HOPE STREET GROUP

Sync Our Signals™

Reengineering the Jobs Marketplace

SUMMARY REPORT
2016

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A Letter from Our CEO

Hope Street Group strives to ensure every American will have access to tools and options leading to economic opportunity and prosperity.

The path for today's job seekers has transformed. Workers need to constantly add new competencies to their portfolio and demonstrate mastery of an ever-evolving set of knowledge, skills and abilities. Currently, they are not supported by a workforce ecosystem that has kept pace with the rapidly changing world of work. For example, today's market is cluttered with credentials intended to be a demonstration of one's mastery of skills, yet employers are reluctant to hire based on these and often rely on outdated proxies like degrees and years of experience for determining employee knowledge, skills and abilities. The result is widespread confusion and mistrust in the marketplace across employers, individuals and education institutions; even the savviest job seekers have difficulty understanding the competencies they must demonstrate in order to be hired.

In order to expand economic opportunity, it is critical that individuals have access to the tools and information they need to acquire the necessary skills for the jobs they want, not only as they enter their career but as they progress through it. Because the old systems and tools underpinning the U.S. jobs marketplace reduce productivity and undermine national talent potential, Hope Street Group recognized the need to bring diverse, industry stakeholders together, incorporating leaders from multiple sectors, to reimagine a new system that can respond to a changing world. This initiative is called Sync Our Signals and has resulted in a shared agreement to collectively work towards:

1. Identifying best practices across industries
2. Building a common unit of competency measurement
3. Connecting existing efforts in the workforce space
4. Removing barriers that impede progress and aligning incentives to optimal outcomes

While we believe the need for this work is self-evident, we do not underestimate the tremendous nature of the task. The goal of Sync Our Signals is to balance and optimize the system across the demand, supply and marketplace within the jobs arena. This goal can only be realized when there is a shared vision and collaborative work effort amongst a coalition of willing partners. Sync Our Signals strategically aligns and connects with the multiple good efforts in the jobs market, building off the infrastructure and tools identified to work.

We recognize that the realization of this goal could not occur without the support of the leaders and organizations that have devoted their time, insight and wisdom to the Sync Our Signals initiative. We are incredibly thankful for all of the members of our network that have laid the foundation for Sync Our Signals and we are excited to be moving from the shared agreements and conclusions found in this report to action. We look forward to their continued support as we begin to pilot and test the recommendations for transformative change beginning in the healthcare and manufacturing sectors. We know the work of transforming career pathways for Americans across the country will not be easy, but we have no doubt that with the support of our incredible network and their commitment to establish improvement, our mission will be accomplished. To learn more, visit www.SyncOurSignals.org.

Martin Scaglione
President and CEO
Hope Street Group

SYNC OUR SIGNALS™

The Problem

Individuals can't navigate in our current jobs marketplace. They don't know what skills they need to get the jobs they want.

Long-term Unemployment Accounts for 30% of the Overall Unemployment Rate.

40% of U.S. Employers Report Difficulty in Hiring Middle Skill Candidates While 43% of Job Seekers Say Job Ads Mismatch Actual Positions.

Hourly Wage Increase Since 1979

7% Middle Wage Workers

41% High Wage Workers

This has major implications for growing sectors like healthcare, where 1 out of 4 new jobs are expected by 2020.

There are currently over 1 million open jobs in the healthcare sector, up 34% over the past year.

2014

● = 10K

2015
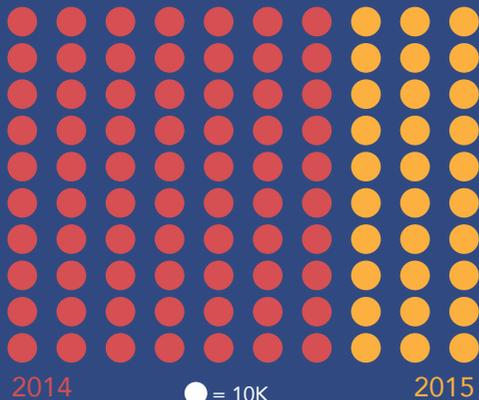
The Solution

Make it easy for employers to determine the knowledge, skills, and abilities necessary for a job...

JOB

JOB

REQUIRED COMPETENCIES

EMPLOYERS
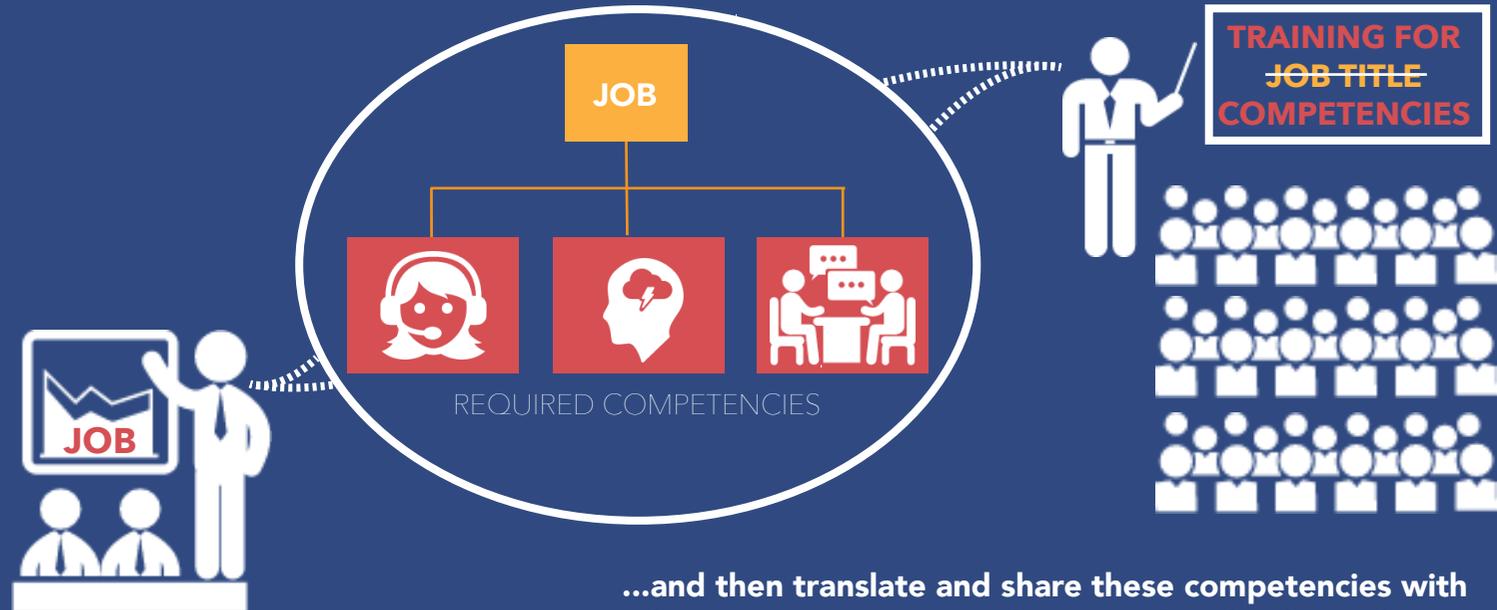
TRAINING FOR ~~JOB TITLE~~ COMPETENCIES

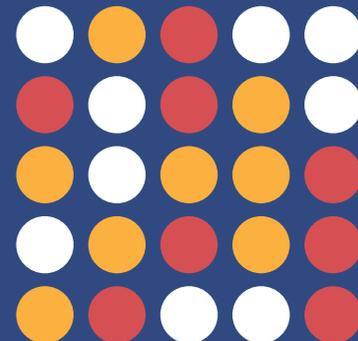**...and then translate and share these competencies with educators so training can be aligned with job needs.**

The Impact

Individuals know which skills they need to get the jobs they want and are on the path to further career growth.

Reduced Turnover

Jobs Filled Faster

Increased Diversity

Better Recommend to Hire Ratio

Executive Summary

Background

Hope Street Group has been deeply engaged in the jobs market for the last few years working to frame the problems and advance solutions that will drive system-wide improvement and quite possibly transformative change.

While there are many noble efforts underway to improve workforce conditions in our nation, the "system" operates well below optimum level and continually fails to meet our national employment needs at all levels. The current gap has three prongs:

1. Employers' misinformation about competencies has a steep financial cost, but they are reluctant to invest in unproven solutions.
2. Many educators do not define their role in terms of producing a workforce, so curricula are not consistently guided by these needs.
3. Individuals do not know how to signal the competencies they possess and cannot be confident in the market value of the credentials that claim to signal them.

This situation results in reduced productivity, untapped national talent potential, widespread marketplace confusion and a gross miscommunication across the employers, educational institutions, and individuals hungry for solutions desirous of meeting their full potential.

In March 2015, we gathered a diverse group of industry leaders – who often are in competition – in Washington, D.C. to dissect the barriers that impede progress and develop and commit to a shared vision of operations in the jobs market. We gained unanimous agreement that a National Community of Practice within the workforce field was essential, and that the community should be divided across smaller working groups, dependent on the industry leader's experience and influence, that would advance the reengineering of America's jobs marketplace.

While we have not yet made the findings of the community public, we have shared the outcomes amongst the participants, and some are experimenting with our framing and recommended outputs in their own efforts with good success. In addition, Hope Street Group is continuing the management and work of the Jobs National Community of Practice and advancing the vision towards prescriptive action with industry specific pilots within healthcare and manufacturing. Following is a summary of our work along with the information derived after each working group meeting. This document is a progress report and Hope Street Group will add relevant outcomes and narratives as discussions and working groups continue.

The Sync Our Signals Initiative

Hope Street Group envisions a jobs marketplace in which all stakeholders coalesce around validated competencies and work together to drive optimal outcomes for employers, educators and individuals.

As mentioned above, Hope Street Group convened an expert group of 40 leaders in the jobs marketplace to explore the construction of a more transparent and evidence-based U.S. talent system in March 2015. This group consisted of a wide variety of individuals from diverse sectors, including public, private, social, philanthropy and technology— all determined to create solutions through collaboration, elevation of best practices and effective integration of efforts under a shared vision.

Together, this group agreed to the shared vision of reengineering the jobs marketplace and producing a viable talent development system, in which:

- Individuals know their skills and can articulate and use them to get the jobs they are interested in;
- Employers know what they need, and hire and train effectively based on those needs; and
- Educators understand, train and effectively prepare individuals for the current and future demands of employment and success in an occupation.

The result will be a marketplace that can:

- Evolve to meet the changing needs of employers, individuals and structural shifts in the economy;
- Operate in a global and portable capacity;
- Support discovery and motivation opportunities for individuals;
- Integrate and be inclusive of training and experience;
- Communicate information grounded in evidence in ways that are timely and widely understood;
- Demand, incorporate and generate increasing levels of evidence; and
- Promote career trajectories as well as jobs that lead to sustainable wages and economic security for all Americans.

The Sync Our Signals (SOS) initiative, along with the Jobs National Community of Practice, are the products that stemmed from this meeting. Specifically, the SOS initiative will advance this vision and reengineer the jobs marketplace by:

1. Facilitating employer transitions to competency-based sourcing, selection and hiring practices measurably linked to job performance;
2. Signaling to the learning community what those competencies are and how to supply them to individuals at the regional or state level; and
3. Engaging technologists to empower individuals through better access to the tools necessary to identify and demonstrate their competencies in an open and transparent marketplace.

The shared vision depends on three operating principles that Hope Street Group is positioned to advance:

1. Collective Impact: Validated competencies are accepted and used as a common language to strengthen links and unify stakeholders around common units of measure.
2. Employer Leadership: Employers reorient their practices and lead the development of viable talent supply chain systems.
3. Market Transparency: Buoyed by technology, the common language of competencies allows an open and transparent marketplace to form and flourish, greatly empowering individuals.

The Sync Our Signals Working Groups

In order to advance this vision, Hope Street Group organized and convened three working groups:

1. Vision Architect Working Group (VAWG): mechanisms for advancing systematic and structural changes. The VAWG first met in July 2015 and is addressing high-level initiative requirements such as:

   - The foundation of shared evidence across demand, supply and marketplace components;
   - The construction of efficient, flexible infrastructure for employers, educators, individuals and trainers to leverage evidence for improved outcomes;
   - The definition, validation and use of competencies;
   - The need to anchor the system in Fortune 200 companies that can leverage their economies of scale and then replicate among small- and mid-sized companies; and
   - The need to identify the regional levers of adoption for solutions that are proven, actionable and scalable.

2. Demand Working Group (DWG): articulation and aggregation. The DWG met in September 2015 and is addressing:

   - The identification and definition of common units of measurement;
   - The need for a competency system that is stackable, transferable, cost-effective and legally defensible;
   - The need for a continuous feedback loop that ensures progress rather than stagnation; and
   - The need for replicability and demonstrated ROI.

3. Supply Working Group (SWG): sourcing, dissemination and distribution. The SWG met in November 2015 and is addressing:

   - The dependence of successful educational reform on the definition and communication of effective demand signals;
   - The need to use skills mapping resources to codify knowledge, skills and abilities that match with the realities of employer needs;
   - The identification of entities that can accredit and verify credentials;
   - How to build the right data systems to provide the infrastructure for evidence-based policies and practices.

4. Hope Street Group is coordinating a Marketplace Working Group and has reached out to technologists as part of that effort.

The Demand and Supply Working Groups have already identified and agreed to advancing several components and actions including:

- A commitment to connect existing efforts already underway and identify current best practices to determine the feasibility of scaling existing solutions, particularly among small- and medium-sized businesses.
- A commitment to develop common units of measurement for foundational and occupational competencies, and a competency system that includes stackable and transferable credentials, that is cost-effective and legally defensible, and that promotes a feedback loop that ensures continued progress.
- Agreement to identify the strongest predictors of success in two industry vertices, and pilot the practice on that basis.
- Agreement that employers should lead this shift in behavior.
- Agreement that misaligned incentives, inadequate accountability measures and a lack of tools and practices designed to improve and validate competency-based selection systems are hindering the realization of outcomes that most employers are seeking within their companies, across sectors and between industries.

As noted above, Hope Street Group is now taking the inputs from the working group meetings and working with the larger National Community of Practice to launch industry vertical pilots that will originate into the following outputs:

- Shared definitions and protocols for competency validation, and a common return on investment (ROI) methodology framework for individuals, employers and communities are developed and agreed upon;
- A market scan analyzing geo-sector competency activities and needs on competencies, including recommendations for the next phase of work;
- A map of advanced healthcare and manufacturing competencies (foundational and occupational) and competency families;
- Best practices catalog(s) with sector-specific information for evidence-based sourcing, selection and training;
- Employer playbook(s) with processes, metrics and toolkits that can be deployed to speed adoption, reduce costs, and encourage utilization of competency based sourcing, selection and training at employer sites.

It is our intention to amplify these outputs and utilize our network to promote key findings and accelerate the adoption of best practices throughout the talent supply chain. Through our industry collaboratives and broader network, we will be identifying and mobilizing adoption of the process throughout other industry verticals as resources permit.

We strive to create a connected jobs marketplace that bridges the information gap, providing better clarity, connections and opportunities to enhance broader prosperity. We anticipate that this will offer clear and usable methods for employers across industries to assess and signal their needs, while improving the selection process so employers get the right people at the right time. Similarly, we strive to empower individuals to conduct accurate self-assessments, understand where they need to improve and uniformly demonstrate their competencies to open more doors to opportunity. In addition, Hope Street Group will serve as a critical informant to other practice

leaders, developing specific recommendations where policy and government could help support and/or incentivize coordinated solutions that are working in the reengineered marketplace.

March 24th Competency Discussion

On March 24, 2015, Hope Street Group convened an expert group of 40 leaders in the jobs marketplace to explore the construction of a more transparent and evidence-based U.S. talent system.

This group consisted of a wide variety of individuals from diverse sectors, including public, private, social, philanthropy and technology, determined to uncover tangible solutions through greater collaboration, elevation of best practices and effective integration of efforts under a shared vision.

Facilitated by Martin Scaglione, Hope Street Group President and CEO, and Lenny Mendonca, McKinsey & Co. Director Emeritus, the dialogue was structured to be interactive and inclusive of the significant knowledge and practices of the participants in the room.

Common Ground

First, group members articulated their purpose for involvement and desired outcomes for this larger community of practice. Shared objectives included:

- The support and construction of a detailed plan for an improved jobs market that includes shared measurements and criteria, and connects current fragmented pieces.
- The identification of viable opportunities and methods to integrate and shift employer behavior.
- The development of information pathways, which encourage and facilitate continuous learning and knowledge sharing through the compilation and connection of diverse actors in the market.
- The understanding of the necessary policy and technological infrastructure components and current gaps in the system in order to enhance and build a more cohesive and robust marketplace.
- The connection of the multitude of efforts in practice and action toward transformative change.
- The maximization of investments across public and private funding in the marketplace and sustained and complimentary action.
- The facilitation of messaging and communication tactics to align employers, educators and individuals.

The group then briefly discussed the problem framing that the pre-reading presented. There was consensus that the old systems and tools underpinning the U.S. jobs market are not only inadequate but also have reduced productivity and undermined national talent potential. Moreover, the new reality of work is not widely understood, and this has led to ineffective communication across employers, educators and individuals. To solve this problem, it is critical to bring together all stakeholders, incorporating leaders from every sector, to create a new system that can respond efficiently and effectively to the ever-evolving world of work.

The group discussed the need for a shared vision and engaged in a dialogue that led to the following mutually reinforcing vision statement. All participants at the table agreed that in the next five years, the U.S. jobs market should operate seamlessly with the provision that:

- Individuals know their skills and can articulate and use them to get the jobs they are interested in.
- Employers know what they need, and hire and train effectively based on those needs.
- Educators understand, train and effectively prepare individuals for the demands of employers.

Simultaneously, the marketplace must be able to:

- Evolve as the needs of employers and individuals change
- Operate in a global and portable capacity
- Support discovery and motivation opportunities for individuals
- Integrate and be inclusive of training and experience
- Support career trajectories as well as jobs

The current market is not connected to achieve this vision due to the misunderstanding and disassociation of sector-specific and employer-led initiatives. Many current practices are built to only serve their own training needs in isolation, further siloing the lessons learned and hindering opportunities to work together. Additionally, there remains a lack of clarity and common language around competencies within and across sectors, including shared protocols and specifications on validation, standards and quality credentials, which are integral to optimizing the market. This lack of a common language coupled with a lack of understanding of how to scale proven models of training-based hiring, such as apprenticeships, has resulted in a great amount of market dysfunction.

After discussing these barriers, among others, the group then agreed that continuing the proactive dialogue among partner organizations engaged in education and workforce development will be critical to this work moving forward.

Shift to Broader Focus: Poor Signals

> *"Employers don't know what they are looking for/want. Once their wants are effectively communicated, then they can be measured and the vision will be achieved…" – Participant*

As originally reflected in the pre-read, Hope Street Group's vision is a reengineered jobs marketplace where all stakeholders coalesce around the common language of competencies and work together to drive optimal outcomes for all parties. As previously stated, we see this as reliant on the following developments:

- Collective Impact: Validated competencies are accepted and used as a common language to strengthen links and unify stakeholders around a common unit of measure.
- Employer Leadership: Employers reorient their practices and lead the development of viable talent supply chain systems.
- Market Transparency: Buoyed by technology, the common language allows for an open and transparent marketplace to form and flourish, greatly empowering individuals.

The consensus was that these elements are necessary to provide clear signals from the demand side about what is needed to succeed in a job. It was agreed that gaining better understanding of competency validation and accelerating best practices among employers was needed as a foundational block in addition to better information on other promising practices to provide clear signals from the demand side. Although this meeting's intent was to focus a majority of the discussion on competency validation, there was also significant discussion of additional

reforms needed to ensure the signals are effectively communicated across key stakeholders: employers, educators and individuals.

> *"It's not a matching problem, it's a signal problem. There is extensive amounts of human capital waiting to be built, but the poor signals regarding how to do it are a problem." – Participant*

There was common agreement and understanding that the U.S. jobs marketplace suffers from a skills mismatch as a result of operating off of poor employment signals across the entire market. The demand side is often not aware of or not communicating their needs clearly, sending the wrong signals for preparation to both education institutions and individuals, while individuals are unable to signal their competencies and skills to employers in a fashion that is credible and validated. In addition, the signaling problem leads to confusion in the wider market, as solutions are continuously being deployed but often are not built to solve the right challenge. Just as institutions cannot trade currency without a common understanding of the inherent value, employers and workers cannot move efficiently between projects, organizations or positions without a clear understanding of the underlying value or "exchange rate" for jobs and job competencies.

To attain the group's shared vision, there was widespread agreement that the system must be reengineered to ground the signals in real-time needs and strengthen links between employers, educators and individuals. This can only be viable through clearly defined competencies, standards and benchmarks. To achieve this, employers must start by mapping out their competencies to create a common currency or exchange. It was recognized that to move this forward a third-party could be needed, supported by a jobs and education focused collaborative, to help decode, develop, validate, communicate and implement an approach to a competency-based system. This new evidence-based system could then increase opportunities for individuals to obtain, reflect and build competencies and skills within academia and on-the-job training.

Defining what success looks like and thoughtfully crafting core measurements to meet the vision was also noted as a necessary component of this collaborative. Often, each entity in the space is working with their own set of evaluation metrics, hindering the opportunity for a more collective impact approach. The commitment to defining shared goals and metrics and incorporating these into the work of multiple entities would be beneficial to scale efforts.

The Opportunities: Demand, Supply and the Marketplace

As the conversation continued with several participants noting both barriers and opportunities for solutions and highlighting best practices across employers such as Trinity Health and Walmart, and consortia such as the Business Roundtable and the National Network of Business and Industry Associations, it was clear that the ultimate components of the market fall in either:

1. Demand: Articulation and Aggregation
2. Supply: Sourcing, Dissemination and Distribution
3. Marketplace: Mechanism for Connecting Demand and Supply

Each component has core systemic challenges that need to be addressed with the appropriate experts and networks as reflected in the meeting dialogue.

1. Demand: Articulation and Aggregation

Currently the majority of employers are misaligned on how to properly and effectively articulate the competencies they need from their current and future workforce. As a result, employers are not driving the creation of education, training and credentialing programs built on validated competencies. With inconsistent or inaccurate reflections of the competencies needed in today's market and a lack of transparent career pathways, individuals are struggling to navigate the opaque systems within education and workforce. In addition, it is not clear how various credentials actually 'stack together' or how they relate to attaining and advancing into a good job and a better career. It is necessary to note the limitations that many front line HR representatives experience as well as the misaligned incentives that hinder the outcomes most employers seek. Often, they have limited time to deploy and/or lack the familiarity with scientific evidence-based tools that would improve and validate their selection process with their full team.

Developing a common unit of measurement, a competency system that is stackable, transferable, cost-effective and legally defensible, and a continuous feedback loop that ensures progress rather than stagnation, is essential to prepare the current and future workforce marketplace. For employers to take a leadership role in this development, there must be clear value propositions and ROI transparency to shift behavior.

There are vast opportunities for the demand side to reap significant ROI and improve upon key performance metrics, as evidenced by Trinity Health's reforms to their HR practice. Several of the opportunities for improved performance metrics were discussed, including:

- Reduced first-year turnover
- Reduced long-term turnover
- Improved recommend/hire ratio
- Reduced time-to-fill
- Increased diversity
- Improved employee engagement and productivity

To amplify this ROI, potential new governance, platform and process models may be needed in addition to new knowledge sharing avenues in order to collectively manage a network for preferred providers. The overarching success of this initiative will be dependent on the integration of vetted and measured competency systems throughout the wider network collaborative and the ability to normalize the new practices across employers so practices are replicable in small to medium sized companies. There was also significant discussion of additional reforms needed to ensure the signals are effectively communicated across key stakeholders and properly target the full spectrum across the under-skilled, underemployed and long-term unemployed.

2. Supply: Sourcing, Dissemination and Distribution

As a result of the poor signaling and data gap from the demand side, the supply side is left ill equipped to source, disseminate and distribute the learning pathways to attain the skills and competencies necessary to succeed in a job. Suppliers are not receiving the signals at scale that would inform the direction of their training and propel learning performance for individuals with strong labor market value. Moreover, the group agreed that incentives for institutions are misaligned and deterring suppliers from spending the necessary time and effort to change their models. Some participants noted concerns on the general lack of understanding and application of 'learning science' models necessary for evidenced-based techniques to drive curricula at scale.

Furthermore, there is a general lack of consensus on the clear pathways to learning (e.g. the entry points where training allows you to access a job vs. up-skilling workers already in the job). Therefore, individuals are struggling to navigate the market and obtain the right competencies at the right time. Even when individuals achieve a credential, the credential is not guaranteed to be recognized and utilized throughout the same industry, across employers, educators and geography.

Alignment on the appropriate demand side signals is critical to revamp the supply side system. Once achieved, proper incentives can be put in place and various institutions and providers across the learning spectrum will be empowered with the necessary tools and resources to set learning curriculums to meet the current and future market demands.

Since the world of work is rapidly changing and the flexibility and adaptability of the education system is limited, many participants recommended that industries increase cross-sector investments to support more education-to-workforce partnerships. These cross-sector investments would improve systems, curriculums and measures of success to improve learning and opportunities to re-skill, etc. One option proposed is to more thoughtfully utilize the community college system and leverage pre-existing relationships with regional employers and TAACCCT programs developing contextualized learning curricula at community colleges. The goal of any partnership would be to offer more innovative, transparent and productive learning systems, which leverage effective assessments and on-the-job learning models (internships, apprenticeships and jobs training programs). All positive efforts on the supply side will require attention and credit for their role in preparing the nation's workforce so that the most effective models can be elevated, shared and scaled for better results across the country.

3. Marketplace: Mechanism for Connecting Demand and Supply

Once the signals are established and begin to be normalized, it is imperative that the marketplace be linked to foster collaboration and competition in an accurate, well-organized and timely manner that responds to the shifting needs of the market. Now, more than ever, there is opportunity, as various education institutions are willing to shift and/or elevate their practice for better results. There is a significant need for technology tools that will simplify how the supply and demand sides work together, hold each other accountable, measure progress and test performance.

From the discussion, it was clear the tech community is interested in experimenting and investing in these 'matchmaking' services across the demand and supply sides. For example, companies such as LinkedIn are already changing their approach for measuring educational effectiveness and informing efforts to invest in the creation of a viable workforce. Deploying this type of mechanism will be critical to any system that aims to improve transparency and interconnectivity, and empower the individuals employers intend to attract. Furthermore, accessible and relevant tools will be critical to enhancing individuals' abilities to identify, enroll and complete training programs for jobs and manage their career. Technology tools will also be important to scale best practices and information to support mentors and counselors as they guide individuals through the system.

What's Next: Summary of Action Plan

While all participants agreed on the three components of the market, the details and solutions under each warrant further exploration, as there was disagreement on certain issues due to the diverse perspectives and experience in the room. However, there was agreement on the need to build a coordinated action plan and establish working

groups that could help solve many of these unanswered and challenging questions, which are necessary to address in order to achieve the group's shared vision.

Hope Street Group worked with participants of this collaborative to build a concise action plan to answer these questions and to develop viable pathways connecting and integrating the efforts across the demand, supply, and marketplace.

This plan includes three core elements with Hope Street Group operating as a connecting backbone:

I. Working groups: These groups include core experts and vital players in the specified component. They require partnerships with established field leaders, and operate on a calendar to meet group objectives and deploy and share solutions.

Each group has been tasked to develop appropriate protocols, build shared agreement (often on controversial measures), create common units of measurement, and funnel up information.

Examples of topics to address include:

1. Demand - Articulation and Aggregation

- Problem framing
- Perform market scan to catalog and examine best practices and sources for evidence-based talent sourcing, selection and training
- Establish key ROI metrics in and across industries
- Develop shared definitions and protocols for competency validation practice and other best practices demonstrating ROI for employers
- Identify and accelerate opportunities for prototyping with employers
- Establish shared protocol and mechanism to elicit and capture data from prototypes
- Map competencies (generic and industry specific) and determine pathways for amplification and wide-scale adoption
- Create communication channels and partnerships throughout the demand side (employers to associations) to integrate and share findings with established field leaders
- Develop quality assessments and appropriately link assessment to credentialing
- Recommend policy and business incentives necessary to amplify adoption of best practices and HR processes

2. Supply - Sourcing, Dissemination and Distribution

- Problem framing
- Catalog and examine best practices and sources for solution in and across various education institutions
- Create a common currency and communication channels throughout the supply side
- Ideate ways to allow for nontraditional credentials and the curation of practical skills
- Work with employers to build interest and understanding among underserved communities for in-demand industries and jobs
- Construct opportunities and best practices for education-to-workforce partnerships that meet demands across geography and educational attainment

- Respond to predicted falling completion rates, when/if proper assessment and competency measures are in place
- Identify and build partnerships and channels for information sharing with established field leaders

3. Marketplace - Mechanism for Connecting Demand and Supply

- Identify what is missing in the current market
- Identify role for technology to catalogue other industry efforts and current technology
- Develop pathways for scaling best practices and those that will garner more impact
- Engage with various audience groups to ensure consumer base feels empowered and connected
- Facilitate the testing of the common language marketplace in specific sites (e.g. employers/industries, localities/regions)
- Identify proper communication and dissemination partners to amplify consumer reach and understanding

II. Vision Architect Group: This group will be responsible for navigating the path to success and setting the overarching work plan to develop a shared operating system that will organize and connect the jobs market and determine shared success measures. This group would connect, integrate and coalesce the answers and recommendations from each Working Group and translate recommendations into action elements of the large-scale plan. It is vital that a core group of market leaders commit to lead this architecture and incorporate findings into their own practice to shift the market paradigm.

III. Jobs Community of Practice: Launched March 24, 2015

It was widely agreed that there is an active need to roll up all these best practices into a continuous dialogue and platform for knowledge sharing. Hope Street Group managed the creation and sustainment of a community of practice among the education and workforce sectors to ensure all stakeholders are working in tandem. This includes maintaining continuous dialogue, sharing best practices, leveraging each other's expertise and problem solving together, so that the network is fostering productive innovation and strengthening impact to meet our shared vision. Transforming any complex system is a massive undertaking and requires many diverse players pursuing overlapping goals. Hope Street Group will continue to operate by one of its core operating principles and remain a trusted nonpartisan entity that inspires and galvanizes the collective efforts of this collaborative to accelerate impact.

Reinforcement of Objectives

The meeting closed with the provision of Hope Street Group's intent to operate as the backbone organization to connect participant's work and scale best practices across the demand and supply sides with core experts and change agents in the market. Hope Street Group's objective remains aligned and further reinforced with the shared objectives identified at the beginning of this synthesis.

To reach those objectives, Hope Street Group's immediate work was geared to develop, with the right actors and blueprint architects, a transformative plan that is uniquely and effectively linked to the three core components identified in the meeting.

There is a role here for everyone to ultimately transform the jobs market. The group has agreed on both the vision and problem and has sparked incredible momentum and focus on the solution.

Vision Architect Working Group Synthesis

On July 10, 2015, Hope Street Group convened the first official meeting of the Vision Architect Working Group to discuss how best to advance systemic and structural changes and stimulate ideas for a reengineered jobs marketplace.

This group began by refining the shared vision from March 24th to specify the needs of the marketplace to operate in a dynamic fashion with built-in feedback loops to account for the changing needs of current and future jobs as well as structural shifts in the economy. Simultaneously, the marketplace should be driven by evidence-based practices to ensure validity and improved outcomes.

Blueprint Development

The group refined and agreed to the overarching mission of the initiative to reengineer the jobs marketplace by: 1) facilitating employer transitions to competency-based sourcing, selection and hiring practices; and 2) signaling to the learning community what those competencies are and how to supply them to individuals.

Members

Apollo Group
Corporate Executive Board
Corporation for a Skilled Workforce
ETS
McKinsey & Company, Inc.
LinkedIn
Kaplan
Opportunity@Work
Pearson

To advance this mission, Hope Street Group will serve as the backbone of an integrated approach involving multiple entities across the components of demand, supply and the marketplace to prepare and empower individuals in the new world of work.

The Vision Architect Working Group will guide the reengineering, acting as the "control tower" to integrate, pressure test and accelerate the planned activities and specific outcomes across the working groups in accordance with the shared vision. The group discussed the following topics to integrate into the blueprint.

Considerations for Initiative Development:

1. Foundation of Evidence: To achieve a cohesive system, the entirety of the initiative should be grounded in shared evidence across demand, supply and marketplace components. This will allow for comparative analysis, objective decision-making and will facilitate adoption in the marketplace. To ensure fulfillment of this objective, each working group should have at least one participant with sufficient experience and knowledge in learning science to ensure the discussion and recommendations are grounded in evidence. The group agreed that this was a key distinguishing feature of this initiative.

2. Construction of Efficient Infrastructure: The infrastructure of the jobs market must be developed for employers, individuals, educators and trainers to easily leverage evidence for improved outcomes. There must be built-in feedback loops, shared protocols for eliciting, capturing and sharing information through an open API and a common lexicon that allows for free flow of information.

3. Definition, Validation and Use of Competencies: The initiative needs clear definitions of competency validation and related practices and an understanding of best practices currently being deployed. The group also discussed the importance of improving data and modeling for job-specific competencies in high-growth fields, including cognitive, behavioral and other components. The group agreed that this initiative must develop various open-sourced, competency frameworks grounded in evidence, using sector-based employer collaboratives and place-based pilots, demonstrating the clear business case for competency-based sourcing, selection and training. It is also essential to demonstrate how and why employers should share their models publicly and the ROI for their participation. Critical to this effort is syncing with other related efforts, such as efforts led by Lumina and the Corporation for a Skilled Workforce (CSW) to accelerate learning-based credentialing.

4. Flexible System Approach: In the current jobs marketplace, there are varying levels of commitment to using evidence to inform HR practices within sectors and companies. The group noted that the reengineered marketplace should not hardwire current evidence, or current practices, into the system. This would unnecessarily restrict new innovative solutions and competition. Instead, the marketplace must allow for multiple inputs and outputs and create the conditions to accelerate adoption of evidence-based practices. In addition to the construction of a shared operating system, such as a common language, clear ROI and shared, open competency data, there may be policy considerations that could help align incentives or remove barriers, such as legal uncertainty, to accelerate these practices. This initiative should develop the clear business case for using evidence-based practices to help empower those with aligned business models, such as intermediaries like Manpower who help de-risk talent for employers.

5. Anchor Fortune 200 Companies to Shift Market: The group agreed that small-and mid-sized employers (SMEs) play a key role across all industries and employ the majority of labor in the U.S. Methods for increasing efficiencies in the talent system will yield high outcomes with the segment of labor employment. However, the group agreed that anchor tenants should be larger, market leading employers both to help attract others to participate and to take advantage of their economies of scale. Defining and measuring metrics of these larger companies and extracting key learnings, such as competency models and competency families by sector, will be essential to reduce up-front costs and increase portability to small-and mid-sized companies to participate in a re-designed marketplace. The initiative will take into account the unique needs of all employers, and is considering including SMEs as part of an integrated regional pilot(s).

6. Solutions Need to be Proven, Actionable and Scalable: The initiative needs to clearly identify the regional levers for adoption and learn by doing through pilots. Sector-based implementation will differ from each other and best practices will need to be flexible and measured through the depth of employer adoption in an industry. Incentives will be important to create a robust market of engaged institutions with many on ramps and facilitated transitions.

Modifications to Architecture Map Visual:
The group agreed that the architecture map was important to guide the working groups, but needed additional elements to reflect the nuances of the U.S. market. Several ideas were discussed to demonstrate the interconnected nature of jobs market participants and convey a future market that is more dynamic and cohesive:

1. Trends in Hiring: Demonstrate that a reengineered system will demand, generate and incorporate new information, tools and trends in the market (e.g. gamification). The new marketplace needs to facilitate the matchmaking system through greater transparency and improved data and help avoid costly mismatching.

2. Alternative Learning: Draw out alternative learning specifically on both the demand and supply side, even though it could create tension. In a reengineered system, individuals should be able to demonstrate their skills even if they are unemployed and did not acquire them in a traditional learning setting.

Work-based learning and micro-hiring should also be added to the supply side. The group affirmed they do not want to replace traditional settings for learning and ways of accomplishing work, but rather incorporate and add meaning to important (though not currently acknowledged) systems for skill development and talent acquisition. With respect to work-based learning, it was noted that employers are often reluctant to invest in training since many employees could leave after receiving training for another employer. Mitigating this risk and showcasing how this is still favorable for a cohesive marketplace is important. Intermediaries and on-boarding institutions, who can de-risk nontraditional sources of talent for employers and whose business models are aligned with the change we seek, will play an important role and should be drawn out in the map.

3. Information Exchange: Clearly state and lay out the access points for different marketplace stakeholders to engage.

4. Competencies: Pull out shared competency and job data to demonstrate how this can feed all elements of the system. Adoption would define success, and the components would be anchored into recruitment, so that individuals know what employers are looking for from the employer and where to acquire what they want and need. For example, the demand side is going to use the skills, individuals are going to have/use the skills, and supply is going to train the skills. Currently, there is a question surrounding which entities will articulate the skills that are needed.

5. NGOs: Reflect the role of NGO's more explicitly. These NGOs, e.g. Lumina Foundation and Hope Street Group, play critical roles helping broker the conversations between stakeholders. These entities can be extremely effective skills councils to facilitate the creation of certification standards integrating evidence-based competencies. Better coordination by NGOs would result in improved employer confidence that individuals who obtain the credentials are prepared to perform on the job.

There was debate of what constitutes the demand. For example, should the map reflect supply as skills and individuals as the demand consuming of work? Therefore, the demand is the problem needing to be solved. While it is easier to conceive of employers as demand, and individuals as supply in a pipeline metaphor, this may not be reflective of the changing world of work.

It was suggested that in between the individual and employer should be the trainer/educator with individuals emphasized as a key stakeholder. The Vision Architect Working Group re-emphasized that the goal is not to standardize the system but to establish functional equivalence to get better results.

No matter how the architecture map is depicted, we will need to facilitate understanding and acceptance among employers to progress our initiative developments. For example, ETS helped facilitate the English proficiency market centered on TOEIC scores in South Korea. South Korea built the demand, and now individuals cannot get a job without a TOEIC score. The group suggested that the initiative learn from this South Korean higher education example as well as others such as Australia's unemployment system to extract learnings. Ultimately, employers have to drive demand by establishing quality standards. The assessment (in whatever form it takes) will measure the readiness of the individual to meet the quality standard.

Working Group Input:
An analysis of current work in competency-based sourcing, selection and training practices may reveal a multitude of methods for collecting data. The Working Groups need to be mindful of how best to establish a set of protocols to capture functionally and equivalent data so it can be codified and shared.

The group added that crucial to success would be including a group of influential employers in the Demand Working Group to identify their common challenges and ideas/protocols for solving them. Additionally, the group identified a need for detailed characteristics of a sector-based ecosystem that will perform correctly. The manufacturing and healthcare sectors were identified as promising opportunities to begin building this new ecosystem. Information technology should also be engineered to deliver the big picture of competencies defined from pilots.

In particular, the Supply Working Group needs to be purposefully engaged to establish a smarter education system, including more representatives from 4-year institutions, community colleges and the K-12 system. The group also suggested tapping into existing expertise within other organizations and networks (e.g. Western Governors, Lumina Foundation and their competency-based network, as well as Southern New Hampshire could be viable supply-side opportunities). Pearson's Acclaim Badges and Kaplan University were both offered as examples to learn and engage.

Specific to the Marketplace Working Group, the group discussed the importance of virtual matching platforms and talent staffing platforms as excellent sources of data. Platforms could offer significant data, for projection and evaluation purposes, on competencies and skills central to the platform's all encompassing functions.

Measures of Success

The short-term success of the initiative should be that people are getting hired. The long-term success should be measured by signal quality: its ability to raise the quality of talent, improve predictably of success and remove or minimize perceived risk for employers and individuals. While there are not viable instruments that can measure objective risk, Corporate Executive Board can measure perceived risk and offered to share its brief on the nature of assessment with the initiative.

While it will be difficult to anticipate disruption, the Vision Architect Working Group closed the meeting agreeing that notable outputs of our work include:

- 4 working groups established across demand, supply and the marketplace with over 40 leading stakeholders to connect, align and produce solutions guided by a shared vision
- Shared definitions and protocols for competency validation, and common ROI methodology framework for individuals, employers and communities are developed and agreed upon
- A minimum of 2 sector-based collaboratives, beginning in healthcare and manufacturing, have developed competency models for specific jobs and job families in their sectors
- Two regional, place-based initiatives launched demonstrating how validated competencies can advance economic opportunity in a local labor market
- A prototype of open-source API exchange for competency data capture and distribution. The API will be useful to collect points of skill requirements close to the front line, so individuals and the employer have a better understanding of what is helping them do their job.

Notable outcomes of our work include:

- A minimum of 20 national employers, 10 in each pilot sector, implementing legally defensible competency validation methods with a commitment to capturing and sharing data
- Data on job-specific competencies is available, usable, and updated in real-time
- Measurable improvement in employer's perception of risk for competency-based sourcing, selection, and training relative to current proxies.
- A standardized model for quantifying individual labor market competencies is developed, prototyped, and validated
- Measurable increase in the number of individuals and service organizations using competencies to advise career advancement

Demand Working Group Synthesis

On September 22, 2015, Hope Street Group convened the first meeting of the Demand Working Group (DWG) to discuss how best to advance an evidenced-based, jobs marketplace.

Members

ACT
AFL-CIO
Alcoa
Aspen Institute
Burning Glass
Corporate Executive Board
Committee for Economic Development
Manufacturing Institute
National Restaurant Association
Education Foundation
Trinity Health
U.S. Chamber of Commerce Foundation
Walmart

The Demand Working Group (DWG) was convened to confirm employers' need to address issues related to coordinating multiple initiatives underway to improve the talent supply to meet employer occupational demand, to identify a methodology for validation, to set a standard for which to measure the validated competencies, to identify best practices and to establish a set of protocols leading to proliferation of a leading practice. This practice from which relevant data will be captured will provide educators with a valid map of competencies that are known to be causal to performance on the job i.e. career readiness. This level of certainty around competencies will enable educators and training organizations to then focus on the competencies that matter the most and give employers confidence that graduates are work-ready. Additionally, the new system for sourcing and hiring will be legally defensible with validated methods to improve the hiring process.

Islands of Excellence: The Foundation of Practice

The group identified multiple initiatives designed to address closing the middle skills gap, filling the voids in labor supply and developing competency models for jobs and hiring practices underway. Unfortunately, these efforts are not standardized, speaking in different languages and yielding misaligned outcomes with no agreed upon method to validate the competencies or establish accepted standards to measure success.

It is the responsibility of the DWG to improve the coordination of the so-called 'islands of excellence' and establish a set of scalable, adoptable protocols that can be adopted from industry to industry and customized to meet specific employer needs. While the work should be employer driven, the work should include and attract a wide and deep variety of stakeholders within the workforce system such as community colleges, workforce investment boards and community based organizations, all of which have crucial roles to play in the supply and curation of talent. This latter group, however, can be much more successful if better informed about occupations including job-specific competencies employers provide.

Considerations for Initiative Development:

1. Construction of Efficient Infrastructure: The group agreed that the infrastructure connecting a demand driven jobs market must be developed for employers, individuals, educators and trainers to easily leverage evidence for improved outcomes. There must be built-in feedback loops, shared protocols for eliciting, capturing and sharing information and a common lexicon that allows for free flow of information. It should be flexible enough to not constrict communication flows, and evolve to meet the current and future workforce needs.

2. Definitions, Validation, Standards and Use of Competencies: The group agreed that the initiative needs clear definitions of competency, validation and related practices and an understanding of best practices currently being deployed and validated. The identification of competencies and the validation of them is important because once employers agree on what a 'competency' is and how to define it, then employers can identify linkages of foundational skills to occupations, methods for identifying these skills and thus employers can clarify the knowledge and learning outcomes they are seeking from education and training systems.

The group also discussed the importance of improving data and modeling for job-specific competencies in high-growth fields. The group agreed that this initiative must develop various open-sourced, competency frameworks grounded in evidence, using sector-based employer collaboratives and place-based pilots to demonstrate the clear business case for competency-based sourcing, selection and training. It is also essential to demonstrate how and why employers can share their models publicly. Critical to this effort is syncing with other related efforts, such as efforts led by Lumina and CSW to accelerate learning-based credentialing.

3. Validated Credentials: While Lumina Foundation's funded work of George Washington University to create a registry of existing career credentials and promote transparency among them is critical to the work of the DWG, the DWG agreed to establish a set of standards to better signal the 'value' of a given credential and the 'bundled' set of competencies each credential reflects. This will build trust in the credentialing system.

It was recommended by the group that for credentialing to be sustained as a viable option, industry leaders need to come together to agree and recognize the protocols of a viable practice which leads to a given 'validated' credential. The DWG believes it is important to develop a process and framework for this practice.

Currently, the 'validation' methods of each of these credentials vary greatly. This variability inhibits the ability of supply and demand to map out career paths and confuses individuals wishing to understand the 'value' of a given competency or skill. An employer-accepted validity protocol would help organize studies to determine the predictive power of each of the competencies and clarify the credentialing market. This step will promote self-driven career growth among individuals. To lay the foundation of a viable competency validation practice, the DWG agreed to establish a practice for validating competencies, demonstrating how credentials are linked to competencies, foundational skills link to occupations and methodologies for identifying skills. The goal is for validated credentials to be predictive of performance.

4. Validated Skill Assessment Tools: It was agreed that the work should also help identify the skills and knowledge that matter most, methods of measuring what matters and how the measurement of these validated skills and knowledge can predict an individual's ability to perform an occupation.

Employers need validated methods to identify the right competencies and skill sets an individual would need to demonstrate needs to be a "fit" within the company. As oftentimes employers that use traditional methods to screen applicants, like past experience in the hiring industry, lose the competitive advantage that comes from a workforce with diverse experience and backgrounds.

It is critical to have validated competency assessments so that individuals can demonstrate their skills in a valid way, companies can measure job performance and both can assess whether "success" on the job is being achieved and where skill development needs to be focused. The assessments or measures should cover all dimensions of employment and be test company agnostic.

Additionally, companies who use different proxies for hiring entry-level and management positions can use the assessments to identify the best behaviors to predict performance in a range of company positions. These improved means to predict performance based on knowledge, skills and abilities will help employers adequately identify the right employees to move upwards through the company and into positions that use different proxies for hiring. Further, individuals will have the tools to make informed career decisions shifting balance proportionately between the individual and the employer.

These improved tools will also help all talent stakeholders prioritize the development of skills and knowledge which are trainable, highly valued and needed in the current marketplace. The tools would also help employers, education/training organizations and individuals assess the extent to which an individual has mastered a skill set, the gaps and then tailor learning (on-line, on-the-job, or classroom) and coordinate stakeholders so they can more effectively deliver services to meet the immediate needs.

5. Competency Based Hiring Framework: Some organizations like Trinity Health worked with an extensive evidenced-based selection process, including job task analyses, O*Net competency modeling and subject matter experts to identify the strongest predictors of success and ensure the result was a legally defensible, competency-based hiring practice. This practice and others like it should be studied to determine the feasibility of scaling, particularly in SMEs, and its potential impact.

6. Employers Collecting Employment Data Need a Safe Way to Share: Many employers measure what is happening on the job, in order to give direct, quality feedback on job performance on a regular basis. Employers measure their turnover and retention rates to better demonstrate how improving efficiency of the relationships from which employers are sourcing talent is impacting their company. With this information, employers can then make informed decisions when establishing education partnerships, and the supply side will know whether or not they are delivering a better quality candidate. A system for sharing this information is necessary to foster collaboration and competition in an accurate, well-organized, safe and timely manner that responds to the shifting needs of the market.

7. Employers Want to Take a More Active Role: While employers are end-buyers of the talent system, employers are recognizing their opportunity and responsibilities for developing talent and providing quality feedback. Employers are acknowledging their roles in supplying talent to themselves expands beyond the point of hire, and they play a critical role developing and building up their internal talent. Recognizing that experience is a very important factor to an individuals' interest in a career, employers are increasingly offering on the job training opportunities to build career interest and talent supplies.

Old education-to-workforce intermediaries are not sufficiently meeting the current demands of the dynamic jobs marketplace. There is a need for better communication infrastructure to activate strategies and networks in place so stakeholders can more effectively communicate (and improve) opportunities for would-be applicants. That way, after a company/industry identifies competencies, they can engage the education systems and leadership networks to design a curriculum to prepare/graduate individuals from those systems ready to work.

8. Identifying, Facilitating and Publicizing Career Pathways: Identifying what pathways exist and validating how positions lead to the next are critical to not only change the perception of industries' ability to prepare individuals for career advancement and educational advancement, but also to professionalize the industries to better attract, onboard and retain a stronger, more fulfilled workforce.

9. Barriers: It is necessary to note the limitations that many front line HR representatives experience as well as the misaligned incentives that hinder the outcomes most employers seek. Often, they have limited time to deploy and/or lack the familiarity with scientific evidence-based tools that would improve and validate their selection process with their full team.

Developing a common unit of measurement, a competency system that is stackable, transferable, cost-effective and legally defensible and a continuous feedback loop that ensures progress rather than stagnation is essential to prepare the current and future workforce marketplace. For employers to take a leadership role in this development, there must be clear value propositions and ROI transparency to shift behavior.

The group agreed that the reengineered system should promote outcome-driven company hiring policy systems rather than focus on compliance to outdated proxies. On-the-job learning, tuition reimbursement programs and validated competency-based hiring practices, were all highlighted as promising practices, which should be incentivized as they are flexible enough to adjust to the complexities created by changing demographics, shifting generations and the rapid advancement of technology.

Next Steps

In the short term, the DWG agreed it would add value by offering a toolkit of shared measures of performance to help industries understand the assets that exist today, and design/develop systems to learn from each other, so companies can adapt their own practices for the better.

The DWG will facilitate a community of practice expanding beyond the core working group to ensure communication streams, knowledge sharing and problem solving is maintained throughout. This will enable on going work that will build into a collective effort and build into a comprehensive body of evidence.

Measures of Success:
The short-term success of the initiative should be that people are getting hired and advancing. The long-term success will be measured by signal quality: its ability to raise the quality of talent, improve predictably of success and remove or minimize perceived risk for employers and individuals.

The DWG closed the meeting agreeing that notable outputs of our work include:

- Shared definitions and protocols for competency validation, and a common return on investment (ROI) methodology framework for individuals, employers and communities, are developed and agreed upon
- Market scan analyzing geo-sector competency activities and needs with recommendations on next phase of work
- Map of advanced healthcare and manufacturing competencies (foundational and industry-specific) and competency families
- A minimum of 2 regional place-based initiatives launched, demonstrating how validated competencies can advance economic opportunity in a local labor market

- Best practices catalog(s) with sector-specific information for evidence-based sourcing, selection, and training
- Employer playbook (with processes, metrics and toolkit that can be deployed to speed adoption, reduce costs and encourage utilization of competency-based sourcing, selection and training at employer sites).
- In-person meetings explaining the value (critical to ensuring practices are adopted)
- Concordance tables developed for adjacent sectors
- Policy barriers/incentives to accelerate implementation identified

Notable outcomes remain consistent with the VWG including:

- A coalition of leading stakeholders across the learning-to-work continuum is established and aligned around a shared vision, defined roles and aligned action plans
- A minimum of 20 national employers, 10 in each pilot sector, are implementing legally defensible competency validation methods with a commitment to capturing and sharing data
- A standardized model for quantifying individual labor market competencies is developed, prototyped and validated
- Data on job-specific competencies is available, usable and updated in real-time
- Measurable improvement in employer's perception of risk for competency-based sourcing, selection and training relative to current proxies
- Measurable increase in the number of individuals and service organizations using competencies to advise career advancement

Supply Working Group Synthesis

On November 17, 2015, Hope Street Group convened the first meeting of the Supply Working Group (SWG) to determine the role and responsibilities of education and training in preparing individuals for the current and future demands of work, and identify the barriers hindering acceleration and wide-scale adoption of promising practices.

The Current Market

Currently, there exists a lack of trust and relationships amongst the essential stakeholders in the jobs marketplace: employers and educators. This is due to the vast amount, and often competing, uncoordinated workforce initiatives underway, all vying to meet employer talent demands with inconsistent feedback mechanisms. For example, College for America and Kaplan University pointed out they (and 40+ other institutions) teach competency-based curriculums, but they all have varying methodologies, work independently with employers, do not have unifying data sets (to their knowledge), nor shared targets of instruction. The SWG built consensus that to overcome this complexity and fragmentation, and establish trust between stakeholders; better data exchange systems are needed. This increased evidence and trust will then allow for more informed decisions when it comes to curriculum development and hiring practices.

Members

CAEL
California Community Colleges
CharlotteWorks
Committee for Economic Development
Education Research Center of America
General Assembly
Jobs for the Future
Kaplan University
National Association of Workforce Boards
College for America, Southern New Hampshire

Considerations for Initiative Development:

1. The Role of Education/Training Providers: Within the current system, many education and training institutions do not see their purpose as producing "a workforce," nor helping individuals get, keep and progress in their jobs and careers. Therefore, the outcomes from the current system do not match employers' workforce needs, leading employers to look for talent elsewhere, even abroad. To flip the current scenario, education and training providers must claim their role as one of the foundational building blocks to develop the workforce.

2. A Confused Marketplace: As a marketplace, providers lack unifying standards, protocols and feedback loops from employers to adequately evaluate whether or not their services are improving performance and career outcomes. This inconsistency further confuses the market, leading stakeholders to make ill-informed decisions on the worth of a credential, resume and individual, rather than use validated measures to differentiate programs. The SWG noted this pattern relates to the increase in demand for more advanced degrees because of the unproven assumption that an individual with one has mastered critical skills that prepare him/her for the ever-evolving demands of the workplace.

A New System

To establish a system that is flexible enough to meet the demands of the world of work, the system needs to:

- Identify a methodology for validation
- Set a standard for which to measure the validated competencies
- Establish a common language
- Identify best practices
- Establish a set of protocols leading to proliferation of identified best practices
- Develop employer targets for skill development to which education and training providers can aim (and gauge whether they are exceeding or falling short of targets)

This practice from which relevant data will be captured will provide educators with a valid map of competencies that are known to be causal to job performance i.e. career readiness. This level of certainty around competencies will enable educators and training organizations to then focus on the competencies that matter most and give employers confidence that graduates are work-ready. Additionally, the new system for sourcing and hiring will be legally defensible with validated methods to improve the hiring process. Moreover, the resulting evidence will better enable employers and individuals to make informed, validated decisions on where and when to invest in training and education to meet their up-skilling needs. The information gathered from the codification of the knowledge, skills and abilities of work and standards will be crucial to *lean* the system.

The SWG agreed that in order to generate greater demand for competency-based education, policies, and processes, stakeholders must strive for continuous improvement and elimination of wasteful practices.

Requirements of the New System:

Shift Responsibility to the Employers:
While employers increasingly view education and learning as a business imperative, many question whether educators can be adaptable and responsive enough to meet current and future demands of the workplace. As a result, many larger companies like Deloitte and McDonald's have created in-house 'universities,' which they occasionally supplement with more flexible institutions, sometimes community colleges. These employers have identified the critical competencies and skill sets their workforce needs to perform well and developed their own targets of instruction and assessments to meet these needs. While these in-house systems of larger companies are more cost efficient than the alternative, it does not currently incentivize the sharing of best practices to improve the system at large, nor is it a viable option for most employers. The new system will require incentives and vast knowledge sharing of practices amongst these employers in a manner that can be funneled and tailored to numerous other employers of varying sizes.

In addition, work needs to be done to further engage employers in the process of developing employee evaluation tools to ensure relevant feedback reaches education and training providers in a timely manner so they can make curriculum adjustments.

Use Skills Mapping Resources:
In a *leaned* marketplace, valid credentials will indicate the knowledge, skills and abilities acquired and job descriptions will match the reality of employer needs. Data systems like O*Net, while underused, will be critical to informing the necessary codification of knowledge, skills and abilities, and mapping competencies so they can be re-purposed throughout different sectors and jobs. It will be important to identify entities that can work to accredit and verify skills, and credentials are linked to job performance and/or can be cross-walked and applied into different industries and sectors.

The SWG suggested different industries, like manufacturing and healthcare, share their skills-mapping techniques to identify 30-40 common competencies and the differing levels of which they can be demonstrated and re-purposed within and across various companies, sectors and industries to predict career readiness. From there, education and training institutions will have a better understanding of where the needs and gaps are and be better positioned to efficiently meet those demands.

Build the Right Data Systems - Differentiating the Evidence and Data:
Unfortunately, precision does not guarantee accuracy. Even if education and training providers work meticulously to educate and train according to the necessary skills and abilities, if employers do not commit to more evidenced-based policies and practices, the accuracy of the research and training to predict employability and performance cannot be guaranteed. Therefore, once the knowledge, skills and abilities are codified, and inform job descriptions, stakeholders will need to make a commitment to demand, incorporate and generate increasing levels of evidence on performance of degreed and non-degreed individuals and feed the data back to educators and trainers.

The infrastructure to track and report this performance data does not currently exist in all employer systems. As the SOS initiative develops with regional pilots and workforce network expansion, it will be critical to help guide employers of varying size to build out the necessary infrastructure to track, measure and use job performance data. Questions remain on where this information will be housed and where the exchange will take place.

Leverage the Education and Training Infrastructure:
The SWG cited the United States' workforce boards, community college systems and other innovative training providers as well positioned to provide a more complete competency-based education system and realize the shared vision. Further analysis is needed to identify the most promising organizations and practices to replicate or scale.

Barriers Hindering Acceleration and Wide-Scale Adoption

Enrollment Requirements:
It was noted that some stand-alone programs are barriers to credential attainment. Many individuals cannot afford to not work while attempting to complete a GED program, remediation, degrees, etc. Instead, if individuals are allowed to co-enroll, eliminating unnecessary steps and reducing their time to completion, individuals are better positioned to obtain credentials and achieve economic advancement.

Federal Measurement of Effectiveness:
Federal requirements measure effectiveness of competency-based education programs by the median income of the graduate, even though not all institutions are designed with the intent for their graduates to achieve certain income levels. Policy change will be required so measured 'effectiveness' aligns with desired outcomes of the system.

K-12 System's Role:
The current K-12 system is not currently structured to serve workforce needs. It was discussed whether or not it should. Regardless of whether or not the role of the K-12 system *should* be to serve the business imperative of a more effective education and training system, employers have reverted to attending or co-leading K-12 extra-curricula's, like hack-a-thons, to build out their talent pipelines.

The SWG noted the K-12 system couldn't quickly change because of curriculum requirements and lack of available resources. Instead, innovative teachers, like the Hope Street Group State Teacher Fellows, who are committed to creating 'alternative' learning opportunities for students offer viable opportunities for scaling more demand driven practices in the K-12 space. The SWG also acknowledged that since the majority of K-12 funding is public money, the other education and training systems, which are more dependent on private money, is where the SWG should focus preliminary work.

Measures of Success and Next Steps

The short-term success of the SOS initiative should be that individuals are getting hired and advancing. The long-term success will be measured by the quality of signaling between stakeholders, availability of qualified talent, validated methods for predicting career readiness and minimized perceived risk for employers and individuals.

The meeting concluded with agreement to continue the conversation both in person and online, emphasizing the importance of creating a more dynamic and cohesive jobs marketplace where educators understand, train and effectively prepare individuals for the current and future demands of employers. We ask that participants consider how they and their organizations might further advance this effort, and review and provide feedback on the notable outputs of the SWG work. The following outputs and outcomes of the SOS initiative were crafted based on the new system requirements and barriers we must overcome across the jobs marketplace:

Notable outputs remain consistent with the DWG including:

- Shared definitions and protocols for competency validation, and a common return on investment (ROI) methodology framework for individuals, employers and communities are developed and agreed upon
- A market scan analyzing geo-sector competency activities and needs on competencies with recommendations on next phase of work
- A map of advanced healthcare and manufacturing competencies (foundational and industry-specific) and competency families
- A minimum of 2 regional place-based initiatives launched, demonstrating how validated competencies can advance economic opportunity in a local labor market
- Best practices catalog(s) with sector-specific information for evidence-based sourcing, selection and training
- Employer playbook(s) (with processes, metrics, and toolkit that can be deployed to speed adoption, reduce costs, and encourage utilization of competency based sourcing, selection, and training at employer sites).
- In-person meetings explaining the value (critical to ensuring practices are adopted)

- Concordance tables developed for adjacent sectors
- Policy barriers/incentives to accelerate implementation identified

Notable outcomes remain consistent with the VWG including:

- A coalition of leading stakeholders across the learning-to-work continuum is established and aligned around a shared vision, defined roles and aligned action plans
- A minimum of 20 national employers, 10 in each pilot sector, are implementing legally defensible competency validation methods with a commitment to capturing and sharing data
- A standardized model for quantifying individual labor market competencies is developed, prototyped and validated
- Data on job-specific competencies is available, usable and updated in real-time
- Measurable improvement in employer's perception of risk for competency-based sourcing, selection and training relative to current proxies
- Measurable increase in the number of individuals and service organizations using competencies to advise career advancement

We look forward to advancing this work and concrete deliverables necessary to shift how the current system operates. We welcome feedback and guidance.

Appendix

Jobs National Community of Practice Members

ACT: Bryan Maach, Managing Director, Career Solutions
AFL-CIO: Dan Marschall, Policy Specialist for Workforce Issues
Alcoa: Richelle Gregory, Director of Talent Management, Global Rolled Products
Thomas Holbert, Human Resources Manager, Lancaster
Alvarez & Marsal: David Javdan, Managing Director
America Forward: Jessica Crawford, Director of Strategic Partnerships
Apollo Group: Jane Oates, VP, External Affairs, Apollo Education Group
Aspen Institute: Maureen Conway , Executive Director, Economic Opportunities Program (EOP) and Vice President
The Bay Area Council: Linda Galliher, JD, VP, Public Policy
The Bill & Melinda Gates Foundation: Nick Lee, Senior Program Officer
Burning Glass: Matt Sigelman, CEO
Business Roundtable (BRT): Dane Linn, VP
The Case Foundation: Sheila Herrling, Senior VP, Social Innovation
CAEL: Joel Simon, Vice President, Workforce and Economic Development
California Community Colleges: Van Ton-Quinlivan, Vice Chancellor, Workforce and Economic Development
Center for Law and Social Policy (CLASP): Evelyn Ganzglass, Director, Workforce Development
Chegg: Anne Dwane, Chief Business Officer
College for America, Southern New Hampshire University: Julian L. Alssid, Chief Workforce Strategist
Committee for Economic Development: Monica Herk, VP, Education Research
Committee for Economic Development: Cindy Cisneros, Director of Member Practice at Public Education Network
Corporate Executive Board: Jean Martin, Executive Director, CEB Human Resources Practice and Talent Management Solutions
Corporation for a Skilled Workforce: Larry Good, Cofounder and Chair
E3 ENGAGE EDUCATE EMPLOY: Emily DeRocco, CEO and Principal; Hope Street Group Board Member
Educational Research Center of America: Ed Doody, Executive Director
ETS: Steven Robbins, PhD, Director of Research Innovation
Tom Van Essen, Executive Director
General Assembly: Liz Simon, VP, Legal and External Affairs
Goodwill Industries International (GII): Jennifer Davis, VP, Mission Advancement
Innovate+Educate: Jamai Blivin, Founder and CEO
Jobs for the Future: Barbara Endel, PhD, Senior Director
Joyce Foundation: Matthew Muench, Program Officer, Employment Program
Kaplan: Bror Saxberg, PhD, Chief Learning Officer
Kaplan University: Wade Dyke, President
LinkedIn: Allen Blue, Co-Founder and VP, Product Management; Hope Street Group Board Member

ManpowerGroup: Mara Swan, Executive VP, Global Strategy and Talent
Manufacturing Institute: Jennifer McNelly, President
McKinsey & Co.: Martha Laboissiere, Senior Expert, McKinsey Social Sector
Lenny Mendonca, Director Emeritus
National Association of Workforce Boards: Ron Painter, Executive Director
National Restaurant Association Educational Foundation: Steve Kramer, VP, Communications and
External Affairs
North Virginia Community College: Steve Partridge, Vice President of Workforce Development
Office of Community College Research and Leadership (OCCRL): Dr. Debra Bragg, Founding
Director
Opportunity@Work: Byron Auguste, Managing Director
Pearson: Jonell Sanchez, VP, Global Employability and Career Success
Skills.com: Tammy Johns, CEO
Southern New Hampshire University: Paul LeBlanc, PhD, President
Tennessee Community Colleges: Jim Catanzaro, Former President
Thinking Media: Sheila Boyington, Co-Founder and President
Trinity Health: Tina Filoromo, RN, VP, Home Office Organization and Talent Effectiveness (Human
Resources), Trinity Health
Tom Karel, Vice President of Organization and Talent Effectiveness at Saint Mary's Health Care
U.S. Chamber of Commerce: Jason Tyszko, Senior Director of Education and Workforce Policy Walmart
Foundation: Gayatri Agnew, Director, Career Opportunity
Walmart Corporation US: Katie Taylor, Director, HR Strategy & Support
Ellie Bertani, Director of HR Strategy and Innovation
Andy Gottman, Senior Director of US HR Strategy
Workcred: Roy Swift, PhD, Col. (Ret.), Executive Director
Young Invincibles: Aaron Smith, Senior Strategic Advisor and Co-Founder

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