



# THE UNIVERSITY OF PHOENIX CAREER OPTIMISM INDEX™ STUDY 2022

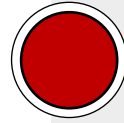
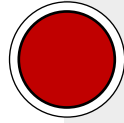
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RESEARCH FINDINGS – SURVEY OF U.S. WORKERS + EMPLOYERS  
FEBRUARY 2022

# CAREER OPTIMISM INDEX™, WAVE 2

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- Research study to examine American Workers' sense of optimism about their careers in the context of workplace, economic and societal trends and challenges.
- First conducted among Workers in 2021, the report includes year-over-year tracking data among this audience.
- This year, the study also explores insights from Employers to provide comparison between the workforce and those who hire, train and retain them.



## RESEARCH APPROACH

### SURVEY METHODOLOGY + SAMPLE DEFINITIONS

- 20-minute, online survey of:
  - Gen Pop: n=5000 US, nationally representative adults, age 18+, who either currently work or wish to be working (MOE +/- 1.39%)
  - Employers: n=500 US employers who are influential or play a critical role in hiring and workplace decisions within a range of departments, company sizes and industries
- Gen Pop and Employer fieldwork was conducted between December 12, 2021 – January 6, 2022

### ANALYSIS SHOWN IN THIS REPORT

- American Workers - This report reflects analysis of the Gen Pop audience of 5000 US adults and includes shifts from last year for tracked questions. Throughout the report, there are several demographic and psychographic data call-outs to help readers understand the differences between different types of workers among this broader audience.
- Employers – The report also includes data for 500 employers, which is a new audience being studied as part of this initiative.
- Note: There are several call-outs for demographic differences throughout the report; additional demographic data, as well as data for the top 20 U.S. DMAs available upon request.

# CAREER OPTIMISM INDEX™, WAVE 2 OVERVIEW

As employers across the country face significant retention issues amid The Great Resignation, the Index identified a significant gap between employer perspective and employee reality – and the core disparities that need to be addressed in order to shift to The Great Retention.

While nearly 1 in 3 Americans say they would quit their current jobs without having another job lined up, the Index found that an astonishing 69% would consider staying in their current roles if things with their current employer changed. With 76% of employers concerned about retention and 90% prioritizing it, these gaps are critical for employers:

- **Compensation:** 86% of employers think their employees are satisfied with their compensation but in reality, nearly half of employees are unsatisfied and 56% are living paycheck to paycheck
- **Training:** 89% of employers say upskilling opportunities are provided frequently, in comparison to 61% of employees who say these opportunities are provided frequently
- **Advocacy:** 91% of employers believe their employees have someone in their professional life who advocates for them, but only 63% of employees agree
- **Mental Health:** 85% of employers say their employees have mental health resources available yet less than half of the workforce have taken advantage of resources available to manage work-related stress.
- **Job Security:** 91% of employers believe their employees feel empowered in their job, but 52% of American workers see themselves as easily replaceable in their position and 41% worry about losing their job

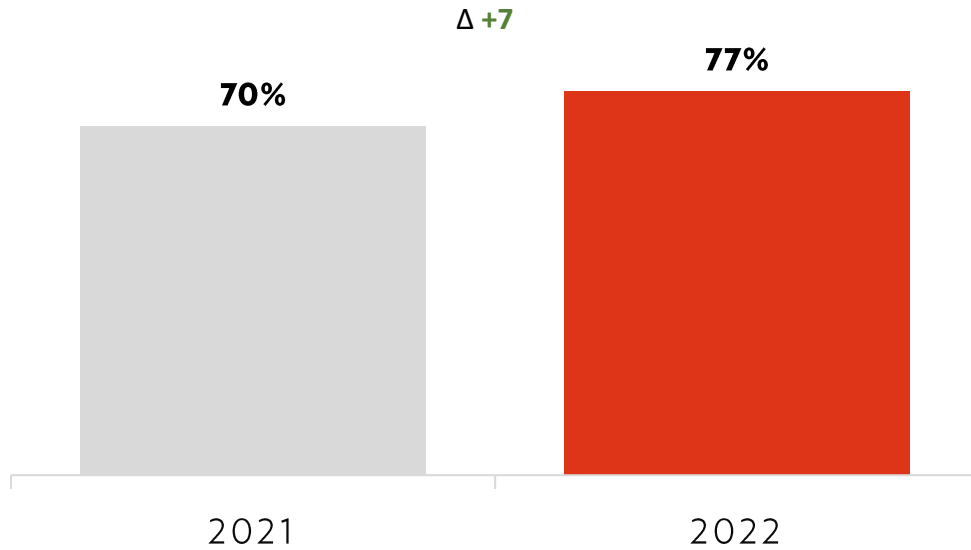
In addition to these gaps, 40% of Americans say COVID-19 has taken their career off course. But despite these challenges, 81% remain hopeful about the future of their careers, with 73% saying that hope is what got them through the past year. By taking concrete steps to address these gaps, employers can successfully transition away from the Great Resignation and into the Great Retention, stabilizing the American workforce and advancing employee career trajectories at the same time.

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**The U.S. workforce is moving  
around and Employers are  
understandably worried**

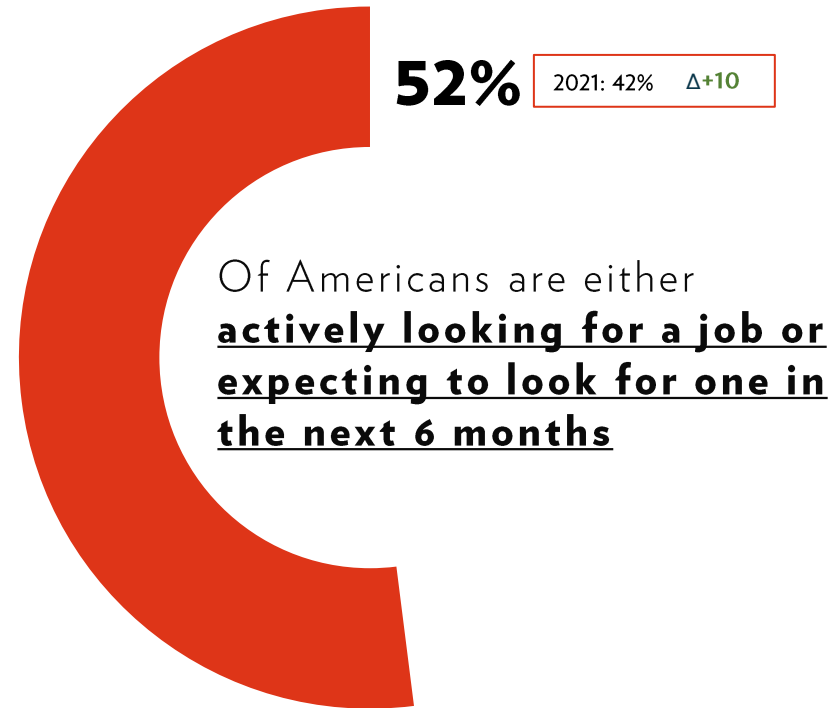
# AMERICANS FEEL EVEN MORE PREPARED THAN LAST YEAR TO SEARCH FOR A JOB, AND OVER HALF ARE LOOKING

**JOB SEARCH READINESS**  
(Shown % Top 2 Prepared)



Feel **prepared** to search for a job if they had to

**LOOKING FOR A NEW JOB**  
(Shown % Selected Response)

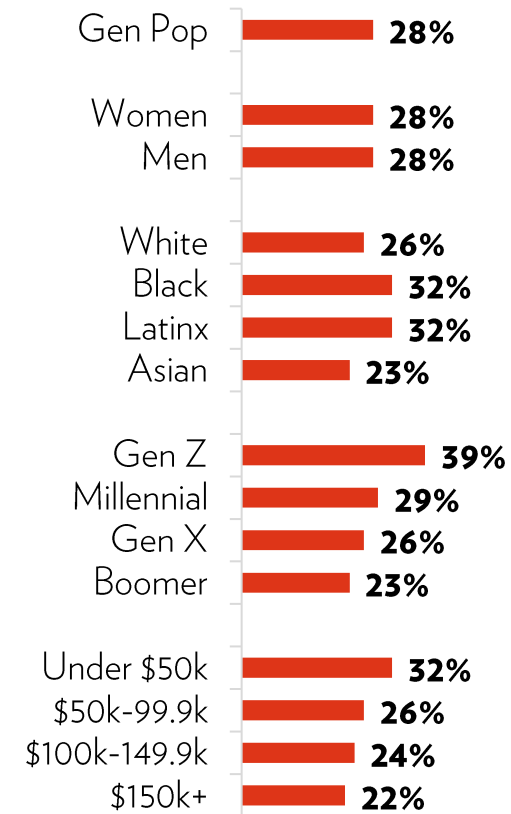
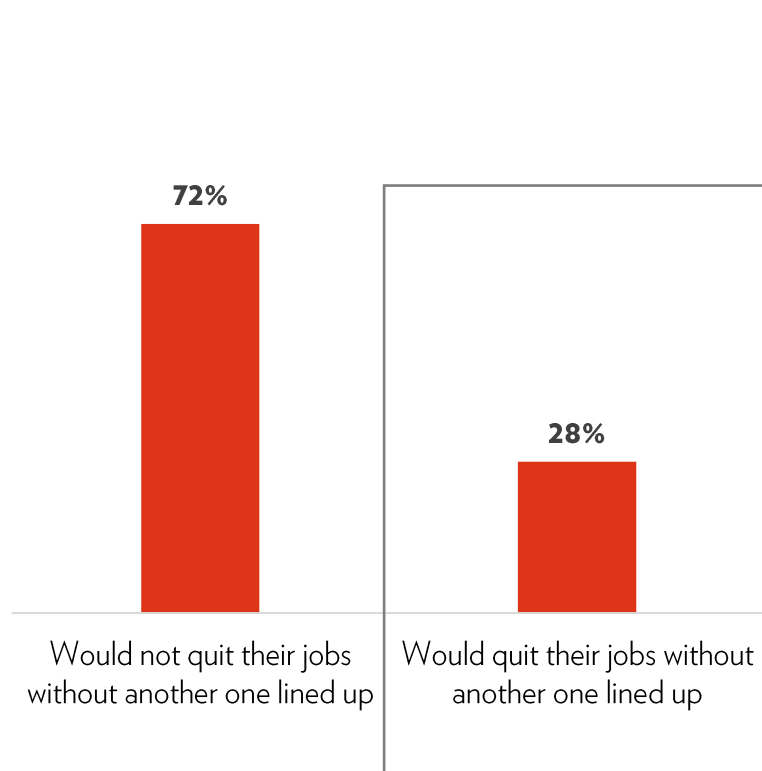


- 62% of Americans who are not hopeful about the future of their career are actively looking or expecting to look for new jobs
- Black Americans (73%), Gen Z (81%), and Lower income Americans (Under \$50k, 61%) are most likely to be actively looking for a new job

\* Significant differences indicated by purple or green text

# ALMOST 1 IN 3 SAY THEY WOULD QUIT THEIR JOB WITHOUT HAVING ANOTHER ONE LINED UP

## QUITTING JOBS WITHOUT A BACKUP (Shown % Selected Response)

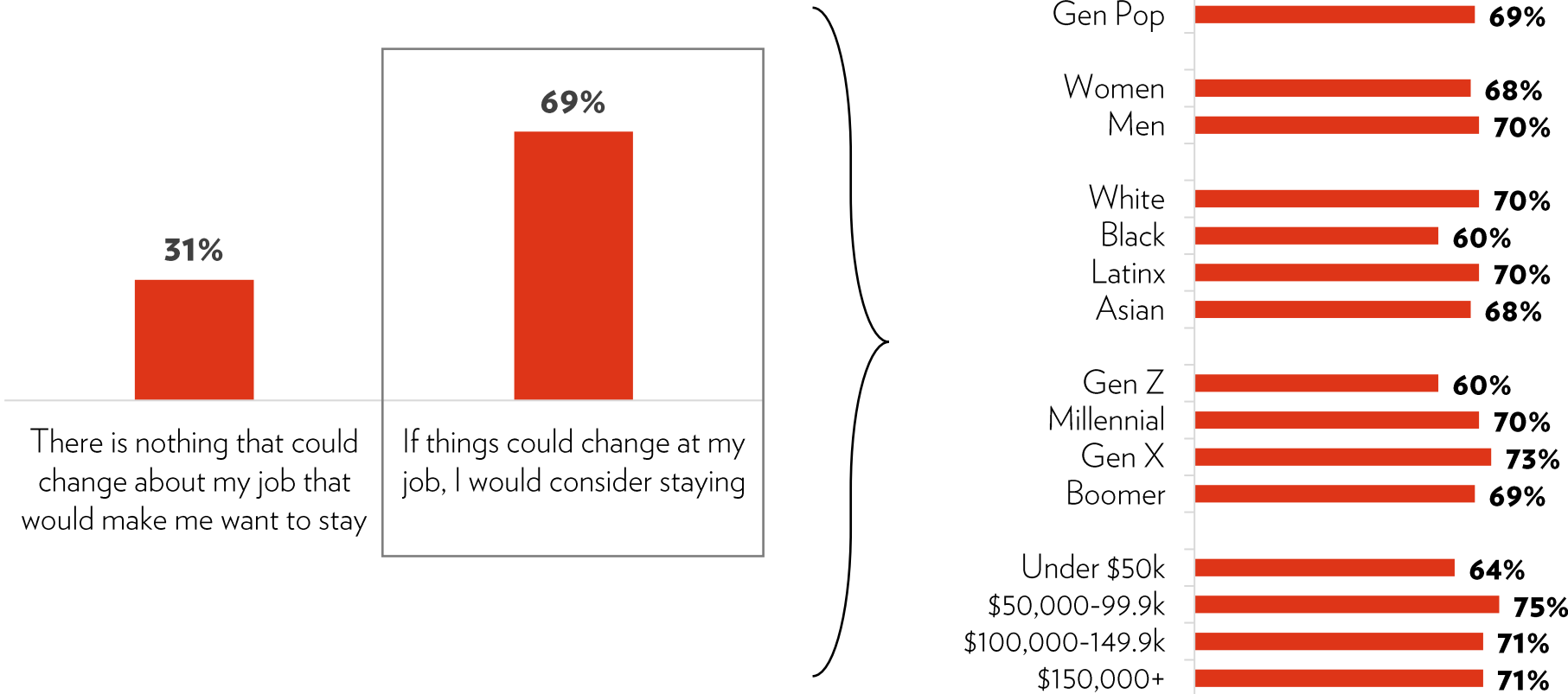


- Demographically, Black, Latinx, younger, and lower income Americans are the most willing to take the risk
- 36% of those who say they would quit their job without another one lined up are also less optimistic about the future of their career
- 29% do manual work, 31% provide direct services to others, and 22% work in office settings

# AND MOST SAY THEY WOULD CONSIDER STAYING AT THEIR CURRENT JOB IF THEY THOUGHT THINGS COULD CHANGE; THERE IS AN OPPORTUNITY FOR EMPLOYERS TO ADDRESS EMPLOYEE NEEDS

## IF SOMETHING CHANGED, WOULD YOU STAY?

(Shown % Selected, Among those employed and looking for a job or expecting to look for a job in the next six months)



Q69. Which of the following best describes how you feel about your current job? Base: Among those employed and looking for a job or expecting to look for a job in the next six months: Gen Pop n=1992, Women n= 976, Men n=1015, White n=1046, Black n=212, Latinx n=561, Asian n=86\* (\*low base size), Gen Z n=332, Millennial n=890, Gen X n=580, Boomer n=191, Under \$50k n=910, \$50,000-\$99,999 n=624, \$100,000-\$149,999 n=300, \$150,000+ n=139.

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# RETENTION IS A TOP PRIORITY FOR EMPLOYERS; MOST CITE A HIGHER TURNOVER RATE THAN BEFORE

## TURNOVER THIS YEAR

(Shown % Top 2 Priority; Top 3 Concerned; Top 2 Higher)

90%

Of Employers say that talent retention is a **priority** at their organization

76%

Of Employers are **concerned** about the turnover rate at their company

55%

Of Employers say the turnover rate this year is **higher** than in previous years

Q79\_EMP: How concerned are you about the current turnover rate at your company/department? Base: Employers n=500  
Q78\_EMP: To the best of your knowledge, how does the turnover rate this year compare to the previous year's? Base: Employers n=500  
Q82\_EMP: How much of a priority are each of the following to your organization? Base: Employers n=500

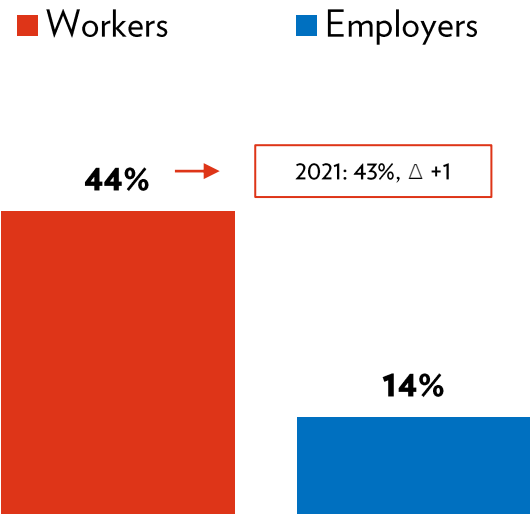


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**There are many notable disconnects  
between Workers and Employers**

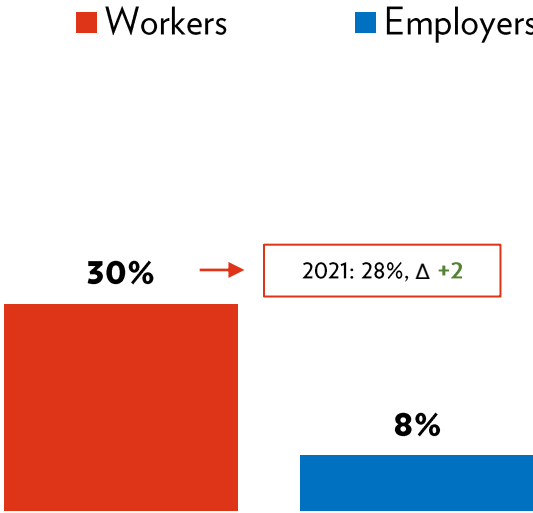
# EMPLOYERS BELIEVE WORKERS ARE SATISFIED WITH THEIR COMPENSATION, BUT NEARLY HALF ARE NOT

**SATISFACTION WITH COMPENSATION**  
(Shown % Bottom 2 Disagree, among Gen Pop and Employers)



Of Americans are **not satisfied** with the amount of money they are currently making

**FAIRNESS OF PAY**  
(Shown % Bottom 2 Disagree, Among Employed Americans and Employers)



Of Employed Americans believe they are **not paid fairly** at their current job

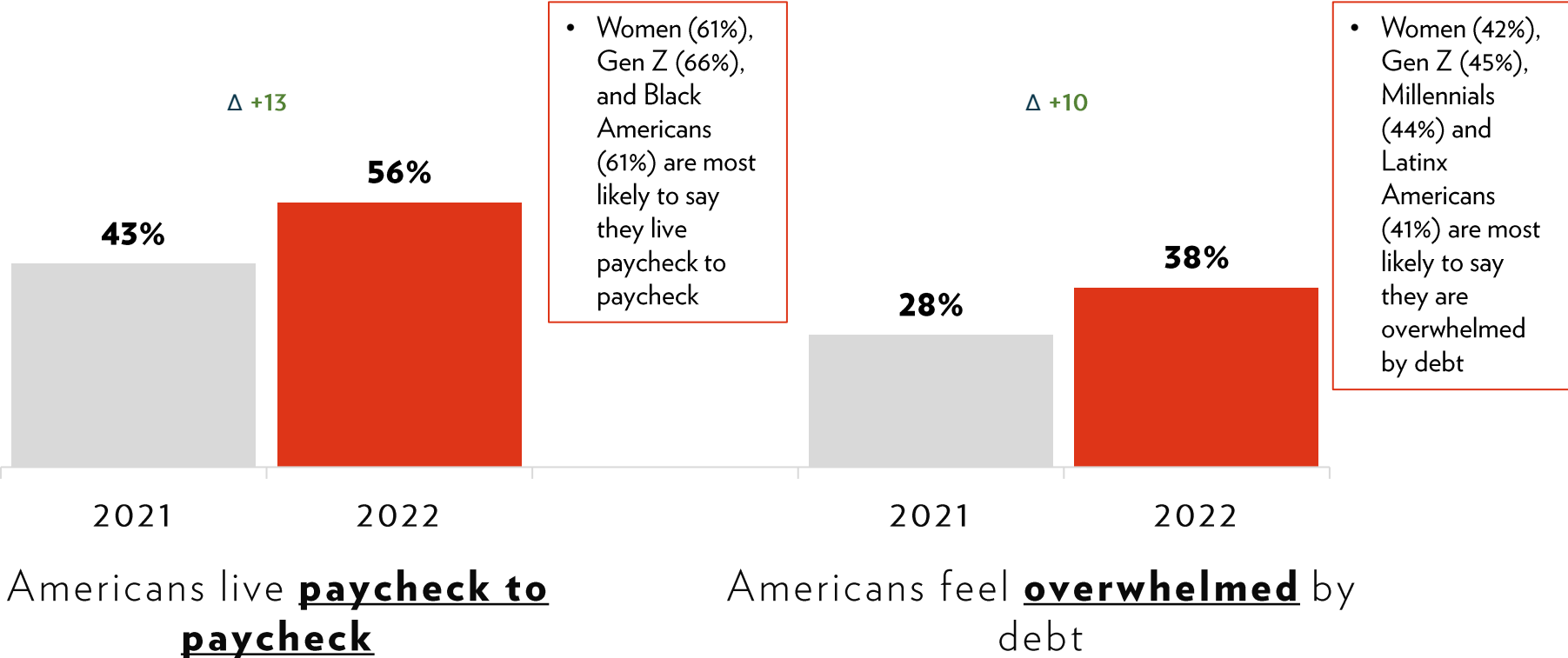
\* Significant differences indicated by purple or green text

Q7: How much do you agree or disagree with the following statements? Base: Among those employed: Gen Pop 2021/2022 n=4123/n=4404. Q7\_EMP: How much do you agree or disagree with the following statements? Please try to think about the majority or most employees when you respond. Base: Employers n=500. Q13: How much do you agree or disagree with the following statements about finances? Base: Gen Pop 2021/2022 n=5000/n=5000. Q13\_EMP: How much do you agree or disagree with the following statements about finances as it relates to your employees? Please try to think about the majority or most employees when you respond. Base: Employers n=500

# MORE THAN HALF OF AMERICAN WORKERS LIVE PAYCHECK TO PAYCHECK AND MANY FEEL OVERWHELMED BY DEBT

## FINANCIAL SECURITY

(Shown % Top 2 Agree)



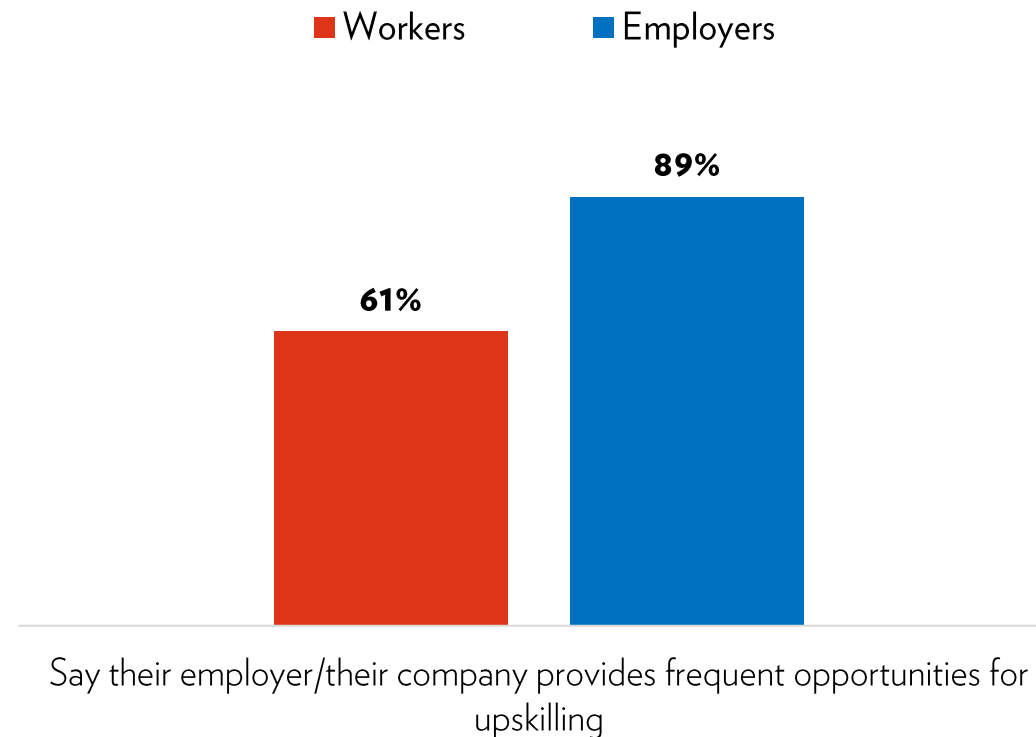
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# EMPLOYERS THINK THEY ARE PROVIDING FREQUENT OPPORTUNITIES FOR UPSKILLING - BUT WORKERS DON'T SEE IT THIS WAY

## EMPLOYEE/EMPLOYER PERSPECTIVES ON UPSKILLING OPPORTUNITIES

*(Shown % Top 2 Sometimes/Often, Among Employed Americans and Employers)*

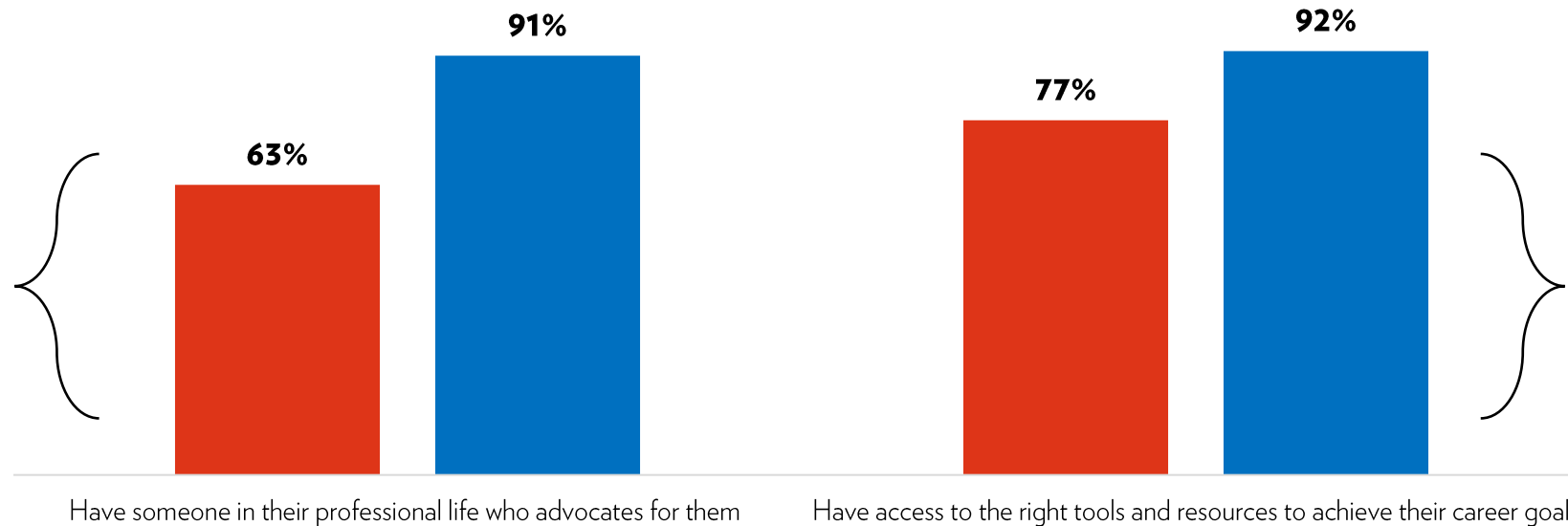


# WHILE THE NUMBERS ARE GENERALLY HIGH, WORKERS ARE FAR LESS LIKELY THAN EMPLOYERS TO BELIEVE THEY HAVE ADVOCATES AND THE RIGHT TOOLS TO SUCCEED

## CAREER SUPPORT

(Shown % Top 2 Agree, Among Gen Pop and Employers)

■ Workers ■ Employers



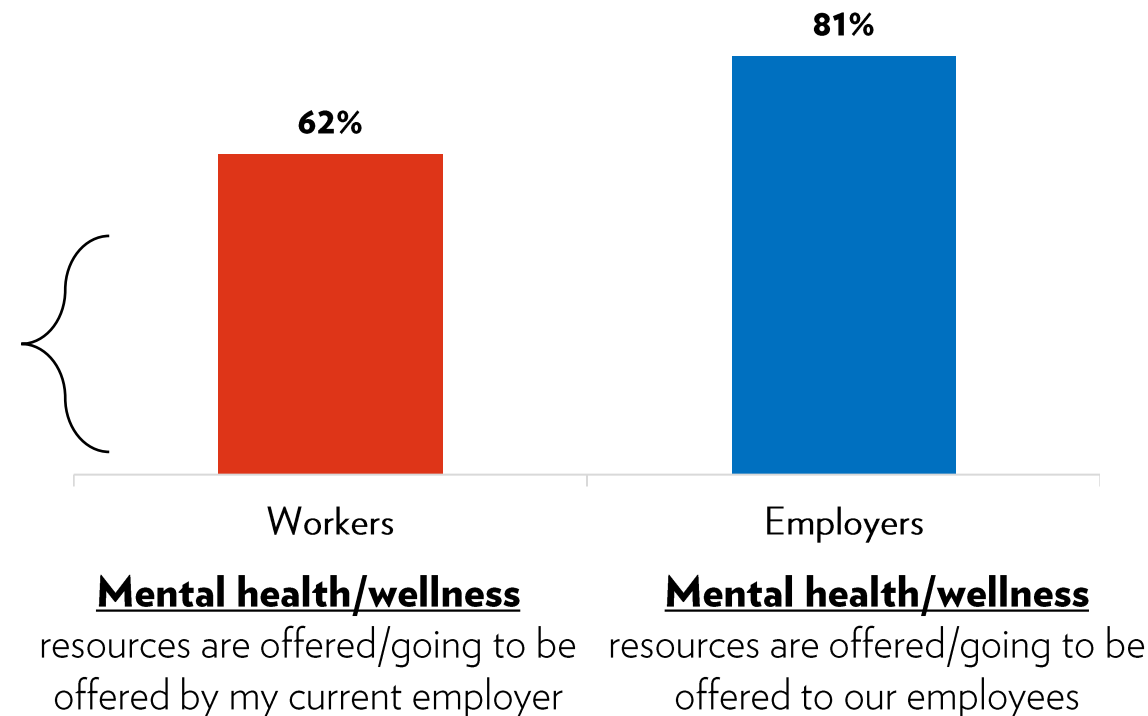
• Females (61%), Boomers (53%), and lower income Americans (Under \$50k, 56%) are the least likely to say they have someone in their professional life who advocates for them

• Females (74%), Gen Zers (71%), and lower income Americans (Under \$50k, 71%) are the least likely to feel they have access to the right tools and resources to achieve their career goals

# AMERICANS MAY NOT SEE THEIR EMPLOYER AS A SOURCE OF MENTAL HEALTH SUPPORT – LESS THAN HALF HAVE TAKEN ADVANTAGE OF THE RESOURCES THEIR EMPLOYERS OFFER

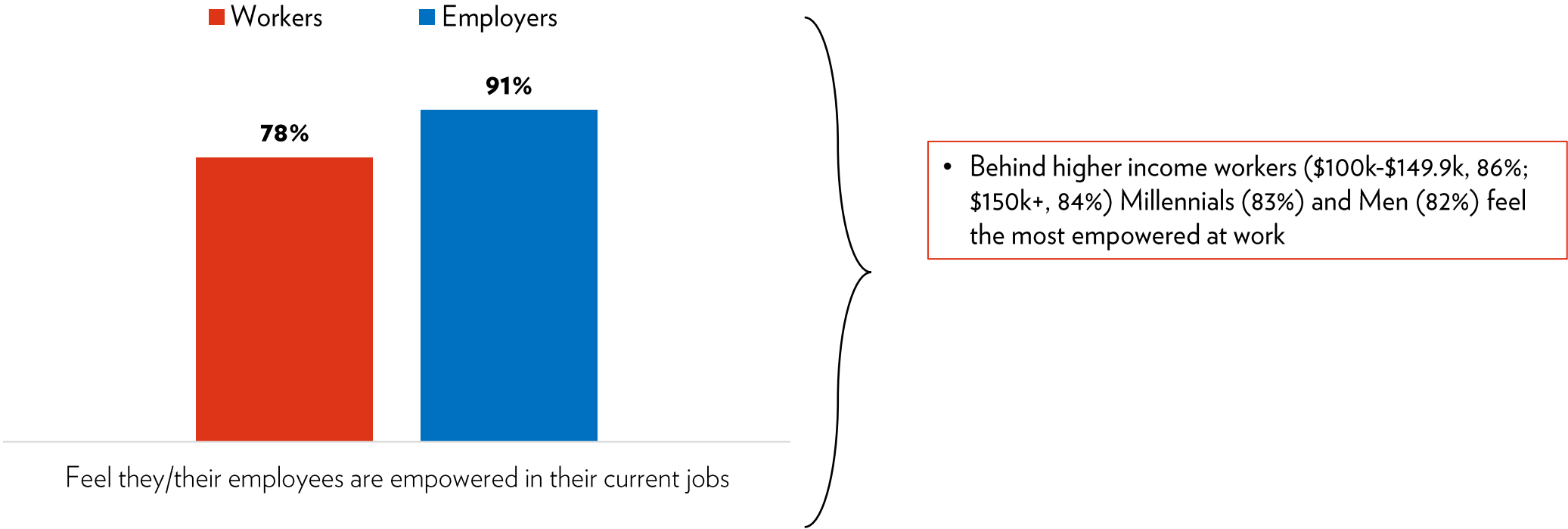
MENTAL HEALTH/WELLNESS RESOURCES OFFERED  
(Shown % Top 2 Agree, Among Employed Americans and Employers)

- Nearly half (**48%**) of Americans say they need support managing their mental health/wellness and **44%** have looked for mental health resources to help them manage work-related stress



# EMPLOYERS SEE AMERICAN WORKERS AS MORE EMPOWERED THAN THEY ACTUALLY FEEL

**EMPOWERMENT IN CURRENT JOB**  
*(Shown % Top 2, Among Employed Americans and Employers)*



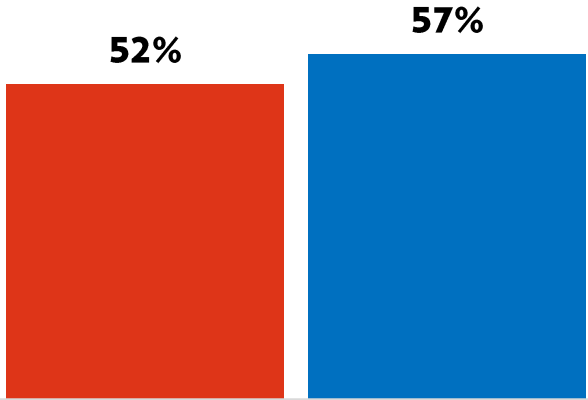
Q49: How empowered do you feel in your current job? Please select one. Base: Among those Employed: Gen Pop n=4404, Men n=2162, Millennial n=1660, n=2372, \$100,000-\$149,999 n=721, \$150k+ n=359. Q49\_EMP: Thinking about employees who you've hired/at your company, how empowered do you think they generally feel in their current jobs? Base: Employers n=500

# WORKERS WORRY ABOUT LOSING THEIR JOBS AND FEEL REPLACEABLE

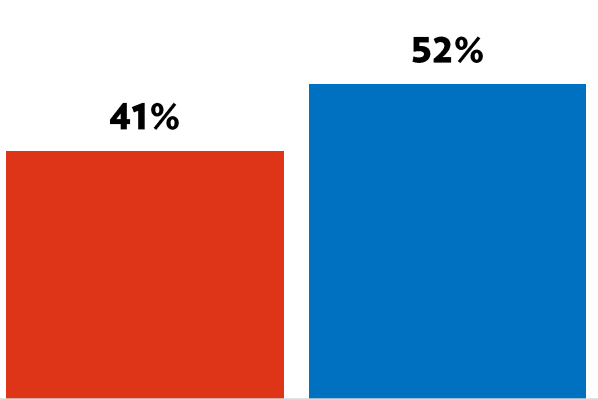
## CAREER STRESSORS

(Shown % Top 2 Agree, Among Gen Pop and Employers)

- Women feel more replaceable compared to men (54% vs. 50%)
- Minority groups (Black Americans 57%, Latinx Americans 54%) are more likely to feel replaceable compared to White Americans (50%)



I am/my employees are **easily replaceable** in (their) job position(s)



I/my employees worry about **losing jobs**



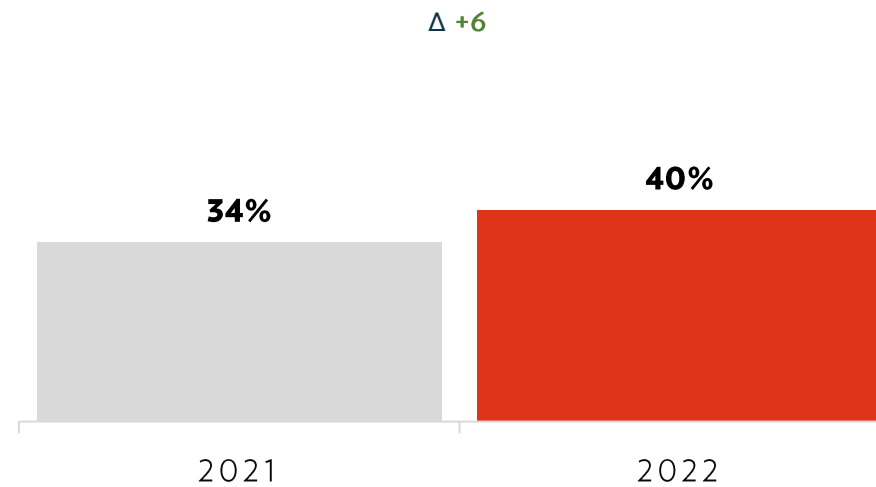
- Women are more worried about losing their job than men (43% vs. 40%)
- And younger generations are more worried than older ones (Gen Zers 51% and Millennials 46% vs. Gen Xers 40% and Boomers 29%)
- Latinx and Asian Americans (46%, 49% respectively) are more worried than White Americans (39%)

Q12: How much do you agree or disagree with the following statements about job security? Base: Gen Pop n=5000. Base: Women n=2647, Men n=2349, White n=3065, Black n=397, Latinx n=1144, Asian n=203, Gen Z n=651, Millennial n=1853, Gen X n=1546, Boomer n=930. Q12\_EMP: How much do you agree or disagree with the following statements about job security as it relates to your employees? Please try to think about the majority or most employees when you respond. Base: Employers n=500



# ON TOP OF IT ALL, THE PANDEMIC CONTINUES TO NEGATIVELY IMPACT AMERICANS' CAREERS

## CAREER HAS BEEN DERAILED (Shown % Top 2 Agree)



- Younger generations (Gen Z, 50%; Millennials, 46%) and minority groups (Black Americans, 48%; Latinx Americans, 47%) are more likely to think COVID has derailed their career

% of Americans say their career has been **taken off course/ derailed** due to COVID-19

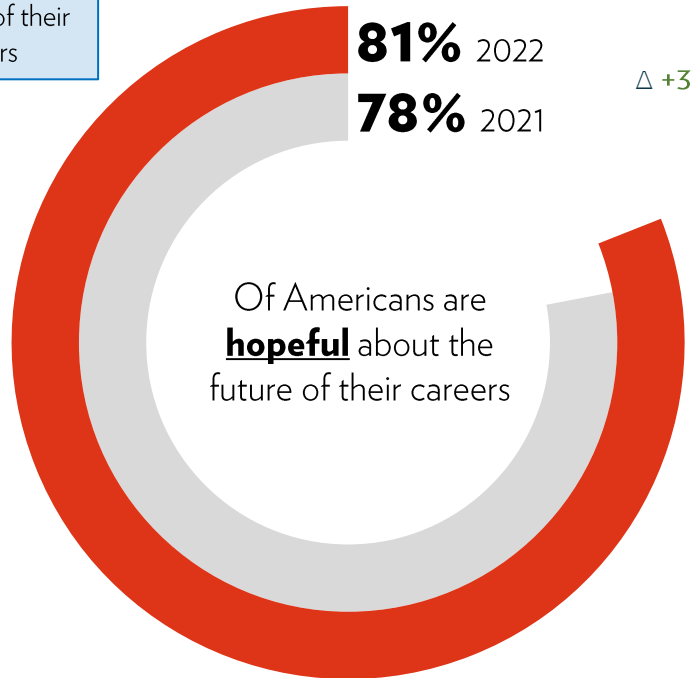
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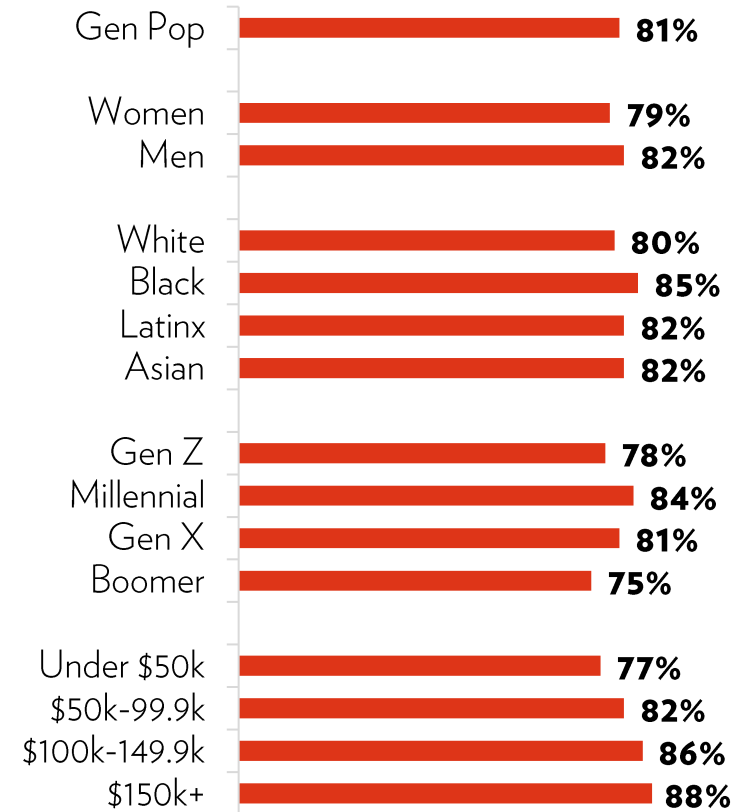
**Despite another incredibly challenging year, American workers remain resilient, optimistic and hopeful about the future when it comes to their careers**

# CAREER OPTIMISM CONTINUES TO GROW AMID ANOTHER DIFFICULT YEAR

Even more – 95% of Employers – are hopeful about the future of their employees' careers

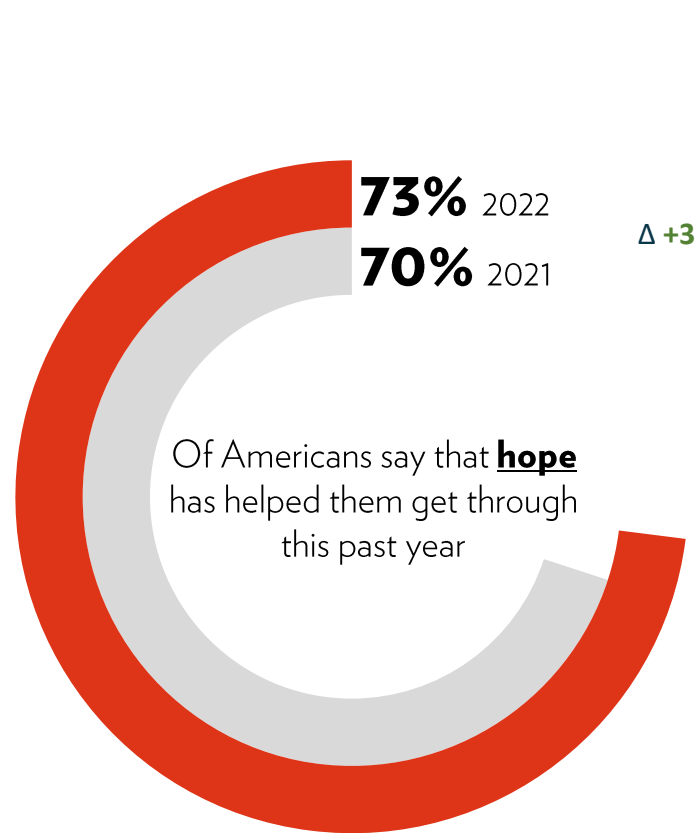


## HOPEFUL ABOUT CAREER (Shown % Top 2 Agree)

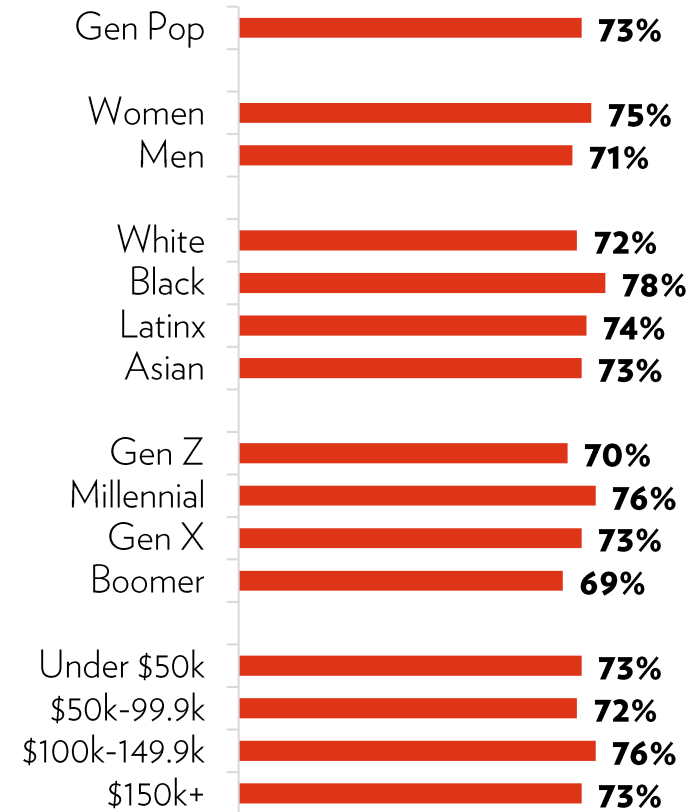


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# AMERICANS CONTINUE TO RELY HEAVILY ON HOPE



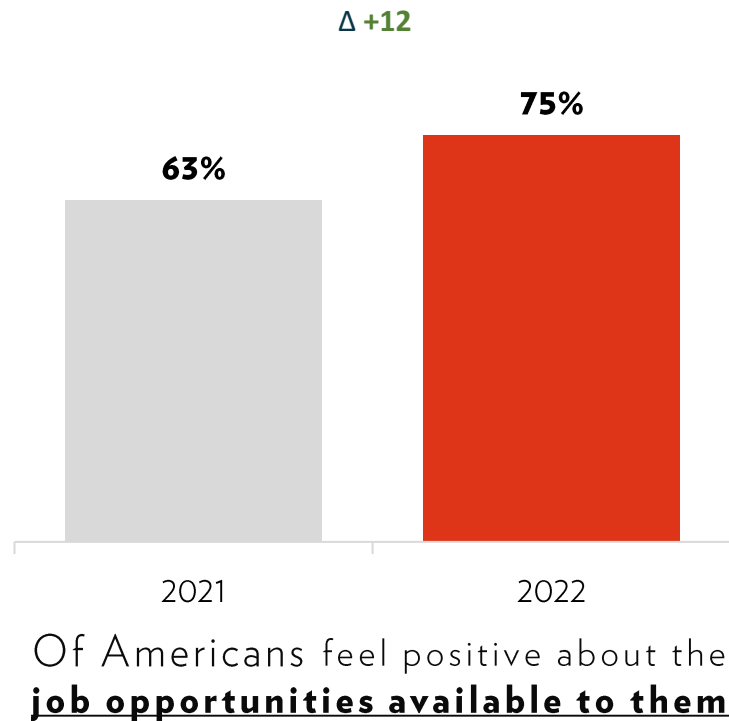
## THE ROLE OF HOPE (Shown % Top 2 Agree)



\* Significant differences indicated by purple or green text

# AMERICANS ARE EVEN MORE OPTIMISTIC THIS YEAR ABOUT THE OPPORTUNITIES AVAILABLE TO THEM THAN THEY WERE IN 2021

## AVAILABILITY OF JOB OPPORTUNITIES (Shown % Top 2 Positive)



Employers are even more optimistic: 89% feel positive about the job opportunities available to the workforce at this time

- Men feel more positively about available job opportunities than women (78% vs. 72%)
- High income Americans (\$100k-149.9k, 86%) (\$150k+, 84%), Black Americans (79%), Gen Xers (76%) and Millennials (78%) feel the most positive about the job opportunities available to them

\* Significant differences indicated by purple or green text

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# Measuring Optimism: The Index Scores

# THE CAREER OPTIMISM INDEX™: KEY COMPONENTS

## What is the Career Optimism Index™?

The Career Optimism Index™ is a measure of how optimistic people feel about their careers in terms of five pillars:

- **Job Security:** Employability and job retention
- **Financial Security:** Satisfaction with pay, economic concerns, and debt
- **Skill Development:** Confidence in critical skillset and opportunities for development
- **Mental Health / Wellness:** Emotional, psychological and physical well-being as it pertains to careers
- **Career Trajectory:** Beliefs about the future of their careers, mentorship/advocacy and impacts of technology

## What insight does the Career Optimism Index™ provide?

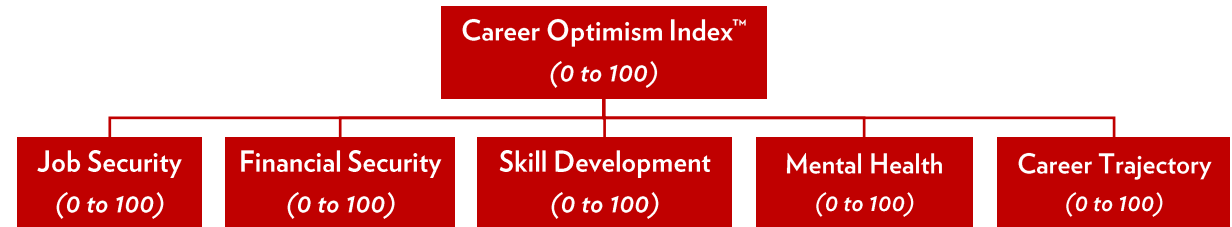
The Career Optimism Index™ provides a current snapshot of career optimism among Workers and Employers in the United States. It was first conducted in 2021 among Workers only, with the Employer audience added this year for comparison.

The Career Optimism Index™ identifies:

- Opportunities to increase career optimism
- Barriers to optimism
- Which groups are most or least optimistic
- How optimism changes over time

## What do the five pillars represent?

The five pillars are the result of multiple years of research and input from partners, students, employers and others regarding barriers to career development and advancement and provide structure for understanding the core elements driving or detracting from career optimism.



# INDEX SCALE AND SCORING SYSTEM

## How is it calculated?

The Career Optimism Index™ is based on a yearly tracking study (first wave in 2021) of a nationally representative sample of 5,000 Americans, and 300 Americans in each of the 20 largest cities in the United States. This year, it also includes Employers as a new audience.

The Career Optimism Index™ started with 20 agree and disagree statements around five pillars of career optimism. The final 10 statements that are included in The Career Optimism Index™ have been statistically validated through a confirmatory factor analysis that they are unique and represent each pillar.

The index calculates an average score for all statements within each of the five pillars, and then each pillar is averaged together to calculate the overall Index score. Each pillar within the Index has been given equal weight.

## The Scale

The Career Optimism Index™ scale ranges from 0 to 100, with 0 being least optimistic and 100 most optimistic about their careers overall and for each of the five pillars. The scores are scaled to be out of 100 for ease of interpretation.



## Statements Included in Career Optimism Index™

### Financial Security (*Satisfaction with pay, economic concerns, and debt*)

- I do not have access to opportunities to develop the skills I need to advance in my career
- I want to develop my skillset, but I don't know where to begin

### Skill Development: (*Confidence in critical skillset and opportunities for development*)

- I do not have access to opportunities to develop the skills I need to advance in my career
- I want to develop my skillset, but I don't know where to begin

### Mental Health / Wellness (*Emotional, psychological and physical well-being as it pertains to careers*)

- I adapt easily to new work situations
- I am resilient when facing challenges in my career

### Career Trajectory (*Beliefs about the future of their careers, mentorship/advocacy, and impacts of technology*)

- I am hopeful about the future of my career
- I feel I have access to the right tools and resources to achieve my career goals
- I have someone in my professional life who advocates for me

### Job Security (*Employability and job retention*)

- I am highly employable



# CAREER OPTIMISM REMAINS STABLE, DESPITE SIGNIFICANT CHALLENGES OF FINANCIAL SECURITY AND SKILL DEVELOPMENT

**Overall Career Optimism Index™ Score:**  
**64**  
(2021: 65 Δ-1)



**Job Security: 75**  
(2021: 71 Δ+4)

- The job market is booming, and Americans know they're employable, leaving them feeling more optimistic about their job security than they did last year (improved from 71 to 75)



**Mental Health: 73**  
(2021: 69 Δ+4)

- It has been another challenging year, and mental health is a major focus for most, yet Americans are optimistic about their resilience and ability to adapt to new situations (improved from 69 to 73)



**Career Trajectory: 65**  
(2021 : 61 Δ+4)

- They are more optimistic about their career trajectory, as they are armed with hope for the future of their careers, tools to reach their goals, and colleagues to advocate for them (improved from 61 to 65)



**Financial Security: 54**  
(2021 : 63 Δ-9)

- Americans are faced with a myriad of financial struggles which have worsened since last year; the effects of the pandemic and inflation weigh heavily – financial optimism has declined, with more living paycheck to paycheck and feeling overwhelmed by debt (declined from 63 to 54)



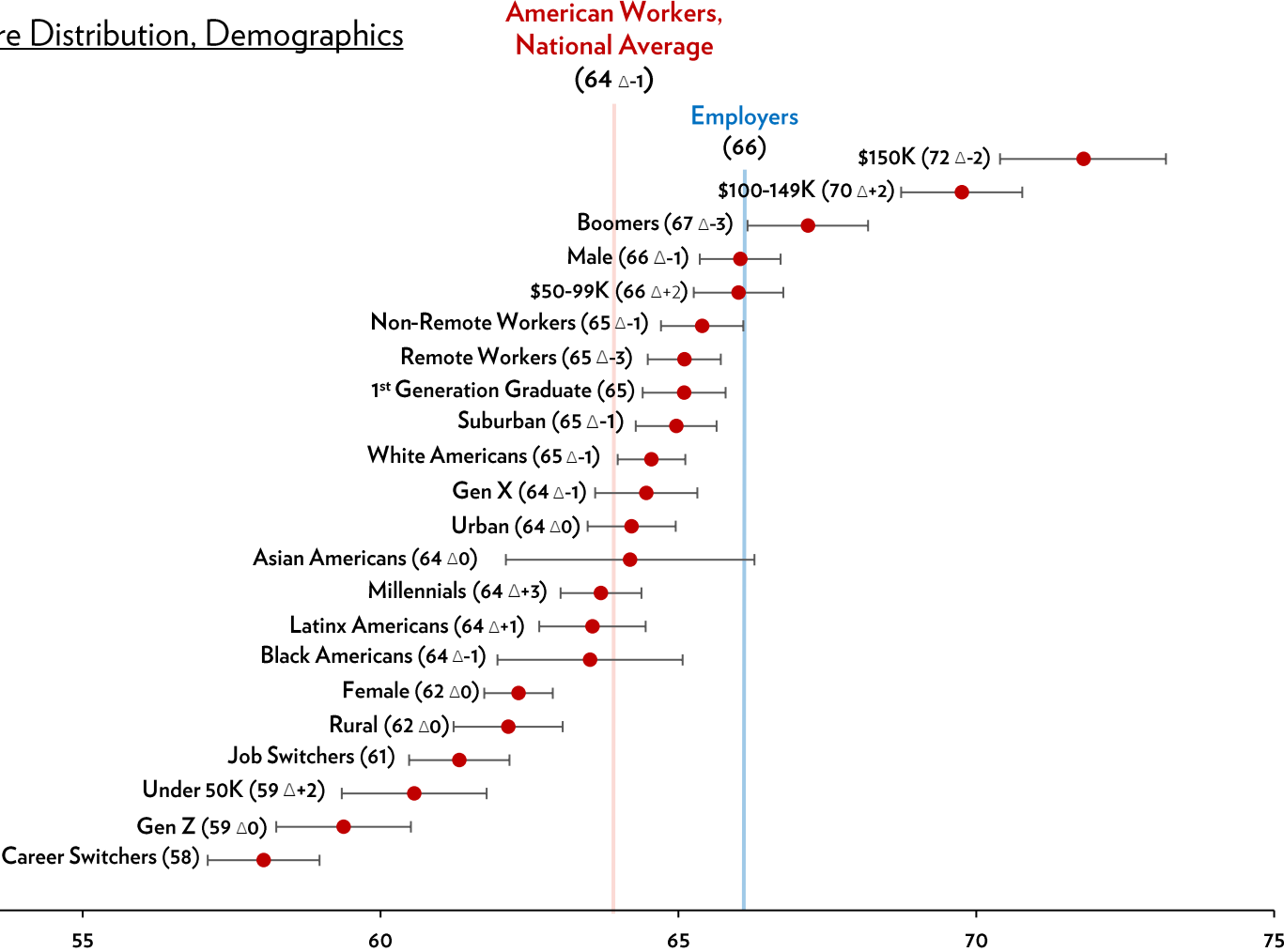
**Skill Development: 53**  
(2021: 58 Δ-5)

- When it comes to skills development, Americans aren't confident in their current skills and don't feel they have access to the right opportunities to advance their careers (declined from 58 to 53)

*Index Scores among Gen Pop overall and across each of the five pillars, 2021 and 2022. The Career Optimism Index™ is a measure of how optimistic people feel about their careers in terms of the five pillars below. Respondents reacted to a range of statements within each pillar, each statement and pillar are weighted equally. The Career Optimism Index™ ranges from 0 to 100, with 0 being least optimistic and 100 most optimistic about their careers overall and for each of the five pillars.*

# THOSE WITH HIGHER INCOMES, BOOMERS, AND MEN ARE MORE OPTIMISTIC THAN THE AVERAGE AMERICAN WORKER – YOUNGER GENERATIONS, LOWER INCOME EARNERS, PROSPECTIVE STUDENTS, AND WOMEN ARE LEAST OPTIMISTIC

Career Optimism Index™ Score Distribution, Demographics



**Data Note:**  
 On Average ± 0.7 points on the Index represents a statistically significant difference at the 95% Confidence Interval

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**Or visit:**

<https://www.phoenix.edu/career-institute>