DeVryWorks

2023 Talent Outlook Study
Tuition Benefits:
The Untapped Resource

Image: fizkes

Contents

Executive Letter

Our clients come to DeVryWorks with questions on how professional development impacts retention and productivity. With so many possible development levers to pull in today's corporate environment, how can leaders stay aware of their options and the outcomes of those options?

To answer those questions, DeVryWorks deployed a survey to a sample group of 300 managers, directors and executives, with their answers revealing how they leverage and value tuition benefits and external learning providers. To achieve rich insights, the survey was shared nationally in the U.S. and across a range of industries and departments. Project management, accounting and finance, and operations are a sampling of the functions included in the findings.

72% of respondents indicate that professional development is part of the reason they're able to retain their top talent. DeVryWorks is committed to ensuring organizations get the most value from professional development by constructing highly tailored learning pathways that benefit the learner and the organization.

A big thank you to our research partner Cicero® Group for their dedication to helping us uncover these findings.

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Image: fizkes

Summary of Findings

This survey highlighted what business leaders are looking for when it comes to the advancement and retention of their teams.

> Leadership development is the largest skills gaps across teams at 12%.

> Organizations place importance on their people earning certificates and certifications as tangible proof of their professional development.

> Leaders expect a timely demonstration of new skills by their team.

Top Skill Gaps Present: Leadership, Data Decision Making, Digital Fluency

Data from our survey revealed **3 critical skill gaps leaders are looking to address.**

01 Leadership:

Leadership ranks in the top 3 most important skills to have represented on teams. This skill also exhibits the widest gap between confidence (76%) and importance (88%) to the team.

02 Data-driven decision-making:

Organizations rate data-driven decision-making as a highly important skill to have represented on a team (84%). Leaders need to consider the risks to their business due to this skill gap, as they expressed low confidence that their teams possess the skill (75%).

03 Digital fluency:

The third least confident skill gap is digital fluency. However, it is the skill leaders show has the second highest gap at 10%.

Top Skills Needed for Professional Development

Leadership

76% 88%

Data-Driven Decision-Making

75% 84%

Digital Fluency

70% 80%

☐ Importance   ■ Confidence
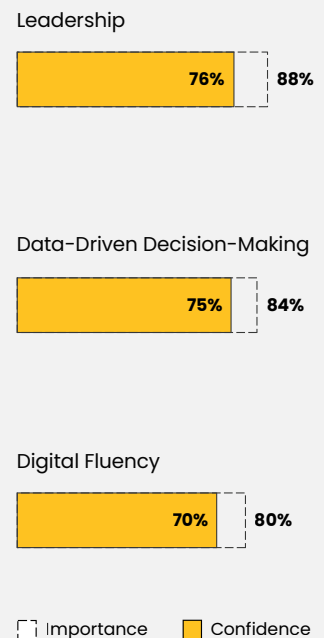
Tuition Benefits:
Underrepresented &
Under Utilized

The Wall Street Journal reported that 90% of large and midsized employers offer some kind of tuition reimbursement, yet less than 10% of workers use tuition benefits.[1]

84% of employees cited tuition benefits as an important factor in their decision to join their companies. In fact, 71% of participants rated tuition benefits among the best benefits offered by their employers after healthcare.[2]

What's troubling is that only about 25% of interested employees ever start an application to take advantage of tuition benefits.[3]

According to our survey, executives believe their organizations effectively promote tuition benefits, but in reality, managers and directors aren't following suit. How do we close the disconnect?

Most common routes of professional development:
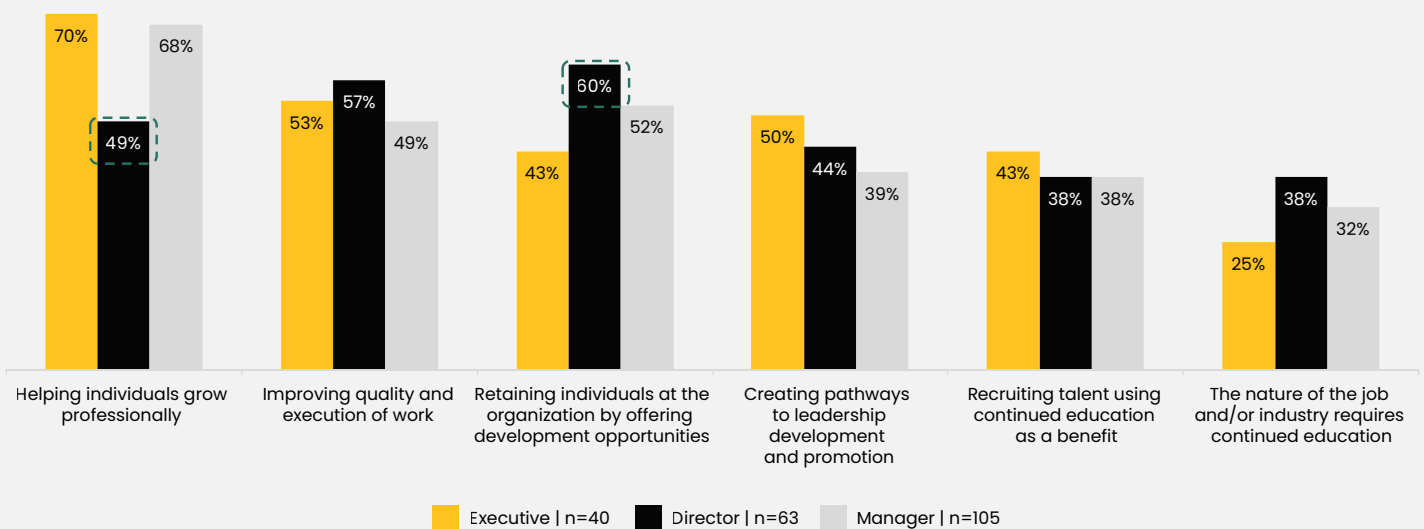
88% Internal trainings
74% On-demand
69% Tuition reimbursement

Top reasons organizations offer tuition benefits:

01 62% Helping individuals grow professionally.

02 53% Retaining individuals at the organization by offering development opportunities.

03 52% Improving quality and execution of work.

Directors are less likely to cite professional growth as a reason to offer tuition benefits and are most likely to cite employee retention

Reasons to Offer Tuition Reimbursement by Role | n=301

Reason	Executive	Director	Manager
Helping individuals grow professionally	70%	49%	68%
Improving quality and execution of work	53%	57%	49%
Retaining individuals at the organization by offering development opportunities	43%	60%	52%
Creating pathways to leadership development and promotion	50%	44%	39%
Recruiting talent using continued education as a benefit	43%	38%	38%
The nature of the job and/or industry requires continued education	25%	38%	32%

■ Executive | n=40   ■ Director | n=63   ■ Manager | n=105

[1]How Student-Loan Debt, or Not Having It, Shapes Lives, Wall Street Journal (November 2022)
[2]New Study Shows the Lasting Impact of Tuition Assistance, Business Wire (January 2018)
[3]10 tuition reimbursement statistics you need to know in 2022, Instride (September 2021)
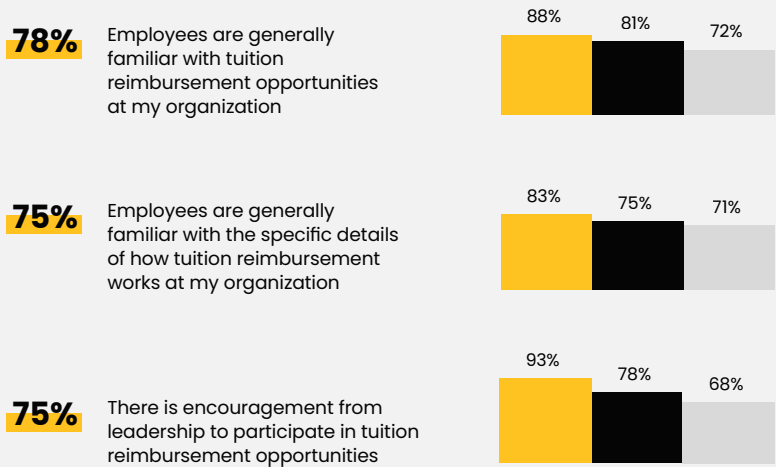
Promoting Tuition Benefits within the Organization

Executives are more likely than directors and managers to agree with positive statements regarding tuition benefits.

› **78% of leaders consider their teams to be familiar with tuition reimbursement opportunities within their organization.**

› Executive-level leaders are most likely to encourage the use of tuition reimbursement, with 93% stating they promote the opportunity often or always.

› Outside the C-suite that number drops tremendously, with directors and managers saying they promote it often or always just 68% and 59% of the time respectively.
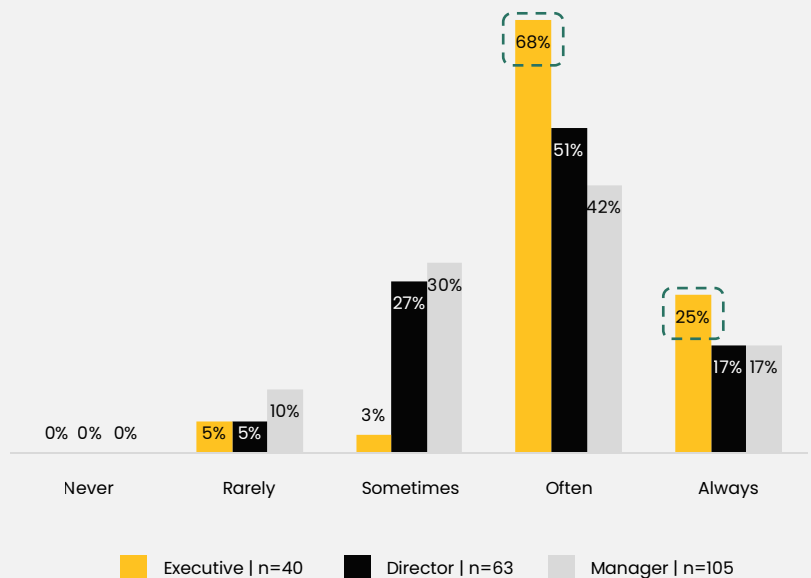
Executives express greater confidence in employees' familiarity with tuition reimbursement programs
Current State; Agreement With Statements on Tuition Reimbursement Programs by Role | n=208

78% Employees are generally familiar with tuition reimbursement opportunities at my organization
88% 81% 72%

75% Employees are generally familiar with the specific details of how tuition reimbursement works at my organization
83% 75% 71%

75% There is encouragement from leadership to participate in tuition reimbursement opportunities
93% 78% 68%

Executives claim to promote tuition benefits programs far more often
Current State; Agreement With Statements on Tuition Reimbursement Programs by Role | n=208

	Never	Rarely	Sometimes	Often	Always
Executive	0%	5%	3%	68%	25%
Director	0%	5%	27%	51%	17%
Manager	0%	10%	30%	42%	17%

Executive | n=40   Director | n=63   Manager | n=105

Learning Experiences: Culture of Learning and Skill Applicability

The study yielded **2 key findings** based on consumer experience:

01 Organizations expect learning providers to add value by creating an engaging learning environment that facilitates delivery of accessible and relevant content.

02 Leaders define the key measures of success for learning development programs by job performance and employee development.

"Leadership and training. Most important of all. Keeping employees is extremely hard and making them feel part of the company will help tremendously."

Small Org, Executive in Project Management for Technology

Expectations for Learning Providers

Engaging Learning Environment
Organizations expect a provider to add value by creating an engaging learning environment that facilitates delivery of accessible, relevant content
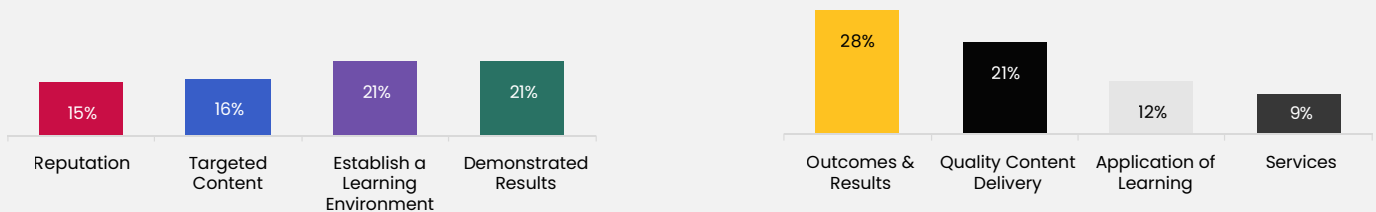
Success Defined by Consumers

Tangible Results
Job performance and employee development are the primary measures of success

Expectations for demonstrated results is paramount in professional development, yielding top mentions as both an expectation of providers, and a defining factor in success

Reputation	Targeted Content	Establish a Learning Environment	Demonstrated Results
15%	16%	21%	21%

Outcomes & Results	Quality Content Delivery	Application of Learning	Services
28%	21%	12%	9%

Image: Branislav Nenin

Learning Attributes: Certificates, Effectiveness, Range and Affordability

When creating programs for professional development, leaders are looking for flexible options that drive work-ready skills today.

- › **Certificates:** Certificates in technical (62%) and professional skills that result in leadership development (61%) are the highest-ranked program attributes.

- › **Effectiveness:** Learning providers must be able to demonstrate success in developing an organization's people. A metric which is typically defined by enhanced job performance and professional advancement.

- › **Range of services:** Large organizations are more likely to seek a learning provider than can offer a range of services, like a mix of technical and soft skills. Overall, this was the most frequently cited reason to reach out to an external partner for professional development.

- › **Affordability:** Small organizations are more price sensitive to the cost of external providers compared to their medium and large counterparts.

"**Success in any industry requires expert knowledge. People invest time and effort in education to further their careers, as do companies wishing to maximize the effectiveness of their workforce. Best practices shift and adjust in any industry; the continuing education and training market is no different. To keep up with trends and developments in the sector, good training companies take the time to know about their industry.**"

Medium Org, Manager in Cybersecurity for Technology

# Key Findings: Skills gaps still remain present

To help pinpoint which skills leaders need to address, we asked all leaders in what areas they found opportunities to improve. Of the skills presented, leadership, ethical decision making and database management are viewed as the most important skills to demonstrate. Whereas digital fluency, vulnerability assessment and calculating ROI are the skills in which organizations have the least confidence that their teams possess.

Why This Matters

Key insight: Leadership, engineering technology, and data-driven decision making are all skills of relatively high importance, but low confidence.

Leadership, engineering technology, and data-driven decision making, are all skills of relatively high importance, but companies have lower confidence that their team currently possess them

Matrix | n=301
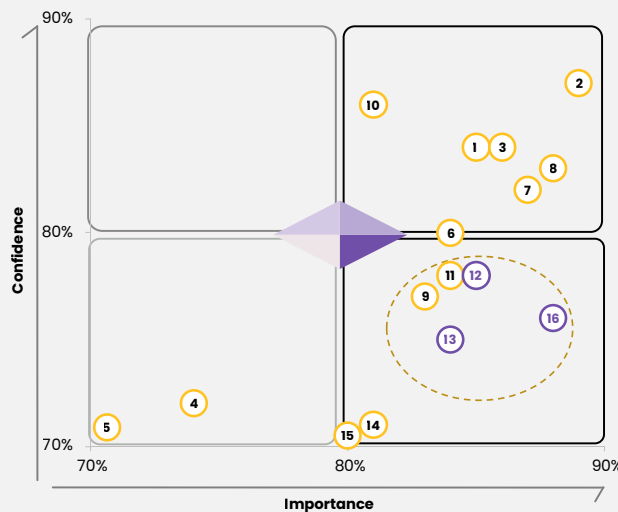
1	Software Development
2	Database
3	Security Operations
4	Budgeting & Forecasting
5	Calculating Return on Investment
6	Programming
7	Information Systems & Network Security
8	Ethical Decision Making
9	Analyzing Financial Statements & Data
10	Operating Systems
11	Project Management
12	**Engineering Technology**
13	**Data-Driven Decision Making**
14	Vulnerability Assessment
15	Digital Fluency
16	**Leadership**

- Database
- Security Operations
- Software Development
- Ethical Decision Making
- Information Systems & Network Security
- Operating Systems
- Programming

- Budgeting & Forecasting
- Calculating Return on Investment

- Leadership
- Vulnerability Assessment
- Data-Driven Decision Making
- Digital Fluency
- Engineering Technology
- Project Management
- Analyzing Financial Statements & Data

Image: Nitat Termmee

Key insight: Organizations across industries and job functions consistently assign high importance to the development of leadership skills within their teams.

Skill development is relative to the industry and organization down to the individual team level. To help us understand these differentiations, the skills have been categorized into 3 distinct areas: **priority fulfilled**, **unmet priorities** and **low priority**.

Priority fulfilled

These are skills that are both important and well-represented in organizations:

- › Database management
- › Ethical decision making
- › Information systems & network security
- › Security operations
- › Software development

Unmet priorities

These are skills that are viewed as important, but are not well-represented in organizations:

- › Leadership
- › Data-driven decision making
- › Engineering technology
- › Project management
- › Analyzing financial statements & data
- › Programming

Low priority

These are skills that are viewed as relatively less important:

- › Budgeting & forecasting
- › Digital fluency
- › Operating system
- › Vulnerability assessment
- › Calculating return on investments (ROI)

"**Learning something that is practical and can be used on your day-to-day job and enhance the efficiency.**"

Large Org, Director in Accounting & Finance for Technology

Image: Gorodenkoff

Key Findings: Regardless of department, leadership skills remain the key priority

While the demographics of our survey sample included a range of departments, we've taken note of skill gaps in 4 key departments.

- IT
- Operations
- Accounting/finance
- Project management

While each department had notable gaps related to specific roles on their teams, the most common skill gap across functions was leadership with a 12% gap.

"My expectations are training the employees to become future leaders in my specialized field."

Medium Org, Manager in Supply Chain for Government

Why This Matters

- In IT, ethical decision making and vulnerability assessment are considered the largest gaps. Yet, across all departments, ethical decision making has one of the highest confidence scores at 83%.

- In operations, notable gaps in leadership (17%), digital fluency (13%) and data-driven decision making (11%) are seen.

- Accounting and finance cited leadership as their critical skill gap at 17%, notably 5% above the cross-functional average of a 12% gap in leadership skills.

- Project management teams have four skills gaps over 10%, those are: digital fluency (15%), leadership (13%), and project management (13%).

" Employees can bring learning in their active role and provide better data-driven decisions."

Small Org, Manager in Project Management for Manufacturing

Image: mentatdgt

Key Findings: Closing Skill Gaps Can Happen through Professional Development Programs

Now that we've covered what skills are in need of upgrading across departments, it's important to understand how leaders evaluate skill development options. Leaders prioritize learning programs that help them create a culture of learning, demonstrate results, and show outcomes.

Let's explore this in a bit more detail.

"They would either be more proficient in their area or more able to deal with others more professionally."

Large Org, Director of Human Resources in Government

What We Learned from Our Findings

> Large organizations are most compelled by a provider's range of services, which is a combination of soft skills and technical skills.

> It's important to organizations that those participating in a professional development program receive a certification when they're done. A request for tangible proof of program completion makes sense when you consider that in-person courses and tutoring services aren't viewed as particularly important program attributes.

> 61% of respondents prioritize inclusion of skills that contribute to leadership development.

> 21% of respondents mention that the program should establish an environment of learning.

> In general, we found that organizations define success of a program by observable outcomes, such as being able to collaborate with others more professionally. Of the sample group, 28% felt strongly about this.

Image: Onchira Wongsiri

Key Findings:
Leaders are Missing
an Untapped Resource,
Tuition Benefits

It became clear in the results of this study that, in order to fully understand the state of professional development, we need to keep in mind how organizations handle tuition benefits.

Overall, we found that large organizations are at least 16% more likely to offer tuition benefits compared to small- and medium-sized organizations. The study also showed a notable discrepancy between the behavior of individuals in different leadership roles.

For example, executives are more likely than directors or managers to believe their organization can successfully develop and grow their people. Perhaps this, too, helps explain the disconnect between the ways that executives versus managers and directors go about promoting tuition benefits.

Let's delve into these findings in a bit more detail.

Why This Matters

Key insight #1:
Executives are more likely to agree with statements pertaining to developing and providing growth opportunities to their teams.

Current State*; Agreement With Statements on Employee Retention and Development by Role | n=301
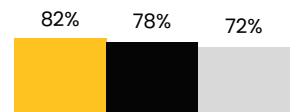
🟨 Executive | n=57
⬛ Director | n=86
⬜ Manager | n=158
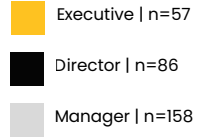
77%
Our organization has the tools to successfully develop our best employees

86% 81% 71%
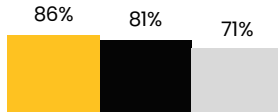
76%
Our employees are given ample growth and development opportunities
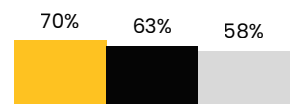
82% 78% 72%

70%
The time it takes to hire new talent has increased
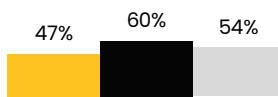
68% 78% 66%
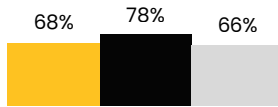
61%
Our organization has been regularly able to hire the best available candidates
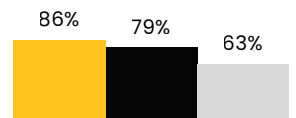
70% 63% 58%

54%
Our organization has found it harder to retain our best talent

47% 60% 54%

72%
Professional development is an important part of why our employees choose to work at our organization
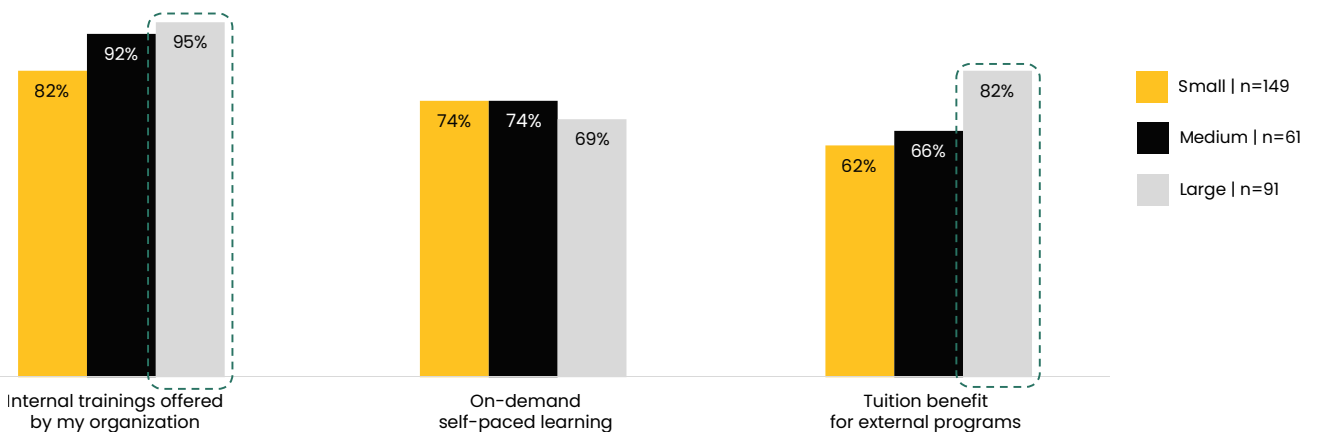
86% 79% 63%

*Top 2 response options

Key insight #2:
Large organizations are more likely to offer tuition benefits and internal training.

Educational Benefits Offered by Size of Organization | n=301

82% 92% 95%   Internal trainings offered by my organization

74% 74% 69%   On-demand self-paced learning

62% 66% 82%   Tuition benefit for external programs

🟨 Small | n=149
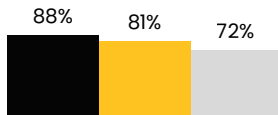⬛ Medium | n=61
⬜ Large | n=91

Key insight #3:

Executives express greater confidence in employees' familiarity with tuition benefits programs.

Current State; Agreement With Statements on Tuition Reimbursement Programs by Role | n=208
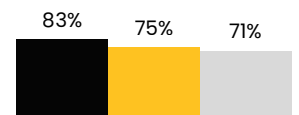
78%
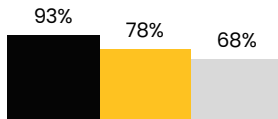Employees are generally familiar with **tuition reimbursement opportunities** at my organization

88% 81% 72%

75%
Employees are generally familiar with the specific details of **how tuition reimbursement works** at my organization
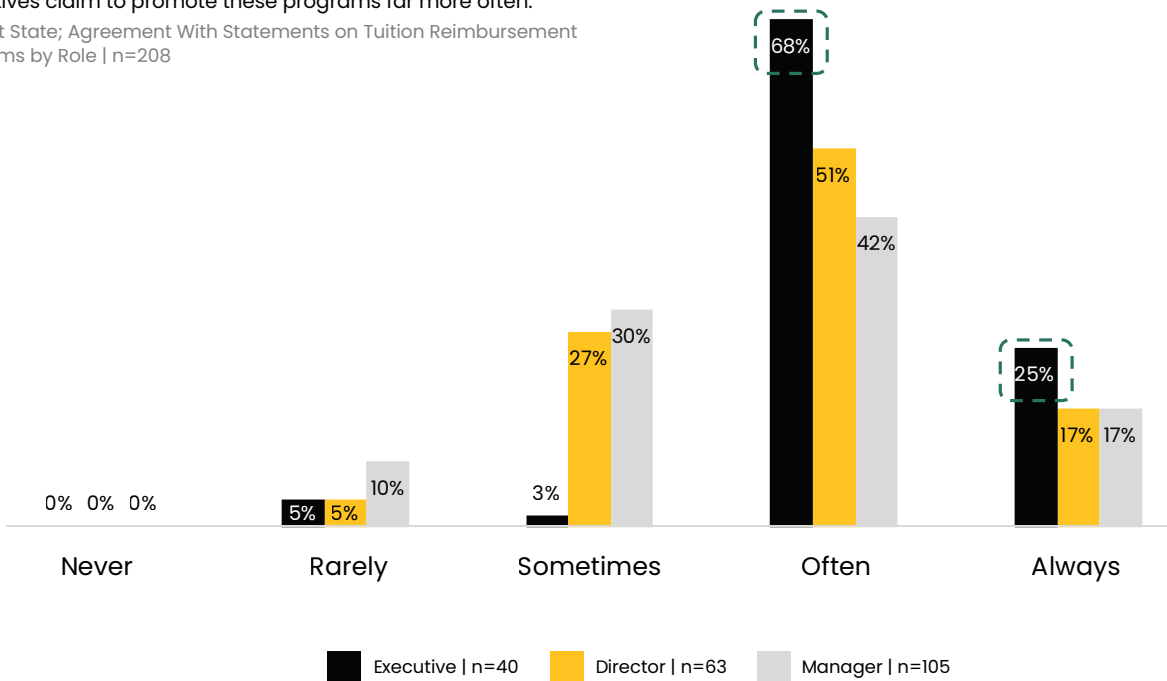
83% 75% 71%

75%
There is encouragement from leadership to participate in tuition reimbursement opportunities

93% 78% 68%

Executive | n=57   Director | n=86   Manager | n=158

Key insight #4:

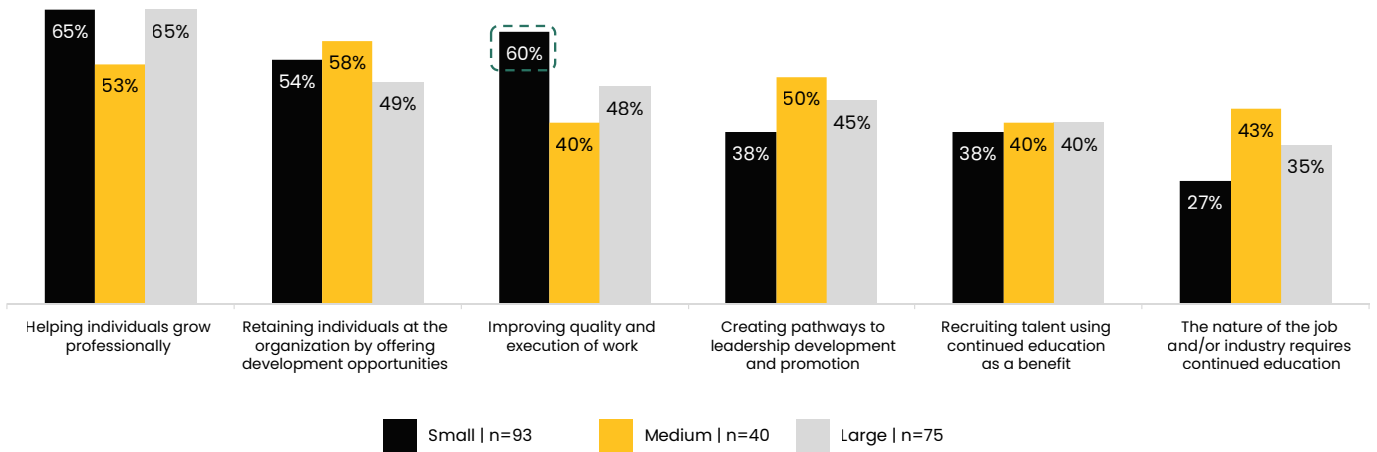Executives claim to promote these programs far more often.

Current State; Agreement With Statements on Tuition Reimbursement Programs by Role | n=208

	Never	Rarely	Sometimes	Often	Always
Executive	0%	5%	3%	68%	25%
Director	0%	5%	27%	51%	17%
Manager	0%	10%	30%	42%	17%

Executive | n=40   Director | n=63   Manager | n=105

Key insight #5:

Organizations are compelled to offer tuition benefits for individual growth, retention and improving quality of work – small organizations are especially likely to cite quality improvement.
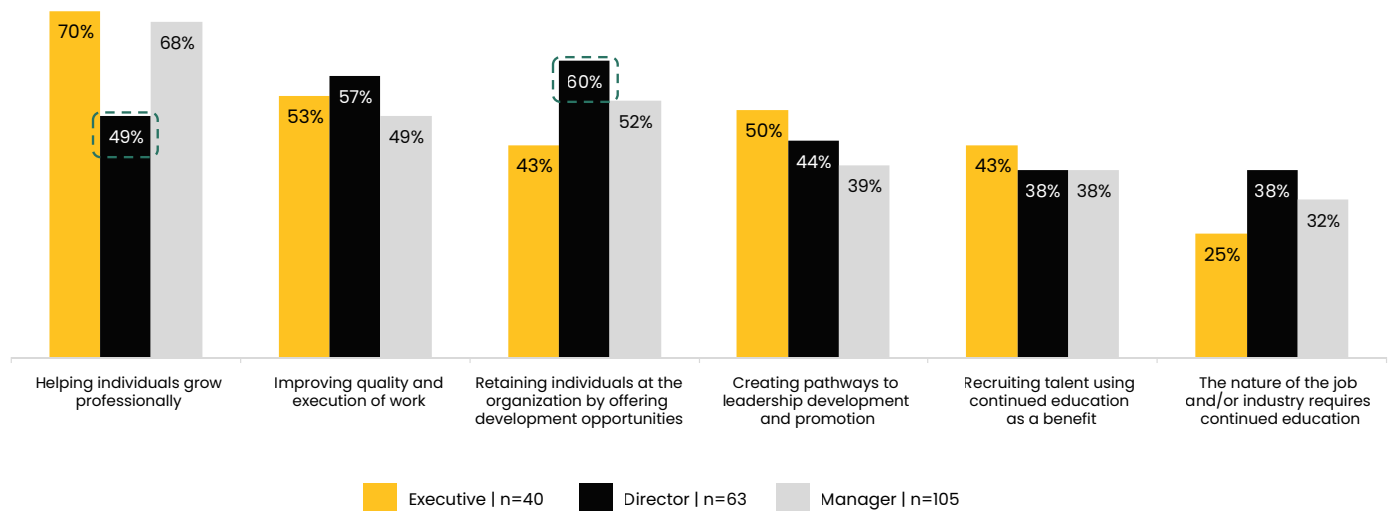
Reasons to Offer Tuition Reimbursement by Size of Organization | n=301

Legend: ■ Small | n=93   ■ Medium | n=40   ■ Large | n=75

Data:
- Helping individuals grow professionally: Small 65%, Medium 53%, Large 65%
- Retaining individuals at the organization by offering development opportunities: Small 54%, Medium 58%, Large 49%
- Improving quality and execution of work: Small 60%, Medium 40%, Large 48%
- Creating pathways to leadership development and promotion: Small 38%, Medium 50%, Large 45%
- Recruiting talent using continued education as a benefit: Small 38%, Medium 40%, Large 40%
- The nature of the job and/or industry requires continued education: Small 27%, Medium 43%, Large 35%

Key insight #6:

Directors are most likely to cite retention (60%), as a reason to offer tuition benefits (see page 16). This is in line with the fact that directors were more likely to say that the time it takes to hire new talent has increased (78%, a difference of at least 10% above other levels surveyed).

Reasons to Offer Tuition Reimbursement by Size of Organization | n=301

Legend: ■ Executive | n=40   ■ Director | n=63   ■ Manager | n=105

Data:
- Helping individuals grow professionally: Executive 70%, Director 49%, Manager 68%
- Improving quality and execution of work: Executive 53%, Director 57%, Manager 49%
- Retaining individuals at the organization by offering development opportunities: Executive 43%, Director 60%, Manager 52%
- Creating pathways to leadership development and promotion: Executive 50%, Director 44%, Manager 39%
- Recruiting talent using continued education as a benefit: Executive 43%, Director 38%, Manager 38%
- The nature of the job and/or industry requires continued education: Executive 25%, Director 38%, Manager 32%

" **Being able to demonstrate the professional improvement of people's lives who have successfully completed the training program –** increased salary, received promotion, etc. "

Small Org, Executive in Engineering for Alternative Energy

Image: Thomas Barwick

Final Say

As critical skills continue to emerge, expand and expire, there's an ongoing need for professional development. It's crucial to the vitality of the organization and the professional journey of employees. While there are plenty of professional development options, from massive open online courses to cohort-based learning, most organizations need a combination of learning offerings to meet their skill development needs and suit employee learning styles and preferences.

One stark finding from the survey is that organizations miss the opportunity to amplify the value of their tuition benefit program within the realm of professional development options.

Taking it a step further, another consideration for leaders is the inclusivity of that tuition benefit. There is a difference between tuition reimbursement and assistance: assistance gets paid upfront and reimbursement after completion of the course. Tuition assistance as opposed to reimbursement can make all the difference to an employee and if they're able to have the financial means to cover the cost of that development path, and potential career advancement.

Empowered with insights like these, organizations can explore multiple paths for developing talented teams to grow their people and their business.

Partner with DeVryWorks for the journey

Ready to discover how learning pathways from a professional development service can help prepare your team for the future? Let's chat. **Classes start every 8 weeks.**

Get in Touch

Found this interesting?

Read more

Methodology

DeVryWorks helps organizations build future-ready skills within their people. Therefore, it's critical that we're equipped with data-backed insights to help configure our academic programming in the most valuable way possible. As a result of the findings, we identified an opportunity to create thought leadership using our own primary data on professional development.
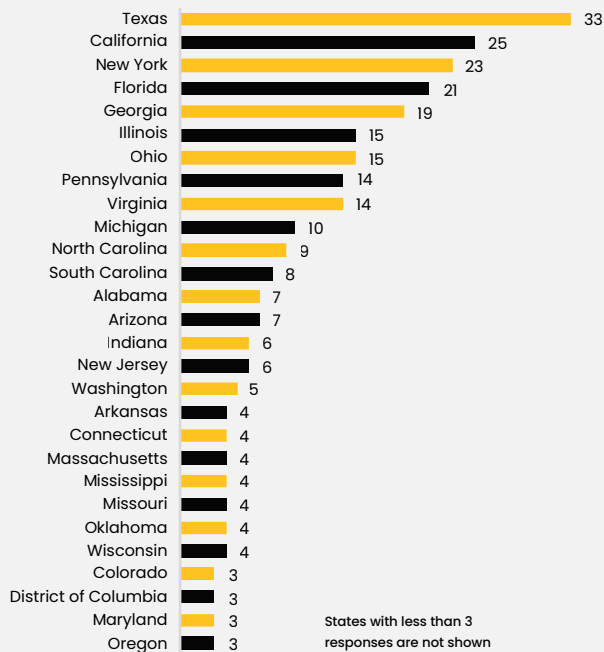
To achieve this, we aligned with our research partner, Cicero, to create an effective sampling and survey methodology – including target population, survey logic and survey distribution.

We applied this methodology when creating a survey questionnaire, which was distributed through Cicero's online panel partner across the country to help us collect the necessary data.
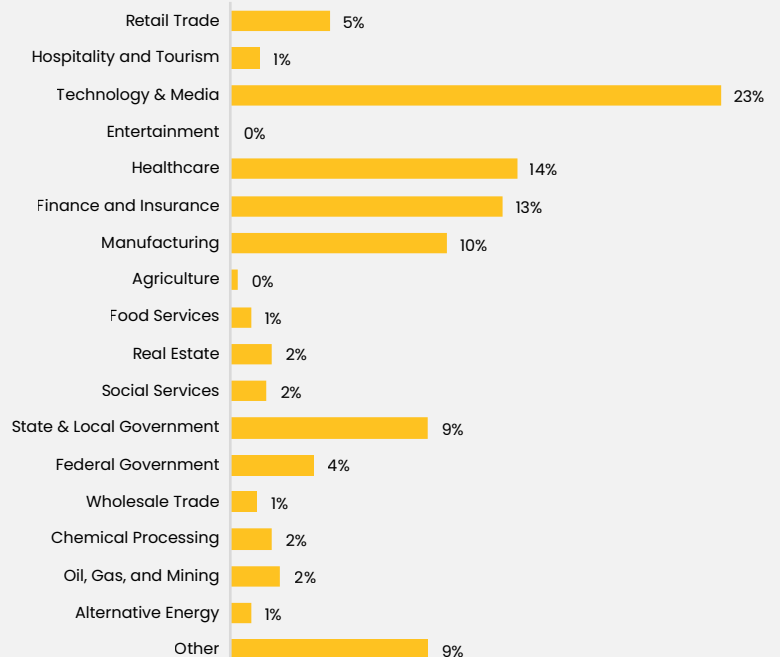
Here's How it Worked

> The objective was to sample 300 managers, directors, and executives to understand key topics and themes around drivers of people development and how tuition benefits and external learning providers impact their efforts.

> We targeted a number of job functions such as:
> - Project Management
> - IT / Cybersecurity
> - Accounting / Finance
> - Human Resources
> - Data and Analytics
> - Supply Chain

> The survey was deployed nationally in the U.S., across various industries such technology & media, healthcare, finance & insurance, manufacturing and state & local government.
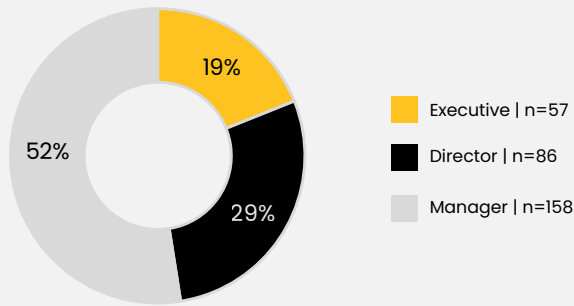
Geographical Distribution

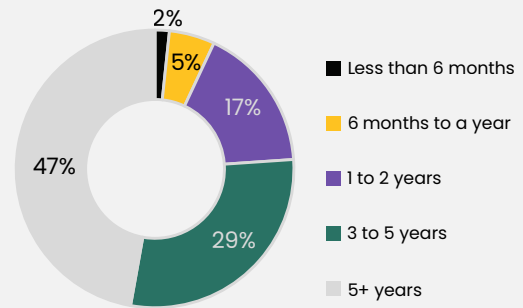| State	Responses
Texas	33
California	25
New York	23
Florida	21
Georgia	19
Illinois	15
Ohio	15
Pennsylvania	14
Virginia	14
Michigan	10
North Carolina	9
South Carolina	8
Alabama	7
Arizona	7
Indiana	6
New Jersey	6
Washington	5
Arkansas	4
Connecticut	4
Massachusetts	4
Mississippi	4
Missouri	4
Oklahoma	4
Wisconsin	4
Colorado	3
District of Columbia	3
Maryland	3
Oregon	3

States with less than 3 responses are not shown

Industry

Industry	Percentage
Retail Trade	5%
Hospitality and Tourism	1%
Technology & Media	23%
Entertainment	0%
Healthcare	14%
Finance and Insurance	13%
Manufacturing	10%
Agriculture	0%
Food Services	1%
Real Estate	2%
Social Services	2%
State & Local Government	9%
Federal Government	4%
Wholesale Trade	1%
Chemical Processing	2%
Oil, Gas, and Mining	2%
Alternative Energy	1%
Other	9%

> ❯ Respondents were categorized by their role within the organization, size of the organization, and job function.

Role

- ■ Executive | n=57
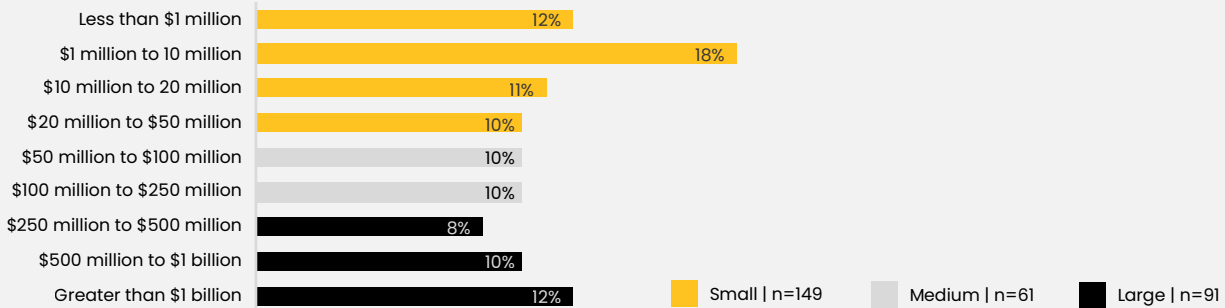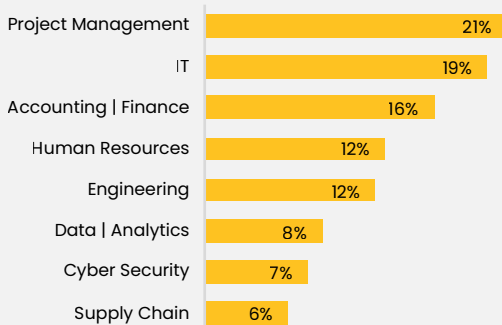- ■ Director | n=86
- ■ Manager | n=158

52% · 19% · 29%

Time in Role

- ■ Less than 6 months
- ■ 6 months to a year
- ■ 1 to 2 years
- ■ 3 to 5 years
- ■ 5+ years

2% · 5% · 17% · 29% · 47%

Approximate Organizational Annual Revenue

Revenue	%
Less than $1 million	12%
$1 million to 10 million	18%
$10 million to 20 million	11%
$20 million to $50 million	10%
$50 million to $100 million	10%
$100 million to $250 million	10%
$250 million to $500 million	8%
$500 million to $1 billion	10%
Greater than $1 billion	12%

- ■ Small | n=149
- ■ Medium | n=61
- ■ Large | n=91

Function

Function	%
Project Management	21%
IT	19%
Accounting	Finance	16%
Human Resources	12%
Engineering	12%
Data	Analytics	8%
Cyber Security	7%
Supply Chain	6%

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