



# The State Role

in Facilitating an Industry-Aligned
Workforce Ecosystem





### State Role in Facilitating an Industry-Aligned Workforce Ecosystem

State governments have a critical responsibility to facilitate the transition of public infrastructure, built on innovative technologies and responsible AI, to drive the economy by supporting an industry-aligned workforce ecosystem. With authority and influence over the education and training initiatives that drive the workforce ecosystem, as well as ability to coordinate across agencies and with the private sector, state governments are well-positioned to drive education and workforce transformation at scale and secure sustainability through policy.

In Alabama, the Talent Triad leverages the power of state and local agencies, subject matter experts, leading technologists, and the private sector to create a talent marketplace that will:

- Increase the labor force participate rate by creating new, industry-aligned, and transparent opportunities for learners and workers to capture their learning and employment data and transact their skills as a currency in the labor market, through validation of achieved skills, credentials, and experiences.
- Support employers in identifying and connecting with new candidates, while also identifying the upcoming talent pipelines.
- Increase postsecondary attainment and labor force participation, thereby helping to meet state goals and to create a more resilient economy.
- Support the state's effort to consolidate, streamline, and increase accountability of workforce efforts.

To do this, Alabama established governance structures with well-defined roles and responsibilities, and has codified the Talent Triad, and the skill and credential policies that underlie it through the State Workforce Development Board. The policy includes the Governor's directive to utilize the Talent Triad in all Career Centers for the purposes of intake and assessment for Wager-Peyser and WIOA adult, youth, and dislocated worker program participants, which was adopted in March 2024. Codified policy also includes the Compendium of Valuable Credential review process, via Act 2023-365,

Alabama Talent Triad 3 Talent Playbook Overview

States must be involved in the development, design, implementation, and interoperability of talent marketplaces that can serve the public by facilitating the connection between employers, education and training providers, and citizens. Governments are the only entity with the authority and influence to support policy and practice changes that can usher in a skills-based economy.

States that design open systems with the priorities and goals of students and jobseekers, employers, education and workforce training providers will drive a stronger economy for all. This requires that state governance must become more nuanced. This is not yet another data system or program, funded under a specific agency, where agencies are using data purely for government needs. The work being described in this paper is about creating a shared governance and technology infrastructure structure that allows data to be interoperable and publishes data via open, linked data standards across all agencies and external stakeholders, allowing for individuals to benefit.

The US Departments of Labor, Education, and Commerce recently authored America's Talent Strategy: Building the Workforce for the Golden Age (<a href="https://www.dol.gov/sites/dolgov/files/OPA/newsreleases/2025/08/Americas-Talent-Strategy-Building-the-Workforce-for-the-Golden-Age.pdf">https://www.dol.gov/sites/dolgov/files/OPA/newsreleases/2025/08/Americas-Talent-Strategy-Building-the-Workforce-for-the-Golden-Age.pdf</a>) to support this guidance for all states.

Alabama's state leadership has centered on the following key areas.

#### **Creating Opportunity for Every Alabamian**

Alabama has a shared vision that enables every Alabamian to pursue opportunity through:

- Creating population-level solutions that remove barriers for individuals traditionally left out of the economy, providing differentiated and personalized upskilling pathways, and supporting the talent development needs of all employers.
- Create a higher return on investment of public and private dollars that help to transform existing programs to serve the diverse regions and industry-driven workforce needs across the state.
- Adopting state-level goals that address both postsecondary attainment and employment outcomes by aligning program, credential, and skill attainment to workforce needs in the state.
- Supporting interoperability of technical and data sources to support data-driven decision making.

Alabama Talent Triad 4 Talent Playbook Overview

Alabama has enshrined policies needed to foster a skills-based economy. The Alabama Committee on
Credentialing and Career Pathways (ACCCP) is composed of 16 sectoral partnerships, representing each industry
sector, which was codified by Act 2019-506. The ACCCP is tasked with a two-fold mission: (1) identifying
Alabama's regional and statewide in-demand occupations and (2) developing competency models, career
pathways, and credentials of value linked to those in-demand occupations. The ACCCP uses a process called the
five-star rubric to create the regional and statewide lists of in-demand occupations.

The shared governance role of the ACCCP brings the vision for talent to life and ensures that all resources being allocated across the state are aligned and driving for a common purpose, while also serving the unique needs of every Alabamian and employer.

#### **Assuring the Quality Non-Degree Credentials**

The ACCCP works in partnership with the Alabama Committee on Credential Quality and Transparency (ACCQT), created by Act 2023-365, which uses the ACCCP's ten-point quality assurance criteria to develop the annual compendium of valuable credentials that are aligned to in-demand occupations. Credentials of value are also linked to one or more specific competencies for which the credential denotes mastery using the Alabama Occupational Ontology and the Alabama Talent Triad. Connecting the credentials and competencies that compose the "DNA" of in-demand jobs allows for the development of dynamic career pathways that are based on the connection between skills across jobs, rather than static career pathways that assume a linear progression of jobs. This strategy also allows for unbundling and modularizing traditional degrees and could lead to a greater uptake of credit for prior learning.

- To assure residents have access to high-quality non-degree credentials and to increase student and employer understanding of which programs are creating positive outcomes, states must prioritize:
  - Developing standardized definitions for different types of non-degree credentials.
  - Understanding and assessing the quality of non-degree credentials.
  - Ensuring that non-degree credentials are accepted and embedded for college credit.
  - Using state resources to support access to high-quality credentials and reducing funding for non-degree credentials that do not meet quality standards.

Alabama Talent Triad 4 Talent Playbook Overview

### **Registering Programs**

States have taken a role in "registering" credentials, including non-degree credentials and degrees. Credential registries are databases of credential information, including providers, types of credentials, learning and employment outcomes, using a common language that enables interoperability and improved end user experience. Alabama has advanced this concept to support program-level data, utilizing credentials and skills as the outcomes of those programs as a signal to employers to match to relevant in-demand jobs across multiple industry sectors.

#### States that build and connect to credential registries are:

- Creating improved transparency and accountability for stakeholders, including students, employers, and policymakers, to understand the complex credential marketplace in a state.
- Exercising quality assurance, enabling only programs that meet quality standards to be included in the registry
  and connected to workforce programming.

Credential registries should be able to issue credentials to individuals from the register, empowering individuals to use and transact the granular skills and competencies acquired through educational programing in their individual job application and continuous learning processes.

### **Driving Strategic Value for Alabamians**

This unprecedented alignment and collaboration across sectors is made possible through the right tools and technology. Alabama utilizes a vendor to support the Talent Triad, including the Alabama Credential Registry, maximizing the best of Software as a Service (SaaS) and custom services. This ensures scalability, sustainability, and security, while also offering a modern experience for all Alabamians. Rather than creating in-house technology, Alabama Credential Registry is powered by EBSCO, the leading global provider of research content and technology. In recent years, EBSCO has acted on its commitment to supporting lifelong learning through technology solutions and providing open education content for learners of all ages.

The relationship between Alabama and EBSCO is key to understanding the public-private partnership that is supporting the vision of the Alabama Talent Triad. Key aspects of the relationship are defined below.

State efforts to validate quality credentials and register those credentials are important activities but to create real value for stakeholders, states can then use these core definitions of quality to drive funding, decision-making, marketing, and economic growth to create true outcomes for citizens and employers.

Alabama Talent Triad 5 Talent Playbook Overview

#### States that are driving strategic value are:

- Recognizing how improved transparency and defined quality standards can improve the effectiveness and
  efficiency of state education and training investments.
- Leveraging open, linked-data to create opportunities to put information directly into citizens' hands and support
  innovative technologies and responsible AI highlighting the education-to-employment pathways that have real
  return.
- Providing multiple pathways to success including apprenticeships, skill trades programs, and other work-based learning opportunities that provide living wages.
- Assuring learning is aligned to industry needs across the state's education and training landscape.

Alabama adopted early governance structures that enabled it to drive practical and strategic outcomes, leading to the creation of the state's talent marketplace, the Talent Triad.

Alabama's Talent Triad is a statewide, multi-agency initiative that leverages public and philanthropic investments and is supported by private technology and non-profit expertise. Spearheaded from the Governor's Office of Education and Workforce Transformation (GOEWT), and now supported by the Department of Workforce, the Talent Triad uses a unique governing structure and policy environment to achieve its goals delivered via EBSCOed's full-scale Talent Marketplace.

Alabama adopted early governance structures that enabled it to drive practical and strategic outcomes, leading to the creation of the state's talent marketplace, the Talent Triad.

Alabama's education and workforce goals are two-fold:

- 1.Add 500,000 credentialed Alabamians to the potential workforce through Success Plus postsecondary education attainment goal.
- 2. Surpass the national labor force participation rate by 2025 by braiding resources to help Alabamians overcome benefits cliffs and barriers to entering education or the workforce.

These goals, which directly connect postsecondary credential attainment to workforce outcomes in Alabama, create the underpinnings of the comprehensive and integrated work of the Talent Triad. Alabama's adoption of a goal that concretely connects postsecondary attainment to workforce outcomes is unique, but imperative for balancing the supply and demand for skills in Alabama's economy and enabling the effective use of public dollars.

Alabama Talent Triad 6 Talent Playbook Overview

The Department of Workforce plays an integral role in advancing the goals of the Talent Triad, ultimately balancing the priorities of the Governor with those of other stakeholders, including employers, students, job seekers, and education and training providers. The Department of Workforce addresses the policy, process, convening, and vision-development behind the Talent Triad.

The Talent Triad is the only LER effort spearheaded from a Governor's Office, which allows Alabama to leverage the Talent Triad for all industry sectors, in-demand jobs, students, jobseekers, and education & training initiatives. And logistically, centering LER work within a Governor's Office creates the kind of authority structure that can shift agency priorities.

Equally important as the locus of control in a position of authority is having a unified strategy, department, and/or point person: one person or a small team who can lead the work over years and provide continuity, and who have expertise on how to coordinate all the actors across the state along with multiple funding sources.

The Talent Triad also benefits from strong advocacy within the legislature, particularly from budget and policy chairs in the House and Senate. Furthermore, Alabama's business community is supportive of the Talent Triad. Alabama Workforce Council Chairman Tim McCartney commented, "They are responsive to the business community, and they understand that the state has a labor shortage that is precipitated by low postsecondary attainment and low labor force participation. These two things are linked, and you can't move one without the other."

The broader governance structure that enables the Talent Triad emerged in 2019 when Governor Ivey signed Act 2019-506 into law. This Act created the Alabama Committee on Credentialing and Career Pathways (ACCCP). The ACCCP is a public/private entity tasked with two primary missions:

- Identifying Alabama's regional and statewide in-demand occupations.
- Developing competency models, career pathways, and credentials of value linked to those in-demand occupations using labor market information.

The Committee is co-chaired by the Chancellor of the Alabama Community College System and the State Superintendent of Education, and members include the Governor, the Chair of the Alabama Workforce Council, the State Secretary of Labor, and one gubernatorial appointee from each of seven workforce regions, among others. The ACCCP also engages subject matter experts, from education and training providers who are tasked with translating employer demand, into bespoke training programs that articulate to time- and credit-based degrees.

Alabama Talent Triad 7 Talent Playbook Overview

Rather than focusing on single industries, single occupations, or single credentials, the Talent Triad, and the governance structure behind it, seek comprehensive solutions, recognizing that systemic change will not happen without movement on all sides of the talent marketplace. Institutions are incentivized to adopt competency- based education approaches; employers are supported to engage in skills-based hiring; and learners are proactively encouraged to develop and utilize their digital wallets. To ensure broad applicability, these things happen in tandem.

The state convenes 16 Technical Advisory Committees as industry sectoral partnerships, which are working across all industries in Alabama. Importantly, these Committees are highly focused on business needs, while postsecondary institutions and education providers are in a reactive role. The Committees also engage with HR and people leaders within companies who are experts in developing job descriptions and understanding detailed talent acquisition needs and strategies.

To identify in-demand occupations, the ACCCP uses a "five-star rubric" that measures:

- 1. Occupational wages must be at least 70% of the mean regional wage.
- 2.Occupation belongs within a career cluster that is ranked in the top 8 for the annual regional Success Plus Attainment goal.
- 3. Shows positive annual growth and positive projected growth over a decade.
- 4.On the regional top 40 in-demand jobs list or is at least in the 75th percentile of average regional wage.
- 5. Requires a postsecondary degree, certificate, or credential for initial employment.

Once priority occupations are identified, the ACCCP works to identify and unpack the credentials required for the role. This is a multi-stage process that seeks to impose quality measures upon the credential environment and to link credentials more intentionally to occupations.

The result of this process is the Alabama Compendium of Valuable Credentials. The credentials that appear on this list are aligned to regional and statewide in-demand career pathways. These credentials of value are also prioritized in public funding. This process was recently codified through the passage of Act 2023- 365. Representative Terri Collins sponsored the bill in the House, with Senator Donnie Chesteen supporting in the Senate. The bill passed unanimously through both houses. Governor Kay Ivey signed the bill into law on June 1, 2023. The inaugural Compendium of Valuable Credentials will be published on June 30, 2024.

Alabama Talent Triad 8 Talent Playbook Overview

Actors working to advance applications should prioritize engaging their Governor's Office, tapping into the statewide authority and leadership needed to work across many state agencies, education and training providers and the private sector. Leveraging leadership in this way can also create long-term sustainability, building efforts into state's future vision.

While legislation will be difficult to move in the short term, considering how efforts to identify in-demand occupations and elevate the priorities of industries in ways that are replicable, effective, and meaningful to employer partners is key. In Alabama, engagement by business representatives who are knowledgeable and empowered has been a significant lever for change.

Alabama cautions states against "putting the cart before the horse," by buying into technology solutions and vendor products before deeply considering the state's interests and environment. States should develop policies and systems that inform, drove and support making decisions about technology.

Alabama Talent Triad 9 Talent Playbook Overview



talentplaybook.com