



Employer Engagement

Design for Employer Engagement



Building a Talent Marketplace



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.

There have been several states taking 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, and 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 skillsbased job descriptions, and to post jobs so they can be matched with potential employees.
- 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.

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Call To Action

The Alabama 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 State 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. Papers will be posted periodically at www.talentplaybook.com, as well as through social media and other venues.

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.





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Executive Summary



Like other states, employers in Alabama are reporting difficulty in finding the talent they need to fill open positions and advance business goals. Rather than re-creating the ineffective workforce solutions of the past, Alabama is heeding the global call for a shift to a skills-based economy as a solution and is facilitating a first in the US skills-based talent marketplace for employers and job seekers.

The Talent Triad prioritizes the needs of employers in the design of a solution to statewide talent shortages and demonstrates an emerging best practice for how states can support employers and job seekers in a skills-based economy. Alabama realized early on the importance of engaging employers in the design of a solution and set up both formal and informal opportunities for employers to engage with state legislators, state agencies, industry associations, and chambers of commerce, as well as the ability to test solutions and provide feedback. With over 19 state agencies involved, the Talent Triad is able to reach employers in all corners of the state and in every industry from small businesses to global companies.

Employers were clear about the solutions that could bring faster employment to individuals in Alabama and fill job openings. The solution they seek should maximize connections to skilled talent by getting rid of proxies for job readiness and using new methods to validate skills, or rather, what an individual actually knows and can do. Supporting this transition and maximizing connections requires new tools for both employers and job seekers. As such, the Alabama Talent Triad was born.

Key Takeaways

The Alabama Talent Triad makes skills-based hiring possible by aligning education and training programs to skills and validating them in digital learning records so any employer in the state can implement recruiting, hiring, and advancing employees based on validated skills.

In this way, the Talent Triad offers, for free, what other platforms and products do not by connecting Alabamians more efficiently and effectively with jobs and employers with qualified candidates based on what they know and can do.

The Talent Triad goes beyond other recruiting and job posting platforms in several key ways:

- The Talent Triad supports employers to translate existing job descriptions into skills-based job
 descriptions. This not only enables employers to get specific about the skills they need, but also sends
 a strong signal about in-demand skills into the marketplace.
- 2. The Talent Triad enables employers to adjust each position description according to their unique needs, filtering for candidates with certain experience and competency levels.
- 3. The Talent Triad provides validated skills and competencies to employers using a digital learning and employment record (LER). These new skills based transcripts eliminate the need for job seekers to spend hours searching for potential roles. The platform connects workers to job descriptions based on their validated skills and competencies, and even suggests additional learning opportunities for workers to continue to build their skills for roles that are beyond their current skill sets.
- 4. The Talent Triad reduces costs to recruit new talent and can eliminate cumbersome background checks for credentials and licensure. The job seeker now has a digital, verified transcript of what they know and can do rather than sharing a resume with information that has to be verified by the employer producing extra costs and prolonging time to securing a hire.

The Talent Triad is focused on in-demand occupations and skills across the state, and it allows this information to more easily be shared with education and training providers to ensure programs are aligned with industry needs. Alabama created the Committee on Credentialing and Career Pathways (ACCCP) in 2019 to identify growing occupations that pay competitive wages in each industry sector. The ACCCP provides ongoing structure and leadership for this state-wide analysis of in-demand jobs and identifying the *credentials* and competencies that are associated with the in-demand occupations. Alabama's Competency Ontology describes the *competencies* that employers are seeking in graduates of education and training programs. Meanwhile, the state's education providers use competencies, and defined levels of mastery, to design and offer academic and workforce programs and document those competencies in LERs so they can be shared instantly with employers.

Moving beyond resume platforms and job sites, the Talent Triad is a true skills-based talent marketplace designed to reduce pain points for employers and job seekers, while building a comprehensive systemic understanding for policy makers and system leaders of both the talent supply and demand in the state.

Issue Overview

Over decades, many studies and reports point to a lack of shared language to explain communication breakdowns and poor alignment between academic and workforce programming and local labor needs. This misalignment is real and cannot be fixed solely with programs or enhanced partnerships. The Talent Triad, however, is powering deep connections between Alabama's employers and education providers using the shared language of competencies, presented as Skills in the experience.

States have a vested interest in creating deep alignment between employers, job seekers, and education providers. Stronger, more productive employers can meet customer needs more effectively, contributing to a stronger tax base and economy. Fewer unemployed people, shorter-term unemployment, and higher labor force participation all drive lower public spending on benefits and safety net services. Higher employment rates also contribute significantly to improved quality of life for all residents, especially children. State policy leaders, as funders and stakeholders of public education, benefit from stronger alignment between employers and education providers, creating returns for students, and reinforcing trust in education providers and the public.

Employer engagement efforts in designing learning and employment records are nascent and have not been widely studied to-date, though work is underway to understand effective strategies and messages. Based upon early research with employers in Alabama, the Talent Triad is poised to create real value for employers in two significant ways.



Skills-Based Hiring

A primary benefit to employers using the Talent Triad is the matching facilitated by the platform, which connects qualified candidates with validated skills to jobs. While "skills-based hiring" is a growing trend, it has focused to a large extent on simply removing degree requirements from job descriptions. While this can remove a barrier for people applying to jobs who may not have applied, it does not fully base hiring decisions on skills.

Using the Talent Triad, employers can recruit based entirely on validated competencies, proactively identifying a wider range of candidates who are qualified for roles but may not have a degree. The Talent Triad's Skills-Based Job Description Generator enables employers to create position descriptions using competency and skill statements. Further, employers can adjust their parameters for job postings by specifying experience, competency mastery levels, and other factors. In roles where specific credentials are required to align with industry regulations or standards employers can still indicate which credentials are necessary.

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Regardless, the Talent Triad's matching capability still promises to save time and money for employers in Alabama, reducing the amount of time jobs remain open and shortening candidate searches. This capacity will also likely result in fewer "poor fit" hires, as workers will be coming in with validated competencies. Because credentials are validated, employers may also save time and money eliminating many degree verification requirements and some background checks.



Upskilling and Advancement

Employers using the Talent Triad may also benefit from having more discrete data and insights about employees' competencies once they are onboarded. Many companies spend considerable resources providing training and upskilling opportunities for employees. With more specific detail about what employees know and can do, employers may be able to create more tailored learning programs and use incumbent employees' talents more effectively. Improved development and advancement opportunities may contribute to increased retention and promotion, both of which save employers' money over a period of time.

Further, employers can use Talent Triad data to provide concrete feedback to education providers, identifying where students are graduating without needed skills. Rather than relying on individual impressions or anecdotes, Talent Triad data can show precisely where employer needs and education outcomes are misaligned. The Talent Triad can also show areas of strength and advantage, identifying centers of excellence.

Several design principles for employer engagement and value-add are emerging. The Talent Triad is creating best practice in this area and offers these principles based on lessons learned early on.

- 1. Engage Employers Early. Engage Employers Intentionally. The Talent Triad prioritized employer needs in the planning, design, and early implementation of the platform, not after it was built. Specifically, the Talent Triad leverages existing industry relationships, business organizations, and nonprofits focused on economic mobility to understand specific needs for employers, complementing existing systems and products to drive business impact. The Talent Triad also creates venues to collect substantive information, feedback, and insights from employers, which are supporting iterations of the platform itself.
- 2. Innovating with Skills. The most important and transformational aspect of the Talent Triad compared to other workforce or economic development efforts is the creation and use of a common language for competencies. Underpinning the platform is the statewide competency ontology.
 Based on real job descriptions, the Talent Triad creates shared competencies that can connect learning gained through Alabama's educational institutions with skills required for employment. This enables accurate matching of candidates with roles, supports analysis of skills demands within companies and across industries, and, importantly, enables education and employers to speak the same language. This removes barriers for candidates without sacrificing specificity, context, and unique situations for employers.

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- 3. Close the Loop. Learning and employment records themselves are important because they are portable, transparent, and often verified accounts of learner experiences and learning. However, unless these records are connected to employers' needs—jobs, competencies, and other needs—they do not necessarily add more value to learners and workers than a well-done LinkedIn profile. The Talent Triad was built with the intent that the platform would create a true connection between employers, candidates and learning systems, enabling all three sectors to work in response to each other.
- 4. Employer Practices Matter. While the Talent Triad was built to streamline talent acquisition and upskilling for employers, businesses must continue to shift their practices to benefit fully. Whether building skills-based job descriptions or creating upskilling and advancement opportunities for incumbent employees, to use the Talent Triad to its best potential, employers need to adapt their workflows & methodologies. Fow now, the Triad is working to interoperate within existing employer workflows and systems like human resource information systems and firms that conduct background checks. The leadership team continues to explore how best to support the needs of employers, with the philosophy that interoperability is key to the success of any future needs identified.

Action Items

States that are interested in engaging more deeply with employers, particularly in leveraging the power of learning and employment records, should reach out to national partners engaged in this work, including UpSkill America at the Aspen Institute.

Further, the state of Alabama is interested in partnering with states and organizations that are committed to providing value for employers and is pleased to share insights and create opportunities for collaboration across states.

For states and other entities with learning and employment records systems in operation or under development, we hope that you will share your story. Share insights about how you have engaged and created value for employers and job seekers.

We encourage you to reach out for more information. Please visit <u>www.talentplaybook.org</u> for forthcoming briefs and resources charting the work of the Alabama Talent Triad.

Research and Resources

UpSkill America, in partnership with the Talent Triad leadership team, facilitated a convening of Alabama employers in March 2023 to discuss the use cases, opportunities and challenges in creating value for employers through the Talent Triad. The report from that convening is forthcoming.

<u>Credentials to Employment: The Last Mile</u> from the Digital Credentials Consortium highlights the role of interoperability in creating incentives and value specifically for employers, noting, "merely digitizing academic/university credentials alone does not bring enough value to employers for them to show much active interest in them."

<u>Hire Standards: A Hiring & Advancement Playbook</u> from Learning Economy Foundation emphasizes how learning and employment records can improve hiring and advancement systems and practices.

The Economic Opportunities Program at the Aspen Institute hosts the **Job Quality Tools Library**, which includes a wealth of information and resources for understanding and improving job quality.

Brookings Institution produced a report entitled "Going digital: How learning and employment records shape access to quality education and jobs" that provides an effective framework for implementation and highlights the role of interoperability in effective implementation.

T3 Innovation Network, led by the US Chamber of Commerce Foundation released Skills-Based Hiring and Advancement Project Report discussing use cases and failure analyses for implementation of skills-based hiring and advancement strategies, underpinned by learning and employment data and technology innovations.



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