

How Entrepreneurs Can Solve the Higher Education Problem

By approaching enterprise education with purpose, businesses can impact their bottom lines while simultaneously igniting a fundamental shift in higher education.

March 18, 2021 4 min read

Opinions expressed by *Entrepreneur* contributors are their own.

Higher education is in need of a transformation. The trifecta of tuition inflation, increasing student debt and diminishing confidence in the value of a traditional degree leaves the industry ripe for reimagination. Federally subsidized 2- or 4-year college degrees have been discussed as part of a new agenda to help increase access to education. Yet, companies also have the unique opportunity to play a role in increasing equitable access to higher education – and their businesses can benefit as a result.

Corporate America already spends more than \$180 billion annually on educating and training employees, but most business leaders don't experience a significant return on the investment. Instead, most training programs are poorly aligned with business and learner objectives, such as addressing specific skills gaps or improving employee recruiting and retention.

When enterprise education programs are mutually aligned, employees are able to access life-changing opportunities without the traditional barriers to higher education, while companies can achieve their strategic business objectives.

Most corporate-sponsored training and tuition assistance programs underperform

Among the billions of dollars that are spent annually on inside and outside training programs, \$28 billion is allocated for traditional tuition programs – typically developed to address employee recruiting and retention – yet less than 2 percent of employees actually use them.

These programs are simply outdated. According to an InStride/Bain & Co. survey, 80 percent of employees are interested in going to school while working, but only 40 percent knew their employer offered a tuition assistance program. Navigating enrollment and financial aid is difficult enough, on top of full-time professional responsibilities. In fact, survey respondents cited filling out applications, completing financial aid forms and locating transcripts as the most difficult barriers to overcome, and most corporate human resource departments don't have the infrastructure in place to manage every employee-learner's journey. Barriers for employees ultimately become the company's problem as programs are woefully underutilized or employees simply choose to leave and look for their desired employment benefits with other companies.

How does an organization truly capitalize on workforce education? Companies should consider these three points in creating training and education programs for its employees:

1. Organizations should develop enterprise education programs

intentionally.

Enterprise education programs should be specific to an organization's goals. These opportunities should give learners multiple options for advancing their education, whether through degree programs, certificates or credential attainment. When done so, companies can double their return on investment in higher productivity, lower recruiting costs, longer retention and stronger brand perception for every \$1 spent.

Related: [9 Employee Education Resources Every Entrepreneur Should Know](#)

2. Program development needs to account for a realistic adult learner journey.

After working with more than 34,000 employee-learners over the past two years, I've learned that the decision to go back to school is just as much an emotional decision as it is logical. Learners need assistance navigating the entire journey, from the initial decision to potential enrollment barriers and defining a clear return on investment alongside their employer. Commitment to this lifecycle of support starts at the top with touchpoints actualizing through management, mentorship and connections made to a strong company culture.

Related: [How to Create a Learning Culture in the Workplace](#)

3. Companies should align enterprise education programs to

the broader company culture.

Companies that align education programs to their culture provide employees with the professional meaning and employer relationship they crave. As reiterated in the 2020 Brandpie CEO Purpose Report, this feeling of purpose can be a significant motivator for employees and leaders, which contributes to high productivity and longstanding relationships with an employer. Access to education can provide the meaningful connection an employee is looking to have with their employer, and ultimately affects workforce recruitment, retention and training needs.

Employee education delivers more than improved company performance. The opportunities that stem from workplace education investments reverberate through employees' lives and into society at large. Research by the American Action Forum quantifies the impact of college degree attainment on broad scales, suggesting that had states increased their population's bachelor's degrees by 1 percent over the past decade, nationwide economic growth would have increased by about \$130.5 billion.

A strategic approach to enterprise education offers bold business leaders the chance to cultivate the workforce they need to be successful in a rapidly changing global economy, gives their employees academic experiences through high quality universities across the world, and, most importantly, alleviates the overbearing burden of debt through fully funded access to higher education.

Related: 5 Reasons Why Emotional Intelligence Is the Future of Work

<https://www.entrepreneur.com/article/365775>