

NO LONGER THE 3 R's; IT'S NOW THE 3 S's: SKILLS, SYSTEMS AND STANDARDS

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In February 1904, in Baltimore, Maryland 1,231 firefighters from Washington, DC, Philadelphia, Wilmington, Fredrick, Westminster, York, Altoona, and New York City, failed to put out a rampaging fire that eventually devastated 140 acres and 2,500 Baltimore businesses. The reason? The fire hoses from each of the different fire departments couldn't connect to Baltimore's fire hydrants. At the turn of the century, across the U.S., there were over 600 variations in fire hose couplings and they varied not only from city to city, but also from block to city block. Firefighting equipment served its purpose in individual areas, but the lack of a standard fire hose coupler made itself tragically obvious when those 20th century first responders raced to help outside their neighborhoods.

Standards are critical to an effectively functioning society, and not simply for the physical sciences such as biology and astronomy. Society sets standards for ethical conduct, etiquette, daily attire, news reporting, movie watching, and language usage. Professional societies set standards for diagnoses and care-giving (animal, vegetable and mineral). And academia sets standards for workforce readiness, sort of.

One of the most divisive of America's current arguments is the role of education in society and the ways in which it is distributed, paid for, accredited, governed, allocated and standardized. From homeschooling to distance learning to personal credentials such as high school diplomas, GEDs, certificates, certifications, stackable credentials, associates degrees, four-year degrees, PhDs, and 2+2+2 educational pathways, America is awash in "standards" for learning and the outcomes thereof. Since everyone has a horse in this race, everyone has an opinion. Because we all went through school, are in school, want to go to school, or have children or grandchildren in school, Americans have a strongly held belief in the utility and value of "an education".

The educational aphorism of the Baby Boom generation was "first go to college, then figure out your life" and some of that has spilled over into the current debate about how much and what type of education is enough. But unless you've been living on Mars for the last decade, you're probably aware of the "skills gap" – the supposed divide between employers' standards for hiring and their potential employees' qualifications as desirable "human resources". The plethora of credentials now flooding the education and workforce training marketplace has thoroughly confused employers and job-seekers alike. Don't get me wrong; I think qualifications are a good thing. Otherwise, we'd still be letting barbers act as doctors and dentists. And most of us are pretty sure, now, that a high school diploma will get you no further than a low-wage job. But nobody's really sure about the premium of a high school diploma combined with a one-year certificate in a specialized discipline or trade. And what about additional schooling and work experience? A technical education or a liberal arts degree?

Certainly, many employers would prefer to hire someone with a degree and a few years of experience. It really helps when someone knows what a job is like and likes the job. But on the flip side, the majority of American employers haven't yet embraced a standard to manage their talent pipelines and mitigate hiring fads like one-off credentials. Corporate talent management systems can provide better business outcomes through employee retention, analysis of training investments, and preparation of the incipient workforce for near and long-term hiring. "Sustainable" is not a word one hears very often when referring to the workforce, but that's how employers must now think about it.

Businesses have discovered that sustainability in their operational processes can be good for the bottom line. No-waste manufacturing, reduced environmental footprint, energy savings, and the use of alternative fuels don't reduce competitiveness, they enhance it. So, too, can systematic and standardized processes for hiring, developing, and retaining personnel, and for analyzing workforce investments and returns. By integrating "events" such as hiring into a larger systemic approach to talent management, businesses can better control the impact and outcomes of workforce investments. Thus, the implications of both workforce credentialing and corporate workforce management are intertwined. There need to be common and reliable standards by which individuals and business can understand what makes for the best hire.

To create a corporate workforce system, businesses will need to evolve H.R. policies from one-off transactional types of activities (someone just retired, we need to hire a replacement, stat) to a comprehensive strategy integrated with business goals (we want to increase capacity, what skills will we need to do that). To help this corporate system function efficiently, hiring requirements (i.e. job

descriptions) will need to be updated and aligned to business goals, standardized and matched to workforce credentials.

Finding qualified personnel is and will continue to be a critical issue for American employers. For example, hiring demands are now much different as manufacturers incorporate more automation into operations and require fewer feet on the factory floor. In fact, in the not-so-distant future, much of manufacturing will be distributed among functions with the factory floor taking a second place to design and materials engineering. "Making" will always be important, but the processes of making are changing, and, thus, the skills and competencies associated with those processes are changing. Manufacturers need qualifications providers, whether they are trade schools, associations, universities, community colleges, or polytechnic institutes, to demystify what their credentials mean in the "real world" of work. Some already do, such as those endorsed by the Society of Manufacturing Engineers, the American Welding Society, and the Manufacturing Skills Standards Council. Unfortunately, credentials are often locally re-developed for a specific marketplace or region, and these "same, but different" certifications sow misunderstanding and confusion as to their worth in the talent marketplace. It's akin to the 600 types of fire hose couplings.

Defining which certifications are the most reliable and valuable has been a contentious debate, and it will probably continue to be so until the power and money repercussions have played out. But in the meantime new entrants into the field of job-matching are redefining the way in which an applicant can qualify for a job. Philanthropic organizations are sponsoring the idea of "badging" to demonstrate the value of life skills at work, and a new web-based recruitment firm called HireArt designs their own online written and video tests – based on a company's job descriptions – to weed out the most promising of respondents to interview. HireArt began its recruitment business because they believe "a degree is no longer a proxy for the competency employers need". HireArt's founder says people are rejected because they don't know how to demonstrate their value to a potential employer. That may be true as long as the employer knows what competencies they want in the first place, and can put that into a job description. Once an employer understands the value of a job, then the job-seeker will too. This matching process must be aligned soon before today's workforce credentials end up in the same dustbin that the 1994 National Skills Standards Act occupies.

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¹ Friedman, Thomas. *How to Get a Job*. <u>The New York Times</u>. May 28 2013.