

Thought Leadership

The Skills Economy: Careers Without College



Junior
Achievement™

Redefining Career Readiness

According to [job search site Indeed](#), career readiness is defined as “the process of preparing yourself to enter the workforce, and you may undergo this process as a high school or college student who is preparing to graduate. This involves learning new skills, creating goals, and preparing for a career.”

For countless years, a high school diploma or college degree was sufficient preparation to enter the world of work. But in recent decades, and especially over the past several years, the emergence of the “[skills economy](#)” has called into question the value of traditional credentials like diplomas and degrees when it comes to being truly work and career ready.

Succeeding in the Skills Economy

The [World Economic Forum](#) defines the skills economy as “a transformational shift in how businesses and individuals think about professional value and success, placing individual skills – the skills we have and need, and our ability to acquire new ones – at the forefront of decision-making, while challenging the significance of traditional credentials and job titles.”



While there had been a growing disconnect between the alignment of education and employment going back to the 1990s, fueled by leaps in technological advancement and the expansion of the global economy, [the Harvard Business Review \(HBR\)](#) notes it was the fallout of the 2008 financial crisis that brought the skills economy to the forefront. During the Great Recession, it became apparent that many college graduates were taking on more student loan debt than they could pay off given their chosen professions. Employers began looking for other metrics to evaluate candidates, especially since not every career requires a college degree. HBR cites several large employers who have dropped degree requirements for many jobs.

Under the skills economy, [employers seek skills](#) that don't necessarily require a college education. These include cognitive skills, such as strategic thinking, creative problem solving, teamwork, and communication. Leadership and team building are also valued, as are technical skills, such as digital literacy, data analysis, and programming. These skills can often be built up through experience via apprenticeships, internships, and on-the-job training, as well as through alternative pathways, like certifications and technical training programs. Employers have also begun using [different means of assessing a candidate's](#) readiness for a job, including task-based tests, [personality and aptitude assessments](#), as well as more traditional measures, such as work samples and references. Good-paying professions [that don't require a college degree](#) include web developers, IT support specialists, medical and dental assistants, skilled trades, mechanics, and sales positions.

Education in the Skills Age

Despite the shift to the skills economy, a large portion of high-paying occupations still require a college degree. However, not all degrees are created equal, and college isn't right for everyone. For instance, research by [The Burning Glass Institute and Strada Education Foundation](#) finds that 52 percent of college graduates in the United States are "underemployed," meaning they are working at jobs not associated with their college majors and earning less than they could be.



One of the advantages of a traditional college education is that there was a clear end goal: a degree. Today, however, pathways to acquiring the necessary skills for fulfilling and rewarding careers aren't as clearly defined as they once were. This is why coaching, mentoring, networking, and informed insights are so important for today's young people as they begin to navigate education and future employability.

Our Response

Work and Career Readiness is a major focus of Junior Achievement learning experiences. By better aligning education with employment opportunities, with or without college, Junior Achievement is committed to helping the young people we serve achieve economic mobility.

What the Research Says

Junior Achievement's approach gives students the tools to increase their chances of finding career success and satisfaction as adults. Findings from [recent research](#) of Millennial and Gen Z JA Alumni by Ipsos show that:

- Nine in ten JA Alumni report that the program played an important role in shaping their belief that they can achieve goals (89%), their personal development (88%), their career path (88%), and professional development (86%).
- Over half of JA Alumni say Junior Achievement positively influenced their work ethic (57%), career choices (56%), and money management (54%).
- Top career fields JA Alumni report working in include those with well-paying professions that don't require degrees, including computers/IT, healthcare/medicine, financial services, and business ownership.
- 83 percent of JA Alumni agree they have an extremely fulfilling career.
- 66 percent of JA Alumni describe themselves as "thriving".
- 73 percent of Millennial and Generation Z JA Alumni describe themselves as middle class or as higher income. [Research by Gallup](#) shows that only 47 percent of Americans in those generations identify as middle or upper-middle class.