



ALABAMA
Talent Playbook



**Alabama Talent
Triad Overview**

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Building a Talent Marketplace—A Playbook for States

Alabama’s Talent Triad is a unique system, bringing together often disparate efforts to create value and impact for the state’s workforce and economy. Driven by Alabama’s government and its goals of adding 500,000 additional credentialed workers to the state’s economy and surpassing the national labor force participation rate by 2025, the Talent Triad represents a comprehensive skills-based talent marketplace that connects job-seekers, employers and education providers.

Several states have taken the first step to transform their economy to a currency of skills by implementing skills-based hiring approaches for state employees. This is a positive step toward alleviating government hiring and recruiting challenges. But we know this is not enough to result in economic mobility and prosperity across the state. More action will be needed to create skills-based talent marketplaces that connect all workers, career opportunities, and learning experiences to power economic growth and the mobility of its citizens.

Alabama state leaders understood this problem deeply and used evidence to drive towards the creation of the Alabama Talent Triad, which is the first skills-based talent marketplace facilitated by a state in the US. To share about this important effort, partners have created The Alabama Talent Playbook, which provides details for how the state is building a skills-based economy and allows other state leaders to learn how Alabama’s Talent Triad has emerged as the most promising transformational talent marketplace in the country.

Alabama’s Talent Marketplace: Technology and Data Tools for the People of Alabama

The Talent Triad is a public-private partnership, sponsored by Governor Ivey’s Office of Education and Workforce Transformation and AlabamaWorks! to easily provide access to information about jobs, credentials, and job seekers in an online talent marketplace. Unlike many other efforts where states are deploying technology to gather and connect workforce and education data for state-level research and reporting, the Talent Triad was not built to serve the state.

The Talent Triad was designed to serve citizen stakeholders and facilitate the success of:

- Job-seekers and working learners who wish to apply their skills in a new or advancing role
- Employers who seek to find talented Alabamians to fill in-demand jobs
- Education providers working to train and build Alabama’s talented workforce

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While the state will benefit from the insights gained from stakeholders using the Talent Triad and from the impacts on labor force participation and employment, the state is not the primary beneficiary. Instead, Alabama is making a big bet, leveraging public data and infrastructure, philanthropic support, subject-matter expertise, and private sector know-how to create a truly unique talent marketplace to serve its people.

The Alabama Talent Triad engages 19 state agencies in a common vision and collective work to build an ecosystem where technology and data can support the growth of skills-based hiring and competency-based education in order to increase credential completion and labor force participation.

The Talent Triad is composed of three segments, each of which creates value:

- The Alabama Credential Registry is an online resource that enables Alabama education and training providers to register the credentials they issue, including certificates, licenses, degrees and non-degree credentials, creating a real-time outlook for the full array of credentials available to learners in the state. Unlike other credential registries, Alabama's goes a step further to describe the competencies that learners gain in completing these credentials. That work is organized through the state's Competency Ontology, and results in what the state calls the "DNA" for in-demand jobs – the skills and knowledge that drive in-demand jobs.
- The Alabama Skills-Based Job Description Generator and Employer Portal allows employers to create customized job descriptions based on the skills "DNA" of the jobs in their firms. Employers can use the Skills-Based Job Description Generator to more easily transition their existing descriptions into skills-based job descriptions. Employers can then post jobs, matching with potential employees who have in-demand skills.
- The Alabama College and Career Exploration Tool, or ACCET, is Alabama's version of the new Learning and Employment Record (LERs) and allows students and job seekers to own, collect, and manage their records of verified skills, credentials, and experiences in a digital wallet to easily share and link directly to skills-based job descriptions generated by employers. Job-seekers can tailor their LER to specific roles and fields, and are in full control of their own credential and competency data.

Because all aspects of the Talent Triad use the same competency-based "DNA", job seekers and employers can be "matched" based on the alignment of skills. The LER is valued by employers because it eliminates cumbersome background checks to verify credentials and offers discrete information about what a job candidate actually knows and is able to do on the job, both saving time and money for on-boarding new employees, and providing Alabamians a more direct path to careers. If the job seeker is not qualified for a job, they will receive learning recommendations to an Alabama education or training provider to support their skill and credential development to qualify.

Why skills-based hiring?

While unemployment numbers continue to decline, there is a deeper story that reveals persistent gaps in access to education and employment for populations of citizens who have for decades experienced systemic barriers that have locked them out of education and therefore the economy.

As Alabama examined its own data, leaders realized that they have one of the most severe worker shortages in the US, with [43 workers](#) available for every 100 open jobs. In fact, no state except New York has a positive worker to job ratio. It is in every state's interest to explore every potential option to connect job-seekers with good jobs and state education systems should they need to upskill. Talent shortages help no one, including state governments. In Alabama, that option was supporting the move by employers to eliminate unnecessary requirements for many middle- and high-skilled roles and shift to skills-based hiring.

Recent [research](#) suggests that nearly half of all middle-skill and a third of high-skill occupations have been disrupted by this switch to skills-based hiring, and the majority of those changes appear to be permanent. Employers such as Bank of America and IBM are still seeking skilled talent, but recognize that finding talent is much more nuanced than simply requiring a particular credential.

Thus, employers are shifting to skills-based hiring, which is a recruiting approach that centers candidates' knowledge, skills and abilities over traditional factors such as credential requirements or years of experience. Using a process based on competencies, skills-based hiring approaches aim to hire candidates whose skills match those required by the job.

Skills-based hiring is gaining steam for good reason: it stands to make positive impacts for employers, job-seekers, and for the public good.

- Employers who adopt skills-based hiring practices may increase their pipelines for hard-to-fill jobs, drawing more qualified candidates to the roles and ultimately reducing the amount of time to fill the role. This both reduces the costs of recruiting and saves money by decreasing productivity loss, need for overtime, and impacts on company morale. Employers may save money in the longer term by improving their hiring quality - by attracting candidates who have the skills for the role, companies [report](#) significant reductions in mis-hires.
- Job seekers, especially those who have been marginalized from education systems, may find an increasingly accessible and transparent labor market where they can compete on their competencies rather than only on their credentials. Job seekers may also see increasing value from their non-academic learning experiences, including expertise gained in the military and on-the-job. Job-seekers hired for skills do better once hired. Recent [McKinsey research](#) indicates that skills-based hiring is "five times more predictive of job performance than hiring for education and more than two times more predictive than hiring for work experience."

Competency-Based Education: Powering Talent in a Skills-Based Economy

As impactful as skills-based hiring can be for employers, job seekers and governments, the approach will only succeed if it is underpinned by competency-based training and education system, enabling:

- Education providers to align programming toward in-demand competencies and assess mastery of each competencies for every learner
- Education providers to access students from non-traditional pathways who may have never otherwise matriculated
- Students and job-seekers to understand, demonstrate and advocate for their expertise regardless of where they gained competencies

Competency-Based Education (CBE), a growing movement within K-12 education, postsecondary education and other education providers, is poised to accelerate skills-based hiring and deepen its impact. CBE, simply defined, measures progress and awards students for mastery of learning rather than time-based measures such as hours or seat time. This model allows learners to progress at the speed of mastery, often accelerating completion of credentials and lowering the cost. Furthermore, because every learner progresses because of mastery, each graduate has the guarantee of skill development and employers can trust skill assertions about graduates.

The benefits of CBE to students, especially adult learners and those who have lacked access to or support in traditional higher education, are clear.

- Most individuals who access CBE programs and use them to gain skills were students who would have not traditionally accessed education systems or had some college and no degree. Most are working learners, balancing work in a field they hope to build a career or found themselves without the qualifications for promotion.
- In many programs, the median time for learners to complete is faster than students in traditional time-based programs, lowering cost of attendance and shortening their time to higher wages and careers.
- Programs continually document workers earning higher wages, on average, compared to graduates from traditional programs, signaling that employers value and trust that students in CBE programs are skilled workers.

Further, when learners emerge from CBE programs with a strong understanding of their own expertise, as well as a Learning and Employment Record (LER) that provides a validated record of mastery, job seekers can thrive in a skills-based hiring environment.

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Alabama's Role

State governments have the right combination of scale, capacity, access to data and capacity to shift policy to build a skills-based talent marketplace.:

1. Ensuring every resident can access new Learning and Employment Records (LERs) and digital wallets that are built to share skills data between sectors and assist individuals to more easily and quickly find meaningful education and careers.
2. Supporting all employers, regardless of size or industry, to maximize a shift to skills-based hiring through the Skills-Based Job Description Generator and Employer Portal, that allows employers to craft job descriptions using skills and receive matches to job seekers.
3. Encouraging greater alignment between descriptions of jobs and credentials through the establishment of the Competency Ontology and Credential Registry, that will continue to grow and create a more common language through the assistance of AI tools.
4. Facilitating standards of quality across all credentials and supporting the expansion of competency-based education to ensure job seekers and employers can trust the competencies and skills being awarded, building further trust in the matching being done by the technology.
5. Making all learning count and thereby opening up new possibilities for modularizing and unbundling degrees through prior learning assessment and stackable credentials, which will allow more adult learners to access associate and bachelor's degrees.

Call To Action

The Talent Triad launched in pilot phase in April 2023, and anticipates expansion in the fall. The Talent Triad team will continue to scale while also exploring new integrations and ways for the data to be interoperable to the ways job seekers and employers seek to create economic growth and individual mobility.

We invite you to learn with us. We will release multiple chapters through The Alabama Talent Playbook, designed specifically to share lessons learned and emerging best practices. The Playbook is specifically designed to support state policy and implementation teams as they address talent in their own states. Playbook chapters will be posted periodically at www.talentplaybook.com, as well as through social media and other venues.

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Future paper topics include:

- Interoperability, discussing how the Talent Triad's commitment to open standards and interoperability principles has created limitless potential and connection across state lines.
- Employer engagement, describing lessons learned from employers about usability, impact on their businesses and how the Talent Triad can help them solve problems and meet goals.
- Credential data, diving deep into how the Talent Triad leverages credential data to enable individually verified learning records.
- State policy and state funding, shedding light on how Alabama is driving results through its policy and budgeting apparatus, and how the state views the Talent Triad's role in meeting its goals.
- The Competency Ontology, showing how the Talent Triad is powered by competencies, which are the connective tissue in the talent marketplace.

We invite you to connect with the Alabama Talent Triad team to learn and to explore how this work can support transformation in other states. Learn more and reach out to us by signing up at www.talentplaybook.com.

The logo features a stylized 'A' composed of overlapping geometric shapes in shades of red and white.

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