2024 SURVEY REPORT

University of Phoenix®

G.R.O.W.

Generating Rural Opportunities in the Workforce™ Report

Letter from Chief Operating Officer
Raghu Krishnaiah

At University of Phoenix, we are committed to providing the quickest path to achieving one's career goals through higher education and addressing barriers to access. Our University of Phoenix Career Institute® was established with this very commitment in mind, and through its efforts, we are helping to break down the broad, persistent and systemic barriers Americans face in their careers through research-based solutions and impactful partnerships.

One such research-based solution is the Career Optimism Index® study, which annually assesses the evolution of workers and employers' perceptions of workforce opportunities, the challenges they face and what can be done to maximize opportunities that benefit employers and employees alike. Over the past four years of this study, it has become clear how innovation is driving exponential change across the job market.

Notably, we've observed an increasing need for reskilling and upskilling in the workplace; greater implementation of artificial intelligence (AI), as well as an improved understanding of the benefits automation can afford workers in their day-to-day; and a growing post-pandemic expectation of flexibility in where we work to account for lifestyle preferences and workplace mental health.

These broad trends have unlocked upward mobility and greater job satisfaction for many— however, the evolution of work has yet to reach and benefit all communities equally.

Workers in rural America have great optimism for their career futures and we want to help them realize that optimism. They have much to contribute to the success of their communities as well as to the overall U.S. economy.

We commissioned the G.R.O.W. Generating Rural Opportunities in the Workforce™ report to better understand challenges faced by workers in rural America in order to help provide potential paths forward to level the playing field for workers across the country.

The report underscores a significant need for cross-sector collaboration to retain the next generation and fuel the future of the rural workforce. I am proud that University of Phoenix can support this effort, in partnership with the Center on Rural Innovation, and hope other institutions will join us on the path to uplifting broader populations.

Sincerely,

Raghu Krishnaiah
Chief Operating Officer, University of Phoenix

A Note from
Matt Dunne

At the Center on Rural Innovation (CORI), we like to say that if you've seen one rural community, you've seen one rural community — each one is unique. We also know that Americans living in small towns can thrive in the tech economy when they can access tailored support for innovation, entrepreneurship, and skill development. The G.R.O.W.™ report by University of Phoenix is an important new voice that reflects those truths, which are at the heart of CORI's work to close the rural opportunity gap.

Our experience since 2017 has shown how broadband access and multi-sector support can provide new pathways to career and economic success. While the G.R.O.W.™ report highlights the continued challenges facing small towns today, it also shares optimism for the future of work in rural places. Because we know firsthand what can happen when people living in rural areas are empowered with the resources they need to pursue aspirational careers — they make it a reality, and begin to build the local wealth needed to create a new era of prosperity in rural America.

Matt Dunne

Founder and Executive Director, Center on Rural Innovation

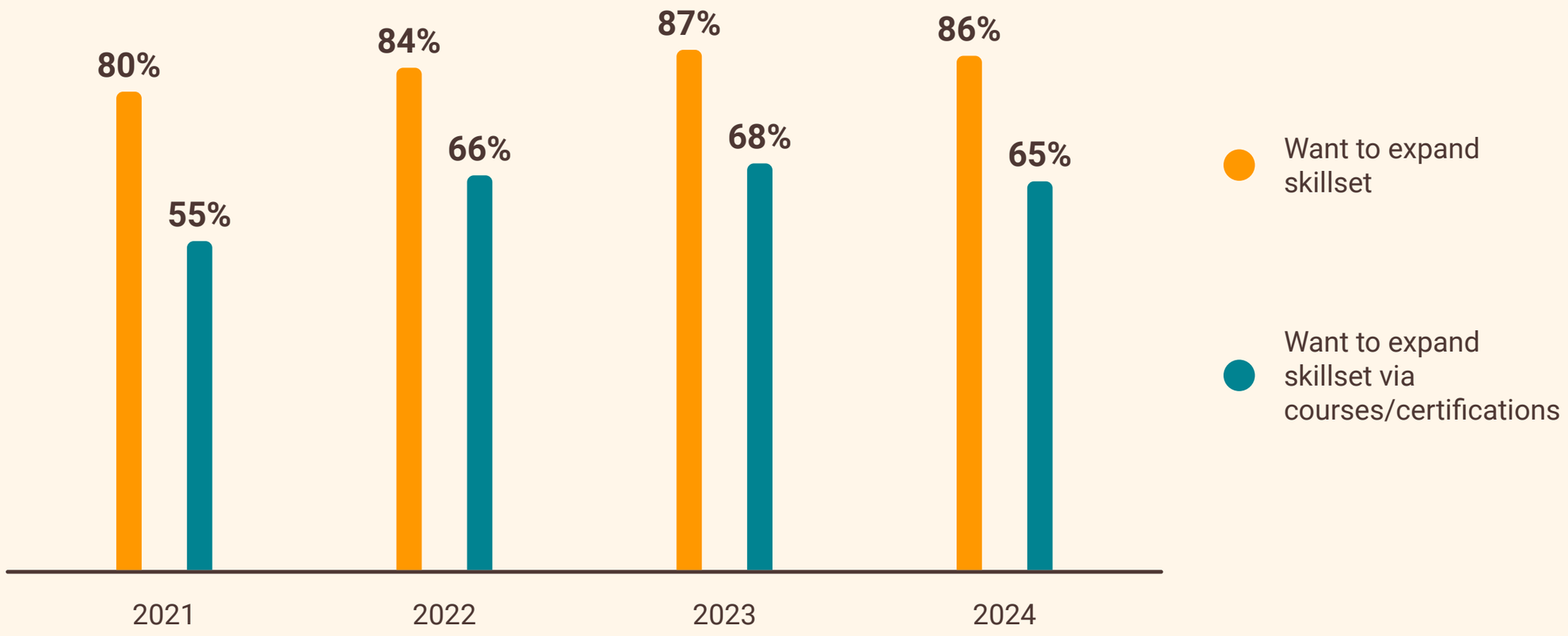
Introduction

The modern workplace is changing. Newfound flexibility in where and how we work signifies a profound shift in the ways productivity and business culture are considered[1]. Emerging technologies promise further changes still – exponentially increasing the rate at which some skills are in demand and others are rendered obsolete. But the impact of these transformations also varies greatly – not only by industry, but also by region. In rural economies, where disparities persist relative to nonrural regions, many workers find themselves at a disadvantage. Despite a seeming shift towards geographically agnostic career opportunities[2], the rural workforce continues to feel left behind and under-leveraged, often unable to access the work or education they desire. With fewer business networks, limited technology infrastructure and a dearth of locally available educational resources needed to thrive in rapidly evolving industries, the rural-nonrural divide is at risk of widening.

This gap hinders workers in rural America from reaping the career advancement benefits that stem from participation in broader workforce shifts towards employer-supported upskilling and reskilling, implementation of AI and greater flexibility.

Since 2021, more than **80%** of the workforce surveyed has been looking for ways to expand their skillsets (ranging from 80% to 87% between the 2021 and 2024 indexes), according to the University of Phoenix Career Institute® Career Optimism Index® study. Further, **more than half** have taken action to advance their careers through courses and certifications (55% to 68% between 2021 and 2024).

Since 2021, the workforce has been looking for ways to expand their skillset, and over half say they are seeking to expand their skillset and advance their career via courses/certifications



Data shown comes from the University of Phoenix Career Institute® Career Optimism Index® study. The sample each year comprises 5000 U.S.-based adults age 18+, who either currently work or wish to be working. For more information on the Career Optimism Index® please visit https://www.phoenix.edu/career-institute.html

[1] *https://www.bls.gov/opub/ted/2023/one-out-of-five-workers-teleworked-in-august-2023.htm*
[2] *https://www.weforum.org/agenda/2024/01/remote-global-digital-jobs-whitepaper/*

In terms of the adoption of AI and a growing understanding of the benefits of automation, **54% of all workers** surveyed in 2024 acknowledge that AI fluency would help their careers. Simultaneously, the majority of all workers who currently use AI say using it to assist them in completing their work has improved their work-life balance (**81%**) and productivity (**85%**). In fact, **62% of employers** currently offer – or will soon offer – training on how to use AI.

62%

Of **employers** currently offer - or are soon going to offer - training on how to use AI.

54%

Of **workers** say knowing how to use AI would give them and advantage in their career.

81%

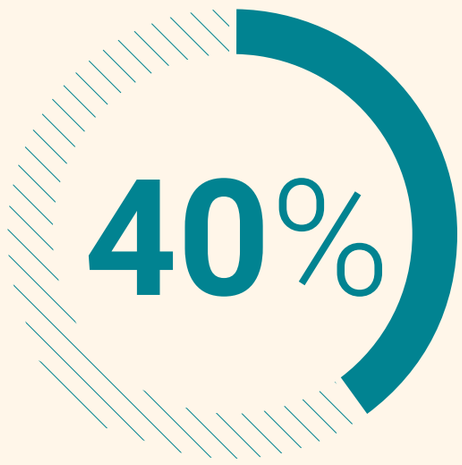
Of workers that currently use AI say using it to assist the in completing their work has improved their **work-life balance.**

85%

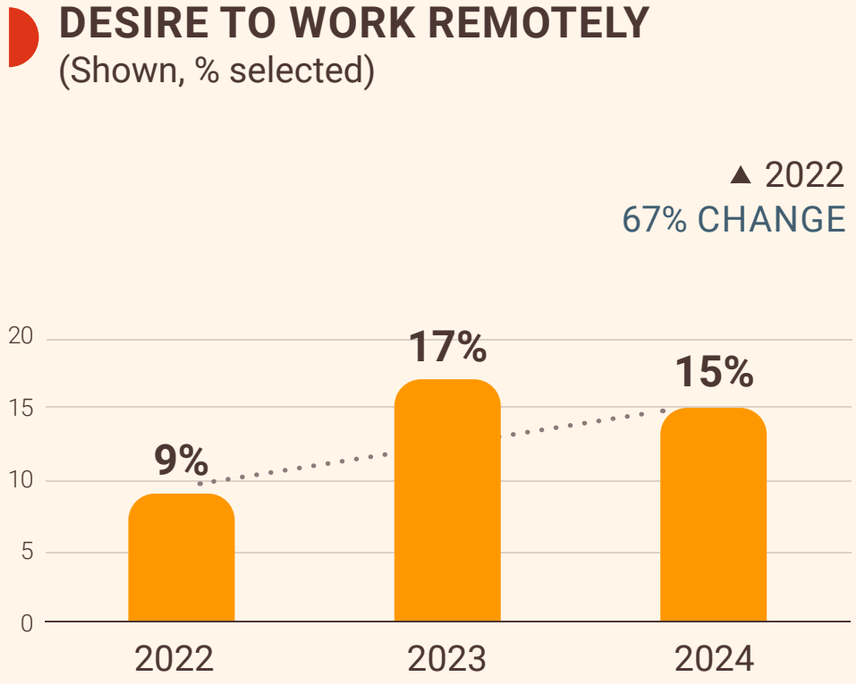
Of workers that currently use AI say using it to assist the in completing their work has improved their **productivity.**

While remote work isn't a new concept, worker expectations are changing — especially since the COVID-19 pandemic. Many workers seek more autonomy, with a **67%** increase in job seekers' desire to work remotely since 2022. Workers prioritize flexibility even above salary, with **40% of Americans** polled say they would work for a lower salary if their employer offered more flexible arrangements.

The desire to work remotely has been a priority for job seekers when looking for their next job since 2022



Of Americans polled say they would work for a lower salary if their employer offered more flexible arrangements.



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CORI finds that the evolution of workforce trends does not benefit all communities equally

While the share of rural residents without broadband access has dropped significantly in recent years, reliable high-speed internet remains a disproportionate problem in rural communities due to a lack of infrastructure and/or prohibitive costs. Even when public funding is available for broadband infrastructure and technological investments in rural towns, it's often a complex maze of initiatives across numerous departments and agencies[3]. These structural challenges create barriers for rural communities, which more often lack specialized resources and highly skilled personnel who can manage grant writing and other bureaucratic processes.

The resulting fragmentation exacerbates the difficulties that rural areas face due to a lack of access to much-needed development funds. It highlights the disconnect between policy design and the realities of rural life. The lapsing of the Affordable Connectivity Program impacted approximately 3.4 million rural households and over 300,000 households in tribal areas, reducing their ability to access broadband infrastructure and deepening the digital divide across rural and nonrural communities[4]. As a result, many rural parts of the country are unable to partake in the shift toward a knowledge economy, which requires certain inputs to grow and thrive – including broadband infrastructure, a skilled workforce, capital networks that support small businesses and entrepreneurs and post-secondary partnerships.[5]

[3] *https://www.brookings.edu/articles/reimagining-rural-policy-organizing-federal-assistance-to-maximize-rural-prosperity/*
[4] *https://www.npr.org/sections/shots-health-news/2024/06/03/nx-s1-4978902/affordable-connectivity-program-broadband-rural-telehealth*
[5] *https://ruralinnovation.us/blog/equity-economic-opportunity-rural-america/*

In contrast, media coverage of workforce trends tends to focus on the transformation taking shape in white-collar industries, overlooking the unique challenges faced by workers in rural America. Such coverage may ignore the lack of access to basic infrastructure and transportation in rural communities, while influencing a sense of consensus that the American workforce, as a whole, is reaching new pinnacles of modernity in the post-pandemic age.

Recent significant federal investments have helped narrow the broadband access gap between rural and nonrural areas[6]. Policies and programs may now need to shift to effectively leveraging and utilizing this newfound connectivity in rural America. Notably, an estimated 41 million Americans – some 12% of the country – live more than 30 minutes' drive away from the nearest college or university – keeping workers in these communities from not only participating in jobs that require this infrastructure but also the education that would allow them to upskill and therefore advance their role in the workforce. These are the realities commonly glossed over in "future of work" conversations. Addressing this gap in understanding, and in workers' realities, demands a more comprehensive strategy.

In a bid to find solutions, the University of Phoenix Career Institute® sought to unpack what's behind this divide with its G.R.O.W. Generating Rural Opportunities in the Workforce™ report. This study gauges rural and nonrural worker perceptions of career and educational opportunities, as well as potential opportunities to address barriers to growth faced by this population. Using targeted research, the Institute aims to elevate conversations surrounding the rural workforce while forming meaningful partnerships to solve the challenges identified.

The findings are hopeful.

[6] *https://www.usda.gov/media/press-releases/2024/02/21/biden-harris-administration-announces-over-770-million-rural#:~:text=High%2DSpeed%20Internet%20Awards&text=This%20funding%20will%20also%20develop,all%20communities%20across%20the%20U.S.*

Executive Summary

The rural workforce believes the future is bright. They are just as optimistic about their careers as the workforce residing in cities and suburbs. But that optimism comes at a cost. More than two-thirds of rural Gen Zers and Millennials who say they have limited access to employment opportunities have had to consider relocating to better their job or career prospects. That's also true for 4 in 5 non-white rural workers who are in the same situation.

Why?

For starters, job networks and educational opportunities in cities are usually more robust and accessible. In those same cities, the implementation of technological innovations that transform labor markets often outpaces that in rural communities, which lack the ability to quickly implement updated infrastructure. Greater investment in this space could unlock greater opportunities locally for education and career advancement. Without it, rural American communities often remain out of the fold, and their workforce is disadvantaged in the process. For many, geography becomes a roadblock, regardless of age or background. In fact, those in the rural workforce are more than twice as likely to feel limited in their employment opportunities versus their nonrural counterparts.

That dissatisfaction also presents a bigger problem.

> **Without the right opportunities for advancement locally, rural America risks losing future generations, as well as its sense of diversity and entrepreneurship.**

To help create a world where workers don't have to choose between their professional dreams and their communities, a concerted approach is needed. Drawing from this report, the approach should strive to improve technological infrastructure and local access to career pathways, while expanding networking and educational opportunities. Cross-sector collaboration and partnership should be central to better preparing rural workforces to meet the current moment of workforce transformation and become agile to adapt to rapid evolution as it takes place. Done right, this approach can help maintain a vibrant, diverse workforce in rural communities across the country.

A Brief Note on Methodology

This year's report examines detailed survey data from 1,000 members of the rural workforce and 986 nonrural members, who are employed or seeking to be employed. All respondents reside in the U.S. and are ages 18 and up. Fieldwork was conducted in May and June 2024.

Rural residency was determined using the Rural-Urban Continuum Codes (RUCC) derived from the US Department of Agriculture (USDA). To qualify as rural, respondents had to live in an area categorized as non-metro, with an urban population of fewer than 5,000 people, either adjacent or non-adjacent to a metro area (RUCC 8 or 9). The nonrural workforce included individuals who did not meet the rural criteria based on RUCC codes. While we recognize RUCC codes 4 through 7 are also considered non-metro, the U.S. Department of Commerce, Bureau of the Census defines rural areas as open country and settlements with fewer than 5,000 residents, which guided our decision to focus our rural sample strictly on RUCC codes 8 and 9.

The quantitative survey was supplemented with qualitative one-on-one video interviews with survey respondents who agreed to be recontacted for additional research as well as alumni from University of Phoenix who are currently living in rural areas.

For a full methodology, please see the appendix.

Potential Loss of Future Generations and Diversity

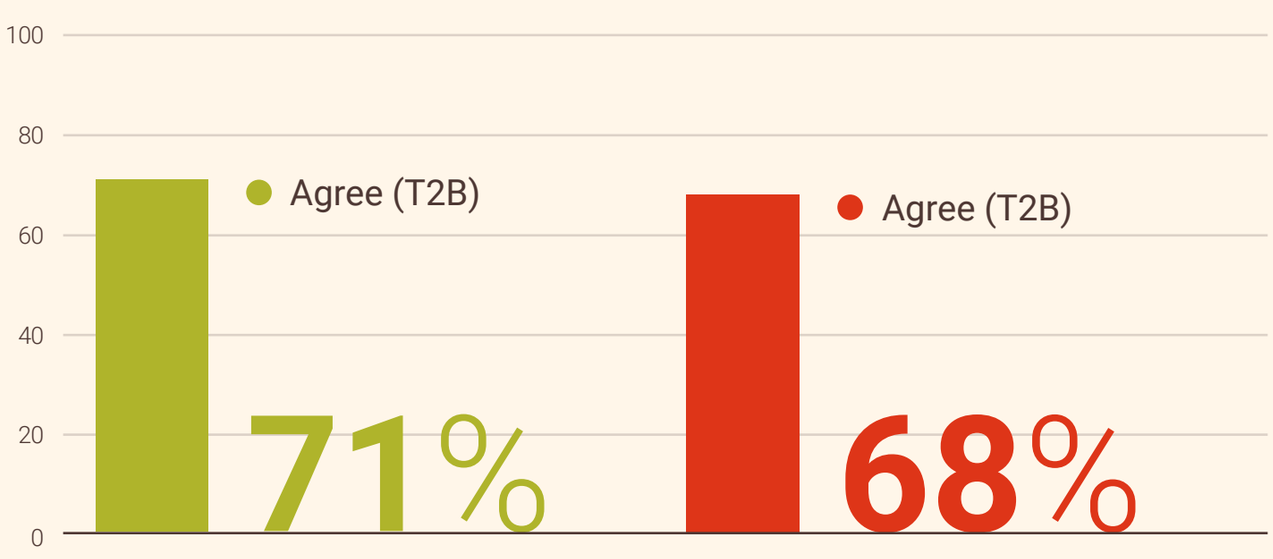
The potential loss of future generations and workforce diversity are among the core concerns raised in this report. While both the rural and nonrural workforce express comparable degrees of optimism about their relative career paths (**68%** rural vs. 71% nonrural), younger rural workers – especially Gen Z and Millennials – report feeling notably less satisfied in their current jobs. Of those cohorts, just 67% and **62%** respectively express job satisfaction, relative to 78% of Gen X and **84%** of Boomers.

"There are always jobs. Don't get me wrong, but it may not be something you're qualified for or something you want to do. That's been a problem here."

— Millennial in Rural Midwest

OPTIMISM ABOUT FUTURE OF CAREER

(Shown, % selected T2B somewhat/strongly agree)



Rural generations are all similarly optimistic about the future of their career (Gen Z 69%, Millennial 67%, Gen X 69%, Boomers 72%).

JOB SATISFACTION

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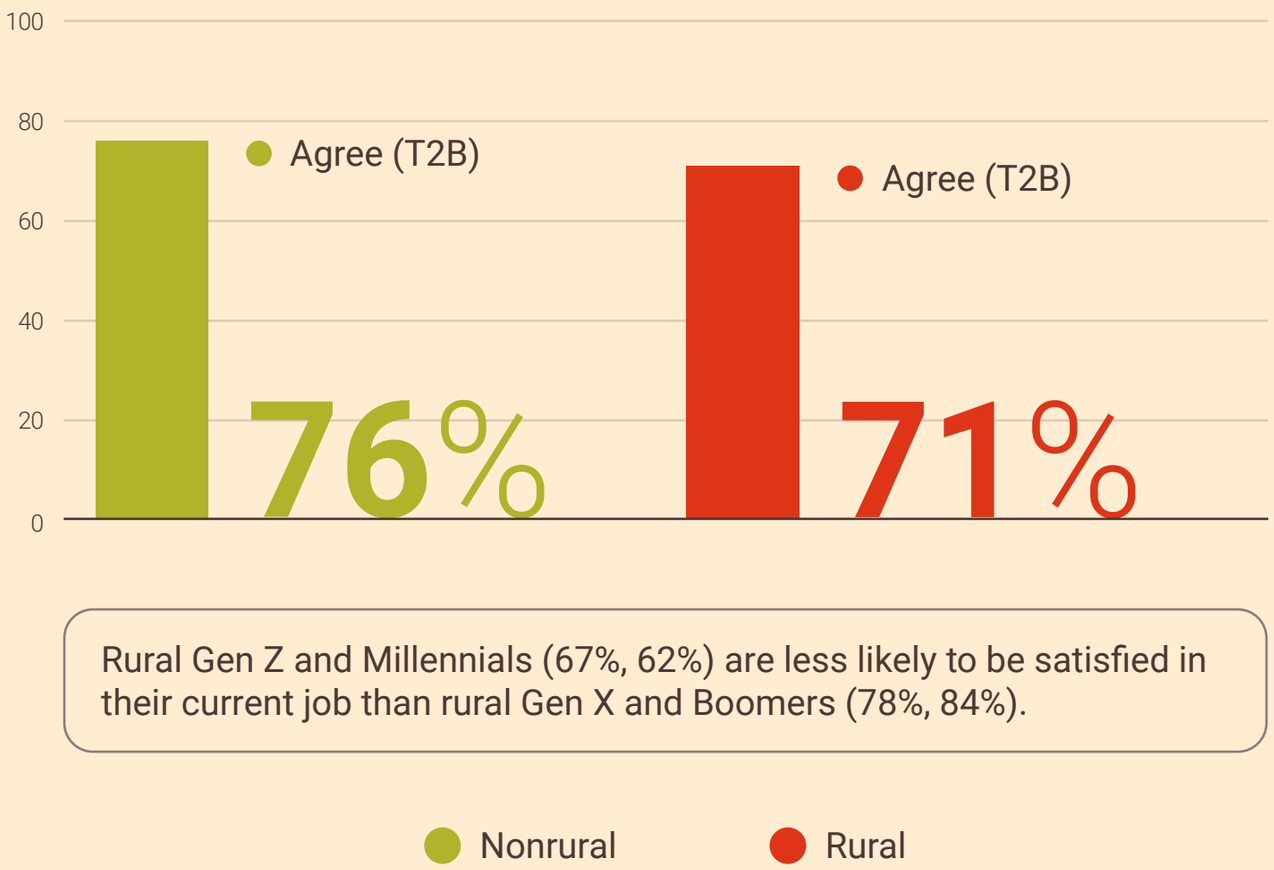
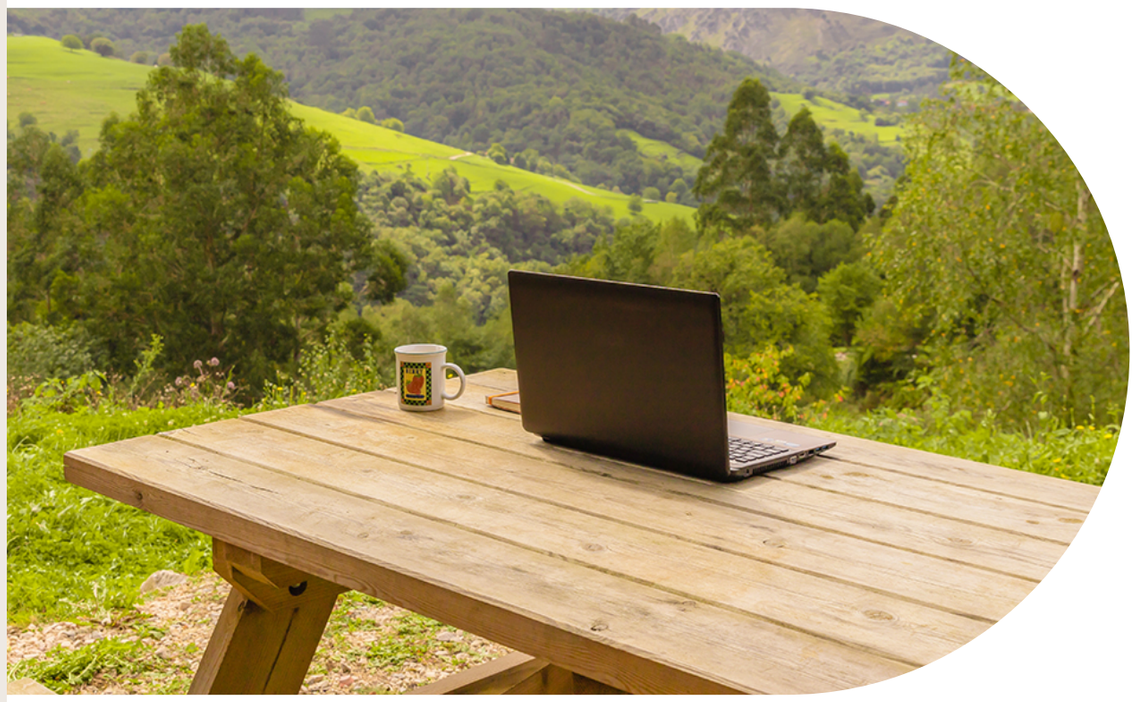


Rural Gen Z and Millennials (67%, 62%) are less likely to be satisfied in their current job than rural Gen X and Boomers (78%, 84%).

These gaps are thought to be among the core factors driving younger people to relocate.

Nearly three-quarters of rural workers with limited employment opportunities have considered seeking job opportunities elsewhere (compared to just over half of nonrural workers). This includes **nearly two-thirds** of rural Gen Z workers (61%) and **more than three-fourths** of rural Millennial workers (76%) as well as 79% of non-white rural workers (versus 66% of white rural workers).

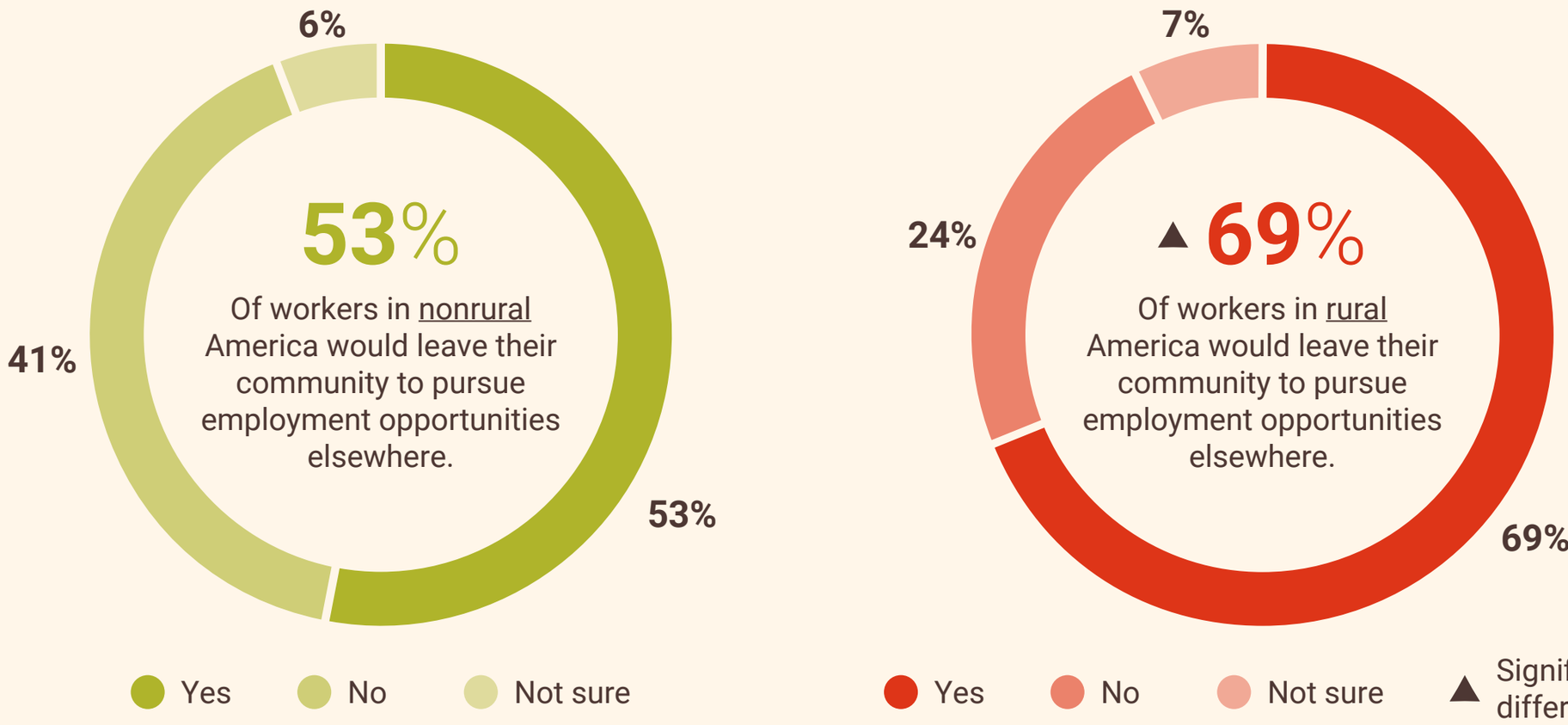


“Jobs around here are mostly farming and seasonal. Those are things most people would have struggles with or they wouldn’t want to do in the long run. We had to work for the town one time because there were not really a lot of jobs… There are jobs, just not jobs that you want to see yourself in all the time.”

— Gen Z in Rural Midwest

RELOCATION FOR EMPLOYMENT CONSIDERATION

(Shown, % selected; Among those with limited access to employment opportunities)



Younger generations are more likely to consider relocating for employment opportunities - Rural Gen Z (61%), Millennials (76%) and Gen Z (70%), vs Boomers (45%) .

Rural non-white workers are also more likely than rural white workers to have considered leaving their communities for employment opportunities (79% vs 66%).

Challenges Faced in Rural Communities

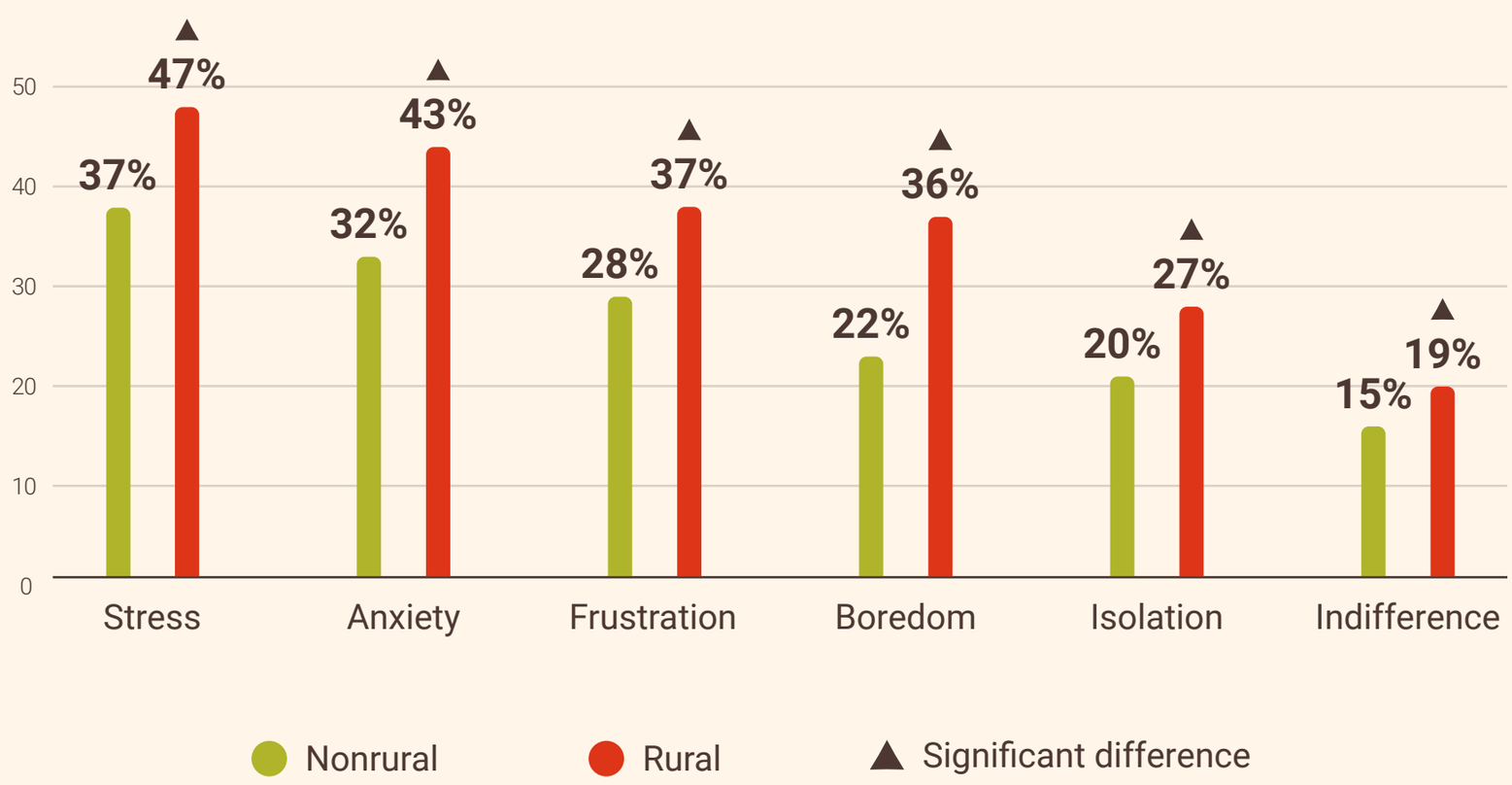
While professional growth is an important driver behind the potential to relocate – for some this gap in career job satisfaction is simply about making ends meet. The rural workforce reports a higher likelihood of stress about paying bills (**58%** vs. 49%) versus paying for essential items like groceries (**52%** vs. 44%), as well as stress over the general need to support their families (**40%** vs. 25%). As a corollary, the share of assistance programs tends to be higher in rural areas, with the rural workforce more than twice as likely to rely on assistance for food and utility costs relative to those in nonrural areas. Relatedly, the rural workforce reports higher rates of negative mental health, including feelings of stress (**47%** of rural workforce vs. 37% of nonrural workforce), anxiety (**43%** vs. 32%), and boredom (**36%** vs. 22%). Perhaps this disparity is a warning sign about the broader effects of economic disparity between regions and the need for more tailored support.

"[People are leaving because] they want different jobs, higher paying jobs. Even in my own job, for example, I inquired about a new internal position and because of my zip code I would get paid much less than someone who lived in a bigger city for the same job because it has been deemed that the cost of living is not as high here. But we don't see that here, we pay the same prices when we go to the grocery store or for gas. It can make you feel slighted."

— Boomer in Rural Midwest

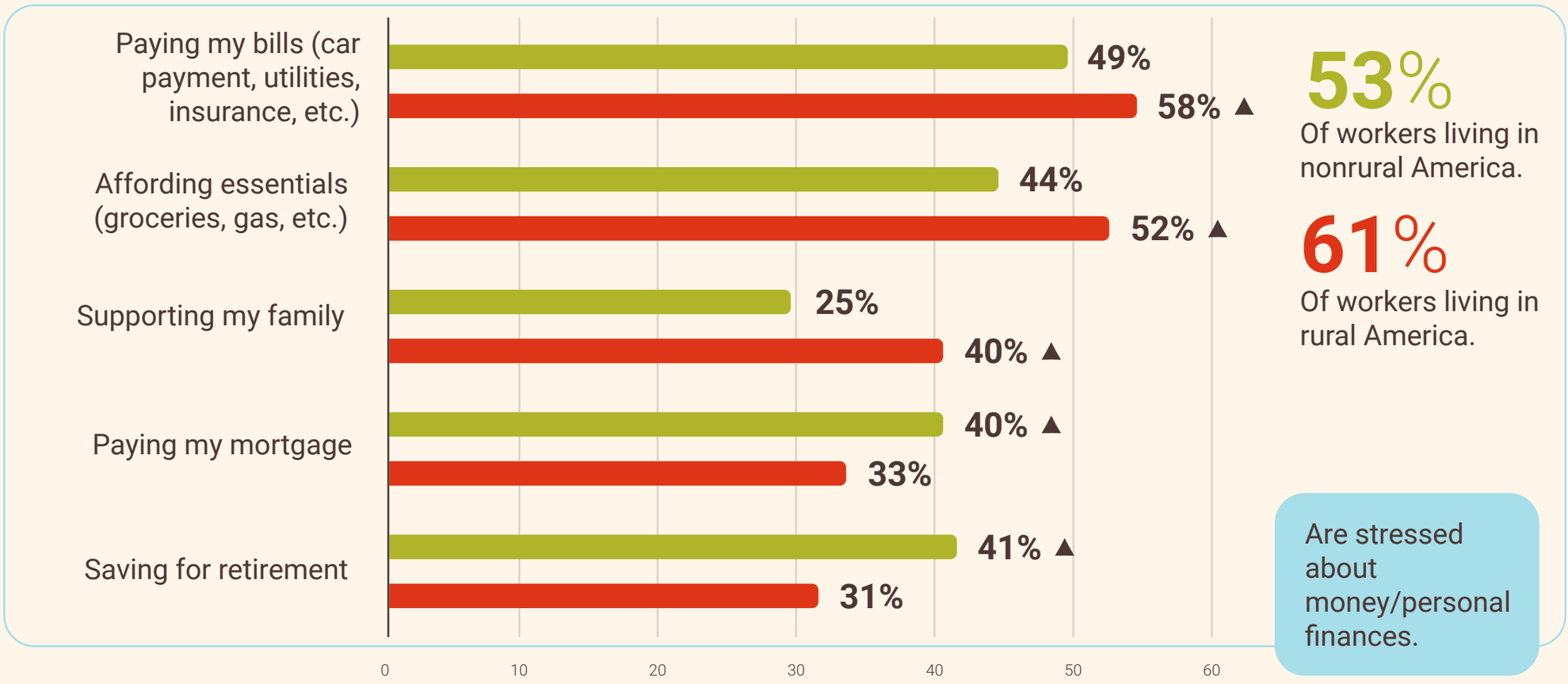
A lack of opportunities and access contributes to more financial stress and ultimately anxiety in day-to-day lives for rural workers compared to their nonrural counterparts

FEELINGS IN DAILY LIFE
(Shown, % selected T2B often/always)



As a result of these challenges, many workers living in rural America worry about paying for essentials day-to-day

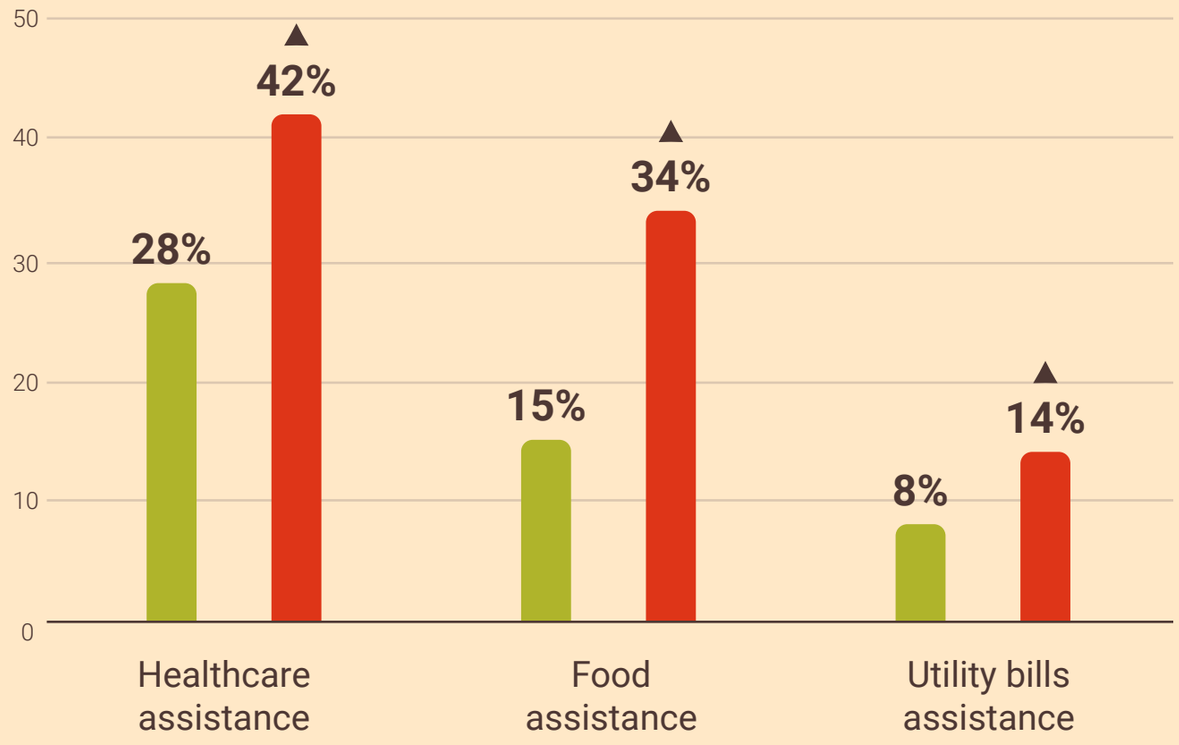
MOST STRESSFUL FINANCIAL FACTORS
(Shown, % selected)



Rural Millennials (64%) and **Gen Z** (63%) are most likely to be stressed about money/personal finances.

Workers in rural America are more than twice as likely as their nonrural counterparts to rely on food and utility bill assistance.

USE OF ASSISTANCE PROGRAMS
(Shown, % selected "I currently use this")



Persistent Digital Divide

“If everybody had better access to internet. There’s a chance that they could get a better education that wouldn’t cost very much and wouldn’t make them have to leave the immediate area. It could slowly change the environment — we’d have more jobs that would match the education, so that would work better.”

— Millennial in Rural South

Often defined as the gap in access to modern information and communications technology, broadband internet and relevant training, the digital divide has long been acknowledged to affect both rural and nonrural communities. However, the impacts to rural America are particularly pronounced regardless of income level. They also tend to affect job prospects and educational opportunities. Rural workers, for instance, are more likely to say that they don’t have access to the technology they need for educational purposes (**24%** rural compared to 9% nonrural) or access to broadband internet (**16%** versus 7%).

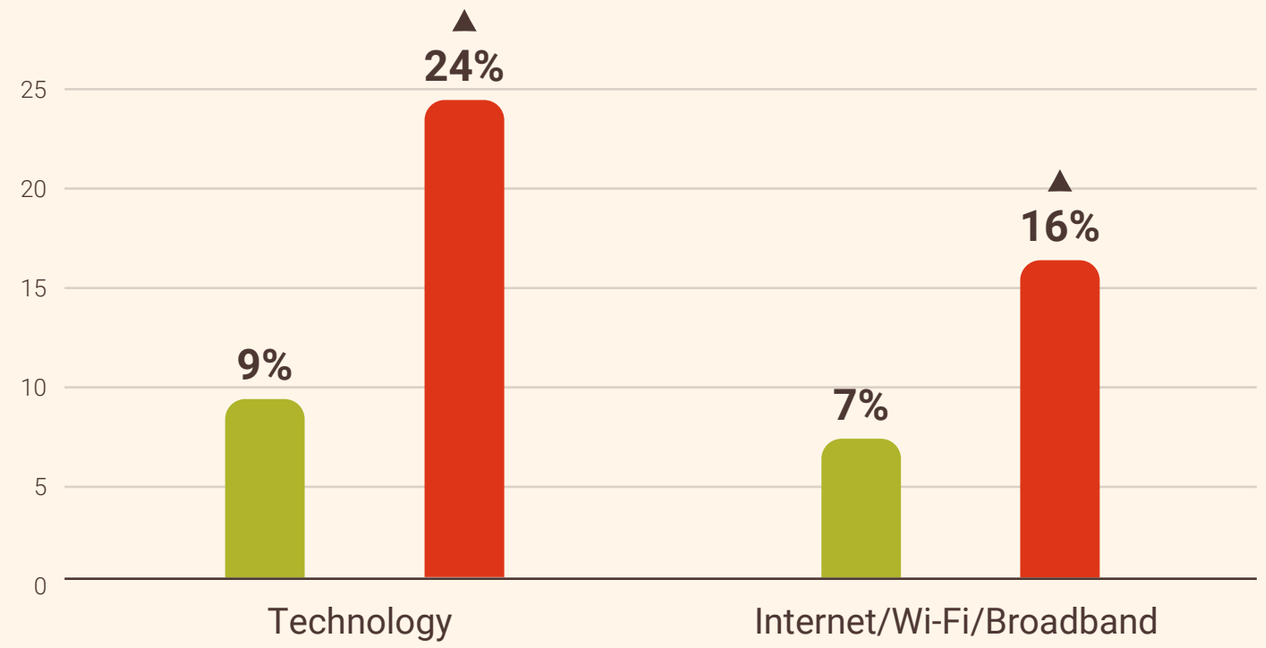
Access alone, however, is just one factor. The disparity in reported quality for those services is also notable. While only 11% of nonrural residents rate the quality of technology as poor, a full **36%** of rural residents make that distinction. A similar dynamic exists when it comes to perceptions about the quality of internet service (**32%** rural rate it as poor or fair vs. 10% nonrural).

“The biggest challenge for a long time was the internet. We are starting to come around a little bit but it’s very slow. They are trying to improve their infrastructure and make it more viable to use a connection here. Companies have come in that have the cellular home internet which makes things better. But you put up with it. You put up with the bad speed you put up with the stuffy connection. You just had to eat it or use your phone for a lot of it. It’s very challenging.”

— Gen Z in Rural Northeast

The rural workforce has more limited access to technology and internet for educational purposes as well

LIMITED ACCESSIBILITY OF TECHNOLOGY/INTERNET IN AREA FOR EDUCATION
(Shown, % selected; B2B somewhat/very inaccessible)



POOR/FAIR QUALITY OF TECHNOLOGY/INTERNET IN AREA FOR EDUCATION
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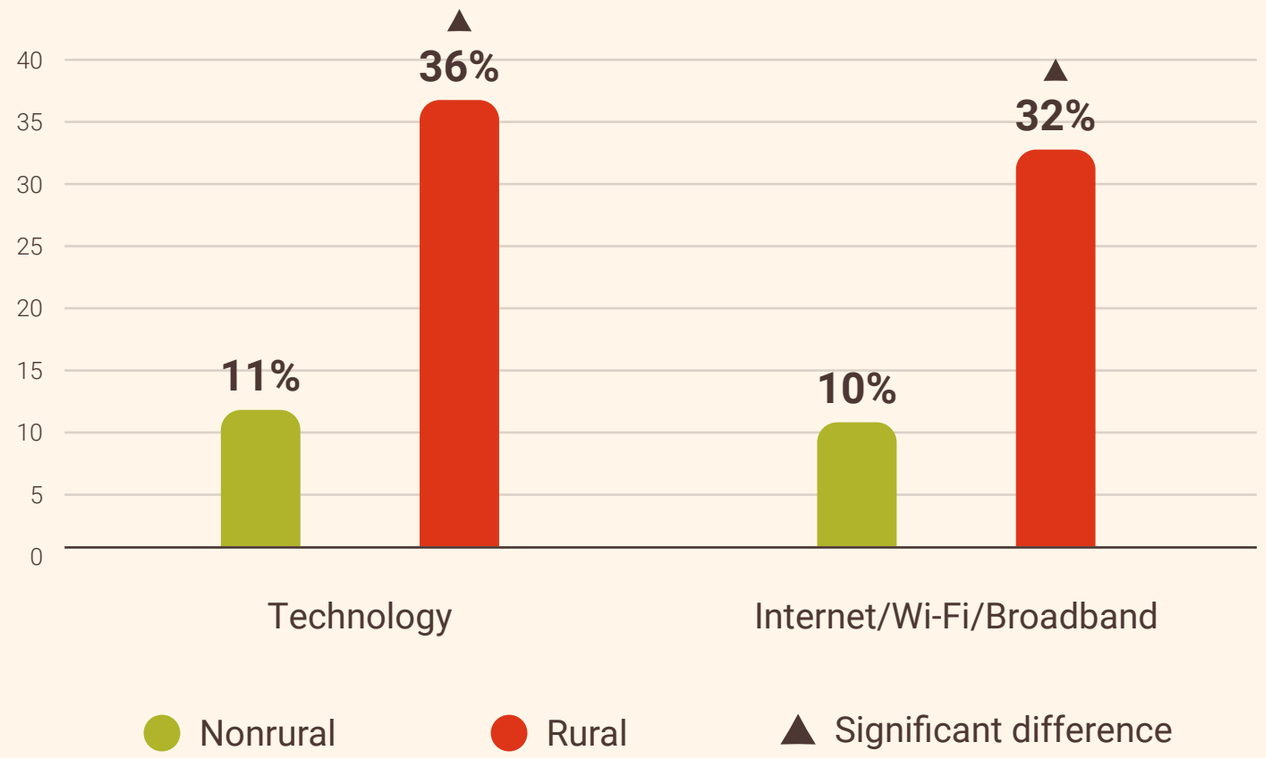
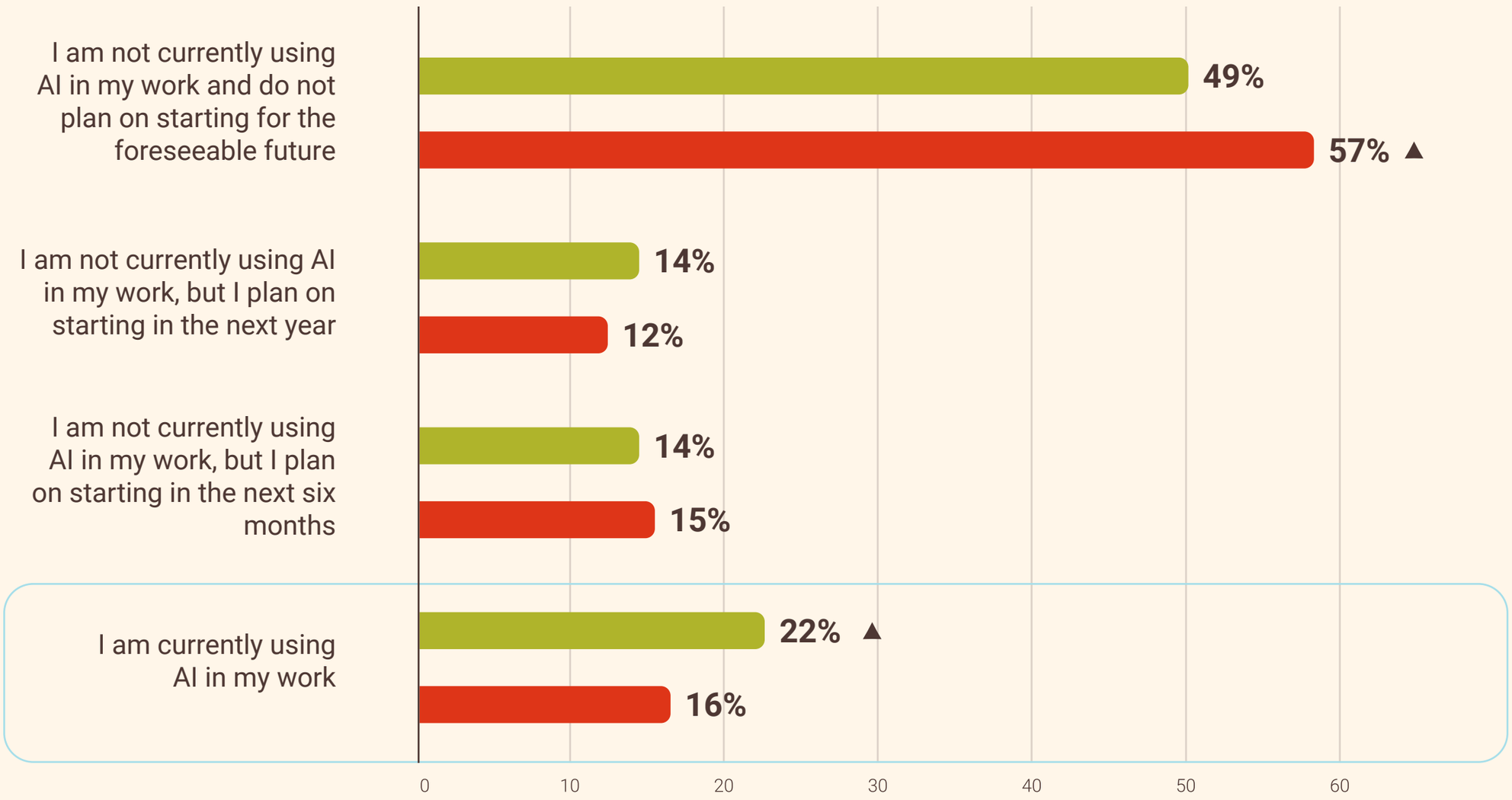


Innovations in technology are also not keeping pace in rural America, with 47% seeing AI as important for the future of their careers but only 16% currently using it compared to 22% of nonrural workers.

CURRENT USE OF AI

(Shown, % selected)



FEELINGS TOWARDS AI

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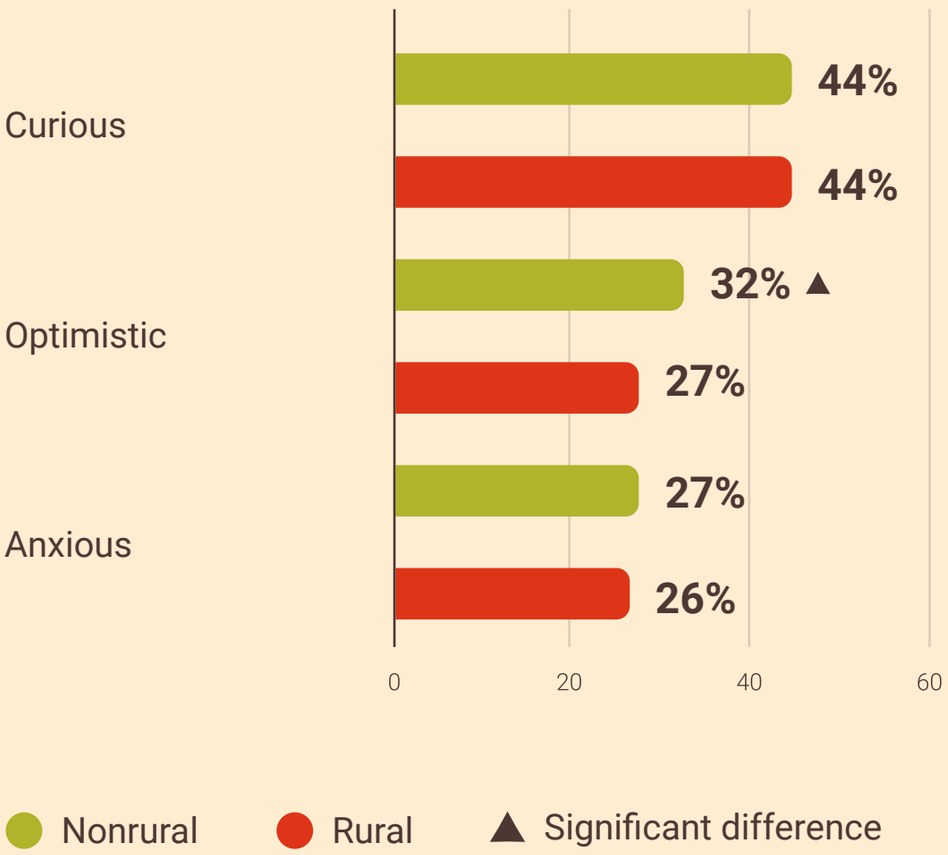


Especially in rural America, the consequences of these deficiencies can compound and intensify over time, causing workers in these areas to slip further and further behind when it comes to the skills and knowledge needed to keep pace with the evolving workforce.

Equal Ambitions, Unequal Resources

Rural workers want the same access to advance professionally but are unsatisfied with the resources available. The rural workforce is significantly less likely to feel that they have access to the right tools and resources to achieve their career goals than the nonrural workforce (**56%** vs. 73%), and another **67% of rural workers** say they need support learning new skills. Despite obstacles, rural workers share similar beliefs with their nonrural counterparts about the value of higher education (**76%** in both groups find it to be worthwhile). It's the steps to getting there, however, where troubles can surface.

> **"A lot of the kids in the area go to community colleges around the edge of the area because that's what they can afford. Here you're looking at at least an hour and a half one way to go to a state or public school."**
>
> — Gen Z in Rural Northeast

Less than half (48%) of rural workers say they are satisfied with the accessibility of educational opportunities in their area compared to a 76% satisfaction rate among nonrural workers. This is particularly prominent for those looking specifically for access to professional trainings and skills development opportunities, with **51%** of the rural workforce expressing dissatisfaction (vs. 21% nonrural workforce).

Although a majority of the workforce sees higher education as a worthwhile pursuit, there is a major gap in satisfaction with accessibility for those living in rural areas

HIGHER EDUCATION VALUE AND OPPORTUNITIES

(Shown, % selected; T2B satisfied)

76% Of workers living in nonrural America

76% Of workers living in rural America

Agree that higher education/ continuing higher education is worthwhile.

69% Of workers living in nonrural America

69% Of workers living in rural America

Agree that higher education, as an industry, is trustworthy.

76% Of workers living in nonrural America

48% Of workers living in rural America

Are satisfied with the accessibility of educational opportunities in their area.

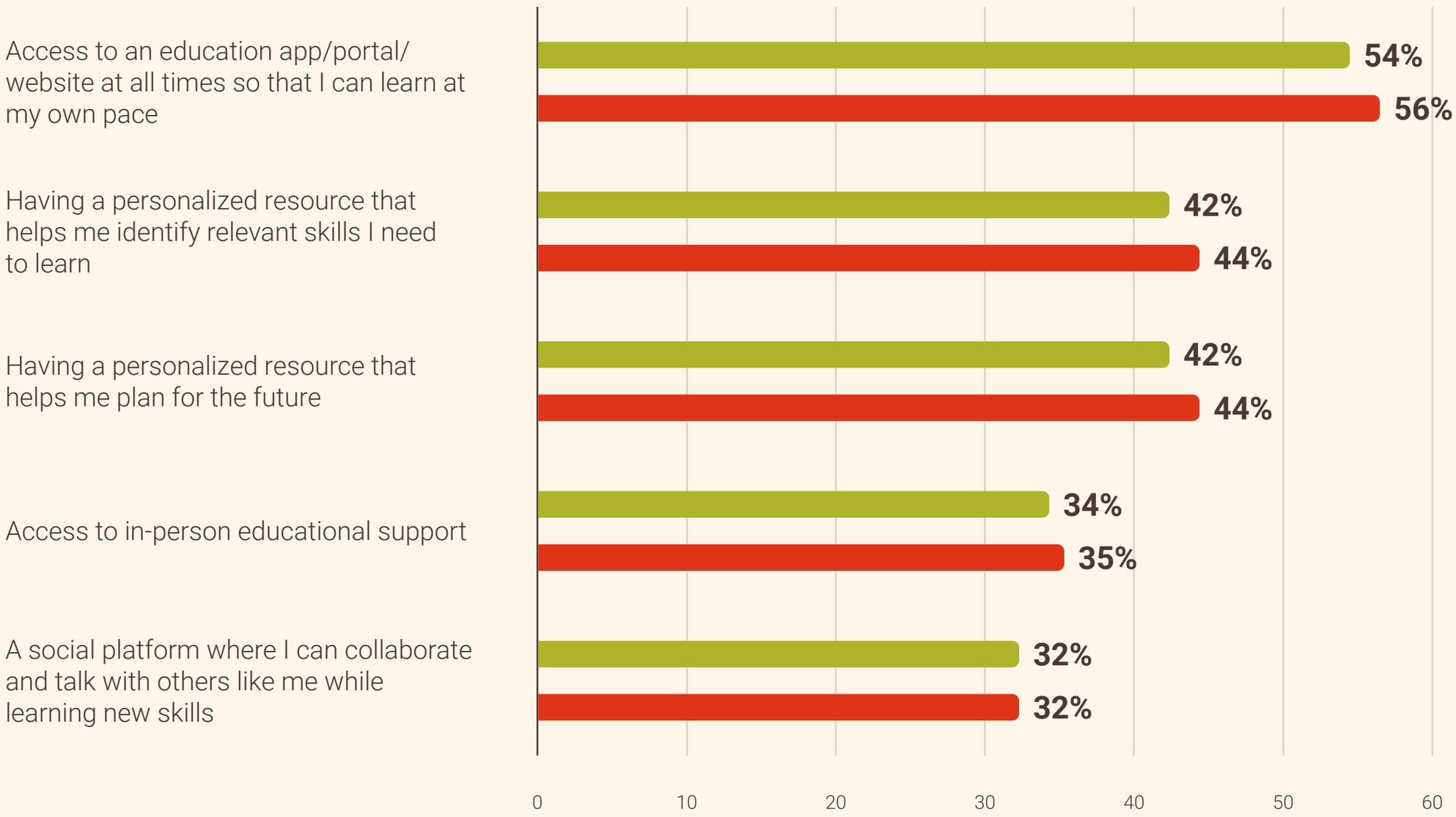
Younger rural generations are less satisfied with the accessibility of educational opportunities in their area (Gen Z **45%**, Millennial **44%**) compared to rural Gen X and Boomers (**52%**, **56%**)

● Nonrural ● Rural ▲ Significant difference

Meanwhile, rural workers are also looking for flexibility in how they learn, with **more than half** (56%) saying they are interested in the flexibility of online resources (e.g., apps/portals/websites) that allow them to learn at their own pace.

INTEREST IN EDUCATIONAL RESOURCES

(Shown, % selected)



EDUCATION/TRAINING RECEIVED

(Shown, % selected "Have received")

“Online education and online jobs seem like a great idea. Most people here struggle to get into that kind of work or education either because they don’t have good internet access or because a lot of the online jobs are posted for other cities and towns so it’s hard to get your foot in the door if you live here. I mean, I know very few people who actually work from home, and that’s something that I’ve looked into and I’ve struggled to find something.”

— Millennial in Rural South

Consequently, geography becomes a roadblock to career progression particularly for the future workforce of rural America. In fact, workers living in rural America are **more than twice as likely** to feel limited in their employment opportunities compared to their nonrural counterparts (35% vs. 14%). **Almost half** say they feel held back in their career because of where they live (49% rural vs. 30% nonrural). That’s especially notable for rural Gen Z and Millennial respondents (**64%** and **54%**, respectively) compared to rural Gen X and Boomers (43% and 34%).

“I would say moving to a rural area has negatively impacted my career. You have to travel further, the pay is less, and if you were trying to advance your career – say go to school and further yourself – you have to factor in travel when you’re already working 40+ hours a week and want to go back to school.”

— Gen X in Rural Midwest

Younger generations in particular feel held back in their careers due to their location

LIMITED ACCESS TO RESOURCES

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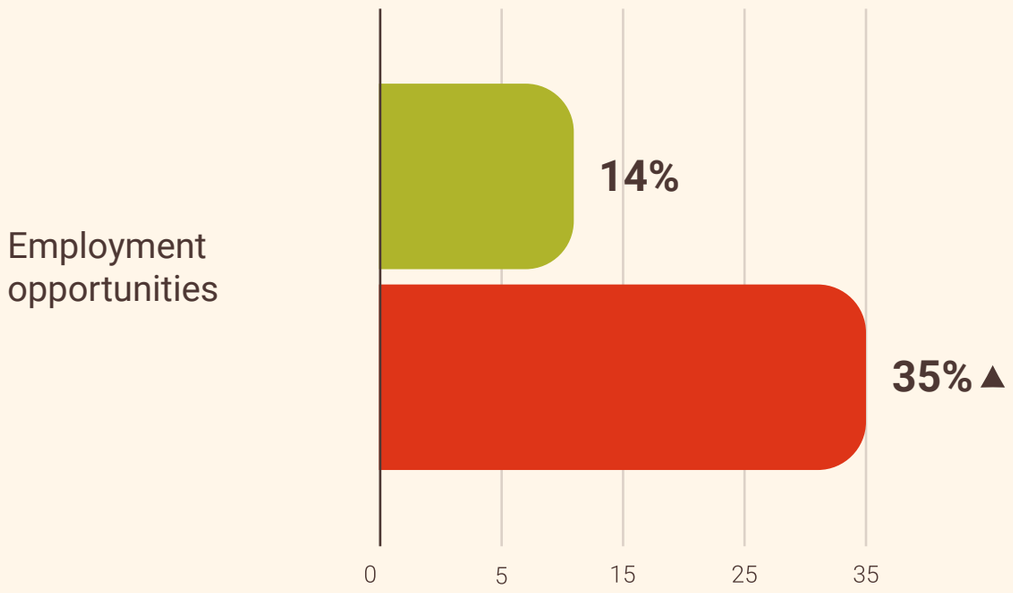
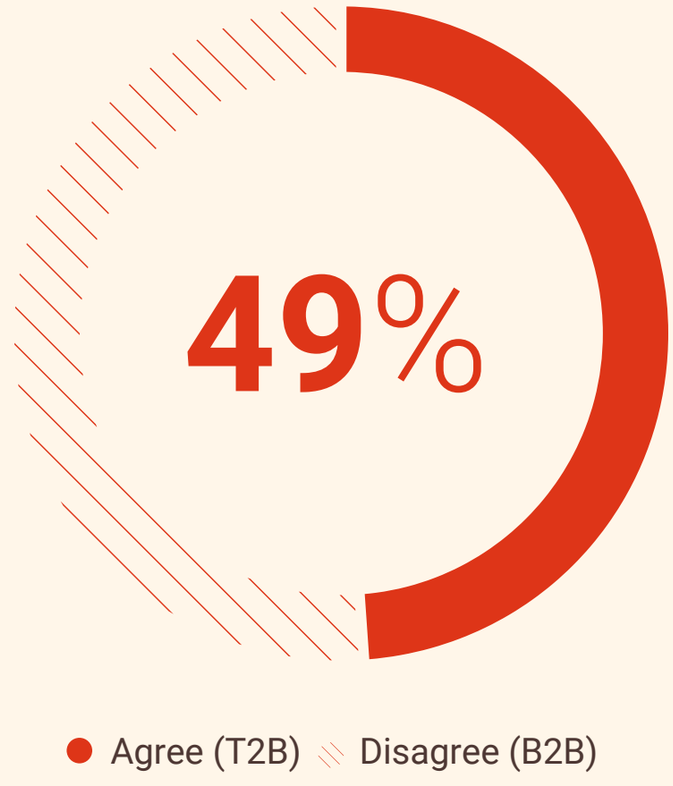


CAREER PERCEPTIONS

(Shown, % selected; T2B somewhat/strongly agree)

“I feel held back in my career because of where I live”



This is especially true for rural Gen Z and Millennials (64%, 54%) compared to rural Gen X and Boomers (43%, 34%).

Nonrural Rural

Nearly half of rural workers say they need to develop their social capital skillset, including networking and building professional connections (47%). Yet, the nature of professional networking historically tends to better lend itself to population centers. The quality and access to technology, however, can create direct obstacles in achieving these goals, limiting exposure to professional connections that can enable rapid career growth and awareness of potential opportunities that may be less common in rural settings.

“Networking is important because everybody you meet knows something that you don’t. You can be great and do amazing things by yourself but you can only do so much on your own.”

— Millennial in Rural South

There is need for support in building networks, professional development and staying at the forefront of technology

TOP 5 SKILLS TO DEVELOP

(Shown, % selected)

47% **Networking/building professional connections**

47% Knowledge of artificial intelligence (AI)

46% Public speaking/presenting

44% Stress management

35% Budgeting

Rural Gen Z and Millennials are more likely to say they need to develop networking/connection skills (51%, 50%) compared to rural Gen X and Boomers (45%, 40%).

Rural Gen Z and Millennials are more likely to say they need to develop stress management skills (50%, 46%) compared to rural Gen X and Boomers (41%, 33%).

The Need for a Collaborative Private-Public Sector Approach Now

The consequences of this divide could drain the career optimism of rural America. Most of this workforce (60%) already reports that while they want a career, it often feels out of reach – this sentiment is even stronger among younger generations (Gen Z: 65%, Millennials: 71%).

An overwhelming **majority of rural workers** (86%) agree that more partnerships between employers and educational institutions are needed – helping to turn the tide and create employment opportunities for students.

These public-private collaborations are essential to ensure a healthy pipeline of job opportunities and individuals properly skilled to meet the needs of local employers in rural areas. Without them, workers in rural America will continue to be denied the skills and professional networks they need. Skills like interpersonal development and technological acumen are essential to future career opportunities, and professional connections are a proven accelerant to learner and worker success; in their absence, the availability of job prospects can dwindle.

“There’s a lack of diversity for jobs and people are really wanting something different. So, if there were different companies that wanted to come in, I believe that they would do well with employment… Companies would have to take the plunge on that, and if there’s some kind of government program, or you know incentives for the companies to come.”

— Millennial in Rural South

Employers and institutions can create meaningful solutions, focusing on a few key areas: improving access to technological infrastructure, building professional social capital, career mapping and fostering entrepreneurship.

A third of the rural workforce surveyed cites poor/fair quality of technology (36%) and internet (32%) in their area for education. Institutions have an opportunity to support rural areas in building capacity to navigate the policy systems in place to access existing funds for improving broadband infrastructure.

Building formal and informal mentorship programs and hosting local networking events are steps educational institutions, employers and non-profit organizations can lead to advance the development of professional social capital among rural workforces, an area that **47%** say they need to develop.

Employers and educational institutions can work together to connect students and workers with the right pathways for skills development and overarching career options through personalized career mapping to unlock advancement.

Without strongholds of certain industries in more rural regions, the importance of fostering entrepreneurialism through educational and institutional pathways becomes even more significant. In fact, **51%** of rural workers polled say they want to own their own business partially or wholly in the future, notably Gen Z (**53%**), Millennials (**56%**) and Gen X (**50%**). That's significantly higher than the collective rate of all nonrural workers polled (41%).

"A lot of people start their own business because it's hard to make good money unless you do. In a smaller community a lot of times you might do better with a small business because you might find something that a lot of people need that they can't get in the area or people will come to your business because they know you and trust you."

— Millennial in Rural South

With a clear need and opportunity to build out the entrepreneurial economy in rural America, educational institutions can lead the charge in helping would-be entrepreneurs gain the skills they need to succeed. This should be aligned with multi-sector support to ensure entrepreneurs in rural America have the funds and infrastructure needed to thrive in their communities.

The evident urban-rural divide is resolvable, especially given workers' optimism, resilience and ambition to advance their careers. That hopefulness, however, must be tempered by a recognition of the more long-term trends that the World Economic Forum and others show[7] — a steady decline for rural populations. Although residents of rural communities typically have stronger place-based attachments, workers continue to leave. If this trend continues, or if workers need to commute long distances for educational and professional opportunities in more metropolitan areas, the plight of these communities could worsen and rural America could lose critical community members, especially those who will make up future generations. With this loss comes an attendant drop in social capital, diversity and locally owned businesses.

"For the job opportunities I want to see my kids take as a teacher, they have to leave. I hate to say that, but if companies don't want to invest in this local area I'm going to tell my kids to go somewhere where they'll be invested in. I wish it wasn't that way but that's just the way it is."

— Gen Z in Rural Northeast

"From what I've heard, most of the younger people, they just get out of here. They move to other states or they move into more metropolitan areas where they have more opportunities, which in turn is good for them or good for that area, but it's not good for the families and the friends who don't get to see their children or their friends now, because they've moved four hours away."

— Gen X in Rural Midwest

A proactive approach is needed – one that partners employers and educational institutions, accessible online learning systems and better technological infrastructure. Imagine a world in which any farmer can learn how to optimize crop yields or sustainable water usage using AI algorithms, or where any small business owner can hone the skills needed to employ predictive analytics to enhance customer experiences. To make this world a reality – we need a concerted approach to reduce the barriers associated with geography.

The insights from the G.R.O.W.™ report can thus provide a roadmap to create a more inclusive, equitable economy, but we cannot wait: the time to act is now.

[7] *https://www.weforum.org/agenda/2023/05/countries-encouraging-people-to-move-to-smaller-towns/*

Methodology

The G.R.O.W.™ report study comprised a 20-minute online survey of the workforce in rural areas (n=1000) and the workforce in nonrural areas (n=986). All participants were U.S. adults (age 18 and up) who were employed or seeking employment at the time of research. Researchers conducted fieldwork between May 24 and June 11, 2024.

Rural residency was determined using the publicly available 2023 Rural-Urban Continuum Codes (RUCC) derived from the US Department of Agriculture (USDA). Developed in 1974, and updated each decade since, the RUCC distinguish U.S. metropolitan (metro) counties by the population size of their metro area, and nonmetropolitan (nonmetro) counties by their degree of urbanization and adjacency to a metro area. The division of counties as either metro or nonmetro, based on the 2023 Office of Management and Budget (OMB) delineation of metro areas, is further subdivided into three metro and six nonmetro categories. Each county and census-designated county-equivalent in the United States, including those in outlying territories, is assigned one of these nine codes[8]. For this study's purposes, to qualify as rural, respondents had to live in an area categorized as nonmetro, with an urban population of fewer than 5,000 people, either adjacent or non-adjacent to a metro area (RUCC 8 or 9). The nonrural workforce included individuals who did not meet the rural criteria based on RUCC codes. While we recognize RUCC codes 4 through 7 are also considered non-metro, the U.S. Department of Commerce, Bureau of the Census defines rural areas as open country and settlements with fewer than 5,000 residents, which guided our decision to focus our rural sample strictly on RUCC codes 8 and 9.

The report evaluated disparities between these geographic areas while acknowledging that although poverty levels are relatively similar between urban, suburban and rural counties[9], rural Americans generally earn significantly less per worker than their suburban and urban counterparts.

The quantitative survey was supplemented with qualitative one-on-one video interviews with survey respondents who agreed to be recontacted for additional research, as well as alumni from University of Phoenix who are currently living in rural areas.

[8] *https://www.ers.usda.gov/data-products/rural-urban-continuum-codes/*
[9] *https://www.pewresearch.org/social-trends/2018/05/22/demographic-and-economic-trends-in-urban-suburban-and-rural-communities/*

Demographics - Rural

AGE	
Gen Z	14%
Millennial	43%
Gen X	33%
Boomer	10%
Greatest	0%

REGION	
Northeast	5%
Midwest	33%
South	56%
West	6%

RACE/ETHNICITY	
White	79%
Black	8%
Hispanic/Latinx	5%
Asian	1%
Other	6%

EMPLOYMENT STATUS	
Employed full-time	46%
Employed part-time	14%
Self-employed full-time	6%
Self-employed part-time	4%
Temporarily employed/ contractually employed with a specific end date	1%

HOUSEHOLD INCOME	
Under $25,000	31%
$25,000 - $34,999	18%
$35,000 - $49,999	15%
$50,000 - $74,999	18%
$75,000 - $99,999	9%
$100,000 - $149,999	6%
$150,000 or more	2%

WORK ENVIRONMENT	
Working remotely exclusively	18%
Working mostly remotely, and going into a physical workplace on occasion	8%
Working mostly in a physical workplace, and working remotely on occasion	14%
Working exclusively in a physical workplace	60%

EDUCATION	
Grade school or less (Grade 1 - 8)	1%
Some high school (Grade 9 - 11)	6%
Graduated high school (Grade 12)	33%
Vocational school/ Technical school	7%
Some college	27%
Graduated college	20%
Post-graduate degree (e.g., MA, MBA, LLD, PhD)	6%

RELATIONSHIP STATUS	
Married	39%
Engaged	3%
Domestic partnership	5%
In a relationship	11%
Single	26%
Divorced or separated, not living with partner	13%
Widowed	2%

Demographics - Nonrural

AGE	
Gen Z	16%
Millennial	29%
Gen X	26%
Boomer	28%
Greatest	1%

REGION	
Northeast	18%
Midwest	21%
South	38%
West	23%

RACE/ETHNICITY	
White	63%
Black	13%
Hispanic/Latinx	16%
Asian	6%
Other	3%

EMPLOYMENT STATUS	
Employed full-time	52%
Employed part-time	18%
Self-employed full-time	6%
Self-employed part-time	5%
Temporarily employed/ contractually employed with a specific end date	1%

HOUSEHOLD INCOME	
Under $25,000	17%
$25,000 - $34,999	10%
$35,000 - $49,999	14%
$50,000 - $74,999	22%
$75,000 - $99,999	12%
$100,000 - $149,999	14%
$150,000 or more	9%

WORK ENVIRONMENT	
Working remotely exclusively	20%
Working mostly remotely, and going into a physical workplace on occasion	12%
Working mostly in a physical workplace, and working remotely on occasion	15%
Working exclusively in a physical workplace	53%

EDUCATION	
Grade school or less (Grade 1 - 8)	0%
Some high school (Grade 9 - 11)	2%
Graduated high school (Grade 12)	20%
Vocational school/ Technical school	6%
Some college	22%
Graduated college	33%
Post-graduate degree (e.g., MA, MBA, LLD, PhD)	15%

RELATIONSHIP STATUS	
Married	40%
Engaged	2%
Domestic partnership	6%
In a relationship	7%
Single	32%
Divorced or separated, not living with partner	12%
Widowed	2%