

Ramona Schindelheim, WorkingNation editor-in-chief:

You're listening to Work in Progress. I'm Ramona Schindelheim editor and chief of WorkingNation. Work in Progress explores the rapidly changing workplace through conversations with innovators, educators, and decision-makers, people with solutions to today's workforce challenges. One year into the COVID-19 pandemic and 10 million people remain out of work and looking for a job. Millions more find themselves in jobs that can best be called lifeboat jobs, jobs that help keep you afloat and paying at least some of your bills, but don't necessarily offer a pathway to a good career. The pandemic has also sped up the changes in how we work, often requiring job seekers to acquire new skills through training programs or other post-secondary education, many of which come with an industry recognized credential of some kind. Here to sort through what can be a complex and somewhat confusing world is Scott Cheney, CEO of the nonprofit Credential Engine. Scott, thank you very much for joining us.

Scott Cheney, Credential Engine CEO:

Oh my pleasure. Thanks for the invitation.

Ramona Schindelheim, WorkingNation editor-in-chief:

Let's talk about how big world is, it's growing. You guys just put out a report last week that I found amazing. A number of almost one million different credentials out there. Tell us what you found and what counts as a credential.

Scott Cheney, Credential Engine CEO:

That's a great question Ramona. What we found in the report is that the number of credentials in the United States just continues to grow. And what we mean by a credential is anything that is intended to help a person tell somebody else what they're able to do, what they've learned, what they've been trained to do. So it's anything from a high school diploma, it could be a certificate or a certification, a badge that's increasingly popular, degrees of every type, licenses, so those things that you would earn at the end of your education and training that you want to be able to show people, this is what I'm capable of.

Ramona Schindelheim, WorkingNation editor-in-chief:

And this could include like a diploma, so you can go to a four year college, it could include like a seven month intensive course, correct?

Scott Cheney, Credential Engine CEO:

That's right. So it's ranges from full PhD down to possibly a 10 hour course that you might get a certificate of completion. You might get a badge for a one day attending of a leadership or a diversity and equity training. So it's really a whole range of things. And they're all things though that you want to be able to show somebody that I attended this, I finished this, I earned this, I've been certified to do something. And so it's a whole range, and we don't suggest that there's an equivalency between a diploma and a PhD or badge and a license, but we do suggest that increasingly people are earning all of these things. And if you're trying to get a new job or move into a next level of education, you want to be able to show the totality of yourself and all the skills and all the credentials that you've brought with you, because that represents everything you're capable of doing.

Ramona Schindelheim, WorkingNation editor-in-chief:

Do employers value them as much as you may value them?

Scott Cheney, Credential Engine CEO:

Well, I think that's a great question, and we don't really know. What we do know is that the report that recently came out from AIR shows very clearly that employers still, if you look at it through how much they're willing to pay, still value, credit bearing, credit related kind of credentials more, but that's probably a lot of just kind of baked in history that we don't know how to understand collections of skills that might be conveyed in shorter term credentials like we do longer term. A lot of it is bias, a lot of it has led to a lot of inequities, so I think employers are making real strides to move to more of a skills-based hiring and to understand the value of shorter term, very targeted credentials, but it's a big shift to make when you've been programmed for so long to think a four year degree is the gold standard. And is it really? And we just don't know the answer to that really.

Ramona Schindelheim, WorkingNation editor-in-chief:

Let's say you get a credential from A and a credential from B, how do you know, how can anybody know that they are worth the same in the marketplace?

Scott Cheney, Credential Engine CEO:

So one of the things that we work really hard at is to make sure that we understand what people are looking to know about credentials to be able to make that determination. And to leave it up to the users of that information, to be able to make their own determinations about quality and value. We want to make sure that we can describe everything from the skills and competencies that make up a credential to the labor market outcomes, what do you earn and what are the employment rates? To does a credential actually help you move onto another opportunity, or is it a dead end? What are the pathways and transfer opportunities of that information? Do you have a return on investment?

Scott Cheney, Credential Engine CEO:

It's not for us to make the determination of which credentials are good and bad, but we want to make sure all of that information is collected and shared openly, because as my board chair frequently reminds me, what is valuable to a worker in Central Washington might be different than what's valuable to a worker in Seattle. And we want to make sure that we give everyone that information so they can make the best decisions given their conditions and their circumstances and their opportunities. So we want to make sure that that information is made transparent and comparable so that others can then help make those determinations of what's best for them.

Ramona Schindelheim, WorkingNation editor-in-chief:

So how does Credential Engine work? What would happen if I go to your website?

Scott Cheney, Credential Engine CEO:

We're actually not a service that is intended to be visited by the average job seeker. The way to think about what we do is to understand that when you use Expedia or Travelocity and you want to look up a hotel room and a flight and you, in days when we travel again are going to take a trip to Hawaii and you want to be able to have comparisons regardless of what site you're on about the cost of the airlines and the availability of hotels, well, Travelocity and Expedia rely on knowing that the data, the information

about those hotels and those airlines is consistent across whatever platform you're on. And honestly, whether you're going to stay at a Marriott or a Hilton.

Scott Cheney, Credential Engine CEO:

So we're the people that make sure that the data is consistent and open and usable in platforms like a Travelocity or Expedia, and so we don't actually ... we're not a Travelocity, we're the data layer behind it. So we work with organizations that are direct to consumer, whether that consumer is an employer or an educator or a student who are then taking that information and putting it in the hands of their users. So it's really about making sure that we're putting the data in the formats that are most useful in modern web based tools.

Ramona Schindelheim, WorkingNation editor-in-chief:

One of the things in your report and we've touched on this already is that there is now a vast number of these credentials. Is it important that a job seeker have a credential right now? How can we make sure a job seeker gets a job that they can perform, and maybe not so costly because credentialing can be costly?

Scott Cheney, Credential Engine CEO:

Sure. So the way to think about a credential, I think is simply a bucketing of a set of skills. And a set of skills could be one and you learn that skill and someone says, great, you've earned it, you've demonstrated competency in that skill, and I'm going to issue you a certificate that says you can do that skill. A credential could also be a whole set of different skills that would earn you an apprenticeship. And so you are now a journeyman electrician, which is not just one skill, it's a whole bunch of skills to make sure that you hook things up, right, and it might be that you get a set of different credential as an electrical engineer. And that's a PhD level where you're not just doing it, but you're actually studying how to do it.

Scott Cheney, Credential Engine CEO:

So credentials can be really simple and really concise. They can be very complex and have multiple skills needed, meaning multiple years to earn. So the key is really to have a clear indication of what exactly you've earned in that credential. What are the skills and how do you then convey that usefully to an employer to say, "Ah, I need someone with that skill or that set of skills, and I see that you have it because you have this credential, and I see the skills in the credential, and I can see where the match could be made." And that's going to just vary from individual to educator, to employer what that matching looks like, and you can do that better if we understand, are you looking for a one night in a motel as you're driving through town, or do you need a week at a luxury hotel because you're entertaining guests and clients, and you make the choice about what you need.

Ramona Schindelheim, WorkingNation editor-in-chief:

There are some government organizations that are already doing a good job of this. I know that the Department of Labor is ... they have their apprenticeship programs and they are generating better information so you can look at the different programs, you can compare them. What can you tell me about what the government has been doing on the state and federal level?

Scott Cheney, Credential Engine CEO:

I'm really glad you raised that example because you're right. There's really good data about apprenticeships. The Department of Labor also captures information about licenses and certifications around the country and Department of Education has a college scorecard now. So the challenge is that if you wanted to go into IT and you had an opportunity to look at in lovely Los Angeles where you're located, three different bootcamps, probably three or four different apprenticeship opportunities, some online programming from some of our friends in the online education world, there's a number of community colleges that offer IT programs, there are four year opportunities, so there's a whole range of different choices.

Scott Cheney, Credential Engine CEO:

But unless you have all of that information across all of those different credential types and providers in a common format, that you can actually pull them into a tool and lets you look across all of them and compare them, you're going to spend time on the apprenticeship website and then try and make sense of it when you read the bootcamp description, and then there's a community college, but it's certificate and a two year ... it's just really hard unless all the data is in a common format that you can actually have the compatibility.

Scott Cheney, Credential Engine CEO:

So what we do is not suggest that what the Department of Labor has is not great, we want to make sure that someone looking at the apprenticeships offered through the department or with their registration are comparable to all the other opportunities in the world around IT. And give people that information so they can be making their best decision, because people don't come into the world or into the marketplace saying, "Ah, I really want to be an apprentice, or I really want to be ..." They say, "I want to go into IT, and I need to understand the relative value and opportunities of all my pathway opportunities to get into IT." So that's where common data structures really helps move this entire effort along.

Ramona Schindelheim, WorkingNation editor-in-chief:

If I was a young person or a job seeker of any age, thinking about what my path should be to a good career what advice would you give them when they're looking at programs, training college, out there, what advice would you give them?

Scott Cheney, Credential Engine CEO:

Easier said than done right now, because this is still a mission in progress, but we want to make sure that they're actually getting comparable information about really important data points. So what are the connections between the skills that I would earn in that credential and the skill requirements of employers in my area? What are the kind of returns that would come from these opportunities? Are the credentials ... and we talked about this a second ago, are they dead end opportunities in that, you could earn it, but no one else is going to recognize it and give you credit for it, and they're going to make you just take the classes and the courses over because they don't recognize the opportunity from where you got it?

Scott Cheney, Credential Engine CEO:

So thinking about really opening, having a credential and an opportunity open as many doors as possible without shutting so many doors around you, that you find yourself trapped. The challenge, as I said, is that a lot of that data is still really hard to find, and it's really hard to compare. So part of our mission is to be working with the federal government, working with state governments, to ensure that not just are

they making information available, but they're making the right information available and requiring that the right information be available so that people have access to it to make better decisions.

Scott Cheney, Credential Engine CEO:

So we've been working for the past year with a set of partners to inform and move state policy that will have states take a lead in ensuring that there is, as I refer to it wall to wall transparency about every credential that's offered in a state. And the state has that authority and has that obligation to its citizens, to make sure that they have the best information possible to make the most informed, and most valuable options for themselves. A number of states are beginning to improve the search and navigation and guidance tools that they're making available to their students, and unemployed workers, and incumbent workers, so that they're thinking about how to include this kind of transparent data more effectively, so that you actually have better real time information about the credentials that are offered in the state.

Scott Cheney, Credential Engine CEO:

And increasingly we're working to make sure that the states can also then link that data to job offerings and job postings that are in the state, so you can see those pathways between credentials and the opportunities. States are getting better at this, and they're going to be getting more advanced in this work over the coming years. And I think between the states making this information accessible so they can make it usable through state tools, but also then make that data available to a whole range of different providers, vendors who build applications from LinkedIn and Google to others. We're going to see some really exciting market developments and innovations and how you use this data best to meet the needs of workers, that I'm really excited about.

Ramona Schindelheim, WorkingNation editor-in-chief:

And if we don't make this credentialing transparent and we have millions of people out of work, what's the result?

Scott Cheney, Credential Engine CEO:

So first of all, shame on us and shame on the political and policy and institutional leaders who have the opportunity right now to do this. This didn't ... this wasn't possible even five years ago, but we were established by the Lumina Foundation and J.P Morgan and the Business Roundtable to make this possible. What would end up happening is that we end up leaving hundreds of thousands and millions of people who are looking for the best opportunities to get them the best skills they need to get to the best job, we're going to leave them in the same kind of morass that they're in now.

Scott Cheney, Credential Engine CEO:

But on top of it, we're just going to see more and more credentials being created and offered in the marketplace, that just makes it more confusing and is just going to lead to more dire outcomes for people that don't have the tools and resources on their own to sort through this. And we're going to see more people in greater debt, unable to put their talents and their skills to work in the most effective way. And that's not only socially inefficient, it's morally irresponsible to leave us in that kind of a condition when we've got the tools and resources to fix that right now.

Ramona Schindelheim, WorkingNation editor-in-chief:

Work in Progress Episode 169 – Scott Cheney, Credential Engine CEO

Scott, thank you so much for joining us on Work in Progress.

Scott Cheney, Credential Engine CEO:

Thank you for the invitation. It was a pleasure.

Ramona Schindelheim, WorkingNation editor-in-chief:

I've been speaking with Scott Cheney, CEO of the nonprofit Credential Engine, I'm Ramona Schindelheim editor and chief of WorkingNation. Thank you for joining us.