

# Alabama's Talent Development Strategy

Competency-Based | Demand-Driven | Sector-Based

January 2024  
Mary Kate Hillis, Policy Advisor



# Overview of Presentation




**Leadership, Collaboration, and  
Policy**



**Leveraging Technology to Develop  
a Statewide Data Infrastructure**




**Increasing Labor Force  
Participation through Skills-Based  
Hiring and Competency-Based  
Education**



# 1. Leadership, Collaboration, and Policy

Engaging Partners and Braiding Funds to Develop a Personalized Talent Development System in Alabama

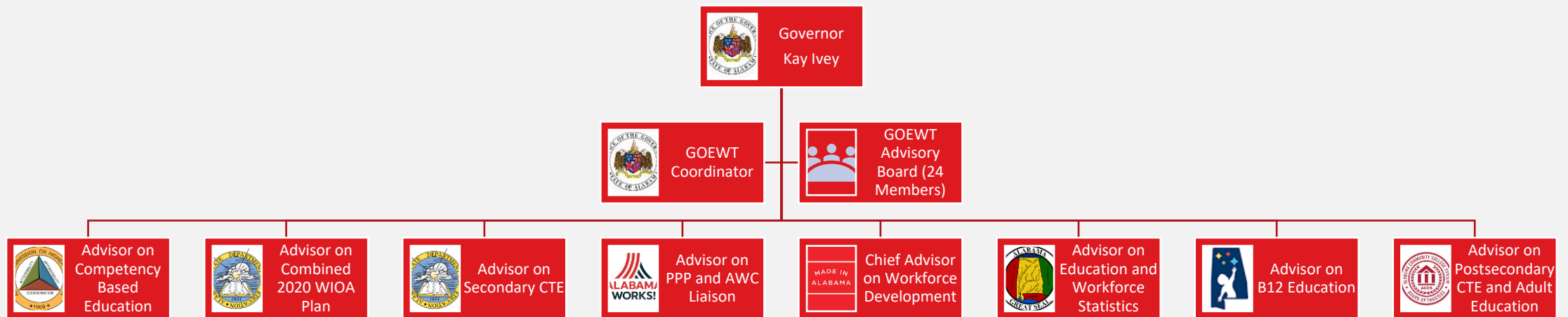


# Alabama's Education & Workforce Goals

**Add 500,000 first-time postsecondary credential holders to Alabama's potential workforce by 2025 through the Success Plus postsecondary education attainment goal**

**Surpass the national labor force participation rate by 2025 by braiding resources to help Alabamians overcome benefits cliffs and barriers to entering education or the workforce**

# The Governor's Office of Education and Workforce Transformation (GOEWT)



- Coordinates Alabama's education and workforce systems through a 24-member advisory board and a team of eight advisors
- Funded by braiding funds from the Governor's WIOA Title I leadership fund, adult education state leadership funds, and Perkins leaderships funds

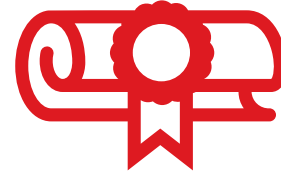


## Overview

Three federal laws govern the education-to-workforce pipeline

These laws facilitate an education-to-workforce pipeline that provides individuals with the academic, technical, and employability skills they need to be successful in the workforce

Administered across different state agencies, making coordination among programs a challenge



## Three Important Laws

### **Every Student Succeeds Act (ESSA)**

- Provides funding for public **education from kindergarten to 12th grade**

### **Carl D. Perkins Career and Technical Education Act (Perkins)**

- Provides funding for secondary and postsecondary **career and technical education (CTE)** programs

### **Workforce Innovation and Opportunity Act (WIOA)**

- Supports **workforce development** and increased coordination and alignment among federal workforce development programs

# Key Policies Advancing the Four Keys to Career-Connected Learning in Alabama

---

**April 2021—Increased Postsecondary Access.** In April 2021, the Alabama State Board of Education voted to adopt a new policy that ensures students complete or opt-out of the Free Application for Federal Student Aid (FAFSA). Alabama is currently ranked 11<sup>th</sup> nationally for the number of high school seniors completing the FAFSA at 62.7 percent. Alabama’s FAFSA completion rate now surpasses the national rate and has increased by 11.7 percentage points from 2021 to 2023.

**January 2022—Every Student Succeeds Act (ESSA) State Plan Amendments.** The U.S. Department of Education approved the amendments to Alabama’s Every Student Succeeds Act state plan submitted by the Alabama State Department of Education to include new college and career readiness indicators for completing a Career and Technical Education program of study and for completing an in-school youth apprenticeship.

**November 2022—College and Career Readiness Indicators** will now be required for graduation, beginning with the class of 2026, after the Alabama State Board of Education passed a final rule, an initiative championed by the Governor that will ensure all high school graduates in Alabama are ready for higher education or the workforce.

**May 2023—The Alabama Credential Quality and Transparency Act, Act 2023-365,** passed the Alabama Legislature unanimously in both houses. This codifies the College and Career Readiness Attainment graduation requirement and the ATLAS on Career Pathways, as well as creates a free online public registry of credentials in the state.

# Alabama's Focus on Work-Based Learning and Youth Apprenticeship

---

- Act 2019-527 removed legal barriers that prevented 16- and 17-year-olds from completing apprenticeship programs in apprenticeable occupations.
- Act 2019-506 passed by the Alabama Legislature and signed into law by Governor Ivey in 2019— established the Alabama Office of Apprenticeship and created a \$500 enhancement for the Apprenticeship Alabama Tax Credit for hiring in-school youth apprentices.
- On September 18, 2019, Alabama adopted a formal definition for work-based learning, which was modeled from the definition for work-based learning (WBL) in Perkins V.



# Importance of Combined WIOA State Plans

---

- Ensures that programs funded by the public workforce system:
  - Are **aligned to labor market demand**
  - Provide a **pathway to self-sufficiency** for clients of the public workforce system
- Ensure that the Eligible Training Provider List (ETPL) contains Eligible Training Providers and programs of study that provide **job-driven employment and training** activities that are **aligned to labor market demand**
- **Alabama will submit the 2024 Combined WIOA Plan this Spring**

# 2024 State Combined Plan Key Policies



## Human-centered approach

True navigation, co-located services, and welcoming environment



## Common and widely accessible intake process

Provide eligibility screening through partner agencies and training providers; have board members go through intake process to experience what it is like



## Proactive and meaningful outreach

Provide clear information through social media and other channels



## Integrated case management system

Common data system with common intake process and ability for all partners to add notes and access information



## Evaluation and benchmarking

Comprehensive, evidence-based system review; analysis of workflow patterns, case loads, participation, and outcomes

# 2024 State Combined Plan Key Policies

## Education and outreach

- To individuals, employers, and public workforce system employees

## Step-down program, “benefits slope,” and temporary support

- Education and economic supports to help individuals anticipate and address potential impacts

## Training for public workforce system employees on benefits cliffs

- All partners understand, are prepared to explain, and can provide strategies around benefits cliffs

## Two-generation approach

- Continue providing services to children of families/adults (such as childcare, healthcare, food security) to ease benefits cliffs

## More coordination among workforce partners

- Including agencies, providers, and employers

# AWSP

## Alabama Workforce Stabilization Program



ALABAMA WORKFORCE STABILIZATION PROGRAM

The **A**labama **W**orkforce **S**tabilization **P**rogram (AWSP) is a \$17,827,178.11 needs-based workforce training program that was awarded through a grant from the U.S. Department of Education Re-Imagine Workforce Program (RWP) provided through the Coronavirus Aid, Relief and Economic Security (CARES) Act.

### Goal #1

Provide short term education and training programs to **7,080** participants.

### Goal #2

Help **200** Alabama Businesses avoid lay-offs, up-skill current employees, develop talent pipelines.



# 2. Developing a Statewide Data Infrastructure: Key Initiatives

Understanding Postsecondary Attainment, Labor Force Participation & Barriers to Entry

# ATLAS on Career Pathways

## Alabama Terminal on Linking and Analyzing Statistics (ATLAS)

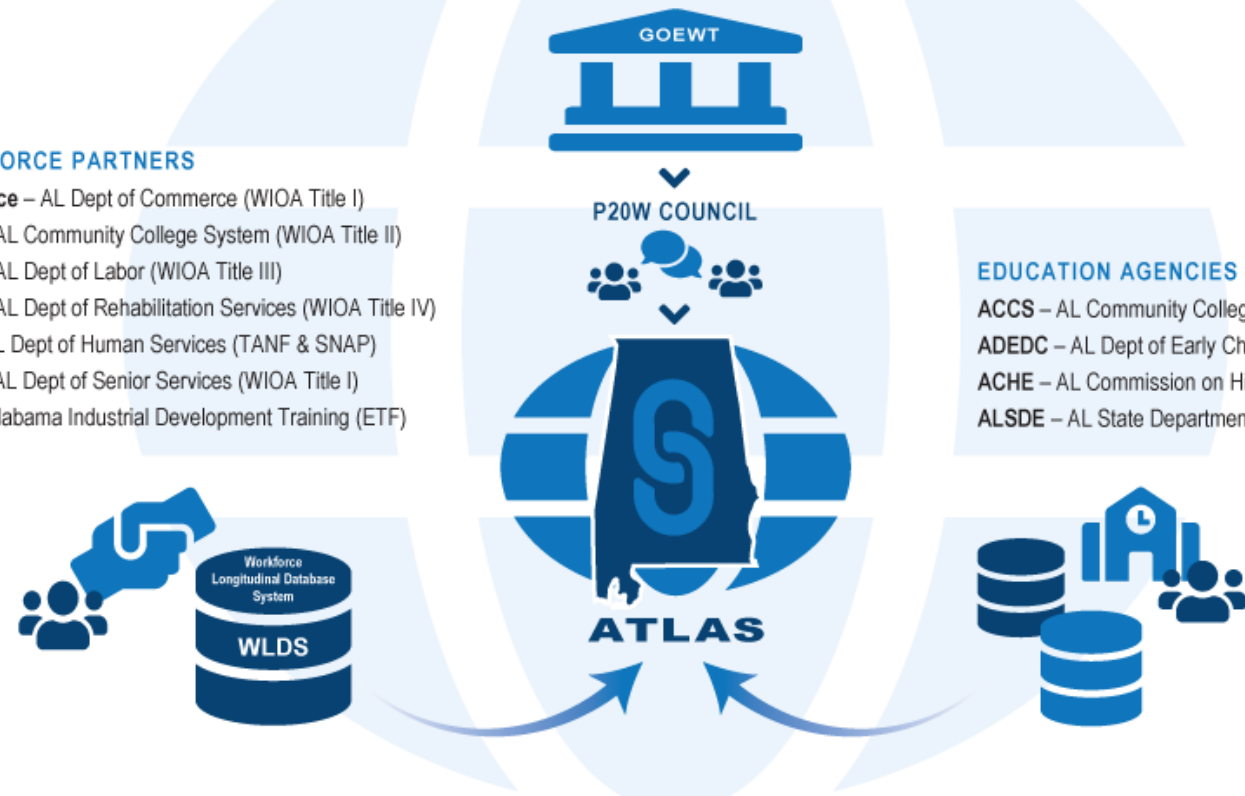
GOVERNOR'S OFFICE OF EDUCATION AND WORKFORCE TRANSFORMATION

### WORKFORCE PARTNERS

- Commerce – AL Dept of Commerce (WIOA Title I)
- ACCS – AL Community College System (WIOA Title II)
- ADOL – AL Dept of Labor (WIOA Title III)
- ADRS – AL Dept of Rehabilitation Services (WIOA Title IV)
- DHR – AL Dept of Human Services (TANF & SNAP)
- ADSS – AL Dept of Senior Services (WIOA Title I)
- AIDT – Alabama Industrial Development Training (ETF)

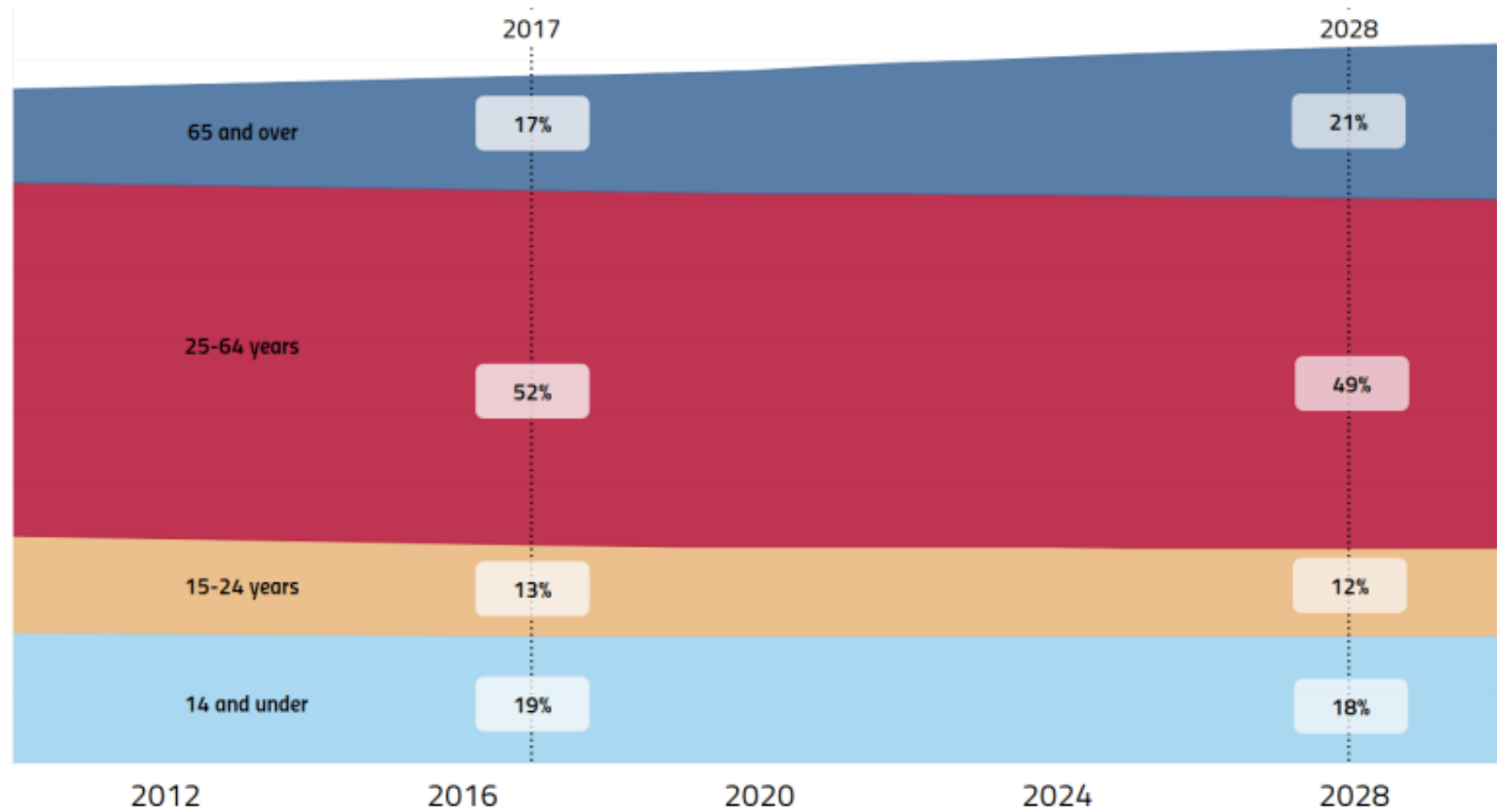
### EDUCATION AGENCIES

- ACCS – AL Community College System
- AEDC – AL Dept of Early Childhood Education
- ACHE – AL Commission on Higher Education
- ALSDE – AL State Department of Education (K-12)



# Alabama population change, 2010-2030, with detail in 2017 and 2028

Source: U.S. Census Bureau, 2022



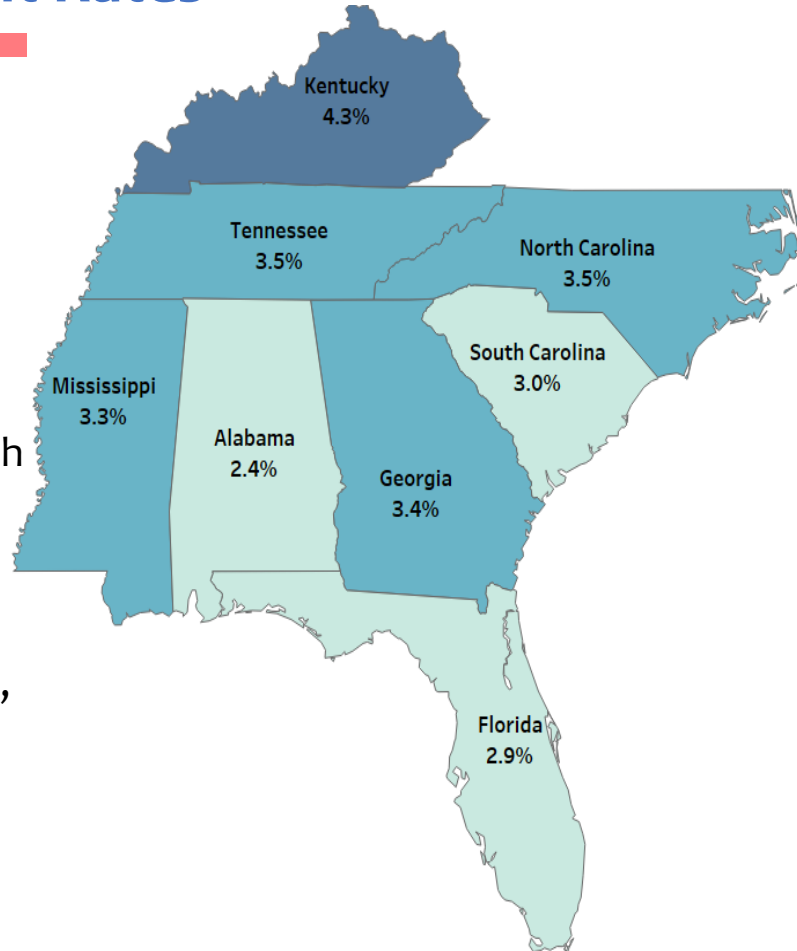
Source: Credential Engine. (2022). Alabama's Success Plus Attainment Goal Progress. Washington, DC: Credential Engine.

# Local Area Unemployment Statistics

November 2023 Preliminary Data: Southeastern Area Comparison

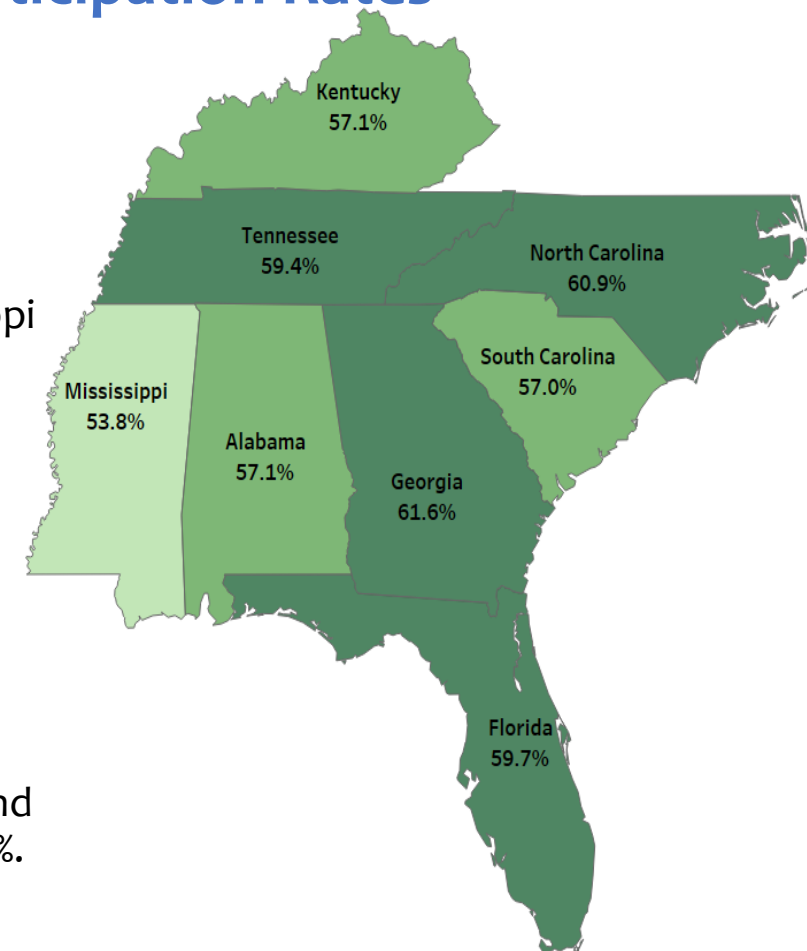
## Unemployment Rates

- Over the month, Alabama's unemployment rate increased to 2.4%.
- Alabama's unemployment rate was lower than Kentucky by 1.9, North Carolina by 1.1, Tennessee by 1.1, Georgia by 1.0, Mississippi by 0.9, South Carolina by 0.6, and Florida by 0.5 percentage points.



## Labor Force Participation Rates

- Over the month, Alabama's LFPR was increased to 57.1%.
- Alabama's LFPR was higher than Mississippi by 3.3 and South Carolina by 0.1 percentage points while equal to Kentucky.
- Alabama's LFPR was lower than Georgia with 61.6 %, North Carolina with 60.9%, Florida with 59.7%, and Tennessee with 59.4%.





# Labor Force Participation Rate by County

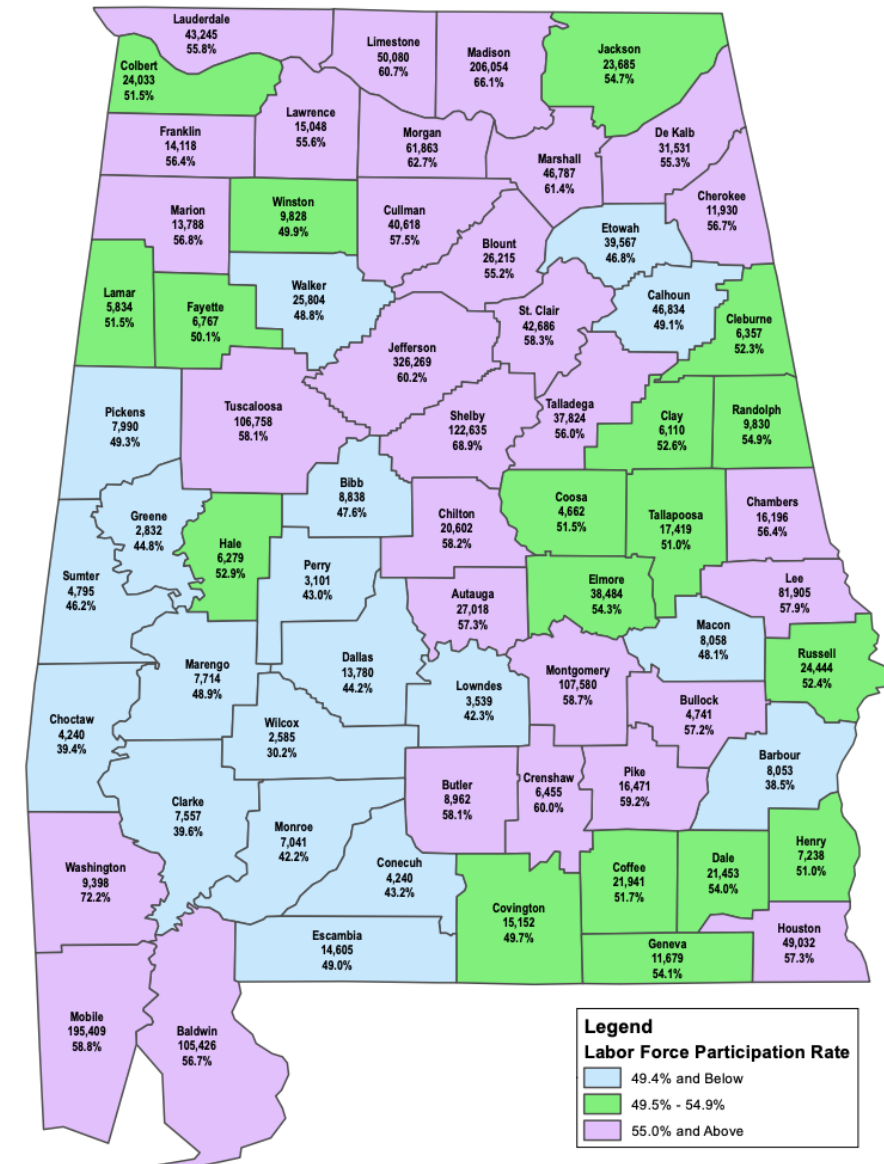
Labor Force Participation Goal  
 One percent of  
 Alabama's civilian labor  
 force is 23,000 people.

We can increase the LFPR by approximately 1 percentage point by:

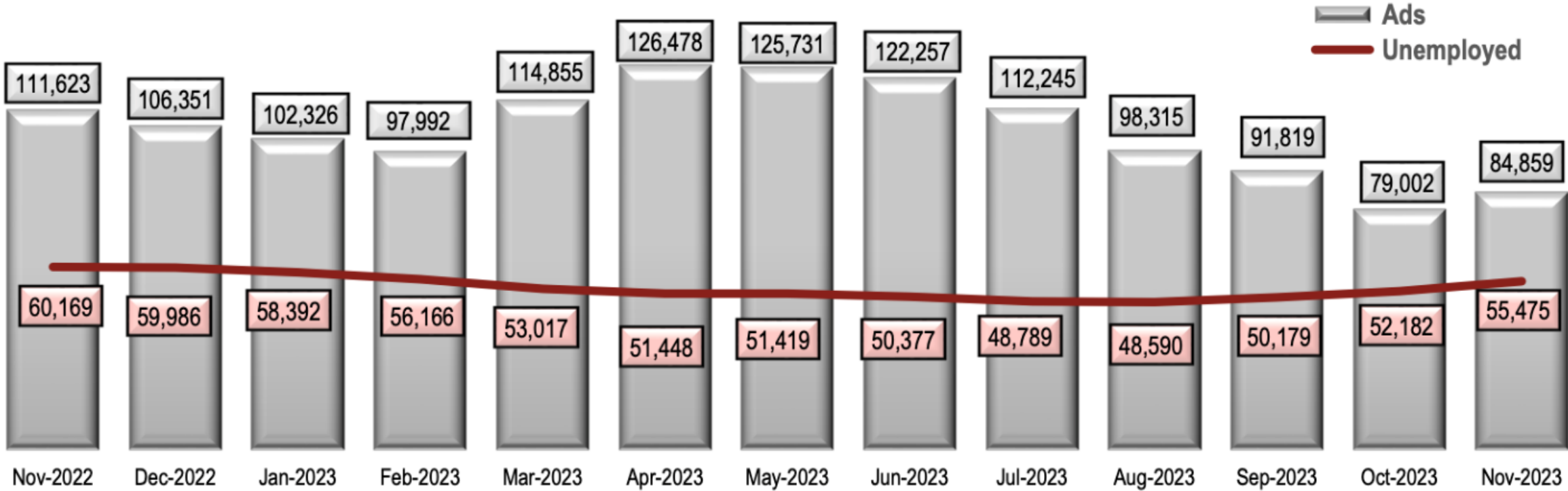
1. By putting 40,550 non-working Alabamians to work.
2. Add 97,590 new participators to the population of the state who did not live here before.

## Alabama Number in Civilian Labor Force and Participation Rate October 2023 Preliminary

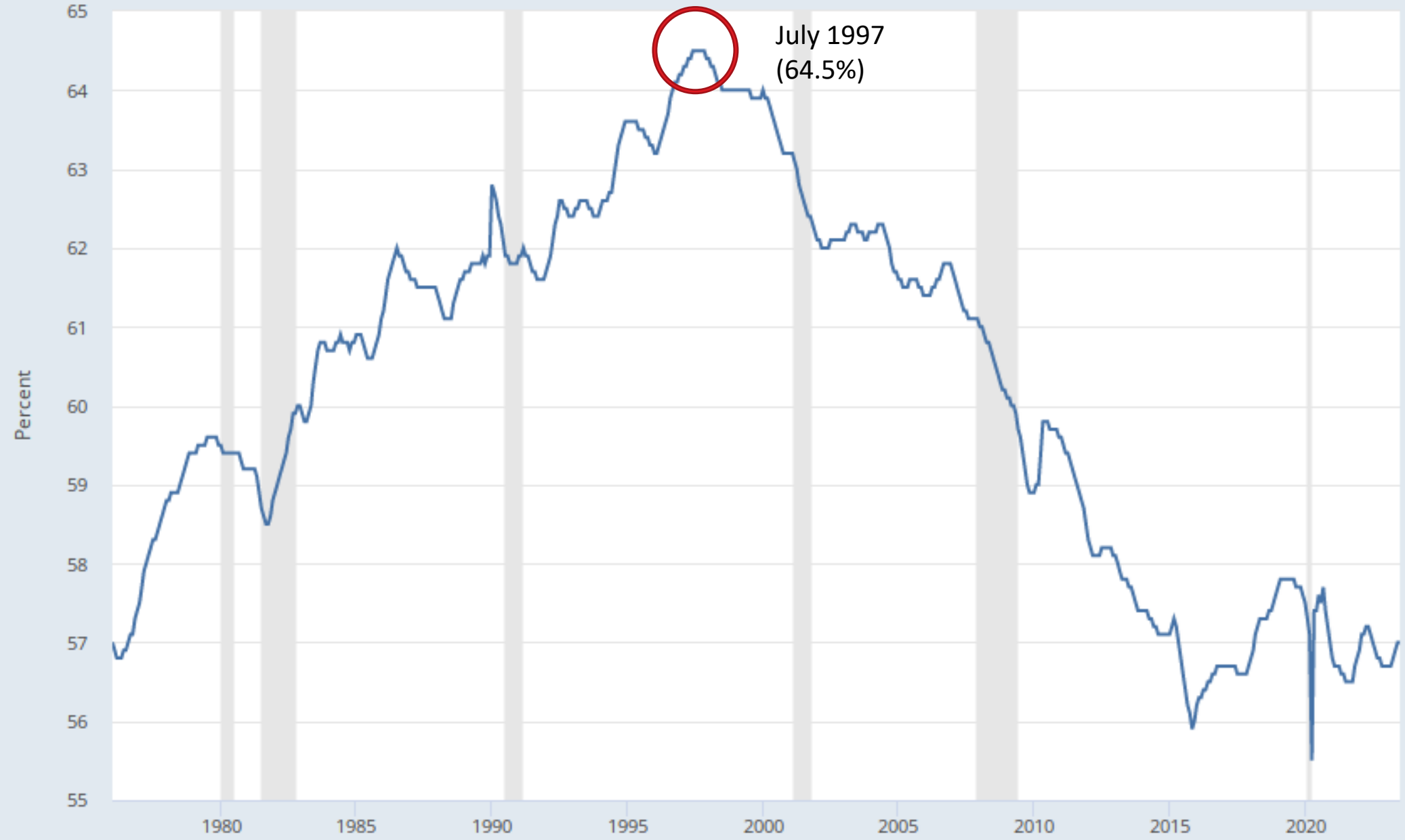
State Rate Seasonally Adjusted: 57.0%  
 State Rate Not Seasonally Adjusted: 57.4%  
 Counties Not Seasonally Adjusted



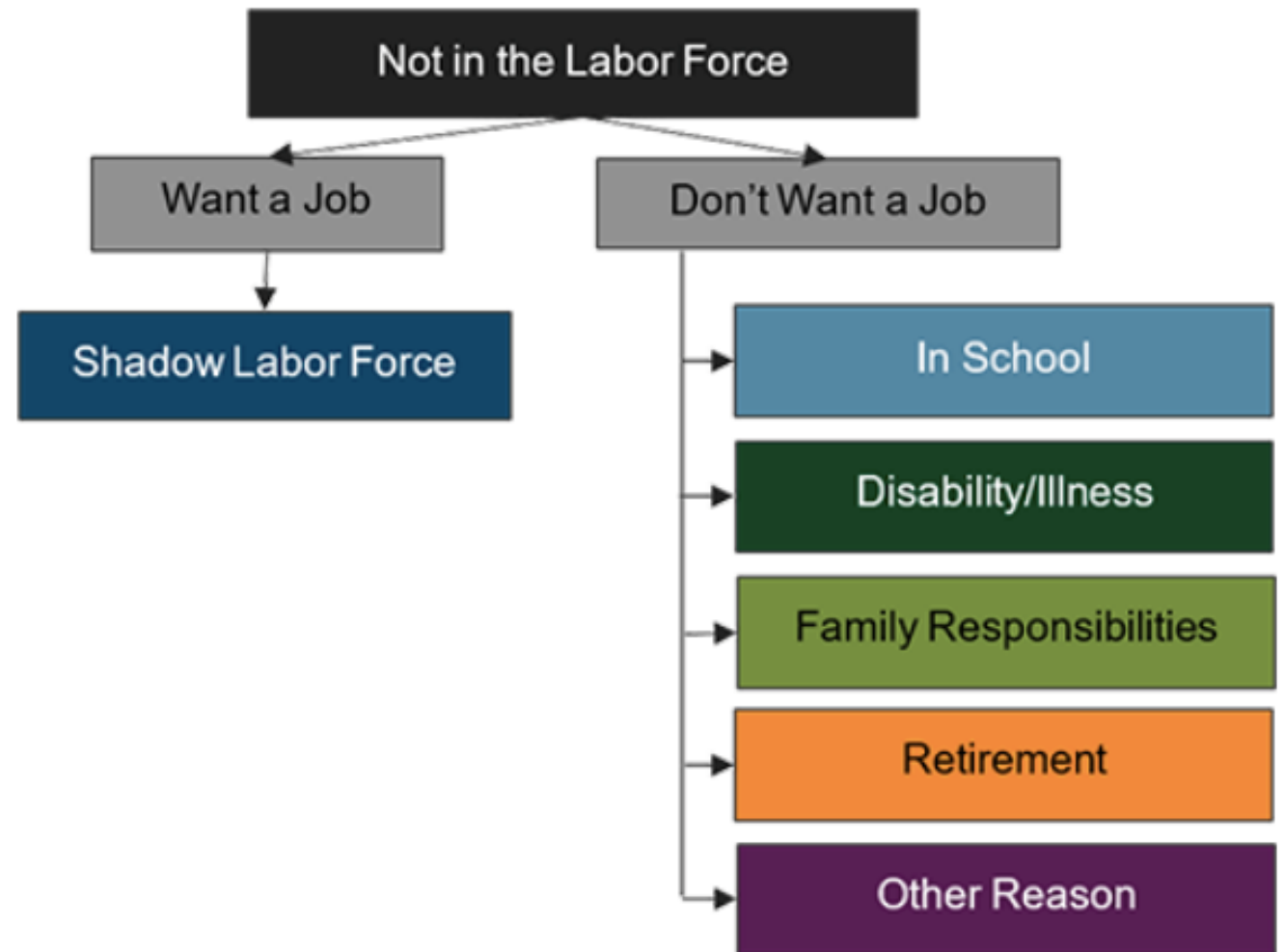
# Statewide Open Online Jobs Compared to the Number of Unemployed Persons



Source: Alabama Department of Labor, December 2023



Why are individuals not in the labor force?

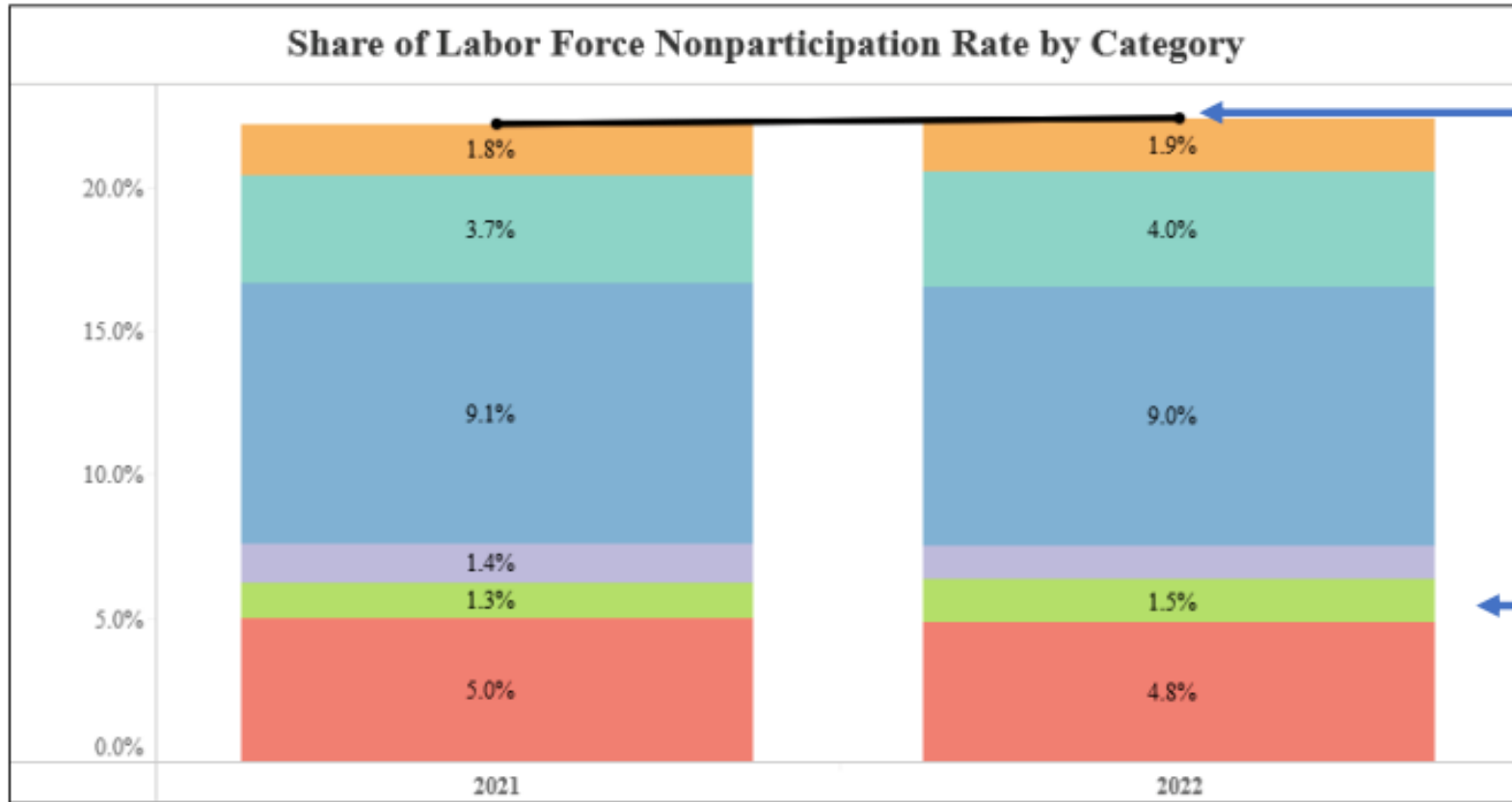


Source: Atlanta Fed Labor Force Participation Dynamics  
Source: Dr. Alex Ruder and Dr. Pearse Haley

# Labor Force Nonparticipation Overview

All workers age 25 through 54 in Alabama

<b>State</b> AL	<b>Start date</b> 2021	<b>End date</b> 2022	<b>Nonparticipation categories</b> <ul style="list-style-type: none"><li>Overall nonparticipation rate</li><li>Retirement</li><li>Disability/illness</li><li>Family responsibilities</li><li>In school</li><li>Shadow labor force</li><li>Other</li></ul>
<b>Sex</b> (All)	<b>Education level</b> (All)	<b>Age group</b> 25-54	



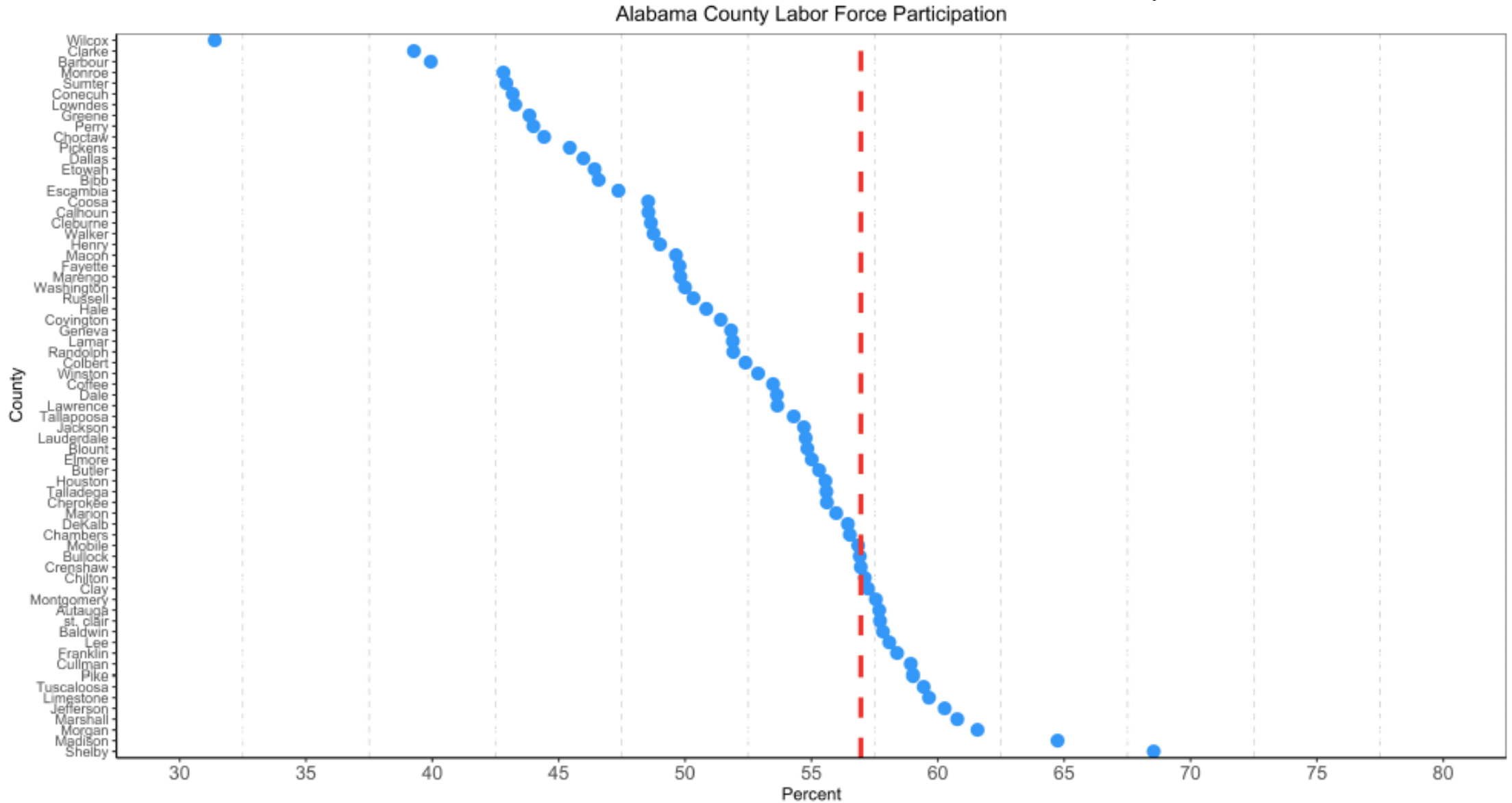
Prime Age Labor Force  
Nonparticipation rate:  
**22.4%**

Shadow Labor Force:  
**1.5%**

Source: Dr. Alex Ruder, Federal Reserve Bank of Atlanta

# County Labor Force Participation

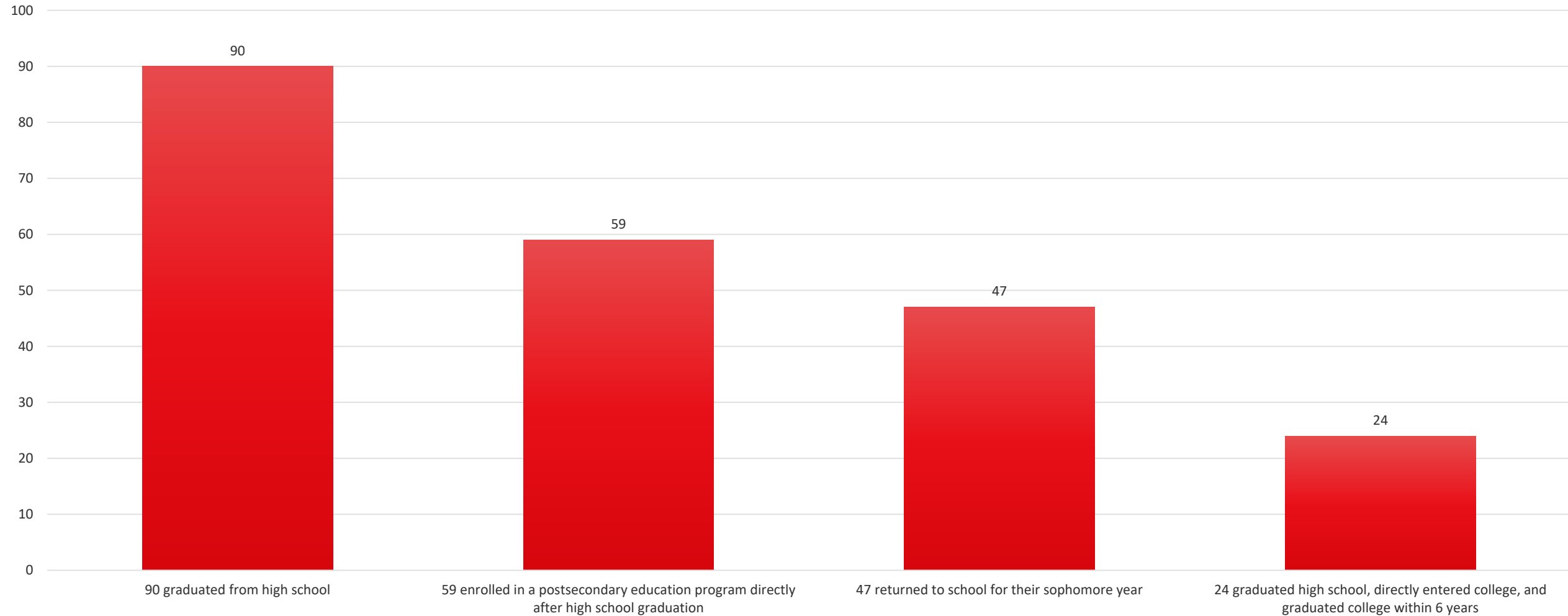
Source: Dr. Alex Ruder and Dr. Pearse Haley



Date: October 2021

Sources: Alabama Department of Labor; American Community Survey 5-year population estimates (2019). Population measure includes all individuals 16 and over.

# Out of 100 9th graders who became the class of 2018...



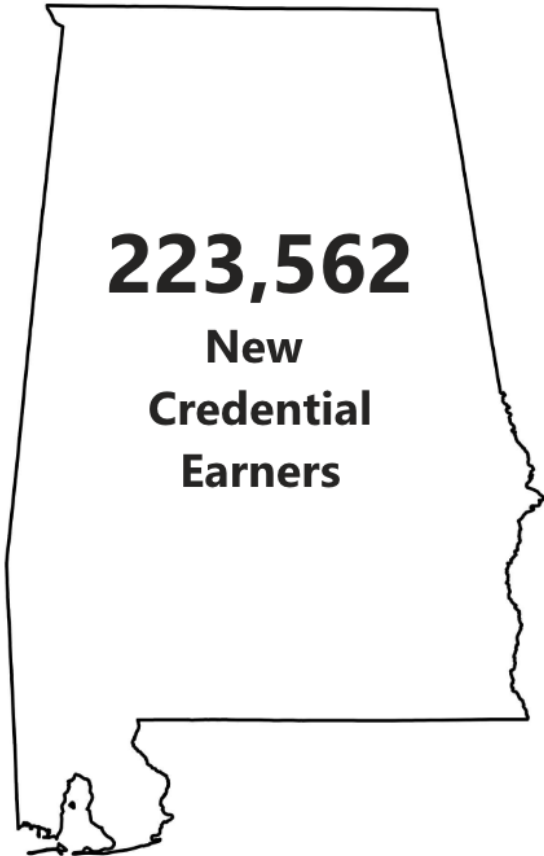
Source: NCHEMS, August 2022 <http://www.higheredinfo.org/dbrowser/?year=2010&level=nation&mode=%20data&state=&submeasure=63>

# New Credential Earners in Alabama 2018-2021

*Measuring Progress toward Alabama's SUCCESS+ Attainment Goal*



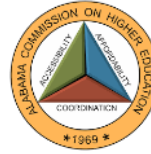
Governor Ivey's Success+ initiative seeks to add 500,000 Alabamians who have earned their first credential to Alabama's potential workforce by 2025. This research combines credential achievement data from Alabama Department of Commerce, Workforce Development Division; Alabama Community College System, Adult Education; Alabama Community College System; Alabama Commission on Higher Education; and Alabama Department of Education, to estimate the number of first-time credential earners in the years 2018-2021.



ALSDE



ACCS



ACHE

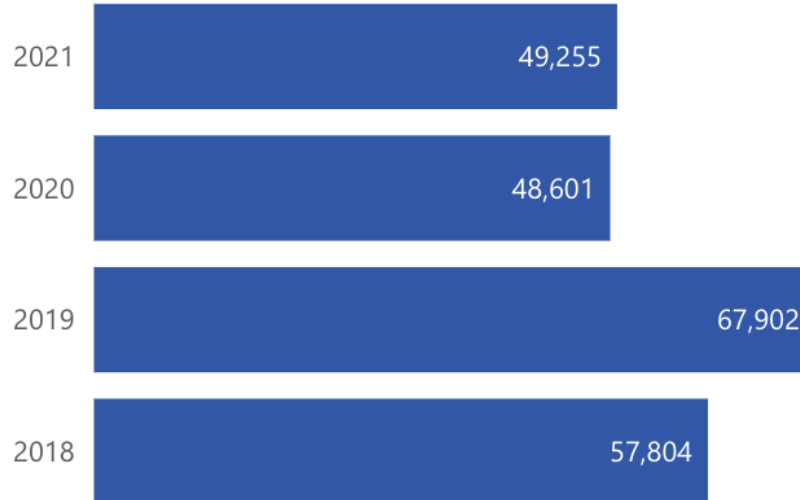


AE



WDD

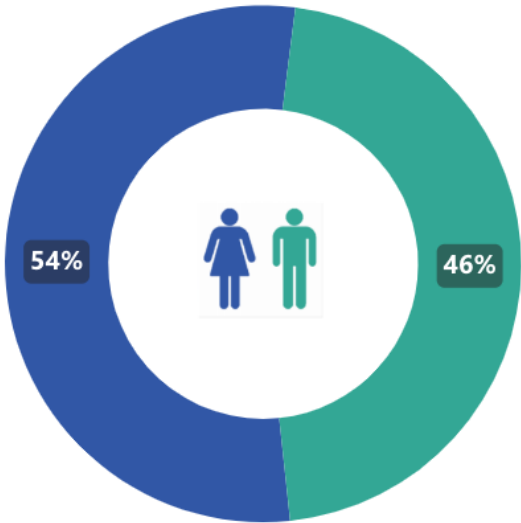
New Credential Earners by Year





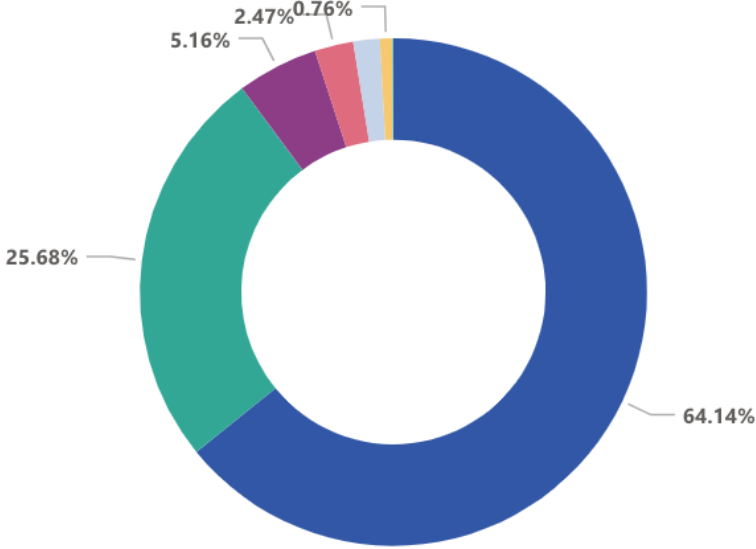
# Statewide Credential Earner Demographics

Gender



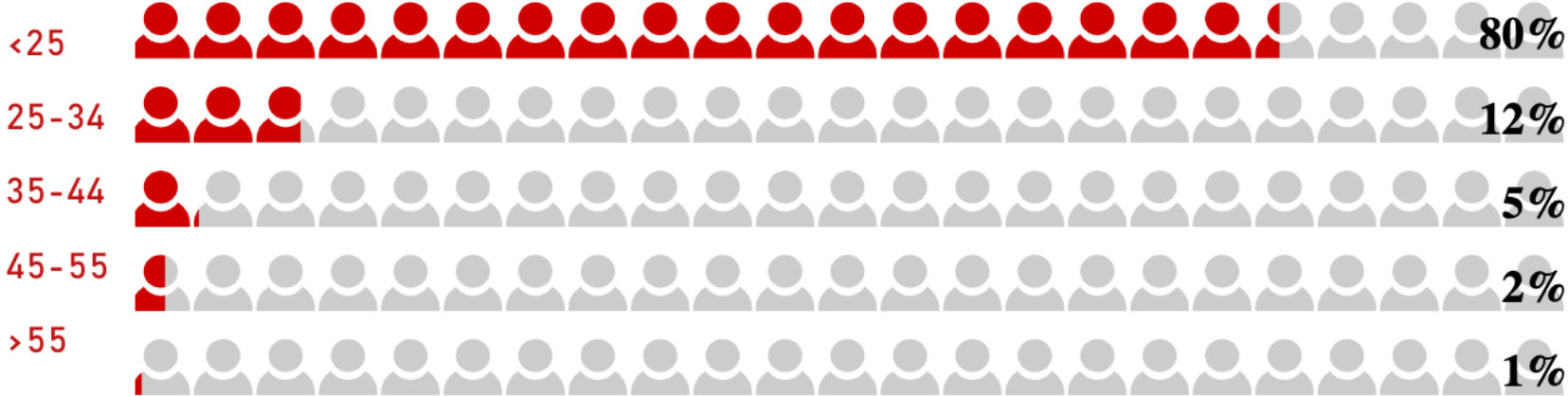
Category  
 ● Female  
 ● Male

Race/Ethnicity

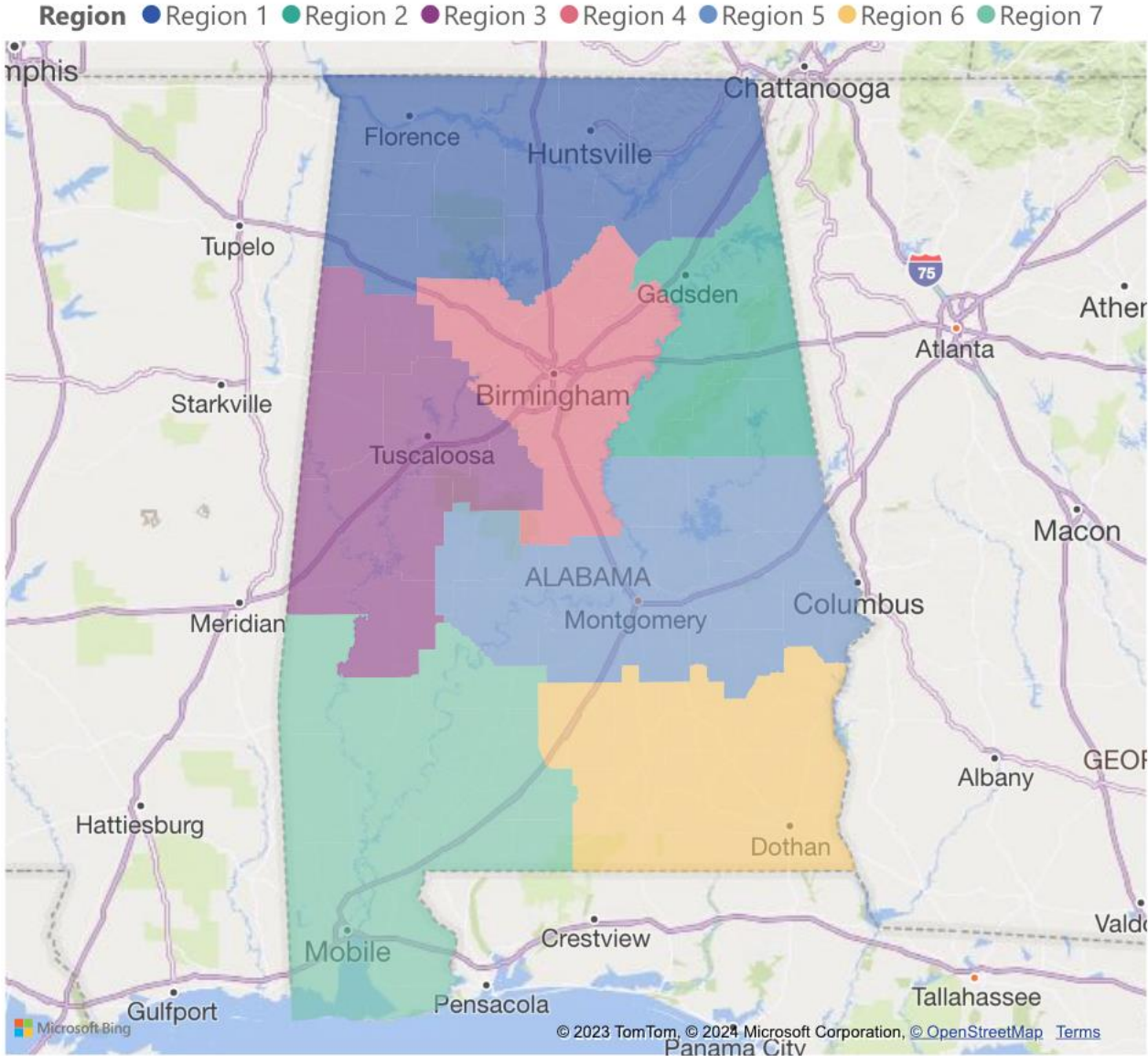


Category  
 ● White  
 ● African American or Black  
 ● Multiracial  
 ● Hispanic or Latino  
 ● Asian  
 ● American Indian or Alaska Native  
 ● Native Hawaiian or Pacific Islander

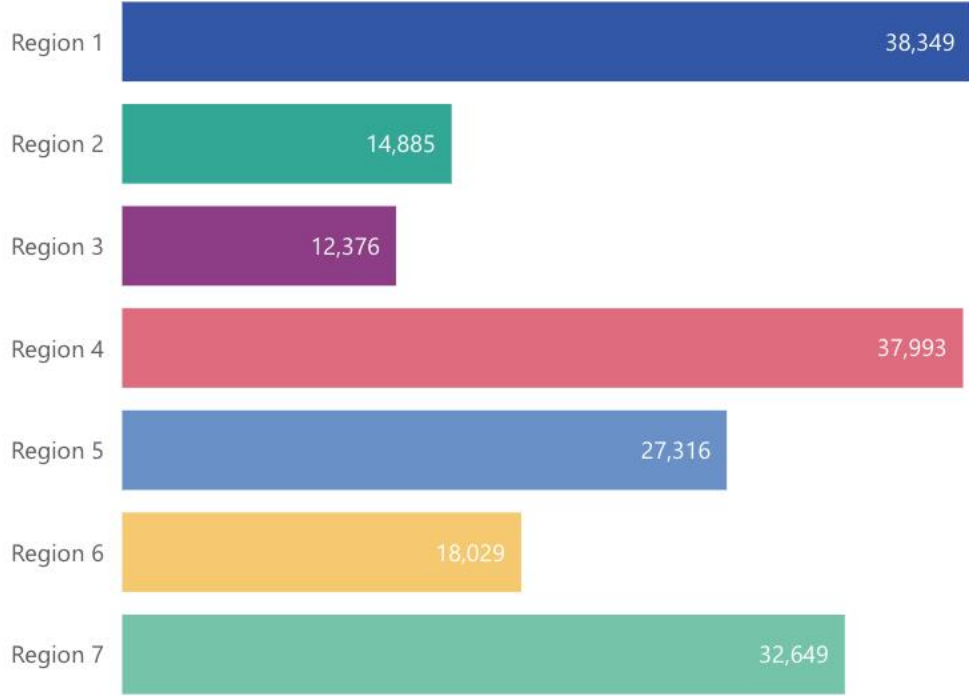
Age at First Credential



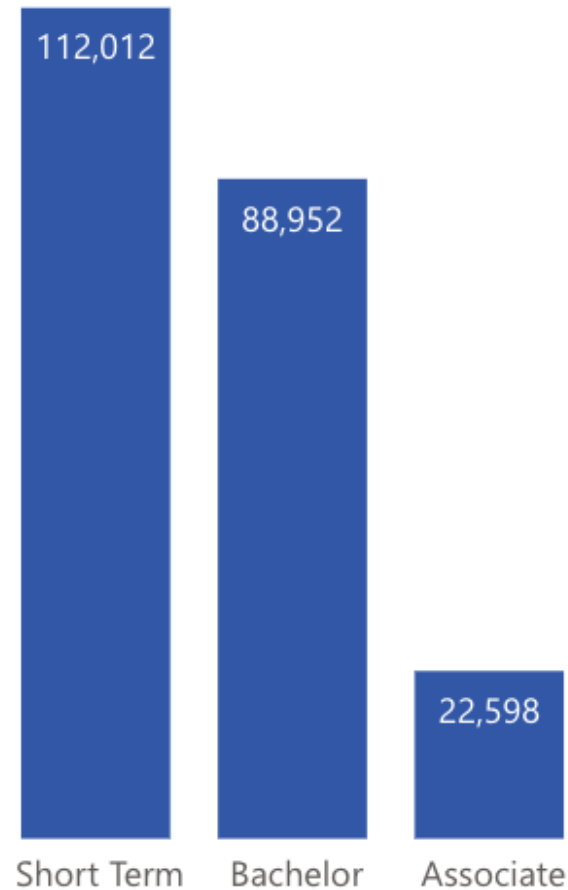
# New Credential Earners in Alabama's Workforce Development Regions



New Credential Earners by Region

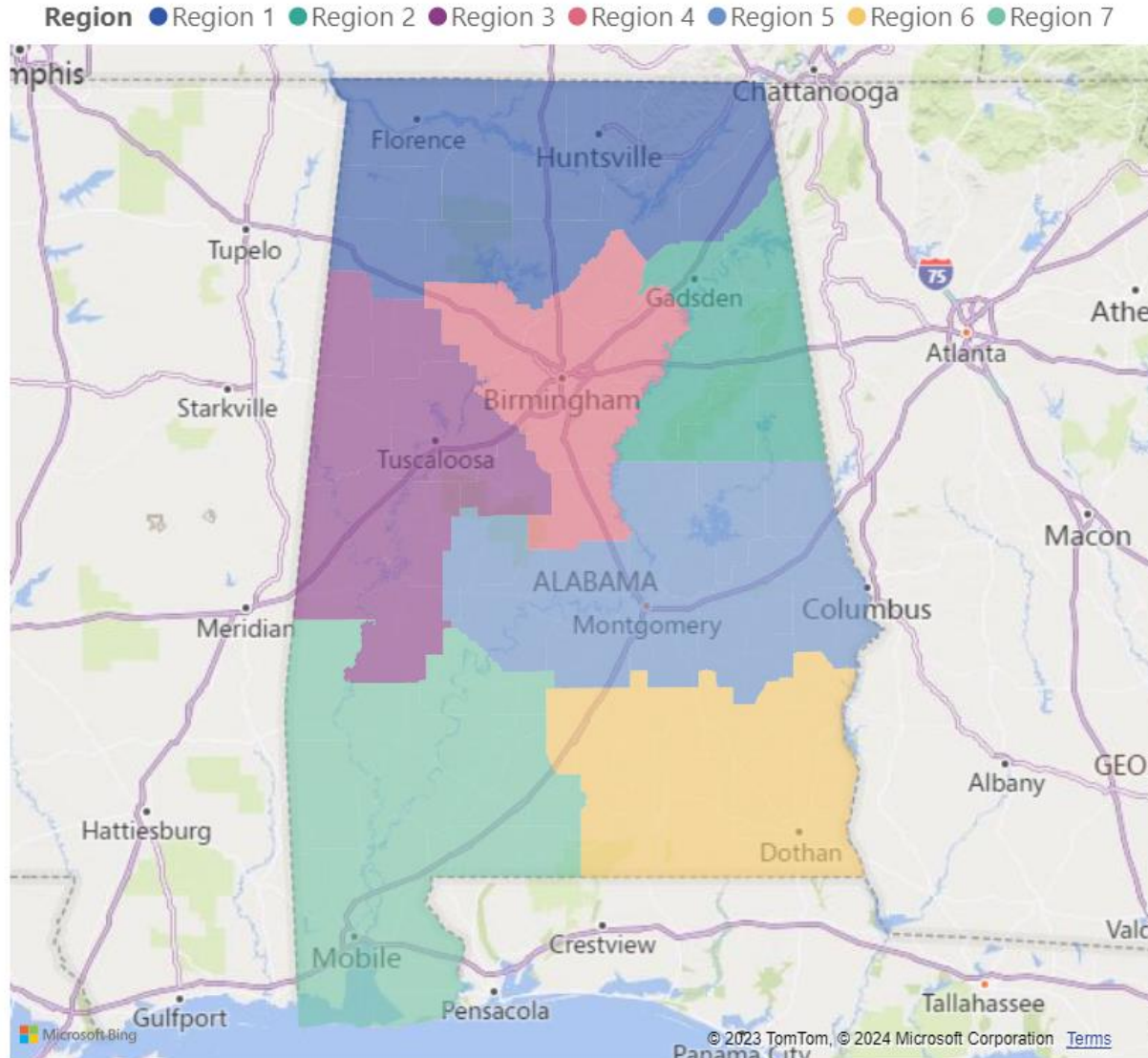


## Type of Credential Earned




- **Education and Training:** 29,955
- **Health Science:** 27,561
- **Science, Technology, Engineering, & Math:** 25,975
- **Business Management & Administration:** 25,641
- **Agriculture, Food & Natural Resources:** 23,223
- **Hospitality & Tourism:** 18,650
- **Finance:** 9,402
- **Human Services:** 8,513
- **Transportation, Distribution & Logistics:** 7,908
- **Arts, Audio/Video Technology & Communications:** 7,879
- **Marketing:** 6,819
- **Manufacturing:** 6,807
- **Government & Public Administration:** 6,588
- **Architecture & Construction:** 6,519
- **Information Technology:** 5,532
- **Law, Public Safety, Corrections & Security:** 2,836

# Health Science Credential Earners By Region



Region 1: 5,377  
Region 2: 1,845  
Region 3: 1,502  
Region 4: 5,109  
Region 5: 3,049  
Region 6: 1,867  
Region 7: 3,666



# 3. Increasing Labor Force Participation through Skills- Based Hiring and Competency-Based Education

Developing the Skills Infrastructure Needed to Power New Learning  
Modalities



# Alabama's Occupational Ontology



- Provides a **new foundation** for demand and competency-based education and workforce training in Alabama.
- Provides the “**occupational DNA**” or “skills shape” for each occupation and career pathway in the state.
- Operationalizes **skills-based hiring** and **skills-based job descriptions**.
- Provides the basis of creating an **organic talent exchange** and **credential currency**.
- Education and training providers can **develop short-term, asynchronous training programs** that are aligned to **in-demand jobs**.

# Alabama Committee on Credentialling and Career Pathways (ACCCP)

## Overview

- The **ACCCP was codified by Act 2019-506**, which passed the Legislature unanimously during the 2019 session.

## Mission

- The ACCCP has a two-fold mission: (1) to **identify** Alabama's regional and **statewide in-demand occupations** and (2) to identify **competency models, career pathways, and credentials of value** linked to those in-demand occupations.

## TACs

- The ACCCP includes **16 Technical Advisory Committees (TACs)** each composed of seven **gubernatorially-appointed members of business and industry**.

## Subject Matter Experts (SME)

- Each TAC is supported by subject-matter experts from state education and workforce agencies are trained to assist the TACs with developing competency models and career pathways.

Criteria I	Criteria II	Criteria III	Criteria IV	Criteria V
Occupation Must be at least 70% of Regional Median Wage	Positive projected growth	Occupation is projected to have a minimum of 15 openings a year	Occupation median wage exceeds the current lower living standard income level (LLSIL) at 70%.	Occupation Requires a post-secondary credential, certificate or degree for initial employment

### Regional In-Demand Occupations must meet a minimum of 4 criteria

- Criteria 1-3 are required
- Must meet either criteria 4 or 5

### Alabama In- Demand Occupations

- Occupations that are in demand in 3 or more regions qualify for the state demand list



# Gap Analysis of ETPL & CTE Programs



359 ETPL programs offered by 79 Providers



72 CTE Programs offered by 312 school across 122 systems



What occupations do these programs serve?



What occupations are not currently served?



What programs need to be created?



# Two Models for Measuring Achievement

## Traditional Model

### Measure of Achievement: Credit Hour

- Credit provided for “seat time”
- In place for more than a century

### Context for Development

- Industrial era
  - Standardization of educational processes and degrees
  - Highly structured, time-based educational models
  - Initially designed to determine faculty teaching loads, not student outcomes

## Competency-Based Model

### Measure of Achievement: Mastery of Skills and Competencies

- Credit provided for student learning, rather than “seat time”
- Credit earned through prior learning assessments and competency-based coursework

### Context for Development

- Information age
  - Economy reliant on flexibility and adaptability
  - Greater need for applying learning in rapidly changing circumstances



# What is skills-based hiring?

Skills-based hiring is an **approach to talent management** that starts with identifying the skills required in a role and recruiting candidates who have passed competency- or performance-based assessments.



# Benefits of Skills-Based Hiring

## Benefits to Employers


- Empowers employers to align recruitment around business results, rather than around résumés
- Allows employers to screen job applicants for the specific skills and competencies needed to do a job, which is needed now more than ever

## Benefits to Employees

- Empowers students, workers, and schools to establish and follow classroom-to-career pathways
- Aids workers in moving out of poverty through entry-level and mid-level roles that prepare them to obtain the transferable skills needed to move laterally between industries

## Benefits to the Workforce at Large

- Connects education and workforce training programs directly to employer demand



# Credit for Prior Learning (CPL) and Prior Learning Assessment (PLA)

- Credit for prior learning is **academic credit for demonstrated college-level equivalencies gained through learning experiences outside the college classroom**
- Credit for prior learning uses **well-established methods** for assessing learning outside of institutions, such as:
  - Third-party validation of formal training
  - Individualized assessment, such as portfolios



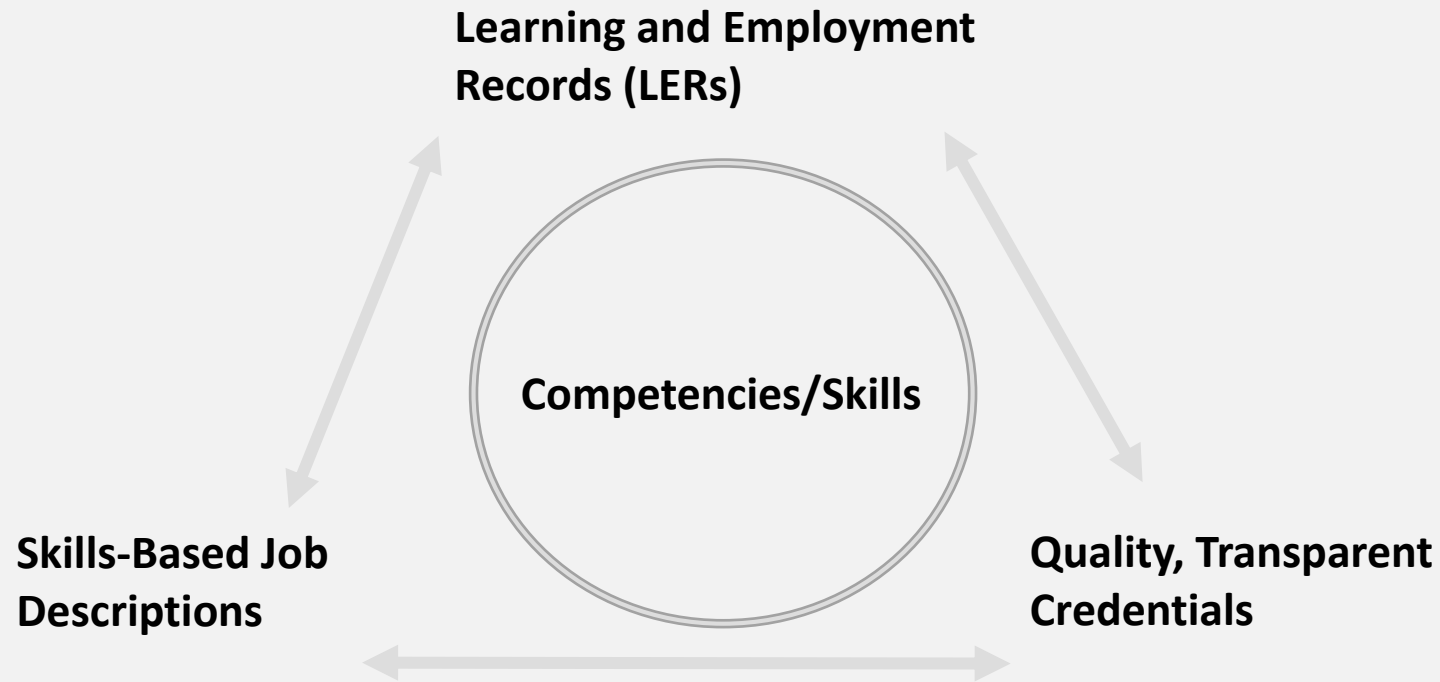
# The Applications: Alabama's Talent Triad

Credential Registry

Skills-based Job Description Generator

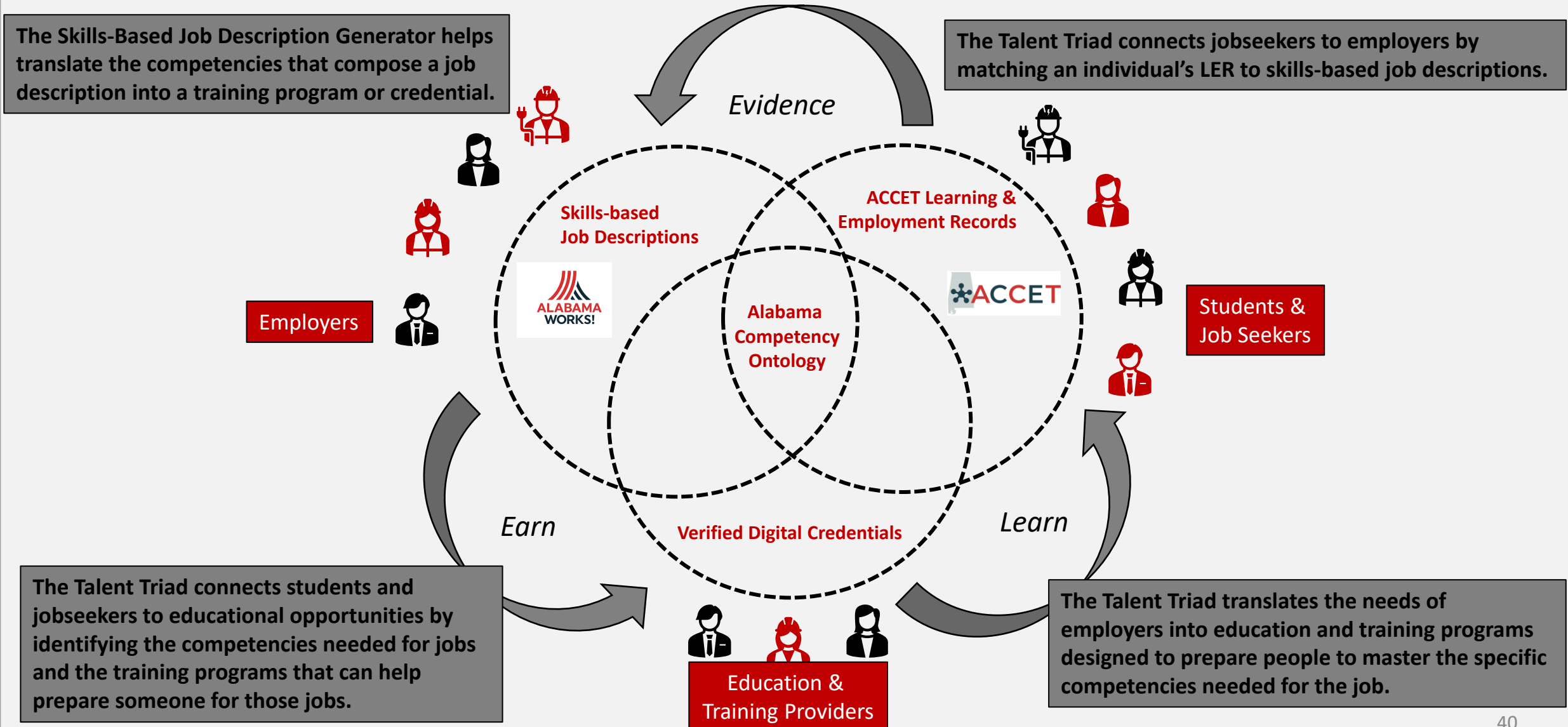
Alabama College and Career Exploration Tool (ACCET)

# The Alabama Talent Triad: The Nation's First Full-Scale Talent Marketplace



Source: Governor's Office of Education and Workforce Transformation, July 2023

# The Nation's First Full-Scale Talent Marketplace





# Built to Benefit Employers, Job-Seekers & Students



---

Capture candidates into your **talent pipeline** that are in-process of completing a relevant credential program BEFORE they've completed it

---

**Matching** candidate on **SKILLS** from **potentially unknown sectors/industries**

---

Make **ALL Learning Count** through credentials, experience & SKILLS

---

Supports candidate placements at **every level of the organization**

---

**Verified vs Self-Attested** skills and credentials



# Key Takeaways

- Alabama's 2024 Combined State WIOA Plan will use competency-based education and skills-based hiring to increase Alabama's postsecondary education attainment and labor force participation rates, which is essential for future economic growth.
- Alabama is launching the nation's first full-scale talent marketplace, the Alabama Talent Triad, which connects talent to opportunity by using competencies as a currency to transact and translate all forms of learning.
- In alignment with her Strong Start, Strong Finish Education Initiative, Governor Ivey is focusing efforts on all aspects of the talent pipeline to ensure our citizens have every opportunity for a strong future.