

Ramona Schindelheim, WorkingNation editor-in-chief:

You're listening to Work in Progress. I'm Ramona Schindelheim, editor-in-chief of Working Nation. Work in Progress explores the rapidly changing workplace through conversations with innovators, educators, and decision makers, people with solutions to today's workforce challenges.

Ramona Schindelheim, WorkingNation editor-in-chief:

The Education Design Lab is a national nonprofit that co-designs, prototypes, and tests education-to-workforce models. Kathleen deLaski is the founder and CEO of the lab. Kathleen, thanks for joining me on the podcast.

Kathleen deLaski, Education Design Lab founder & CEO:

Thanks for having me.

Ramona Schindelheim, WorkingNation editor-in-chief:

This is a conversation that we've had quite a bit with you and others, that we're in the midst of this huge shift in thinking about how we prepare and educate our workforce, one that is even more focused now on skills than ever before. In your new report, Skills Visibility, you discuss what you are calling a reset in the relationship between three key stakeholders in this new economy that we're basically living in and that we're going to be living in for a while. Let's start with a definition. What are those three key stakeholders?

Kathleen deLaski, Education Design Lab founder & CEO:

We believe that the learner, of course, is at the center. We actually have tried to socialize a new term, which doesn't really work when you say it. It's better on paper, but it's the idea of merging the learner and the earner, because if you're designing a new skills ecosystem, you have to recognize that 75% of students past high school are working, and that more and more it's about re-skilling and shifting to the jobs and the careers and building the skills that you need as you go through your life and your career. The first key stakeholder is the learner and the earner, so we're putting them together as one stakeholder.

Kathleen deLaski, Education Design Lab founder & CEO:

Then the other two are employers, of course, who are doing the hiring. They're on the other side of this two-sided transaction of hiring. Then the learning institutions are the third key stakeholder, because they're the ones that are supposed to be, and have traditionally been preparing learners to become earners. It's all merging into one set of challenges and tasks now.

Ramona Schindelheim, WorkingNation editor-in-chief:

Let's talk about the learner first, because as you said, all these people are working and they're trying to learn as well. One of the numbers that we use all the time is really only one in three people in the country, adults in the country, actually have a bachelor's degree. Most of the people are learning on the job or they're learning with a certification or a community college. How much of a shift do you see going on with that right now?

Kathleen deLaski, Education Design Lab founder & CEO:

The enrollment in, let's take community colleges, which are training the 60% of people who don't have degrees and probably another half of the people who start out in community college who do get degrees, so that's a vast majority of all people are using a community college model. Their enrollment over the past decade has been down. Altogether it's 15 to 20% in some cities and regions, accelerated a lot during COVID. You see people walking away from the traditional degree model, at least the people who are starting it from community college, which is what we call new majority learners and earners, who are the groups that we're serving.

Kathleen deLaski, Education Design Lab founder & CEO:

What does that signal? I mean, it's signals that consumers and people are looking for shorter term programs, shorter term paths to not just to a job, but to a career. That accelerated a lot during COVID, too. The mismatch right now as we move to this second curve of what we would call a skills-based economy, is that we haven't figured out how to serve the new needs of the majority of the population with the kind of skill building and skill mastery, and then demonstration of those skills that we need to get to.

Ramona Schindelheim, WorkingNation editor-in-chief:

We've seen that shift, that change, on what maybe the learners want is changing the learning institution, so that second part of the triangle there. It is changing the way they have to be competitive. What are you seeing in that space? Are you seeing more programs started or are you just seeing them evolve?

Kathleen deLaski, Education Design Lab founder & CEO:

Yes, I think colleges of every stripe are being way more responsive to producing job ready graduates. They're struggling a little bit more in creating the stackable credentials that might allow you to have a short-term credential of high value that can get you a job, that then let's say you're in that job and you might be earning another short-term credential to move up the ladder. That's part of what the Skills Visibility paper is talking about, is how do we help learners visualize all the possibilities? In the context degrees, maybe, but not if that's what they think they don't need or want, and how do you stack, like interlocking Lego blocks, the pieces of a career training trajectory that can shift and turn and be agile? If you hit a pandemic and you say, "I don't want to be in hospitality anymore," or whatever happens, that you can see the possibilities.

Kathleen deLaski, Education Design Lab founder & CEO:

That's one side of it. And more importantly, that you can capture the value of all of your skills, not just the degrees that you've finished, because that is only 40% of people. The other 60% have fabulous assets often that they've learned on the job, or from taking care of an elderly parent as a home health aid, but not having a certificate for it. How do we offer, how do colleges offer... And they're beginning to grapple with this. It's really exciting. How do we assess all of the learning that people are doing, not just learning that they're doing in the old fashioned classroom?

Ramona Schindelheim, WorkingNation editor-in-chief:

Well, and that comes to the third part, and then we can get in a little deeper, but the employer. They are now, I see such a trend where through like Guild and others, where they're offering this training to the employees to try to build on those skills they have, and to make sure those skills that they don't have, they have an option to get them, a way to get them. I'm sure you're seeing the exact same thing.

Kathleen deLaski, Education Design Lab founder & CEO:

Yes. The employer piece has been exciting because they've been sort of the last of these three key stakeholders to come to the party, partly because their hiring systems, particularly the larger employers, are not set up in skills-based form. They have to rethink job descriptions to shape them in skill clusters. What are the actual skills that we're asking for? Because they have to send signals both to the training providers and the learners about, okay, what are the job functions that we actually need for this role? Job descriptions have not really been organized that way to date. That shift is beginning to happen. That's one piece that we really see happen.

Kathleen deLaski, Education Design Lab founder & CEO:

Then another is that employers are starting to say, okay, we cannot hire enough people if we require degrees, and so we have to look at what they're calling multiple pathways. In fact, we're helping the business round table with this work with Fortune 500s. We're working with several other groups that are employer groups that are asking, okay, how do we remove our degree requirements? What's the chain of events that needs to happen?

Kathleen deLaski, Education Design Lab founder & CEO:

If you just saw, was it last week? Maryland, which is my next door state, just announced that they were going to remove college degree requirements from state jobs. President Trump in the last administration did that as well through an executive order, and that began to do some work in that. So you see it happening at the government level as well.

Ramona Schindelheim, WorkingNation editor-in-chief:

So the title of the report is Skills Visibility. So again, all those three, how do you make your skills visible? How do your employers signal that these are the skills they want and how does a college capture that so that? That feels like the bucket we're talking about here. Do you see anybody doing it well, do you see any organization or institution or business doing this well?

Kathleen deLaski, Education Design Lab founder & CEO:

That's a really good question. What we see are emerging pieces of different parts of the ecosystem. In the paper, we actually name maybe 10 to 15 groups. We have sections throughout the paper called Skills Visibility in Action, where we name the work of early groups that are starting to make all this happen. What's interesting is that for about five years, a lot of the players have been building the infrastructure for what we call the skills-based hiring ecosystem. They're working on the technologies, they're working on the standards that your digital skills would be represented in so that it can be a currency across the land. There're these learner wallet pilots that are about to come out. The Indiana Learner Wallet Project is probably the most well known, where the whole community college system of Indiana is working on it. There are a number of other groups that are coming out with learner wallet pilots, and we're calling these in the paper, the human trials are about to begin, right?

Kathleen deLaski, Education Design Lab founder & CEO:

We've been working on the infrastructure and the technology for about five years. Now we're going to see how this lives in the wild. Will learners show up? Will employers use the system? Because if they do, we have the potential to have a much more equitable hiring and talent ecosystem, because visibility is the magic piece of the puzzle. If we get it right, we will have a much more equitable system that can

begin to mitigate the wage and wealth gap for minorities and new majority learners in this country. If we get it wrong, and this is sort of why we put the paper out now, we recommend design criteria for how the system can be most equitable. Because if we get it wrong, we could just recreate a lot of the biases in the old analog hiring system, which we believe is exclusive, it's high stakes, and it's broken.

Ramona Schindelheim, WorkingNation editor-in-chief:

Talking about the learner wallet, I mean, I've talked to a couple different people about, there are so many credentials out there signaling what skills you may or may not have, and how do you know how to value them. So it feels like, is there going to be a one standard? Is a learner wallet going to include credentials, and who's going to judge them?

Kathleen deLaski, Education Design Lab founder & CEO:

Yeah, that's one of the things we talk about in the paper that the validation piece needs to be universal. If we're saying that the first stage of this new talent ecosystem, which we're calling a virtuous circle, by the way, is to connect all of your learner experiences to give you access to those that the second piece would be a much more robust validation process that does have universal signal value, so that if you're getting your skills validated that you... were a home healthcare aid, helping out your elderly parent, that the Home Healthcare Aid Association of America is teamed up to say, here's what the assessment looks like whether you went through a formal training or not, for example.

Kathleen deLaski, Education Design Lab founder & CEO:

The third piece is how does it display in your wallet? Can you get at learners? It's going to be on our phones apparently. We're going to be able to access our skills and cluster them in ways that we can see from the apps that will be available, that certain types of employers are looking for this cluster or that cluster or this configuration. We'll be able to learn how close of a match we are for those roles. We can turn on our discoverability mode and apply for jobs, which is a huge inclusive change from a closed system now where you have to know people really to get past the applicant tracking systems, right? So those are some of the possibilities and the promise of the skills based ecosystem if we get it right.

Kathleen deLaski, Education Design Lab founder & CEO:

To your question about, okay, there's a million credentials out there right now, how do we make sense of them? One of the calls to action, we have a series of calls to action, is to ask states to take a lead role here and to adopt credential assessments and standards across states. In other words, not just to pick and choose and reinvent the wheel each time a state is deciding what is a credential of value in this state, can we create consistency across competency frameworks, as they're called?

Ramona Schindelheim, WorkingNation editor-in-chief:

There is a massive digital divide in the country, still though. There's people that don't have the broadband access. They don't have the digital skills, and they may not have the tools, a laptop. Are you worried at all that something like this wallet might be still, creating a big divide?

Kathleen deLaski, Education Design Lab founder & CEO:

Yes, of course. As we always say in these cases, that's not a reason not to do it, but it's a reason to have intentionality and funding, and groups identified that provide the wraparound services for the folks left behind from the digital divide. I think of groups that we've worked with on the ground, such as Goodwill

services, other job centers, where part of their role is to have coaches. One of the design criteria that we have is that advising, it needs to follow the learner or the earner through the system. In other words, we dis intermediate college if we say we no longer are expecting people to go to one education institution, and therefore advising lives there. That organization is responsible for getting, helping them get hired. Right now you're getting your learning experiences from all over the place, right? So what happens to advising?

Kathleen deLaski, Education Design Lab founder & CEO:

I think for this population, we're particularly concerned. We have to design in ways that we have this concept called ed guides, which is, it's sort of like it would be paid for by financial aid where you're getting the support from the human touch, from a coach that is helping you navigate this system, because it won't be harder than the old system, but it definitely will have challenges.

Ramona Schindelheim, WorkingNation editor-in-chief:

Where are we at in this process? How much time do you think we're going to take to get there?

Kathleen deLaski, Education Design Lab founder & CEO:

How much time are we going to take to get there? I keep asking that because these human trials, as we've described them, where we're going to have some of the first learner wallet pilots, that's where we're actually going to see your learning data coming into your wallet and we're going to learn what do learners do with it? Is it empowering? Does it help them both see the possibilities for their future, does it help them organize their skills and understand their possibilities in terms of career paths? Does it help them get hired? These are the sorts of things that I think those trials will probably last for the next two to three years as many of the entrepreneurs in the space are building out some of the supports. You have groups like LinkedIn and you have organizations.

Kathleen deLaski, Education Design Lab founder & CEO:

There's a group called smart resume, for example, that's working on what are the resume features that you'd want to offer people who have access to their skills wallet. You also have groups that are just helping to track all the data. So, I would say that the innovation on the for-profit side and the nonprofit side, you'll really see that kick in this year through 2025, 2026. You probably won't see anything that looks like this imagined future state that I'm describing to you until the second half of this decade. But you'll start to see the big beginning of it by the end of this year.

Ramona Schindelheim, WorkingNation editor-in-chief:

As the lab has been working over these last couple of years, are there any innovations that you have seen that you feel like have changed the lives of learners now? I always love to champion good programs.

Kathleen deLaski, Education Design Lab founder & CEO:

So learning provide are a key stakeholder group, and they're actually moving the fastest. It's partly because their current model is in trouble, right? They recognize that they have to evolve in order to survive. One of the things that they're really beginning to do is to design flexible, short term pathways, and learners are responding because they're much more intentional than the original work-based learning programs that happened in the last century.

Kathleen deLaski, Education Design Lab founder & CEO:

I'm very excited about that, because learners are responding to them. We are operating a program called the Community College Growth Engine Fund with 22 of the leading community colleges who are testing this model. It's called micro pathways, and it's the idea that you design with employers specific micro pathways that are based on high demand roles that lead to livable wage. We've designed 30 of these pathways just in the last year with these 22 community colleges. That's one of the key calls to action from the paper is, that learning providers need to line flexible competency based pathways that are responsive to employers and what learners are asking. I'm excited that that piece is moving ahead and we're adding more colleges every day and more employers who want to work on pathways. That feels like an early area of progress in this trajectory. I wanted to point that out.

Kathleen deLaski, Education Design Lab founder & CEO:

The other is a body of work that a lot of partners are doing, and we mentioned this in the paper called ex credit. That's short for experience credit. That is really an attempt, and one of the first attempts, because it's hard. So people, the commercial providers, haven't tried to really do this, but how do you capture and credential non school based learning in a way that employers are willing to validate, right, to say, we will count this experience that you have instead of three or four years of college. So we're working with employers and we're working with actually the military, [inaudible 00:18:36] is funding this work, ex credit, which is looking at what kind of assessments can stand in for a degree when an employer wants to see verifiable validated skill. That work is in its second year, just starting its second year, and has a showing a lot of early promise.

Ramona Schindelheim, WorkingNation editor-in-chief:

I love what you're doing and it's changing the way people are finding a career path. What inspired you to found the company?

Kathleen deLaski, Education Design Lab founder & CEO:

Well, we don't think of it as a company because it's a nonprofit, and we think of it as an innovation engine that is really trying to be a bit of a boundary span between and among these stakeholders that we talk about, particularly learning providers, employers, states, regions, but with always coming through the lens of the needs of the learner and the changing learner, and really the changing learner that we are focused on is the equity focus. What inspired us to found the organization, I think really was an understanding that we were hitting a transition moment when the learner would have the opportunity to be empowered, because and this was 2013, we saw this sector start to get disrupted, but mainly by investment bankers and venture capital. We wanted to build a voice among innovators, what we call entrepreneurs, like inside of institutions and inside of systems and states and regions. We wanted to build muscle and a voice to try to create innovation from within as opposed to being disrupted from whatever the Uber was going to be of higher education.

Ramona Schindelheim, WorkingNation editor-in-chief:

Well, I applaud all the work you're doing. So thank you very much, and thanks for sharing your new report with us.

Kathleen deLaski, Education Design Lab founder & CEO:

Well, thank you for having me on and look forward to seeing you next week.

Ramona Schindelheim, WorkingNation editor-in-chief:

My guest today has been Kathleen deLaski, CEO and founder of Education Design Lab. I'm Ramona Schindelheim, editor-in-chief of Working Nation.