

# Follow the Data: What HR Leaders Want Educators to Know Today



IMS Digital Credentials Summit  
Atlanta, GA  
February 11, 2020

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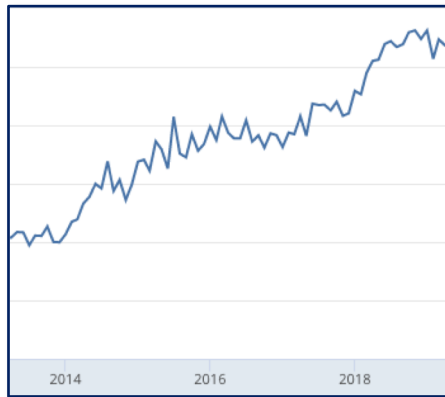
# Northeastern University

*Center for the Future of Higher Education and Talent Strategy*



# In a Tight Job Market, Talent Strategy Tops the Corporate Agenda

...driving changes in how employers view credentials and relate to higher ed



## Job openings at all-time highs

(Federal Reserve/BLS, 2019)



## Attracting and retaining talent: top CEO concern

(Conference Board, 2019; also PWC Global CEO Survey)

- Embrace of alternative talent pipelines
- Shifts in college recruiting
- Investments in upskilling and retention



## The Degree is Doomed

January 8, 2014

**The Washington Post**

## Are Master's Degrees on Their Way Out? Alternatives Grow as Enrollment Fades

April 13, 2015

**CHIEF LEARNING OFFICER®**

## The End of the Master's Degree?

August 26, 2015

**The New York Times**

## Biggest Offender in Outsize Debt: Graduate Schools

June 3, 2019

**THE CHRONICLE OF HIGHER EDUCATION**

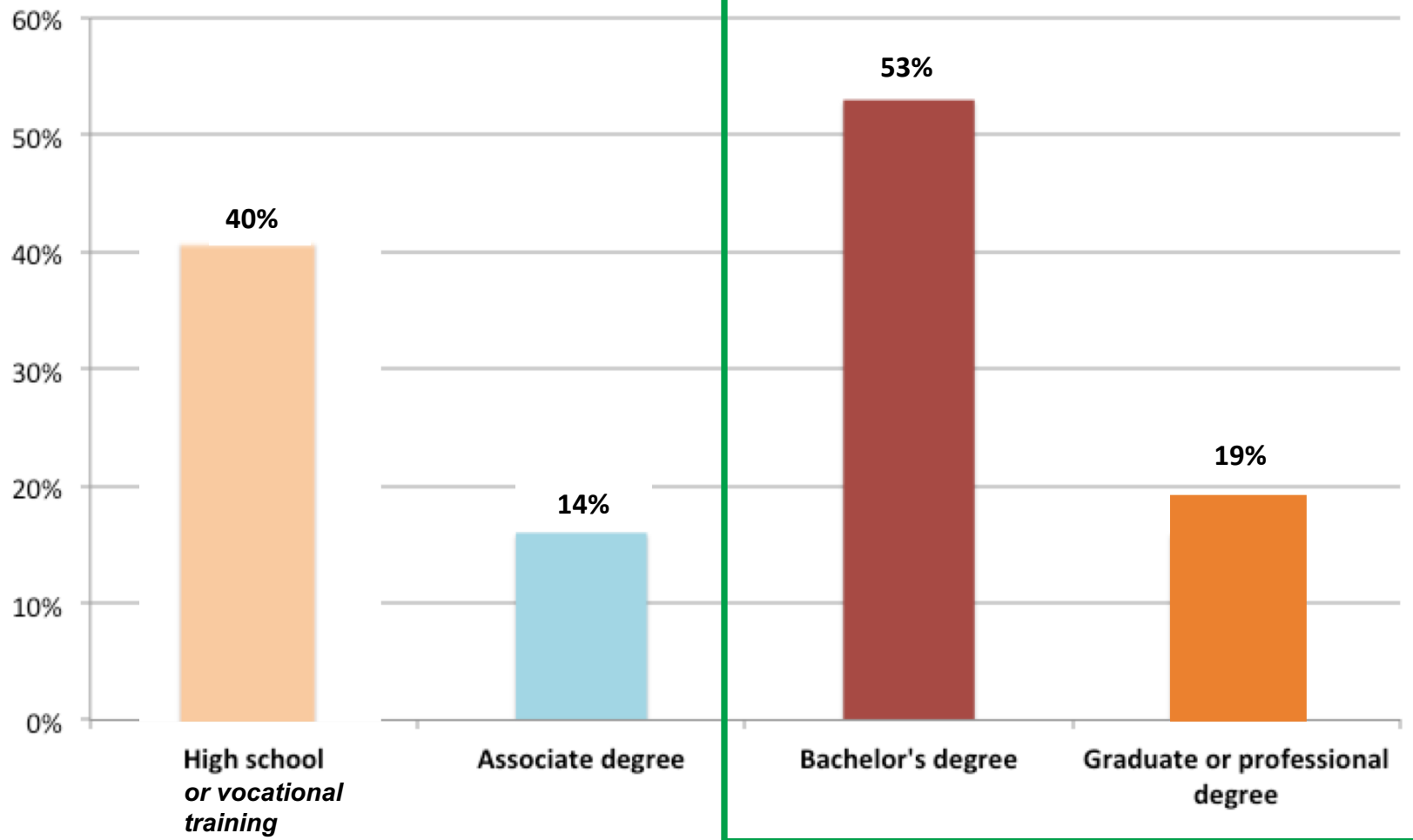
## "The end of the master's degree as we've known it?"

August 7, 2019

## Degrees Still Highly Demanded in the Job Market

### “Requested Educational Credentials” by Employers

Note: Both “Required” and “Preferred” – Totals Exceed 100%



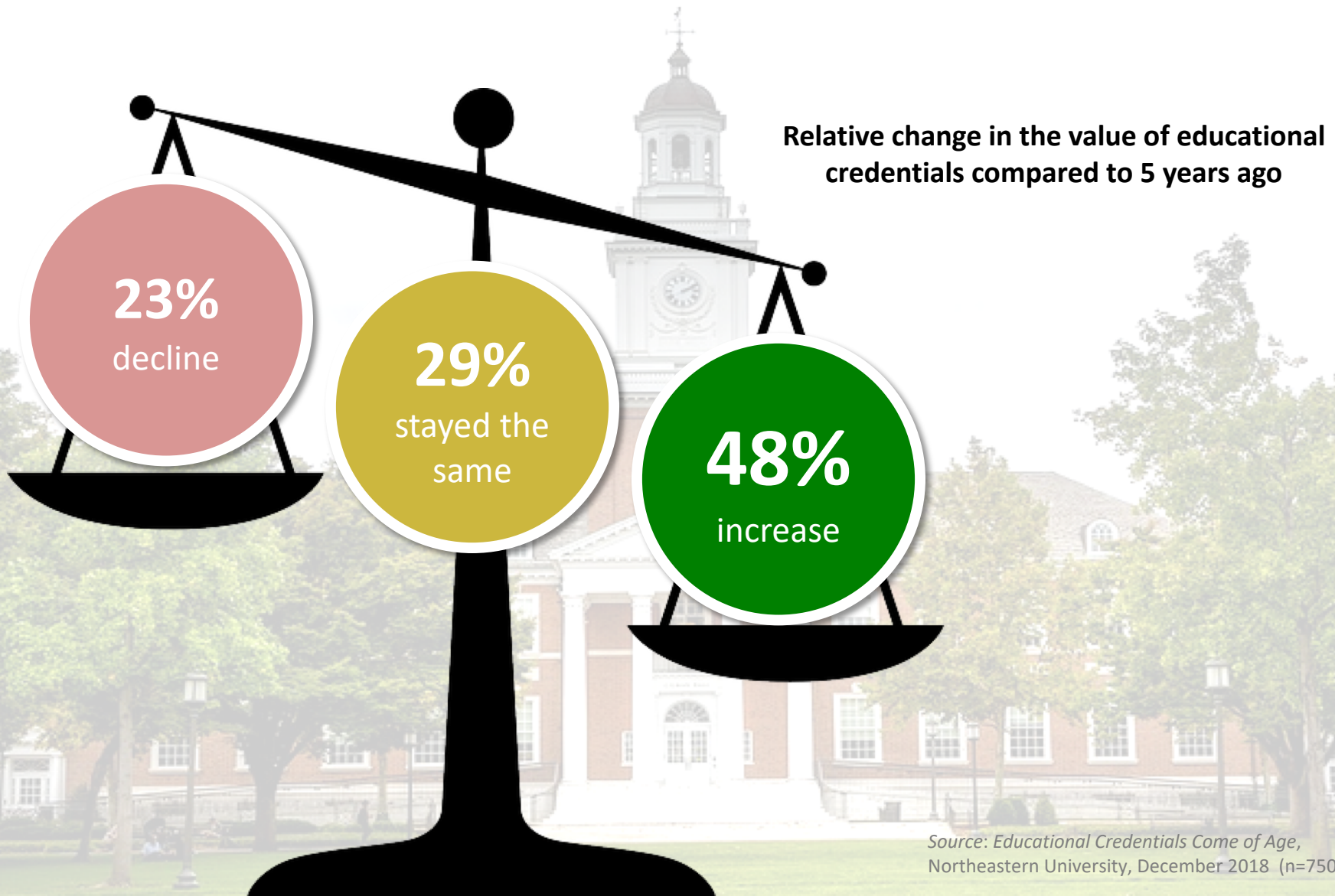


## A National Survey of Employers



- **Role of educational credentials in hiring understudied**
  - **New developments further complicate the picture:**
    - **New types of credentials**
    - **Online learning**
    - **Technology-driven shifts in hiring practice**
- 
- **National survey of 750 HR leaders (Aug-Sept 2018)**
  - **Census-representative across industry sectors and company sizes**
  - ***Focus on perceptions, policies, practices***

# Over the Last 5 Years, the Value of Educational Credentials in Hiring Has *Increased or Stayed the Same* for Most Employers





# “Alternative” Credentials Increasingly in Focus

## Alternative Credential Attainment among U.S. Adults



**27%**

any non-degree  
credential



**18%**

professional  
license



**6%**

certification



**8%**

postsecondary  
certificate

*\*Percentages do not reconcile since categories can overlap*

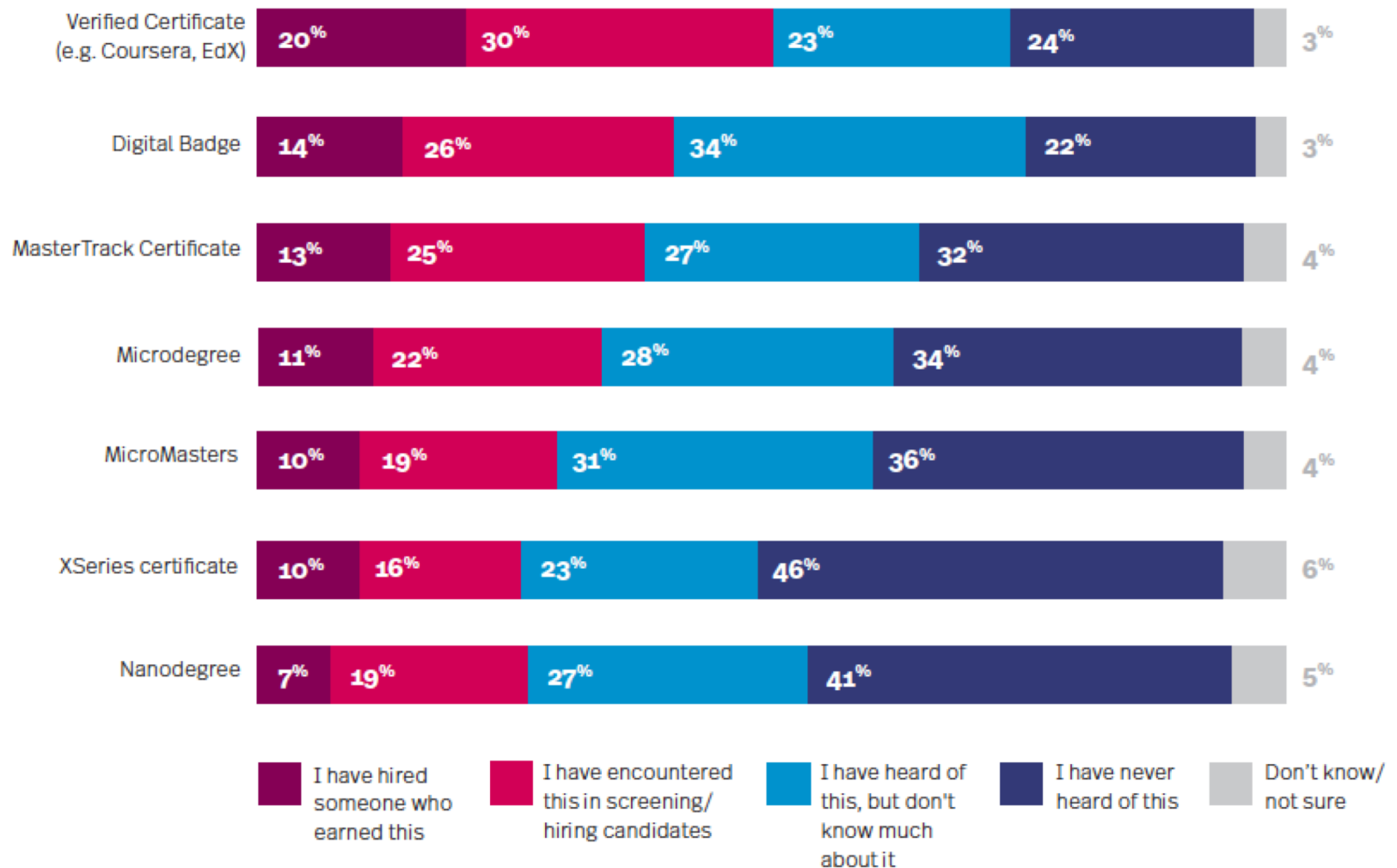


# Expanding Universe of Non-Degree Credentials

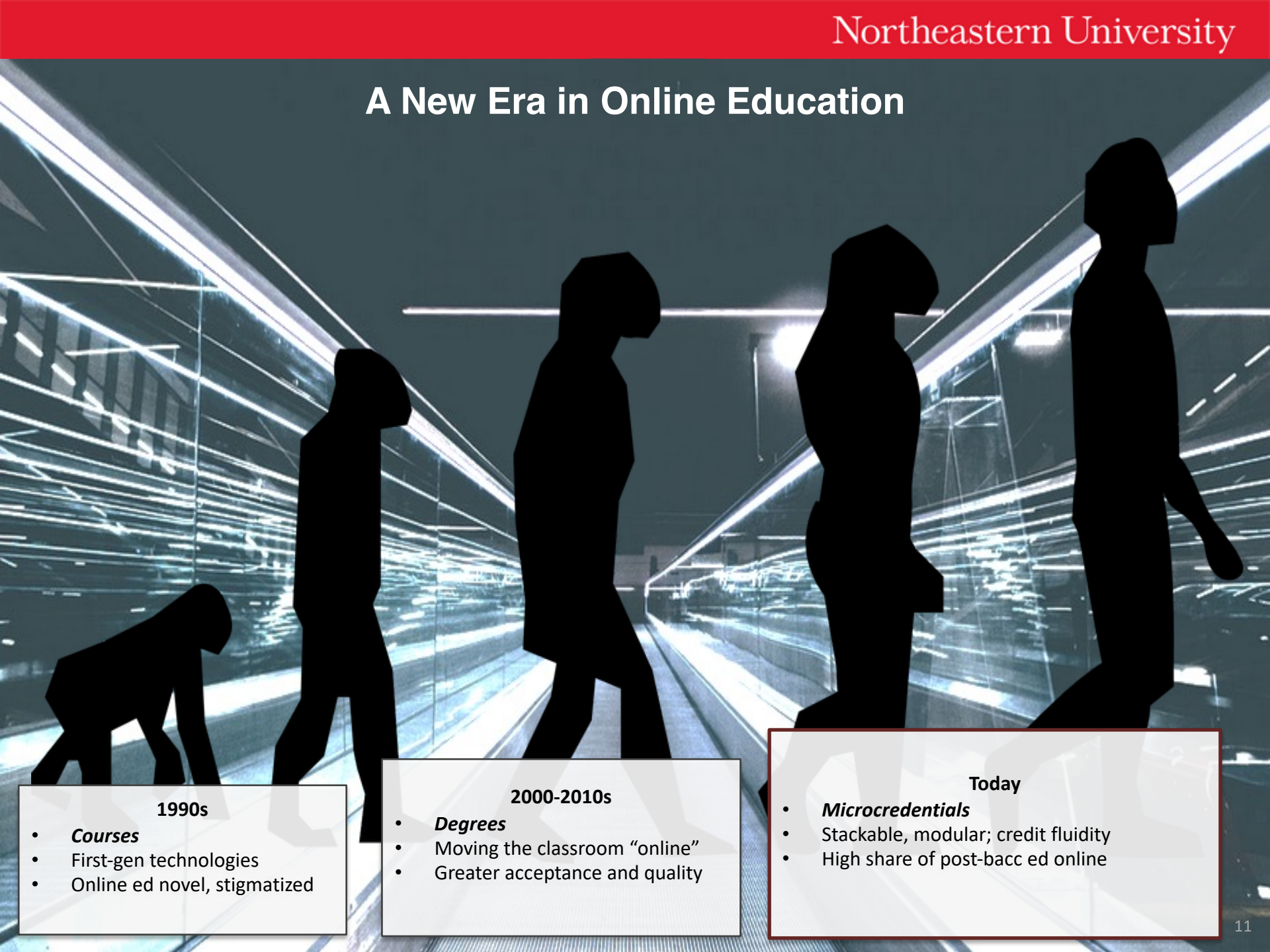


# Microcredential Awareness Among Employers is Growing

**Figure 8. Level of Awareness or Experience with the Various Types of “Microcredentials” that May Appear on a Candidates’ Resume**



# A New Era in Online Education



## 1990s

- **Courses**
- First-gen technologies
- Online ed novel, stigmatized

## 2000-2010s

- **Degrees**
- Moving the classroom “online”
- Greater acceptance and quality

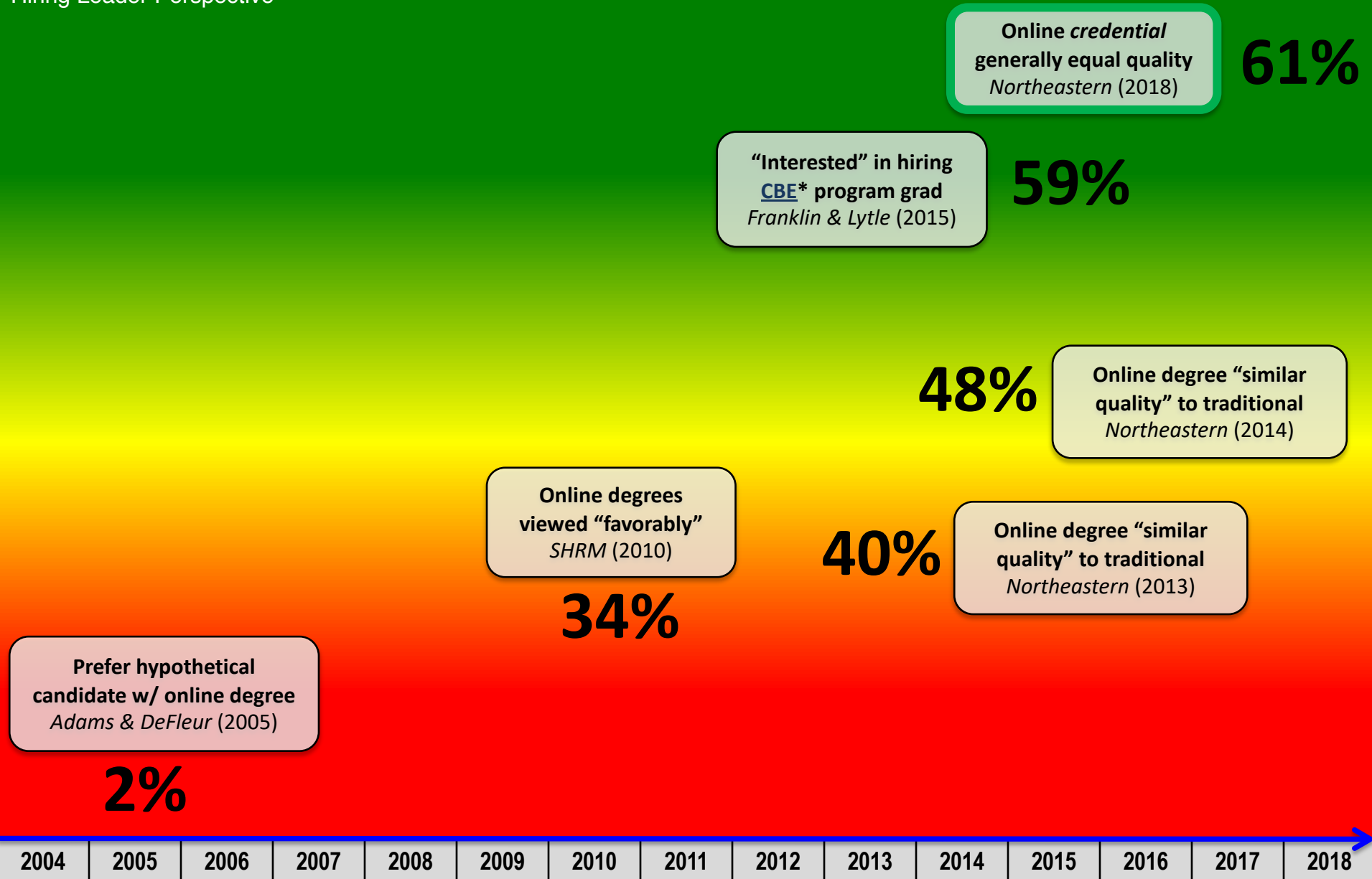
## Today

- **Microcredentials**
- Stackable, modular; credit fluidity
- High share of post-bacc ed online



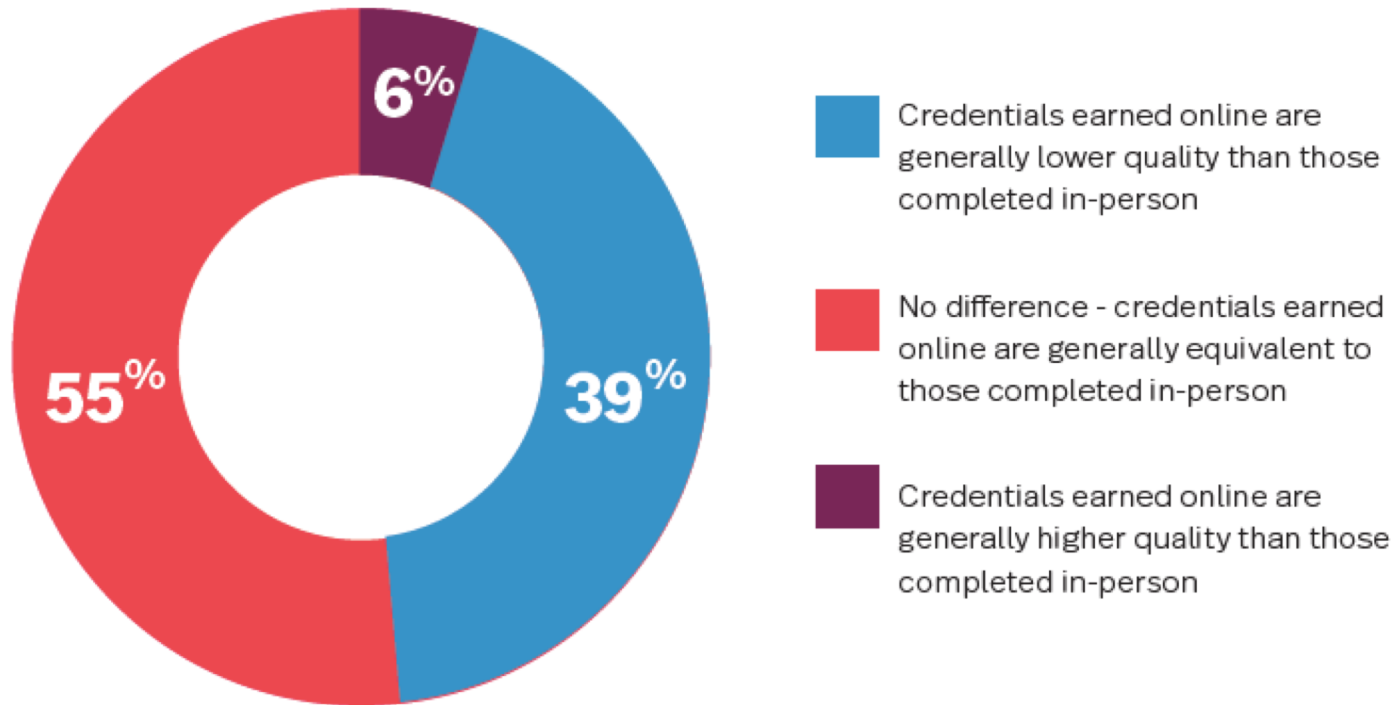
# Employer Acceptance of *Online* Credentials Has Trended Steadily Higher Over Time

Hiring Leader Perspective



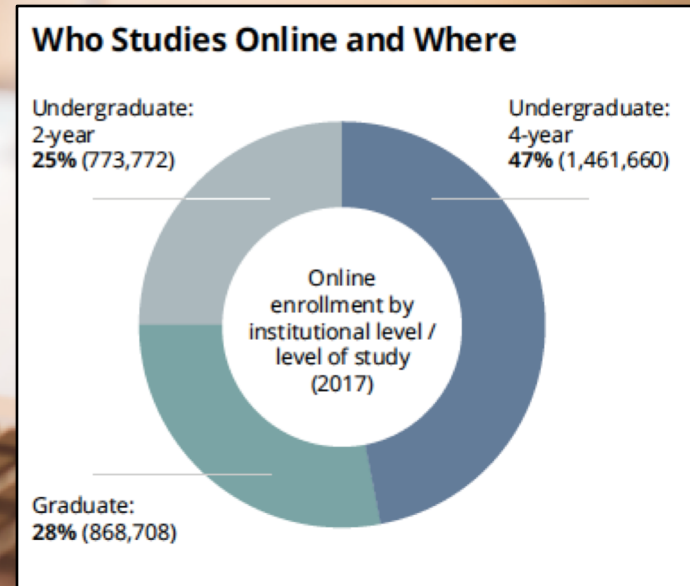
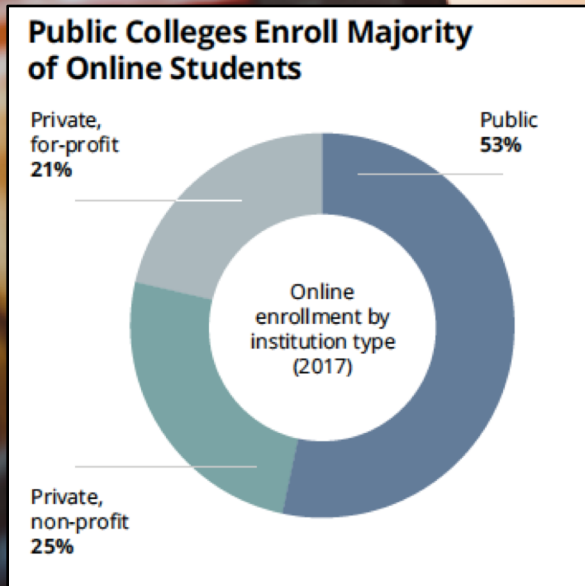
## Online Credentials Are Now Mainstream

Perception of Quality for Credentials Earned Online



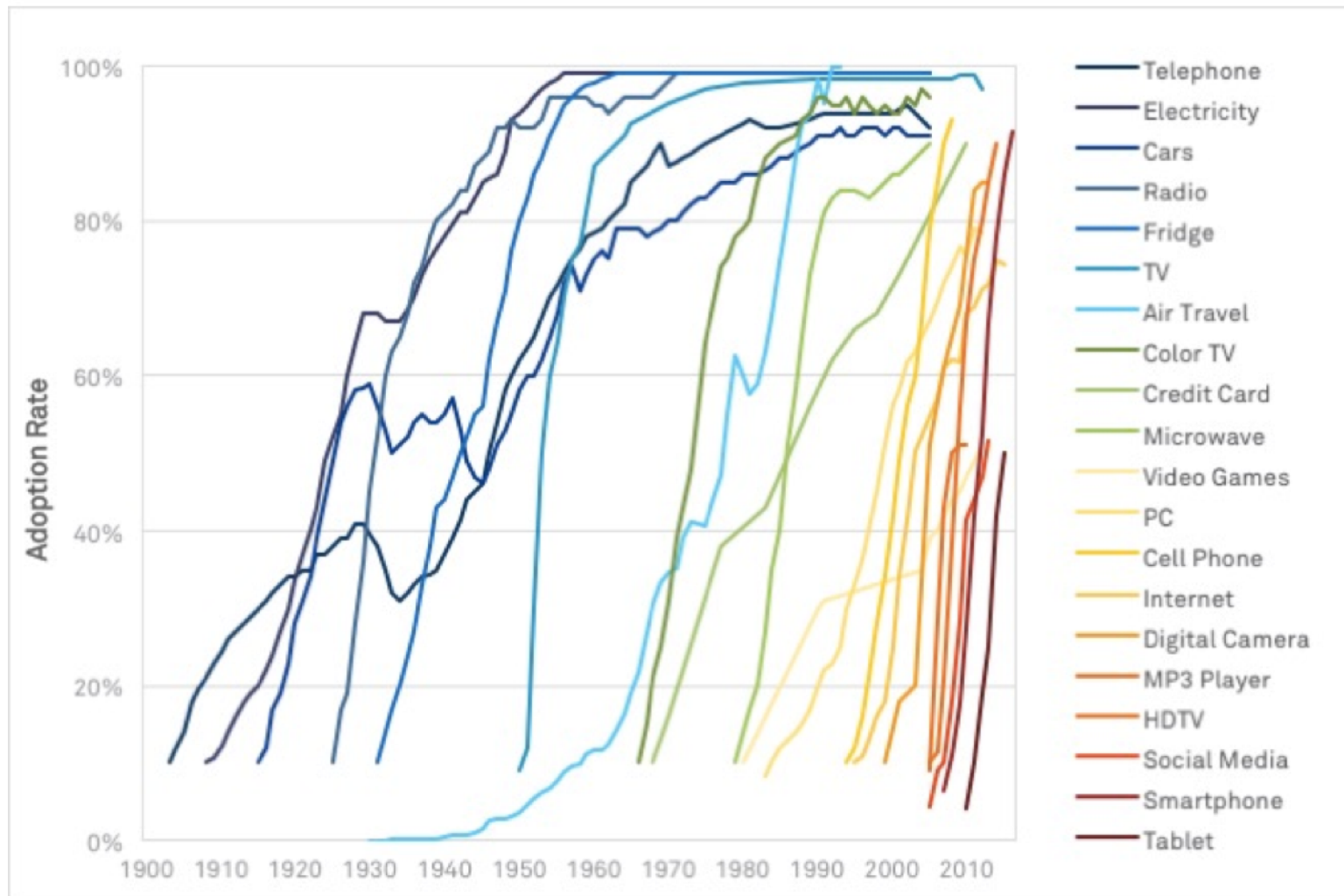
# Continued Growth for the Online Education Market

- 3.3 million fully online students
- 5% annual growth rate
- 16% of all higher ed enrollment
- Growing area of CAO investment





# What Will the S-Curve for Microcredentials Look Like?

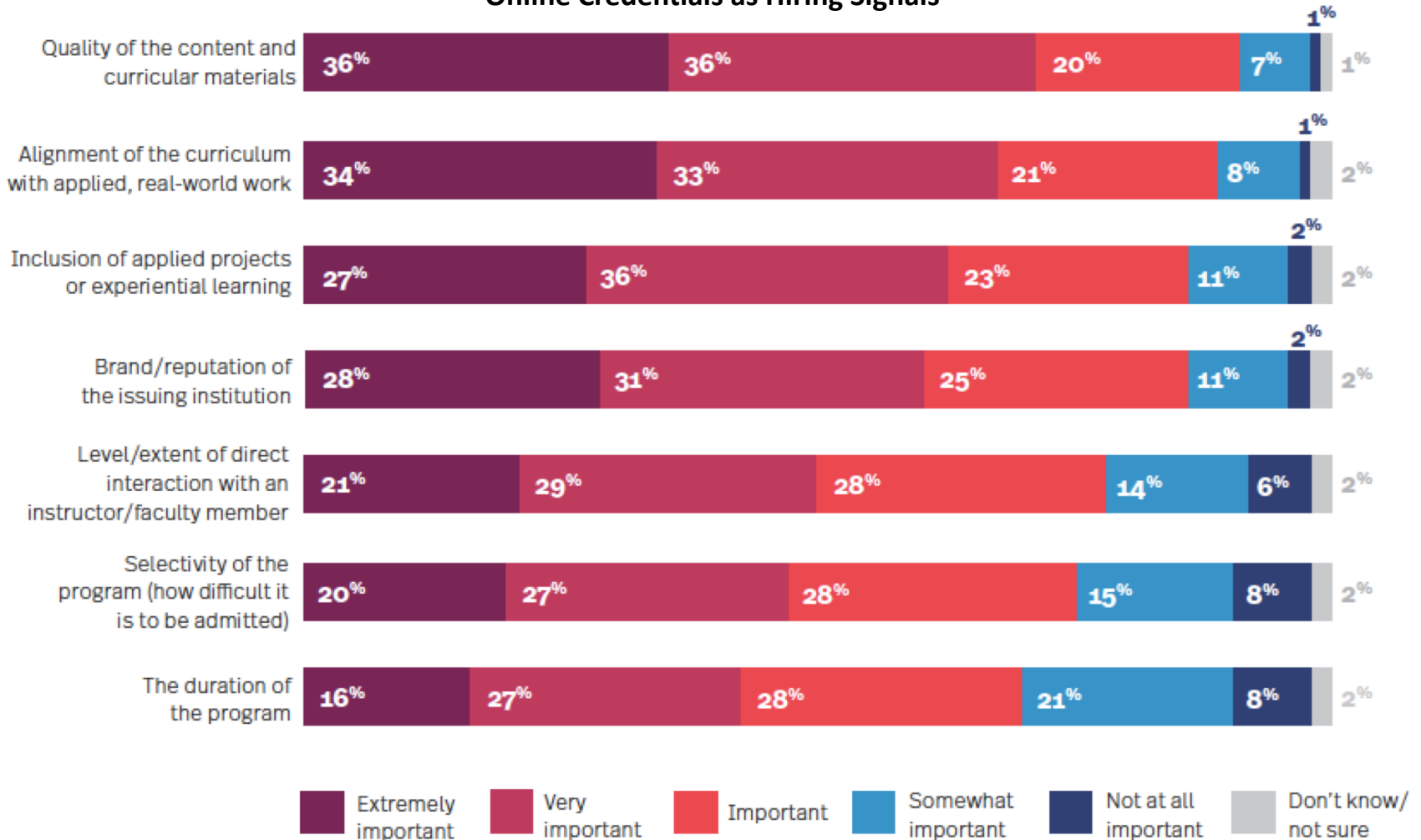


Source: Asymco

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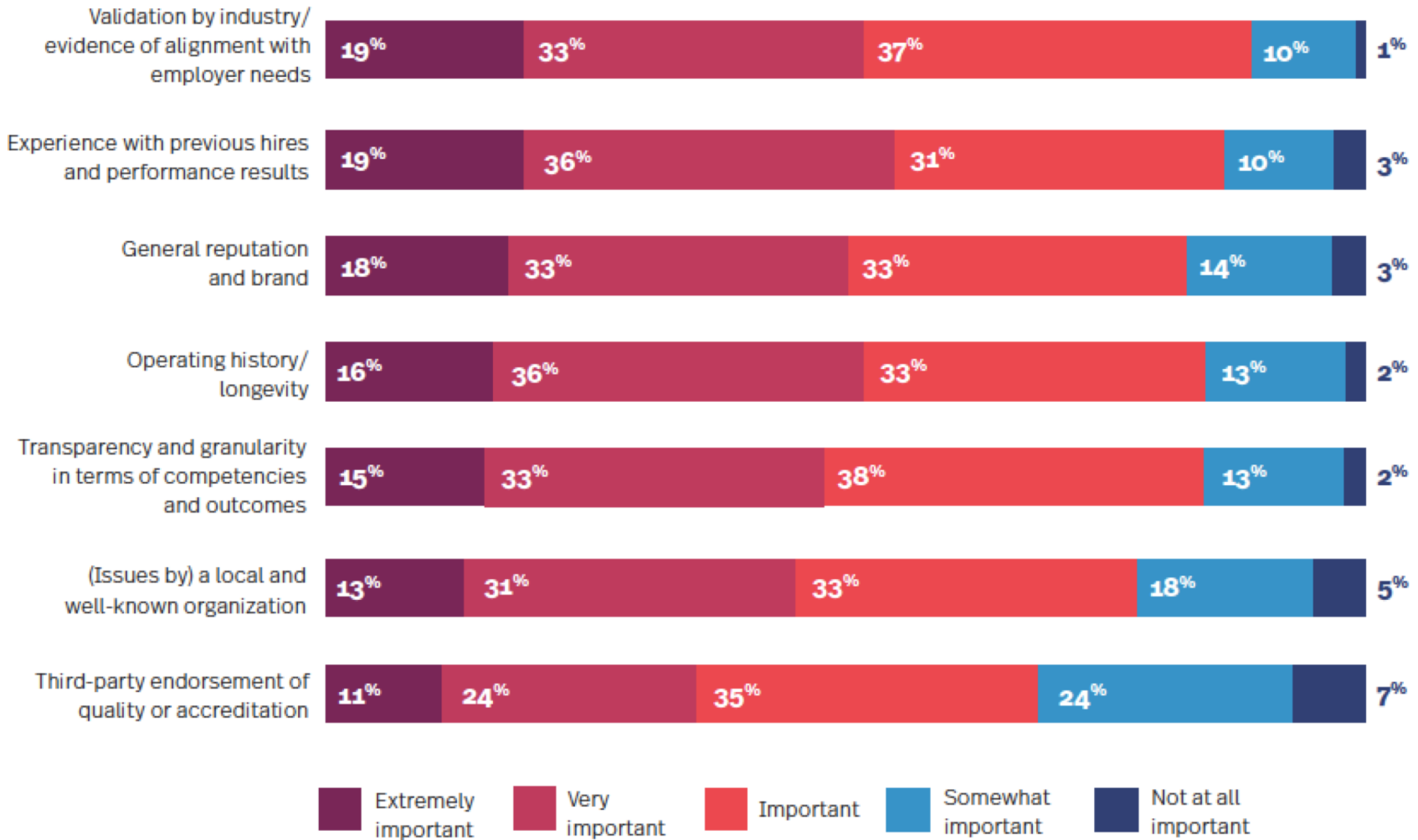
# What Attributes Signal Credential “Quality?”

Importance of Various Factors in Determining Quality and Value of Online Credentials as Hiring Signals



# What Attributes Signal Credential “Quality?” (Issuer)

## Importance of Credential Issuer Attributes in Signaling Quality





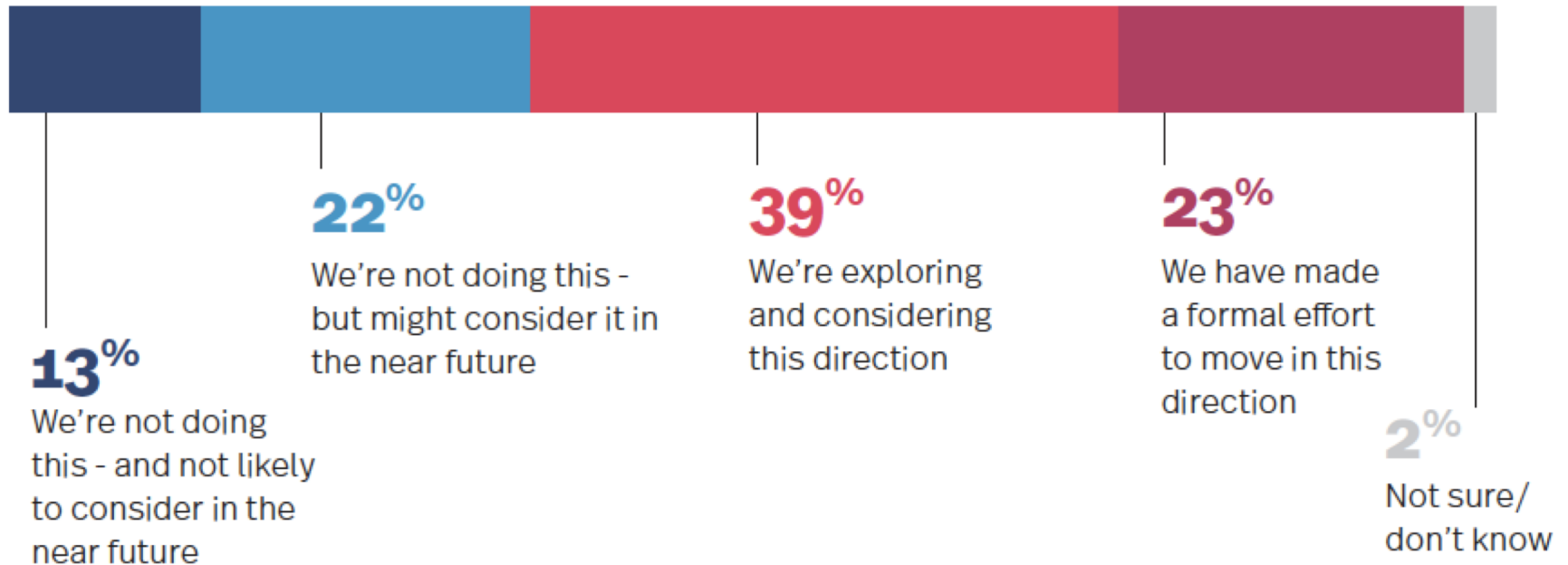
# Data is Beginning to Reshape Hiring and the Setting of Qualifications



**17%**  
engaged in  
“talent  
analytics”

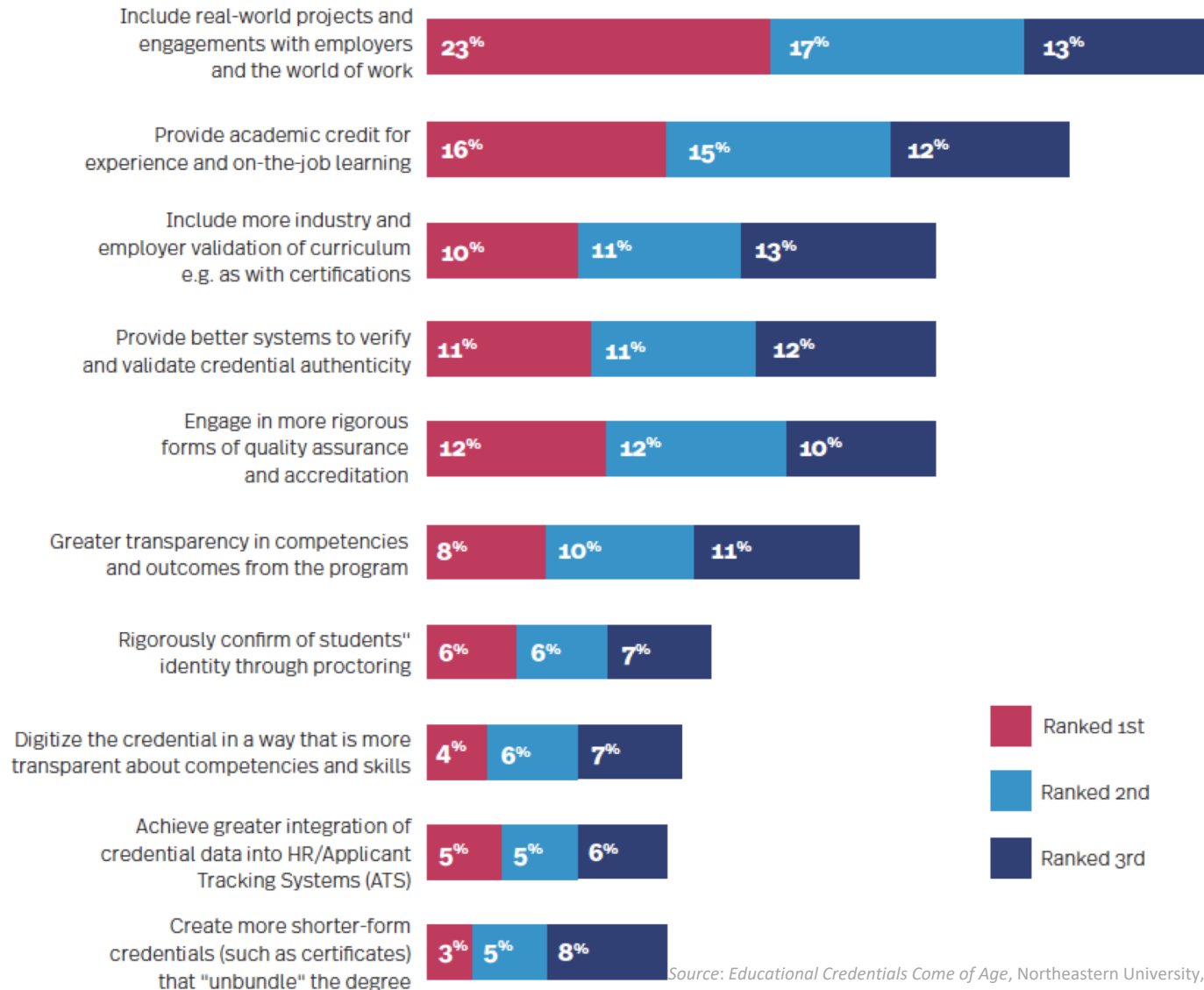
## Growing Momentum for *Skills-Based Hiring*

Extent to Which Organizations Have Formal Skills-Based Hiring Initiatives Underway or Are Considering a Strategy That De-Emphasizes Degrees and Prioritizes Skills

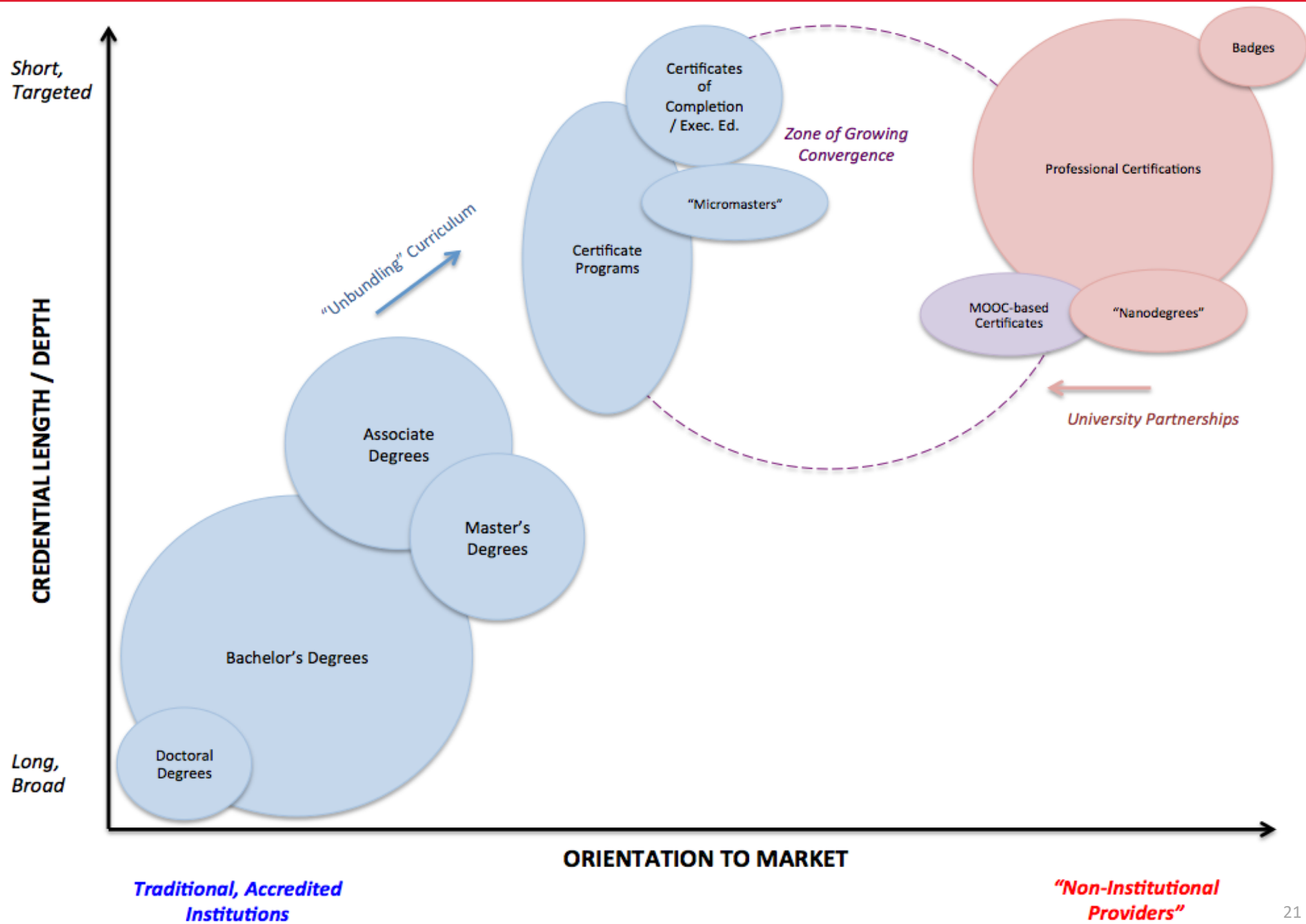


# Work-Integrated Learning: A Key Theme in Employers' Recommendations for Colleges & Universities

## Top 3 Ranking



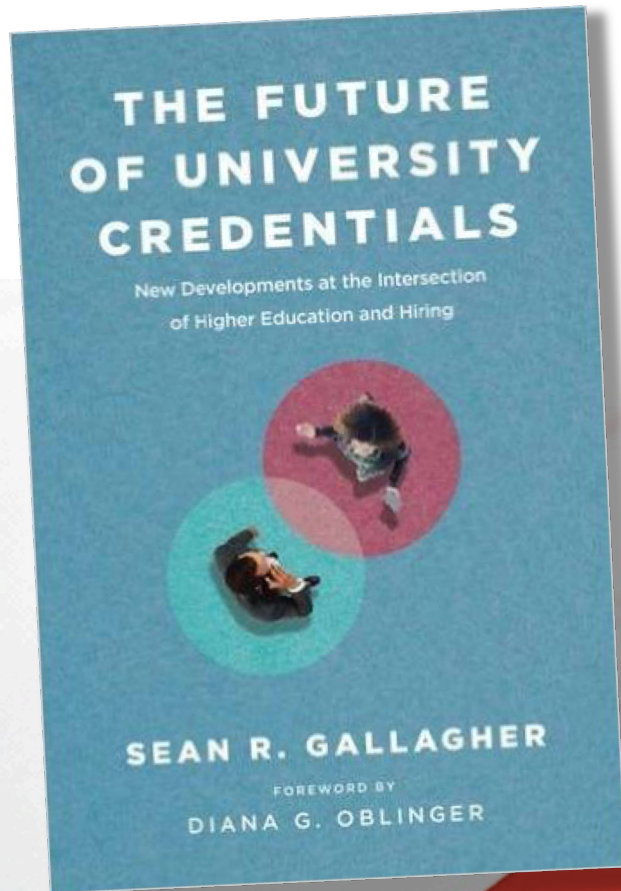




# Concluding Points

- **Additional research and practical experiments in the works**
- **Technical AND conceptual standards crucial**
- **Both/and – digitization of all credentials, stackability into degrees**
- **Industry validation and work-integrated learning**
- **Ongoing data-driven shifts in HR/hiring potentially transformative**
- **Focus on outcomes and transparency**

# Discussion



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