



# Career Pathways Offer a Better Approach to Postsecondary Education

A quality education and workforce system includes career pathways that combine rigorous academic and technical content that prepare students for both college and career. Students in a high-quality career pathway often earn industry-recognized credentials that provide them with greater employability and allow them to advance more quickly through a career. On the job experiences, through work-based learning or apprenticeship programs, provide real-world training that develop professional skills such as communication, collaboration and problem solving. Students who have access to these pathways can connect their postsecondary education directly to their chosen career and reap the benefits of their education and career more quickly. To provide career benefits to students and meet workforce demands, postsecondary options for Americans must be purposeful, and students need clearer guidance to ensure that the training and education they receive and pay for is giving them skills they need for careers they want.

## Postsecondary Education Challenges

Education has long been viewed as a path towards greater economic opportunity. However, confidence in the benefits of higher education has been falling in recent years. According to a Gallup survey, Americans’ con-

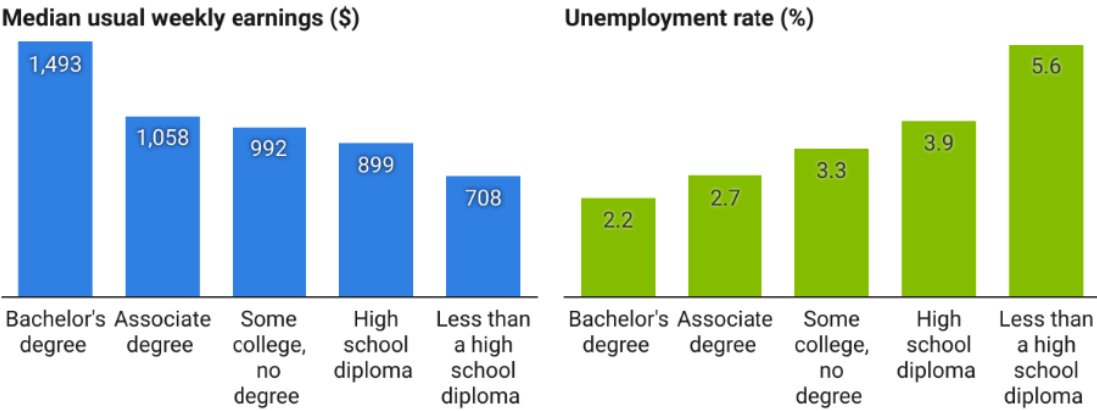
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confidence in higher education fell from 57% in 2015 to 36% in 2024. This lack of confidence may be attributed to the costs of college and underemployment postgraduation.

Colleges have increasingly become more unaffordable, particularly for lower income families. To attend a four-year research institution, 27% of a family’s income is needed on average to cover the cost at public institutions, according to the Southern Regional Education Board’s recent *College Affordability Profile*. That proportion increases as a family’s income decreases. In addition to college affordability, graduates struggle to find jobs that align with their education. A Burning Glass and Strada Foundation report, *Talent Disrupted*, also found that 52% of four-year college graduates are underemployed — in a job that does not require a college degree — a year following graduation, and 45% are still underemployed 10 years later. Research from Oxford Economics also suggests that unemployment for recent college graduates may be a result of entry-level jobs being particularly impacted by AI development and adoption.

### Unemployment Rates and Earnings by Educational Attainment, 2023



*Note: Data are for persons age 25 and over. Earnings are for full-time wage and salary workers.*  
Source: Current Population Survey, U.S. Department of Labor, U.S. Bureau of Labor Statistics • Created with Datawrapper

These jobs, typically filled by new professionals ready to develop their skills in a chosen field, often include tasks that can be accomplished by recent AI technologies. To stay competitive, students and educators are having to rethink what credentials are most valuable in an evolving workforce. Instead of steering away from postsecondary education, states and districts should strengthen career pathway systems that provide direct connections for students and job seekers into good jobs.

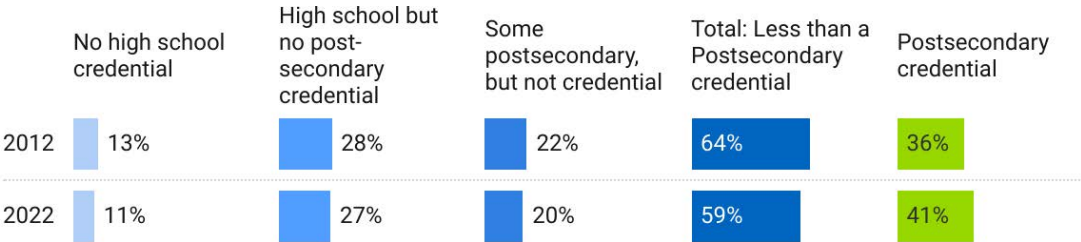
### Persisting Demand for Postsecondary Education

Despite the challenges noted above, SREB continues to advocate for postsecondary education as valuable and necessary in today’s economy, and even more valuable for tomorrow’s economy. SREB defines postsecondary education as industry-recognized credentials, certificates, registered apprenticeships and other high-value professional certifications or licenses, as well as associate, bachelor’s and graduate degrees.

In 2015, SREB’s *Credentials For All* report called on states in our region to increase the percentage of students attaining postsecondary credentials. Based on the 2012 data available for the *Credentials for All* report, postsecondary attainment ranged from 27-45% for Southern states. Since that report came out, all SREB states have increased postsecondary attainment, with gains ranging from 4-9 percentage points according to the U.S. Census Bureau. However, the region still lags behind the country by an average of four percentage points.

Recent projections from the Georgetown Center on Education and the Workforce found in the *After Everything* report suggest that some form of postsecondary education is necessary for workforce success.

### Adults Ages 25-64 by Educational Attainment, SREB Region



Percentages may not add to 100% due to rounding.  
Source: U.S. Census • Created with Datawrapper

“Our findings show, once again, that postsecondary education and training has become the threshold requirement for access to middle-class status and earnings,” CEW director Anthony Carnevale said. “It is no longer the preferred pathway to middle-class jobs; it is increasingly the only pathway.”

According to the CEW, while only 19% of American workers held bachelor’s degrees in 1983, 36% held them in 2021, and by 2031 that number is projected to hit 42%. On the other end of the spectrum, in 1983, 32% of American workers had less than a high school diploma, but by 2021 that number plummeted to 10%. By 2031 the CEW estimates that only 6% of the American workforce will have less than a high school diploma. The projections indicate that while the percentage of jobs requiring bachelor’s degrees will have more than doubled between 1983 and 2031, the percentage of jobs available to workers with less than a high school diploma will have fallen to less than a fifth of what were once available.

Postsecondary attainment in the SREB region still lags projected demand. By 2031, 64% of jobs in the South will require some form of postsecondary training, according to CEW. Currently, job postings data from the SREB region show that over 50% of jobs that indicate desired education require at least a bachelor’s degree; however, recent postsecondary attainment estimates from the Lumina Foundation report that, on average, only 48% of the working-age population (25-54) in the South has any postsecondary training.

Data from the Bureau of Labor Statistics show that there is an almost linear relationship to be found in unemployment data when sorted by education level. Unemployment for adults with less than a high school diploma was at 5.6% in 2023, and then drops for each increment of additional education, falling to 2.2% with a bachelor's degree.

The BLS earnings data tell the same story, although here the relationship is not quite linear — there is a big jump between workers with an associate degree and those with a bachelor's degree. Median weekly earnings for bachelor's degree holders in 2023 were \$1,493. By contrast, workers with associate degrees earned a median of \$1,058 weekly; some college but no degree earned \$992; and workers with a high school diploma earned only \$899.

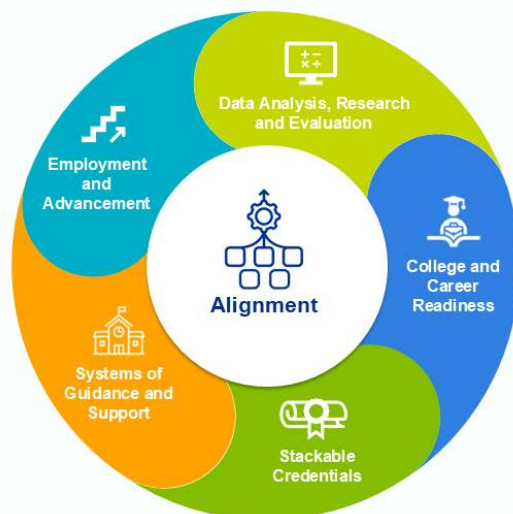
SREB's policy brief *Higher Education Return on Investment for Students, Families and Society* reported that, considering increasing costs of bachelor's degree attainment, the median return on investment is \$306,000 over a lifetime. The policy brief also makes the case for important non-monetary benefits of postsecondary education such as greater civic engagement and better health. The data unequivocally show that most postsecondary education will pay off and make it much more likely to attain a living wage.

## Career Pathways Connect Education and Employment

*Career pathways are connected sequences of education and training that support and prepare students to gain the knowledge and skills needed to attain postsecondary credentials and employment.*

Quality career pathways link to projected workforce needs within a state or region and provide students with the skills and knowledge necessary to succeed in those fields. Multiple studies, as highlighted in a review of causal research by Jim Lindsay and colleagues, have found that career pathways programs found in quality high school career and technical education programs, including career academies, technical centers and comprehensive high schools, offer both academic and employment benefits. These programs often include a number of features, like work-based learning, dual enrollment and industry credentials, that have accelerated student progression through postsecondary, entry into the workforce and earnings. Additionally, dual enrollment also decreases postsecondary time and cost for students.

Based on the research, SREB has identified six key elements of career pathways.



## Alignment

- Alignment is central to the pathway system and lays the foundation from which the other elements are implemented.
- State systems should be aligned across K-12 schools, community and technical colleges, four-year institutions and the workforce to support a rigorous program of study leading to meaningful credentials.
- Alignment allows students and job seekers to have a seamless experience between education institutions by increasing credit attainment and transfer.
- Pathways that are aligned with the labor market demand ensure that jobs are available for students upon graduation.

## Data Analysis, Research and Evaluation

- Labor market data can be used to identify priority occupations and educational pathways that offer high wage, high demand and high skill options for students entering the workforce.
- Longitudinal Data Systems allow education professionals and policymakers to monitor education and labor market outcomes.

## College and Career Readiness

- Academic and technical content should be integrated into all programs of study.
- Programs of study include, to the extent possible, work-based learning, internships and apprenticeships.
- Industry leadership in the development of pathways is essential to define necessary knowledge and skills of occupations so that students are employable and career-ready.

## Stackable Credentials

- Industry recognized credentials should be embedded within programs of study. These credentials provide on and off ramps so that students can advance in their careers at multiple points and are not confined to an “all or nothing” postsecondary experience.
- Systems to review and monitor noncredit credentials to maintain quality relevancy should be in place.

## Systems of Guidance and Support

- Students should receive timely college and career guidance.
- Guidance provides students with insight into priority occupations and their aptitudes and interests, which helps students to identify a career best suited for them.

## Employment and Advancement

- The ultimate aim for any pathway is for students to find meaningful employment and be well-positioned to advance in their career.



## Paving the Way for Success

Students should receive tangible benefits to their education efforts. Effective career pathways give students a program of study where they gain the right skills and credentials for the jobs they seek without losing time on credits and degrees that don't fit their long-term goals or lead to a career.

SREB is currently convening a Commission on Career Pathways and Credentials chaired by Gov. Brian Kemp of Georgia. Launched in January 2025, the Commission will publish a series of briefs with recommendations on aligning policies, governmental agencies, education institutions, and business and industry stakeholders to develop effective pathway systems that support students to achieve their career goals and meet workforce demands. These briefs will provide actionable strategies for states and their workforce partners to leverage career pathway resources to provide students and job seekers with meaningful career opportunities.

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