

June 2026

State of the Paper Ceiling

Moving toward a better labor market



America's strength has always come from its people

Across generations, workers have powered our nation's economic growth through hard work, ingenuity, and a belief that effort and opportunity go hand in hand. As workers move through their careers, they build skills on the job, adapt to new tools and demands, and accumulate valuable capabilities, strengthening the labor market as a whole. In return, the labor market has promised that this effort would be recognized and translated into real opportunity and upward mobility.

As our country approaches its 250th anniversary, we must fulfill that promise. The labor market too often fails to recognize talent built outside traditional pathways, relying on a narrow set of signals to evaluate and reward workers, and leaving millions of people with valuable skills disconnected from opportunity. Workers have held up their end of the bargain, but the system has not. Now artificial intelligence is reshaping jobs, tasks, and the skills employers seek. Left to develop without intention, this change could concentrate opportunity among those already well-positioned—but with the right design choices, it could expand opportunity more broadly instead. Meeting this moment means putting workers at the center of those choices.

That is why skills must be at the center of how we navigate this transition. Skills are the primary currency of a well-functioning labor market: the means by which workers carry value from job to job, build on what they know, and combine capabilities in new ways. As AI reshapes occupations, the easier skills are to identify, develop, and signal, the easier it becomes for workers to move into emerging opportunities. Building a skills-first labor market—one where skills are clearly defined, recognized, and rewarded—is essential to meeting this moment, and to fulfilling the promise the labor market has long made to its workers.

"In an AI economy, the question is not whether jobs will change. They will. The question is whether workers can carry their skills into new opportunities. Skills are the currency that makes mobility possible."

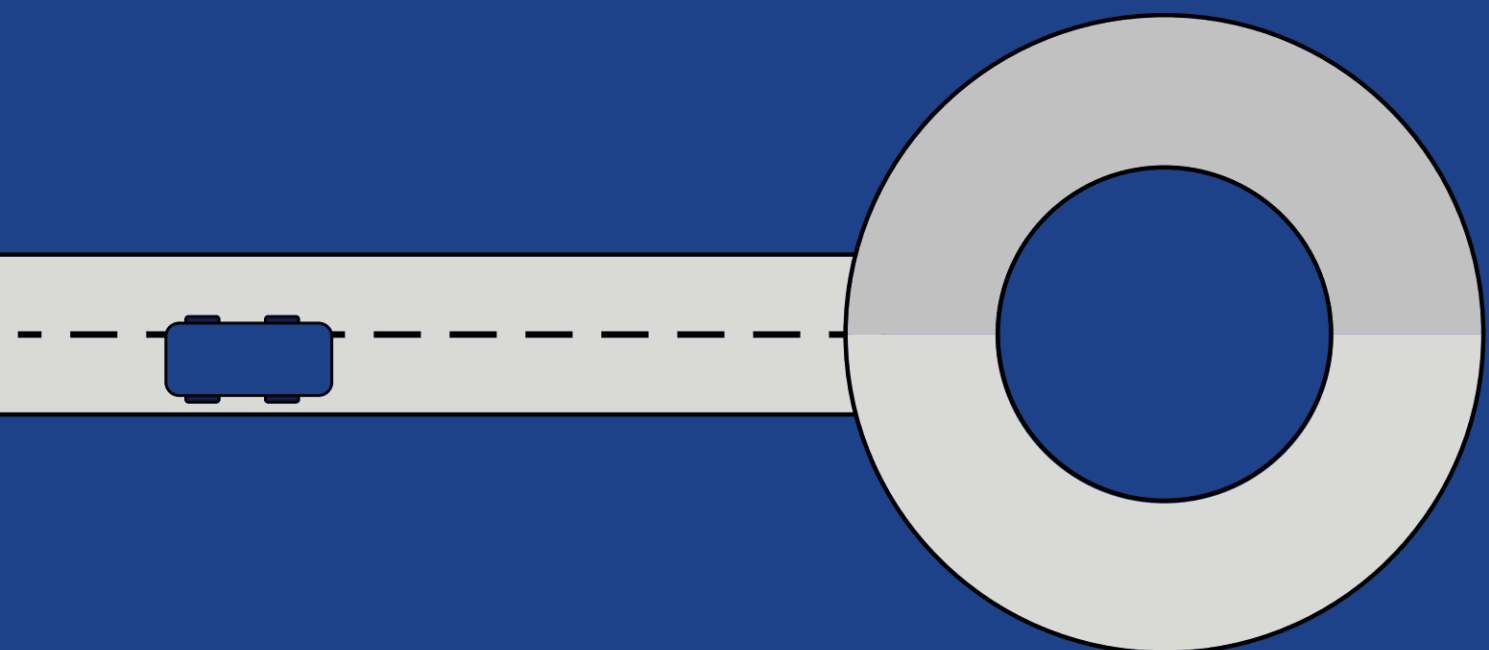
Byron Auguste, CEO, Opportunity@Work

The Labor Market Has a Design Problem



Design decisions shape our experience — how easily we move, what we can access, and who gets priority when resources are limited. Consider the road system. Roads connect some communities and bypass others. Highways move some travelers quickly while others navigate unpaved roads that slow progress and wear down vehicles. Traffic signals manage who moves and who waits, which flows get priority and which get held. The system is designed, funded, maintained, and changed by people and institutions making choices about whose movement matters, where investment flows, and what kinds of access are worth building. That design reflects the needs, priorities, and assumptions of those with the power to shape it.

The labor market is also designed to shape movement, access, and opportunity. The design includes pathways — the routes through education, training, and work experience that determine what skills workers build and how far those skills can take them. It also includes signals to help navigate those routes: employers signal what they need, workers signal what they offer, and labor market mechanisms determine how those signals connect. Like roads, this design can move people toward opportunity or route them away from it, and like all design, it reflects the priorities of the people who designed it. Because labor markets are designed by people, they can be designed differently.



The labor market has a design problem

For the more than 70 million workers who are skilled through alternative routes — STARs — that design has not worked in their favor. STARs are represented across industries, occupations, and regions of the country. Their experience reveals the challenge they face: the paper ceiling — an invisible barrier of degree screens, biased algorithms, and exclusionary credentialing practices — has blocked STARs from jobs they had the skills to do. Not because of what they lacked, but because of how the design functions. When signals are weak, inaccurate, or overly dependent on credentials, workers can be routed away from roles they are capable of performing. When signals are clear and aligned with actual skills, employers can access broader talent pools and workers can navigate more effectively toward high-wage opportunities. The difference is the design.

Colorado's transition to skills-based hiring was not driven by a single policy change, but by a coordinated effort to redesign how talent decisions are made. The state paired executive leadership and accountability measures with agency-level implementation, manager training, skills-based job design, and workflow changes that made skills-based practices easier to adopt. The result was more than a change in policy—it was a change in the signals workers and employers use to find one another, creating new pathways to opportunity.

Changing the design is what Opportunity@Work was built to do. For more than a decade, we have studied how the labor market works, where it fails, and what it takes to change it — developing the research, building the networks, and creating the tools and standards that embed equitable practices into the systems where talent management decisions actually happen.

The evidence that this approach is working is real, and it is growing. But so is the urgency. AI is reshaping the labor market faster than any previous technological transition, and the default settings of that redesign will reinforce the paper ceiling unless civic leaders — employers, policymakers, and the institutions that train and connect workers — step in to drive the design decisions that will define this transition. STARs — who make up the majority of the U.S. workforce — reflect the broader experience of American workers. By creating a labor market that works for STARs, we unlock opportunity for all workers. This paper describes what the data shows, why this moment is important, and what it will take to ensure the redesign works for everyone.

“Embracing skills-based hiring has significantly expanded our talent pool and created a more inclusive workforce, positioning us well to meet our future milestones.”

Melissa Walker, State of Colorado

The labor market has a design problem

STAR Story

Keylin

Expert in Organizational Effectiveness
and Program Management Member
of the STARs Advisory Council



Keylin is a STAR with over 10 years of experience in the workforce field, working with both job seekers and employers to match talent to opportunity. Most recently, he has worked with Fortune 500 organizations to deliver learning, advisory, and workforce transformation initiatives. He knows both sides of the talent cycle – how organizations define and seek talent and how workers build skills and navigate the system. A restructuring at his former employer has Keylin experiencing the job search process again.

From this vantage point, he shares two core observations. First, AI offers some career navigation benefits. Keylin reports strengthening his ability to prompt and code, reverse engineer job descriptions into career insights, and identify new resources and tools to meet his unique career goals. But he also notes that AI has made it harder to distinguish himself and be seen by the hiring manager. With increased automation of processes, STARs find themselves screened out of jobs, even when trusted contacts can vouch for their skills. “Over the last 3 months, I’ve received rejection emails the same day I applied, telling me they had already found more qualified candidates. That experience is why I no longer apply to roles that still list ‘Bachelor’s degree required’, even when my experience and expertise put me well past the bar.”

What STARs' Experiences Tell Us

STARs are the majority of the workforce, and they navigate the labor market based on the skills they build along the way — so a labor market that runs on skills should work well for them. Instead, over 30 million STARs already have the skills for higher-wage work but aren't making that transition. That gap reveals a market that isn't yet powered by skills, leaving talent on the table and holding back workers and growth across the economy — a cost the country can least afford as AI reshapes work and the room for wasted talent disappears.

Design problems can be fixed

Through Opportunity@Work's Transformers cohort, state leaders in Louisiana identified that the primary barrier was not the absence of tools, but inconsistent understanding, adoption, and application across agencies.

By pairing implementation support with a shared narrative about why skills matter, Louisiana helped turn existing practices into a broader culture shift—demonstrating that lasting change requires not only new systems, but also new ways of thinking about talent.

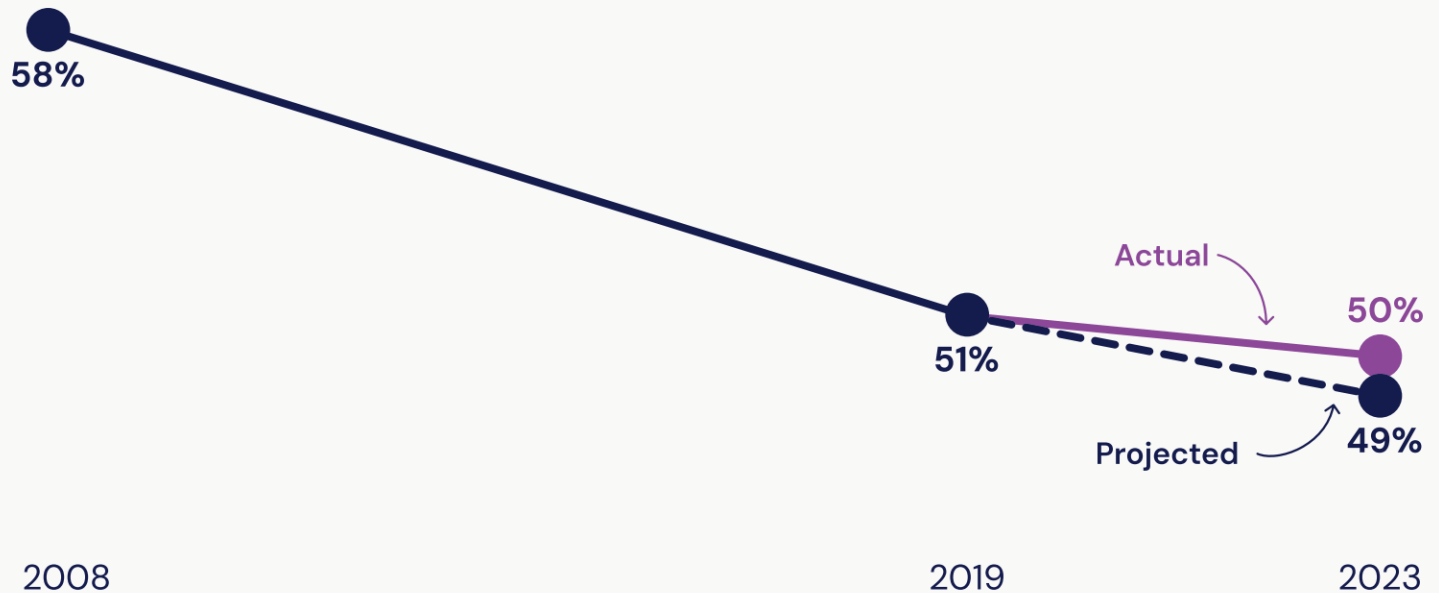


“It gives me chills to see us finally addressing skills-based challenges across the workforce— and it’s even more inspiring to witness the momentum building and these conversations taking place at the national level.”

Jennifer Schuelke, Assistant Division Administrator, Talent Acquisition & Workforce Development, Louisiana State Civil Service

Design problems can be fixed

In 2020, the data shifted. The two-decade decline in opportunity for STARs began to reverse, and STARs began to regain share in roles they had lost, yielding an increase of 783,000 jobs.



STARs began to regain share in roles they had lost.

783,000

more STARs
in good-paying jobs
than projected since 2020.

Critically, that improvement was not random; it was concentrated where the design was being deliberately changed, among employers who had adopted skills-based hiring practices. Employers revised their signals by dropping degree requirements, rewriting job descriptions around skills, and adopting assessments that made worker skills visible on both sides of the hiring relationship.

Employers partnering with Opportunity@Work employer networks, including the Tear the Paper Ceiling Coalition and STARs Public Sector Hub, created 48% more wage mobility for STARs in 2023 relative to the labor market as a whole. This shift demonstrates that as the signals improve, pathways open, and outcomes for STARs improve.

Design problems can be fixed

Theory of Change — from Awareness to Action, to Behavior Shifts, to Changed Outcomes.

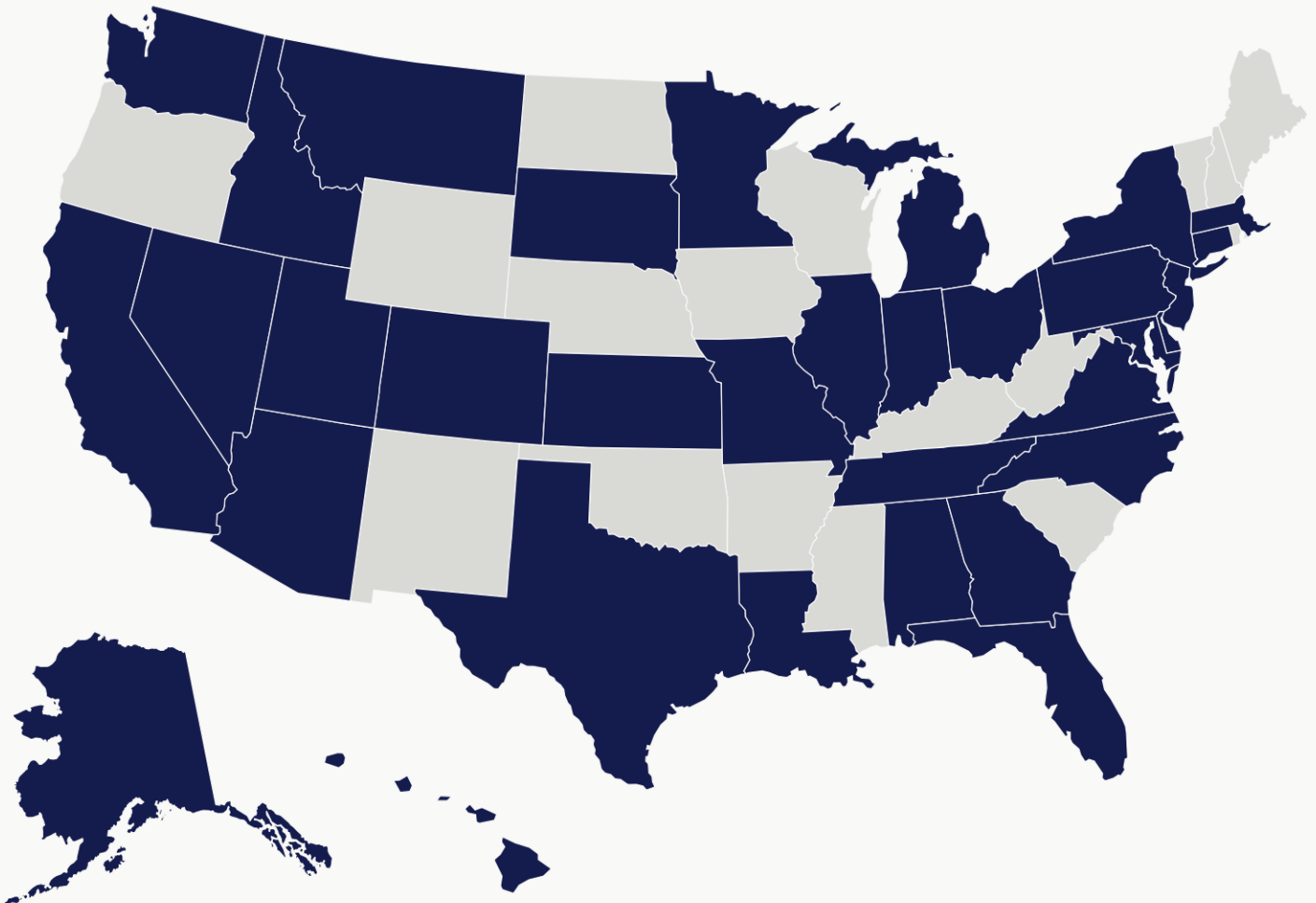
Reflecting growing **awareness**, 33 states have committed to removing degree requirements — sending a clear message to STARs that they can apply — and 75% of employers report they are more likely to hire STARs than they were two to three years ago, a sign that attitudes are shifting alongside practices. Increased awareness is translating into **behavior shifts**: employers in our network increased jobs open to STARs by almost 20% year-over-year, a total of almost 600,000 jobs.

33

states have committed to removing degree requirements

75%

of employers report they are more likely to hire STARs than they were two to three years ago

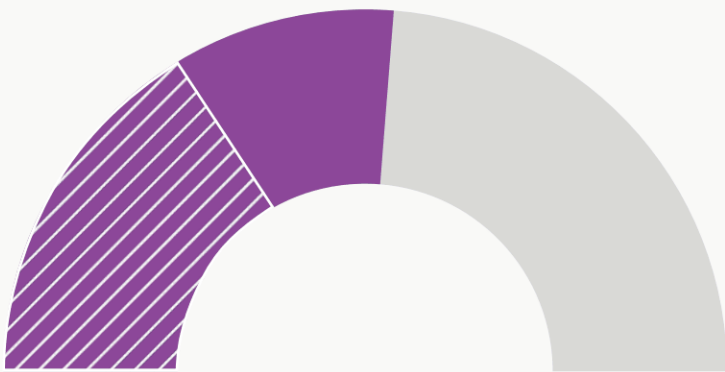


The 33 states that have committed to removing degree requirements.

Design problems can be fixed

Those **behavior shifts** are now driving changed outcomes: 52% of STARs starting new jobs in our network achieved mobility in the most recent year alone; this has added up to 90,000 STARs experiencing upward mobility since 2022.

Those **changed outcomes** are proof that when employers send better signals and open better pathways, STARs demonstrate the skills they always had. The labor market did not become more fair on its own. It is changing because people are changing the design.



52%

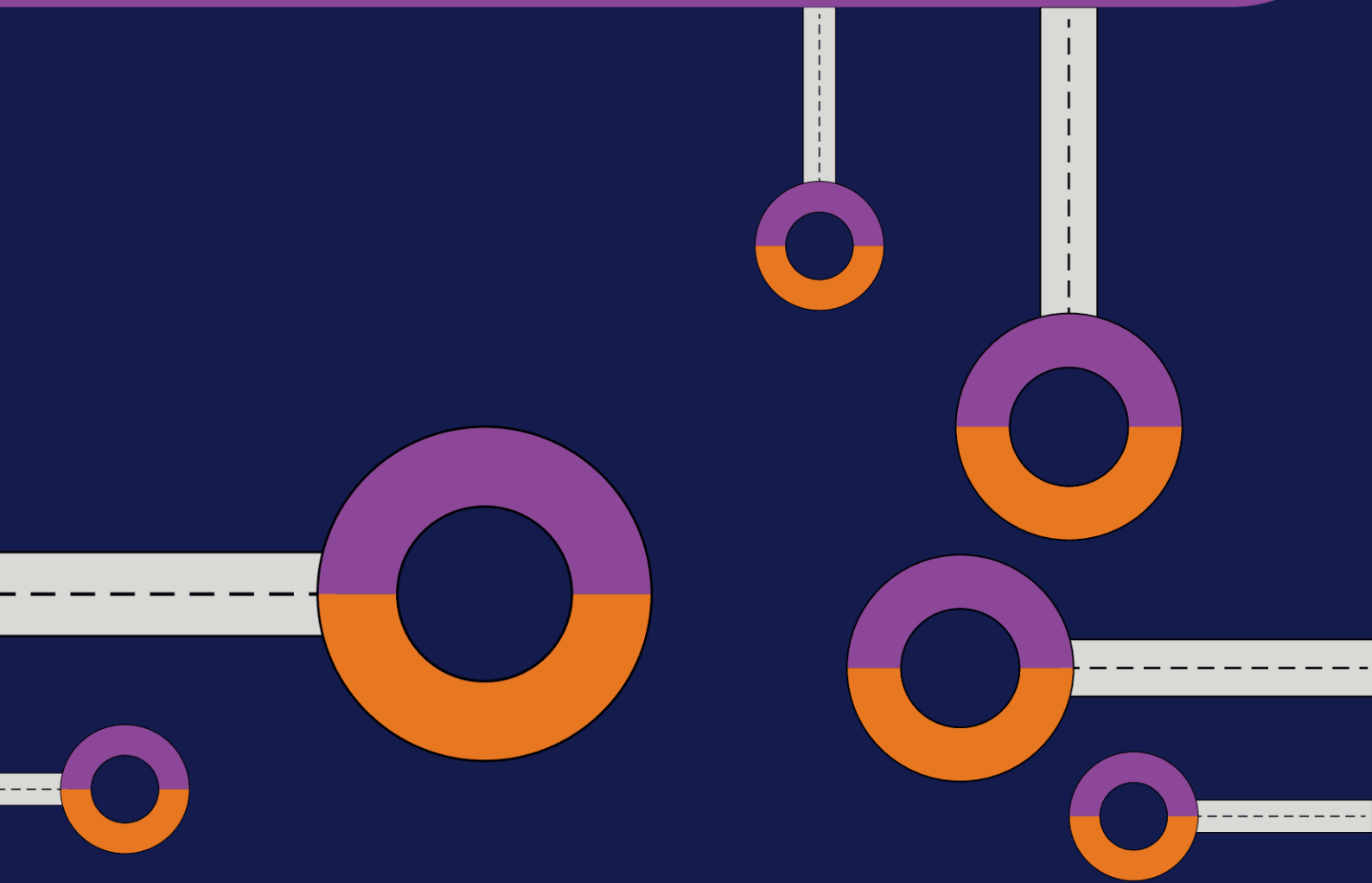
of STARs starting new jobs **in our network** achieved mobility in the most recent year, compared with 39% in the labor market overall.

From Awareness to Behavior Shifts to Changed Outcomes

Opportunity@Work seeks to rewire the U.S. labor market so that STARs regain economic mobility, enriching their careers and communities. To achieve systemic labor market impact, we implement a three-stage Theory of Change. We track our progress through measures of:

- **Awareness to Action:** We raise awareness of STARs, their overlooked potential, and the value of a skills-first labor market.
- **Behavior Shifts:** We equip employers and the workforce field with the tools, data, and support needed to adopt skills-first practices.
- **Changed Outcomes:** By scaling behavior shifts, we achieve systemic transformation and durable changes in the labor market.

AI will amplify our intentions



The labor market is mid-transition. AI is now embedded in the decisions that shape its core infrastructure — how jobs are designed, how workers move from job to job, and how hiring decisions are made. That transition is happening across two dimensions, and the direction of each is not predetermined. It will reflect the intentions of the people making the design decisions.

AI will amplify our intentions

AI is reshaping job pathways — which jobs exist, how they connect to each other, and what routes workers can travel between them. The skills distance between jobs is shifting, opening some new pathways but closing others. For workers, in the best case, new jobs and newly shortened pathways create fresh opportunities as AI reduces the time it takes to develop skills, compresses some career ladders, and opens routes that credentialism had previously blocked. However, some of the jobs that have historically served as stepping stones to higher-wage work may evolve, shrink, or become less common. Recent [analysis](#) highlights a potential disruption of 11 million gateway jobs, the jobs that STARs have traditionally used to advance their careers. This dismantling of the mobility architecture will harm workers who count on job transitions to achieve higher wages, as well as employers who rely on these pathways for the development of talent.

Pathway disruption is only part of the story. AI is also reshaping access to the labor market. The criteria for who gets a job, or who gets seen at all, are being rewritten by systems whose design choices are not always transparent and whose training data often carries the full weight of historical exclusion: decades of hiring decisions that favored certain credentials over demonstrated skill. AI-enabled hiring tools and AI agents are central to the infrastructure of the labor market, changing what counts as evidence of ability — analyzing video interviews, scoring resumes, and ranking candidates in ways that are often invisible to the workers they affect. Here too, the range of outcomes is wide. In the best case, better data produces better matching. AI can surface skills that credentials have obscured and reduce the friction of a job search. In the worst case, historical exclusion gets encoded, accelerated, and hidden inside an algorithm.

There is a through-line connecting both dimensions. Whether AI reshapes pathways toward greater access or greater exclusion, and whether AI-driven hiring tools surface worker talent or bury it, are not questions the technology will answer on its own. They are design questions. And design questions have designers — people and institutions making choices, right now, about what the design will do and who it will serve.

“This technology, whether we wanted it or not, is here. It's incredibly powerful and malleable. And I think we have a chance to set the right norms around using it in a way that can really allow us to use it as an amplification of the values that we really want to have in place.”

Jared Chung, Career Village

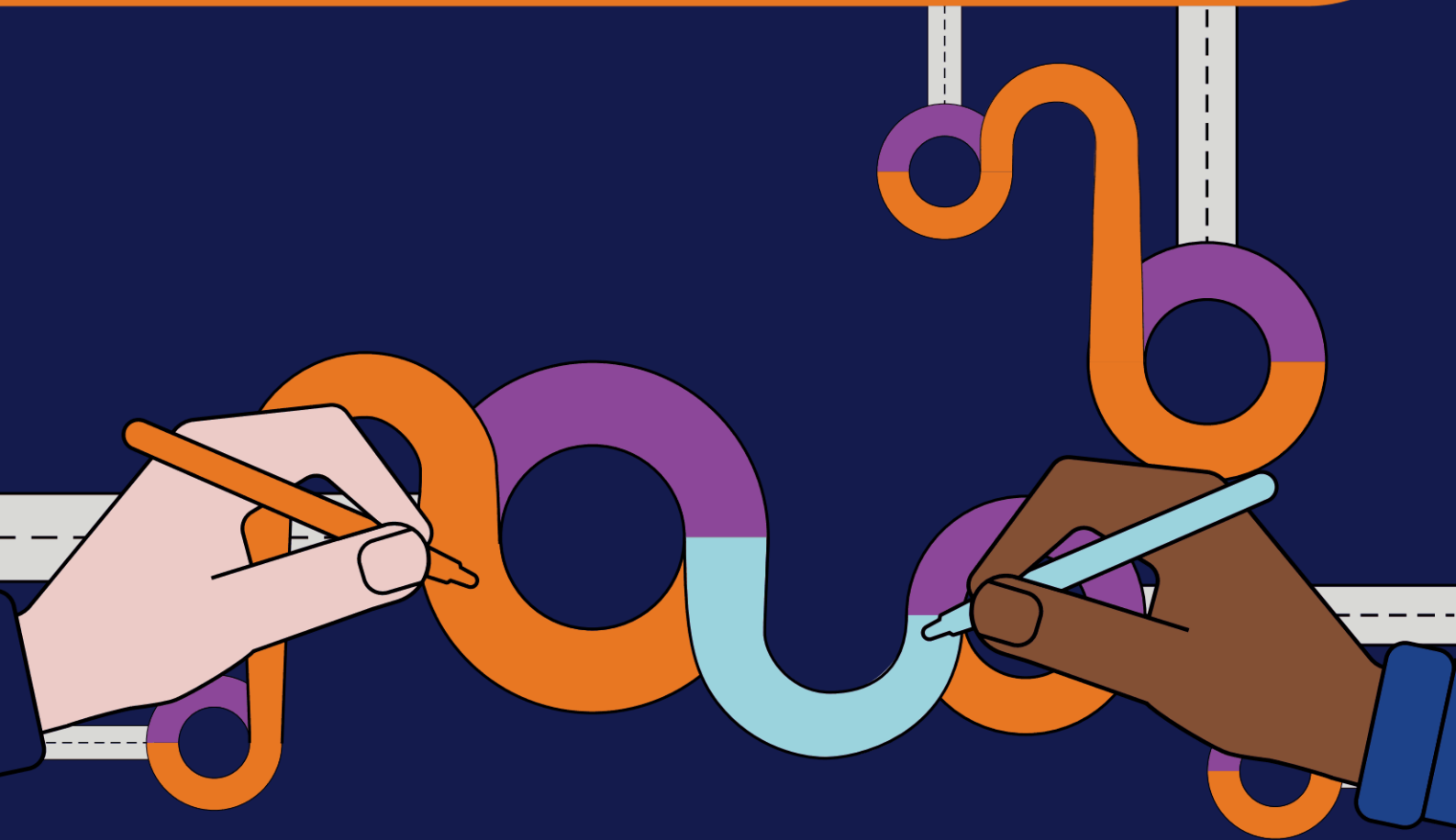
AI will amplify our intentions

Why skills matter

Skills are the primary currency in a well-functioning labor market. Workers move from one job to another by carrying skills with them, building new skills, and combining existing capabilities in new ways. As AI reshapes occupations, skills become the common currency that allows workers to navigate change. The easier skills are to identify, develop, and signal, the easier it becomes for workers to move into emerging opportunities. That's why a skills-first labor market — one where skills are clearly defined, recognized, and rewarded — is critical to meeting this moment.



The design is up to us



The redesign of the labor market is a collective endeavor. Employers, the public sector, HR tech companies, educational institutions, and funders are all making decisions — about job design and talent management, training pathways and credentials, data and algorithms, policies and investments — that together determine what the labor market becomes. Those decisions, made or deferred, shape who gets access to good work and who doesn't.

Progress occurs only when they work together and in concert. A skills-based job description has limited impact if hiring technology cannot recognize skills. A training program will not lead to employment if employers do not value its credentials. Public policy creates the conditions for change, but implementation requires action across the ecosystem. Every actor has a contribution to make.

Employers: Creating Demand Signals

Employers sit at the center of the talent lifecycle, from job design and job descriptions through recruitment, screening, onboarding, workplace learning, and career pathing. At every stage, employers are making design decisions:

Job design

What tasks do we need done, and how do those tasks form jobs?
What gets written in a job description? Are degrees required?

Recruitment

How do we advertise our jobs? How can we reach a broad pool of talent?

Screening

What criteria are used to screen applicants — skills, degrees, or something else?
How do we assess skills?

Professional development

How do we manage performance and growth, and think about retention and advancement?

Talent management

What human resource information systems do we purchase? What are our priorities and requirements? How do we train staff to use it effectively?

These decisions implicitly define who counts as qualified, what skills get surfaced, and whether AI screens replicate a bias for degrees. We see the evidence among our employer partners, where awareness of the paper ceiling drove nearly 20% growth in jobs open to STARs — from 500,000 last year to 590,000 this year. In addition, 62% of job postings in historically degree-required roles were open to STARs in 2025, compared to 57% of postings overall. And 43% of employers aware of the paper ceiling changed degree requirements in at least one job description, versus 37% overall.

The Public Sector: Setting Rules and Aligning Markets

The public sector is simultaneously a large employer, a major buyer, a rulemaker, and a convener. As one of the largest employers in almost every state in the country, its commitment to and adoption of skills-based talent practices could set a baseline or standard for the broader labor market. Its procurement decisions shape what HR tech companies build and incentivize skills-based employer behavior across industries. As a rulemaker, it sets the floor — mandating algorithmic transparency and establishing skills-based standards as conditions of public investment. And uniquely, it has the convening power to bring all the stakeholders needed to build a skills-based labor market to the same table. The public sector has decision making power and influence across all four roles:

Employment

Can we remove degree requirements from job classification minimum qualifications?
How can we advance skills-based practices across the talent lifecycle?

Procurement

How can we set skills-based standards and incentives as conditions of public contracts? Can we remove educational credentials in labor categories when we bid out for work? How can and should we shape what HR tech builds for us?

Rulemaking

How can we legislate for inclusive hiring policies? In what ways can we reduce degree-based barriers in automated hiring platforms? What will it take to mandate algorithmic transparency?

Professional development

How do we manage performance and growth, and think about retention and advancement?

Convening

How and when do we bring private sector employers, technology platforms, and public sector leaders to the same table to coordinate the redesign?

The Public Sector: Setting Rules and Aligning Markets

The data show the impact of public sector actions on the hiring ecosystem. To date, 33 states have committed to removing unnecessary degree requirements in state jobs, a commitment to opening over 776K public sector jobs to STARs. The real power of these commitments lies in implementation. From 2024-2025, five states participated in Opportunity@Work's Transformers in the Public Sector cohort, demonstrating how policy can be translated into practice through changes to hiring systems, job classifications, assessments, training, and workforce strategy.

From the start to the end of the cohort, states saw STARs outcomes improve across the talent lifecycle. Louisiana, for example, saw expanded job opportunities and job placements for STARs (14.2% increase in STAR hires) and helped move STARs into higher-paying roles (7.2% increase in STAR promotions). The state has also seen less turnover (3.6% decrease in STAR attrition).



Louisiana



HR Tech Companies: Translating Signals into Decisions

HR tech companies are building the tools that support the talent lifecycle at scale. The design choices these platforms make and the data they train their tools on can either recreate the world we've had, by embedding biased assumptions of historical hiring practices, or build a future without a paper ceiling. The tools they build and the algorithms that drive them translate these assumptions into automated decisions across thousands of employers simultaneously. At this scale, their design choices are the de facto rules of the labor market, shaping who gets seen and hired, and who doesn't. At every stage, HR tech companies are making design decisions:

Data models

What training data shapes the algorithm that determines if a candidate is automatically screened in or screened out? What data drives a talent marketplace's job recommendations?

Signals

What does the HR system treat as evidence of capability (degrees, current job title, previous employer brand, keyword matches), and what weight does it assign to each?

Workflows

What filtering and screening steps run automatically in ATS configurations? How is AI a part of this process, and is it trained on a skills-first or pedigree-based context?

"When people who have the necessary skills are screened out of the hiring process, it's unfair to the individual and a disadvantage for the employer, because it narrows the view of available talent. A skills-first approach is a practical necessity."

Cara Christopher, CMO, Lightcast

HR Tech Companies: Translating Signals into Decisions

Nudges

What defaults and suggestion prompts shape what a recruiter sees? Every HR tech product is a nudge engine. The question isn't whether to nudge — it's whether the nudge points toward STARS or away from them.

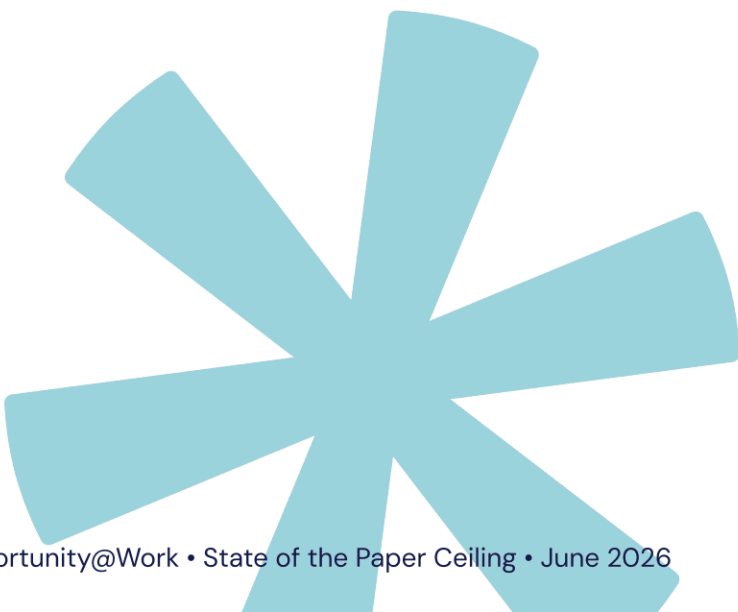
Context

What context guides an agent's understanding of the task at hand, whether that's designing a job description or ranking a candidate list?

These design choices are powerful. Improving data models upstream prevents credential bias from propagating automatically to every tool that consumes it. Embedding skills-first signals into nudges and defaults points recruiters toward STARS rather than away from them.

And as more hiring workflows move to agents, clear skills-first guidance keeps those agents from falling back on bad proxies.

In the field, we have proof points that when platforms design toward inclusion and embed skills-first signals into their tools, they can shift infrastructure toward increases in mobility for workers. In partnerships with organizations like Lightcast and Indeed, we have seen movement towards more labor market inclusion. HR tech companies that interrogate their training data, audit their algorithms, and build for skills visibility are deciding whether the paper ceiling gets dismantled or automated.



Alisha, STAR

Educational Institutions: Building Pathways to Opportunity

Educational institutions make foundational decisions about what the workforce knows and how that knowledge gets recognized. From K-12 through higher education and into workforce training programs, these institutions are uniquely positioned to shape the pipelines that connect workers to economic opportunity — and the design choices they make determine how many workers those pipelines reach. At every stage, educational institutions are making design decisions:

Curriculum

Are programs built around durable, employer-validated skills that give workers the foundation to compete for good jobs and adapt as the economy changes?

Credentials

Do credentials clearly signal what a worker knows and can do in ways that are legible to employers, giving them a durable asset that travels with them across jobs and careers?

Pathways

Are there clear, navigable routes from education into employment — including for students who stop out, transfer, or pursue non-linear paths — that expand the population of workers an institution can serve?

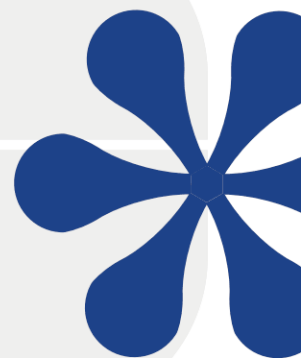
Employer relationships

Are employers partners in program design, helping shape curricula that reflect current demand and smoothing the transition from education to employment?

Equity

Are choices about admissions, advising, financial aid, and scheduling made with intention — ensuring that the strongest programs and clearest pathways are broadly accessible rather than narrowly concentrated?

Institutions that see themselves as partners in talent pipelines will build the pathways that last. That orientation, toward employer partnership, credential legibility, and equitable access, is what turns educational investment into economic opportunity.



Funders: Building the Infrastructure for Scale

Funders bring resources and influence that can move the system at key moments, and the design decisions they make shape what every other stakeholder is able to do. A grant or investment is never just money — it is a signal about what problems matter, what approaches are worth testing, and what kind of evidence gets built into the field. At every stage, funders are making design decisions:

Investments

Are investments flowing toward the research and experimentation that generates the evidence base proven programs are built on?

Grant structures

Do grant structures offer the flexibility and multi-year horizons that give partners room to learn, adapt, and build organizational capacity that outlasts any single initiative?

Grantee selection

Do investments reach the intermediaries and community organizations closest to workers — the ones whose proximity and trust larger institutions often cannot replicate?

Coordination

Are funders deploying not just capital but the relationships, credibility, and convening power that can bring actors together across the system who might not otherwise find each other?

Measurement

Are definitions of success set at the level of system change — not just program outputs — creating the conditions for the kind of long-term infrastructure building the labor market needs most?

Funders who see themselves as investors in infrastructure can multiply what their dollars can do. An orientation toward field-building, shared learning, and sustained partnership can turn promising pilots into durable change.

Why this matters now

Infrastructure decisions made at technological transition points are unusually durable — they tend to calcify quickly and become expensive to undo. The design decisions being made right now, by every actor in this system, will shape the labor market's signals and pathways for a generation.

Workers are navigating a system they had no part in designing

Workers are not simply beneficiaries of the labor market; they are active participants in it. Every day, workers make decisions about learning new skills, pursuing training, applying for jobs, changing careers, and seeking advancement. Those decisions are shaped by the signals they receive from employers, educational institutions, technology platforms, and public systems.

Workers provide the clearest test of whether labor market infrastructure is functioning as intended. If qualified workers cannot see pathways into good jobs or translate their skills into opportunity, the system is failing regardless of how individual institutions perform. That test points to the larger purpose of this work: not better policies, technologies, or programs for their own sake, but a labor market where more people can work, learn, earn, and advance — and where upward mobility becomes a realistic possibility for millions more.

Every design decision in this section should be tested against one question: does it make the system more legible and more navigable for the people moving through it? Workers are best positioned to answer that question — and the redesign of the labor market should include mechanisms for asking them.

We can build a better labor market together



A better labor market is one where the infrastructure works for everyone — where workers travel seamlessly on career pathways, guided by clear signals about job needs and worker skills. It is a labor market where every worker can work, learn, and earn to their full potential, and where upward mobility is a realistic prospect for all workers, including the 70 million STARs who have the skills to do more. That labor market is achievable, and the transition to an AI-enabled economy is the opportunity to build it. The evidence in this paper shows that intentional redesign produces real results. The window to shape this transition is open now, and the design decisions being made today will be far harder to change tomorrow. Every actor in the labor market has a role to play.

The paper ceiling is a systems problem. Employers make hiring decisions, but those decisions are shaped by the signals workers receive, the tools platforms provide, the incentives public institutions create, the pathways educators design, and the investments funders support. Mobility outcomes emerge from the combined actions of these actors. When their decisions reinforce one another, opportunity expands. When they operate independently, workers encounter friction at every stage of their journey. The challenge, therefore, is not simply persuading one stakeholder group to change. It is aligning the institutions that collectively shape how talent is recognized, developed, and connected to opportunity.



Employers

Employers are the architects of the talent lifecycle, and create the demand signals that shape the labor market. Every job description, qualification requirement, assessment, and promotion process communicates what skills are valued and who has access to opportunity.

To strengthen that infrastructure:

- Audit your job qualification requirements and job descriptions to require the skills that predict performance rather than degrees.
- Expand your use of skills-based assessments in hiring and promotion.
- Build talent pipelines in partnership with education and training providers that reflect the full range of workers who can do the work.
- Work together as an ecosystem to name, recognize, and reward skill-building in all forms.

The employers in our network that have taken these steps have expanded access to talent while improving mobility outcomes. The question is whether these practices become standard infrastructure or remain isolated examples.

Public sector leaders

Public sector leaders are at the center of this infrastructure, and these leaders shape the rules, incentives, and coordination mechanisms that govern labor markets. When the public sector uses the levers available, these tools can support the other actors in a region to accelerate mobility:

- As employers, make skills-based talent practices central to your own hiring and talent management infrastructure.
- As buyers, make skills-based practices a condition of public contracts where appropriate.
- As rulemakers, establish algorithmic transparency requirements that apply across the labor market.
- As conveners, bring employers, education and training providers, workforce centers, technology companies, and workers to the same table to coordinate the redesign.



These four levers give the public sector unique reach. By using them together, the public sector sets the conditions that make it easier for other stakeholders to do their part.



HR technology companies

HR technology companies are determining how labor market signals are interpreted and acted upon. Their products influence which workers are seen, which skills are recognized, and which opportunities are surfaced. To ensure technology expands rather than constrains opportunity:

- Audit your training data for historical bias, and assess the output of these tools for skills-first outcomes.
- Make your decision-making algorithms transparent and explainable to the employers who use your tools.
- Anchor your products on skills and add context to increase their value — as a core design principle, not just a nice to have.

The paper ceiling does not have to be automated. But preventing that outcome requires deliberate design choices before today's defaults become tomorrow's infrastructure.

Educational institutions

Educational institutions create the pathways that connect workers to opportunity. The ask is to build toward real labor market demand:

- Align curricula to pathways in demand with employers.
- Credential skills in ways that employers and technology systems can understand.
- Measure success by mobility outcomes, not just completion.
- Make workforce connection a core institutional responsibility.



Building programs around real labor market demand will create educational pathways that last.

Funders

Funders determine whether solutions remain local experiments or become durable market infrastructure. The next challenge is building the infrastructure that allows what works to spread:

- Fund the mobility intelligence that helps regions understand where opportunity is growing and where barriers persist.
- Support the intermediaries that translate research into changed employer practices, public-sector policies, technology products, and worker pathways.
- Invest in the convening infrastructure that aligns employers, educators, workforce organizations, technology providers, and public leaders around shared mobility goals.
- Resource the measurement systems that allow regions to learn, adapt, and improve over time.

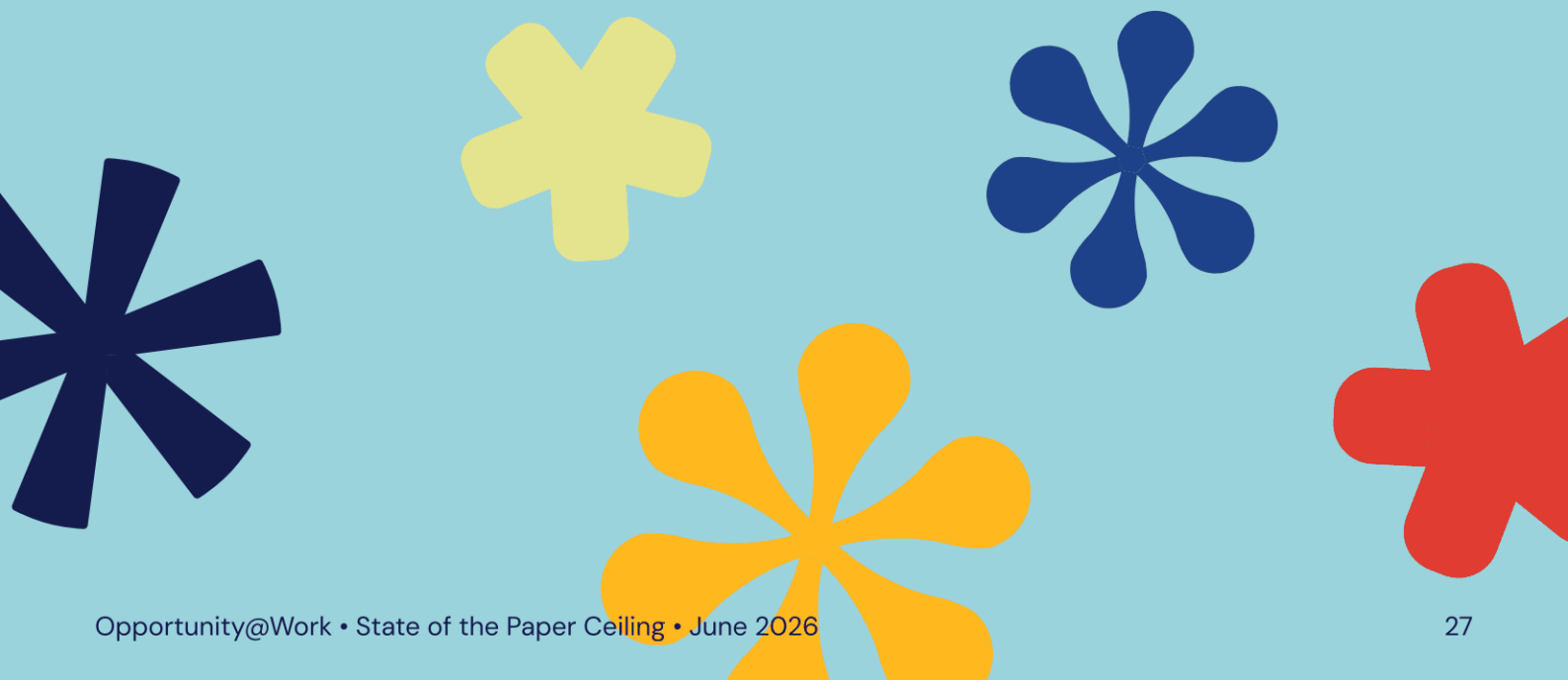


**A program that helps one employer hire better is valuable.
Infrastructure that changes how thousands of employers hire is transformative.**

We can build a better labor market together

Designing the labor market is a collective endeavor. Employers can remove degree requirements, but workers still need visibility into pathways. States can modernize hiring policies, but platforms must operationalize those changes. Educators can develop new programs, but only if they understand evolving employer demand. Funders can support innovation, but only if successful approaches are translated into durable practice. Progress occurs when these actors begin responding to the same signals, pursuing shared goals, and reinforcing one another's actions. The future of worker mobility will be determined less by what any single institution does than by how effectively institutions coordinate around a common vision of opportunity.

The labor market's infrastructure will be redesigned. AI guarantees that. The only question is whether that redesign is intentional — shaped by civic leaders who understand what is at stake and are willing to act — or accidental, left to defaults that will narrow opportunity. The signals and pathways of tomorrow's labor market are being designed today. This is the moment to get it right.



AWARENESS TO ACTION

O@W raises awareness of STARs, the systemic barriers they face, and the value of their skills, to shift perceptions and drive action.

We are actively shifting how employers, workers, and policymakers understand talent

33 states have committed to removing unnecessary degree requirements or advancing skills-based talent practices

75% of employers consider hiring STARs for more jobs now than 2-3 years ago

83% of employers believe the idea that a college diploma is required for job-ready skills is **biased or should change** **+56%** from 2023 to 2025

19% of STARs have described themselves as "STARs". Before 2020, this term did not exist.

39% of employers report they are aware of the Tear the Paper Ceiling campaign **+44%** from 2022 to 2025

Methods and sources

This data analysis is produced from Opportunity@Work analysis of:

- Quarterly surveys of STARs and employers attitudes, perceptions and behaviors, conducted by the Ad Council in partnership with Opportunity@Work and C+R Research. (2022-2025).
- Lightcast. (2010-2025). Job postings and social profile data. <https://lightcast.io/>
- U.S.Census Bureau. (2023). *American Community Survey 1-Year Estimates*.

* We weight job postings and social profiles shares to align with employment distributions. When looking at STAR transitions in the labor market, we find that ~10% of STARs start a new role annually. The proportion of STARs achieving mobility here is limited to those STARs starting a new role.

* We define "upwardly mobile" as STARs transitioning into roles and achieving a 10% or greater salary increase from their previous role.

Contact Opportunity@Work with any questions.



BEHAVIOR SHIFTS

O@W equips the workforce field with data, tools, and support to shift their talent management behavior and show what is possible at scale.

Employers who interact with O@W have shifted behaviors more towards skills-first practices

More jobs have opened up to STARs within the O@W network (In 2025, 62% in network vs 57% in labor market overall)



Source: Lightcast job posting data

775,000+

Jobs committed to be opened to STARs by Public Sector over last three years

590,000+

Job postings open to STARs in our network in 2025

+20% YoY

Employers have **changed degree requirements** in at least one job description

US LABOR MARKET

37%

O@W NETWORK

43%

Job postings with no degree requirement in jobs paying above a median wage

US LABOR MARKET

+4% in 3 years

Q4-2025: **67%**

Q4-2022: **64%**

O@W NETWORK

+11% in 3 years

Q4-2025: **70%**

Q4-2022: **63%**

CHANGED OUTCOMES

O@W rewires the labor market to enable sustained economic mobility for STARs and meet employers' critical talent needs.

When signals and hiring practices change, workers gain access to opportunity

STARs have experienced better hiring outcomes in O@W employer networks than the labor market*



In February 2026, Opportunity@Work and Lightcast announced a groundbreaking partnership that fundamentally changes how data about STARs flows to the decision-makers across the labor market.

We will be able to reach:

- 67 of the Fortune 100
- 1,000 educational institutions
- 775 workforce and economic dev orgs

US LABOR MARKET

\$14.8K

Median wage gain for upwardly mobile STARs in 2024 in market overall*

O@W NETWORK

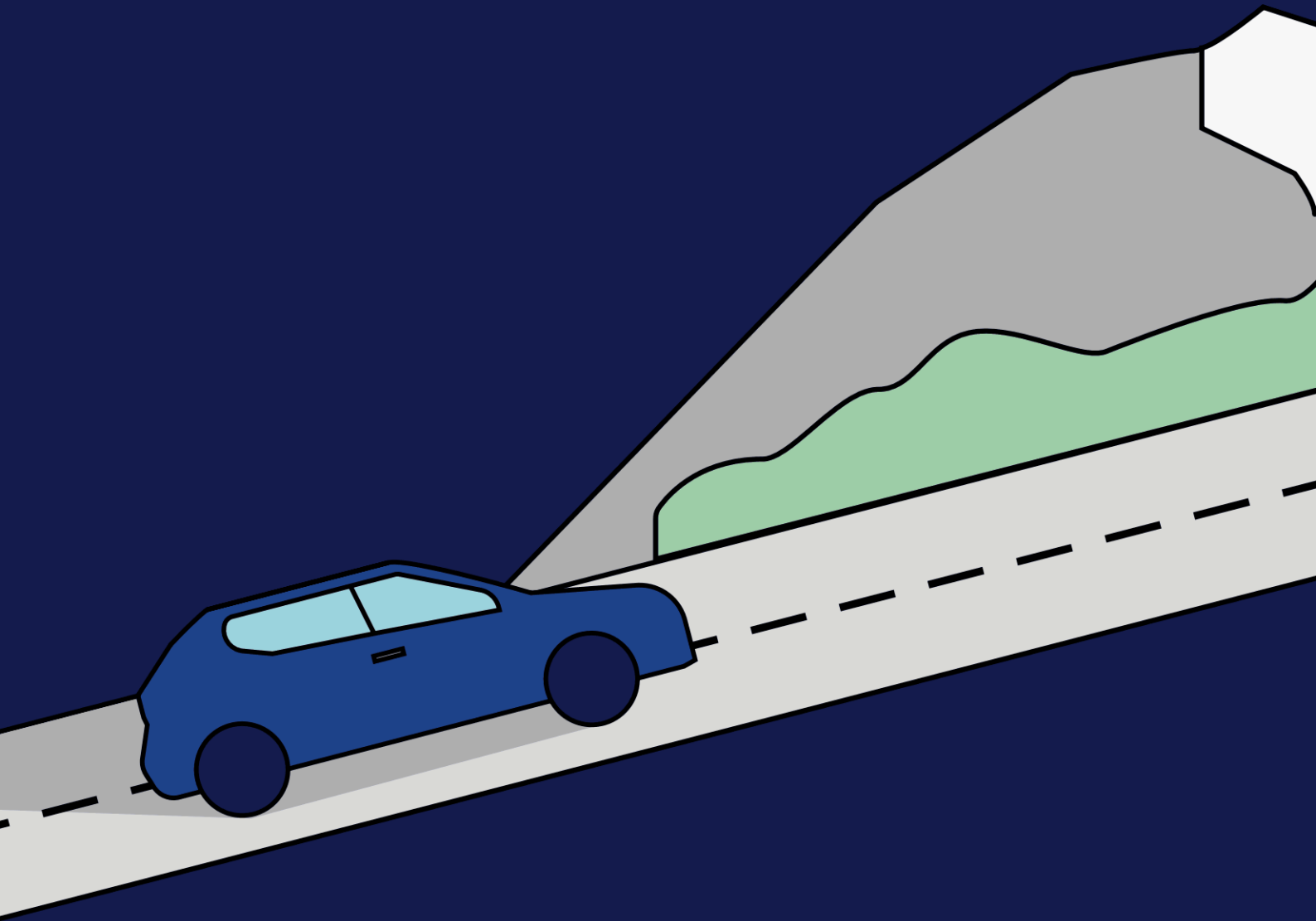
\$17.4K

Median wage gain for upwardly mobile STARs in 2024 in our network*

Over the next decade, O@W aims to enable at least **1 million STARs** in the US to translate their learning into earning — generating a **\$100 billion** boost in their annual earnings.



Download this dashboard at opportunityatwork.org/impact/dashboard



Opportunity@Work is a 501(c)3 nonprofit social enterprise on a mission to rewire the labor market so all Americans can work, learn, and earn to their full potential. Our work advances economic opportunities for the 70+ million U.S. workers who are Skilled Through Alternative Routes (STARs) instead of through a bachelor's degree. Opportunity@Work engages with corporate, public sector, talent technology, and philanthropic partners through landmark research and labor market data analysis, public awareness and narrative change, STARs-centric software tools, and multi-sector networks. Our goal is to enable upward mobility for 1 million STARs by opening up 10 million jobs, and boost their earnings by 100 billion dollars by 2035. Learn more at opportunityatwork.org.