



# **Measuring the Impact of Skills-Based Talent Practices**

# About This Playbook

## Table of contents

Why an impact measurement framework? —————	03
Framework overview —————	06
Top 10 key questions and suggested metrics —————	07
Step-by-step guide for using the framework —————	11
Metrics in action: Early company leaders and their progress —	12
Primer: Capturing education attainment data —————	13
Company insights and advice from testing —————	14
Documenting your impact externally —————	15
Appendix —————	16
FAQ —————	17
Family-sustaining wage definitions —————	18
Working group methodology —————	20
Working group corporate members —————	21
Sample case study template —————	22
Detailed version of framework —————	23

## This Playbook:

- Provides a blueprint for how to **measure the impact of key skills-based talent practices** at your company
- Is **intended for senior HR and DEI leaders** tasked with understanding how to drive critical DEI outcomes and expand economic opportunity and mobility at your company
- Includes **practical advice from companies** who have used the framework

# Why an Impact Measurement Framework

# A new tool to support employers in understanding the impact of skills-based practices

## The challenge

Companies need a way to understand how their skills-based practices lead to greater diversity, equity and inclusion across their companies, especially for candidates and employees without four-year degrees, who have historically lacked access to economic opportunity and mobility.

## The solution

A comprehensive framework that:

- Guides companies in measuring their rate of adoption of skills-based practices, and the impact of those practices on their employees, their business and society broadly
- Includes specific metrics to capture impact on non-degree-holders to help companies understand and address outcomes differences between degree-holders and non-degree-holders
- Has been co-developed, tested and approved by corporate leaders with significant experience in HR and DEI

# Measuring the impact of skills-based practices enables several key benefits

## Internal benefits

- Supports **goal-setting related to DEI and skills-based initiatives** and helps **monitor progress** toward achieving desired goals, for example:
  - Are we **expanding access to opportunity at our company** for job seekers?
  - Are **people without a 4-year degree able to grow their careers meaningfully at our company?** How do the outcomes differ by race and gender?
  - Does **skills-based hiring improve fit for role and support employee productivity?**
- **Data-driven** decision making & **internal alignment**
  - Effective **prioritization** of investments
  - Continuous **improvement** of skills-based strategies and implementation approaches

## External benefits

- Quantifiable **evidence** that investments are driving equity and strengthening business performance
- **Benchmarking** against peers and competitors
- Ability to **communicate impact** to internal and external stakeholders

# Framework Overview



## Two versions of the framework support companies at different stages

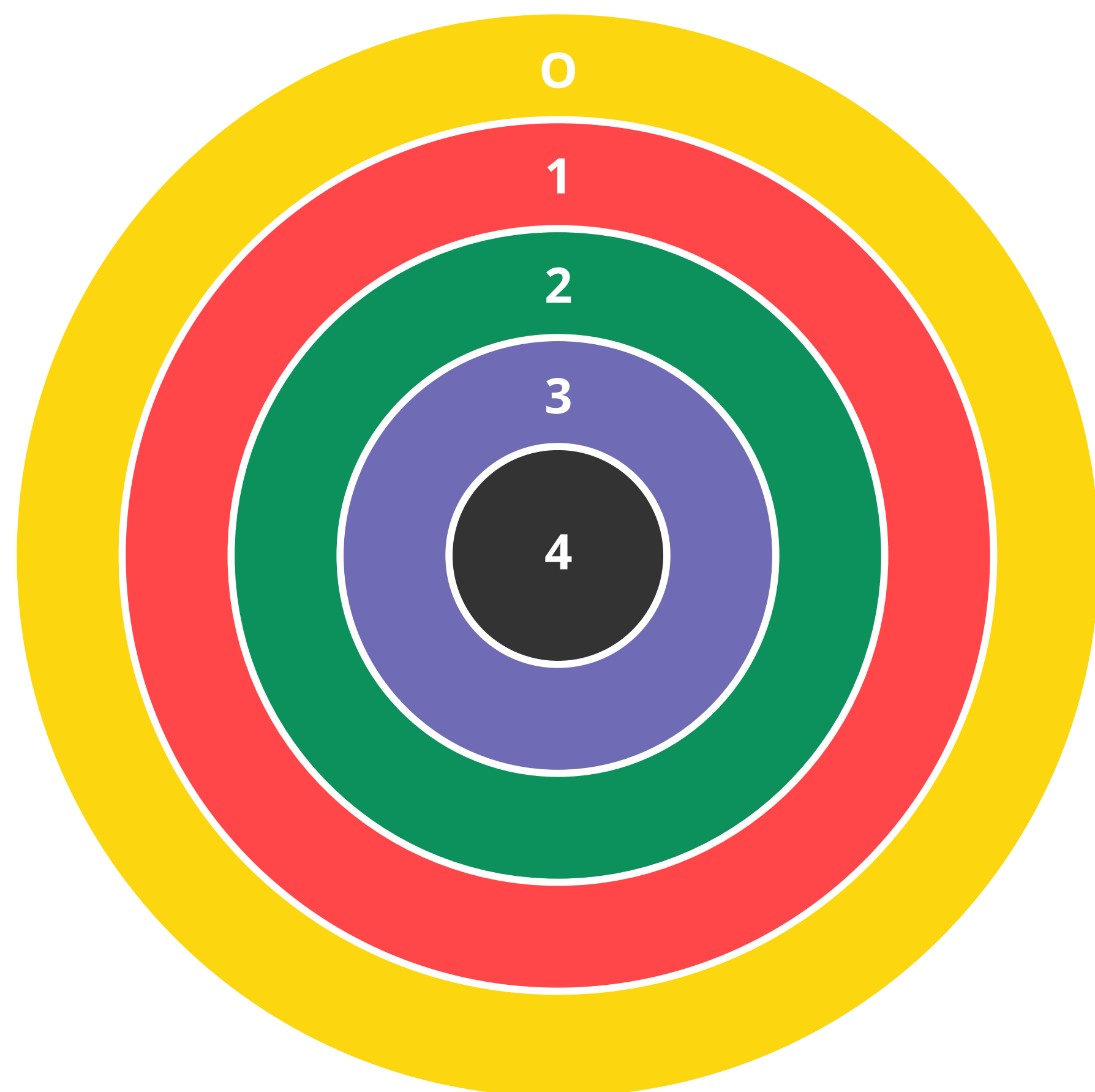
### **Top 10 shortlist** (Slides 9-12)

- Overview of the 10 most critical questions to answer to understand the impact of skills-based practices
- Suggested metrics in order to answer the 10 questions
- Best suited for those at early stages of skills journey
- Contains metrics most relevant for the C-Suite audience

### **Detailed framework** (Appendix slides 24-28)

- Extensive list of metrics to monitor progress and track impact
- Best suited for those familiar with data analysis/systems
- Ideal for companies that want more depth of analysis

# Impact measurement framework for skills-based practices



## 0 Understanding Current State + Setting Goals

*Focus of this Playbook*

- 1 **Practice Adoption:** Change begins here. Track which practices are implemented and to what extent across your company.
- 2 **Outcomes for Employees:** What changes for employees as a result of new and/or strengthened skills-based practices?
- 3 **Outcomes for Business:** What changes for the business as a result of new and/or strengthened skills-based practices?
- 4 **Outcomes for Society:\*** Evaluate what changes in society as a result of improved outcomes for both employees and the business.

\*Outcomes for society metrics are not included in this version but may be included in future iterations and revisions of the framework.



# Top 10 metrics to understand impact

Key questions about skills-based strategies

Suggested metric to analyze biannually

Practice adoption	
1. Are we <b>expanding access to opportunity at our company</b> for job seekers?	#, % and % change of total job postings that do not require a 4-year degree or bachelor’s equivalent
2. Are we <b>actually hiring more people based on skills?</b>	% of new hires without a 4-year degree or bachelor’s equivalent out of total job postings that do not require a 4-year degree or bachelor’s equivalent
3. Are we <b>diversifying our sourcing partners</b> and creating pathways into our company for non degree-holders?	% of entry-level hires coming from internship, apprenticeship or other work-based experience programs that do not require a 4-year degree
4. Are we <b>investing in scaling our skills-based strategy?</b>	\$, % and % change of total HR budget allocation for non-traditional talent pipeline development/sourcing
Employee impact	
5. Are people <b>without a 4-year degree able to access a family-sustaining wage</b> at our company?	% of employees with/without a 4-year degree or bachelor’s equivalent who earn a family-sustaining wage*
6. Are people <b>without a 4-year degree able to grow their careers meaningfully at our company?</b> How do the outcomes differ by race and gender?	#, % and % change in promotions among employees with/without a 4-year degree or bachelor’s equivalent, disaggregated by race and gender
7. Are employees <b>with and without 4-year degrees engaged in their work and feel a sense of belonging in our company?</b> How does lived experience differ by race and gender?	Average employee engagement and belonging/inclusion scores among employees with/without a 4-year degree or bachelor’s equivalent,** disaggregated by race and gender
Business Impact	
8. Does <b>skills-based hiring improve fit for role and support employee productivity?</b>	Average time to proficiency/productivity or performance ratings*** among employees with/without a 4-year degree or bachelor’s equivalent (or other preferred metric for employee performance)
9. Do upskilling <b>efforts and strengthened career paths</b> for non-degreed talent improve employee retention?	% change in retention of employees with/without a 4-year degree or bachelor’s equivalent (company overall, by business unit, by level and disaggregated by race and gender)
10. Do our strengthened skills-based practices <b>increase the representation of diverse talent?</b>	% change in representation of POC and women in the company overall, by business unit and by level

\*Family-sustaining wage definition will be based on MIT’s Living Wage Calculator and defined by region and/or state.  
\*\*If not available, question should be added to engagement surveys asking for education attainment.  
\*\*\*If your company does forced rankings, you may not be able to get as much information from this metric about improvements in workforce performance.

# Practice adoption

## Why measure practice adoption

- In the process of measuring the impact of skills-based practices, the practices are the critical input necessary to be able to effectively evaluate outcomes.
- Measuring practice adoption means auditing which skills-based practices you may already have in place, which you are strengthening through key changes and which you are implementing for the first time.
- It is also important to define to what extent each practice is present throughout the company.
- The questions and metrics in the following two columns are a good place to start measuring practice adoption.

## What to look for

1. Are we expanding access to opportunity at our company for job seekers?
2. Are we actually hiring more people based on skills?
3. Are we diversifying our sourcing partners and creating pathways into our company for non degree-holders?
4. Are we investing in scaling our skills-based strategy?

## How to measure (from top 10 metrics)

1. #, % and % change of total job postings that do not require a 4-year degree or bachelor's equivalent
2. % of new hires without a 4-year degree or bachelor's equivalent out of total job postings that do not require a 4-year degree or bachelor's equivalent
3. % of entry-level hires coming from internship, apprenticeship or other work-based experience programs that do not require a 4-year degree
4. \$, % and % change of total HR budget allocation for non-traditional talent pipeline development/sourcing

# Outcomes for employees

## Why measure outcomes for employees

- Positive outcomes for employees are the first layer of meaningful impact to which skills-based practices can lead.
- Skills-based practices can create significant new opportunity for talent, especially those without 4-year degrees, in the form of access to roles, increased wages and promotions.
- Tracking this information will help you understand how skills-based practices are driving better outcomes for your employees, and whether there are disparities to address.
- The questions and metrics in the following two columns are a good place to start measuring employee outcomes tied to skills-based practices.

## What to look for

5. Are people without a 4-year degree able to access a family-sustaining wage at our company?\*
6. Are people without a 4-year degree able to grow their careers meaningfully at our company? How do the outcomes differ by race and gender?
7. Are employees with and without 4-year degrees engaged in their work and feel a sense of belonging in our company? How does lived experiences differ by race and gender?

## How to measure (from top 10 metrics)

5. % of employees with/without a 4-year degree or bachelor’s equivalent who earn a family-sustaining wage\*
6. #, % and % change in promotions among employees with/without a 4-year degree or bachelor’s equivalent, disaggregated by race and gender
7. Average employee engagement and belonging/inclusion scores among employees with/without a 4-year degree or bachelor’s equivalent,\*\* disaggregated by race and gender

\*Family-sustaining wage definition will be based on MIT’s Living Wage Calculator and defined by region and/or state.  
\*\*If not available, question should be added to engagement surveys asking for education attainment.



# Outcomes for business

## Why measure outcomes for business

- While there are many reasons to take on a skills-based talent strategy, business leaders must be able to see that it is paying dividends for their bottom line in order to sustain and scale the strategy.
- Skills-based practices can lead to positive business outcomes including increased retention, productivity and enhanced corporate reputation in the market.
- The questions and metrics in the following two columns are a good place to start measuring business outcomes tied to skills-based practices.

## What to look for

- 8. Does skills-based hiring improve fit for role and support employee productivity?
- 9. Do upskilling efforts and strengthened career paths for non-degreed talent improve employee retention?
- 10. Do our strengthened skills-based practices increase the representation of diverse talent?

## How to measure (from top 10 metrics)

- 8. Average time to proficiency/productivity or performance ratings\* among employees with/without 4-year degree or bachelor’s equivalent (or other preferred metric for employee performance)
- 9. % change in retention of employees with/without a 4-year degree or bachelor’s equivalent (company overall, by business unit, and by level and disaggregated by race and gender)
- 10. % change in representation of POC and women in the company overall, by business unit and by level

\*Family-sustaining wage definition will be based on MIT’s Living Wage Calculator and defined by region and/or state.

# Using the framework: A step-by-step guide

## Determine what you're already tracking

Using the metrics listed on slide 9 as a starting point:

- Determine what relevant data you already have available/are already tracking regularly
- Determine what measurement/data tracking infrastructure you already have in place to measure relevant data on a regular basis
- Existing data tends to live within HRIS and ATS systems (e.g. Workday, Taleo, etc.)

## Strategize how to collect new data

- Secure buy-in and make a plan to collect data with key internal stakeholders including people analytics teams, CHRO and broader HR teams
- Connect data collection efforts to broader skills and DEI strategy and goals

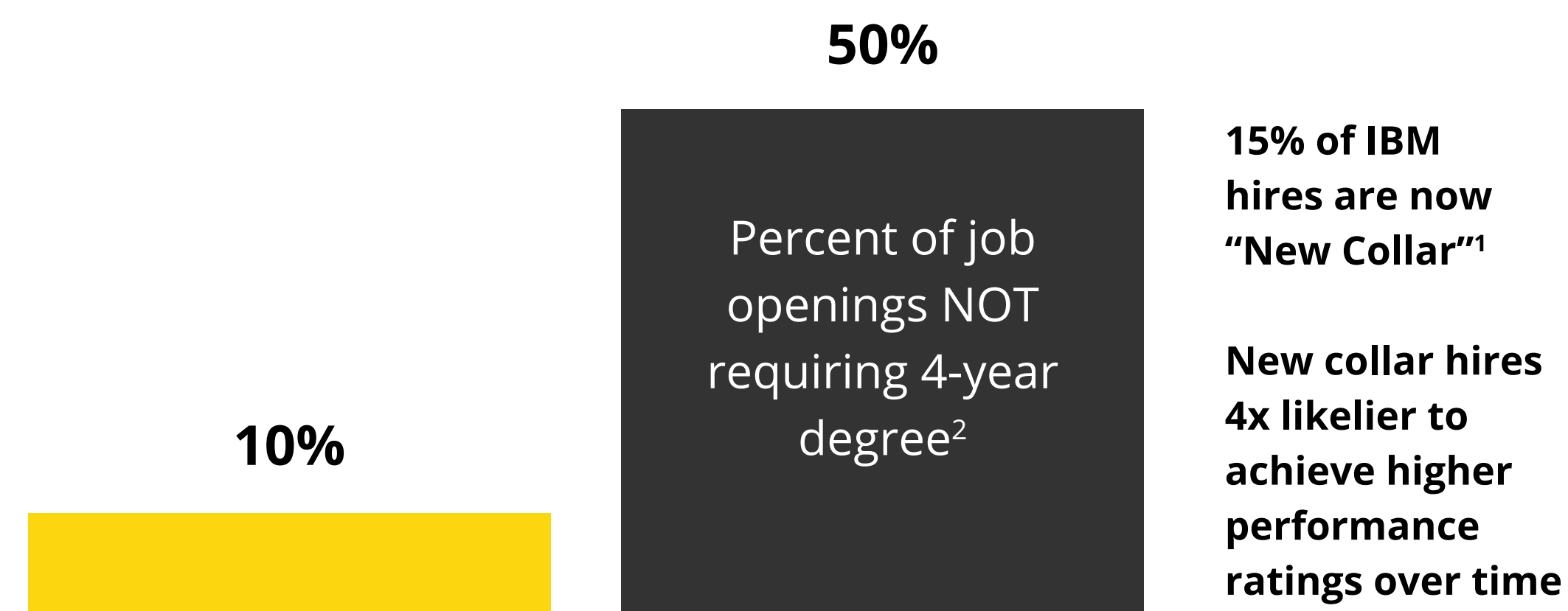
- Determine what is missing that is meaningful for your company: What new data needs to be collected?
- Consider where you might think differently about how existing data is analyzed. For example:
  - Are there opportunities to capture more detailed information about the presence of skills-based practices?
  - Is all employee outcomes data being disaggregated by race and gender at a minimum to identify potential disparities?
- Determine how to integrate these metrics into your systems in the long-term. Consider creating a new analysis process or amending existing DEI dashboards.

## Establish baseline and continuously track

- Establish your baseline across all key metrics
- Measure each metric twice per year to evaluate progress
- Make adjustments to your strategy based on findings
- Where possible, evaluate how specific skills-based practices may be contributing to desired outcomes
- If outcomes are not meeting goals, consider additional skills-based practices to adopt
- Make a plan for communicating your progress internally and externally

# Metrics in action: Early leaders and their progress to-date

IBM has increased access to career opportunities and hiring rates for talent without a 4-year degree

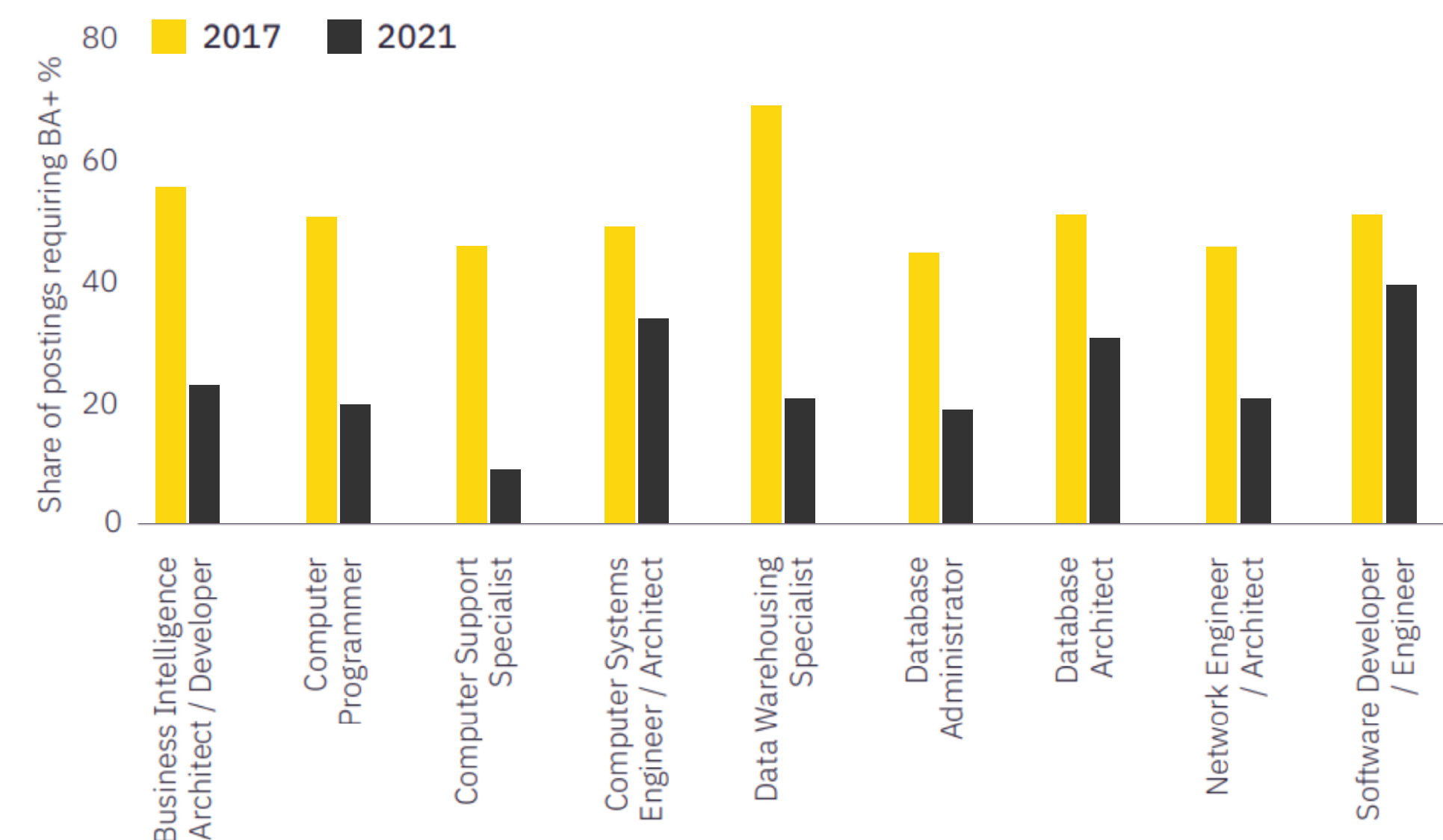


## Relevant metrics:

- #, % and % change of total job postings that do not require a 4-year degree or bachelor’s equivalent
- % of new hires without a 4-year degree or bachelor’s equivalent out of total job postings that do not require a 4-year degree or bachelor’s equivalent

1. IBM is building the future of ‘New Collar’ jobs with digital badges.  
2. This is why IBM chooses skills over degrees.

Accenture has dramatically reduced four-year degree requirements across all IT occupations



## Accenture: Degree reset in IT occupations

Notes: Bars show the vacancy-weighted share of BA+ postings in specific IT occupations at Accenture.  
Source: Analysis of Emsi Burning Glass data, 2017 and 2021.

## Relevant metrics:

- #, % and % change of total job postings that do not require a 4-year degree or bachelor’s equivalent



# How to capture education attainment data

## Why is education attainment data critical to measuring the impact of skills-based practices?

- Because the degree gap is a major driver of inequitable access to family-sustaining jobs and upward mobility, the metrics that comprise this impact measurement framework are deeply rooted in education attainment data.
- However, testing the framework revealed education attainment data is not yet consistently collected for prospective or incumbent employees.
- The working group identified two main avenues for obtaining this data and will continue to pilot potential solutions in 2022.

### Ways to track

#### 1) Collect data directly from employees

There are two options to collect this data directly:

1. Launch a campaign for employees to voluntarily update their education attainment status in existing system (HIRIS or other)
2. Utilize implementation of new talent marketplace to encourage employees to create a profile with education attainment status listed

#### 2) Collect data via 3rd party support

- In 2022 Grads of Life launched a pilot with Adept-ID and the National Student Clearinghouse (NSC).
- Through the pilot, companies submit employee data securely to Adept-ID and NSC, NSC analyzes data against national database and produces a report summarizing % of employees who have a college credential.
- We are currently testing for accuracy, usefulness and efficiency/ cost for companies.
- If you are interested in piloting this at your company, please contact Sergio Reyes at [sreyes@gradsoflife.org](mailto:sreyes@gradsoflife.org).

## **Learnings from testing & advice from employers**

- 1.** Having executive buy-in and support is critical
- 2.** Explicitly connect this framework to your broader business strategy and goals
- 3.** Socialize reasons for gathering this data early on and set realistic expectations about the time and effort involved
- 4.** Data/people analytics teams must be involved to pull, compile and analyze data
- 5.** Data needed for this work are housed in multiple locations—close stakeholder management will enable a smooth process
- 6.** Companies will likely need to invest resources to improve capturing of education attainment data; however, if you do not have the full education data on your workforce yet, it is still worthwhile to look into the metrics to understand gaps
- 7.** Tie data collection effort to an existing skills/DEI initiative(s)
- 8.** Impact measurement is worthwhile no matter how early-stage you are; establishing a baseline is key to measuring success

## Documenting and sharing your impact

### Integrate metrics into ESG reporting

- The outcomes measured by this framework often fall within the “Social” portion of Environmental, Social and Governance (ESG) disclosures.
- Analyzing the metrics holistically can help you to synthesize your impact story and communicate it through ESG reporting.
- Leverage both the data collected through using this framework, as well as the framework itself (with its defined layers of impact), to tell a concise, cohesive story about your social impact as a company.

### Create case studies to describe specific examples of impact

- Create one or more case studies to outline specific examples of impact created by skills-based practices.
- These detailed stories help add color to your overall impact metrics and are a powerful internal and external communication tool and addendum to formal reporting.
- See Appendix slide 24 for a case study template and link to an example.

### Accelerate your leadership in the private sector

- Skills-based practices are the future, and companies that can meaningfully articulate the impact of their skills-based practices will increasingly be looked to as leaders.
- Especially as the ‘S’ in ESG becomes more prominent in reporting, companies that have already begun to integrate ‘S’ metrics (such as the ones in this framework) into their systems will have a leg up.
- As with any business strategy, leveraging this data to increase transparency will also help to build trust with critical stakeholders.

# Acknowledgements

This Measuring the Impact of Skills-Based Talent Practices report was created through a collaboration of Business Roundtable member company leaders and expert partners as part of the Multiple Pathways Initiative.

## Working Group Companies:

- Accenture
- American Express
- CF Industries
- Chevron
- IBM
- JPMorgan Chase & Co.
- Medtronic
- PepsiCo
- Target
- Vistra Corp
- Walmart

## Working Group Chair Company:

- IBM

## Primary Partner:

- Grads of Life

## Supporting Partner:

- Jobs for the Future

## With Support From:

- Walmart

Special thanks to our chair who helped coordinate and engage the group in the co-creation of this resource:  
Tommy Wenzlau, IBM

Working Group writing support was provided by Laura Thompson and Krysta Sadowski with Grads of Life.

# APPENDIX

## Frequently asked questions

### **Time-to-fill is an important HR measure. Should I consider it when evaluating the success of skills-based practices?**

Time-to-fill can be affected by implementation of skills-based practices, but we do not recommend using it as a metric to evaluate the effectiveness or success of a skills-based strategy.

How skills-based practices impact time-to-fill will vary from company to company, and even role to role, depending on which skills-based practices are prioritized and other factors. Some companies, for example, will see time-to-fill reduced after building work-based experiences that serve as a strong, consistent pipeline for certain roles. Other companies could, for example, see time-to-fill increased for roles where changes to job descriptions, structured interviews and rubrics are being implemented in the hiring process for the first time, which may mean that bias is being reduced and a more diverse candidate pool is being sourced, which may be aligned to the company's overall vision and goals.

Overall, changes in time-to-fill should be contextualized within the broader changes being made and the impacts those changes are having on critical DEI outcomes.

### **What is a family-sustaining wage, and why is it part of this framework?**

Family-sustaining wages are foundational to ensuring the success and retention of all talent, especially historically excluded talent who disproportionately fall into low-wage work.

MIT's Living Wage Calculator is a useful resource that companies can use to determine family-sustaining wages (for various family sizes) in different geographies.

We define standard family-sustaining wages as the weighted average between 1) earnings needed to support one adult and one child, 2) earnings needed to support two adults (one working) and one child, and 3) earnings per person needed to support two adults (both working) and one child as defined by the MIT Living Wage Calculator. Earning category (1) is weighted twice, whereas earnings categories (2) and (3) are weighted once.

*The following two slides detail family-sustaining wages (per definition above) in each state and various cities.*



# Family-sustaining wages in key cities as of March 2021

City	MSA	Living wage
Atlanta, GA	Atlanta-Sandy Springs-Roswell, GA	\$52,000 - \$63,000
Charlotte, NC	Charlotte-Concord-Gastonia, NC-SC	\$51,000 - \$62,000
Chicago, IL	Chicago-Naperville-Elgin, IL-IN-WI	\$53,000 - \$65,000
Cleveland, OH	Cleveland-Elyria, OH	\$48,000 - \$59,000
Dallas, TX	Dallas-Fort Worth-Arlington, TX	\$52,000 - \$63,000
Detroit, MI	Detroit-Warren-Dearborn, MI	\$52,000 - \$64,000
Indianapolis, IN	Indianapolis-Carmel-Anderson, IN	\$48,000 - \$58,000
Las Vegas, NV	Las Vegas-Henderson-Paradise, NV	\$49,000 - \$60,000
Los Angeles, CA	Los Angeles-Long Beach-Anaheim, CA	\$65,000 - \$79,000
Louisville, KY	Louisville/Jefferson County, KY-IN	\$49,000 - \$60,000

City	MSA	Living wage
Memphis, TN	Memphis, TN-MS-AR	\$46,000 - \$56,000
Minneapolis, MN	Minneapolis-St.Paul-Bloomington, MN	\$53,000 - \$65,000
New York, NY	New York-Newark-Jersey City, NY-NJ-PA	\$63,000 - \$77,000
Philadelphia, PA	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	\$52,000 - \$63,000
Pittsburgh, PA	Pittsburgh, PA	\$47,000 - \$57,000
Portland, OR	Portland-Vancouver-Hillsboro, OR	\$57,000 - \$70,000
Raleigh, NC	Raleigh, NC	\$54,000 - \$66,000
Salt Lake City, UT	Salt Lake City, UT	\$51,000 - \$63,000
San Francisco, CA	San Francisco-Oakland-Hayward, CA	\$74,000 - \$90,000
Washington, DC	Washington-Arlington-Alexandria, DC-VA-MD-WV	\$61,000 - \$75,000

# Family-sustaining wages by state as of March 2021

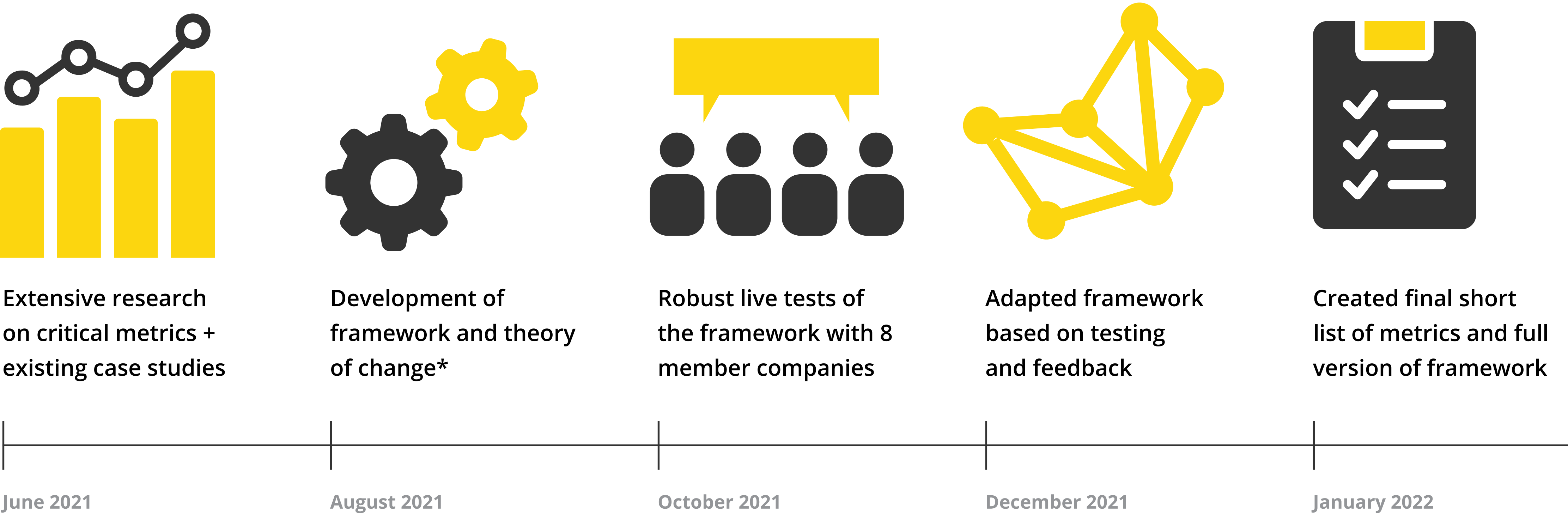
State	Living Wage
Alabama	\$46,000 - \$51,000
Alaska	\$51,000 - \$56,000
Arizona	\$49,000 - \$54,000
Arkansas	\$50,000 - \$52,000
California	\$63,000 - \$70,000
Colorado	\$59,000 - \$63,000
Connecticut	\$55,000 - \$62,000
Delaware	\$52,000 - \$58,000
Florida	\$52,000 - \$58,000
Georgia	\$50,000 - \$55,000
Hawaii	\$62,000 - \$69,000
Idaho	\$47,000 - \$52,000
Illinois	\$52,000 - \$57,000
Indiana	\$41,000 - \$51,000
Iowa	\$47,000 - \$53,000
Kansas	\$47,000 - \$53,000
Kentucky	\$49,000 - \$52,000

Statet	Living Wage
Louisiana	\$49,000 - \$54,000
Maine	\$51,000 - \$57,000
Maryland	\$53,000 - \$63,000
Massachusetts	\$61,000 - \$68,000
Michigan	\$50,000 - \$56,000
Minnesota	\$51,000 - \$57,000
Mississippi	\$46,000 - \$51,000
Missouri	\$48,000 - \$53,000
Montana	\$49,000 - \$54,000
Nebraska	\$48,000 - \$53,000
Nevada	\$49,000 - \$55,000
New Hampshire	\$52,000 - \$57,000
New Jersey	\$58,000 - \$65,000
New Mexico	\$48,000 - \$54,000
New York	\$59,000 - \$66,000
North Carolina	\$50,000 - \$55,000
North Dakota	\$46,000 - \$52,000

State	Living Wage
Ohio	\$47,000 - \$52,000
Oklahoma	\$47,000 - \$53,000
Oregon	\$54,000 - \$60,000
Pennsylvania	\$48,000 - \$53,000
Rhode Island	\$58,000 - \$63,000
South Carolina	\$50,000 - \$55,000
South Dakota	\$46,000 - \$51,000
Tennessee	\$45,000 - \$50,000
Texas	\$49,000 - \$54,000
Utah	\$50,000 - \$55,000
Vermont	\$52,000 - \$58,000
Virginia	\$54,000 - \$60,000
Washington	\$54,000 - \$60,000
West Virginia	\$46,000 - \$52,000
Wisconsin	\$49,000 - \$55,000
Wyoming	\$47,000 - \$52,000

# Methodology and process

A working group within the Business Roundtable Multiple Pathways Initiative conducted a collaborative process to create the framework in this Playbook to guide employers in tracking the impact of skills-based practices.



# Case study template to support documenting your impact

For a strong example of a comprehensive case study, [see here](#).

Section	Contents	Length
The Challenge	<ul style="list-style-type: none"><li>• Description of the context and specific business problems the company was trying to solve</li><li>• Relevant baseline data</li><li>• Goals &amp; desired outcomes</li></ul>	<ul style="list-style-type: none"><li>• 1 page</li><li>• 1-2 slides</li></ul>
The Strategy	<p><b>Select 1-3 skills-based practices (see slide 23)</b></p> <ul style="list-style-type: none"><li>• Key stakeholders involved</li><li>• Connection to goals/desired outcome</li><li>• Time/tools/resources required to implement</li><li>• Step-by-step process</li><li>• Change management required</li></ul> <p><b>Additional context: What else influenced the strategy?</b></p> <ul style="list-style-type: none"><li>• Leadership changes/directives</li><li>• Market changes</li><li>• New growth/business opportunities</li><li>• Other company priorities</li></ul>	<ul style="list-style-type: none"><li>• 1 page</li><li>• 1 slide</li></ul>
The Impact	<ul style="list-style-type: none"><li>• Time frame</li><li>• Select adoption metrics</li><li>• Select employee outcome metrics</li><li>• Select business outcome metrics</li></ul>	<ul style="list-style-type: none"><li>• 1-3 pages</li><li>• 2-4 slides</li></ul>
Final Deliverable	<ul style="list-style-type: none"><li>• 3-5 pager for external purposes</li><li>• &lt;10 slides for internal storytelling</li></ul>	

# Full framework focuses on 10 proven skills-based practices

These practices have been adopted from existing research and playbooks on skills-based hiring from the Markle Foundation, Grads of Life and others.

Category	Practice
Leadership Buy-in & Accountability	Gain CEO commitment and designate a team of executive and business unit leaders to champion, facilitate and be accountable for skills-based hiring
Recruiting & Sourcing	Identify strategic roles to recredential and write skills-based job descriptions (remove 4-year degree or bachelor’s equivalent and other experience requirements from job descriptions)  Develop diverse sourcing strategy including partnering with non-traditional talent providers and creating alternative pathways (paid internships, apprenticeships, work-based experiences, etc.)
Hiring	Refine screening and assessment strategy by leveraging inclusive techniques (e.g., utilize skills-based assessments, mask names on resumes, etc.)  Provide all hiring staff with training on inclusive hiring practices and conduct inclusive interviews using standard skills-based interview questions and scoring rubrics
Retention & Career Advancement	Implement post-hire support and retention strategy to onboard, coach and develop employees without a 4-year degree or bachelor’s equivalent and survey them regularly on engagement  Ensure skills-based career pathways and corresponding upskilling/training resources are available, and encourage participation  Provide access to formal mentorship and sponsorship opportunities for skills-based hires
Integration & Scale	Develop & implement a manager training and certification program on the value of skills-based hiring/advancement, building inclusive teams and core coaching skills  Codify skills-first ‘recipe’ for your company based on what has worked in your unique context and develop internal communications/storytelling, replication and scaling strategy



# Measuring adoption of skills-based practices

**Update to working group members:** We have added an additional metric based on feedback from expert partners, highlighted below, which focuses on diversity in the applicant pool as a result of skills-based recruitment efforts.

Category	Adoption Metrics – How to measure progress of implementing practices
Leadership Buy-in & Accountability	Has CEO made an explicit commitment to becoming a skills-first employer? (Yes/No)
Recruiting & Sourcing	<ul style="list-style-type: none"><li>• #, % and % change of total job postings that do not require a 4-year degree or bachelor’s equivalent</li><li>• How many roles were reviewed for recredentialing and what % of them changed?</li><li>• Have you expanded your ecosystem of sourcing partners to include strategic non-traditional talent providers (e.g. community colleges, community-based organizations, etc.)? (Yes/No)</li><li>• #, % and % change of underrepresented talent in applicant pool for recredentialed roles</li></ul>
Hiring	<ul style="list-style-type: none"><li>• % of new hires without a 4-year degree or bachelor’s equivalent out of total job postings that do not require a 4-year degree or bachelor’s equivalent</li><li>• % of entry-level hires coming from internship, apprenticeship or other work-based experience programs that do not require a 4-year degree</li><li>• #, % and % change of all new hires without a 4-year degree or bachelor’s equivalent</li><li>• Disaggregate new hires with/without a 4-year degree or bachelor’s equivalent by race, gender, ethnicity</li><li>• Disaggregate by hiring source/partner</li></ul>
Retention & Career Advancement	<ul style="list-style-type: none"><li>• % of roles that have articulated clear skills-based career pathways associated with them (and list of those that do not)</li><li>• # and % of career paths that have corresponding learning/skill development resources</li><li>• % of employees without a 4-year degree or bachelor’s equivalent who have used learning/skill development resources associated with career paths</li><li>• Do you regularly review survey data of employees without a 4-year degree or bachelor’s equivalent to understand their engagement, areas of needed support, and/or career goals? (Yes/No)</li></ul>
Integration & Scale	<ul style="list-style-type: none"><li>• #, % and % change of job postings that have adopted role-specific skills-based interviewing and/or assessments (and list of those that have not)</li><li>• \$, % and % change of total HR budget allocation for non-traditional talent pipeline development/sourcing</li><li>• \$ and % difference between HR budget allocation for non-traditional talent pipeline development/sourcing and university recruiting budget</li><li>• \$, % and % change in budget allocation for upskilling programs (e.g. learning platforms, tuition assistance, etc. )</li><li>• Have you documented successes of your skills-first approach and communicated them to all staff? (Yes/No)</li><li>• # and % of hiring managers that posted a job without a 4-year degree or bachelor’s equivalent in the past year</li><li>• Do you have a connected system in place to evaluate and map skills for both external and internal hires? (Yes/No)</li></ul>



# Outcomes for employees

**Update to working group members:** We have added an additional metric based on feedback from expert partners, highlighted below, which focuses on uptake of upskilling resources and associated outcomes for employees. We are eager for your feedback on how we can eliminate redundancy in this section.

Category	Outcome Metric
Access to Opportunity, Compensation & Benefits	<ul style="list-style-type: none"><li>• #, % and % change of employees with/without a 4-year degree or bachelor’s equivalent represented at each level (e.g. career/salary band)<ul style="list-style-type: none"><li>• #, % and % change of POC and women with/without a 4-year degree or bachelor’s equivalent at each level (e.g. career/salary band)</li></ul></li><li>• % of employees with/without a 4-year degree or bachelor’s equivalent who earn a family-sustaining wage<ul style="list-style-type: none"><li>• % of POC and women employees with/without a a 4-year degree or bachelor’s equivalent who earn a family-sustaining wage</li></ul></li><li>• % change in average wage earned by employees with/without a a 4-year degree or bachelor’s equivalent, by level/in the same geography<ul style="list-style-type: none"><li>• % change in average wage earned by POC and women with/without a 4-year degree or bachelor’s equivalent , by level/in the same geography</li></ul></li><li>• Average wage within a role paid to employees with/without a a 4-year degree or bachelor’s equivalent (in the same job family in the same geography)<ul style="list-style-type: none"><li>• Average wage within a role paid to POC and women employees with/without a 4-year degree or bachelor’s equivalent (in the same job family in the same geography)</li></ul></li></ul>
Access to Career Advancement	<ul style="list-style-type: none"><li>• Employee usage of tuition assistance or other upskilling programs (as a total % of employees, and disaggregated by level, race and gender)<ul style="list-style-type: none"><li>• Rate of promotion compared to employees who do not use upskilling resources</li></ul></li><li>• Average level/band of employees with/without a 4-year degree or bachelor’s equivalent, segmented by job family<ul style="list-style-type: none"><li>• Average level/band of POC and women employees with/without a 4-year degree or bachelor’s equivalent</li></ul></li></ul>
Improved Lived Experience	<ul style="list-style-type: none"><li>• #, % and % change in promotions among employees with/without a 4-year degree or bachelor’s equivalent<ul style="list-style-type: none"><li>• #, % and % change in promotions among POC and women with/without a 4-year degree or bachelor’s equivalent</li></ul></li><li>• Average time in band / time to promotion for employees with/without a 4-year degree or bachelor’s equivalent<ul style="list-style-type: none"><li>• Average time in band/time to promotion for POC and women with/without a 4-year degree or bachelor’s equivalent</li></ul></li></ul>

Note: We acknowledge that some companies may already disaggregate overall hiring, wage, retention, promotion and engagement data by race and gender. If so, we recommend adding a “BA/non-BA” slicer to that analysis to understand how non-degreed POC and women talent fare differently than degreed POC and women talent. If a general DEI dashboard does not exist, we recommend doing all of the disaggregated race and gender analysis in this section.

# Outcomes for business

**Update to working group members:** We have consolidated 2 retention metrics into one to reduce redundancy

Category	Outcome Metric
Performance	<ul style="list-style-type: none"><li>• Average time to proficiency/productivity or performance ratings among employees with/without 4-year degree or bachelor’s equivalent</li></ul>
Retention	<ul style="list-style-type: none"><li>• % change in retention of employees with/without a 4-year degree or bachelor’s equivalent (company overall, by business unit, and by level and disaggregated by race and gender)</li></ul>
Diversity, Equity and Inclusion	<ul style="list-style-type: none"><li>• For roles that have been recredentialed, % change in representation of POC and women</li><li>• % change in representation of POC and women in the company overall, by business unit and by level</li></ul>
Corporate Reputation	<ul style="list-style-type: none"><li>• Change in corporate reputation as measured by ranking on Great Place to Work or other similar survey</li><li>• Change in consumer brand trust, measured by Morning Consult, Cision, or other source</li></ul>
Profitability	<ul style="list-style-type: none"><li>• Change in annual revenue</li><li>• Change in annual costs</li></ul>