

CENGAGE
GROUP

2024 Graduate Employability Report

Preparing students for
the GenAI-driven workplace



July 2024

INTRODUCTION

Bridging the Gap: Education to Employment

Today, despite a strong labor market and high demand for skilled talent, employers struggle to find and retain talent to support ever-changing business needs. Additionally, the talent gap is exacerbated by the reality that many new graduates entering the workforce – [52%](#) – are working in jobs that don't make use of their degree or credential.

The disconnect between the capabilities and the demands of the job market highlights a fundamental mismatch between the education system and our workforce. It's an issue that, if unaddressed, could limit career mobility, widen wealth gaps in our society, stifle workforce growth and cripple economic productivity.

“Our 2024 Employability Report reveals post-secondary education is experiencing a pivotal moment. As we continue to bridge the gap between education and employment, we are not just preparing students for jobs – we are empowering them to build successful, adaptable careers in an ever-changing market.” – Michael Hansen, CEO, Cengage Group

Alongside the change and progress happening at the federal and state level to align education to workforce needs, education systems are also adapting. This report shows that the value proposition of higher education is shifting, with a growing emphasis on practical, job-ready skills alongside traditional academic credentials.

Aligning education to workforce demands



[New congressional proposals](#) are rethinking federal investments to support high-quality, industry-aligned, non-traditional pathways



[Nearly 20 states](#) have eliminated bachelor's degree requirements for many government positions, and [nearly half](#) of employers report they're working to do the same



Community college enrollment, with a high vocational focus, [surged 17.6%](#), surpassing pre-pandemic enrollment by 6.1%

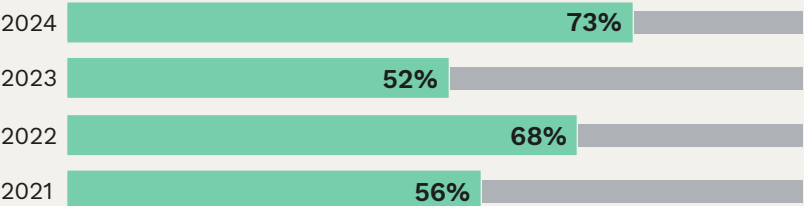
But there is more work to be done. As student demands and employer expectations continue to shift, this report shows that education institutions and skill providers have an opportunity to expand their offerings and continue delivering value to learners, especially through experiential learning and the incorporation of emerging technologies like generative AI (GenAI) into curricula.

Higher Education is Reviving Its Value

This year’s survey reveals a shift in how recent graduates perceive the value and relevance of their education in preparing them for the workforce. In fact, 68% of grads believe their education has set them up for success in today’s job market.

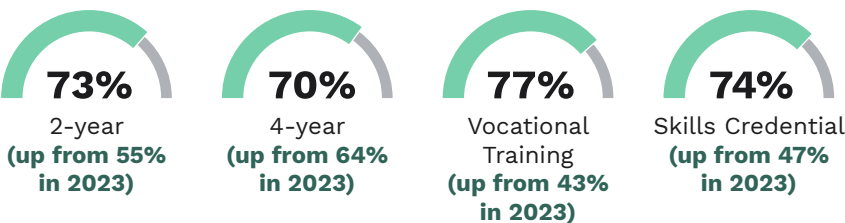
New grad perception of education ROI

A record-breaking three in four (73%) grads said their education was worth the cost, **a substantial increase from 2023 and prior.**



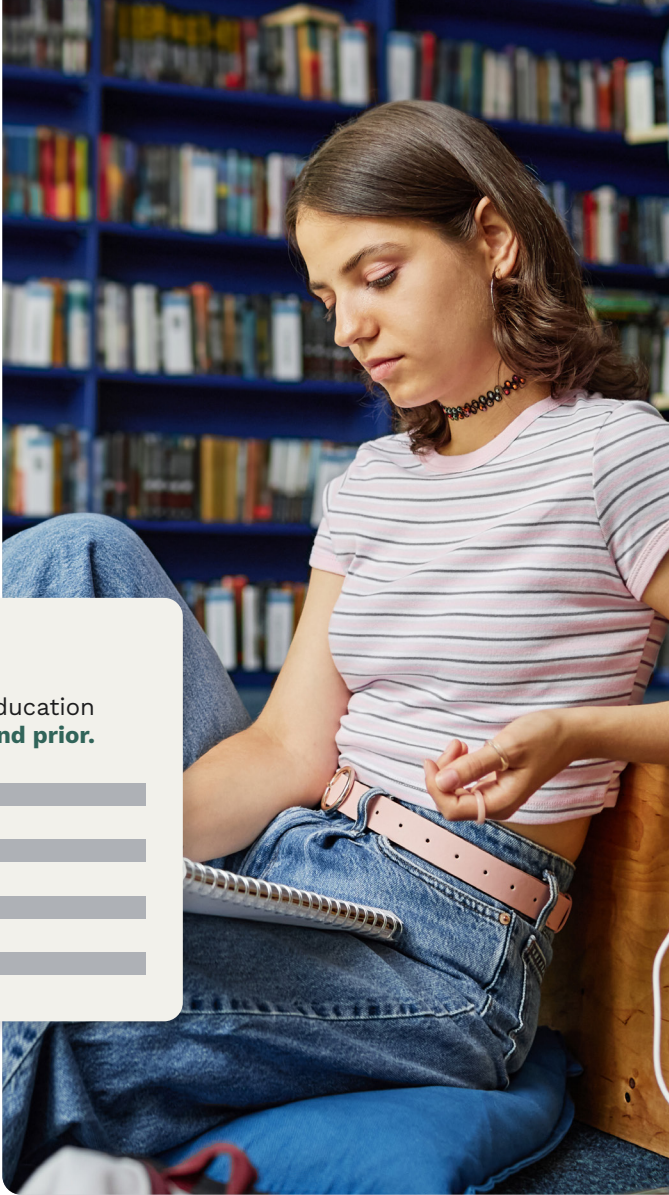
This is a significant increase in perceived value across all graduates with degrees and certifications – even slightly higher among those with certifications.

Education value increased significantly for grads



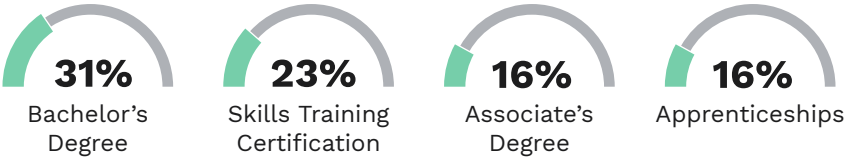
These findings highlight educators’ progress and focus on incorporating more skills-based learning and employability-focused content into their programs, equipping students with the competencies needed to thrive in their careers.

Notably, fewer graduates expressed regret over their education path. In 2024, less than a quarter (23%) of grads regretted their education choice, a marked improvement from 30% the previous year.



This positive sentiment is further reinforced by the finding that grads are most likely to recommend someone looking to secure a job in their field to pursue a bachelor's degree.

Graduates' top recommendations for job seekers in 2024



In contrast, in 2023, **only 24% of recent grads recommended pursuing a bachelor's degree.**

The survey also revealed a growing recognition of the necessity of post-secondary education for career success. Half (51%) of grads said a college degree or skills certification is necessary to perform their job, up from 42% in 2023.

This belief is particularly strong among those with specific education credentials, with 63% of bachelor's degree holders and 54% of graduate degree holders. It was also high among vocational training grads (56%), online certification recipients (51%) and those with a combination of higher education and online certification (54%). Employers share this sentiment as four in five (79%) believe a degree still holds value for an entry-level worker looking to join their company and 70% believe a degree is a strong indicator of career readiness.

While satisfaction is high, some regret remains:

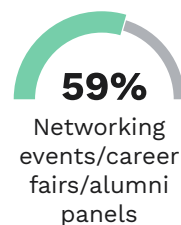
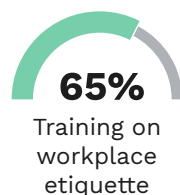
70%	wish their K-12 education promoted or exposed them to alternative learning pathways
48%	of students felt their education path was the only realistic option they could pursue because: <div><div>It provided the greatest employment opportunity - 56%</div><div>Their family encouraged it - 57%</div><div>A high school teacher promoted it - 43%</div></div>
74%	of vocational grads felt it was the only path they could choose because their family encouraged them

Curricula Shifts Focus to Employability

Higher satisfaction with education could stem from curricula that have shifted toward teaching in-demand workforce skills. Education programs have improved their focus on teaching employable skills, with more than half (57%) of grads believing their college or training program provided them with the skills needed to perform their first professional job, up from 41% in 2023.

Education institutions are facilitating internships, cooperative education programs and work-related learning opportunities (69%) to provide students with practical experience. They are teaching courses, curriculum and programs that align with the actual work grads would be doing in their future roles (65%).

Other ways education institutions are providing career services:



Grads also identified additional areas to drive new education value, with 69% wishing their college or learning programs worked more closely with employers to develop hands-on learning courses, and 60% expressing a desire for microcredential programs.

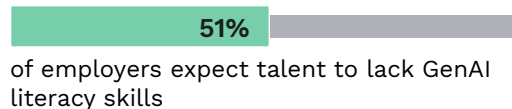
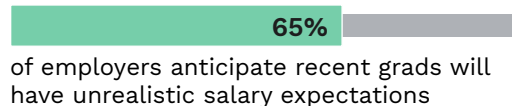
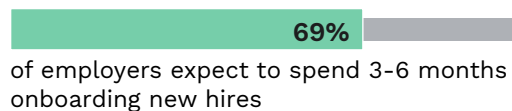
Their interest in aligning learning programs to employer demands reveals new opportunities for educators to close skills gaps and build greater “job-readiness” confidence among grads. Further curricula shifts toward employability could also ease employer concerns about grads’ workplace readiness and professional polish.

Curricula shifts in the right direction – but more skills-based education could build grad confidence



of grads **↑ up from 33% in 2023** did not apply to entry level positions because they felt underqualified or lacked some of the skills listed (35%)

Gaps in job-readiness



GenAI: A New Opportunity to Drive Value

According to the [World Economic Forum](#), GenAI is expected to change a quarter (23%) of global jobs by 2028 while [McKinsey & Company](#) reports 65% of workers are already using GenAI at work, up from 33% in 2023. As GenAI becomes more common in the workplace, a new opportunity is emerging for both employers and educators to provide GenAI skills development.

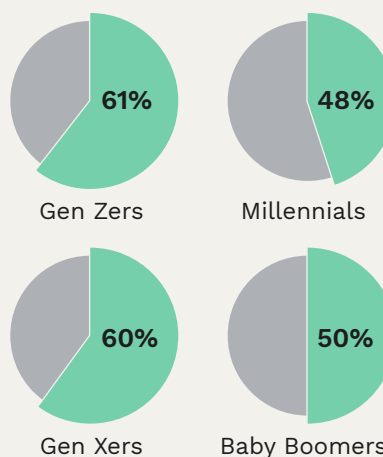
Educators are slowly (but surely) recognizing this opportunity with 48% of graduates reporting that their college or learning program offered courses to help them learn how to use GenAI applications.

Grads are already feeling the negative impact of programs that are not yet exposing them to GenAI tools and skills. It's impacting their career trajectories, with 51% of graduates saying the pace of technology is making them second-guess their career choice, up from 33% in 2023 – a trend most pronounced among vocational graduates (58%). Moreover, more than a third (39%) feel threatened that GenAI could replace them or their job entirely.

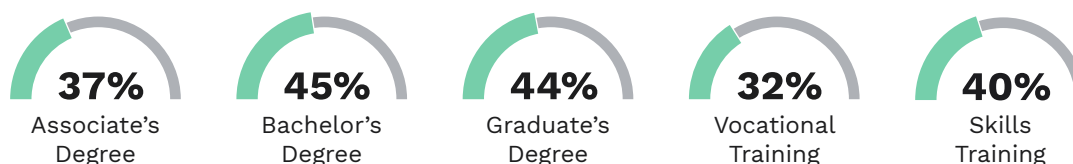


73%
of employers use GenAI
while **more than half (55%)**
of graduates said their program
did not prepare them to use
GenAI tools during their studies.

Grads unprepared to use GenAI



Grads threatened by GenAI

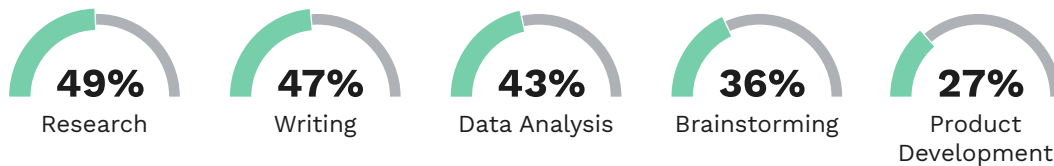


Programs that incorporate GenAI into curricula not only drive new education value but also improve career-readiness. Three in four (70%) grads believe basic GenAI training should be integrated into courses to prepare students for the workplace, and 69% say they need more training on how to work alongside new technologies in their current roles.

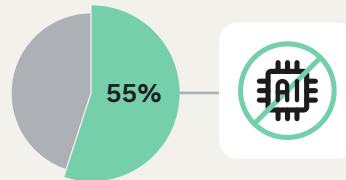
Without access and regular exposure to GenAI in the classroom, grads risk being less competitive in the job market and falling behind as they enter the workforce.

Grads are feeling the pressure to work alongside GenAI as they enter the workforce – and employers expect it. Nearly two in three (62%) employers believe candidates and employees should have foundational knowledge of GenAI tools, with 58% being more likely to interview and hire those with AI experience.

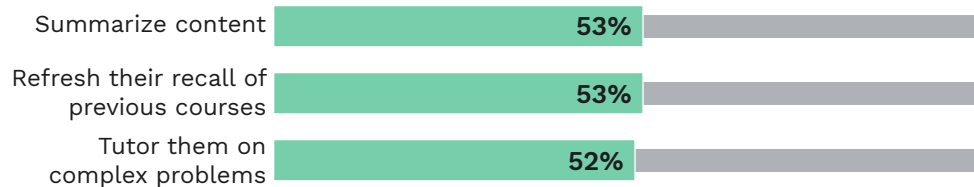
Three in four employers are using GenAI for:



While 55% of colleges/learning programs discouraged GenAI use



Leaving 40% of graduates to use unauthorized GenAI applications to:



To address these challenges, education institutions, skill providers and employers have a unique opportunity to incorporate AI skills development into their curricula, ensuring that graduates are well-prepared to succeed in today's job market. Failure to do so risks creating eventual hiring and retention issues, as 72% of employers report their employees could benefit from training on how to work beside GenAI tools, and 64% note that many employees will need to reskill or upskill in the next three to five years due to the emergence of new technologies.

CONCLUSION

Preparing Graduates for the **GenAI-Driven World**

The findings from the 2024 Graduate Employability Report represent an opportunity for education institutions and businesses to drive increased value for students and better align with the demands of the modern workplace. As GenAI reshapes our workforce, there is a growing need for skills development and experimentation.

Graduates proficient with GenAI tools will be better positioned to contribute to the workforce immediately, meeting the growing demand from employers prioritizing GenAI capabilities. This proactive approach to GenAI preparedness can strengthen the talent pipeline and foster a more seamless transition from classroom to workplace.

The opportunity before education institutions and skill providers is clear: by embracing the integration of GenAI and professional skills development, they can redefine the value proposition of their programs. This commitment to preparing graduates for the GenAI-driven workforce will not only enhance individual career trajectories but also drive broader economic competitiveness by fortifying the talent pipeline with future-ready professionals.

While the path forward presents challenges, it also unlocks new avenues for education institutions to solidify their relevance and impact. By collaborating with industry partners and adapting curricula to evolving workplace needs, educators can position themselves as innovative catalysts and drivers of long-term value. The 2024 Graduate Employability Report serves as a call to action to seize this moment and shape a new era of education excellence aligned with the demands of the age of GenAI.

Methodology

When

May 2024

How

Two surveys conducted with online platform

The 2024 Graduate Employability Report findings are based on two online surveys conducted among U.S. employers and recent graduates/students from May 2, 2024, to May 28, 2024, via Pollfish. The employer survey collected responses from 1,000 working adults employed for wages across all fields, with demographic quotas set for gender and age ranges. The graduate/worker survey gathered 974 responses from individuals who received a 2- or 4- year degree and/or a skills certification within the last year.

About Cengage Group

With more than 100 years serving learners, Cengage Group is a global edtech company that enables student choice.

No matter how, where, when or why someone wants to learn, our portfolio of education businesses supports all students, from middle school through graduate school and skills education, with quality content and technology. Collectively, our three business units – Cengage Academic, Cengage Work and Cengage Select – help millions of students each year in more than 125 countries achieve their education and career goals and lead choice-filled lives.

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