INDUSTRY SNAPSHOT

Education
Acing HR Challenges in K-12 and Higher Education

Educators in both K-12 school systems and colleges/universities today are facing a multitude of challenges. There is increased pressure on teachers related to learning standards, technology, online competition and a changing student body demographic.

Education industry HR departments must recruit new and diverse employees while effectively managing the talent they have. One place to start – nearly half (42 percent) of education industry employees say improving their benefits package is one thing their employer could do to keep them in their jobs.¹
Industry Challenges

Among the key issues affecting Higher Education today:²

1. Financial strain
Most of higher education is experiencing extremely modest revenue and asset growth (no more than 3 percent) in 2016.

2. Online competition
Students can now take high-quality online courses and transfer credits into other institutions, thereby reducing tuition revenue. Colleges and universities will need to find alternative sources of revenue and reduce their own instructional costs substantially, as well as develop their own online and hybrid courses.

3. Big shifts in national demographics
Historical numbers of students aren’t available from traditional sources. Recruiting new populations is essential to survival. Institutions will need to shape programs that specifically attract new clientele, or find new clientele that will be attracted to current programs.
Some key issues facing K-12 systems:

1. The role of the teacher is changing
Integration of technology into everyday lives of students and also teachers is causing many thought-leaders to argue that schools should be providing more ways for teachers to access training on new pedagogies and integration of new technologies.

2. Teacher diversity
The K-12 teaching workforce is overwhelmingly comprised of caucasian teachers and the proportion of African-American teachers has decreased.

- 82% of teachers during the 2011-2012 school year were caucasian.
- 2% of the workforce is made up of African-American male teachers.
HR Challenges

The education industry faces HR challenges specific to the industry as well as to HR in general:

1. Teacher shortages
Key factors include state budget crunches, growing media attention to the testing pressures in schools, and teachers’ perceived lack of professional prestige and empowerment. It has also been noted by some that the recovering economy has provided more employment options to some young people.⁵

2. Retention challenges
HR professionals must develop a comprehensive compensation and benefits strategy that includes professional development, wellness and other needs of employees through their life cycle at an organization. With five generations in the workforce today, both in Higher Education and in private industry employers are working quickly to develop retention strategies to ensure longevity with their employees by looking at what each desires at different stages of their life cycle.⁶

3. Fiscal challenges
In the education industry, HR is being asked to strategically meet the demands of the organizations by keeping the status quo while doing more with less. This involves out-of-the-box thinking for recommending faculty and staff efficiencies, finding creative ways to manage benefits to stabilize costs and ensure that the compensation remains competitive.⁵

4. Employee engagement
With 37 percent of employees saying they are distracted by financial stress while at work,⁷ there’s no doubt that productivity is suffering. Employers can help by providing benefits and education that address financial wellness.
1. **Online education**
Over the past 20 years, online higher education has grown faster than Higher Ed as a whole. Learning is available not just online, but on-demand, self-paced and adaptive. The effect is accelerated growth and responsiveness of Higher Education.  

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2. **Deeper learning approaches**
For K-12, schools are rethinking how they work. There is an increase in the use of collaborative learning approaches, and a shift from students acting as consumers to students acting as creators. This means an increased use of “hybrid-blended learning designs,” and a rise in science, technology, engineering, art and design, and mathematics (STEAM) content.  

3. **Enhanced benefits packages**
In the current marketplace, employees have more flexibility to seek out employment opportunities that better fit their needs and wants rather than remain in a position for its job security. In fact, 45 percent of employees say that they would be likely or very likely to look for other jobs outside their current organization within the next year.  

Employers may look at enhancing benefits packages with flexible work hours, expanded benefits, more vacation or medical leave options. As voluntary benefits have become more mainstream, they play an important role in enhancing benefits packages to satisfy employees’ needs. Employers looking to differentiate themselves to current and prospective employees are increasingly embracing non-traditional voluntary benefits as a method of providing enhanced benefits packages. Purchasing Power’s employee purchase program is one of the non-traditional voluntary benefits that supports key HR objectives by providing a no-cost, no-liability benefit that gives employees a manageable, convenient way to access products and services that are often out of reach.
Citations


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