



Employers Rethink Need for College Degrees in Tight Labor Market

Description



The tight labor market is prompting more employers to eliminate one of the biggest requirements for many higher-paying jobs: the need for a college degree. Companies such as Alphabet Inc.'s Google, Delta Air Lines Inc. and International Business Machines Corp. have reduced educational requirements for certain positions and shifted hiring to focus more on skills and experience. Maryland this year cut college-degree requirements for many state jobs—leading to a surge in hiring—and incoming Pennsylvania Gov. Josh Shapiro campaigned on a similar initiative. U.S. job postings requiring at least a bachelor's degree were 41% in November, down from 46% at the start of 2019 ahead of the Covid-19 pandemic, according to an analysis by the Burning Glass Institute,

a think tank that studies the future of work. Degree requirements dropped even more early in the pandemic. They have grown since then but remain below prepandemic levels. The shift comes as demand for workers remains high and unemployment is low. Job postings far outpace the number of unemployed people looking for work—10.7 million openings in September compared with 5.8 million unemployed—creating unusually stiff competition for workers. The persistently tight labor market has accelerated the trend that builds on a debate about the benefits and drawbacks of encouraging more people to attend four-year colleges and as organizations try to address racial disparities in the workplace. Some occupations have universal degree requirements, such as doctors and engineers, while others typically have no higher education requirements, such as retail workers. There is a middle ground, such as tech positions, that have varying degree requirements depending on the industry, company and strength of the labor market and economy. Lucy Mathis won a scholarship to attend a women in computer science conference. There, she learned about an IT internship at Google and eventually dropped out of her computer science undergraduate program to work at the company full time. The 28-year-old now makes a six-figure sum as a systems specialist. “I found out I had a knack for IT,” she said. “I’m not good at academics. It’s not for me.”

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Date Created

November 26, 2022

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