

THE AGILITY IMPERATIVE

HOW EMPLOYERS VIEW PREPARATION FOR AN UNCERTAIN FUTURE

ASHLEY P. FINLEY

AAC&U

MORNING CONSULT®

THE AGILITY IMPERATIVE

HOW EMPLOYERS VIEW PREPARATION FOR AN UNCERTAIN FUTURE

With a foreword by Lynn Pasquerella

Ashley P. Finley

AAC&U Vice President for Research and Senior Advisor to the President

1818 R Street NW, Washington, DC 20009
©2025 by American Association of Colleges and Universities
All rights reserved.

MORNING CONSULT®

CONTENTS

Foreword by Lynn Pasquerella | iii

Acknowledgments | iii

Introduction | 1

Key Findings | 3

Methodological Overview and Sample Profile | 4

PART ONE
Employer Confidence in and Expectations for Higher Education | 6

PART TWO
Employer Views on What's Needed for Career Success | 9

PART THREE
Employer Views on How Prepared Students Are to Succeed | 17

PART FOUR
Communicating Workforce Skills Beyond the Transcript | 23

Final Thoughts and Recommendations | 27

Notes | 29

FOREWORD

For more than a quarter of a century, the American Association of Colleges and Universities (AAC&U) has been focused on the role of liberal education in workforce development.

In the early 2000s, AAC&U developed an employer-educator compact in which business leaders were among several key stakeholders invited to identify the essential learning outcomes of a liberal education. Employers, accreditors, and educators alike explicitly endorsed those outcomes.

Since that time, we have regularly surveyed employers as one measure of how well colleges and universities are doing at preparing students for the workforce. This research has helped ensure that the educational experiences and learning outcomes we champion have remained responsive to changing workforce needs and employer expectations.

Today, at a time of rapid technological change, shifting workforce needs, and deep questions about the future of work, the findings of AAC&U's latest employer survey offer both reassurance and a clear call to action. Employers' confidence in higher education remains relatively high, and there is a clear consensus on the core values of higher education. Overwhelming majorities believe higher education should help students become informed citizens, create an environment where students of all backgrounds feel supported, provide a platform for exploration of diverse ideas, foster cross-cultural understanding, engage with and serve the community they are in, and provide a skilled and educated workforce for the economy.

Moreover, employers continue to affirm what AAC&U's mission has long emphasized: that the broad capacities developed through a liberal education—critical thinking, ethical reasoning, communication, teamwork, and the ability to adapt to new contexts—are precisely the qualities most needed to thrive in today's economy and civic life.

Yet the survey also underscores a growing imperative. Employers seek graduates who can bridge ideas with application, and who can move seamlessly between classroom learning and the demands of a dynamic workplace. Our challenge—and opportunity—is to make visible the connections between liberal education and meaningful careers, helping students see how the habits of mind they cultivate prepare them not only for their first job but for a lifetime of innovation, resilience, and leadership.

AAC&U is committed to advancing this work in partnership with colleges, universities, and employers nationwide. Together, we can ensure that all students, regardless of background, have access to the forms of learning that empower them to flourish in their professions and contribute to the common good.

Lynn Pasquerella
President
American Association of Colleges and Universities

ACKNOWLEDGMENTS

*This report would not have been possible without the team at Morning Consult, Amy Davis' keen copyediting, and AAC&U's fabulous communications staff. A special thanks to Dan Adler at D*MNGOOD for the outstanding design of this report.*

This report marks nearly twenty years since AAC&U published its first employer research report. In the interim, much has occurred within and around higher education. The intent of conducting this research has also changed over time.

When our employer research began, the intent was to advance the idea that there are broad skills that transcend disciplines, linking the breadth of learning in general education with the depth of learning students' gain in their chosen majors—what would eventually become the Essential Learning Outcomes (ELOs).[1] What we were able to demonstrate in that initial research was that the articulation of those outcomes resonated beyond college campuses and had import among employers. When the ELOs appeared two years later, with language endorsed by employers, it was one of the first "lists" of what are now viewed as "durable" or "transferable" skills. Now there are dozens of such lists. One of the most widely referenced is the National Association of Colleges and Employers (NACE) Career Competencies,[2] which has close alignment with the ELOs.

But it's not just the wide acknowledgment of broad skills and their alignment with learning outcomes that has gained traction, in addition to an increase in skills-based hiring practices among employers.[3] The way colleges and universities have had to consider higher eduation's contributions to the public good, including career attainment, has also expanded in important ways. Much of the last decade has been hyperfocused on making new arguments for higher education's "return on investment." Perhaps because public sentiment is not as easily swayed by economic data points alone, the narrative for the value and purpose of a college degree continues to be built. For example, Georgetown University's Center on Education and the Workforce has helpfully differentiated what it means to have a "good job," not just any job.[4] The American Council on Education (ACE), in its stewardship of the Carnegie Classifications, has created a

database to identify how institutions support students' economic mobility, within which "Opportunity Institutions" are defined.[5] Strada's "State of Opportunity Index"[6] provides a comprehensive assembling of state-level metrics of achievement across factors such as affordability and value of the degree. In other words, AAC&U's latest employer research arrives at a time full of good thinking and solid data around career readiness.

The findings in this report should be leveraged alongside this research. Doing so will provide a variety of stakeholders (e.g., students, faculty, staff, administrators, parents) with the fullest picture of the value of a college degree. In this report, you will find arguments for advancing transparency for curricular (and cocurricular) learning outcomes and investments in high-impact practices—particularly those that are civic- and community-based. You will also find nudges for innovation toward artificial intelligence (AI) literacy, micro-credentials, and the articulation of mindsets and dispositions as core "learning" outcomes.

In addition, you will find hope for a more expansive narrative of just what a college education prepares students to do in the workforce. Employers' vision of a skilled workforce is one that includes civic skills. A rising generation of employers (under the age of 40) see not only the value of critical thinking but also the value of civility, constructive disagreement, and efforts to engage diverse perspectives. More than seventy years ago, President Truman's Commission on Higher Education wrote, "[T]he democratic way of life can endure only as private careers and social obligations are made to mesh, as personal ambition is reconciled with social responsibility."[7] Our collective call to action is to recognize that healthy communities persist on the strength of educational attainment, not in spite of it. Democracy thrives when people have the opportunity to have both careers and lives of purpose.

KEY FINDINGS

Compared with the general public, employers have far more confidence in higher education and see it as a worthwhile investment.
Regardless of the range of support for higher education demonstrated within public opinion surveys, employers consistently report greater support for college and universities and the value of a degree.



Employers rated the provision of a skilled and educated workforce as the leading purpose of higher education. But helping students to become informed citizens was a close second.
Across a range of skill areas and experiences, it is clear that employers value civic skill-building as a critical component of higher education's contribution to workforce development, including the ability to engage in constructive disagreement.



Employers continue to endorse a broad range of skills, abilities, and mindsets as essential for workforce success. This now includes the ability to use artificial intelligence (AI) tools.
Although the skills employers seek have strong alignment with curricular learning outcomes, there is room for improvement in how colleges and universities are preparing students to succeed across skill areas, including AI literacy.

A student's engagement in hands-on, applied experiences can help them stand out in the hiring process.
Employers under the age of 40 are even more likely to value experiences that engage communities, global issues or settings, and project-based efforts.

Employers view electronic portfolios (ePortfolios) and micro-credentials as useful tools for graduates to communicate the breadth and depth of their learning, experiences, and attainment.
Nearly half of employers reported that possessing a micro-credential is "very valuable" when making hiring decisions, but it matters most if the issuer is a college/university in partnership with an industry leader.





Employers strongly endorse diverse perspectives and learning environments that promote open discussion and are free from restrictions.
This is true of employers from across the political spectrum. However, support for these conditions is strongest among employers who identify as liberal.

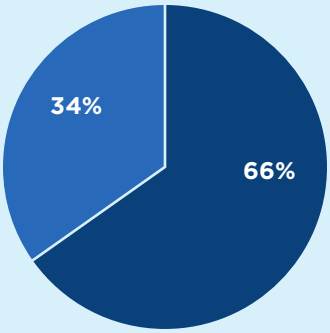
METHODOLOGICAL OVERVIEW AND SAMPLE PROFILE

The following report presents findings from an online survey conducted in August 2025. The survey was developed by AAC&U, in collaboration with Morning Consult. The survey was administered online by Morning Consult to a sample of 1,030 employers. For the purposes of this study, employers were defined as individuals working in either the private or public sector, who hold a job title of manager or higher. To qualify for the study, employers had to work for an organization that employs at least 25 people. Results for the full sample of employers have a margin of error of plus or minus 3 percentage points. Throughout the report, statistical differences between groups are noted with an asterisk (*).

FIGURE 1

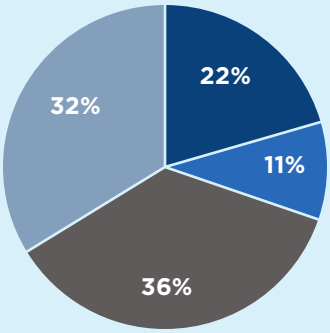
Demographic profile of employers

GENDER



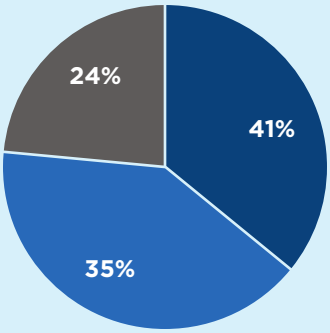
- Male
- Female

EDUCATION



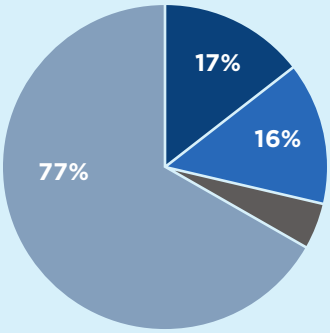
- Less than Associate's Degree
- Associate's Degree
- Bachelor's Degree
- Postgraduate Degree

AGE



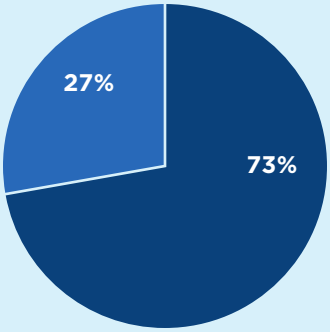
- Under 40
- 41–49
- 50+

RACE/ETHNICITY



- Black
- Hispanic
- Other
- White

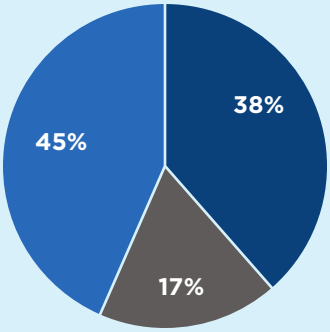
JOB POSITION



- Hiring Manager
- Executive

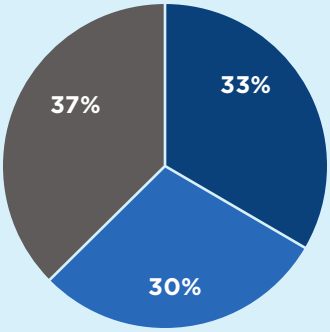
Hiring managers are defined as employers at a manager or director level who have been involved in hiring activities over the past eighteen months.

POLITICAL AFFILIATION



- Democrat
- Republican
- Independent

POLITICAL IDEOLOGY



- Liberal
- Moderate
- Conservative

Percentages exceed 100% because respondents could choose multiple categories.

FIGURE 2

Profile of companies and industries represented

REGION

Northeast	21%
Midwest	17%
South	41%
West	20%

COMPANY SIZE

25–99	25%
100–499	26%
500–999	24%
1,000+	25%

TYPE

Private company	73%
Publicly traded company	10%
Nonprofit organization	10%
Government agency or municipality	6%

ORGANIZATION REACH

Local	23%
Regional	23%
National	35%
Multinational	19%

PRIVATE SECTOR INDUSTRIES*

Technology	30%
Manufacturing	11%
Construction	10%
Retail	9%
Banking and Financial Services	8%
Healthcare/Medicine	7%
Hospitality or Restaurant/Food Service	6%
Professional Services	6%
Other	4%
Engineering	3%
Service	3%
Transportation	3%
Automobile/ Automotive	2%
Insurance	2%
Real Estate	2%
Telecommunications	2%
Advertising	1%
Biotechnology	1%
Legal	1%

* Percentages exceed 100% because respondents could choose multiple categories.

Employer Confidence in and Expectations for Higher Education

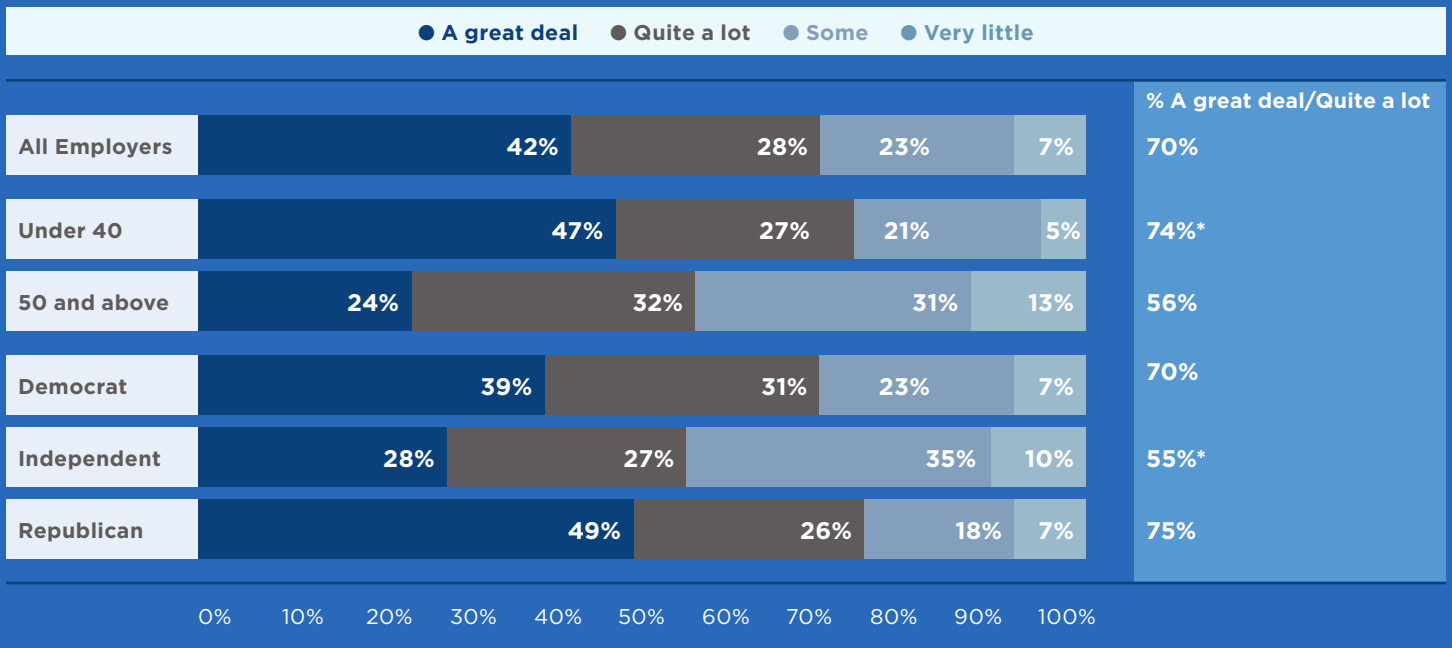
Employers have confidence in higher education and view the degree as a worthwhile investment.

As public confidence in higher education continues to fluctuate,[1] AAC&U research has consistently shown that employers strongly value higher education. For example, compared with 42 percent of US adults who report a "great deal" or "quite a lot" of confidence in higher education, 70 percent of employers think the same. This is especially true of employers under the age of 40 and those who identify as Republicans. Moreover, although only 20 percent of Republicans, in general, report having a "great deal" or "quite a lot of confidence" in higher education,[2] employers who identify as Republicans in our study reported the highest levels of confidence, compared with Democrats and Independents (see Figure 3).

FIGURE 3

Employers have high levels of confidence in higher education.

Prompt: Please indicate how much confidence you, yourself, have in higher education in the United States:

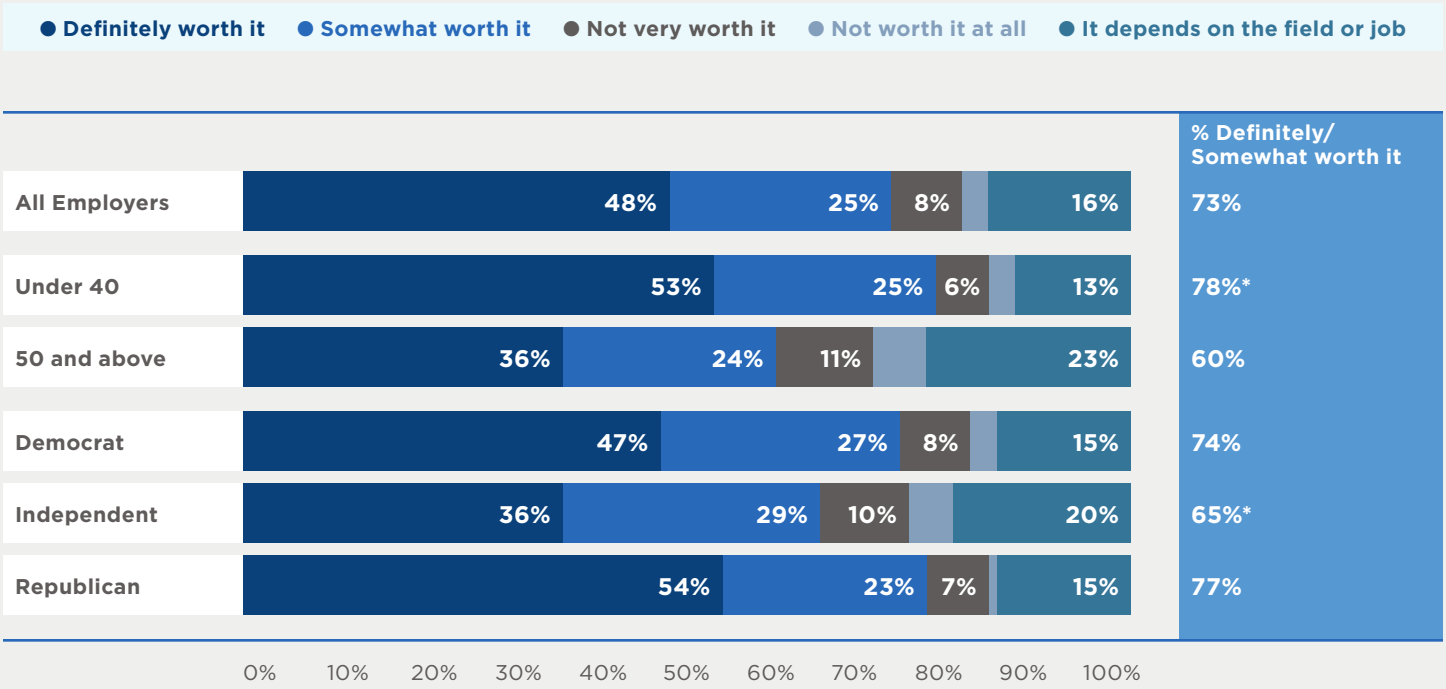


Employers under the age of 40 were significantly more likely to see a college degree as "definitely" or "somewhat" worth the time and investment, compared with employers age 50 and above. Employers who identify as Independent reported significantly lower levels of confidence in higher education and were less likely to see it as a worthwhile investment, relative to employers who are Democrats or Republicans (see Figure 4).

FIGURE 4

Employers view higher education as worth the time and investment.

Prompt: In your view, is a college degree worth the time and financial investment it typically requires?

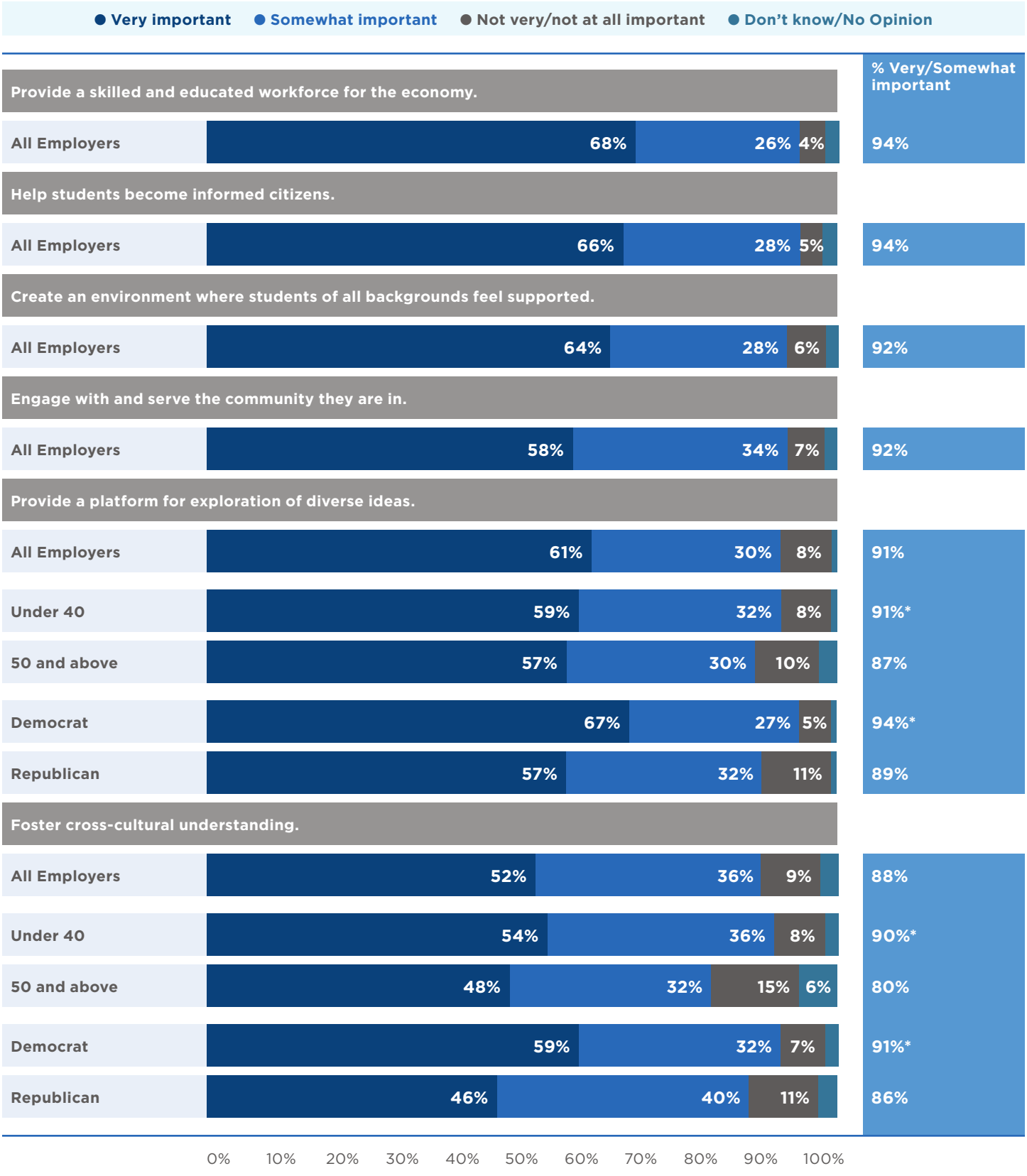


Amid debates on what the purpose of college ought to be, little has been written about purpose from the vantage point of employers. Our findings suggest employers have a more nuanced perspective on the intent of college than simply feeding workforce needs. While nearly seven out of ten employers report it is "very important" for college and universities to provide a "skilled and educated workforce," nearly as many (66 percent) think it is important that college equip students to "become informed citizens." In fact, about 60 percent of employers, on average, viewed aspects of civic responsibility (i.e., informed citizenship, serving communities, exploring diverse ideas, and fostering cross-cultural understanding) as "very important" purposes of colleges and universities. Employers under the age of 40 and those who identify as Democrats were significantly more likely to view the exploration of diverse ideas and fostering cross-cultural understanding as very important, relative to older employers and those who identify as Republicans (see Figure 5).

FIGURE 5

Employers' views of the purpose of colleges and universities is more expansive than simply preparing students to enter the workforce.

Prompt: How important do you think it is for colleges and universities to do each of the following?



PART TWO

Employer Views on What's Needed for Career Success

For nearly twenty years, AAC&U research has tracked the skills and abilities that employers value. We have done this with an eye toward the core undergraduate learning outcomes that inform general education and major curricula. Our latest research reinforces the importance of students having the ability to apply their learning to real-world problems and contexts. Additionally, employers have once again indicated that the ability to work in teams and to speak effectively are of high importance; both outcomes have been among the top three skills seen as "very" or "somewhat important" in AAC&U employer research since 2021.

FIGURE 6

Employers give high marks to real-world application, teamwork, and verbal skills. Responses also reflect the emerging importance of AI literacy.

Prompt: Please indicate how important it is that recent college graduates demonstrate proficiency in each of the following skills when being hired for entry-level positions at your company or organization.

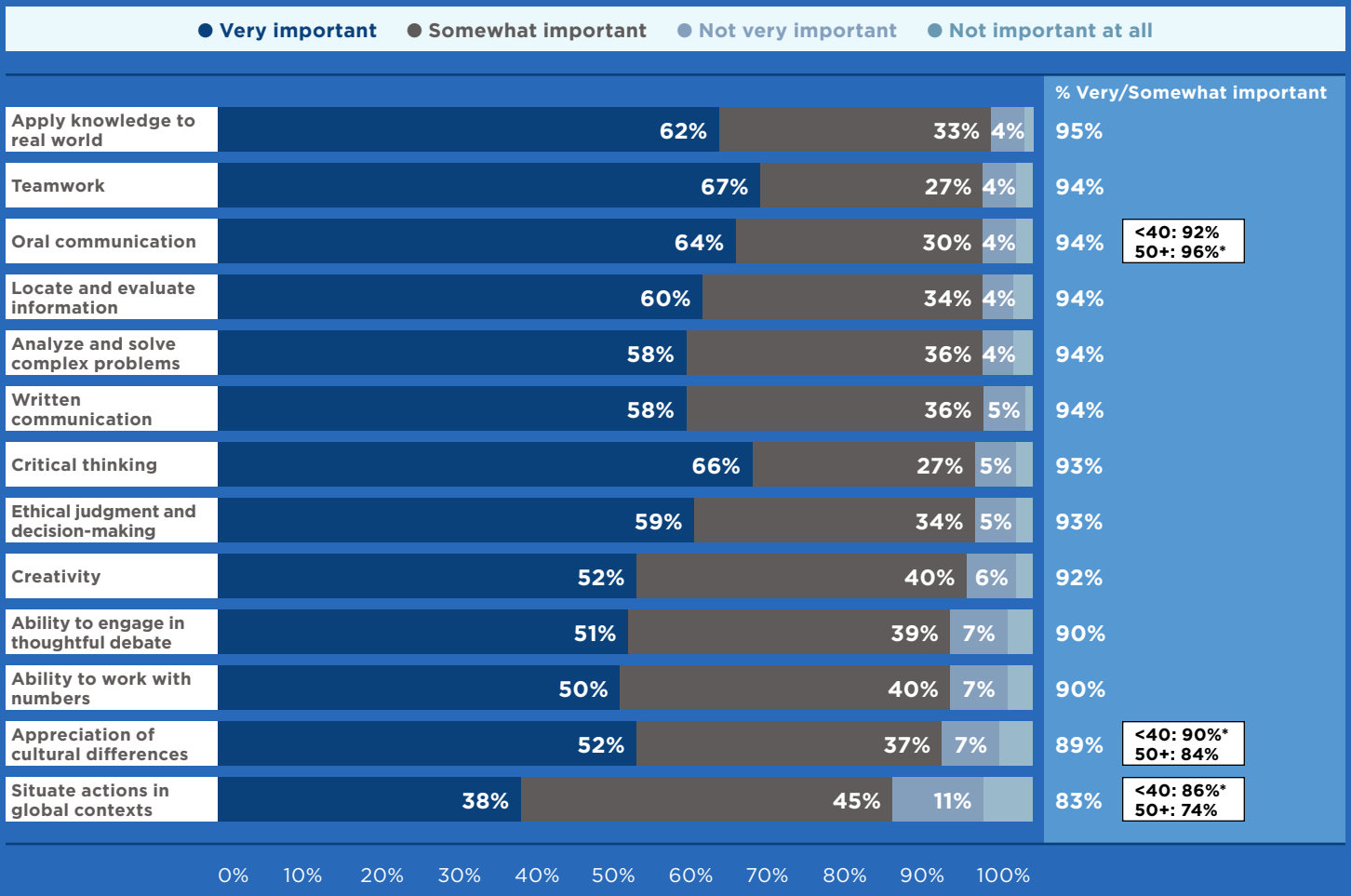
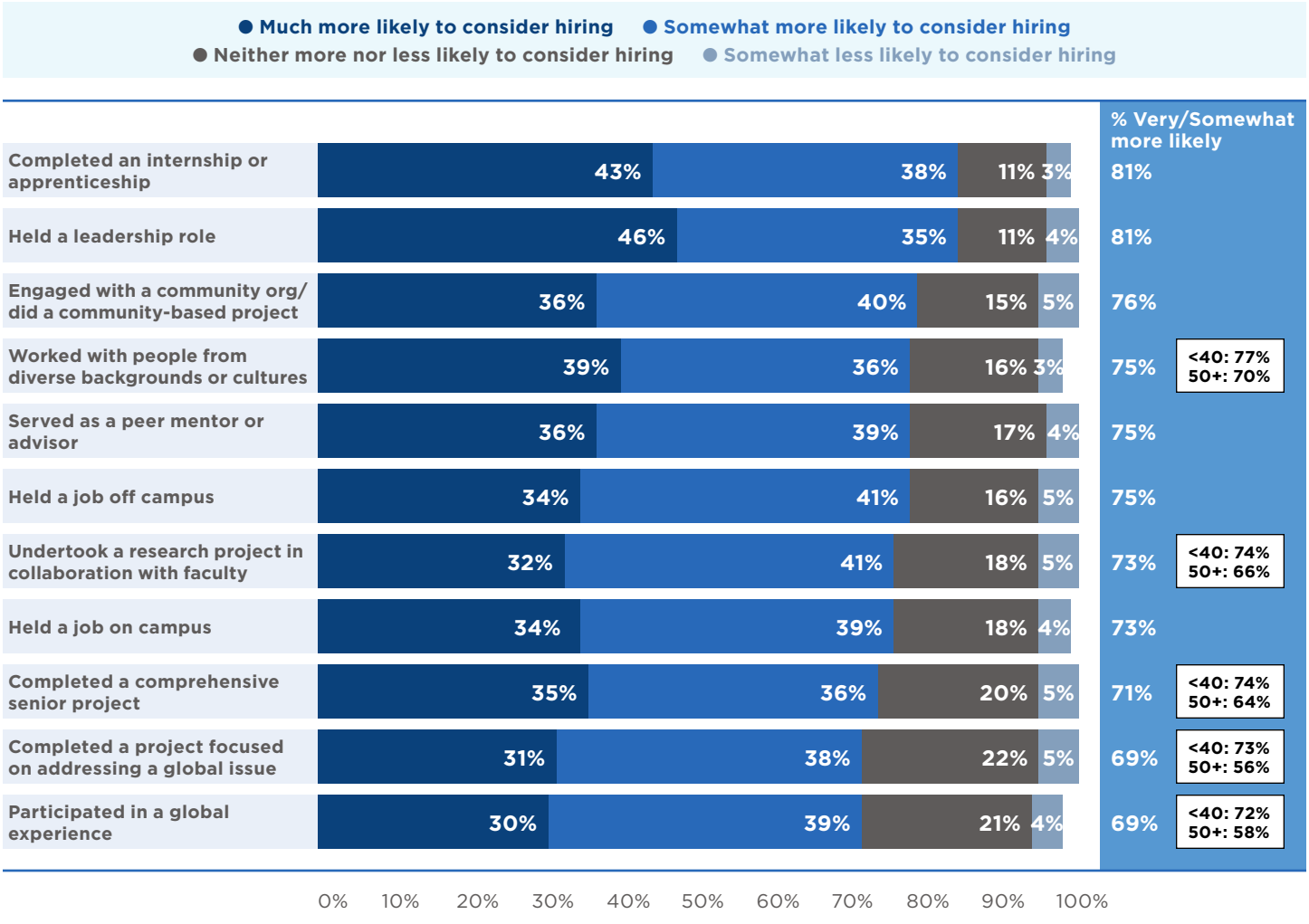


Figure 6 also highlights age differences among employers in how they view the importance of certain outcomes. Although employers over the age of 50 were slightly more likely to rate oral communication as "very" or "somewhat important,"[3] far larger differences by age were found with regard to outcomes that might broadly be framed as the capacity for global perspective-taking. Specifically, younger employers view appreciation for cultural differences and the ability to situate actions within global contexts as "very" or "somewhat important" at significantly higher rates than older employers. In open-ended comments, employers noted the importance of being able to listen attentively as another aspect of communication skills.[4]

FIGURE 7

Internships are not the only experience valued by employers when making hiring decisions.

Prompt: Below is a list of experiences that students may have during college. For each one, please indicate how likely you would be to consider hiring a recent college graduate if they have had that experience.*



** Remaining percentages for each bar = "Don't know/No opinion"*

As shown in Figure 7, employers highly value college graduates who have engaged in a variety of applied, hands-on experiences, often labeled "high-impact" because of their positive effects on a range of student outcomes. While internships are typically thought of as the experiences most associated with career preparation, employers consistently report that a variety of experiences make them at least "somewhat more likely" to hire a candidate. In AAC&U's 2023 employer report, employers indicated that on-campus employment was nearly as influential in terms of hiring as having an internship experience. Our latest findings underscore the value of students engaging in leadership experiences to help them them stand out as candidates.

Since 2021, the trend differences we have been tracking among employers by age have consistently pointed to the ways in which employers under the age of 40 consistently view skills and experiences associated with civic capacities, community engagement, and global awareness at far higher percentages than employers who are age 50 and above. Accordingly, our latest research shows that employers under the age of 40 are significantly more likely to hire a candidate who has engaged in global projects or experiences and who has engaged with people from diverse backgrounds or cultures (see Figure 7). As our 2023 research found, younger employers also favor students' engagement in projects of all types, whether the projects focus on global issues, research with faculty, or part of a senior capstone.

FIGURE 8

Employers see as much importance in mindsets and dispositions as they do in other highly rated skills, such as teamwork and communication.

Prompt: In your opinion, how important are the following personal attributes for success in the workplace?

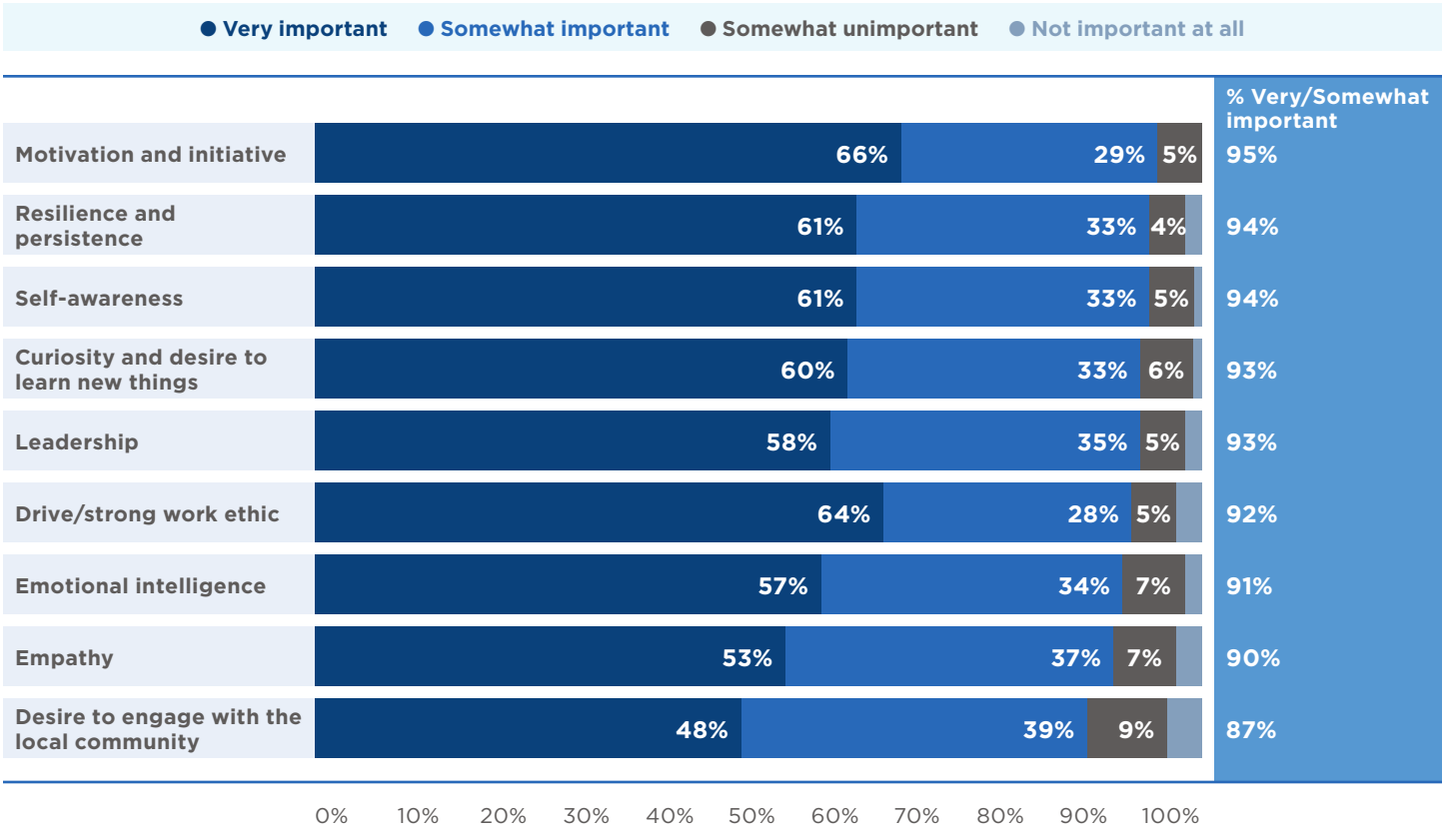
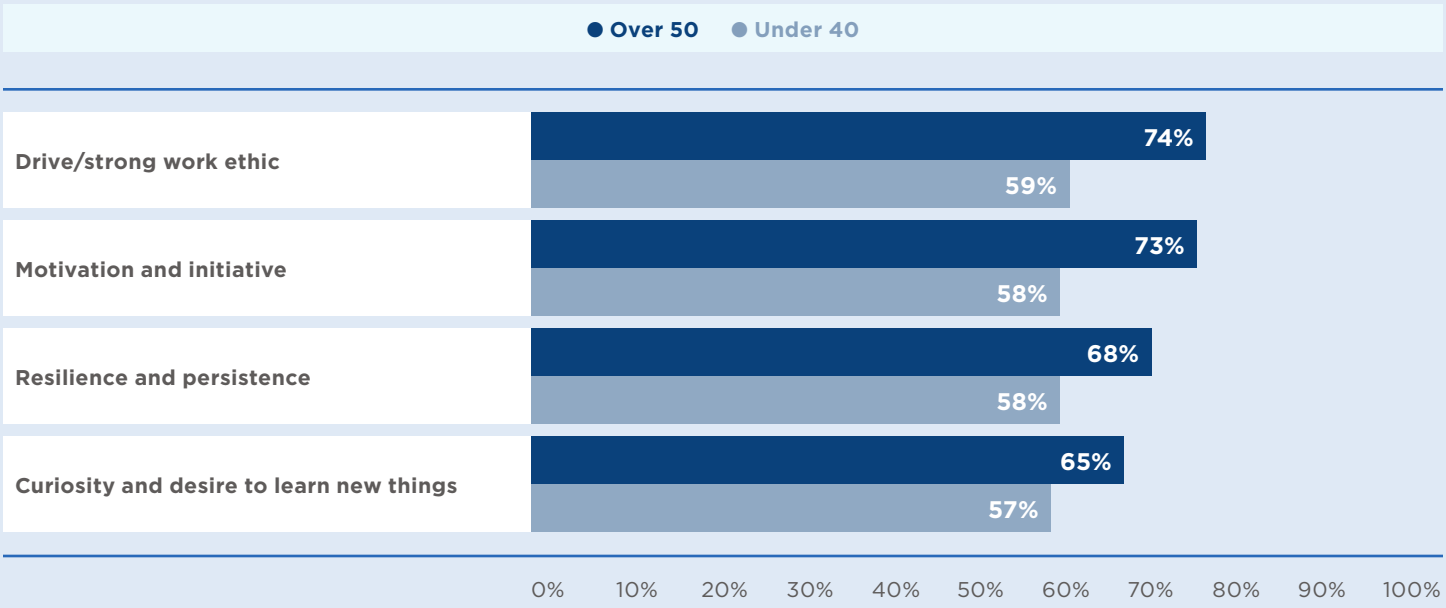


Figure 8 showcases how much employers value the mindsets and dispositions that students bring into the workplace, along with a range of skills, abilities, and experiences. Notably, these personal attributes are viewed as highly in importance as skills often cited as necessary for workforce preparation, such as communication and critical thinking. Employers' open-ended comments also emphasized the importance of college graduates possessing adaptability and flexibility, such as openness to change and learning from feedback. When elaborating on the characteristics of a strong work ethic, employers described the desire for graduates to be responsible and dependable and show up in accordance with established expectations.

The mindsets and dispositions that employers value in the workplace are further nuanced by age differences among employers. While roughly nine out of ten employers deemed all the mindsets and dispositions surveyed as either "very" or "somewhat important," (see Figure 8), significant differences were also found in the percent of employers over the age of 50 who indicated certain mindsets or dispositions as "very important," compared to employers under the age of 40 (see Figure 9).

FIGURE 9

Percent of employers age 50 and above that indicated the following mindsets/ dispositions are "very important" for success in the workplace, compared with employers under 40.



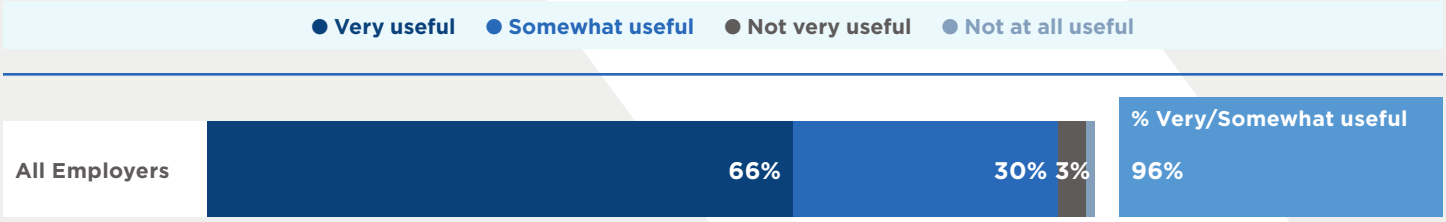
The Growing Importance of Civic Skills in Professional Life

As demonstrated in AAC&U's 2023 employer report, employers are far from agnostic about the importance of students being able to engage in thoughtful debate or graduating from an institution known for respecting diverse viewpoints and fostering open discussion of topics. Our latest survey findings echo the previous results. Two thirds of employers indicated it would be "very useful" for college graduates to be able to engage in constructive dialogue. Significantly higher percentages of executives (72 percent) indicated that the ability to engage in constructive dialogue is "very useful," compared with hiring mangers (64 percent). Notably, we did not find significant differences by political party affiliation.

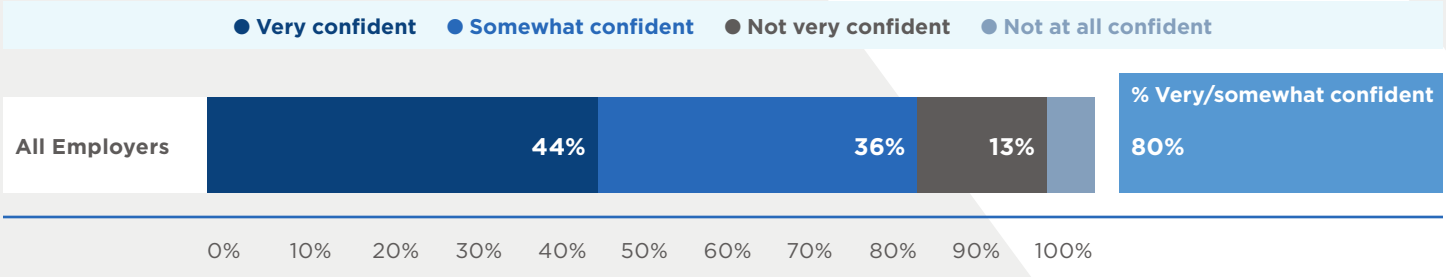
FIGURE 10

Though, two thirds of employers think it is "very useful" for college graduates to be able to engage in constructive disagreement, less than half are "very confident" students are developing this skill while in college.

Prompt: When entering the workforce, how useful is it for college graduates to have developed the ability to engage in constructive dialogue across disagreement while in college?



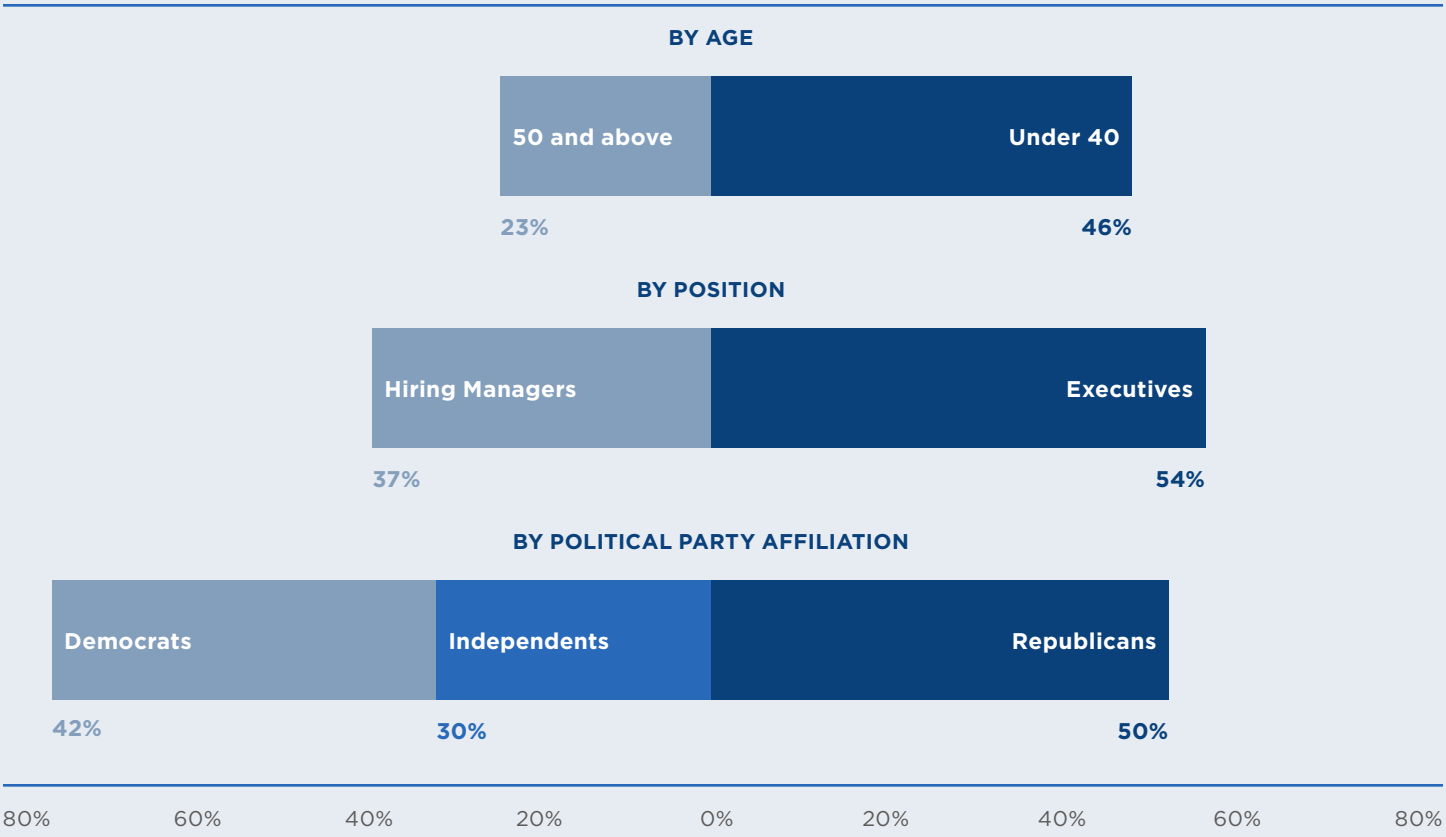
Prompt: How confident are you that colleges and universities are helping students develop skills that support constructive dialogue across disagreement in the workplace?



Although four out of five employers (80 percent) indicated they were at least "somewhat confident" that colleges and universities are helping students to develop constructive dialogue skills, this is an area where significant differences were found between executives and hiring managers, by age and by political party affiliation (see Figure 11).

FIGURE 11

Younger employers, executives, and those who identify as Republicans were significantly more likely to indicate they are "very confident" that colleges and universities are helping students to develop skills related to engaging in constructive dialogue across disagreement.



Figures 12 and 13 revisit three questions first asked in AAC&U's 2023 employer survey to explore whether employers view constraints placed on learning environments as limiting for college graduates as job candidates. Specifically, we asked whether all topics should be open discussion and the degree to which employers would favor degrees from institutions known for respecting diverse perspectives and being free from government restrictions (see Figure 12). As we found in 2023, employers strongly support conditions that foster open dialogue, diverse perspectives, and students' freedom to learn. In fact, just two years later, our latest findings show that employers' support for such environments has grown even stronger (see Figure 13).

FIGURE 12

More than four out of five employers support open discussion of topics, respect for diverse perspectives, and learning that is free from government restrictions.

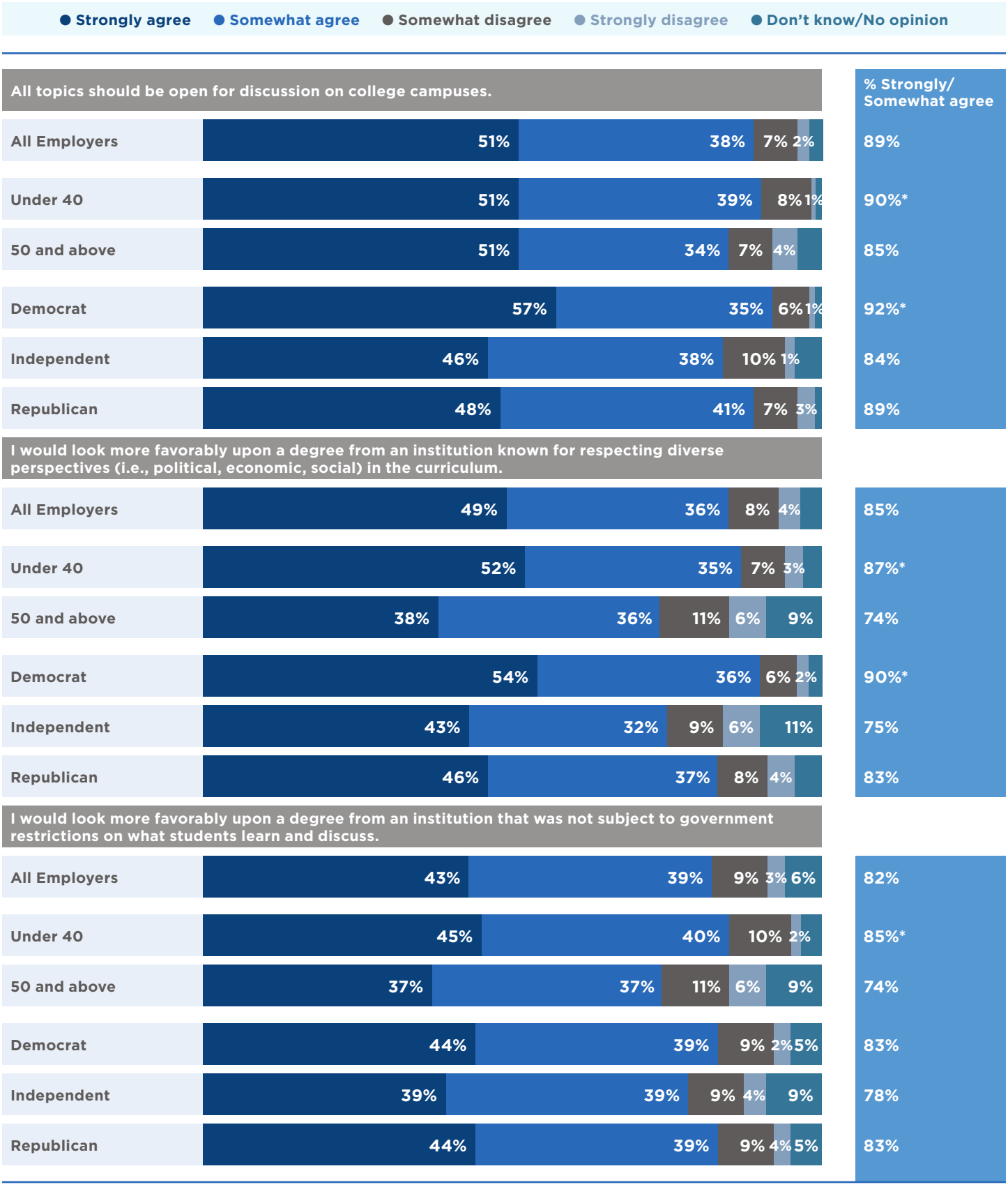
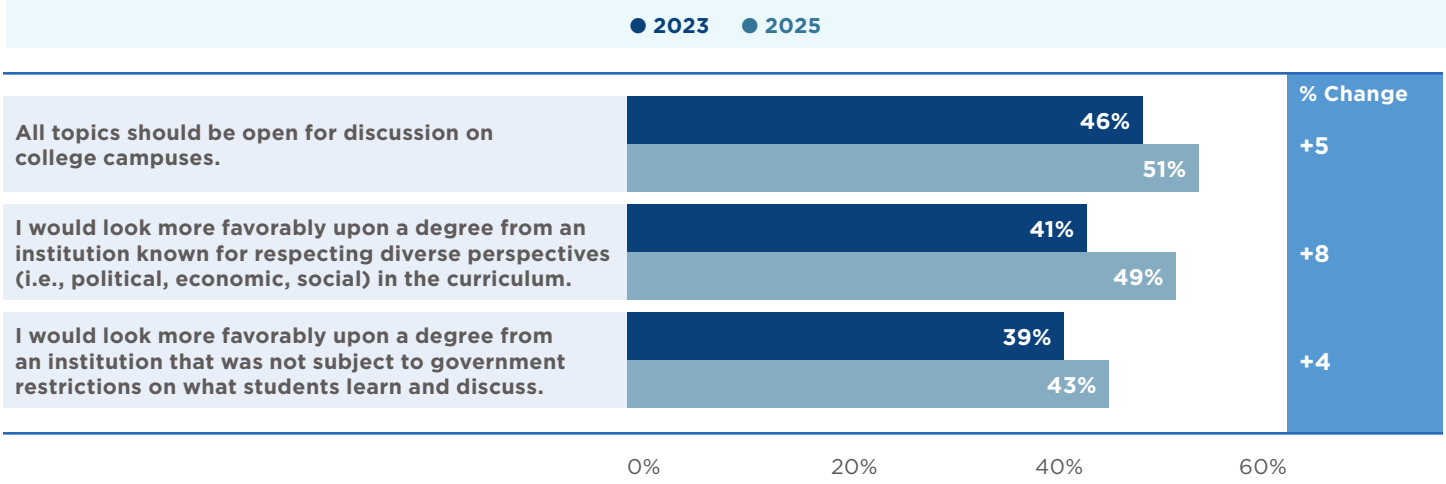


FIGURE 13

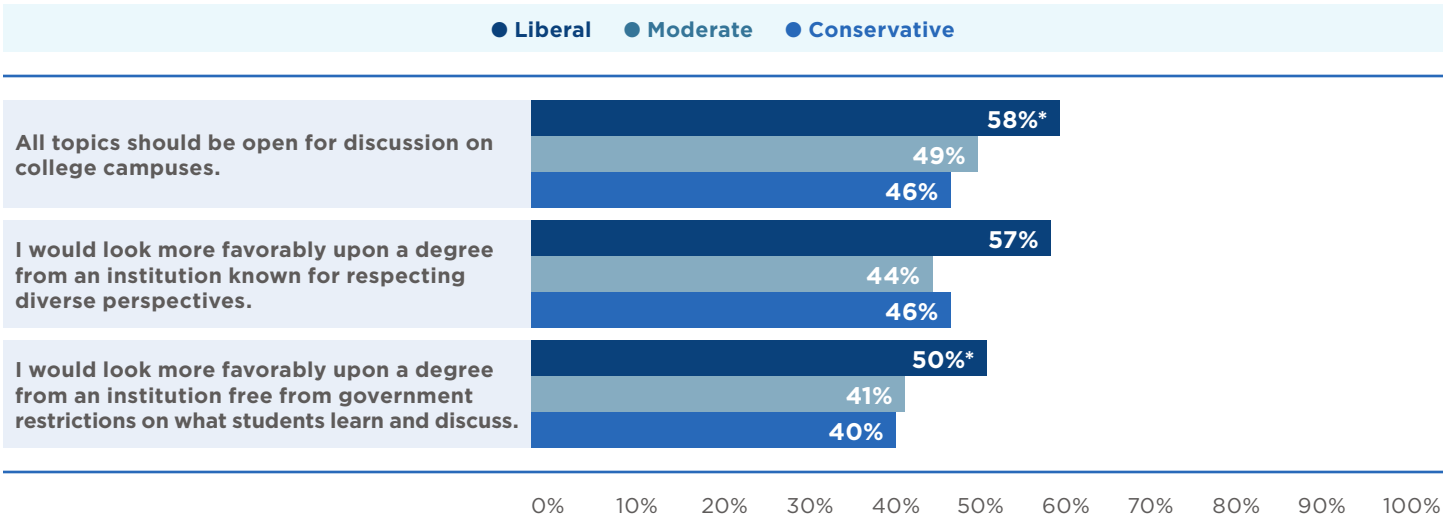
Employers indicated stronger levels of agreement in 2025 than in 2023 with statements that support students' freedom to learn without restrictions.



Along with increases in levels of agreement that students should be able to learn in open and diverse environments (see Figure 13), we also observed differences among employers with regard to age, political party affiliation, and political ideology. Employers under the age of 40 "strongly" or "somewhat" agreed with each of the three statements at significantly higher rates than employers age 50 and above. Younger employers were also significantly more likely to "strongly agree" that they would look more favorably upon a degree from an institution that respects diverse perspectives and is free from government restrictions. Additionally, significantly higher percentages of employers who identify as Democrats "strongly agreed" that "all topics should be open for discussion" and that they would "look more favorably upon a degree from an institution known for respecting diverse perspectives" than employers who identify as Independents or Republicans (see Figure 13). Figure 14 shows significantly higher percentage of employers who identify as liberal "strongly agreed" with the statements relative to those who identify as moderate or conservative.

FIGURE 14

Employers who identify as liberal "strongly agreed" at significantly higher rates that students should have freedom to learn than employers who identify as moderate or conservative.



PART THREE

Employer Views on How Prepared Students Are to Succeed

Employers generally think higher education is doing a good job of preparing students for workforce success, but there is still room for improvement.

Though employers generally report that higher education is doing a good job preparing students to succeed in the workforce, employers' estimation of preparation varies by political affiliation and age. For example, far fewer employers who identify as Independent think college and universities are doing a "very good job" of preparing students for the workforce, relative to those who identify as Democrat or Republican. By contrast, across every indicator of preparation surveyed, significantly higher percentages of employers under the age of 40 reported that graduates are "very well prepared," relative to employers age 50 and above.

FIGURE 15

More than four out of five employers think higher education is doing at least a somewhat good job of preparing students for the workforce.[5]

Prompt: In your view, are colleges and universities doing a good job of preparing students for the workforce?

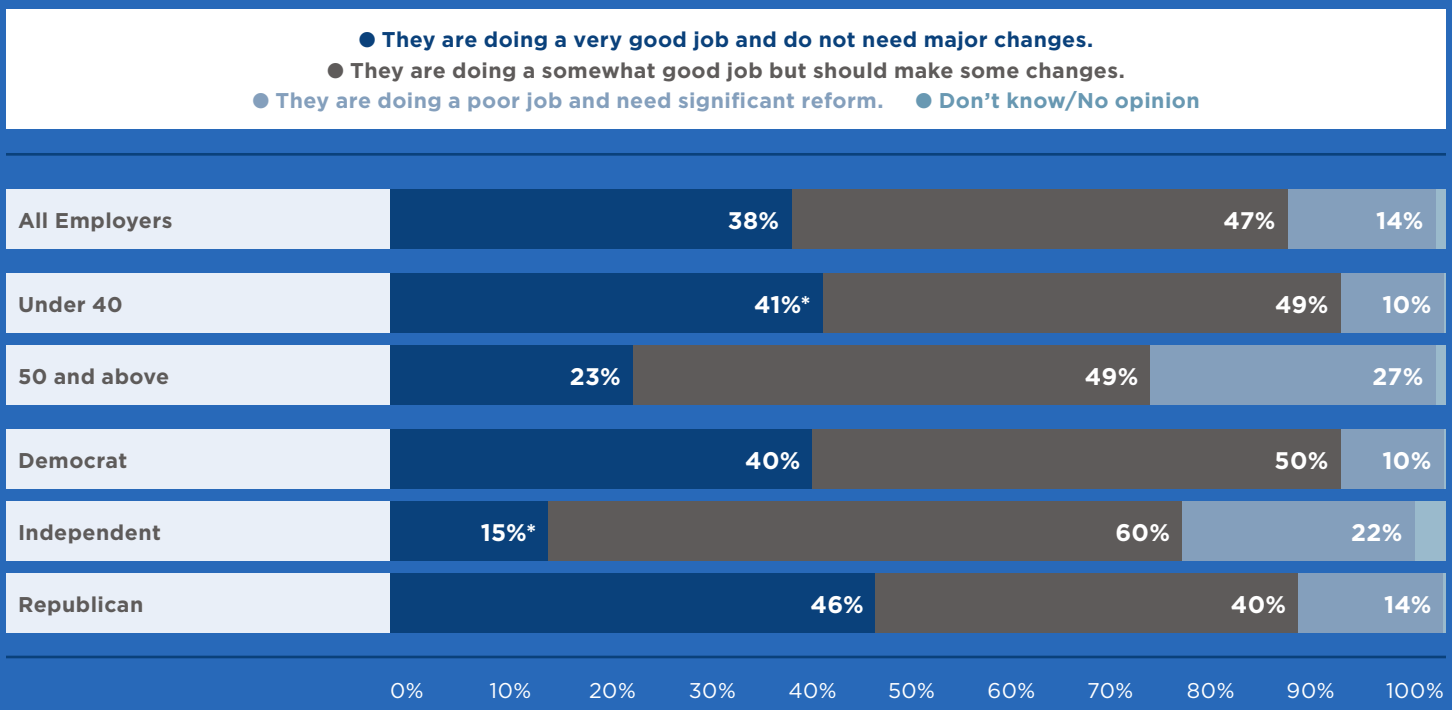
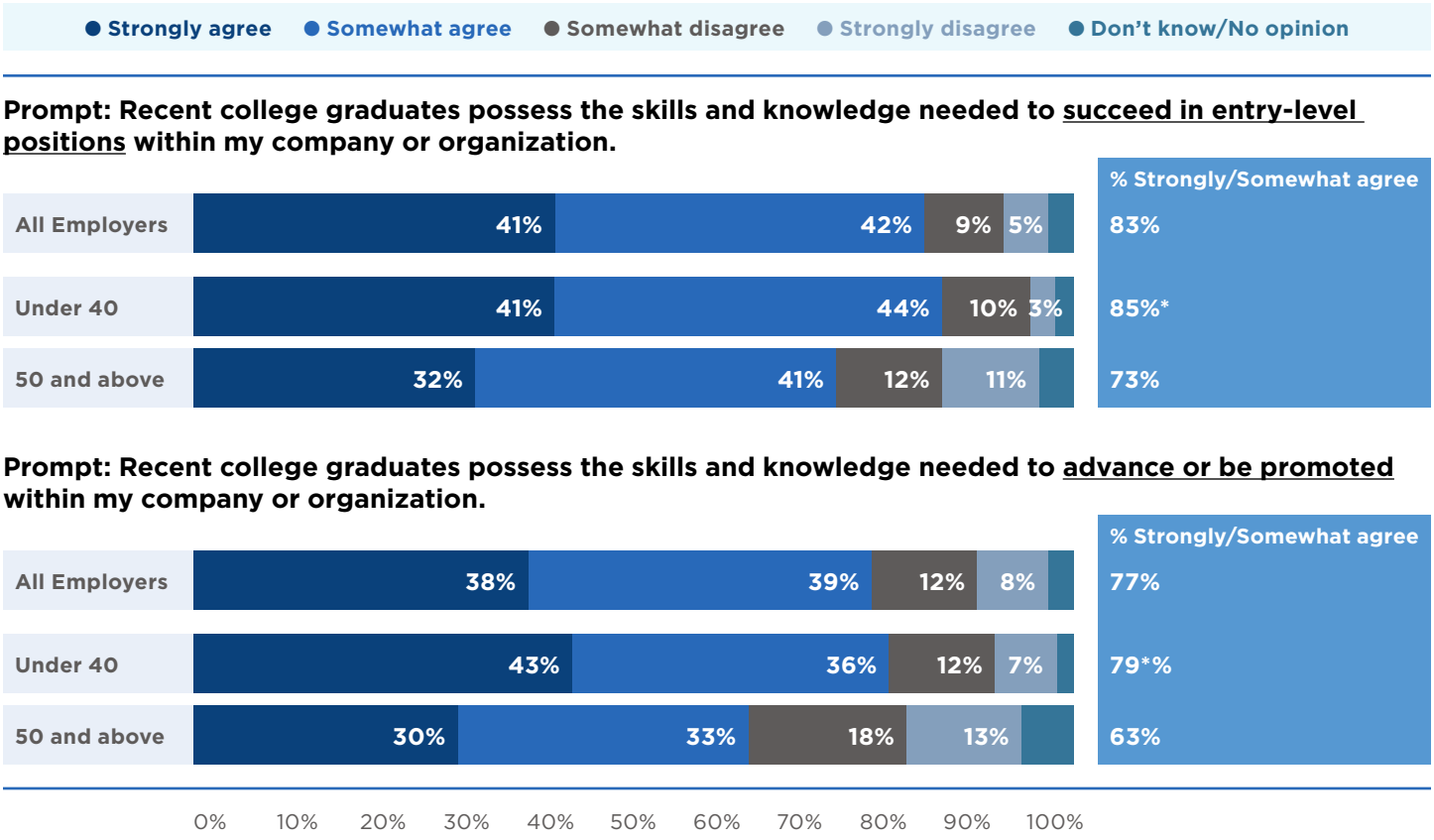


FIGURE 16

More than three quarters of employers think students possess the skills and knowledge needed to succeed in entry-level positions and to advance or be promoted.



Although a majority of employers are optimistic about the preparation levels of graduates needed to succeed in entry-level positions or be promoted (see Figure 16), employers tend to be less convinced about levels of preparation with regard to specific skills. For example, although 41 percent of employers "strongly agreed" that graduates generally have the skills and knowledge to succeed in entry-level positions (see Figure 16), a comparable percent of employers thought the same across just a few of the skills surveyed (i.e., teamwork, the ability to work with numbers and statistics, creativity; see Figure 17). On average, fewer than two out of five employers (38 percent) reported that college graduates are "very well prepared" across the fourteen skills we asked about.

FIGURE 17

Just over a third of employers (38%), on average, reported that college graduates are "very well prepared" across specific workforce skills.

Prompt: Based on your company or organization's experience hiring and employing recent college graduates for entry-level positions, how well prepared are they in each of the following skills?

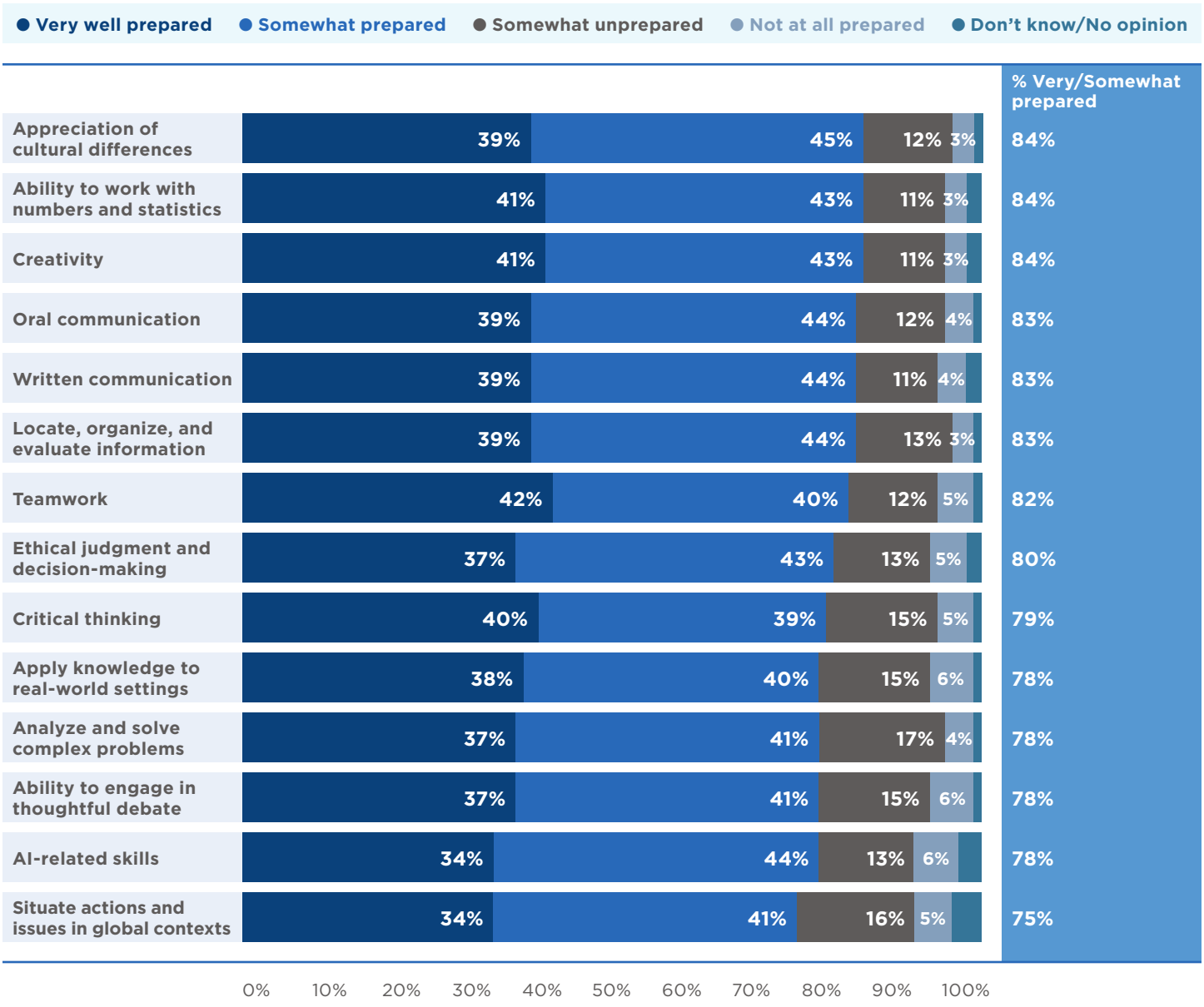


Figure 18 shows the differences in how employers view levels of preparation by age and position within the company or organization. The percentage of employers under the age of 40 who viewed graduates as "very well prepared" across all skills presented was on average twelve percentage points higher than the percent of employers age 50 and above. A similar gap in estimations of preparedness was observed between executives and hiring managers. The percent of executives who evaluated graduates as "very well prepared" was, on average, ten percentage points higher than the percent of hiring managers.

FIGURE 18

Younger employers and those who hold the position of executives view graduates as "very well prepared" across skills at higher rates than older employers and those who are hiring managers.

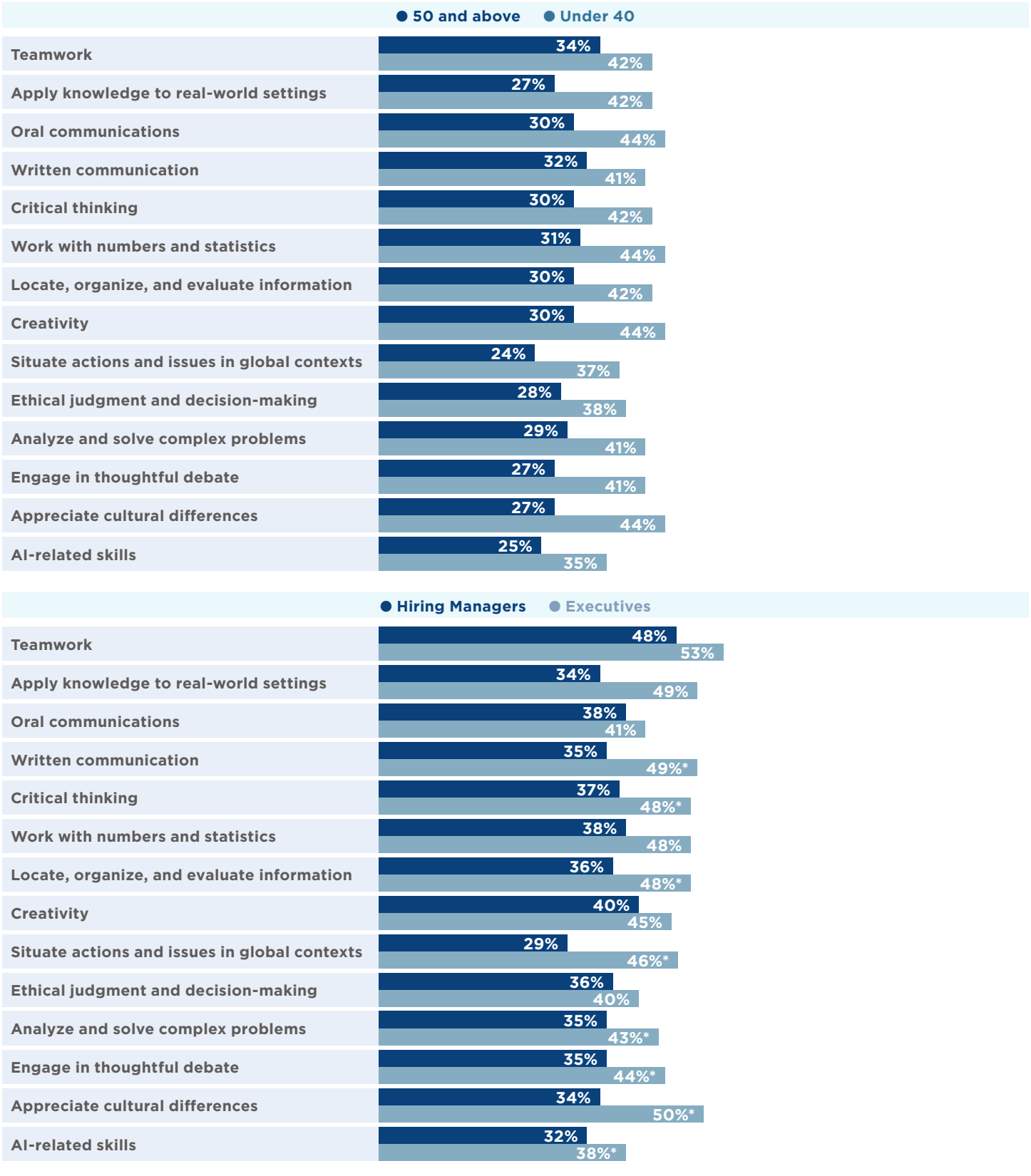


FIGURE 19

For the top seven outcomes listed below, there is an average gap of 23 percentage points between the percent of employers who view the skill as "very important" and the percent who view college graduates as "very well prepared" on that skill.

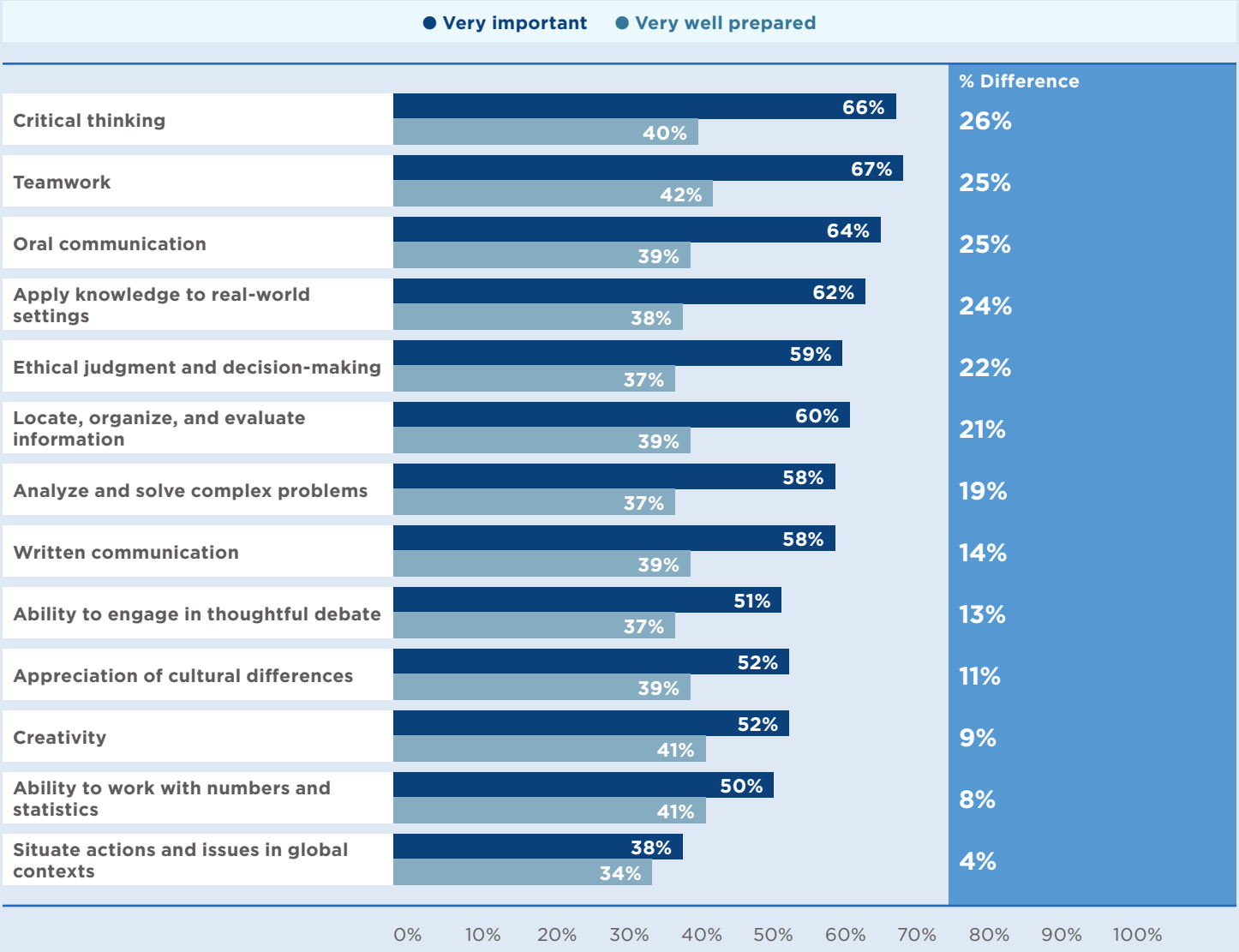
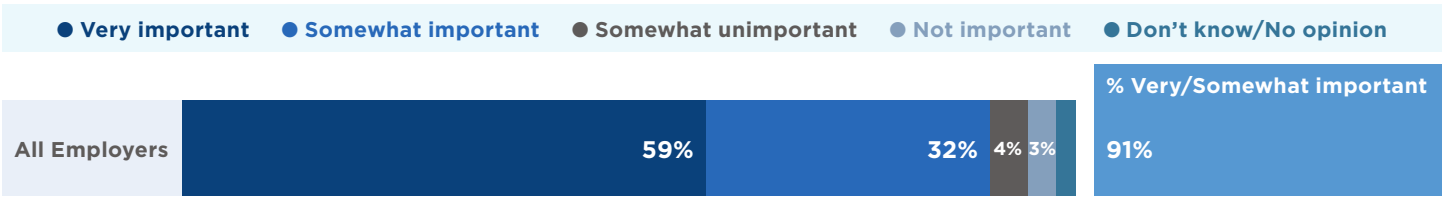


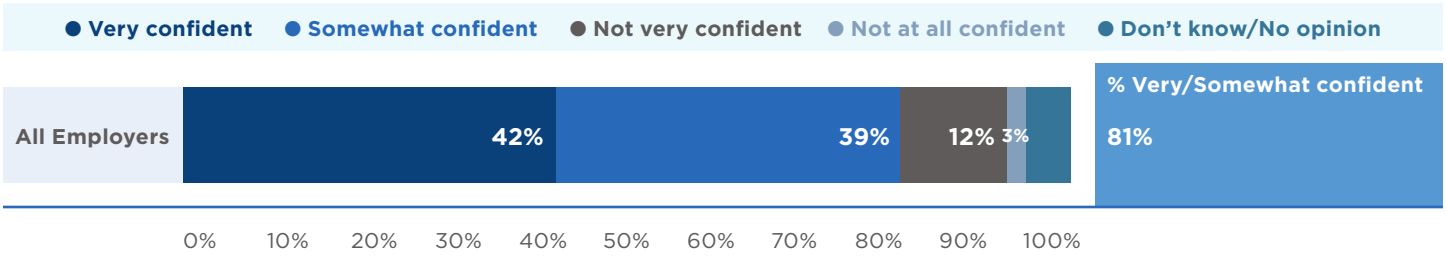
FIGURE 20

Three out of five employers think it is "very important" that college graduates gain skills needed to use AI tools while in college. Only about two out of five, however, are "very confident" that students are getting the preparation they need.

Prompt: How important is it for college graduates to have developed skills related to the use of artificial intelligence (AI) while they were in college?

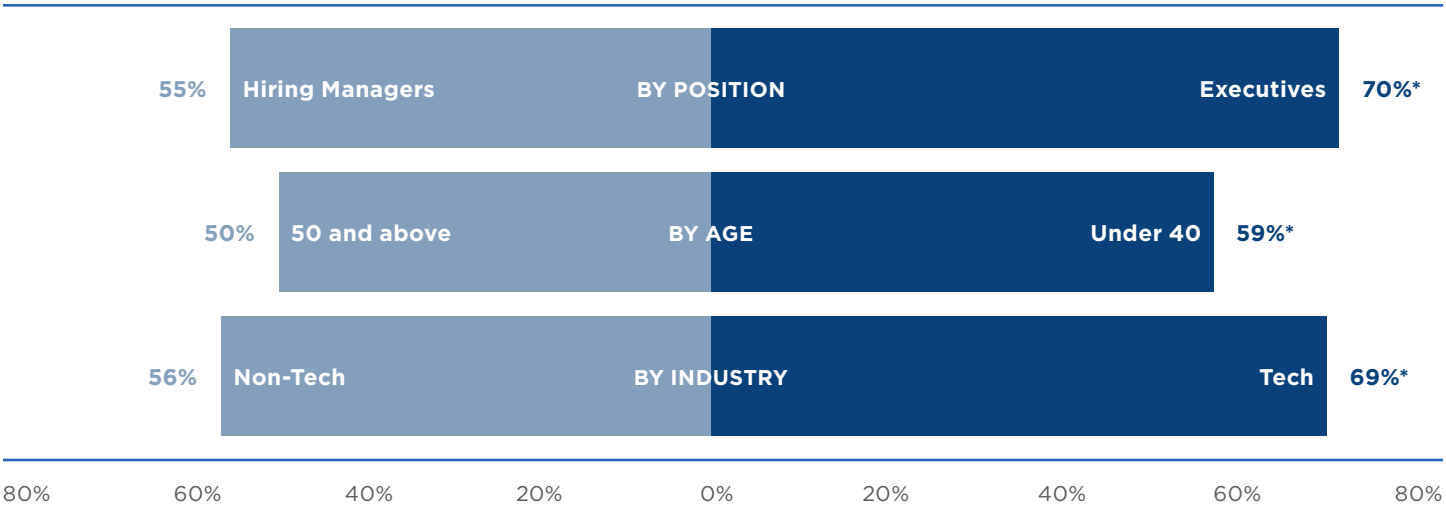


Prompt: How confident are you that colleges and universities are helping students develop skills that align with current and emerging uses of artificial intelligence (AI) in the workforce?



Younger employers, those who hold an executive position, and those who work in the tech industry were most likely to indicate that developing AI skills is "very important" for college graduates (see Figure 21).

FIGURE 21



PART FOUR

Communicating Workforce Skills Beyond the Transcript

Employers find ePortfolios and micro-credentials useful in making hiring decisions.

Employers see value in the use of ePortfolios and micro-credentials for college graduates to communicate the full story of their attainment of skills and experience while in college. Although they may not yet be replacements for a traditional transcript, ePortfolios and micro-credentials, such as badges and certificates, are seen as highly useful supplements. For example, nearly two-thirds of employers indicated that seeing an ePortfolio, along with a transcript, would be "very useful" when evaluating candidates' skills. This is especially true of employers under the age of 40, who were significantly more likely to indicate they would find seeing an ePortfolio "very useful" than employers who are age 50 and above.

FIGURE 22

More than three out of five employers said it would be "very useful" to see a candidate's ePortfolio when making hiring decisions.

Prompt: How useful would it be to your company or organization if, in addition to a resume and transcript, recent college graduates also provided an electronic portfolio (i.e., ePortfolio) summarizing and demonstrating their accomplishments in key areas such as effective communication, disciplinary knowledge, applied skills, evidence-based reasoning, and ethical decision-making?

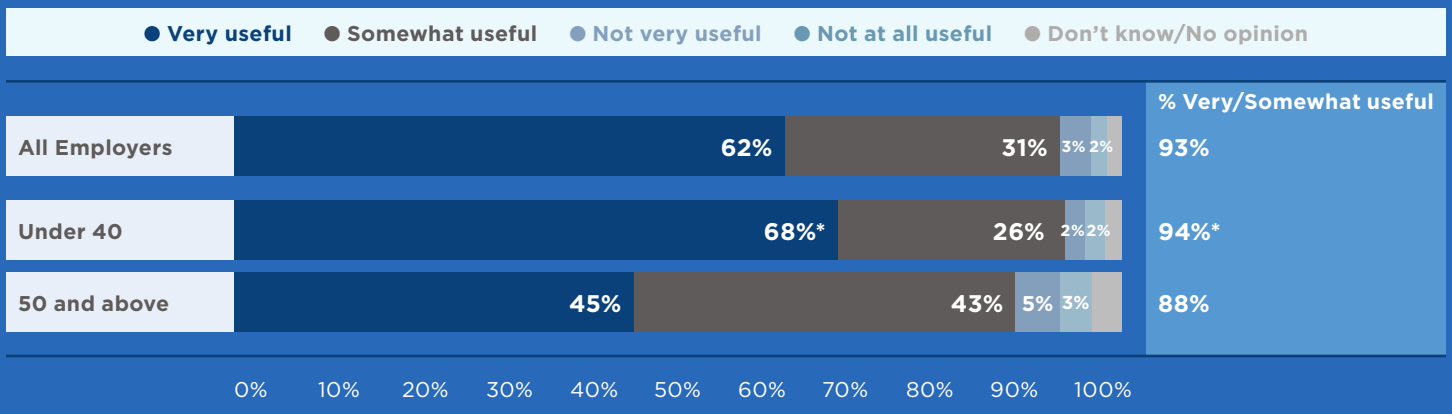


FIGURE 23

There has been a steady rise in the percent of employers who report that ePortfolios are "very useful" when making hiring decisions.

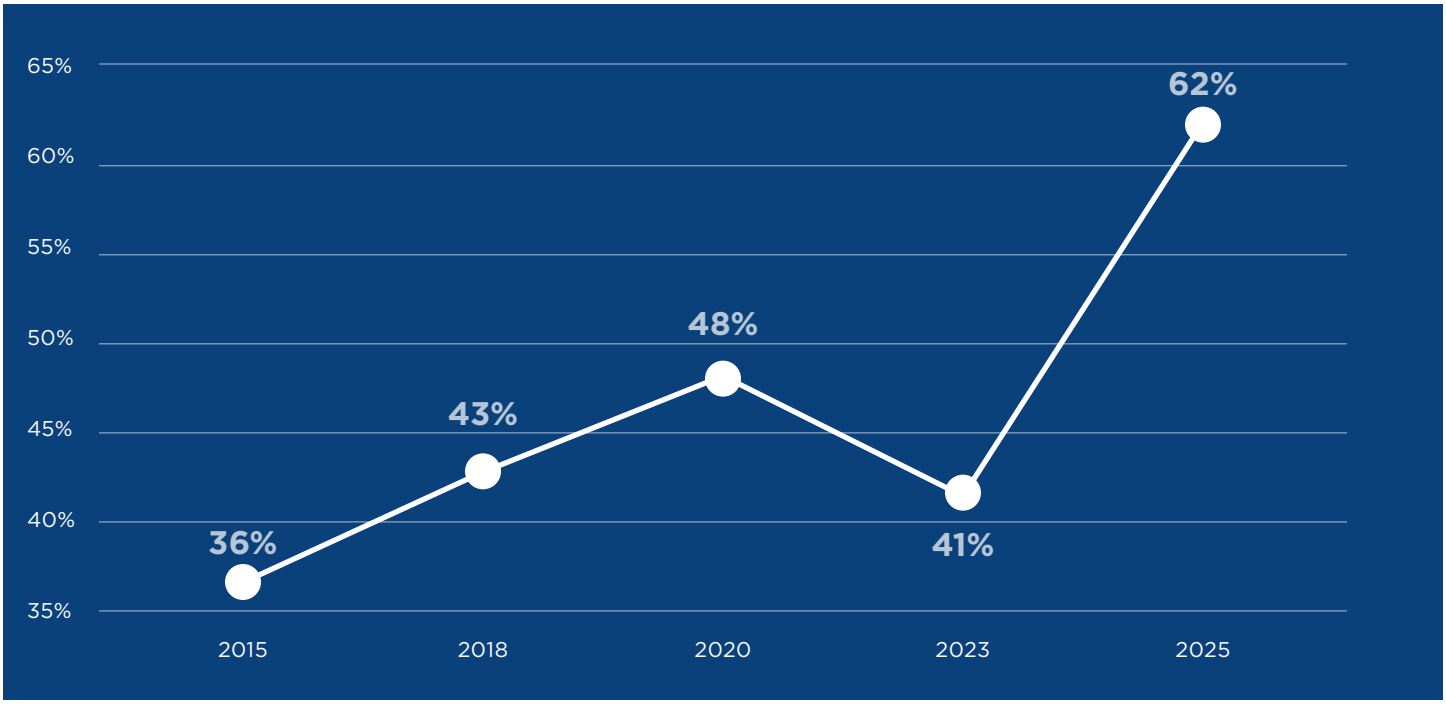
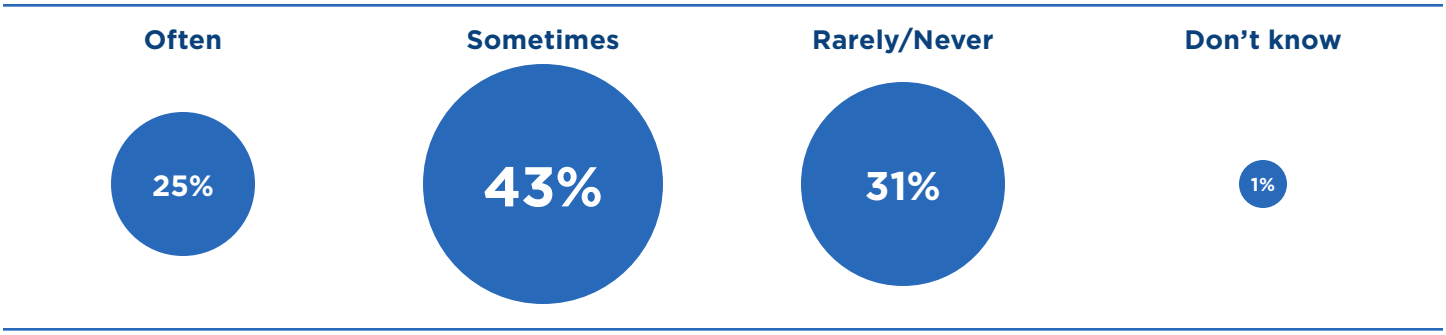


FIGURE 24

Although employers value seeing ePortfolios, only a quarter report seeing them "often" in application materials.

Prompt: How often do you see ePortfolios included in application materials?

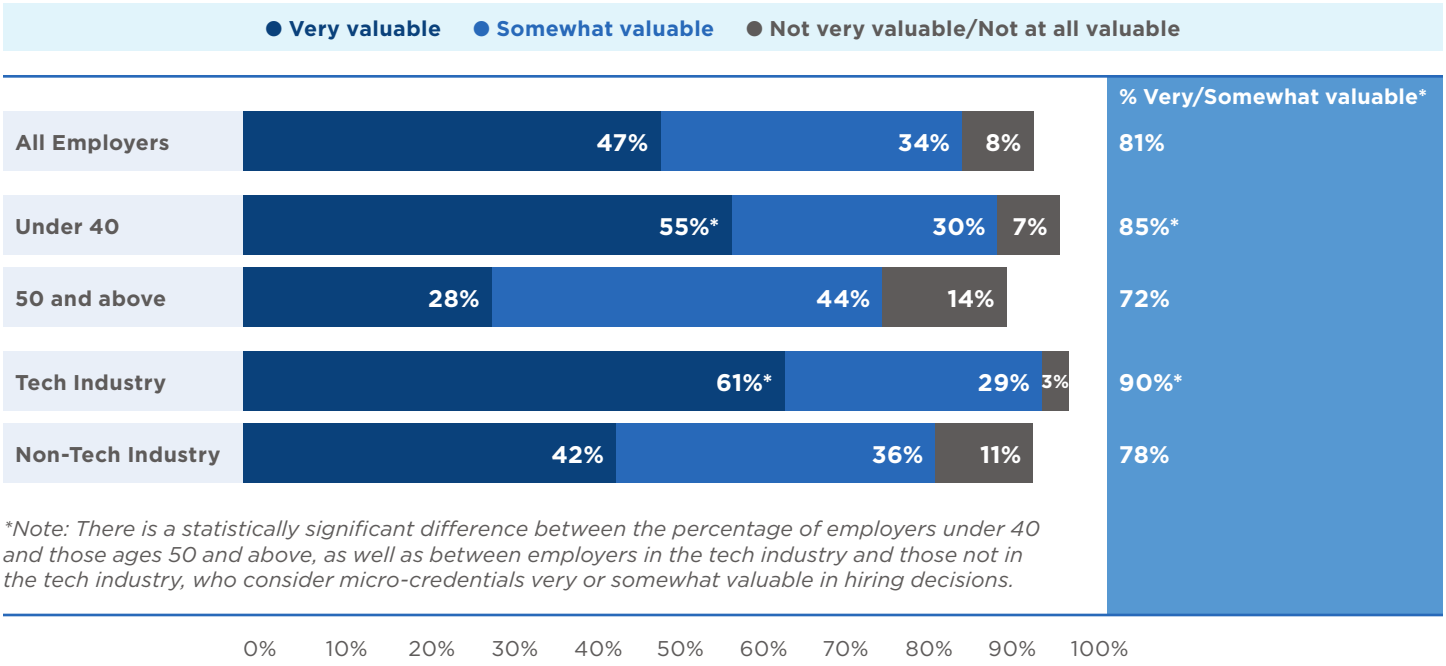


ePortfolios are not the only disruptor to the traditional transcript. Employers also increasingly favor micro-credentials[6] (e.g., digital badges, certificates for short-term courses or skill-based training) as a mechanism for displaying achievement in a particular skill, whether that is a job-specific skill or a broad skill such as teamwork or critical thinking, that could be applied across a range of positions. Building off questions first asked in AAC&U's 2023 employer study, we wanted to know more about how employers value these types of credentials, how they are used to inform hiring decisions, and which issuers of micro-credentials hold the most credibility.

FIGURE 25

Neary half of employers view a candidate's attainment of a micro-credential as "very valuable" when making hiring decisions. This is especially true for younger employers and those who work in the tech industry.

Prompt: When making hiring decisions, how valuable is it for a candidate to have a micro-credential (e.g., digital badges, certificates for short courses or skill-based training)?

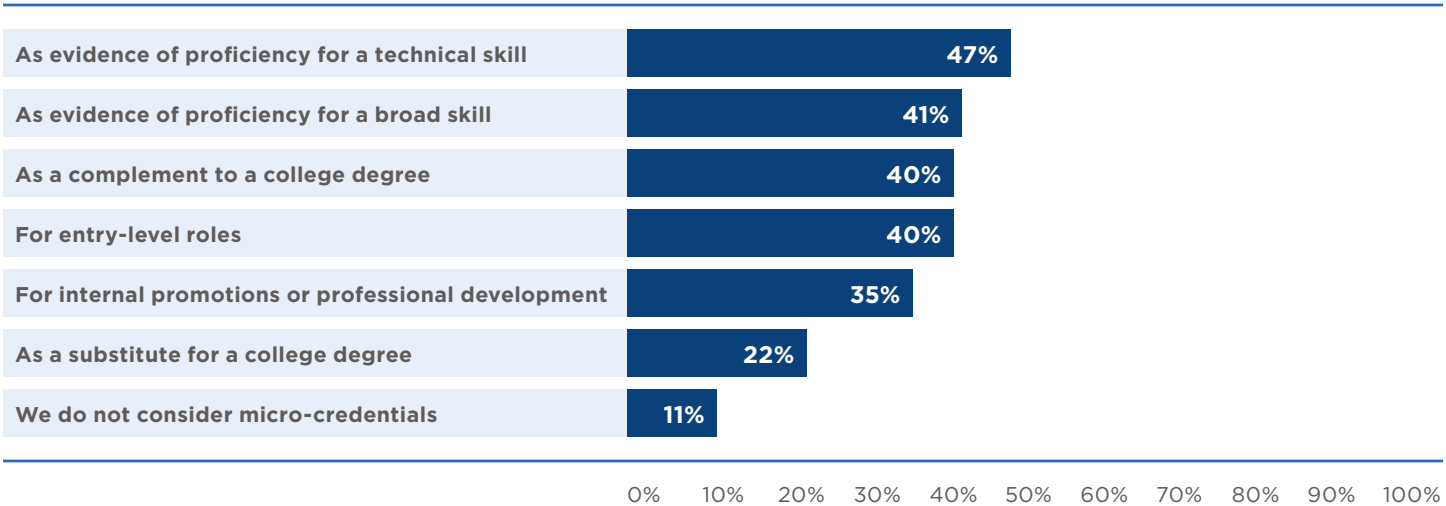


**Note: There is a statistically significant difference between the percentage of employers under 40 and those ages 50 and above, as well as between employers in the tech industry and those not in the tech industry, who consider micro-credentials very or somewhat valuable in hiring decisions.*

FIGURE 26

Employers primarily see micro-credentials as indicators of skills, whether technical or broad, and as complements to a college degree. Only about one in five employers view micro-credentials as a substitute for a college degree.

Prompt: In what situations, if any, does your company or organization consider micro-credentials when hiring or promoting employees? Select all that apply.

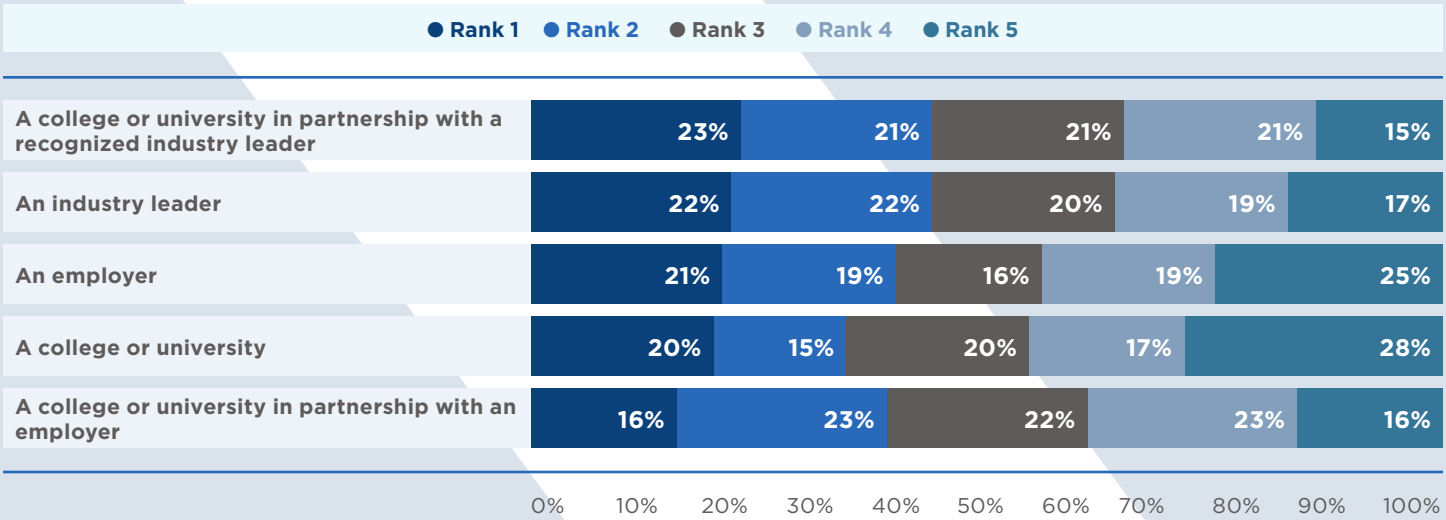


For all the promise of micro-credentials to provide new ways of bundling skill attainment, a persistent critique is that almost anyone and any entity can issue one. Questions about validation abound at a time when students have ready access to such credentials across a range of sources. Absent clarity on standards for validating skills and protocols for issuing micro-credentials, we found that employers favor, by a narrow margin, the credibility that comes with micro-credentials issued by a college or university in partnership with a recognized industry leader.

FIGURE 27

Micro-credentials issued by a college/university in partnership with a recognized industry leader or an industry leader (alone) have the most credibility among employers.

Prompt: In your view, which of the following options for issuing micro-credentials has the most credibility? Please rank the items from 1 to 5, where 1 provides the most credibility and 5 provides the least credibility.



At a time when the mercurial nature of politics and funding can feel beyond the control of colleges and universities, there is still much that can be done at the institutional level to advance the value proposition of the college journey.

The recommendations below serve as starting points for change, validation for what's underway, or incentive to improve on what's long existed. Regardless of what state of change an institution finds itself, there is strength in human capital, perspective in mission, and hope in the students being served.

It is clear students must possess broad skills to have the range of adaptability needed to succeed in today's workforce. The list of those skills must, itself, be equally flexible.

Many lists, whether referenced as "learning outcomes," "competencies," or "skills," highlight the same cluster of stalwart, work-relevant must-haves: critical thinking, communication, teamwork, application, problem-solving, and so on. But the rapid integration of AI across many positions and sectors of the workforce is a reminder that curricula and learning outcomes must continue to evolve with the emergence of work-relevant skills. It is entirely possible that the ultimate impact of AI will be in how it mediates the ways in which students think critically, communicate with others, collaborate in teams, and express creativity.[7] In the meantime, there is an opportunity in front of educators, faculty, and staff alike to show students change is not scary. It is necessary and inevitable.

If mindsets and dispositions matter for learning and career success (and employers say they do), the importance of these outcomes should be formalized alongside other institutional commitments to student learning and development.

The college journey contributes in important ways to cultivating students' sense of who they are, what they do best, and their ability to persevere. Our research continues to reinforce that employers view personal capacities as being as essential for workplace success as other skills, such as critical thinking and communication. Seldom, however, are these outcomes articulated with the same formality as other commitments for students' learning and development across the curriculum, cocurriculum, or both. Just as campuses have grown more comfortable with assessing previously "unassessable" outcomes, such as critical thinking, so, too, must our collective comfort increase with measuring outcomes such as motivation, flourishing, and belonging.[8] Assessment does more than hold institutions accountable. It invites clarity, transparency, and reflection for our students. We cannot leave the cultivation of such essential capacities to chance.

Students and employers stand to benefit when colleges and universities connect the dots between civic skills and career readiness.

Two equally vigorous but often disconnected discussions are taking place nationally and on campuses about the purpose of college. One is about the need to prepare students for a rapidly changing, global workforce. The other is about the responsibility to advance democratic principles and support students' civic engagement. This report shows that those conversations should be connected.[9] We found, for example, that employers across the political divide see becoming informed citizenship and engagement in communities as core purposes of higher education.

Employers also find it useful for students to develop skills to engage in constructive disagreement and thoughtful debate. Additionally, employers support educational environments that do not constrain students' learning—across diverse topics or perspectives. Institutions can do more to support students to see their professional aspirations and civic purpose as connected paths rather than distinct endeavors. Leveraging holistic advising and coaching[10] practices, co-locating career services and community engagement offices, and employing ePortfolios are just a few ways campuses can encourage students to explore their identities as civic professionals.[11]

The good news is employers value higher education. The better news is younger employers value it even more, and in ways that promote civic, global, and project-based learning.

Since 2021, AAC&U employer research has been tracking a trend that employers under the age of 40 value community-based and civically-oriented outcomes and experiences at significantly higher rates than employers over 50. This latest study echoes that finding. This report highlights a number of ways that younger employers favor students' exploration of diverse ideas, settings, and cultures, along with engagement in project-based learning experiences. They are also more likely to see higher education as a worthwhile investment and to have favorable opinions about students' preparation to succeed in the workforce. Findings also signal that younger employers are seeking new ways to evaluate candidates, either through micro-credentials or ePortfolios, or both. These findings can be used to bolster support for community-based, global and civic programs and experiences. Results also suggest that as colleges and universities forge partnerships with employers there may be value in ensuring voices from across the age spectrum are represented.

The full story of what students achieve in college cannot be told with the transcript alone.

The capaciousness of the college experience has exploded the transcript. Already an anachronism that speaks in campus-specific course codes and labels, rather than universally identifiable skills, transcripts should at least be supplemented, if not fully supplanted. We have the tools to help students make sense of and curate their college experiences (i.e., ePortfolios) and to bundle their skills attainment (i.e., micro-credentials, badges, and certificates). We can even envision a future in which students, rather than institutions, personally own the culmination of their experiential, skills-based achievements in a transportable, digital form (i.e., Learning and Employment Records or LERs). Employers value high-impact practices and skill attainment, and they increasingly appreciate seeing the formalization of those achievements in formats like ePortfolios and micro-credentials. As we enter the next quarter of the twenty-first century, these are the tools students—not just some—should have to fully tell their educational story.

NOTES

Introduction

1. See Carol Geary Schneider, "Giving Educators a Compass: AAC&U Identifies Essential Learning Outcomes (ELOs)," in *Making Liberal Education Inclusive: The Roots and Reach of the LEAP Framework for College Learning* (Washington, DC: American Association of Colleges and Universities, 2021), 45.

2. See NACE Career Competencies, https://www.naceweb.org/career-readiness/competencies/career-readiness-defined/#competencies.

3. See NACE, *Job Outlook 2025*, https://naceweb.org/docs/default-source/default-document-library/2025/publication/research-report/2025-nace-job-outlook-jan-2025.pdf?Status=Master&sfvrsn=57d47fb0_3.

4. For example, see Jeff Strohl, Artem Gulish, and Catherine Morris, *The Future of Good Jobs: Projections Through 2031*, (Washington, DC: Georgetown University Center on Education and the Workforce, 2024), https://cew.georgetown.edu/wp-content/uploads/cew-the_future_of_good_jobs-fr.pdf.

5. American Council on Education, Student Access and Earnings Visualization, https://carnegieclassifications.acenet.edu/saec/.

6. State Opportunity Index: Connected Education with Opportunity, 2025 (Indianapolis: Strada Education Foundation, 2025), https://cdn.prod.website-files.com/676597e34ca10568d19ed18f/68e7e1538f9cbfd7afe18bd9_Strada_2025StateOpportunityIndex_Report_Oct2025.pdf.

7. President's Commission on Higher Education, *Higher Education for American Democracy: A Report of the President's Commission on Higher Education* (New York: Harper and Brothers, 1947), https://ia801506.us.archive.org/25/items/in.ernet.dli.2015.89917/2015.89917.Higher-Education-For-American-Democracy-A-Report-Of-The-Presidents-Commission-On-Higher-Education-Vol-I---Vi_text.pdf.

Report

1. See, for example, findings from the 2025 Lumina Foundation-Gallup report, *The State of Higher Education 2025*, citing a 6 percentage point increase among US adults who have a "great deal" or "quite a lot" of confidence in higher education (https://www.gallup.com/analytics/644939/state-of-higher-education.aspx) and findings from New America's *2025 State of Higher Education Survey* in which 58 percent of adults without a college degree reported that higher education is worth the investment.

2. Jones, Jeffrey, 2024, "US Confidence in Higher Education Now Closely Divided," https://www.gallup.com/analytics/644939/state-of-higher-education.aspx.

3. The same difference was found in AAC&U's 2023 employer report. See Ashley Finley, *The Career-Ready Graduate: What Employers Say about the Difference College Can Make* (Washington, DC: AAC&U, 2023), https://www.aacu.org/research/the-career-ready-graduate-what-employers-say-about-the-difference-college-makes.

4. In open-ended comments, employers expanded on how recent college graduates can refer to experiences with group projects, presentations, research collaborations, extracurricular leadership positions, and internships to demonstrate communication skills, both written and verbal, and the ability to work well with others.

5. In open-ended comments, employers expressed a desire for colleges and universities to provide more real-world experiences for students, such as internships, co-ops, pro bono projects for actual clients, and job shadowing.

6. Respondents were provided with the following preface for questions regarding micro-credentials: "The following questions focus on micro-credentials, which include digital badges and other forms of certification. Micro-credentials are typically designed to be more flexible and accessible than traditional degrees."

7. A possibility echoed in *Inside Higher Ed's* 2025 student survey on generative AI, see https://www.insidehighered.com/news/students/academics/2025/08/29/survey-college-students-views-ai.

8. See, for example, the University of Pennsylvania's Positive Psychology Center that provides resources to measure a number of dispositional or affective characteristics. There are also examples of campus-based rubrics that address outcomes like outcomes like "emotional intelligence" (Montgomery College, https://www.montgomerycollege.edu/_documents/offices/eass/emotional-intelligence-rubric.pdf) and well-being (Western Michigan University, https://files.wmich.edu/s3fs-public/attachments/u184/2020/Well-being-Items-Rubric.pdf).

9. See also research by SHRM on the need for civility in the workplace, which provides another evidentiary strand for such conversations: https://www.shrm.org/topics-tools/topics/civility.

10. See, for example, Strada's Quality Coaching for Education-to-Career Criteria, https://www.strada.org/focus-areas/quality-coaching.

11. See, for example, Nick Longo, *Practicing Democracy: A Toolkit for Educating Civic Professionals* (Washington, DC: Campus Compact and AAC&U, 2023), https://compact.org/sites/default/files/2023-02/PracticingDemocracy_Web.pdf.



WWW.AACU.ORG