

Breaking New Ground

Building a National Workforce
Skills Credentialing System

Acknowledgments

This white paper presents the case that we need to intensify national efforts to educate our current and prospective workforce and to make it much easier than it currently is to validate the skills of our nation's workers. We believe America needs a national workforce skills credentialing system.

This report was prepared at the direction and under the leadership of Martin Scaglione, president and COO, Workforce Development Division, ACT, Inc., and authored by Barbara L. Endel, PhD, a national workforce development and community college consultant; Don Carstensen, special advisor to ACT's Workforce Development Division; and Keith Bird, PhD, Chancellor Emeritus of the Kentucky Community & Technical College System and Senior Policy Fellow for Workforce and Postsecondary Education, Corporation for a Skilled Workforce (CSW).

In 2010 ACT sponsored a strategic workforce development summit with several prominent community college presidents from across the country. The presidents provided diverse perspectives about how to effectively prepare and validate a prepared workforce. This paper represents, in part, key elements of that discussion.

Participants in ACT's 2010 Community College/Workforce Credential Summit:

Cynthia Bioteau, PhD
President, Salt Lake City College,
Salt Lake City, Utah

Keith Bird, PhD
Chancellor Emeritus,
Kentucky Community & Technical
College System

Linda Bowman, PhD
President, Community College of
Aurora, Aurora, Colorado

Jim Jacobs, PhD
President, Macomb Community
College, Warren, Michigan

Joe May, PhD
Chancellor, Louisiana Community
& Technical College System

Jeffrey Rafn, PhD
President, Northeast Wisconsin
Technical College, Green Bay,
Wisconsin

John O'Donnell, PhD
President, Stark State College,
Canton, Ohio

Jim Shanahan, PhD
Director, Entrepreneurship
Innovation Institute, Lorain County
Community College, Lorain, Ohio

Contents

Foreword	4
The Economic Imperative.....	6
Key Workforce Development Assumptions.....	6
I. Introduction.....	8
II. Community College Overview.....	10
III. Critical Workforce Development Trends	11
IV. Transformational Change: Establishing a National Workforce Credentialing System	16
A National Workforce Movement.....	16
Need for a Common System of Understanding Workforce Skills.....	16
Need for a Layered Workforce Credentialing System	19
Need for Benchmarks and Data	20
What Would the Skills Credentialing System Look Like?.....	20
Principal Elements of a National Skills Credentialing System	20
V. Conclusion: National Action Plan	22
Notes.....	24
About ACT	25



“Attaining significantly better national workforce outcomes requires transformational change in policy and in practice. But it begins with a common framework.”

Foreword

We are all familiar with the litany of national reports on the status of the American worker: too many workers don’t have the skills needed to compete in today’s global market, too many workers lack “soft skills,” and too many workers do not have even the most essential foundational skills to operate effectively in employment settings. The reports, perhaps combined with the daily challenges inherent in public and private workforce development efforts, have affected both our expectations and our aspirations. We have come to expect—and even possibly to accept—that this reality won’t change.

But what if we started attaining our most ambitious workforce goals and the reports heralded our outstanding accomplishments? What if the reports began to certify major gains in worker outcomes and preparedness? What might that successful experience look like? In what ways would local, state, and federal efforts be strikingly different from what typically happens today?

If our innovative and persistent efforts lead to greatly increased success for workers, we will face a new and ironic challenge: Have we designed our workforce systems to handle success, or would dramatically higher levels of worker achievement turn our workforce system upside down?

There are a vast number of national and state workforce development organizations, workforce policy think tanks, trade associations, philanthropic foundations, and other entities concurrently focusing their energy on addressing the very important workforce issues we collectively confront. What would be necessary to harness this energy and have it collectively coalesce around a common set of workforce system development assumptions? Could we reach agreement to focus on a unifying framework to address how to build and validate the skills of our nation’s workers? Toward that very important end this paper presents an ambitious foundational framework for beginning to do just that.

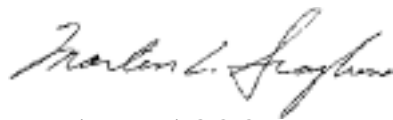
We do know that attaining significantly better national workforce outcomes requires transformational change in policy and in practice. But it begins with a common framework.

Imagine a national workforce credentialing system in which:

- The skills and abilities of every worker could be validated so that their capabilities could be matched with the most appropriate job.
- Employers, everywhere, would have confidence in an *evidence-based* hiring process; new hires would be qualified and ready to work from the very beginning, having their skills and qualifications validated.
- Those aspiring to various careers would know and understand the necessary competencies expected for those jobs and would know which set of credentials and education and training to pursue.
- Those public and private workforce readiness organizations and social service agencies, whose mission is to prepare unemployed citizens for the workforce, would be able to use a common credentialing system as a key developmental tool to certify their clients as *ready* for entering the workforce.
- The education pipeline (K–12, two-year, and four-year institutions) provided articulated and experiential-based learning opportunities aligned with the skills necessary to be work ready.
- A national system of career pathways and collaboratives would revitalize regional economic development efforts and offer individuals *a clear line of sight* toward job mobility and an understanding of the credentials needed at each level of their pathway.

And imagine a national workforce credentialing system where we thoughtfully and purposefully set up a unifying framework with the conditions, resources, and federal and state policies to get there. Our challenge is to move beyond anecdotal successes to systemic, transformational change.

Martin Scaglione



President and COO
Workforce Development Division
ACT, Inc.

The following narrative introduces the need and associated benefits for establishing a national workforce credentialing system, as we know of no other set of activities more important than getting a critical mass of state, national, and public and private workforce leaders to co-construct this foundational framework to address our national workforce challenges.



The Economic Imperative

The nation is *dealing with one of the profound economic shifts in history*.

Advanced manufacturing, energy, information technology, healthcare, and other high-tech industries are the new engines of economic development. The education and training systems that we depend on—adult education, career-technical education, and community colleges—are struggling to keep up with the demand of these sectors for skilled workers, and the “middle skills” gap, among other critical skills challenges, has continued to widen over time. As a result, the competitive position of states and regions in the global marketplace is largely dependent on the level of their workforce skills. This need makes it even more necessary for workers to continue to upgrade these skills for both existing jobs and those emerging in the new economy.

This paper presents a case for the development of a **national workforce readiness credentialing system**. The following assumptions contribute to the framing of the key issues and solutions addressed in this paper.

Key workforce development assumptions

Developing our nation’s workforce, which is built on an education and training platform, is a national imperative.

- **From Analysis to Implementation.** We need to move from analysis of our workforce issues to implementation of solutions. There are now several promising examples of “what works” and a host of viable solutions that we must work to implement.
- **Competitive Disadvantage.** Our nation is becoming competitively disadvantaged because too many of our workers do not have the skills required to meet labor challenges of the 21st century. This has alarming consequences not only for individuals but for our overall economy. Our long-term commitment must be to develop a workforce able to meet critical workforce shortages and respond to the performance requirements of highly technical jobs.

- **Job Loss.** As we face globalization and full implementation of technology, we know many jobs that have been lost are not coming back. The prospects for workers without 21st-century work skills are not optimistic.
- **Community Colleges Central to Workforce Development.** Community and technical colleges are critical sources for workforce skills and credentials after high school. While community colleges are not the only resource, they are the largest single provider of postsecondary education in the nation. Community colleges are the engine delivering workforce education, and the responsiveness of community colleges is vital.
- **Employers as Leaders.** Businesses and employers must be engaged more effectively as partners in shaping and implementing solutions. Previous efforts to engage businesses and employers as partners in solutions have been inadequate. Employers, either directly or through their trade associations, establish the performance standards of the workplace. They define a skilled worker—by their job requirements they determine the skills and skill levels required of workers. To ensure the system works, they must manage their supply chain in a fashion that ensures their talent suppliers know and understand the skill expectations of their jobs.
- **Employers as Investors.** We must recognize that employers are major investors in education and skills: 45 percent of those attending college or university degree or certificate programs and 54 percent of those attending vocational/technical diploma programs had some form of support from their employers.¹ The American Society for Training and Development estimates that employers spent \$125.88 billion on employee learning and development in 2009.²
- **Scalability of Solution.** We must identify those successful practices that have the potential to be taken to scale and serve both the interests of the nation and of all in or seeking to enter the workforce.



I. Introduction

In 2010 ACT sponsored a strategic workforce development summit with several prominent community college presidents from across the country. The presidents provided diverse perspectives about how to effectively prepare and validate a prepared workforce. This paper represents, in part, key elements of that discussion as well as what we think is a critical part of the solution: the establishment of a national workforce credentialing system.


Why now?

We believe our nation's current workforce crisis is reaching a critical point of no return. Numerous reports such as *A Sharper Focus on Technical Workers* (National Governors Association, June 2010),³ *A New Paradigm for Economic Development* (Nelson A. Rockefeller Institute at The University of Albany, March 2010),⁴ and others are sounding the alarm bell. These reports, in addition to those issued over the past two decades (and longer), have helped focus our collective attention on key issues—such as America's lag in postsecondary educational attainment, our need to bolster our technical skills to compete globally, and our growing need for sheer numbers of more skilled workers in light of boomer retirements and projected business growth.

What is now at stake is the ability to comprehensively address the depth and scale of these broad workforce challenges against the backdrop of a sustained recession.

We believe it is consistent with our mission as a nonprofit public trust to take a proactive, facilitative role working with others to help address these issues—and to do so before our nation loses its ability to compete globally.





The value of assessing current workforce skills and translating that performance into meaningful and industry-recognized workplace credentials should not be underestimated. For employers, utilizing a national skills credential is a way for them to fill critical positions, build the talent pipeline, and compete globally. For workers, having a national work ready credential improves their labor market experience, demonstrates essential skills aligned to the requirements of the workplace, and provides a national, across-industry, portable credential. Today, approximately 40 states are at various stages of implementing a general work/career ready certificate. These certificates provide a standard way to measure worker knowledge and skills, all within a standardized, easy-to-understand common language, and are compatible with traditional credentials.

This report is organized into the following parts:

II. Community college overview

III. Critical workforce development trends

IV. Transformational change: Establishing a national workforce credentialing system

V. Conclusion: National action plan

II. Community College Overview

Community colleges are the single largest provider of postsecondary education in the nation.^{5,6,7}

- 11.7 million students attend, with 60 percent attending part time (credit and noncredit).
- 44 percent of all U.S. undergraduates are enrolled in community colleges.
- Average tuition and fees are \$2,402 (versus \$6,585 for public four-year colleges).
- More than half of community college students are employed (compared with 37 percent of four-year students). Average age is 29 years.
- 59 percent of new nurses are educated at community colleges.
- 52 percent of Hispanic and 43 percent of African American undergraduates are enrolled in community colleges.
- Approximately 35 percent of individuals receiving job training through the Workforce Investment Act (WIA) are enrolled in community colleges.
- Enrollment growth is at historic proportions. The American Association of Community Colleges estimates that community colleges during the past two years have grown by over 16.9 percent. This makes the opportunity to impact an even larger population of American workers more important than ever.

Community colleges are uniquely positioned to play a central role in fulfilling the training, education, guidance, assessment, and certification functions required to sustain a national workforce credentialing system. Community colleges in particular touch many of the individuals who are restarting their educational journey in search of a degree or certificate; as such, they will be the linchpins of the national workforce credentialing system.

III. Critical Workforce Development Trends

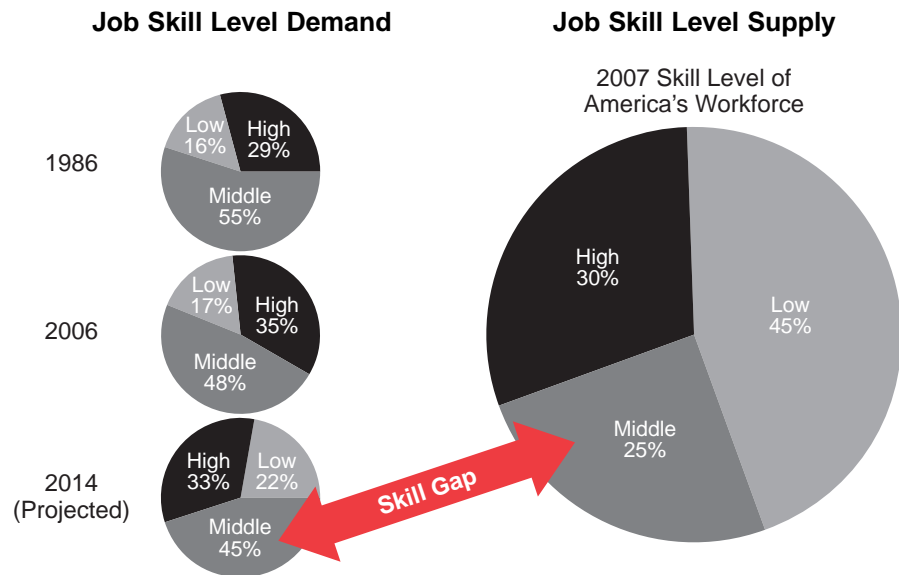
1. We need to close the “middle skills” gap.

- ACT’s research, as well as data from the U.S. Bureau of Labor Statistics (BLS) and a study by Holzer (2010, Center for American Progress),⁸ has shown that one of the most alarming gaps is our “middle skills” gap. The United States has an abundance of workers who can fill low-skills jobs, and the number of its college graduates is roughly equal to the number of jobs requiring a four-year degree. But the critical gap between worker readiness and job requirements clearly resides with middle-skills jobs. BLS projects that, by 2014, approximately 45 percent of all jobs will fall into the middle-skills category; at the same time, only 25 percent of the workforce will be qualified to successfully perform in these jobs. The importance of these jobs is further amplified given Carnevale’s report that a percentage of the individuals holding middle-skills jobs out earn a segment of those individuals holding four-year degrees.⁹
- By 2018, 30 million new and replacement* jobs will require some postsecondary education. The current decline in postsecondary credential attainment threatens the ability of American businesses to compete globally. According to a 2009 Organization for Economic Co-operation and Development study, if current trends in postsecondary credential attainment continue for this nation, the next generation of American workers will be less educated than the previous generation for the first time in the country’s history.



*Replacement needs are the number of projected openings resulting from workers retiring from or permanently leaving an occupation.

Figure 1: ACT's Middle-Skills Gap Analysis



2. Millions of adults must upgrade their skills and earn *foundational* credentials.

- About 90 million Americans (half of the U.S. workforce) lack the skills required to function well in the global economy or to earn family sustaining wages. They face at least one educational hurdle, from lack of a high school diploma to little or no college to poor literacy skills, that prevents their moving into the best paying jobs.¹⁰
- In 2005, The National Assessment of Adult Literacy report revealed that 30 million American adults scored at “below basic”—meaning they could perform no more than the most rudimentary literacy tasks. Another 63 million adults could perform only simple, basic everyday literacy activities.¹¹
- According to 2008 U.S. Bureau of Labor of Statistics, there are 50 million 25- to 40-year-olds in the workforce who have no postsecondary credential.

- An estimated 65 percent of the American workforce in 2020 is beyond the reach of our K–12 system today, and school reform will not fully impact the labor force for many years. Over the next 10 years, a total of about 30 million young people will graduate from high school in the United States. Hopefully, many of them will be prepared for further education and/or occupational training; however, there are today twice that many adults in the workforce who have no postsecondary credential.
- The fastest growing segments of the adult labor force are the same ones who have faced the greatest obstacles to gaining skills and degrees—students of color, low-income students, working adults, and adults who have lost jobs that are unlikely to come back.

3. Employers are demanding more skills and education.

- Skills and credentials in science, technology, engineering, and math (STEM) will continue to be in high demand, impacting requirements at all levels of the workforce.
- Across all industries, employers report increasing demands for skills in problem solving and critical thinking, communication, teamwork, entrepreneurship, and business. Employers see a deficit in fundamental workplace skills among the current workforce, such as punctuality, professionalism, strong work ethic, and time management.¹²
- Job losses in the recession have impacted low-skilled workers the hardest. In June 2009, people with less than a high school education had unemployment of 15.5 percent; for those with a high school degree it was 9.8 percent. The unemployment rate for workers with some college education was 8 percent.
- A recent report by the President’s Council of Economic Advisors finds that occupations that require an associate’s degree or postsecondary vocational award are actually projected to grow slightly faster than occupations requiring a bachelor’s degree or more. The Brookings Institution reports that 19 of the 30 occupations with the largest projected job growth over the next decade do not require a four-year degree.

4. The American worker's credentials are not aligned to the requirements of the economy and are insufficient in number.¹³

- ACT research points to a gap between the programs of study individuals are pursuing and the requirements of the workplace. Data from ACT's Student Profile Section indicate that not only is the United States falling behind other nations in degree attainment, but an increasing number of individuals are earning degrees that are not a best fit to the opportunities in and requirements of the nation's economy. This is a key issue that both the Lumina and Gates Foundations are seeking to address: we have a challenge with the "career literacy" of individuals in transition—they are either not considering or being informed about the realities of the job market.
- The proportion of American adults who have completed postsecondary education (both two- and four-year degrees) has been flat across age groups for nearly thirty years, at about 39 percent.
- The proportion of the population that has completed some college is rising in most developed countries, but not in the United States. Among older adults, those between the ages of 55 and 64, the United States has the highest percentage of postsecondary degree holders of all countries ranked by the Organization for Economic Co-operation and Development. Among young adults, aged 24 to 35, the United States ranks tenth.



5. Adults are interested in taking action, but many are uncertain of what to do.¹⁴

- More than 80 percent are willing to participate in education and training outside the workplace—regardless of income or education level.
- Sixty-two percent of workers say a convincing reason to pursue training is that the future economy will be extremely demanding, and if their skills are not up to date, someone will pass them by.
- Workers want reassurance that investing in training and education will pay off. Forty-one percent see risks to pursuing skills training now because they are unsure about what their job will require in the future. Fortunately, in the crowded and confusing world of credentials, deciding which ones are valid and valued in the marketplace is a major issue currently getting attention from federal and foundation studies.
- Workers are misreading labor market signals from the recession. Seventy percent think the recession is costing people jobs regardless of education or skill level, when in fact the downturn is falling hardest on low-wage workers who have less education and lower skill levels. This is an important consideration since some jobs are going vacant in the absence of skilled workers to fill them—and it is a national imperative to “upskill” entry-level workers to fill them.
- Workers who lose their jobs or those looking to advance often need significant career navigation advice and counseling. The opportunity to access and get a personal education/training and career plan is often insufficient and fragmented across the workforce system and subject to great variability among current employers.



“We believe part of the solution is to establish a national workforce credentialing system.”

IV. Transformational Change

Establishing a National Workforce Credentialing System

Based on the above findings and well-researched trends, America’s workforce is at a critical juncture. The consequence of an undereducated workforce threatens the economic well-being of our nation and of our citizens in the global competition for skills and talent.

A national workforce movement

While the sense of urgency of the issues listed above is recognized, we lack a clear vision of what large-scale transformation of the 21st-century workforce looks like. What our country needs is the same level of leadership, vision, and dedication of resources as called upon when implementing the historic public policy decisions of universal free public education, the GI Bill, and the War on Poverty.

Meeting the challenges of preparing a world-class workforce requires, as these earlier movements did, setting ambitious goals, establishing a clear direction with a concurrent commitment to their accomplishment—and a framework to get us there.

The question confronting us now is this: What innovative solutions and public policy changes are needed to boldly develop and ensure a more skilled American workforce?

We believe part of the solution is to establish a national workforce credentialing system.

Need for a common system of understanding workforce skills

Employers report that over 40 percent of graduates (those with an associate’s/bachelor’s degree) don’t have the necessary applied skills for success (Center for American Progress Report, Soares & Mazzeo, 2008).¹⁵ This indicates that our underlying assumptions about the readiness level of those even with a degree are not necessarily correlating effectively with workplace demand. A degree alone doesn’t guarantee workforce readiness.

The need to reevaluate another major assumption comes by recognizing that there is no cogent workforce education system in the United States. We have a K–12 system with parts of it dedicated to career development, such as Career Pathways (formerly College Tech Prep) and career-technical

education programs, and we also have community colleges and their role in career-technical education, transfer education, noncredit customized workforce training, and four-year colleges and universities. We have industry-based registered (and nonregistered) apprenticeship training and labor union-delivered workforce training, as well as systems of private, nonprofit, and for-profit proprietary schools. All of these workforce training programs are accredited by various organizations; governed and coordinated in different ways in different states; funded by a wide array of local, state, and federal funding streams; and structured in separate agencies.

The fact that we currently have multiple credentialing systems for documenting occupational knowledge and skills with insufficient crosswalks or linkages between them is a significant disconnect.

Moreover, the United States has a “clutter” of accrediting and credential-issuing organizations offering tens of thousands of both credit and noncredit credentials with varying levels of third-party validation or industry recognition of their value to the employer and the individual. As a result, the current credentialing landscape in our country is crowded, chaotic, and confusing to individuals, institutions, and employers trying to navigate through the education and training system and make choices that will provide access to the appropriate programs and credentials.

The credentialing marketplace currently includes credit and noncredit certificates (which are typically one year or less and include industry-recognized or professional association certifications), educational degrees (diplomas, associate’s degrees, bachelor’s degrees, etc.), registered apprenticeship certificates, and other credit and noncredit certifications of skills attainment. In some cases students receive industry-approved certifications based on standardized testing, in other cases students can work toward industry-approved licensure, and in many other cases individual institutions offer certificates for completion of courses or programs with or without third-party validation. Some certificates target general learning outcomes; others reflect specific occupational competencies. According to the Springboard Project, there are currently 700,000 different certificates awarded each year—many of which are not portable (between institutions, employers, or states), transferable, or stackable (designed to fit within a career pathway).

We believe to achieve fresh thinking on this issue requires a new and more encompassing vision. “There is no national system to codify vertical or horizontal skills sets nationally,” stated Dr. Jim Jacobs, Macomb Community College president and noted workforce development expert. This statement is both intriguing and groundbreaking. The issue Dr. Jacobs is essentially raising is that the way we have been measuring labor gaps or other skills gaps has been via a conventional model oftentimes based on the number of degrees attained. This approach implies that the only clear way to gain a sense of labor “supply” (and hence skill sets) is to quantify the number of degrees, certificates, and the like. We need a demand-side-driven system reflecting the skills employers need and want.

We believe that skills competencies could and should be framed in a way that is far more encompassing and consistent. The United States has historically relied on vague entry-level job requirements or on somewhat more defined industry-recognized licensure and credentials or degrees (e.g., you need an LPN license to do that job, or a TIG welding certificate, or a bachelor’s degree in marketing). The core issue is this: while we have recognized traditional, standardized systems of degrees or credentials as essential, we have not, as a nation, had clear discussions about foundational skills or come to any conclusion about why “competencies” are most important to understanding regional labor pools.

Why? Because the nation needs a meaningful and objective measure of the essential foundational employability skills that are applicable to the widest range of jobs and careers.

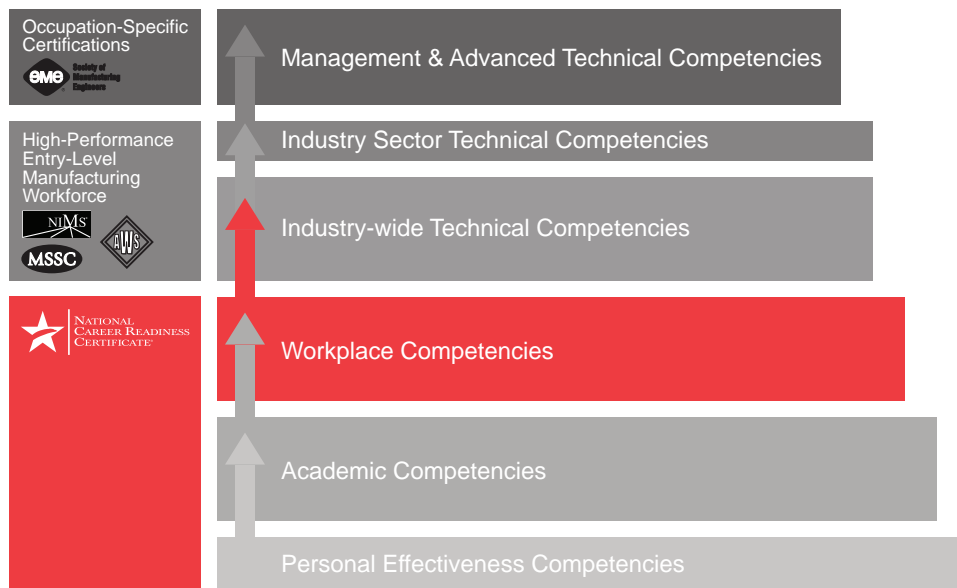
This concept represents the pivotal component of a nationwide movement to ensure that segments of the U.S. workforce are prepared to carry out the increasingly complex requirements they will encounter in today’s workplace.

Need for a layered workforce credentialing system

The presence of a workforce credential within a national, layered credentialing system enables a wide variety of stakeholders to adopt a standard methodology for “upskilling” the U.S. workforce and to increase the global competitiveness of our workforce, which research so aptly indicates is falling further behind other nations.

One of the most powerful concepts developed to systemize the way both educators and employers should be approaching a trained workforce has been advanced by the National Association of Manufacturers (NAM), the Manufacturing Institute, and other national trade organizations, such as the National Center for Construction Education and Research (NCCER). The Manufacturing Institute has developed a national skills certification system, which has been endorsed by the NAM, based upon a layered set of credentials, beginning with the foundational National Career Readiness Certificate and followed by increasingly more-targeted occupational and job-specific skills credentials. The system is presented below.

Figure 2: The NAM-Endorsed Manufacturing Skills Certification System Model



NCCER has developed a similar credentialing system for the benefit of both employers and workers to validate a continuum of skills needed to perform within and advance through various construction occupations.

Need for benchmarks and data

The substantial effort it will require to create a national credentialing system must be data driven and inform the skill requirements at each level of performance: foundational skill, occupational skill, and job-specific skill. At the local and regional level, businesses seek a more evidenced-based hiring model. State-level workforce and economic development agencies are increasingly citing that they do not have a clear sense of the skill level or preparedness of workers in their state. This lack of clarity due to inadequate data and workforce benchmarks inhibits the ability of states, and ultimately the nation, to accelerate progress around “upskilling” our workforce.

What if we had a common system of understanding workforce readiness as a lever for promoting strong local, regional, and state interventions?

What would the skills credentialing system look like?

Ideally, a national skills credentialing system would include design elements built for long-term, sustainable productivity. The system would involve a majority of the private labor market, crossing over multiple business sectors. Further, the system would be integrated horizontally, to maximize mobility from one sector to another, and vertically (from foundational, to industry-wide, to occupational competencies) along career ladders.

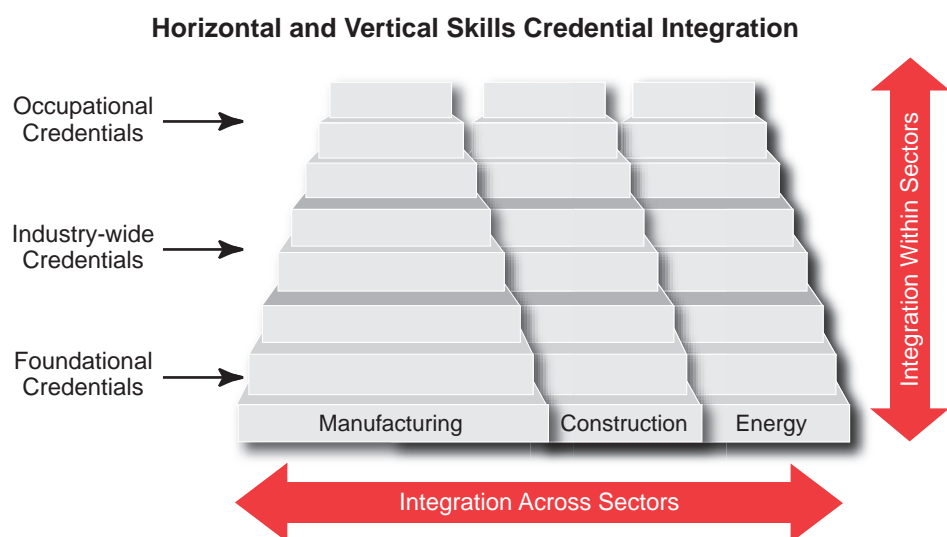
Principal elements of a national skills credentialing system:

- **Common language** – a national skills credentialing system would permit a common language to be developed and a standard set of parameters and numerical representations to be used so that everyone—workers, employers, and public and private workforce systems—would know how to interpret competencies associated with job requirements.
- **Portability** – a national skills credentialing system would permit credential holders the mobility to take their credential wherever they transitioned; and employers, no matter the location, would accept the credential when hiring.
- **Employer driven** – a national skills credentialing system would be driven by business and industry since the system relies on employer expertise to connect the requisite skills and competencies needed for any position posted.

- **Foundational to advanced** – a national skills credentialing system would accommodate the validation of foundational skills, as well as those skills needed at intermediate and professional levels, to ensure that employers could predict the success of candidates no matter the level upon which they start; this range (foundational to advanced) also creates an open, inclusive system that permits individuals to enter at their level of readiness.
- **Connected to regional labor market demands** – a national skills credentialing system would permit the flexibility on a local and regional level to address the skills sets needed as determined and required by employers. As such, the credentialing system would facilitate business growth in the nation’s metropolitan and micropolitan markets.
- **Industry standards** – a national skills credentialing system would be driven by employer requirements and industry standards that are grounded in the real nature of work.

One of the most powerful ways to consider what a national skills credentialing system would look like is to envision a framework in which workers have a system with multiple entry and exit points, and business and industry are assured of having a system that accommodates the range of skills required by their performance requirements and validation of those skills. With that framework in mind, the following integrated credentialing system model has value.

Figure 3: National Skills Credentialing Framework



V. Conclusion

National Action Plan

We believe the energy evidenced through the range of activity and strong employer voice for a better set of workforce development solutions provides America with an opportunity to transform its human capital development system. To this end we must address several intensive and systemic workforce development issues, as outlined in this paper. It is against this backdrop that the following key strategic recommendations are offered:

1. **Utilize State-Level Data**, including the skill set of the workforce coupled with the emerging job opportunities, to assist states to more deeply understand the picture of their workforce as a platform for engaging employers and key stakeholders in addressing workforce development issues.
2. **Develop a National Workforce Skills Credentialing System** as a standard methodology for employers, states, regions, and broad industry sectors to document and understand, with ever greater clarity, the skills and abilities of our workforce.
 - **Establish a coalition of national partners**, such as states, federal agencies, employers, workforce development policy organizations, and NGOs, with similar goals to strengthen the nation’s workforce system and build a common national skills credentialing system.
 - **Initiate a field-building agenda**, including high-impact, promising practice examples, applied research and development, and standards and policies in support of a national credentialing system.
 - **Launch a “Skill Up Now” campaign** with all 50 states in order to share state-level data, catalyze action toward addressing key workforce development issues, and build the awareness of a national credentialing system.

- **Codify a common language** to ensure that all stakeholders—supply-side and demand-side—are communicating effectively. By capitalizing on existing resources, such as the U.S. Department of Labor’s O*Net, we can articulate for those seeking employment or advancement the competencies required and the underlying skills needed to shape their ongoing education and/or training.
- **Build a dynamic open-source platform** that organizes existing credentials; facilitates creation of quality standards for industry-recognized, evidence-based credentials; and interfaces with other information systems to create a global workforce development network. The result will be an open-source skills navigation system that provides real-time information for the purpose of aligning individuals, employers, educators, public service professionals, and other stakeholders around a common framework for success at work.

America has a transformational opportunity to begin building a 21st-century workforce credentialing system. Do we have the will to seize it? ACT believes there is no alternative and we invite you to stand up with us to be part of the solution so that together we can begin to build a more effective U.S. workforce.



Notes

ACT wishes to acknowledge Dr. Mary Gershwin of Business Champions Center, Denver, CO. A June 2010 report helped to frame the various workforce and community college issues.

1. Council for Adult and Experiential Learning (CAEL). (2008). *Adult Learning in Focus: National and State-by-State Data*. http://www.cael.org/pdf/State_Indicators_Monograph.pdf
2. American Society for Training & Development (ASTD). (2010). *State of the Industry Report*. http://www.astd.org/TD/Archives/2010/Nov/Free/1110_2010+State+of+the+Industry.htm
3. National Governors Association Center for Best Practices. (2010). *A Sharper Focus on Technical Workers: How to Educate and Train for the Global Economy*. <http://www.nga.org/Files/pdf/1007TechnicalWorkers.pdf>
4. Shaffer, D., & Wright, D. (2010). *A New Paradigm for Economic Development: How Higher Education Institutions Are Working to Revitalize Their Regional and State Economies*. The Nelson A. Rockefeller Institute of Government: http://www.rockinst.org/pdf/education/2010-03-18-A_New_Paradigm.pdf
5. American Association of Community Colleges. (2009). *2009 Fact Sheet*. <http://www.aacc.nche.edu/About/Documents/factsheet2009.pdf>
6. American Association of Community Colleges. (2010). *Fast Facts*. <http://www.aacc.nche.edu/AboutCC/Pages/fastfacts.aspx>
7. Executive Office of the President Council of Economic Advisers. (2009). *Preparing the Workers of Today for the Jobs of Tomorrow*. http://www.whitehouse.gov/assets/documents/Jobs_of_the_Future.pdf
8. Holzer, H. (2010). *Is the Middle of the U.S. Job Market Really Disappearing? A Comment on the Polarization Hypothesis*. Center for American Progress: http://www.americanprogress.org/issues/2010/05/middle_job_market.html
9. Carnevale, A., Smith, N., & Strohl, J. (2010). *Help Wanted: Projections of Jobs and Education Requirements Through 2018*. Georgetown University, Center on Education and the Workforce: <http://cew.georgetown.edu/jobs2018/>
10. National Commission on Adult Literacy. (2008). *Reach Higher, America: Overcoming Crisis in the U.S. Workforce*. <http://www.nationalcommissiononadultliteracy.org/ReachHigherAmerica/ReachHigher.pdf>
11. National Center for Education Statistics. (2005). *2003 National Assessment of Adult Literacy (NAAL) Results*. U.S. Department of Education, Institute of Education Sciences: http://nces.ed.gov/whatsnew/commissioner/remarks2005/12_15_2005.asp
12. Business Roundtable, The Springboard Project. (2009). *Getting Ahead – Staying Ahead: Helping America’s Workforce Succeed in the 21st Century*. http://businessroundtable.org/uploads/studies-reports/downloads/BRT_Getting_Ahead_online_version_1.pdf
13. Ibid.
14. Ibid.
15. Soares, L., & Mazzeo, C. (2008). *College-Ready Students, Student-Ready Colleges: An Agenda for Improving Degree Completion in Postsecondary Education*. Center for American Progress: http://www.americanprogress.org/issues/2008/08/college_ready.html

About ACT

Many public and private organizations are aligning their energies and efforts to focus on this critical economic and workforce development imperative, including ACT. Indeed, it has been ACT's long-standing mission since 1959, as a public trust, to contribute to solving some of the nation's most pressing education and workforce issues.

For nearly twenty years, ACT has been a national leader in providing workforce development assessments and data solutions to nearly 1,000 businesses, and in partnership with over 500 community and technical colleges and other related workforce and educational entities. We believe it is time to unite as a nation and provide a unifying framework.

In the late 1980s and early 1990s, ACT recognized the fundamental shifts occurring within the nation's workforce system as employers began voicing their need for a more qualified workforce in light of the changing skill requirements of the workplace. The nation's attention was drawn to the need to address a significant skills gap posed by projected demographic and retirement trends that threatened the nation's competitive advantage. The Secretary's Commission on Achieving Necessary Skills issued their SCANS Report, further reinforcing this emerging crisis.

In response to this emerging and accelerating challenge, ACT developed the WorkKeys® system in the late 1990s. WorkKeys is a set of foundational skills assessments that measure both cognitive abilities, such as applied mathematics, reading for information, and locating information, and characteristics related to job performance. WorkKeys was introduced to help businesses and the emerging and incumbent workers to better match skills to job requirements and provide the tools for increasing employees' skills as existing jobs evolved and new jobs emerged. The system's services were largely delivered through the nation's community and technical colleges.

Central to America's workforce development system are the approximately 1,200 public community colleges and their 11.7 million students. The word "community" is elemental, as the community college system is a gateway located within a 25-minute drive of 90 percent of the U.S. population. Community colleges have, over time, become the nation's largest provider of postsecondary education. Very few organizations have had ACT's rich fifty-year history of working with and through community colleges to help individuals prepare for successful careers and work.

As the nation prepares to address the many challenges now associated with a global recession and persistent workforce qualification issues, ACT will again look to our community colleges as active partners in addressing the nation's need for skilled workers.

Leverage ACT's unique data and analytical assets

ACT's close relationship with community colleges has permitted the organization to amass an extraordinary storehouse of knowledge regarding the performance of community colleges and community college students. *ACT has, perhaps, the richest database of workforce (worker skills and job skills requirements) and community college information in the nation.*

Since the late 1980s in particular, ACT has provided assessment services for well over half of the nation's 1,200 community colleges. Each year nearly 6 million test scores are generated at the institutional level and uploaded to ACT's secure and confidential community college database. ACT then analyzes the data and provides reports and analytics back to participating community colleges. These research reports help the college see patterns of student success/lack of success across the placement of students into various courses and take action to help improve learning and instruction. In addition, thousands of jobs have been profiled through the WorkKeys system and millions of assessments have been administered, providing insight to the skills gap the nation confronts in a practical and operational context.



ACT headquarters in Iowa City, Iowa.

ACT is an independent, not-for-profit organization that provides a broad array of assessment, research, information, and program management solutions in the areas of education and workforce development.

Our Mission

Helping people achieve education and workplace success

Our Values

- Excellence in all aspects of our work
- Mutual respect, fairness, and visionary leadership
- Diversity in people and ideas
- Individual growth and development
- Courteous, responsive, ethical relations with clients and colleagues
- Conscientious citizenship and constructive engagement in civic life
- Partnerships with other organizations

