships, community service, study abroad, action research, and other experiences that integrate theory and practice. *But*, this approach would undercut the traditional model of liberal education that aims to provide students with an academic environment free of worldly pressures and distractions.

- Make entrepreneurship—both economic and social—an essential component of the undergraduate experience so students continually learn by working with others on solving problems and generating opportunities. *However*, a stronger emphasis on leadership development might not be an appropriate strategy for a general education since not everyone can or wants to be a leader.
- Develop mentorship programs where students are brought together with faculty, alumni, or other community members for one-on-one guidance and support. *However*, mentorship programs could saddle students with yet one more requirement on the already long path to earning a college degree.
- Offer alternative pathways to a bachelor’s degree that embrace national service, travel abroad, coursework at multiple institutions, lifelong learning, and other facets of a broadly defined, diverse, and integrated professional education. *But*, these innovative approaches, many of which have not been widely tested, might compromise academic quality and dilute the market value of a bachelor’s degree.

# Build Strong Communities

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*Colleges and universities should harness their power to create jobs, generate business opportunities, provide essential skills, and drive development in their communities and in the region.*

COLLEGES AND UNIVERSITIES are vital not only to the education of its students but also to the well-being of communities, according to this perspective. They create jobs, generate business opportunities, provide essential skills and expertise, and drive local and regional development.

The idea that colleges and universities have a public purpose and that they are vital stewards of the

common good has a long history in American higher education. Yet over the last half-century, colleges and universities have largely retreated from public life. They have their own intellectual agendas, their own professional norms, and their own distinct culture.

This view stresses that academic institutions need to harness their power to drive social and economic



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development. They can do this by providing intellectual leadership and playing a more active role in the life of their surrounding communities and regions.

### Calculating the Public Benefits

In an era of steep tuition increases and declining state funding for higher education, many Americans wonder whether colleges and universities represent a good investment of taxpayer dollars. Surprisingly little research has been done to measure the public benefits of higher education, but two recent reports shed some light on the question.

One report, which examined the University of Massachusetts’ system, found that for every dollar invested, the community—in this case, the state of Massachusetts—ultimately got about two dollars back in the form of job creation, facilities for public use, and other benefits.

And a case study of Northeastern University in Boston shows that in

2011, the university took in more than \$180 million in public support, either through direct government funding or through tax exemptions. At the same time, the university gave back more than twice that amount in tangible community benefits.

Michael Ash and Shantel Palacio, authors of the first report, concluded that increasing taxpayer funding of public higher education leads to a range of economic benefits. It creates new employment, improves the local and regional job market over time, reduces demand on welfare and other social programs, and creates social benefits in the community linked to increased job security and material well-being.

### The New Power of College and University Towns

Across the country, cities large and small are finding ways to capitalize on their local colleges and universities. They recognize that academic institutions—especially large and prestigious ones—attract money and talent.

Research universities are often the recipients of large research and development grants, for example. These in turn attract world-class scholars and students.

“Universities have long played an important role in research, development, and technology generation,” Richard Florida and his colleagues report in *The University and the Creative Economy*. “Recently, they have proven to be key contributors to regional development, too.” A clear example of this is Stanford University’s role in the development of Silicon Valley.

But the real power of universities has less to do with innovation and economic development per se, according to the authors. It lies in the shift from an older industrial economy to a new “creative economy,” one that revolves around knowledge, expertise, and human capital.

“Universities contribute much more than simply pumping out commercial technology or generating startup companies,” Florida and his colleagues point out.

The university comprises a potential—and, in some places, actual—creative hub that sits at the center of regional development. It is a catalyst for stimulating the spillover of technology, talent, and tolerance into the community.

### Anchor Institutions

Colleges and universities play a multitude of roles in their local communities, in much the same ways as hospitals, sports venues, and art centers. They are vital “anchors” in the community, helping to improve schools, manage natural resources, collaborate with nonprofit groups,

and work with elected leaders to chart the future. Anchor institutions bring people together, engage issues, organize activities, and help the community discover common ground.

Yet, in this view, too few colleges and institutions recognize the influence they have in driving social and economic development. They need to harness their power—as purchasers of goods and services, as employers, through workforce development, as developers of real estate, as incubators of new businesses and technologies, and as providers of economic assistance—to build and strengthen their surrounding communities.

By embracing their important role as stewards of local and regional economies, academic institutions would be in a better position to prepare students for the jobs of the future—and indeed to help shape that future.

## What Colleges and Universities Could Do

Colleges and universities can make an enormous difference in their surrounding communities. Here are some practical steps they could take toward strengthening their ties to the community and promoting social and economic development:

- Apply the university's knowledge and expertise to addressing vital needs in the community, such as improving K-12 education and incubating local businesses. *However*, this would, of course, divert taxpayer dollars earmarked for higher education toward addressing social and economic issues only tangentially related to academic learning and scholarly research.
- Leverage colleges' and universities' sizable assets—their purchasing power, their long-term investments, their real estate projects,

their hiring practices—to improve their local communities. *But*, this could burden institutions already buckling under the strain of unwieldy bureaucracies—especially at a time when many are calling for a return to the basics of teaching and learning.

- Build strategic alliances, community partnerships, and outreach programs that promote two-way collaboration between academic institutions and their surrounding towns, cities, and regions. *But*, in addressing community goals, colleges and universities might have to give up some of their independence.
- Provide public space on college and university campuses for community members to come together, address issues, organize activities, and discover common ground. *However*, opening up campuses to people in the larger community could embroil academic institutions in controversial issues and partisan causes that would compromise their neutrality.
- Make community service a core part of the curriculum and expand work-study programs so students can apply their learning to the real world while at the same time providing valuable services to their communities. *But*, service-learning organizations often assign students to menial roles that do not address real needs or solve actual problems in the community. As a result, service programs can breed cynicism and disengagement.



Holyoke Community College student Kate Blanchard works in the South Hadley Pantry Garden with Pantry Garden Coordinator Susan Brouillette.

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A team of representatives from six institutions of higher learning in Minneapolis and St. Paul, Minnesota, gathered concerns from hundreds of citizens addressing questions such as how colleges and universities are preparing students for the job market and how they can work with communities to shape the changing world of work. Results from this research are the basis for this document.

**Augsburg College**

**Century College**

**Hamline University**

**Metropolitan State University**

**Minneapolis Community and Technical College**

**Minnesota Campus Compact**

**St. Paul College**

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