

Telice GillomHost00:04

Welcome to the NASPO Pulse podcast, your go-to source for all things state procurement. I'm your host, Telice Gillom, and I am thrilled to bring you another episode of in-depth discussions and expert insights on the latest trends and topics in public procurement. On today's episode, we'll be talking to Blair Corcoran de Castillo, from the organization called Opportunity at Work, about the recruitment and workforce challenges a lot of public agencies are currently facing. She shares with us some information about their STARS program, which stands for Skilled Through Alternative Routes, and she provides us with some eye-opening data on state and federal initiatives around skills-based hiring. She also talks about a couple of the organization's other initiatives, including their public sector hub and their workforce development program called the Future of Work.

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Whether you're a procurement professional or you're just interested in how state government works, you won't want to miss this episode and, of course, you know we've got even more exciting episodes in store for you in the coming weeks. Make sure you subscribe to the NASPO Pulse podcast so that you never miss an episode. Feel free to email us with any questions you might have. Now let's take the pulse of public procurement.

Blair Corcoran de CastilloGuest01:21

Thanks so much for having me Telice. My name is Blair and I lead the policy team at Opportunity at Work.

Telice GillomHost01:27

Tell us all about your organization. What do you do and what is your mission?

Blair Corcoran de CastilloGuest01:31

Yeah, so Opportunity at Work is a non-profit social enterprise working to increase economic mobility for and alongside STARS, and STARS is an acronym we use to describe the millions of talented workers who are skilled through alternative routes instead of a bachelor's degree, stars are workers who have gained skills through a variety of modalities, like military service, boot camps, community colleges and, most commonly, on the job. They just don't have a bachelor's degree, and there are over 70 million stars in this country, and these individuals have the needed skills and potential that is too often being overlooked and underutilized by companies and the public sector today. So our mission is focused on removing the barriers that stars face in the labor market by building the business case and the infrastructure needed for employers in the public and private sector to implement skills-based, inclusive practices so that millions of stars can access higher wage jobs.

Telice GillomHost02:26

Why do you think this effort is needed?

Blair Corcoran de CastilloGuest02:28

So I think that's a good question, and I think the place where we normally start is that most people don't realize that more than half of the workers in this country are stars, so that's over 50% of workers in the American workforce are stars. At the same time, studies show something like 70% of jobs that are posted today are the type that normally require degrees. So on the one hand, we have 50% of workers without a degree, yet we've got 70% of new jobs posted today that require them. What's clear is that we won't be able to meet our talent needs by requiring degrees alone. Right, and the good news is we don't have to.

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We've studied millions of job transitions in the labor market and it's allowed us to better understand stars and when and how they access higher wages. And what has that shown us? Stars transition to higher wages using their skills just like other workers, and our mission is to rewire the labor market so that it functions explicitly on skills, so that anyone with the skills for the job can get the job, no matter where they gained those skills. Frankly, we see this as a national imperative. Our economy is only as good as its utilization of its workers, but right now we're leaving millions of people on the sidelines.

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This has economic competitiveness ramifications, but it also has huge equity and generational wealth implications. We're moving access to opportunity, family, sustaining wages and thriving careers to people who have the skills. They've just built them in a variety of ways, instead of one of the most common roots college, and this has generational impacts. This has generational impacts. So as we work to compete, you know, internationally, we think that our economy will only be robust and successful if we tap into the skills and potential of all American workers and, frankly, with the new future of work and all these emerging industries and new jobs, we won't be able to meet demand without anchoring on skills, because we don't even know these roles yet. So skills will be so core.

Telice GillomHost04:24

So I know that NASFO and Opportunity at Work are both participating in the National Governors Association Skills in the States Skills-Based Strategies effort. Can you tell us a little bit more about the work that you're doing with that and the states?

Blair Corcoran de CastilloGuest04:40

Sure, so it's really exciting. Nga has received applications from, I think, 23 states and one territory, and I think it's growing week to week. There's still an opportunity to apply if you haven't. That will provide opportunities to educate and equip states about skills-based hiring so that they can get ready to build an action plan and to implement new practices after it. So we're working with the National Governors Association to support the 23 states I think it is in one territory on their skills-based journey. We are supporting them in facilitating a community of practice.

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We're also helping to advise on the summit agenda, which will be happening in April and then, post the summit, we'll be supporting states in building out action plans right before they go on a year-

long implementation journey, and so we'll be helping them think about what are their current challenges and how should they focus that year to try to think about new strategies for skills-based hiring in their state. So that's how we're working with NGA, but we've been working with a lot of states over the past two years. We started working with Maryland back in 2022. And I think one of the biggest things that we've learned is one states need the data to understand their workforce. So we've been supporting states with providing them with the data and insights about their full workforce, which includes stars, the skills they have where they live and work, what pathways they emerge through, what promising pathways they could be if degrees were removed. And then after that, we support them on their learning journey as well and implementing new practices that will transform their practices into tapping into the potential of all of the citizens in their communities. So we're focused on implementation now with a lot of states and thinking about which jobs do we remove degree requirements from?

06:42

What does it look like to change job descriptions? What skills do you use? There's a lot of skills. What names you know do you use? And then, how do you think about the STAR experience? So which words actually help STARS see themselves in the role? And then, what types of hiring practices do we need to implement so that we can make these jobs accessible to stars, while also helping hiring managers understand what they need to do to open opportunity to more folks for these roles? So that's what we've been doing with states.

Telice GillomHost07:19

Can you give us some examples where these efforts have been successful?

Blair Corcoran de CastilloGuest07:43

leaders. So the government the federal government definitely led the way with their executive order, and then Maryland, in March of 2022, lit a fire under the movement in the states. So since March 2022, there are now over 21 states who have explicitly either made an executive order, an administrative action or passed legislation that dictated that job requirements needed to be reviewed, that certain jobs no longer required degrees or that skills-based hiring should be the law of the land. There are kind of three different ways-ish that states have kind of approached this, and so we see that as a big success, because making this explicit has allowed government agencies to focus on the implications of what skills-based hiring could mean to them and what's actually needed to translate this intent into action in their own policies, practices and, honestly, some mindset shifts within government agencies.

Telice GillomHost08:35

Have you discovered anything that hasn't worked?

Blair Corcoran de CastilloGuest08:39

Yeah, I think that is a good question. One of the biggest lessons we've learned is that there are a lot of different definitions of skills-based hiring, and so I think we have, on one end of the spectrum, some believe that it's just removing degree requirements, and on the other, people believe it's more of a complex integration of skills infrastructure that includes, like LERs, and then there are lots of

other models discussed in the middle. I don't think that's a problem. I actually think that's an opportunity. It's exciting that there's this much conversation, but it has at times muddied like action and implementation.

09:15

And especially for those who think that it's just removing degree requirements. I mean, the one thing that we've always known and has just been kind of proven out is that removing degree requirements from jobs doesn't mean that stars will be hired. It also doesn't mean that more stars will apply. You know, there are other intentional actions that states and companies have to take to help stars become aware of jobs, see themselves in the role and then enable them to be successful through the hiring process. So I mean, just one example of where things haven't worked is we'll talk to some companies and some state HR agencies and they'll say well, we don't require degrees, but we do put educational equivalencies on our job descriptions Because we'll say you could either have this many years of experience or a degree in a particular field, and I know that that seems like that should work.

Telice GillomHost10:05

That seems inclusive.

Blair Corcoran de CastilloGuest10:07

It does sound inclusive, but what we've learned from stars is that it's not really helping them. It's actually helping them self-select and opt out, because think about it when you go to justify your skills, it's so much easier to upload a transcript to say you have a degree than have to somehow in your resume that probably has a word count or page limit describe that you had those skills, and so it doesn't really level the playing field as much, and so that's absolutely a step in the right direction. But we found that just removing that degrees are required, writ large, and then having ideas for what those quals are that hiring managers can then look at resumes or the other aspects of the hiring process to determine whether they have the skills is much more effective at actually being more inclusive and enabling stars to see themselves in the roles.

Telice GillomHost11:01

I think, additionally, someone who would be applying to the role where they have the equivalency this many years of experience or the degree may feel that anyone who is applying with a degree would be selected first or they would be lower down the list, not having the degree even though it says there isn't an equivalency for experience.

Blair Corcoran de CastilloGuest11:33

Absolutely. What we've heard from stars is that they don't expect to be in the top of the list when they see an equivalency. And that makes sense, because a lot of hiring companies, a lot of hiring managers, frankly, they use the degree as a proxy, and so if you have that, then they kind of don't need the years of experience. On the other hand, some research that we did a few years ago has shown that over 50% of hiring managers believe that the majority of the workforce have degrees, and so that has a lot of implications for who you select and how you review applicants when they come in. And so when you have that equivalency and we know that many hiring managers believe

that the majority of individuals in our workforce have degrees that makes it harder. And I think, frankly, we're all human, so we're often hiring based off of our own experience, which means that we're trying to hire ourselves, because that's what we know.

12:32

We know ourselves best the trajectory that we brought or came through, and so that just makes it more and more likely, and stars are aware of that. It makes it harder for stars to feel like they'll actually be seen in the hiring process.

Telice GillomHost12:48

So some people might see this kind of effort as potentially devaluing degrees and or credentials. How do you address that?

Blair Corcoran de CastilloGuest13:15

nearly one in five stars has an associate's degree. College is an absolutely important vehicle to upward mobility into training talent in our economy. There's no question about that. But college can't be the only path to success. The four-year degree represents the most direct route, I think, to securing middle and high-w wage work today, but employers have turned college kind of from a bridge to opportunity to a drawbridge that gets pulled up if someone hasn't gotten through, and so college is definitely a clear pathway to upward mobility and it absolutely should be, but it shouldn't be the only pathway to this opportunity.

Telice GillomHost13:49

And sometimes there's a moat with crocodiles underneath that drawbridge for some people.

Blair Corcoran de CastilloGuest13:58

Absolutely. Everybody has different circumstances, and so, you know, college isn't going to work for everyone, for a variety of different reasons, and so we should figure out the ways to tap into the skills and potential that exist in folks that aren't choosing to go to college or can't, and that way we're making, you know, a more robust economy, with workers who have family-sustaining wages, thriving careers and work that they're excited about.

Telice GillomHost14:25

As far as procurement offices go, how do you think this could or would affect actual labor contracts?

Blair Corcoran de CastilloGuest14:34

How do you think this could or would affect actual labor contracts? No-transcript procurement field writ large, private public sector but only fill 18% of the roles in the federal government and when we looked at the skills we thought that it could be much, much more. So we think this was a real opportunity for procurement offices federal, state and local government to be considering stars when they're looking for new hires. The other is labor category requirements for government contracts. There's been a lot of discussion about this recently at the federal level and we've heard a lot of private sector companies are supportive of this as well.

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But when deciding the labor categories, we've been hearing a lot of discussion about considering whether degrees are necessary for particular roles, and one way to consider whether one should be is if maybe your state has removed degree requirements. So if you're one of those 21 states, you could review which roles have been removed from degree requirements in your state and you could kind of use that as a guide for whether or not to require it in your contracts to make that more flexible for companies and we've heard a lot of companies are interested in that opportunity. It's currently working with OMB at the federal level to remove degree requirements from federal contracts for cybersecurity roles. That's just one example. So there's definitely like precedence in the public sector for this and we've heard that there are some bills at the federal level that are considering it, and we know that this is where some states are interested in going after they've figured out skills-based hiring implementation for their own workforce.

Telice GillomHost16:33

Tell our Pulse listeners about Opportunity at Work's Future of Work workforce development initiatives please.

Blair Corcoran de CastilloGuest16:40

Yes, we'd love to. So we're really excited we're going to be launching a STARS public sector hub in May of this year, and the hub's goals are to equip government leaders with the resources, relationships and know-how they need to tap into star talent through skills-based practices. Members can sign up for free and you will get access to analytics and insights to better understand the workforce and the skills that are within it. Also, think about what skills are needed for particular jobs, as you think about job requirements and even, maybe, contract and labor categories.

17:20

We get narrative design support, so how to make the case for making changes and how to talk about progress in those areas. There's also a ton of research and resources from us and partners. This is a collaborative effort. Opportunity at Work knows stars very well, but we're excited to part with so many others who know so many other spaces well and that are needed in this work. So there's toolkits, reports and also an opportunity to join cohorts to go on a shared learning journey, and I think the biggest thing that we've been hearing that we'll also be providing is a community. We've been hearing that government leaders need a safe space to share challenges, crowdsource solutions and think about what's possible when they're trying to transform hiring practices to be more skills-based, and so we'll also have a community. So that's launching in May and that's one of our organization-wide initiatives to try to help the government as they're transforming their workforce for the future of work, and we'd be excited to have folks in the procurement world join us.

Telice GillomHost18:23

Building on that, talking about workforce development, what advice would you give our listeners, regardless of their credentials about the future of work?

Blair Corcoran de CastilloGuest18:31

I love this question listeners, regardless of their credentials, about the future of work. I love this question. I think for each of us we have the opportunity, as hiring managers or procurement specialists, to just think about the opportunity that we could potentially be providing to others. What I've just begun to understand is just how many skills are out there, how many similar skills are needed across roles and how so many what some people call soft skills we call core skills are required for most roles, and how many technical skills can be learned on the job. Consider our hiring processes and to see people for the potential that they have, so that if they have those skills for the job, they should get the job and help us, you know, move to that faster.

Telice GillomHost19:19

You briefly touched on earlier about Opportunity at Work's public sector hub. Can you tell us more about that?

Blair Corcoran de CastilloGuest19:27

Yes, I'd love to. We were really thrilled for it to launch very soon. I think we'll be sending along after this to lease a link for folks to learn more and to potentially sign up. But there's going to be some great opportunities. There are going to be a series of events that'll be going on regularly for folks to learn from one another, hear what's new in the state of skills-based hiring. There are going to be opportunities for peer learning to hear from different subsets of government leaders, as they take on this work, what it means, what they're learning, what they're seeing where they're struggling.

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And there's going to be opportunities for real implementation support.

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I mean, the thing that we are hearing more and more is that you know, toolkits are great, but some of these things are going to actually require changing systems or getting different infrastructure pieces within government to change, and so we have opportunities that will be coming down as well as part of this hub to get that type of implementation support on the ground, to work alongside you, to support you in removing the barriers that are making it hard for government leaders to do this work and to make it easier for stars to get access to jobs so that, regardless of where you've gained your skills, you can see what jobs are available to you and know that you'll be considered, and so we're excited to get started soon. And so there's actually going to be a few pre-webinars and social media activities to kind of give you a taste for what's to come, and so we'll make sure that if you sign up and see that link, you'll get access to what's coming and you'll be able to stay up to date and be a part of it.

Telice GillomHost21:05

That sounds great. Well, we'll make sure to provide that link to our listeners so that they can take advantage of that. So, last but not least, we would love if you would provide our listeners with some key data takeaways about skills-based hiring.

Blair Corcoran de CastilloGuest21:20

Absolutely Okay. Before I get into some of the big ones that we often reference from our friends at LinkedIn, I think the first is around the public sector. So the first thing I'd like to share is that in some research that we did with the Center for American Progress, we learned that public sector employees hold degrees at higher rates than private sector employees. In fact, state and local employees hold them at higher rates than our federal counterparts. So I just want to keep that in the back of your mind as you're thinking about hiring. The other thing that I wanted to mention was around stars. I mentioned that they're over half of the workforce. So of the 140 million of us that are active, going to work each day, there's over 70 million of us that are stars. Stars make up a variety of different skill segments. There are three that we've basically broken stars down into, and the one that I'd like to focus on is rising stars.

22:25

There are 33 million workers who actually have the skills profile today for jobs that could earn them a 50% higher wage, but they're just being held back by degree screens. So there's 33 million people. Wow, all right. So now on to some of the big numbers in skills-based hiring. So there was a LinkedIn report that came out at the end of last year that I really thought did a great job of showing both the potential and the progress related to skills-based hiring. So let's start with progress. 45% of hirers on LinkedIn explicitly use skills data to fill their roles, and that was actually a 12% increase year over year. Roughly one in five job postings in the US no longer require degrees, and that was in 2022. That's up from 15% in 2021.

Telice GillomHost23:14

So from 15 to 20%.

Blair Corcoran de CastilloGuest23:17

Wow, exactly. And then the job seekers are adding skills and certifications to their profiles. So job seekers are seeing the value of their skills and trying to showcase them. So the promise? I think LinkedIn has an amazing report, which I'll also make sure is in the links, but up to 20 times more eligible workers will be added to employer talent pools through skills-based hiring. It'll increase the proportion of women in the talent pool 24% more. So I think that there are some interesting facts on progress about job seekers and hires in the market today, as well as what it could mean for so many of us across the country.

Telice GillomHost24:11

That sounds great. Well, Blair, we really appreciate you coming and chatting with us today and providing all of this incredible data about the workforce issue.

Blair Corcoran de CastilloGuest24:21

Amazing. Well, thank you so much for having us, and we're really excited about all the work that NASPO does and how procurement officials can use this information to also transform their hiring and maybe even contracting.

Telice GillomHost24:33

Before we sign off, just give your web address for our listeners.

Blair Corcoran de CastilloGuest24:38

Absolutely. Please take a look at opportunityatwork.org to learn more.

Telice GillomHost24:45

All right. Thanks so much, Blair.

Blair Corcoran de CastilloGuest24:48

Have a good one.