

Ramona Schindelheim, WorkingNation editor-in-chief:

You are 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.

There are many ways a potential job hire could be an asset, military service, community college, trade school, and on-the-job training. But until recently, many employers have put far more emphasis on a four-year college degree. That shuts out many job seekers from good careers. Opportunity@Work, a non-profit organization advancing careers of STARS, that's workers skilled through alternative routes, is at the forefront of the skills-first movement of businesses, non-profits, and others who are committed to looking beyond a four-year college degree when hiring. Among those employers getting on board, state governments. Papia Debroy, senior vice president and chief analytics and research officer at Opportunity@Work, and Blair Corcoran de Castillo, Opportunity@Work's VP of public sector and policy say this has opened the door to a broader talent pool and has led to the hiring of a more diverse and dynamic workforce. Papia starts off by explaining what it means to be skilled through alternative routes.

Papia Debroy, Opportunity@Work:

If you study the people coming to work every day, there's about 140 million of us who are active in the labor force, and if you break down that 140 million, what you'd see is that there are about 60 million who have a bachelor's degree or a higher level of educational attainment. Obviously, these workers have traversed a critical pathway in our US labor force. But in addition to them, there are 70 million who have a high school diploma, do not have a bachelor's degree, but have been bringing extraordinary skills to work. They are demonstrating all kinds of skills and occupations across the entire labor market. These workers are workers who are skilled through alternative routes, or STARS. And a lot of skills-first hiring is really about how do we surface this population of talent to really understand skills instead of pedigree when we consider who is qualified for different jobs in the United States.

Blair Corcoran de Castillo, Opportunity@Work:

Yeah. I think it's really about, like Papia said, thinking less about the degrees and how and where people got their skills and more about what skills they actually have and which skills they need to actually do the job. So if you have the skills for the job, you should be able to get that job.

Ramona Schindelheim, WorkingNation editor-in-chief:

One of the things that I'm looking at when I look at skills-first hiring is how the hiring managers or the manager in general is assessing those skills, because we've often used that college degree that you mentioned as the gauge on whether or not someone could do the job. So have you seen anything in practice on how they've been able to judge this and what skills you have for the job?

Papia Debroy, Opportunity@Work:

I think there's a lot of pockets of insight to be cleaned from the way this is happening right now. Just to anchor us in how hiring happens, generally today, all of us go through a process to actually be hired into a role. And I think part of what is unfortunate about these processes is we frequently deploy a set of processes to workers who do have bachelor's degrees or higher levels of educational attainment, and there's almost a different process for folks who don't. And I think part of the insight here is how do we actually just deploy similar processes to truly understand skills as opposed to pedigree?

If I think about some of the places where we've seen some really interesting work coming out of hiring managers and business leaders across the United States, one of the core insights is really how do we give people credit for skills that they've gained on the job? And I think part of where that starts is how do we actually understand the skills that people have as a result of their work experience and how do we start to understand how those skills are valuable and transferable to so many other jobs in the labor market? Because the truth is most of us make transitions in the labor market into other jobs that require similar skills. And so when we start to give credit to people for the skills that they've gained on the job, what you can start to see across the US labor market is there are more than 30 million workers today who are positioned for significantly higher wage work if they were given access and opportunity to those jobs, which is a pretty wild number to think about. We're leaving so much potential on the table today.

Blair Corcoran de Castillo, Opportunity@Work:

And I think what's really exciting too is we're seeing a lot of creative ways to understand what those skills look like in practice. I think many people are starting to see that interviewing is in itself a skill, and not everyone is going to be interviewing in their job. And some people are terrific at it and then not terrific at their job or vice versa, not great at interviewing but terrific at their job. And so we've been really excited to see both in the public and private sector some really creative ways to better understand the skills that folks have, both from giving people tasks, assessments, but also doing real live-in-time interactions to see how they would answer a question if it's a customer service, or to see how they actually problem solve, et cetera.

And I think what's really exciting too is in the civil service in the public sector where me and my team spend the majority of our time, the civil service, who I think many people thought were going to be the biggest barrier to public sector hiring change, are actually real advocates of this. In fact, Louisiana's civil service has built over about a long time decades a competency framework that goes through the different skills for different jobs, and it helps them think about and advises their hiring managers and HR analysts on what types of assessments to use to understand whether a person has those skills at a what level. So it's I think a really exciting time in hiring and people are better understanding the skills that are needed for a job and how to start to think about assessing them.

Ramona Schindelheim, WorkingNation editor-in-chief:

New research. You were looking into how there's 25 different states that have adopted this skills-first hiring. What are you seeing on those state levels? You mentioned Louisiana. What else are you seeing out there to show that this is becoming effective?

Blair Corcoran de Castillo, Opportunity@Work:

Well, there's now 26. Indiana just joined the movement in January, so that's exciting. I think we're seeing a couple different layers. We have some states who are doing reports and reviews who want to better understand how degrees are being used and other credentials are being used currently in their hiring practices and whether they're effective. I think there are other people who are immediately removing degree requirements from roles like Maryland, Pennsylvania, Virginia, and some others who are saying, "There are only a few jobs actually that we believe require them and here's why." And then there are a couple states that are they've used executive orders and legislation to actually transition to skills-based practices.

So we all know that removing degree requirements is only the first part of moving to skills-first practices. And some people are saying, "Hey, that's the North star, that's where we're going." So places like Colorado who have said, "We're actually transitioning to skills-based practices." Part of that is removing

unnecessary degree requirements, but there's a lot more to it. And those are three different areas, I'd say, or themes we're seeing in the EOs and legislation. And while it's early days, I think our report showed just the question that everybody has. How effective is this? What impact are we seeing?

And we spent a lot of time thinking about that and talking to people, and we realized that having a report might be helpful in creating a foundational knowledge that we can all share. And so we started to see quite a bit, of the 25 states, they're making commitments. And I think that this is important because what we've learned is that some states already didn't require degrees for many of their jobs like Connecticut, who's come out and admitted that, "Hey, while we don't require them, we're actually somehow still preferring them." And so we're recommitting to the public that we want to think about this and review our practices because for some reason, we're still prioritizing degrees over non-degrees. So that's, I think, one impact which is great. People are realizing unintended consequences of some of the hiring processes that they've put in place.

I think the other thing we've seen is real action. We've seen bachelor's degree requirements decline by 2.5 percentage points year over year because of policy exposure. This has expanded access to the jobs for STARs tremendously. Right now with the 26 states, 570,000 STARs could gain access to jobs they couldn't yesterday or the year before this happened. I think the biggest thing that we're seeing is just that STARs are seeing these jobs open to them. States are actually thinking more critically about what it means to access all of the talent in their communities, and they're thinking about what it means for representation in government, trusting government, and improved citizen services and just government efficiency.

So I think we're seeing a lot. And like any systemic change, it's still going to take time to make these things lasting because it took a lot of years for the current processes to go into place. But I think what we're seeing is a lot of true commitment and action that is starting to move things in a direction that will make jobs more accessible to anybody across the country who has the skills for the jobs.

Papia Debroy, Opportunity@Work:

Yeah. Ramona, I think what's extraordinary to observe about what's been happening across the public sector the last few years is the first state to take this action was the state of Maryland in 2022, so less than three years ago now. And they effectively tore the paper ceiling for the state of Maryland and opened up their public sector jobs to workers in the state who were skilled through alternative routes to a bachelor's degree. I think to see 25 states follow that first action in such a short period of time is a pretty extraordinary momentum to be absorbing in the field of workforce. And so one of the questions that continued to come our way last year was, well, is anything actually shifting as a result of this action?

And I think part of the intention of us taking on this body of work as a research study was to actually understand, well, what's going on? Are we actually starting to see some shifts in the way that workers who are skilled through alternative routes are experiencing opportunity? And I think there's a couple of things that we study in the paper that are critical to understand. The first is the first set of actions led to an increased awareness of this population as a vast, overlooked, diverse, and skilled population of the workforce that had been historically overlooked for public sector jobs. And I think we study how the media better understands what the paper ceiling is, how they understand that workers who are skilled through alternative routes are viable candidates for these jobs. And so we study both public perception surveys in the paper, and we also just understand how is the media actually recognizing and sharing more about this population.

What becomes really interesting though is well, what starts to happen when people gain this awareness? Are they actually taking action as a result of this awareness or is behavior staying the same? And I think what was so exciting was exactly what Blair pointed out is that we do see these behavior

shifts, and most critically we see these behavior shifts in job posting behavior across the states that took this action. So we basically studied the states for the year before they took this action and the year after, and we analyzed there are millions of job postings to actually understand, are there shifts? And I think what was so extraordinary was not just the number that Blair just shared, but also that we're starting to see shifts in precisely the types of jobs that STARS have the skills for but have historically not had access to obtain in a lot of these states. And so we're excited to see the progress in roles like IT roles and management roles in healthcare roles, a lot of jobs that have historically offered economic mobility to the American workforce.

Blair Corcoran de Castillo, Opportunity@Work:

The public sector has its own language. They're very much acknowledging in this moment that sometimes the internal language they use does not really translate to jobs seekers who are interested in working in the public sector. Some examples of that are even job titles. Administrator Level 1, is that an IT job? Is that an administrative assistant? A title like that, if you're just on a job board... So they're even trying to think about even if that's the classification systems title, how do they start to use job titles on job descriptions? That are what people see in the public sector, more plain language that really describe the job.

I think the other thing is just making sure that there are skills listed. I think sometimes we summarize responsibilities and sometimes responsibilities are not exactly the same things as the skills that are needed for the jobs. And so I know that at least the public sector entities that we're working with, they're very much trying to get clear through lots of conversation with individuals in the roles right now. What is it that makes you successful day to day? And trying to get more clear about that. But overall, trying to be more plain language, trying to get their acronyms out, and frankly, trying to better understand what they need to know on day one and what they can teach them.

And I think for a long time in the public sector, sometimes job descriptions would include government-specific technology or systems that they had to use. And how else would you be able to learn those then if you worked in the government? So sometimes jobs felt very inaccessible to people goes like, "Well, I don't know anything about that system." We've seen a lot of exciting work in the Massachusetts Department of Transitional Assistance. They have done some exciting work to think about. "Here's what we need on day one. Here's some non-negotiables." And then they just put about 200 people last spring through trainings on the other things that they need to know because they're working in the state of Massachusetts in DTA. And I think other states are starting to see that as well.

So those are some of the changes. There are more that need to be there, and we're continuing to help nudge people in the public sector. And one of those is making sure that if a degree is acceptable, I don't think it needs to be listed. Because oftentimes if it says "or a bachelor's degree", that very much is a signal to STARS that they'll be compared. And STARS have told us that they won't apply. They feel like it's not a level playing field. So if somebody can come in with a degree or non-degree but they have the skills, there's not a reason necessarily to put that you need a degree on there. It's being able to demonstrate those skills. So those are some of the changes we're seeing on the public sector side. And Papia, I'm sure you can share some of the other stuff we're seeing across the labor market.

Papia Debroy, Opportunity@Work:

I think one of the things that has been really interesting to observe about the public sector is how we think about the public sector relative to the private sector. So there's so many roles that government plays in society today. I think one of the important roles that they play that is frequently overlooked is as employers, right? So 15% of the US labor force today works in the public sector, and they are the largest

employer in the United States. And their policies and their practices as they relate to talent management actually directly influence economic mobility in the labor market. And I think what becomes interesting when you look at job postings, when you look at the public sector relative to the private sector, is I'll maybe share this as an example. In state government, 69% of general managers hold a bachelor's degree, but only 45% do in the private sector.

So how do we start to help each other understand that if we use skills as the currency that we're thinking about to really surface talent for a lot of these roles, not only will we fill some of the roles we're trying to fill in state government faster, but we'll also likely have far more representative government. And that's because when a job in the United States actually requires a degree, we're screening out a lot of populations of talent that we seek in these roles in much higher volumes. So today when we require a degree, almost 80% of our Hispanic workforce is screened out. 70% of our Black workforce is screened out, of our veteran workforce, of our rural workforce, and these are all populations we want to bring into public sector jobs in higher volumes than exist today.

Ramona Schindelheim, WorkingNation editor-in-chief:

It's been two and a half years now since you launched the Tear the Paper Ceiling campaign. Explain what that campaign is. I know it relates closely to what we're talking about, but give us an overview.

Papia Debroy, Opportunity@Work:

So the paper ceiling represents an invisible barrier of degree screens, of biased algorithms, of stereotypes, of exclusive professional networking. These are all characteristics that block career opportunities for workers who are skilled through alternative routes. But for workers who have gained valuable skills on the job through military service, through community college, through many different pathways in the US labor market, and so the attempt to tear the paper ceiling is to effectively tear that paper ceiling and actually see the workers who have gained these valuable skills through these myriad of pathways and actually bring them into our workforce in much higher volumes in middle and high-wage jobs. And so the campaign is work that we launched with the ad council a little more than two years ago, and it really is trying to shift our perceptions of who is skilled in America.

Ramona Schindelheim, WorkingNation editor-in-chief:

So coming up in April, you're going to give us a state of the paper ceiling. What do we expect to learn? Can you give a little bit of a sneak preview?

Papia Debroy, Opportunity@Work:

A lot of the work in this paper here in the NBER, the tearing the paper ceiling work, actually showcases how we're starting to see some shifts across the field. So not only is awareness shifting of STARS as a population of talent that should be considered differently for jobs, but we're also seeing employers actually shift behavior. They're changing job postings and they're actually hiring STARS into more middle and high wage jobs that the work. That we'll be releasing in is a new report, it's called State of the Paper Ceiling, and the attempt is to just understand, well, what is the current state of the field? The intention behind this is really to drive forward a field-wide call to action to demonstrate how organizations in many different parts of the field of workforce, whether you be in economic development, whether you be an employer, whether you be a non-profit or public sector entity, can actually drive forward sustainable change for stars in how they're considered for roles and how they're actually experiencing the US labor market today.

Unfortunately, Ramona, when a STAR enters the labor market today, if you study their experience across the last 30 years, what you see is that what a bachelor's degree worker was earning on day one of work, the median STAR is still not earning that wage 30 years into their career. And so a lot of the work of the State of the Paper Ceiling is starting to say, well, what could it look like for us to fundamentally shift the way economic opportunity looks for this population so that we do see more equity and so that learning actually can translate to earning for STARS in the future?

Ramona Schindelheim, WorkingNation editor-in-chief:

Blair brought up that some people probably interview better than others, and you can sit and have a conversation with someone, and you're right, it doesn't necessarily mean that you have the skills that are needed for that job. So Blair, what can the STAR do to make sure that they are putting their best foot forward? Because at the end of this whole conversation, we're talking about workers and job seekers, and we want to help them make sure that they have that opportunity and be able to cash in on it.

Blair Corcoran de Castillo, Opportunity@Work:

I'd say the first thing is to apply. Apply. I think the biggest thing that we hear is that STARS and so many of us across the STARS and non-STARS, they're afraid to apply if they don't meet every qualification. Everything of what we're hearing from the states that we're working with is that they're actually not getting enough STARS to apply. And so there could be an awareness issue of STARS actually feeling like those jobs are open to them, or it could be procedural and they're not actually reaching STARS. Regardless though, if you're a STAR and you see a job in the public sector or in the private sector and you feel like you can do it, then you should apply. I think that's the biggest thing, because we need you in public service.

I think the other thing is that be confident in your skills and providing examples of how you've shown them. I think the biggest thing that we've overlooked too much, and I think the people are getting a lot better at, is understanding how you can build skills in one area and how they translate to another. And so I think all of us need to get a little bit better as the economy moves forward in translating experiences that maybe in one industry or one particular sector and how they could be effective in another because the economy's constantly changing. Yes, we're probably going to all need some upskilling, but there are so many skills that are core across different roles that we all probably have experiences. So really anchor on those and think about how to translate that in your interviews. Because I think too often you get into an interview and you feel like if you don't have an example that's exactly the same as the job that you're applying for, you feel like you can't provide some of your other experience.

No. This is an economy where the skills that you fill in other places is valuable. What we need you to do is help hiring managers see those, and so to tell the story to translate that. So I'd say, we're starting to see so much progress in the public sector, so apply, apply, apply. I just wanted share that since even the NDER paper has been out, the state of Colorado has been on this journey the second in the country, and really as one of the most robust infrastructures, I think to move to a skills-first economy. They have hired 1,588 STARS, and they've steadily increased their monthly percentage of STAR hires. So from January 2024 to the beginning of last year, they had 36% of their hires were STARS till the end of last year in December, 54% of their hires were STARS.

So people are trying to use these skills-first practices. We just need more STARS to apply and more hiring managers and HR analysts to just ask the right questions about how do I... Because I think that's part of the challenge too. How do the folks in the hiring process get equipped to understand how to do skills-

first hiring? There's so many of us, including Opportunity@Work, that are out there to help you. So that's what I would say.

Papia Debroy, Opportunity@Work:

I would just add to Blair's point, actually on the other side, Ramona, because I think STARS overwhelmingly are doing most things absolutely right, and it really is about the system meeting them a little bit differently. And so I think for anyone who's hiring at this moment, there's something about just challenging our own perceptions and stereotypes of how we get our skills and how we bring those skills to work every day. And really looking past the degree to understand, well, what skills do I really need for this job and how might I consider a broader talent pool to actually look at skills and truly understand who might be qualified for these positions.

Ramona Schindelheim, WorkingNation editor-in-chief:

Blair, Papia, thank you very much.

Blair Corcoran de Castillo, Opportunity@Work:

Thank you, Ramona.

Papia Debroy, Opportunity@Work:

Thank you, Ramona. I really appreciate the chance to have this conversation with you.

Ramona Schindelheim, WorkingNation editor-in-chief:

That was my conversation with Papia Debroy, senior vice president and chief analytics and research officer at Opportunity@Work, and Blair Corcoran De Castillo, Opportunity@Work's, vice president of public sector and policy. I'm Ramona Schindelheim, editor-in-chief of Working Nation. Thank you for listening.