

EDUCATION EMPLOYMENT PIPELINE

The U.S. talent pipeline — from classrooms to careers — is broken, leaky, and busted. Our education and talent development systems are not keeping up with the demands of rapid innovation. Too many students are graduating without the requisite skills they need to get a job, continue to advance in their careers, and close the workforce participation gap. At the same time, millions of skilled individuals remain on the sidelines — overlooked, underutilized, or disconnected from opportunity.

3 KEY PATHWAYS

SHRM's Initiative is tackling the U.S.'s **broken, leaky, and busted talent pipeline** by connecting education to employment across **three key pathways**:

PIPELINE 1 K-12 EDUCATION



The Challenge: Students graduate unprepared for the world of work.

SHRM's Priority:

Build a future-ready K-12 curriculum that balances foundational knowledge with essential power skills to develop practical, workforce-ready abilities.

PIPELINE 2 HIGHER EDUCATION



The Challenge: Graduates of higher education possess skills that do not always match job market needs.

SHRM's Priority:

Strengthen the higher-education-to-job-market connection by improving university-employer ties and expanding work-based learning opportunities.

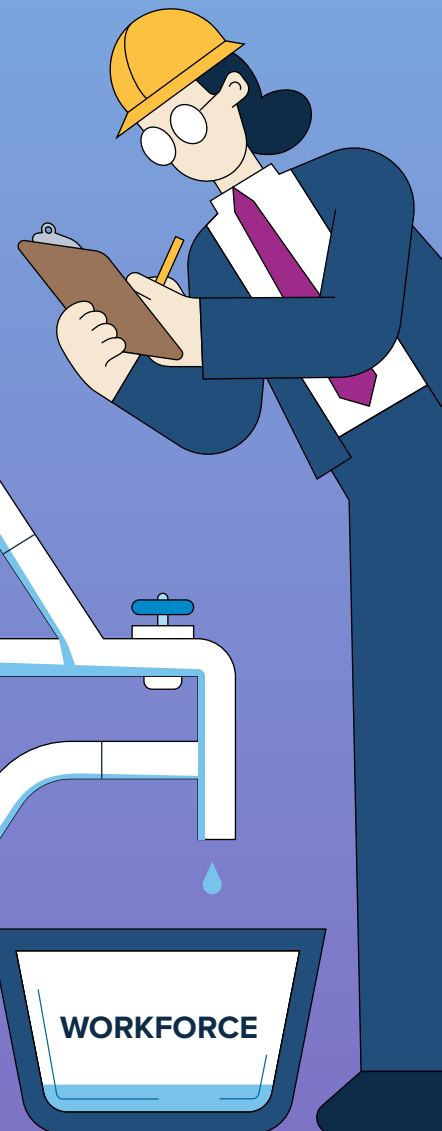
PIPELINE 3 UNTAPPED TALENT



The Challenge: Millions of skilled U.S. workers who are ready for employment are being overlooked.

SHRM's Priority:

Create inclusive workplaces - backed by supportive public policies that enable organizations and workers to thrive in a rapidly evolving world.



Through strategic coalitions, we will spotlight successful programs, collaborate on future solutions, and champion policy changes to rebuild these critical pipelines. This bold effort ensures we are at the forefront of shaping talent solutions and closing the nation's talent gap at every level.



PIPELINE 1: K-12 EDUCATION

The Challenge: Students graduate unprepared for the world of work.

Damage Report: K-12 education has moved away from vocational training, co-op programs, and trade education, leaving many students without the practical skills needed for immediate employment. Essential “power skills” — such as problem solving, critical thinking, adaptability, and communication — are also often overlooked. Additionally, according to the National Assessment of Educational Progress (NAEP), about two-thirds of fourth graders and eighth graders are not proficient in reading (66% and 69%, respectively), severely limiting their future job prospects.

SHRM's Priority: Build a future-ready K-12 curriculum that balances foundational knowledge with essential power skills to develop practical, workforce-ready abilities.



To strengthen the K-12 talent pipeline, E² will create data-driven, collaborative solutions to address not only gaps within the education system but also the broader challenges impacting students' readiness for the workforce.



Insights from those closest to the issue — who witness firsthand the growing gap between students and employers struggling to find prepared talent — are essential for guiding policymakers to make smart federal investments in artificial intelligence education and workforce development that will deliver real, long-term results.



Critically, E² will drive state and federal policy discussions and lead in task forces and advisory committees focused on expanding apprenticeships and future-proofing the workforce.

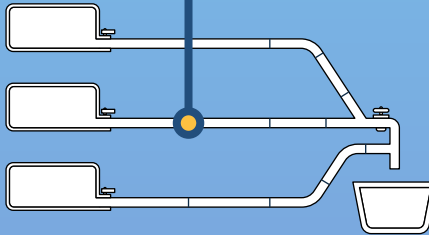
Spotlight: The exemplary career and technical education (CTE) program at North Carolina's Aspire Trade High School and others like it.



SHRM supports policy changes to expand direct state support and competitive grant programs that help businesses offset the costs of creating CTE programs and partnering with secondary schools. Additionally, SHRM is in favor of expanding Perkins Act funds for hands-on, skills-based learning.



PIPELINE 2: HIGHER EDUCATION



The Challenge: Graduates of higher education possess skills that do not always match job market needs.

Damage Report: A gap remains between academic programs and workforce demands. Many students graduate with degrees that do not align with labor market needs or have not adapted to changing industries. Higher education is still valuable, but institutions must do more to equip students with in-demand skills through internships, joint degree programs, and efforts to re-engage adult learners who have academic credits but no degree. Many colleges and universities are beginning to strengthen ties with employers to better bridge students into meaningful careers, but more coordinated efforts are needed.

SHRM's Priority: Strengthen the higher-education-to-job-market connection by improving university-employer ties and expanding work-based learning opportunities.



E² will support innovative ways to align graduates' skills with job market needs by fostering stronger collaboration among universities, employers, and local workforce boards.



With cost remaining a major barrier for students seeking to upskill or reskill for today's workforce, public policy should support their pursuit of new skills.



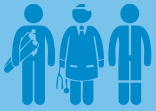
SHRM champions tax-free tuition and loan repayment policies, advocates for short-term Pell Grants to fund credentials and certifications, supports expanding 529 savings accounts for noncollege credentials, and endorses skilled trades in the Public Service Loan Forgiveness program.

Spotlight: Innovative models like Michigan State's Align Center and state-aligned credentialing frameworks further strengthen the education-to-employment pipeline.

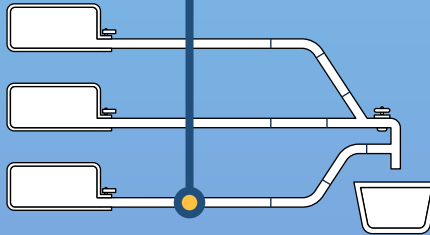
In addition, the SHRM Foundation's Widening Pathways to Work helps HR professionals understand the value of skilled credentials and apply them in hiring decisions.



SHRM supports policies that encourage shared learning and coordination among schools, businesses, and community organizations — especially to help local employers design and scale internship and apprenticeship programs that meet real workforce needs. SHRM also promotes public policy that helps to diversify and grow apprenticeship and pre-apprenticeship programs for in-demand careers.



PIPELINE 3: UNTAPPED TALENT



The Challenge: Millions of skilled workers who are ready for employment are being overlooked.

Damage Report: SHRM research highlights a concerning trend: Employers often underutilize their current workforce and risk losing valuable talent. Additionally, many skilled, job-ready individuals are excluded from skills-appropriate employment because of misconceptions or perceived barriers tied to demographic characteristics. These “untapped talent” groups — including veterans, military spouses, caregivers, people with disabilities, people over the age of 60, people with criminal records, and opportunity youth — offer unique, in-demand skills and a high return on investment.

SHRM's Priority: Create inclusive workplaces - backed by supportive public policies that enable organizations and workers to thrive in a rapidly evolving world.



Tapping the full talent pool will require inclusive hiring, targeted upskilling and reskilling, and supportive public policy. E² built on the understanding that responsibility cannot rest with a single party—this effort must include input from all stakeholders: workers, employers, trade associations, policymakers, and community leaders.



Employers must examine how their practices may create artificial barriers to talent and public policy should support—not hinder—these efforts by enabling small and midsize businesses to compete and giving larger employers the flexibility to expand their benefit offerings.



Additionally, there must be clear legal frameworks pertaining to workplace benefits — avoiding rigid rules that limit worker flexibility or block essential support — and ensuring policies don't stifle innovation or deter employers from offering comprehensive benefits.

Spotlight: Spotlight: SHRM Foundation offers free certificate programs to equip you to invest in untapped talent pools. These certificates include Employing Ability at Work, Getting Talent Back to Work and Veterans at Work.

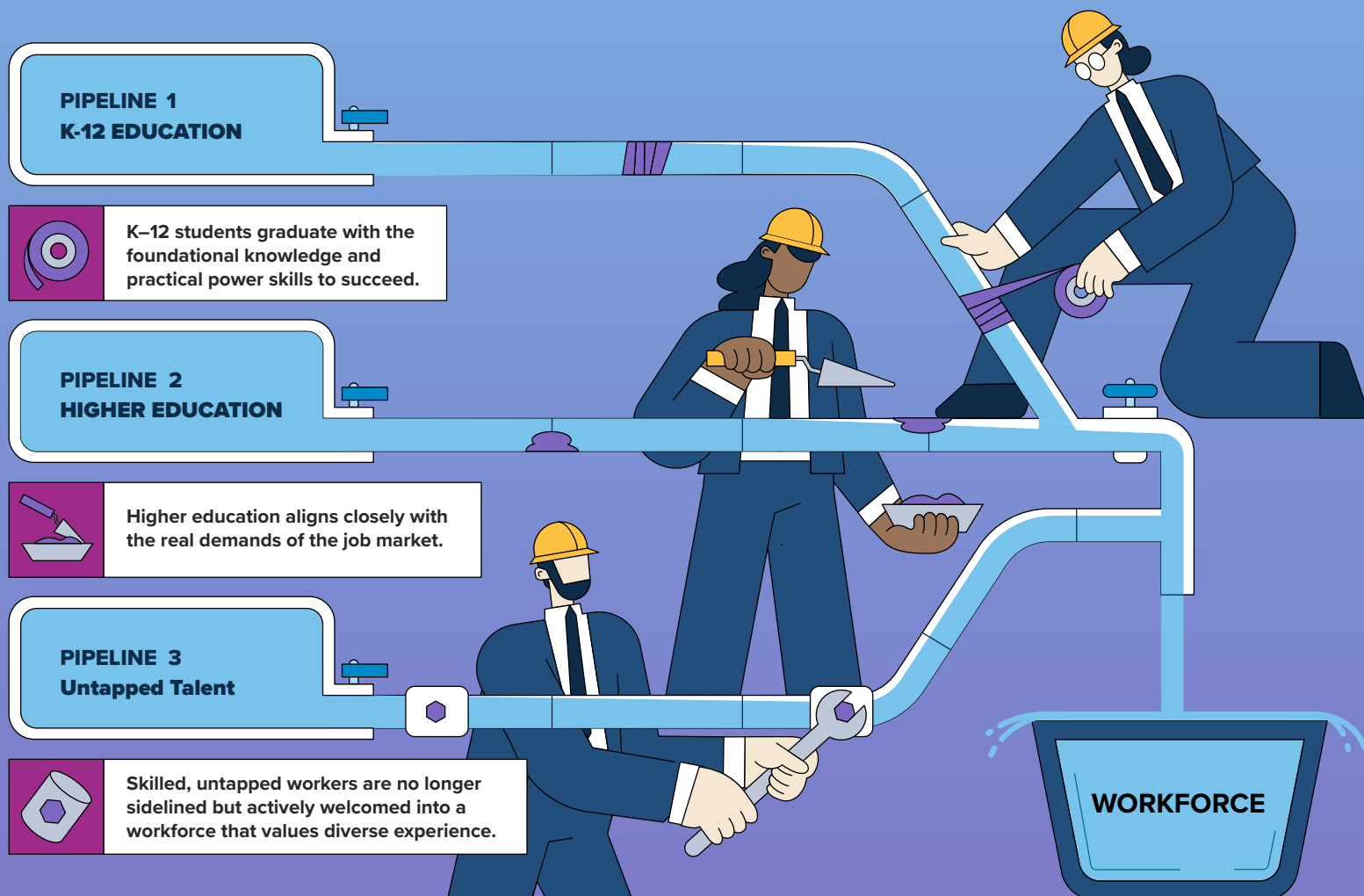


SHRM promotes best practices for employers to fully utilize talent and supports engaging stakeholders to highlight the importance of public policies that support upskilling and reskilling, offer tax incentives to offset the cost of benefits like paid family and medical leave, reauthorize workforce development programs under the Workforce Innovation and Opportunity Act, and clarify how benefits—such as child and dependent care payments—are treated under federal laws like the Fair Labor Standards Act.

THE FUTURE STATE →

A FULLY FUNCTIONING PIPELINE

Fixing the education-to-employment pipeline will require coordination among all stakeholders. However, despite the challenges, our system remains the best in the world. During his testimony before the House Education and Workforce Committee, SHRM's Johnny C. Taylor Jr. posed a powerful question: "Imagine what we could be if we unleashed the power of talent?" SHRM is committed to a national strategy that does just that—and to a future where:



In this future, the pipes are sealed. The water flows freely. And the workforce pool is overflowing with ready talent.



SHRM is leading the charge — but we can't do it alone. Let's fix the pipeline — together. Want to get involved? Contact us at governmentaffairs@shrm.org