

# Closing the Credential Gap: from badge2bachelors

William J. Ryan, Ph.D.











STRATEGIC LEARNING SOLUTIONS FOR PERFORMANCE SUCCESS



### By the numbers: you

- What does "succession plan" mean to you (shout it out!)
- Who has tuition reimbursement programs? (show of hands!)
- ► Who is having problems filling positions? (what level?)
- ► Who has HR system that tracks employee skills?
  - (does it match opens to existing??)
- ► When are positions updated & how?
- ► How prepared is organization for staffing 18, 24, 36 months from now?
  - ► Where are you (L&D/HR) in this discussion?



#### By the numbers: me

- Business Roundtable survey: 200+ CEOs U.S. companies, report a skills shortage
- ► Attrition turnover costs employee salary
- ►~90 days to fill positions
  - months to become "proficient"
- ► Soft costs
  - Productivity & quality, morale & engagement, wellness
- ► 2015 Equifax report: 50+% employees who left did so <1year, Reason:
- ► Your costs?? Share out!



### By the numbers: Southern IN

- ► Percentage of companies in state who have jobs they cannot fill.
- ► How many are looking to increase headcount in next 12-24 months?
- ► How many of these new jobs will require less than BA degree?

Indiana Workforce Summit, April 2018

# The Demand for Talent Pipelines

Companies must develop robust talent pipelines to nurture both active and passive high-skill candidates.



As noted by the U.S. Chamber of Commerce Foundation, today's talent acquisition requires a demand-driven strategy for a continuously evolving business landscape. Talent pipelines are a key part of this strategy.

#### Talent Acquisition for Today's Business Landscape



We need a workforce strategy for our time, not one designed to address the talent needs of the past

S. Akerdeen Group, 2015

6 Human Capital Institute, 2015

Best-in-Class companies are three times as likely to build an engaging talent community compared to all other companies.<sup>5</sup>

In fact, according to ICIMS proprietary research:



**52%** of U.S. companies surveyed believe that building a talent pipeline or candidate pool is the top talent acquisition priority.



However, only **22%** of companies have a strong pipeline for critical positions.<sup>6</sup>



In fact, research Lee Lecht Harrison reports that **30%** of employers described their pipeline as poor or nonexistent.

#### Talent Pipeline

tal-uh nt pahyp-lahyn noun

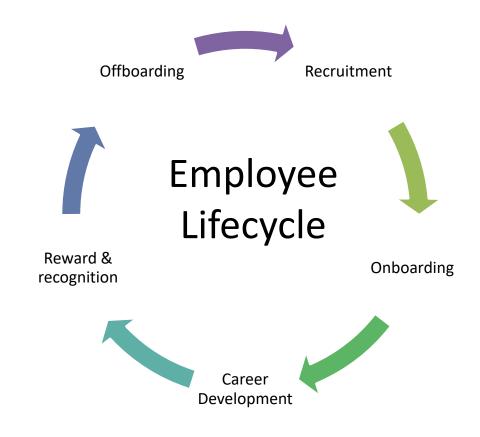
A pool of candidates qualified to assume open positions that have been newly created or vacated.



### Want to make money?

## Retain talent!!!

- Expand view of pool
- ► Engage people
- ► Challenge & grow
- ► Broaden & Build for future





#### **Employee Engagement Drives Business Performance**

#### **Customer Satisfaction**

55-percentage-point net promoter score difference for highly engaged employees vs. actively disengaged employees

Retail stores with high engagement have **5 percentage** points higher customer satisfaction scores

Top quartile engagement locations have **9 percentage** points higher market share for a beverage company



#### **Financial Performance**

5% increase in engagement results in 3% incremental revenue growth

Companies with top quartile engagement experience a 4% point increase in incremental operating margin

Highly engaged sales forces exceed sales goals by 4% on average

Cost effective strategy?

#### Talent Outcomes

Highly engaged employees are 36% more likely to stay at an organization

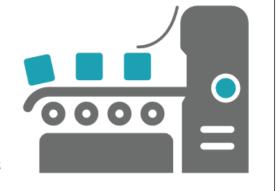
**Employees with higher than average** engagement are more likely to achieve the highest performance ratings.

#### **Operational Efficiency**

Manufacturing plants with higher engagement have:

75% fewer quality defects

26% fewer safety-related workers compensation claims



**Training Education** 

#### Make engagement happen

For more information about Aon Hewitt's engagement offerings, please email humancapitalconsulting@aonhewitt.com.





### The path begins...

lestify workforce predictions

Define succession path forward
Consider & calculate future needs
Define & describe core

o community at all levels

la Charthaning Rathialigned to career

paths

Communicate & monitor people + open





### Org design 101





### 5 Step model

### Employer/Industry driven

Microcredential for successful completion of core badge tasks & assignments.

**Microcredential** 

#### Badge

Based on objectives & competencies developed with business partners and/or aligned with national/industry standards.

#### Nanodegree

A group of role aligned microcredentials that stacked show professional growth, skills, and development.

Traditional academic certificate of achievement.

#### Certificate

Degree

Traditional academic degree, AA/AS, BA/BS

## Education driven



### For example...

Title: VP, CTO, CEO

Senior Leadership \$117-250k\*



Degree

Title: Manager or Director Developer Manager \$65-148k\* Product Manager \$75-135k\* Project Manager \$61-123k\*



Certificate

Lead Developer \$95-138k\* Architect \$101-145k\*



Nanodegree

Senior Developer \$70-\$130k\*



**Microcredential** 

Junior Developer \$45-81k\*



Badge

\*Source: Glassdoor.com in San Francisco, CA



#### Let's build the base

- All learning matters wherever it's obtained
- ► All credentials are based on <u>measurable outcomes</u>
- Credentials are portable, transferrable, transparent, useful and easily understood by learners, workers, employer
- Helps employer <u>better qualify</u> employees and <u>reduce</u> recruiting time, employee turnover, and cost of retraining
- ✓ Opportunity for real modularization
- ✓ Badges can represent specific skills & competencies
- ✓ Can stand alone or link with other credentials & be "stacked" leading to more skills & role growth
- ✓ Can capture learning missed by other credentials



### Badge: Binding or Bogus?

- "Digital credential that represents skills, interests and achievements earned by an individual through specific projects, programmes, courses or other activities." (Mozilla, 2013)
- ✓ Context dependent
- ✓ Curriculum is not a large fixed entity
- ✓ Offerings become more flexible
- ✓ Pathways would be more flexible
- ✓ Personalized learning pathways Curriculum review quicker & responsive
- ✓ Assessment design is explicit

CERTIFIED

Trainer

Google for Education

- ✓ Design for lifelong learning & Professional Development
- ✓ Design for feedback, support and tracking



### Backwards to badges

### Employer/Industry driven

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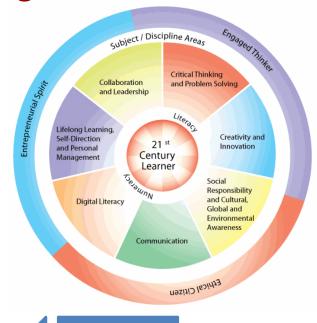
Traditional academic degree, AA/AS, BA/BS

Education driven



### **Partnerships**

- ► Plan in advance partner for progress
- ► Carnegie vs Competency
- Career path
  - Focused on skills and abilities obtained & demonstrated
- Learning path
  - Competency based design (CBE term & DA)



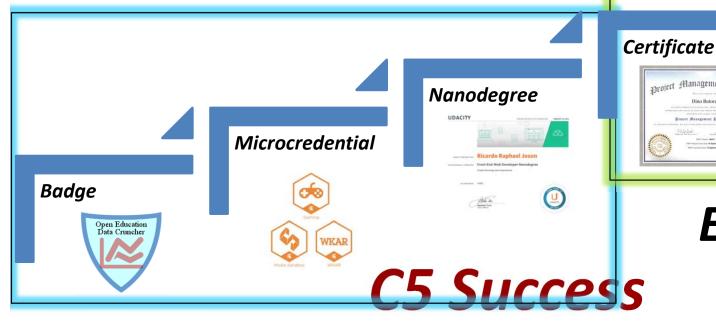
Degree

Competency: A general statement that describes the desired knowledge, skills, and behaviors of a student graduating from a program (or completing a course). Competencies commonly define the applied skills and knowledge that enable people to successfully perform in professional, educational, and other



#### Credentials to Careers

Employer/Industry driven



Education driven

Degree

- Consider & calculate future needs
- Create HiPo community at all levels
- Chart learning path aligned to career paths
- Communicate & monitor people + open positions



Questions?

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Nanodegree









#### **Microcredential**













- •How to lead **Entry** people level •Teamwork
- Super visor
- How to lead teams
- Scheduling



- Budgeting
- Coaching
- Performance planning

Leader

- Strategy
- Marketing







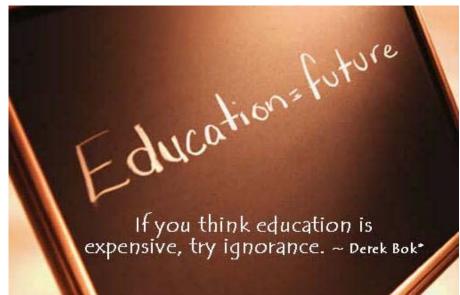






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## Thank you!



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