



Multiple  
Pathways  
Initiative

# **Skills-Based Internal Mobility Playbook**

# Skills are five times more predictive of a person's future performance than their education.<sup>1</sup>

Many organizations think they are implementing skills-based practices but haven't built the shared language, culture, structures and technology systems needed to support it. Amid the current war for talent, and with a mind towards the rapidly shifting future of work, skills-based mobility can make companies more attractive and nimbler.

The Business Roundtable Multiple Pathways Initiative (MPI) seeks to reform companies' hiring and talent management practices to address inequities by emphasizing the value of skills acquired through many means, rather than just formal degrees.

The MPI Internal Mobility Working Group members, made up of VP and C-suite HR leaders in major corporations, developed this Playbook to share their learnings, challenges and lived experiences implementing this comprehensive change management process. There is extensive research on topics we address in this Playbook, which we include in our resources for further learning, but our focus is more practical. Our hope is that this Playbook can highlight key considerations and prompt discussion and action within companies, recognizing that each company's journey with skills-based approaches is unique and this is just a starting point.

**What is skills-based internal mobility?**

Education (degrees), formal training (credentials) and past jobs (experience) have widely been used as proxies for an individual's capability in the workplace. Skills-based practices focus on the specific skills that an individual has, regardless of how those skills are acquired. A focus on skills-based practices also requires a shift away from "cultural fit," a practice that has historically benefitted those with privileged identities and experiences who can more easily assimilate to corporate cultures.

This Playbook focuses specifically on skills-based internal mobility within a company. This can be movement in any direction (upward, downward, lateral) and is defined more by the opportunity and recognition of skills than the

direction of the movement. Adopting skills-based internal mobility practices will likely invite other reflections about compensation, external hiring and overall talent strategy, and we encourage companies to be mindful of how this approach can expand and build within an organization. It is important to note that large-scale implementation of skills-based approaches is relatively new, and that many companies are still early in this process.

**Why skills-based mobility?**

Skills-based mobility is essential for supporting business strategy and addressing talent gaps while ensuring everyone has an equitable opportunity to thrive in their career.

**“**

**The language of skills crosses all learning.  
– Multiple Pathways Initiative Working Group Member**

**”**

## A win for companies

The war for talent is as real as it has ever been. In 2021, job openings hit a record high for at least five months in a row, and every region in the country noted extensive labor shortages.<sup>2</sup> One of the biggest driving factors for an employee in deciding to stay with their employer is the ability to see and access a clear career path.<sup>3</sup>

Companies leading the field in skills-based approaches cite the business benefits of skills-based internal mobility, such as:

- Increased retention and reduced hiring, onboarding and training costs
- Increased innovation and business agility due to retention of company knowledge
- Increased employee engagement and satisfaction
- Increased predictability of employee performance
- Alignment between talent strategy and business strategy
- Anticipating skills gaps and business needs in a rapidly changing context

Skills-based mobility is an important approach for retaining and growing existing talent.<sup>4</sup> Turnover is expensive, and not just due to the cost of hiring a replacement. Retaining and growing talent means that the company is retaining knowledge of its systems and processes and familiarity with the customer base and products.

Skills-based mobility can also provide a more readily available and capable talent pool as business needs adapt to a rapidly shifting world. As technology advances and the nature of work

shifts alongside it, focusing on skills provides a more consistent assessment framework. By focusing on the skill sets needed for a given role and ways to validate those skills, companies have a fast track to a ready pool of internal talent that already knows their business well.

Most importantly, skills-based mobility can address prominent challenges for many different corporate functions:

- **C-Suite:** As more companies make commitments around equity, diversity and inclusion for their employees, skills-based mobility can provide a pathway for actualization of that purpose.
- **Business unit leaders:** The process of skill validation helps businesses understand and frequently re-assess what skills are needed for the business to succeed today and into the future and to build those skills internally as they are needed.
- **HR:** Skills-based mobility creates opportunities for employees to grow and develop and for the business to access and build the skills that are needed for business success.
- **Recruiting:** Clear career paths and mobility opportunities are a prominent consideration for jobseekers, and in tight labor markets, skills-based mobility can be a differentiator.
- **Learning and development:** Having a clear understanding of requisite and current skills allows L&D teams to cater their programming, benefits and education to the needs of the business and its employees. *(See Chapter 3)*
- **Technology/IT:** Skills-based approaches offer an organizing framework to allow the identification, development and tracking of

skills that advance the business.  
(See Chapter 5)

- **Supervisors:** Skill validation provides supervisors with a clear structure for assessing their team's skills and activating their full potential. Additionally, growth opportunities such as gigs may help supervisors attract and retain talent on their teams. (See Chapter 2)

### A win for employees

Though inequity of opportunity existed long before the pandemic, the last two years have shed light on the barriers to mobility faced by many in the workplace, particularly historically marginalized communities.

In addition to business benefits, skills-based mobility is good for employees, especially lower-wage workers who historically have not had many mobility opportunities. The state of income inequality in the United States is already astounding, and the COVID-19 pandemic has only deepened the chasm. We also know that barriers and bias in education systems from K-12 through postsecondary inhibit and discourage formal credential attainment for historically marginalized groups.<sup>5</sup>

While education and policy changes can help address these challenges, employers themselves have an important role to play in supporting equitable economic mobility. Currently, mobility opportunities within companies are not accessible to all. One study at a national retailer showed that white employees were 2.4 times more likely to be promoted within a given year than Latinx employees and 4.7 times more likely than Black employees.<sup>6</sup> Another study found that, in the United States, men are promoted

at 30 percent higher rates than women during early career stages, and entry-level women are significantly more likely than men to have spent five or more years in the same role.<sup>7</sup>

Corporate HR systems have historically prioritized education credentials as the primary signal of skills acquired, but that comes at the detriment of those who face barriers to formal education. Moving into a skills-based approach is a big win for individuals unable to secure more conventional credentials like college degrees because it honors the experience they already have. This shift advances equity by increasing the transparency of the mobility process, taking a more expansive view of skills and expertise and reducing the potential for implicit bias in bias in promotions. Everyone deserves a family-sustaining wage and career opportunities, and skills-based mobility is one way for employers to support that.

### Contents and guidance for using this Playbook

While there are many additional resources that expand on what we discuss here (referenced in the Appendix B), our goal is to highlight practical insights for companies interested in implementing skills-based practices. This Playbook walks through the process of adopting skills-based internal mobility strategies, highlighting the learnings and experiences of HR leaders in the Multiple Pathways Initiative.

# Skills-Based Internal Mobility Playbook

**Chapter 1** covers the initial steps of planning, strategy and stakeholder engagement. This will be relevant for HR and business leaders.

**Chapter 2** discusses the process and considerations for skills validation or ways of assessing and confirming existing skills. This is relevant for HR leaders, IT, supervisors, and learning and development teams.

**Chapter 3** outlines the considerations for connecting people with opportunities (e.g., gigs, jobs, formal learning opportunities, career pathways). This is great content for HR leaders, learning and development, supervisors, recruiting and IT.

**Chapter 4** highlights insights on measurement and learning for skills-based approaches, incorporating the metrics framework developed by the Business Roundtable MPI Metrics Working Group. This is most relevant to HR leaders and IT, as well as business and C-suite leaders interested in metrics.

**Chapter 5** discusses opportunities and challenges related to technology and systems that can enable the adoption of skills-based internal mobility. This is most relevant to HR and IT leaders.

<sup>1</sup>Michigan State University, Hunter, John E. & Ronda F. Hunter, "Validity and Utility of Alternative Predictors of Job Performance."

<sup>2</sup>U.S. job openings hit record high as employers struggle to find workers", Reuters, 8 Sept. 2021, <https://www.reuters.com/business/us-job-openings-rise-record-109-million-july-2021-09-08/>.

<sup>3</sup>"Advancing Frontline Employees of Color," FSG.

<sup>4</sup>A recent study showed that 34 percent of HR leaders report using a skills-based hiring strategy that focuses more on competency in hiring rather than over-relying on college degrees, and an additional 42 percent of respondents say that their organization is exploring and considering these approaches. Their top motivations for using skills-based approaches include more rigorous and better hiring outcomes (66 percent) and diversity, equity, and inclusion (62 percent). Source: [Wellspring Initiative](#).

<sup>5</sup>Degree Attainment for Black Adults: National and State Trends; The Education Trust.

<sup>6</sup>Racial Bias in the Manager-Employee Relationship: An Analysis of Quits, Dismissals, and Promotions at a Large Retail Firm," Institute for Research in Labor and Employment (IRLE) Working Paper #178-09, March 2009.

<sup>7</sup>Time for a new gender-equality playbook, McKinsey Quarterly, McKinsey & Company, February 2017.

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# Chapter 1

## Planning, strategy and stakeholder engagement

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## Planning, strategy and stakeholder engagement

For employers eager to adopt skills-based mobility practices, the journey begins with candid reflection, clear boundaries of what the company want to achieve and engaging stakeholders at all levels to bring them along in the process. Many companies begin adopting skills-based practices through a clearly defined pilot to build alignment and buy-in and create a test case for scale.

In order to begin implementing skills-based strategies, organizations must first get aligned internally on their definition of skills and understand how skills-based approaches support both talent and business strategies. The early steps of planning and strategizing require a clear definition of skills and alignment internally on what mindset, process and system shifts are needed to support business success and career mobility. Keep in mind that this is, at its core, a change management process that takes time, consistent communication and strong cross-stakeholder engagement.

### Initial reflection

Every company is unique, and there is an entry point to skills-based mobility for everyone. In considering feasibility and how to get started, reflect on the following:

- What is the risk to our business and our employees if we do not adopt skills-based approaches?

- How would skills-based mobility fit into our company's culture? For things that don't feel like a fit, what aspects of our operations, roles or culture are getting in the way?
- What is our appetite for this kind of change? If it's low, where/how should we develop a pilot to build the proof of concept?
- Who are the major stakeholders impacted by this change, and how will we engage them?
- What resistance do we expect from different stakeholder groups? How does skills-based mobility fit into their priority list today and into the future?
- What resources will be needed to support this work, and how can we make space in our budgets?
- How does skills-based mobility fit into other core HR processes and systems such as job classification, recruiting, performance management, etc.?

Before jumping to solutions, it's important to sit with the potential discomfort from this reflection process. Understanding the challenges deeply and reflecting on their root causes, drivers and potential barriers brings an important clarity to what the problem is and how skills-based mobility may address it.

### Identify the business opportunity and desired outcomes

After this initial reflection, companies can discuss which issues could be addressed through skills-based mobility. What are the business and talent imperatives that skill-based approaches can help



the organization meet? The challenges often fall into one of the following categories:

### **Business Growth Imperative: Finding the right skills sets for today and the future**

- High internal mobility can fuel innovation, expand internal networks, improve motivation and productivity, and break natural silos across the company.
- High competition for talent requires very attractive value proposition.
- Limited talent pools with either traditional qualifications or unrecognized, transferable skills.

### **Talent Growth Imperative: Attracting and retaining diverse top performers in a hyper competitive marketplace**

- High turnover in entry-level roles.
- Mid-level roles left unfilled for long periods of time.
- Low rates of advancement, especially for women, BIPOC and other historically marginalized groups.
- Low rates of employee satisfaction and/or performance for new hires.

#### **Step 1**

Analyzing hiring and employee data with a cross-functional group builds the organization's understanding of the current state of business challenges and opportunities. **Gather data on turnover, retention and advancement, and disaggregate by demographic factors** (e.g., age, gender, race/ethnicity, education level) and business factors (e.g., business unit, geography,

level/tenure) to highlight gaps, with particular attention on how diverse representation may vary across levels. Supplement this data with employee feedback and stories to ground the data in the real, human experiences and highlight the broad array of systemic and individual factors driving one's experience. For example, an education requirement may be keeping entry-level staff from advancing to managerial roles when that position doesn't necessarily require a bachelor's degree. The bottom line is that no one data point is sufficient, as skills-based strategies require multiple data sources to tell the story.

#### **Step 2**

**Engaging stakeholders** across the organization in this early stage of defining the problem and setting strategy will help companies uncover underlying root causes and potential challenges to navigate. Making leadership and managers aware of data-supported disparities in performance management, advancement, compensation and hiring can open the door for skills-based approaches. It is important to recognize that stakeholders will be at different levels of knowledge and experience, and true transformation requires consistent engagement. Having a core set of data and messages that can be adapted to the audience can help target the right people with the right message at the right time.

Once the set of challenges is defined, review the list with key business partners, including HR professionals and managers, in order to:

1. Understand which of these challenges are most present today and what is driving them.
2. Clarify the link between talent challenges and

broader business challenges, or how skills-based strategies can support the business vision and strategy (e.g., innovation, agility).

**3. Discuss hypotheses for future talent and skills needs.**

### Example

Vistra began conducting listening sessions with their employees in the summer of 2020 to understand their perspectives. These sessions had different focus areas, such as women in the workplace, the Asian-American experience and working parents. Through these sessions, the company's leadership consistently heard that employees felt like they were unable to apply for jobs internally. This realization led to the initial step of reviewing more than 900 job descriptions to remove education requirements wherever legally possible. Skills-based approaches helped the organization realize the barriers in their hiring norms and processes so they could be eliminated.

### Step 3

Next, compile reflections from these sensemaking sessions into a **clear opportunity statement**. This statement should connect the talent challenge that will be addressed by skills-based mobility with the broader business goals. This opportunity statement will capture the high-level goals of skills-based mobility and can act as the anchor for other components of the strategy.

This statement should include the following:

- Specificity as to which roles, skills and/or employees the organization is trying to target through skills-based mobility.
- A sense of how expected changes in roles, technology and requisite skills will need to be adapted for over time.
- Connection between the talent challenge and the business opportunity.

Example opportunity statements:

- Two critical parts of the company are not working together to seamlessly serve customers. Mobility across those groups will create empathy, encourage sharing of knowledge and practices, and generate new ideas for improving the work.
- Exit interviews in vital “feeder” roles highlight a lack of understanding about career paths and next steps as a primary driver for attrition of promising talent.

### Define the scope of the strategy

Once the challenge is identified, next comes defining the solution. What will the company take on, who is involved, and what should be considered for implementation?

Companies approach pilots in different ways. One approach is to focus on one skillset that's relevant to multiple business units or functional areas to demonstrate the universal nature of skills development and build a broader base of leadership support. Digital and analytics skills is one example of a skillset that generally cuts across multiple areas in a company. Other companies have found a contained pilot to be advantageous. By starting in a specific business unit, plant or store location, they have a manageable and clear set of stakeholders

to engage, and can use that pilot to build their fluency, test systems and processes, and build the company's understanding of how this could work for them.

Engage key stakeholders to understand and prioritize the pilot opportunities, considering both the **potential benefits** and the **complexity** of what the pilot is trying to do or, in other words, the likelihood of success. For a company that is new to skills-based hiring and advancement, picking something that can fairly easily be accomplished can help make the case for further integration of skills-based approaches. However, it's important to pick something that is **aspirational, visible** and is **challenging** enough to shift people's mindsets about talent and skills.

Though the pilot is an important first step, building a road map towards scaling will help ensure that the effort grows beyond the pilot. The road map should outline:

- **Scope and intention of pilot:** Where and how will it happen, what questions will the pilot help us answer and what will we need to continue learning about?
- **Assessment checkpoints:** During and beyond the pilot, build in pause points to reflect, ask questions and get input from stakeholders (especially frontline employees, supervisors and business leadership). *(See Measurement and Learning chapter for more detail.)*
- **Connection to technology strategy:** There are important technological elements that support skills-based mobility, and many companies get started without all of the systems they will need to support their journey. Be clear internally about how the pilot will start with existing systems and technologies, what needs to be built or

purchased over time and what capacity is needed to set those systems up. In the scaling process, ensure that the technology is assessed for potential bias and speak with tech providers about their bias mitigation efforts. *(See the technology chapter for more detail.)*

- **Shifting mental models:** Transitioning the organization to more skills-based approaches requires the individuals that make up the organization to see and understand skills differently. Though there will be clear education and communication points throughout the change management strategy, be mindful of what kinds of messages and cadence of communication is needed to shift mindsets over time.
- **Resourcing:** Adopting skills-based mobility practices will require staff time (e.g., HR, L&D, IT functions) and likely investments in systems to manage and validate skills, as well as other technologies. This is part of the reason leadership engagement is important—building buy-in is critical to getting budget allocations. Tracking both the cost of implementation and the business impact or cost savings, will help the organization understand ROI as well as resourcing needs.

### Engaging key stakeholders

Connecting with stakeholders throughout the organization early and often is essential to success. Each stakeholder group has its own interests in and impacts from the potential pilot, and building buy-in at multiple levels is critical. Here we offer initial considerations for how to engage each stakeholder group, but it's important to remember that engagement should be ongoing to support the change management process.

## Stakeholder: Business leadership

### Why they are important

Senior VPs and C-suite level leaders across the business function as champions of skills-based mobility, signaling the importance to the rest of the organization. That these leaders understand both the opportunities of skills-based mobility and the work it takes to implement is critical in creating the desire and flexibility to pilot something new.

### How to engage

First, engage business (non-HR) leadership in the process of analyzing and making sense of data analysis and employee feedback. This helps deepen their understanding of how skills-based approaches can address business challenges and build buy-in so leaders can act as champions for the work.

Next, including leadership in the skills mapping process can help build their understanding of the broad array of ways in which skills can be developed and utilized. The mental model of “formal education = skills” is one that needs to be reoriented as companies adopt skills-based approaches. Formal education is one way of attaining skills, but lived and work experiences can impart those same skills. By directly participating in matching skills to roles and validating the mechanisms for confirming those skills, leadership begins to see skills-based strategies in action.

## Stakeholder: HR functions

**Why they are important:** HR professionals are essential in the implementation and maintenance of skills-based approaches, including hiring managers, recruiters and those in charge of professional development or skilling. They create the processes and structures, set hiring strategy and lead implementation.

### How to engage

One of the first shifts for many companies adopting skills-based approaches is changing job descriptions, often to remove formal education requirements such as a bachelor’s degree. Engaging HR professionals in this process involves looking at job descriptions and mapping out key skills and levels of competency, which leads to a powerful realization that skills can be acquired through many paths.

HR functions play a crucial role from early planning stages throughout implementation, supporting the change management effort with trainings, communications and supportive processes.

## Stakeholder: Managers and supervisors

### Why they are important

From the early stages of problem definition through implementation, mid-level managers are both one of the most critical stakeholders to engage and one of the most difficult.

People in these roles often have a lot on their shoulders and are focused on meeting the goals set for them and keeping the business running, so adding something to their plate could feel overwhelming or misaligned if not done intentionally.

### How to engage

First, it is important to build managers' understanding of and buy-in for skills-based approaches. Prove the business case for skills by:

1. Using information from the problem statement exercise to connect directly with manager mindsets.
2. Articulating how skills-based approaches directly address many workforce challenges that managers face.
3. Grounding the shift to skills-based approaches in the external context of the labor market and demographic changes.

In addition to the business considerations, there are also essential mindset shifts that must happen. As the people responsible for supporting people transitioning into new roles and receiving folks who were promoted or moved laterally within a company, managers must endorse the validity of skills-based approaches for employees to have a positive mobility experience.

Every manager may be at a different point in their journey with skills-based approaches, and

different strategies may be needed to bring different managers along. Meeting people where they are creates room for understanding and growth.

There are many ways in which senior leadership can reduce perceived risk for managers:

- **Remove roadblocks:** Explicitly stating that managers will not be penalized for hiring someone internally and training them up helps reduce the perceived risk of skills-based mobility.
- **Provide timely training:** For recruitment-related trainings, especially with topics like implicit bias, syncing up training with recruitment cycles provides just-in-time education and reduces the risk of that knowledge dissipating before it can be applied.
- **Tie it to performance:** Adding skills like "inclusive leadership" or "DEI" to performance reviews helps formalize this priority on par with other business priorities. Be clear about what the job objective is and what it looks like in practice.
- **Recognition:** Find ways to highlight and celebrate leaders who are using skills-based practices and tie it to the business aspect of their job rather than a social benefit or "nice-to-have."
- **Support learning:** Connect managers who are doing skills-based mobility well with those who aren't.

## **Stakeholder: Employees**

### **Why they are important**

In the process of adopting skills-based strategies, employees are both the recipient of the change and an actor in the change process. Centering the needs and preferences of employees in the design process yields a more successful result, while transparent and targeted communications ensure that they are adequately informed and empowered.

### **How to engage**

In the early stage of pilot development, touchpoints with employees should focus on getting their input to define the problem and understand the challenges they face. Surveys, focus groups, and town hall sessions can be used to gather input from employees, especially frontline employees and their managers, in the early stages of defining the problem and outlining a potential solution. There are two key purposes here: solicit input on what is not working and how to fix it and communicate the company's dedication and intention in moving to skills-based approaches. The former is important to ensure a holistic and validated problem definition at the start, and the latter helps build buy-in and understanding.

As the company implements skills-based strategies, ensuring frequent touchpoints and transparency provides real-time information to make adjustments as needed. Employees themselves can also be effective champions of skills-based strategy, so ensuring that early pilot participants have a positive experience can smooth the path for scaling later.

## Examples

As Vistra implemented skills-based hiring strategies, its Chief Diversity Officer (CDO) met with each hiring manager for “hiring conferences” before offers were made. In these conferences, the CDO and manager would review the candidate pool and job description and understand why the leading candidate is the best fit for the role. Rather than pushing hiring managers to pick internal candidates, building in this pause helped shift mindsets to think about skills more inclusively. The company supported this with an internal policy that hiring managers would have to interview and provide feedback to, but not necessarily hire, every internal candidate whose skill levels matched or exceeded the job description.

In beginning their skills-based program, one working group company used a multi-faceted approach to build understanding and buy-in with employees. First, top HR leaders held dozens of in-person sessions with employees to understand how they thought about their career paths and the future of work. Once the pilot was ready to launch, the team held 35 town hall events to promote the program and had a physical registration booth on-site the next day to make follow-through easier. One of the most influential parts of those town halls was a brief, 2-minute video that included employee voices on how they experienced the challenges for which this pilot was solving.

## Recruiting and HR data management

As companies are in the early stages of planning their skills-based strategy, it is essential to assess how recruitment and employee data platforms function today—their capabilities, their interoperability and who has access to what information. For many companies, their recruiting system and employee data system are separate entities and information collected in the hiring process doesn’t always make it into the employee’s record. Shifting these data systems can take time, but these challenges shouldn’t prohibit companies from getting started.

Having a clear sense of the company’s data foundation from the early stages will help surface challenges or gaps that can be solved for and addressed over time. Engaging IT early on will ensure the pilot is grounded in what is feasible and helps build the trust and foundation for what will be a continued partnership throughout implementation and scaling. As a leader from KeyBank shared: “Our work really depended on deep partnership with our tech folks. It doesn’t happen overnight; you have to figure out what you do in the short term to get what you need, then plan long term for how to get where you want to go.”

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# Chapter 2

## Skills validation



## Chapter 2 Skills validation

It is important to be able to identify skills and develop systems to validate and track them for the company to stay competitive and agile. Skills validation is the process of cataloging, measuring and qualifying of skills acquired, in terms of credibility and substantiation to support employee mobility and maximize business benefits. This process is covered at a high level in this chapter but can take months or years to complete and should be updated regularly. (See *Appendix B for further learning on skills taxonomies, validation and more.*)

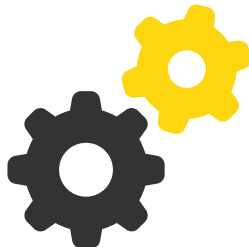
The framework below can be adapted and simplified as needed at various points in a company's journey or used as a planning tool for future skills-based work. American Institute for Research has identified a framework for skills validation including the following steps:

### Exhibit 1. Skill validation characteristics



#### Skill identification

- Identify and define skills needed for successful job or task performance
- Align to industry standards and taxonomies
- Clearly define skill proficiency levels
- Define skill profiles across career or job levels so that a progression is clear to employees and the organization



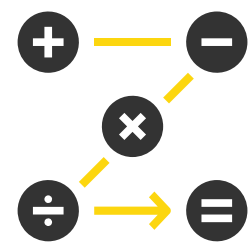
#### Skill measurement

- Multiple methods of skill acquisition are available to employees
- Multiple measurement methods that differentiate proficiency levels are employed
- Measurement is efficient and integrated into daily work schedules
- Validation tools are checked for disparate impact and treatment
- Validation is well timed



#### System integration and tracking

- Systems, tools and processes are easy to use for employees and supervisors
- Validated skills can be tracked across the entire organization and integrated into workforce planning
- Tools to track progress and job growth are available for use by employees, supervisors and the organization
- Validation is integrated with all HR and training



#### Benefits and outcomes

- Outcomes and results are measured at both the individual and the organizational levels
- Data are used to demonstrate that the system is working or to help make improvements
- System allows for continual evolution as industries shift, skill requirements change or jobs are added
- Return on investment is defined and measured

This framework is the guiding structure for this chapter—please note that discussion of benefits and outcomes can be found in the “Measurement and Continuous Learning” chapter.

## Skills identification

The 70-20-10 rule states that 70 percent of learning and development occurs on the job, 20 percent through developmental relationships and 10 percent through formal channels like degrees, coursework and training. There is an immense opportunity to better capture skills acquired through job experiences and developmental relationships and to use that information to support advancement opportunities.

The first step in this process is to identify and define existing and required skills for roles across the organization. This is where a skills audit and skills gap analysis process might help. For companies new to skills-based strategies, this may be a longer process as the baseline is established but can be made easier by focusing on roles or skillsets in a contained pilot. Recent studies indicate that skill/competency frameworks are refreshed about once every 18 months on average.<sup>8</sup>

Skills taxonomy is a system for classifying skills within an organization. It contains the skills or “skills clusters” that are important to role function and business goals.<sup>9</sup> ESCO and O\*NET are two examples of open-source skills taxonomies, containing thousands of skills.<sup>10</sup>

Skills taxonomies can vary based on industry and even among business units within a company depending on their function, which may require specialized processes. The process of maintaining and updating taxonomies can be tedious and slow, leveraging technology and machine learning can keep this process dynamic. Though internal alignment is essential, external alignment with industry standards or open-source taxonomies can help ensure that the skills are broadly

understood and transferable, which is helpful for both employer and employee. A recent survey of HR leaders showed that 75 percent reported using some type of technology system or bank of competencies and roles when creating job descriptions, and about half the time, these are integrated with external systems.<sup>11</sup>

The skills identification process involves taking an inventory of skills that are required within roles and defining the company’s perspective on competency and skills acquisition. Many companies then use that information to develop skill profiles and progression paths that facilitate internal mobility for employees and help them prioritize which skills to develop.<sup>12</sup>

It is vital to position skills with respect to the organization at large and the industry more broadly. As they are defined internally, skills and competency levels should be understood by employees, managers and leadership and ideally have relevance outside of the company (e.g., peers in the industry would recognize it). Revisiting skills regularly, such as once a year, will help ensure the company is staying up to date as automation and other factors shift the future of work. Monitoring the changes in the workplace and current skills gaps in the company can help HR leaders understand opportunities to reskill and upskill the workforce.

To summarize, the process for skill identification is as follows:

1. Take an inventory of current skills and those needed to support business success across roles, with representative input from a cross-section of employees.
2. Align on skill definitions and competency levels within them, using industry standards

where relevant and coordinating with existing performance assessment processes.

- a. Some companies go a step further to articulate how important a skill is to the business—is it nice to have, important or business critical?
3. Establish skill profiles and progression paths to illustrate options for lateral and upward mobility.

Lastly, it is important to incorporate incumbent employee voices in the skills identification process because the employees doing those jobs will be the best at articulating the required skills. Inputs from managers and other business leaders who previously held those roles are also helpful, but soliciting an up-to-date perspective from a current employee is key. There may be nuances in the skills required on-the-job that could be missed by those who are not intimately familiar with the role. This transparency and two-way feedback also help to build trust and buy-in.

### Example

Walmart created a badging process to support skills validation across their organization, starting with a focus on associates in frontline roles. Their initial problem statement was that the organization was unable to capitalize on existing skills in their workforce because they did not have visibility, and their workforce did not have visibility on what skills were required for different roles. The badging solution integrated their learning platform, the Academy (with mobile and in-person components), with skills validation and data management.

First, the team mapped learning content to roles, articulating badges at the role level (e.g., Apparel Associate, Cake Decorating Associate) with attached skills and skill descriptions. From there, the workforce could engage in learning content related specific to a role and its required skills. Upon completion of those learning modules their team lead would receive a validation checklist to confirm if they have seen those skills in practice, and if so, the badge for that associate would be approved and tracked in the learning platform. Some key learnings from this process include:

- **Capturing past experience:** Walmart decided to grandfather badges for associates with a certain tenure, implying that a track record of success in that role is indicative of having those skills. However, the related skills for that role are not attached to the employee until they are validated through the standard learning and assessment channels.
- **Differentiating for competency levels:** After beginning to implement they realized that a one-size-fits-all badge was not sufficient, they needed to articulate levels. The first level, knowledge, indicates that someone has done the learning through the Academy. The next level, experience, captures when those learnings have been validated on the job and confirmed by a supervisor. The last level, expert, indicates the highest competence, someone who is seen as the go-to resource for that role. The exact competency levels are still being ironed out, and the team is mindful of how to ensure objectivity in this process.
- **Strengthening governance:** In such a large organization, it became clear that a governance process for how decisions would be made needs to be developed. This will help to bring credibility and clarity to the

badging process and ensured consistency in implementation. The group expects to have a badge intake process through which business leaders can submit a badge idea—this idea is considered by a governance group to understand how widespread the use case would be (e.g, global vs. segment-specific), assess if the badge is new or duplicative of existing badges, what skills would be related, if there is existing learning content and if they will proceed with establishing that badge.

### Skills measurement

Skills are acquired in three main ways: experience, training and education. The latter two can be easier to measure, since their presence or absence on an employee record is a signal for skills acquired through a given training program or education credential. However, some companies have found it difficult to track education credentials for current employers across systems and have had to engage employees in data collection by asking them to enter education credentials into the appropriate system.

Skills earned through experience require additional work to measure and validate, but many companies and supportive technologies have found effective ways to do it. Whatever path is chosen, it's important to consult in-house counsel to ensure the process adheres to current laws. Skills measurement is executed in a few ways, including:

- Self-assessments for soft or hard-to-measure skills such as time management, communication, leadership, etc.
- Peer assessments from other employees or managers.

- Performance record in roles where specific skills for success are validated.
- An independent third-party assessment.
- Certifications or credentials from well-recognized institutions in a specific industry or role type, such as SHRM for HR roles.

It is important to recognize that any assessment process that depends on human input, such as self and peer assessments, is inherently subjective. This is a challenge in the skills-based movement but has not prohibited companies from making progress. Self-assessments are most effective when the employee understands the purpose of the assessment, such as supporting an initial inventory, and they have trust with both their manager and employer. Objectivity of such assessments can be improved by asking employees to give evidence to support their decision, like describing when and how they demonstrated a specific skill.<sup>13</sup> Peer or manager assessments can be influenced by implicit bias, as with any other manager-led assessment. The combination of self- and colleague/manager-led assessment helps to mitigate these challenges.

For data entry and these various assessments, employees may need support and encouragement to put in the effort. Companies have found that establishing champions at critical points in the organization, such as managers of large teams or leaders of ERGs, can encourage participation. With this, it's important to communicate why the data is important and how it can help employees develop in their careers. The approach to skills measurement may vary across organizations or even within them. What is particularly important is that employees themselves understand the skills taxonomy, competency levels, assessment

processes, and how that relates to their path and progression.

### Systems integration and tracking

In order to create a cohesive and functional skill system, methods for recording and tracking skills are required to create efficiency and continuity. Establishing a functional skill validation strategy early in the adoption of skills-based practices facilitates the scaling of these processes over time, and technology-enabled solutions such as AI and algorithms play a key role.

To address issues of transferability and interoperability of skills, transferable digital skills records or learning and employment records (LERs<sup>14</sup>) are portable and recognizable records for employees to take from job to job, with a common language and understanding of definitions. More organizations are becoming familiar with LERs and incorporating digital records as they design internal processes. Companies should digitize their skills information as early as possible in their skills-based journey to facilitate expansion down the road.

Given the complexity of collecting information and designing processes, technology is an essential tool to scale skills-based internal mobility. Badging is a popular method of tracking validated skills through an accessible and transferrable technology platform. Additionally, other tools like virtual reality and machine learning can help facilitate scaling the validation process for large employers.

Considering the reliance on technology in the skills matching process, some companies are concerned about losing the opportunity to gauge employee potential. The assessment of employee

potential remains an opaque process in most organizations, and this lack of transparency makes mobility for employees even more difficult.

#### Example

Western Union is in the early stages of implementing a skills-based approach across the company. Some of the key components of that process include:

- **Skills identification:** Employees are invited annually to voluntarily update their skills and career interests using the Workday platform. The company also enables employees to review their skills and include any that are considered critical to the company. This is positioned as one way employees can take ownership of their careers.
- **Skills validation:** To increase the value of skills, the company is also piloting skills validation driven by machine learning. This process uses information from employees' talent profiles to validate the source of their skills and will continue to be validated as they participate in available development and learning opportunities.
- **Personalized recommendations:** The company is piloting Workday's Career Hub portal to match employees to relevant connections, mentors, learning and opportunities. It will also enable employees to participate in gigs that support both business outcomes and employee development.

## Challenges

Challenge	Potential solutions
<b>Data volume</b> Capturing, storing and maintaining a skill database for all employees requires a significant amount of data and systems capacity	Technology is an essential part of skills-based mobility, enabling scale and data management. However, companies can find a way to begin with the systems they have, such as integrating skills into employee records.
<b>Validity of skill measurement</b> Self-assessment, peer assessment and manager assessment of skills are subject to bias and may be imperfect	Gathering data points from multiple perspectives and seeking examples to back up the statements in the assessment can bring more validity to the process. Bringing together multiple data points with qualitative inputs such as focus groups or storytelling can help illuminate the bigger picture and mitigate potential bias. There are also emerging innovations in gamified assessments that allow employers to gauge skills more objectively.

<sup>8</sup> [https://www.imsglobal.org/sites/default/files/wellspring/Wellspring\\_II\\_Employer\\_Research.pdf](https://www.imsglobal.org/sites/default/files/wellspring/Wellspring_II_Employer_Research.pdf).

<sup>9</sup> <https://www.td.org/atd-blog/skill-data-dictionary-part-2-taxonomies-ontologies-and-more>.

<sup>10</sup> <https://www.aihr.com/blog/skills-taxonomy/>.

<sup>11</sup> [https://www.imsglobal.org/sites/default/files/wellspring/Wellspring\\_II\\_Employer\\_Research.pdf](https://www.imsglobal.org/sites/default/files/wellspring/Wellspring_II_Employer_Research.pdf).

<sup>12</sup> <https://www.air.org/sites/default/files/2021-07/AIR-Skill-Validation-2021-7-9.pdf>.

<sup>13</sup> <https://blog.avilar.com/2018/10/17/how-to-assess-your-workforce-create-skills-inventory/>.

<sup>14</sup> [https://www.youtube.com/watch?v=N\\_o3TKsyvkl](https://www.youtube.com/watch?v=N_o3TKsyvkl).

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# Chapter 3

## Matching people to growth opportunities



## Chapter 3 Matching people to growth opportunities

Once the skills are validated, the next step is to connect people to opportunities. To retain employees, employers need to provide development opportunities and create clear onramps to those opportunities. The culture of people development at the organization should be flexible, agile and frame career paths in a fluid way to support skills-based mobility.

The outputs to look for in this part of the change management process include:

- Accessible and equitable internal platform for connecting employees with growth opportunities (e.g., gigs, jobs, career paths, other learning opportunities) with a clear link to skill development.
- Relevant and actionable career plans based on skills and career interests.
- Mentorship and training support to grow skills where needed.

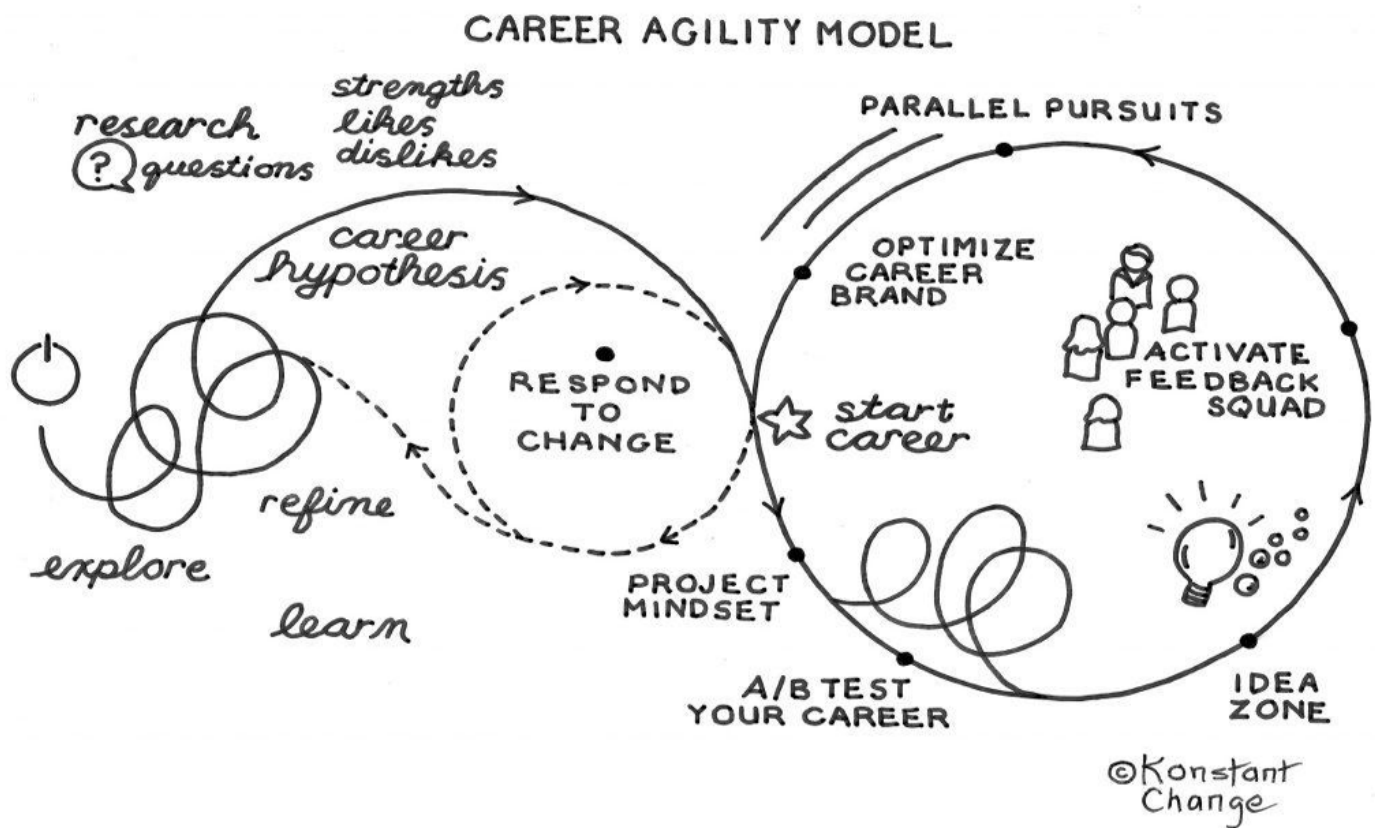




### The Vision: Career agility

The key to skills-based mobility (in any direction) is to create multiple opportunities within a career track for growth and advancement. Contrary to the notion that career trajectories are a linear, one-track path, thinking of mobility in an expansive way provides more opportunities for individuals to find fulfilling careers based on both existing skills and their personal interests. Additionally, the rapidly shifting nature of work and technological advances require a nimbleness to adapt, supporting this philosophy of career agility.

Employers implementing skills-based mobility find the concept of career agility to be helpful. An agile career is a self-reflective career path, guided by business needs and designed to optimize an employee's growth and mobility. Identifying the particular group of skills that are relevant to an organization's growth and competitiveness and matching them to an employee's career path goals create a perfect meeting space for agile careers within enterprise strategy.



Source: Marti Konstant, <https://www.martikonstant.com/blog/what-is-an-agile-career/>.

Given the nature of skills-based mobility and the intentionality it creates for the employee to be in the driver's seat, both agile careers and skills-based mobility create a foundational path to upward mobility. This is essentially a “jungle gym” approach to career trajectory, creating different levels of momentum and movement for an individual based on their goals. This can manifest in many ways within an organization and create paths for advancement. Leaders helping employees chart career paths must be deliberate and intentional what skills are needed for their career progressions. Examples include thoughtful considerations around employees' interests, past life and work experiences, and potential for future growth.

### **Highlighting and creating growth opportunities**

For the company's bottom line and for equitable economic mobility, employees must be able to identify and pursue growth opportunities in their careers. There must be a culture of talent development supported by transparent communications, clear pathways to opportunity, and mechanisms for technical and soft skill development.

### **The Opportunity: Gigs, jobs, learning and mentorship**

Based on role structure and company culture, employees can seek opportunities through a new role, be it upward, lateral or even downward, or through gigs. A gig is a short-term project with a defined scope of work requiring specific skills. Gigs can be a project where new skills are acquired, leadership abilities are honed, networking and engagement is established, or areas of interest are explored. They provide

new avenues of career growth and exploration to employees while addressing morale, flexibility and efficiency, engagement, and rewards for managers.<sup>15</sup>

How gigs support equitable economic mobility, with data from Workday:

- When we looked at different demographic groups, we found that our Asian, Black and women employees were more likely to show interest in a gig.
- 87 percent hosts of gigs expressed the gig worker introduced new perspectives to their team.

Through opportunity marketplaces within an organization, employees can have access to gigs and jobs and select the ones that match their skillsets, goals and capacity. It is important that these opportunities are available to the entire employee base to avoid bias and preferential treatment and are clearly defined by required skills and proficiency levels.

### **The Connection: Job platform**

Skills-based mobility requires accessible and equitable platforms for communicating, which can be established through including key stakeholder input in the user design process. For many companies this may take the form of an internal website that is available to all employees or a tech-enabled solution.

As one HR leader reflected: “Transparency in opportunities is very key—employees need to be able to see the full range of opportunities. It can't be word of mouth or through their network, rather a central place for everyone to see career paths and mobility options within

the organization so they can make decisions based on their interests and skills.”

Opportunity platforms should be:

- **Accessible:** Make sure any digital platform is mobile-friendly for those who don't have computers and translated into multiple languages if there is a multilingual workforce. Engage the HR team and frontline employees to ensure other accessibility concerns are addressed.
- **Checked for bias:** Software and AI programs are designed by people who have biases of their own, and that can influence how a program is built. As companies consider the platforms and technology that can support skills-based mobility, make sure there are testing periods and check points to surface any embedded biases. Efforts like the Data and Trust Alliance aim to mitigate bias over time.
- **Tested with employees:** Any technology solutions should be selected or designed with the user experience and/or input in mind. If the goal is broad adoption, seek feedback from the employees who will be engaging with the technology and include their perspectives, needs and habits in the decision-making process.
- **Compatible with company systems and strategy:** The platform should be relevant and accessible across the business, interoperable with other company technology systems, and aligned to the chosen skills taxonomy.

Informal channels can help highlight growth opportunities and create visibility for employees. Talent acquisition teams and frontline managers are at the forefront of driving this conversation

informally for passive internal recruitment efforts. These organic methods are important to have in addition to technology, to track and understand skills capabilities. Regardless of the exact structure, consistent, development-focused dialogues with employees help build their confidence and empower them to seek new opportunities.

### Example

At Workday, internal mobility is currently at 30 percent, supported by informal mentorship and sponsorship efforts. It expects to see this number go up consistently. Additionally, its annual performance review process focuses on empowering the employee by framing their goals and aspirations with curiosity, rather than a conventional performance-based view.

### The Supports: Mentorship and training

Having awareness of and access to job opportunities does not itself guarantee an employee a job. An important part of connecting people to opportunities is having a support network to help them build their skills and advance their career goals. Employees may need training, guidance or mentoring to achieve their goals and career trajectories. Frontline managers and hiring managers who are positioned as talent cultivators can provide support to develop and advance employees into new opportunities, as well as create space for them to grow beyond their job descriptions.

**Mentorship or networking support:** Though skills-based strategies help level the playing field and mitigate some of the inequities of relationship-driven advancement, there is a

recognition that mentorship and networking are still valuable. Creating more structure for and access to mentorship opportunities ensures that everyone, regardless of their life experience or exposure to professional environments, can benefit from the career advice and support of a mentor relationship. Tips for successful mentorship programs include:

- Empowering mentors to advocate for their mentees in the face of resistance and skepticism from other leaders who may not see their potential.
- Enabling mentors and mentees to build authentic relationships by discussing their differences and understanding any resulting impacts on their perceptions, behaviors and decisions (e.g., resulting from diverse backgrounds and perspectives).
- Incorporating mentorship into employee resource groups (ERGs) and pairing frontline employees with leaders that belong to the same ERG and thus already have a shared experience or identity can accelerate trust-building between mentors and mentees and foster a sense of belonging.<sup>16</sup>

**Sponsorship:** Sponsorship is a helpful complement to mentorship, in which the sponsor plays an active advocate role in their sponsored employee's career development. The sponsor models self-advancing behavior and helps their sponsored employee get the appropriate recognition and advancement opportunities within the organization.<sup>17</sup> Sponsorship includes amplifying the sponsored employee's accomplishments, nominating them for opportunities, connecting them to high-status individuals and defending any negative perceptions that might exist about them.

The best way to support historically marginalized individuals is to effectively mentor and sponsor them, which is why sponsorship is a helpful complement to skills-based advancement.<sup>18</sup> Receiving the insights, guidance and advocacy of a sponsor is pivotal in moving employees forward in career trajectories.<sup>19</sup>

### Example

Chevron has launched a structured sponsorship program to foster advocacy relationships between leaders and employees with the aspiration of developing a leadership pipeline that better reflects the diversity of its workforce. The organization began a pilot of its program with its finance function, as it has clearly defined career paths and cuts across business groups. The organization identified employees with strong, sustained performance who may have experienced potential headwinds (e.g., employees who were not part of established development programs, are from remote work locations or who recently returned from extended leave of absence) and matched them with senior leaders as sponsors. The sponsors use their positional power and relationships to build visibility for their sponsee and help identify opportunities.

**Connections to learning opportunities:** As companies more directly link skills to job roles, employees need to understand what skills are required and have opportunities to develop those skills for upward or lateral movement. Companies can drive a learning-first culture by providing:

- Well-advertised, accessible and curated learning content linked to specific skills.

- Technology to support matching learning content and development opportunities to employees' current skills.
- Processes and systems that support direct managers in actively understanding their employees' skill gaps and development progress.

### Examples

One working group company introduced a digital literacy campaign as a first step to skills-based approaches. The culture within the organization shifted from a training-based development philosophy to one based on learning. This shifted the locus of control to the employee and equipped them with a curated list of essential digital skills of the future.

Pwc shared detailed data on diversity of its U.S. employees in 2020 to uphold the notion of transparency leading to progress and trust for the organization. The report had several positive effects on internal and external stakeholders and helped the organization stay fixated on navigating transparency and accountability through action.<sup>20</sup>

## Challenges

It is important to mention that there are challenges in implementing this work, as with any change management strategy. Understanding the potential barriers before they surface can help the company prepare for them and find ways through and around to reach its goals.

Challenge	Potential solution
<b>Change management challenges:</b> Despite the removal of systemic barriers and creation of new skills-centered processes, hiring managers and frontline supervisors may revert to traditional markers of competency (e.g., formal education) without consistent support.	Building in accountability mechanisms such as reviews with a senior HR or DEI leader or disaggregating advancement data can help ensure progress continues.

Challenge	Potential solution
<b>Legal and contextual challenges:</b> There may be industry-based and legal complexities to eliminating traditional credentials and education from job descriptions.	Deep partnership with HR and legal teams can help you identify where there are legal education or credential requirements that must remain in place.

Despite these challenges, companies are pressing forward with skills-based approaches for the good of their business and their people.

<sup>15</sup> <https://hr.cornell.edu/experiential-development/what-gig>.

<sup>16</sup> Advancing Frontline Workers of Color, FSG.

<sup>17</sup> <https://hbr.org/2021/10/whats-the-difference-between-a-mentor-and-a-sponsor>.

<sup>18</sup> <https://hbr.org/2021/06/dont-just-mentor-women-and-people-of-color-sponsor-them>.

<sup>19</sup> <https://www.forbes.com/sites/forbescommunicationscouncil/2019/09/17/understanding-the-impact-of-mentorship-versus-sponsorship/?sh=1e5ed04940ad>.

<sup>20</sup> <https://www.pwc.com/gx/en/issues/reinventing-the-future/take-on-tomorrow/diversity-transparency.html>.

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# Chapter 4

## Measurement and continuous learning



## Chapter 4 **Measurement and continuous learning**

Capturing learnings, measuring outcomes and creating continuous improvement cycles ensures that skills-based mobility strategies improve and adapt as they develop. From the early stages of development, companies need to align on outcomes and goals to monitor as they go. Due to the emerging nature of skills-based practices, the exact measures may shift as each company figures out what works best for them.

Regardless of how a company defines success, starting those conversations early and engaging key stakeholders, ranging from leadership to frontline workers, is essential. For business leadership, engaging in the measurement and learning process builds buy-in for the rigor of skills-based approaches and articulates the connection between HR strategy and broader business goals. For employees and managers, it provides them an opportunity to share their experience and brings clarity to how this approach can support their individual mobility. Establishing a culture of learning and agility from the outset supports a clear and aligned understanding of the baseline, highlights incremental changes over time, and helps companies adapt their strategy as they go to maximize impact.

### **Metrics**

#### **Step 1: Defining success**

Every organization's definition of success will look different and may change over time. However, there are common high-level goals that most corporate leaders seek with skills-based mobility, such as retention, career mobility, and diversity in management and leadership (see sample metrics developed by the MPI Metrics Working Group below). Articulating a few measurable outcomes for mobility is a great way to launch this process and set the vision for how skills-based mobility can support business goals. This will also help the organization prioritize when encountering tradeoffs and help make adjustments along the way.

It's important to note that mobility may be one aspect of the organization's broader skills-based strategy that includes hiring and other elements,

and the definition of success for mobility should be grounded in the broader impact a company seeks. What does the business ultimately hope to achieve, and what metrics from skills-based mobility can support that? Linking your mobility strategy to this broader corporate purpose can help influence key stakeholders and leadership as to its importance. For examples of metrics beyond mobility, see the Appendix D for the full MPI Metrics Framework.

#### **Step 2: Creating a foundation for success**

Before the implementation of skills-based mobility even begins, having a clear and dedicated executive champion helps emphasize the business value of this work, align key stakeholders and encourage resource allocation for the effort. From there, you can start to establish the data and systems foundation to support continuous learning.



Define and align on metrics you want to track  
Setting up a foundation for measuring skills-based mobility practices may require creativity with currently available sources of data while companies continue to mature their data systems to support this work. Companies must define the key metrics, objectives and outcomes that are most important to them, paying attention to industry standards but staying focused on the stated business goals. Creating a baseline can also help the organization understand where it's building from and track progress as the effort develops. In addition to employee data, this baseline can be strengthened by qualitative input via surveys, focus groups and engagement with business leaders.

### **Figure out where data is housed and who has access**

It is essential to take stock of a company's IT and systems capacity to measure and track the key data. This can start with building the data, IT or HR tech teams' understanding of skills-based mobility, how it supports business goals and what capacities are needed to support it. Since skills-based approaches are implemented by a wide range of functional teams, not just by HR, a clear articulation of roles and responsibilities can help reduce confusion or duplication. Companies should understand where data is housed, how to merge different data sets, disaggregation capabilities, and who has and needs access to data. In seeking to understand what data is available, to whom and when, the baselining process can act as a trial run for future data collection. Additionally, through this process, companies can assess the resources they allocate for HR technology and what additional investments may be needed to support this vision over time.

### **Determine cadence for collecting data**

Once the company understands its data systems and how they will be leveraged to support skills-based mobility, establish a regular cadence for collecting the necessary information. Most companies find a quarterly or biannual cadence for data collection to be the right balance of frequency and effort. More involved efforts like qualitative input and user feedback can happen once or twice a year.

### **Establish clear reporting structures**

Assess which stakeholder groups need what data, how they need to receive it (format and language), and how it will help them in order to create appropriate reporting structures that support their decision-making. Designing the reporting structure to support decision-making will help drive towards increased clarity and, over time, the business objectives.

These reporting structures could be data dashboards, monthly or quarterly reports.

### **Sample metrics**

We collaborated with the Business Roundtable Metrics Working Group, facilitated by Grads of Life, to align on key metrics from their research. The Metrics Working Group identified a list of critical metrics to track a company's adoption of skills-based practices and piloted data collection efforts to test feasibility. The following are select metrics that pertain to mobility for employees, and the full metrics framework can be found in Appendix D.

## 1. Outcomes for employees:

- a. Average level/band of employees with/without a four-year degree or bachelor's equivalent, segmented by job family.
- b. Number, percent and percent change in promotions among employees with/without a four-year degree or bachelor's equivalent.
- c. Average time in band/time to promotion for employees with/without a four-year degree or bachelor's equivalent.

## 2. Outcomes for business:

- a. Percent change in retention (company overall, by business unit, and by level and disaggregated by race and gender).
- b. Percent change in representation of people of color and women in the company overall, by business unit and by level.

## Practice adoption measures

Once the data foundation is established, companies can track their development by using practice adoption measures to understand the maturity of the effort over time. These measures can help the company understand where they're facing challenges in implementation, and what is working well. Examples of practice adoption measures, also sourced from the MPI Metrics Working Group, include:

### Leadership buy-in and accountability

- Has CEO made an explicit commitment to becoming a skills-first employer? (Yes/No)

## Retention & career advancement

- Percent of roles that have articulated clear skills-based career pathways associated with them (and list of those that do not).
- Percent of employees without a four-year degree or bachelor's equivalent who have used learning/skill development resources associated with career paths.

## Integration & scale

- Number, percent and percent change of job postings that have adopted role-specific skills-based interviewing and/or assessments (and list of those that have not).
- Dollar and percent difference between HR budget allocation for non-traditional talent pipeline development/sourcing and university recruiting budget.
- Number and percent of hiring managers that posted a job without a four-year degree or bachelor's equivalent in the past year.

These measures indicate how deeply skills-based approaches have been integrated into talent processes, company systems and budgets. Altogether, they help tell a story of practice adoption and help a company reflect on where they need to invest more resources. In addition to these measures, pay attention to adoption and utilization of skills-based frameworks and language. The uptake and understanding of these concepts are helpful indicators for how widespread and well understood implementation is.

As most companies begin skills-based mobility efforts with a pilot, consider how your pilot is

defined (e.g., within a business unit or single location, a cross-cutting skillset) and the scaling implications for data and measurement. Additionally, this pilot should be connected to the company's broader strategic goals and vision for it to be sustainable.

### Continuous learning

Skills-based internal mobility is new territory for all companies and requires time and patience to perfect. Continuous learning mechanisms can support this learning and adaptation and help identify any potential unintended consequences that arise through implementation.

### Stakeholder engagement

- **Senior leaders:** Senior leaders within HR and especially across business units are important champions for skills-based strategy, and their engagement is essential. Bringing them along in understanding what process shifts are being made, how that affects different stakeholders, and the ultimate potential for business impact can help build buy-in and understanding. Implementing something new may provoke a lot of questions, but surfacing them is essential in order to address any skepticism or concern. See Appendix B for resources and cross-stakeholder networks to support continued learning and engagement.
- **Employees:** Engaging with employees, especially hourly workers and their supervisors, for their feedback and input in the learning process can help create effective and adaptive solutions. Understanding how the implementation of skills-based mobility is (or isn't) landing with the intended audience can illuminate necessary shifts and potentially

mitigate unintended negative consequences. Consistent communication will help ensure early identification of potential challenges.

- As companies advance beyond the pilot stage, leveraging pilot participants as advocates for the program can create further engagement and enthusiasm as the effort scales.
- We recommend regular collection of qualitative feedback (focus groups, surveys, etc.) to understand employee experience of mobility and whether skills-based practices are having the intended impact.

### Communication and transparency

- Active transparency and clarity around data collection and use helps to mitigate potential concern and may illuminate new ideas for how data collection could work. This may involve tailoring specific messages for different internal stakeholder groups and intentionality about the types of data shared with each. Openly communicating how metrics are designed and what decisions they inform is important to build trust within an organization and increase self-reporting and participation.
- Strong communication and transparency can reduce the risk of biased outcomes because more people are paying attention to implementation. But this will only happen if the communication channels go both ways and stakeholders at all levels feel like their feedback on the process is welcome and won't result in retaliation.

**Example**

Vistra created a DEI dashboard using HR data, informed by multiple focus groups of managers and frontline employees. Each HR director has an assigned “data buddy” that is a senior VP at the company. They meet quarterly to review DEI data and have access to the dashboard at all times. This builds understanding at the senior VP level of the key challenges in hiring and mobility, and creates accountability for checking in on DEI progress at all levels of the organization. Managers’ and supervisors’ performance assessments include their contribution to achieving the company’s objectives.

- **Listening sessions:** Just as it’s important to engage employees and managers in the other stages of this process, engaging them in learning and sensemaking can also be meaningful. Once there is a sufficient data snapshot and understanding of how implementation is working, companies can host listening sessions to share the data and understand how it resonates with the lived experience of employees. This can help source stories and other qualitative nuances, as well as highlight potential opportunities and unintended consequences of skills-based mobility.

**Data utilization**

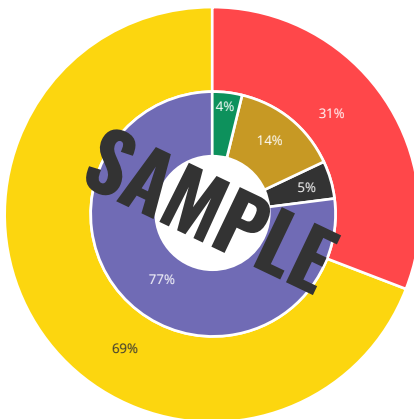
- **Dashboards:** Many companies find dashboards to be an effective, low-lift way of making key data points available to relevant stakeholders. Where this dashboard lives and what it looks like will vary from company to company, but the essential elements are data that is regularly updated, brevity and accessibility.
- **Quarterly or semiannual strategy review:** Build learning sessions into strategy review meetings as a way of making data-informed decisions and real-time adjustments. This does not mean overhauling the strategy if the data isn’t showing the desired results, rather reflecting on what is working, what unexpected outcomes may be presenting, and if there are any shifts needed. Ideally this should include non-HR leaders in order to bring in other perspectives on implementation.

## Example

Chevron shared employee demographic data during a downsizing to help employees understand the impact on diversity. This transparency helped build trust with the workforce during a challenging period and respond to employees' concerns. Chevron also informed employees about the selection process, which included a process to check for diverse candidate slates, diverse selection teams, inclusion counselors to help check against unconscious biases in selections, and unconscious bias training to those involved in selections.

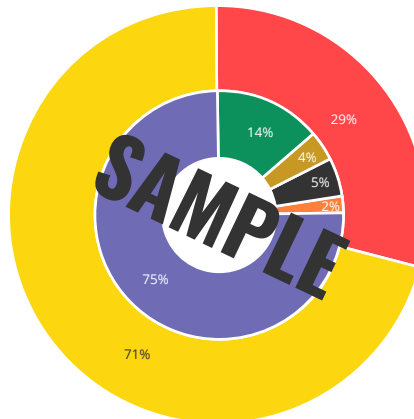
*Note: Data included is for illustrative purposes only.*

**Average selection team**



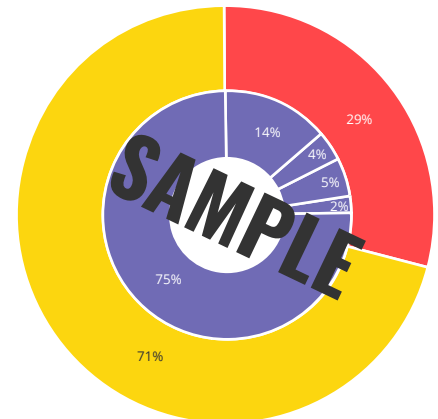
31% female globally  
23% U.S. ethnic diversity

**Anticiated in-scope population (pre-selections)**



29% female globally  
25% U.S. ethnic diversity

**Anticiated in-scope population (post-selections)**



29% female globally  
25% U.S. ethnic diversity

Male Female Caucasian Asian Black Hispanic Other

## Challenges

Challenge	Potential solutions
<p><b>Disconnected data systems:</b> Multiple, separate data systems such as applicant tracking systems (ATS) and human resources information system (HRIS) record different information and are often disconnected in function and usability. Access and interoperability of systems is a major challenge for organizations as they adopt this new way of working.</p>	<p>It is essential for there to be a deep partnership between technology, HR and other departments to be able to effectively communicate and create successful data systems. This is a time-consuming endeavor and will need to be carefully cultivated over time. Building towards one shared data home rather than silos will help mitigate this challenge.</p> <p>For example, at KeyBank, they plan for short-term minimum viable products that inform their long-term data vision. Establishing a clear HR tech strategy aligned with the goals of their skills-based mobility efforts ensures that they are building in the right direction.</p>
<p><b>Measuring things that don't exist today:</b> Since skills-based practices are relatively new in their development it can be challenging to create baselines or measure progress. As companies tested the metrics above, they found educational attainment data to be particularly difficult to track.</p>	<p>Particularly on the educational attainment data, there are a few options for companies to gather that: partnering with a third-party clearinghouse that gathers national education data, employee self-reporting, and a transferable digital wallet/learning and employment record (LER).</p>

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# Chapter 5

## The role of technology in skills-based mobility

## Chapter 5 The role of technology in skills-based mobility

Technological solutions are critical to supporting skills-based internal mobility at scale, allowing organizations to drive business outcomes. Technology can be used to track and integrate hiring and employee data, validate and manage skill databases, create equitable platforms for promoting growth opportunities, and support learning and measurement. Companies can choose to buy or build these components based on what they already have, what resources exist, and how the different systems exchange information and interact with one another (interoperability). Thinking through your technology strategy from the early stages helps align your capacity and systems with the broader vision for skills-based mobility. The resulting change management process involves adding digital tools is an important competency for organizations to consistently build and stay agile and competitive.

Skills-based mobility depends on the three main data systems or technologies that represent the supply of skills (validation and tracking), demand for skills (opportunity platform) and supportive employee data base for all skills management. For more information on each, go to the chapter indicated.

### Three Technology Systems of Skills-Based Mobility



- **Employee and hiring data:** Recruitment data and other information on the employee's career journey. (Chapter 1)
- **Skills validation and tracking platform (or learning and employment records (LERs)):** A platform or system that captures, validates and tracks employee skills, credentials, employment, performance and experience across a breadth of roles. (Chapter 2)
- **Opportunity platform (job board):** An internal job marketplace solution to showcase jobs, short term projects (gigs) and other learning and development opportunities. (Chapter 3)



Technology plays a critical role in efficiently scaling skills-based mobility due to the vast amount of skills data required and different systems to manage and potentially integrate. Though technology is essential to skills-based approaches, these systems should be monitored and assessed to identify bias or unintended consequences. It is critical to create mechanisms that support equity, efficiency, productivity and accuracy using tech solutions and thoughtful stakeholder engagement.

### **Systems planning**

Embarking on this change management journey requires specific attention on the technology and systems that enable skills-based mobility. Initial reflection questions for your company could include:

- What is the ultimate business outcome towards which we are orienting our strategy?
- Where do we begin? How might we create a robust, dynamic and adaptable data foundation?
- How can we use what we have now to get started, and what might we need to build or buy over time?
- What are the cutting-edge innovations in this space, and how can we leverage them?
- How can we manage constraints and challenges re: technology?

### **Key considerations for the planning process:**

- When determining your problem statement in the initial stages, incorporate tech considerations and assess what might be required to support the problem for which you're solving.

- Create a cross-functional team with key stakeholders, such as L&D, Legal, Information Security, HR, and HR tech or IT, to strategize and problem-solve.
- Catalog current technological systems used within the organization and assess how they may help or hinder this process.
- Assess budget, team capacity and timelines to determine what systems or capacities the company will build internally, and what you may be able to purchase.
- Establish the technological minimum viable product to launch the process and focus on the most feasible pilots to lay the groundwork for eventual scale, with regular learning touchpoints to support continuous improvement.
- Incorporate stakeholder feedback mechanisms to understand how implementation is working.

Organizations can build their own tech systems or purchase software/tech platforms from other providers. Organizations should build solutions with an eye to external interoperability, contexts and trends. Purchasing a technology solution may limit a company's ability to customize systems but saves the effort of building competitive tech competencies. Purchased solutions should be vetted for long-term sustainability and soundness, as well as interoperability with existing systems. Furthermore, organizations should be cautious about becoming over-reliant on external software solutions due to potentially pitfalls such as systems crashes, security risk, etc.

## Design and implementation considerations

After companies have done their initial assessment of current technology and built out their plan, the work on design and implementation begins. Whether you are leveraging existing technologies, buying software tools or building your own solutions, the most important considerations are user-centered design and interoperability.

In the same way we advise companies to **engage frontline workers** and supervisors in the planning stages of the entire skills-based mobility strategy, so too should they be included in the technology strategy. Understanding who has access to what technology, literacy and language needs, complexity, and user interface preferences can help companies create solutions that resonate across the entire company. Additionally, this process helps to build trust, buy-in and transparency for employees. For the technology to be successful it needs to be utilized, and first understanding the needs of a wide variety of stakeholders and then testing technologies with them can maximize utilization.

Beyond this testing and design phase, companies must consider the **change management process** of adopting new technologies. Rolling out training to convey why this technology is important, how to use it, and how it supports talent and business strategy will help to build buy-in and understanding. Beyond the roll-out phase, consistent communications and support, such as a helpdesk, can ensure employees have access to the right information when they need it. Additionally, performance support materials (e.g., mini training modules) can provide context on skills-based mobility and guide users on how to participate and why it's important. It's also

helpful to ensure that employees, especially frontline workers, have dedicated, compensated time to complete any skills assessments or validation efforts.

One of the benefits of skills-based internal mobility is that employees have more agency and knowledge about their skills and what is required for different roles in order to shape their career decisions. In order for this outcome to be achieved, the technology solutions should offer more **transparency** than was previously available. The goal is to democratize career paths in a way where they don't depend on relationships or cultural capital, which requires employees to have visibility into career opportunities, requisite skills, and training or learning opportunities to develop those skills.

Lastly, when designing the systems to support skills-based strategies, pay attention to interoperability between the different technologies used within your company, as well as interoperability with industry norms, especially with skills taxonomies, frameworks and definitions. On the first point, the **interoperability** of systems will facilitate more efficient data sharing and learning across the organization. With the latter, though our focus here is internal mobility, it's helpful if employees' skills are captured in a way that positions them for mobility more broadly. Using skills taxonomies and definitions that support business outcomes and align with industry norms allows your company to 1) more easily assess new talent against common standards, 2) position your employees for career success in any company and 3) optimize learning content to support skill development.

## Challenges and opportunities

Challenges	Potential solutions/opportunities
<p><b>AI bias:</b> It is important to note that technology solutions aren't a cure-all solution for bias. Software and AI programs are designed by people who have biases of their own, and that can influence how a program is built. AI has advanced significantly in this area, and several solutions are designed with the ability to check for bias. Still, as companies consider the platforms and technology that can support skills-based mobility, building in testing periods and check points can help you surface any embedded biases.</p>	<p>There are many organizations, platforms and collaboratives that are actively counteracting bias. Efforts like the Data and Trust Alliance will help to mitigate bias over time, as will regular internal reviews to understand what the impact and outcomes the technology enables. Additionally, any technology solutions should be chosen or built with the user experience and/or input in mind. If the goal is broad adoption, seek feedback from the employees who will be engaging with the technology, and include their perspectives, needs and preferences in your decision-making.</p>
<p><b>Systems integration and internal interoperability:</b> With the trend of LERs and digital wallets emerging as a kind of digital verified resume, each company has to consider how to merge this with existing systems. Many companies have siloed systems that exist in different parts of the organization, which can create barriers for HR practitioners and employees.</p>	<p>There are many stakeholders involved in skills-based mobility (e.g., talent acquisition, retention, people analytics, workforce planning, L&amp;D), so it can be helpful to orient everyone around the same business outcome and work backward from that to determine what functionality, access, and how data needs to move across systems. This process should also consider volume, data security, and user experience in those data transfers.</p>
<p><b>Long-tenured employees:</b> Individuals that have long-tenured careers may not have digital records of their experiences and trainings. The translation of on-the-job skills acquisition may get lost to conjecture or guesswork. In the absence of a process to adequately document this information, there may be a limited representation of such employees. This can lead to a disruption of effective mobility and growth of such employees and the overall skills-based mobility process.</p>	<p>Some companies have decided to grant badges, skills or other indicators or competence to employees with a certain tenure and performance record. The assumption is that if the employee has been successful in the role for, say, 12 months, then that is sufficient demonstration of the requisite skills. This can be an interim step to help bring long-tenured employees up to speed and give them time to complete assessments or other processes to further validate their skills.</p>

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## Working Group Companies:

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- Chevron
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- JPMorgan Chase
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# Appendix

## Appendix A Key Definitions

**Competency:** The knowledge and ability to do something at a level of proficiency defined by validating organization.

**Credential (digital credential):** A milestone in a training path that includes multiple skills, such as certifications, diplomas, degrees (i.e., Retail Associate Cert or Bach in Retail Mgt).

**Digital wallet:** A technology tool that is either in an app or web form, which allows for an individual to capture their Learning and Employment Records (LER) and share. They can also include connectivity to career pathway, job search resources and training, or employment application simplification, etc.

**Gig:** Short term, defined projects or on-the-job experiences that match an employee's skills or interests. Gigs allow organizations the ability to get work done and employees to enhance their skills and establish new connections.<sup>21</sup>

**Internal mobility:** Internal mobility is the movement of employees (vertically and laterally) to new career and development opportunities within the same organization. This includes promotions, demotions, new positions, mentorships, cross-team, or additional projects, job shadowing and job swaps.<sup>22</sup>

### **Learning and employment record (LER):**

A digital record of learning and/or experience that can document both wherever it occurs, including in a workplace, through an education program/experience or through military training.

**Skills:** A discrete activity that requires knowledge and/or ability, and are most often defined as hard (e.g. how to operate a register) or soft (e.g. customer service, problem solving).

**Skills-based internal mobility:** The movement of talent laterally and vertically within an organization based on an employee's practical skills and performance rather than solely formal qualifications.

**Skills taxonomy:** The language used to define individual skills and competencies. These definitions allow for machine readable translation across all skill programming (i.e., job families, technical competencies, validation, etc.).

**Validation:** The process whereby an individual's skill is validated by a peer or leader on-the-job review process, technology-based assessment (online or virtual reality), or other approved processes. Once validated, an individual's proficiency level and other information relevant to the learning or experience can be reflected in a badge, LER or other machine-readable technology.

<sup>21</sup> Cornell HR, "What is a gig?"

<sup>22</sup> AIHR, "Internal Mobility: An HR Professional's Guide."

## Appendix B Resources for further learning

Skills-based internal mobility builds on a broad base of HR and people development concepts. Though this Playbook covers tactical advice, here are resources that may be helpful on your learning journey:

### Ongoing field-building efforts

The technology to support skills-based strategies is always evolving, and difficult to capture in a static resource such as this one. Efforts like the [Open Skills Network](#) and [T3 Innovation Network](#), with the support of organizations such as the US Chamber of Commerce Foundation and Digital Promise, are supporting the digital transformation of skills-based talent marketplaces with an equity mindset, building the structure, connectivity and learning for this field. Organizations like [Learning Economy Foundation](#) are also actively developing [resources](#) to help make open data standards, LERs and digital wallets more meaningful and accessible.

Though there are a wide range of platforms available and new providers popping up, grounding in your company's intended outcome for skills-based mobility will help determine the best fit. The abundance of new technologies and efforts to embed equity and anti-bias into these processes offer hope for the long-term transformation of HR practices.

### Learning resources

■ Planning, strategy and stakeholder engagement
 ■ Skills validation
 ■ Matching people to growth opportunities
 ■ Measurement and learning
 ■ The role of technology

Title	Source	Description	<span style="color: red;">■</span>	<span style="color: blue;">■</span>	<span style="color: orange;">■</span>	<span style="color: green;">■</span>	<span style="color: yellow;">■</span>
<a href="#">Beneath The Surface: A Unified Approach To Realizing The Value Of Untapped Talent</a>	SHRM Foundation	The SHRM Foundation, with funding from Walmart, surveyed the American workforce about untapped talent pools to gain a fuller understanding of the state of the inclusion of these groups in the U.S. workforce. SHRM and the SHRM Foundation believe that inclusion plays an integral role in the development of social and economic change in the workplace	x	x			
<a href="#">Untapped Guiding Principles</a>	SHRM Foundation	A report outlining the research and benefits of untapped and unconventional talent pools	x				

■ Planning, strategy and stakeholder engagement
 ■ Skills validation
 ■ Matching people to growth opportunities  
■ Measurement and learning
 ■ The role of technology

Title	Source	Description	<span style="color: red;">■</span>	<span style="color: blue;">■</span>	<span style="color: orange;">■</span>	<span style="color: green;">■</span>	<span style="color: yellow;">■</span>
<a href="#"><u>Skills, Degrees and Labor Market Inequality</u></a>	National Bureau of Economic Research	Working paper around income inequality by degree status and the important role of on-the-job training in human capital formation	x				
<a href="#"><u>Navigating with the STARS: Reimagining Equitable Pathways to Mobility</u></a>	Opportunity @ Work	Report that outlines the experience of STARS who continue to experience the decades-long trends in wage decline and limited upward mobility and ways to remediate this with equitable recovery	x		x		
<a href="#"><u>Internal mobility and skill adjacencies – the future of hiring</u></a>	Learnit	Article around the business benefits, challenges and effective strategy setting of skills-based internal mobility for the current workforce	x				
<a href="#"><u>Internal Mobility and Skills-Based Hiring</u></a>	Human Capital Institute	Webinar covering the various facets of skills-based internal mobility using a sample set of companies	x				
<a href="#"><u>Unlocking experience-based job progressions for millions of workers</u></a>	McKinsey and Company	Report outlining analysis with insights to support jobseekers and expand employment opportunities through job progressions geared towards unemployed workers from low-wage jobs.	x				
<a href="#"><u>Improving Training to Brighten the Future of Black Workers</u></a>	Joint Center for Political and Economic Studies	Report urges for better analysis and disclosure of outcomes by race to ensure that training programs are effective for African Americans. Effective training programs are critical to help Black workers obtain “good jobs”	x	x	x		
<a href="#"><u>Advancing Frontline Employees of Color</u></a>	FSG	Report outlining 23 evidence-based practices for advancing racial equity and fostering working environments where all people feel valued and can thrive	x	x			



<span style="color: red;">■</span> Planning, strategy and stakeholder engagement	<span style="color: blue;">■</span> Skills validation	<span style="color: orange;">■</span> Matching people to growth opportunities
<span style="color: green;">■</span> Measurement and learning	<span style="color: yellow;">■</span> The role of technology	

Title	Source	Description	<span style="color: red;">■</span>	<span style="color: blue;">■</span>	<span style="color: orange;">■</span>	<span style="color: green;">■</span>	<span style="color: yellow;">■</span>
<a href="#">Open Skills Network</a>	OSN	Network of employers, education providers, policy makers, military, non-profits, and other partners dedicated to changing the world by advancing skills-based education and hiring	x	x		x	
<a href="#">Unpacking the Work of Work-Based Learning</a>	Aspen Institute	Report which outlines the behind-the-scenes programming and relationship-building work that practitioners engage in with employers, describing how practitioners have tailored their programs to meet the needs of young adults of color and to support employers in their work to develop, structure, and support WBL opportunities.	x	x			
<a href="#">Developing Employee Career Paths and Ladders</a>	SHRM	The case study collection presents examples of effective employer practice on progression across three sectors (retail, hospitality, health and social care) and six countries (United Kingdom, France, Germany, Sweden, Italy, Spain). The examples provided are from both small and large employers and represent a diversity of approaches to progression. It is hoped that the case studies will stimulate awareness amongst employers about the issue of progression for workers on low incomes.	x				
<a href="#">Progression in Employment: Employer Toolkit &amp; Case Study Collection</a>	IES Institute for Employment Studies	Webinar covering the various facets of skills-based internal mobility using a sample set of companies	x				
<a href="#">Upskilling to engage your people: attracting and retaining talent during the great resignation</a>	Pwc	Article highlighting trends and business case for upskilling during 'The Great Resignation'	x	x			

■ Planning, strategy and stakeholder engagement
 ■ Skills validation
 ■ Matching people to growth opportunities  
■ Measurement and learning
 ■ The role of technology

Title	Source	Description	<span style="color: red;">■</span>	<span style="color: blue;">■</span>	<span style="color: orange;">■</span>	<span style="color: green;">■</span>	<span style="color: yellow;">■</span>
<a href="#"><u>Soft Skills: Upskilling Planning Guide</u></a>	Aspen Institute	A brief step by step tactical guide to develop a soft skills planning program to maximize benefits for employees and enterprises	x	x			
<a href="#"><u>Digital Credentials and Competency Frameworks</u></a>	Wellspring initiative	Report summarizing recent research on the application of digital credentials to education and employment		x			
<a href="#"><u>Measuring Skills at Work: Lessons from the Field</u></a>	AIR	A research-based framework on skills validation, AI tools and systems and tracking of skills learned on the job		x			
<a href="#"><u>Upskilling Playbook for Employers</u></a>	Aspen Institute	Playbook designed to highlight examples of employers modeling new ways of business that advance workers and support long-term business competitiveness via investments in workers through upskilling strategies		x			
<a href="#"><u>Advancing Frontline Women</u></a>	FSG	Report identifies 12 evidence-based practices companies can employ to help break down barriers women face in the workplace, while simultaneously creating a competitive advantage		x			
<a href="#"><u>Planning for Success</u></a>	Aspen Institute	10 advance planning steps to help you get started the chances of successfully implementing a new upskilling program through careful planning, precise execution, and clear communication		x	x		
<a href="#"><u>Choosing the Right Program for Your Needs</u></a>	Aspen Institute	Report outlining six types of upskilling programs			x		

■ Planning, strategy and stakeholder engagement
 ■ Skills validation
 ■ Matching people to growth opportunities  
■ Measurement and learning
 ■ The role of technology

Title	Source	Description	<span style="color: red;">■</span>	<span style="color: blue;">■</span>	<span style="color: orange;">■</span>	<span style="color: green;">■</span>	<span style="color: yellow;">■</span>
<a href="#"><u>Understanding The Impact Of Mentorship Versus Sponsorship</u></a>	Forbes.com	Article which explores the implications of mentorship and sponsorship in the workplace			x		
<a href="#"><u>The New Landscape for Workplace Learning: Employers and Workers Managing the Digital Transition</u></a>	Northeastern University Center for the Future of Higher Education and Talent Strategy	This study aims to identify patterns and themes related to how employers are approaching and supporting lifelong learning for their employees, including employers' motivations, attitudes, and investment priorities. In addition, the timing of this research sheds light on the impact of the pandemic and the new trends that are emerging in the working and learning ecosystem.				x	
<a href="#"><u>Using People Analytics to Build an Equitable Workplace</u></a>	Harvard Business Review	Article that covers the various pros and cons of people analytics and its use in the workplace					x

## Appendix C Skills-based internal mobility illustrative technology providers

In the process of developing this Playbook, employers shared a range of technology products and services that they use to implement skills-based mobility. The following list captures the solutions that were surfaced from company experience and secondary research. These providers have not been vetted in any way, and this appendix is not meant to be a list of preferred providers but rather a sample list of providers that can provide technology solutions and/or support.

Skills validation Opportunity platform Employee data

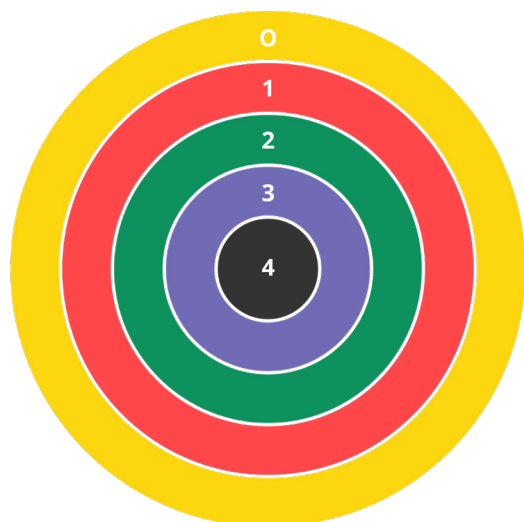
Provider	Description	Skills validation	Opportunity platform	Employee data
<a href="#">Badgr</a>	Article which explores the implications of mentorship and sponsorship in the workplace			x
<a href="#">Credly</a>	Digital badging platform, workforce insights and digital credential network	x		
<a href="#">Degreed</a>	Skill development and internal mobility, skills data and analytics, multiple solutions opportunity platform		x	x
<a href="#">Ed Design Lab</a>	Multiple solutions platforms like Xcredit, including Micropathways, Badged to hire, etc.	x	x	x
<a href="#">Eightfold</a>	Customizable solutions for operational processes and streamlining of technology across organizations	x	x	x
<a href="#">Gartner TalentNeuron</a>	Real-time labor-market analytics tool based on large scale data analytics.			x
<a href="#">GLOAT</a>	Internal talent marketplace helps enterprises democratize career development, unlock skills and future-proof their workforces, by utilizing a powerful AI engine and relying on years of experience and implementation Internet of Education, the democratization of credentials, interoperability innovation platform. Credential mapping across life and work experiences, career pathing accessible and verified via apps		x	x
<a href="#">Learning Economy</a>	Internet of Education, the democratization of credentials, interoperability innovation platform. Credential mapping across life and work experiences, career pathing accessible and verified via apps		x	x
<a href="#">PAIRIN</a>	Personalized, science-based technology that supports skill development and career services across workforce development, governments and educational institutions	x	x	x

Skills validation
  Opportunity platform
  Employee data

Provider	Description	<span style="display: inline-block; width: 15px; height: 10px; background-color: red; margin-right: 5px;"></span>	<span style="display: inline-block; width: 15px; height: 10px; background-color: purple; margin-right: 5px;"></span>	<span style="display: inline-block; width: 15px; height: 10px; background-color: orange; margin-right: 5px;"></span>
<a href="#"><u>Questionmark</u></a>	Multiple solutions platform spanning skills building, validation, career pathing, training etc.	x	x	
<a href="#"><u>Radancy</u></a>	Multiple customizable solutions candidate matching and other data driven solutions.	x		x
<a href="#"><u>Skillable.com</u></a>	Full stack platform for skills development, validation and enablement	x	x	x
<a href="#"><u>Workday</u></a>	Skills gaps, strengths, career growth platform	x	x	x
<a href="#"><u>Xcredit</u></a>	Life and work experience skills validation platform	x		

# Appendix D Metrics framework

## 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

0

1

2

3

4

## 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

0

1

2

3

4

## 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.