

'Alternative credentials' taking on more importance in the workplace

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ABSTRACT (ENGLISH)

Employers are giving more credence to micro-credentials, industry or professional certification and other evidence of competencies and skills.

FULL TEXT

What if you've been out of the workforce for some time and are looking to re-enter it? What if you were serving in the army or had some other reason for working but in a less traditional setting? You might find certain skills difficult to put down on a resume or use as employers look for conventional credentials to assess your skills. However, U.S. workers are turning to alternative credentials as a way to enhance and demonstrate skills and work readiness, according to a new report from the Society of HR Management (SHRM), *The Rise of Alternative Credentials in Hiring*. Nearly half (45%) of workers say they have some form of alternative credential and for those who don't have one, 49% are considering earning one.

Alternative credentials are defined as micro-credentials, industry or professional certification, acknowledgment of apprenticeship, or badging that indicates one's competencies and skills within a particular field. They do not include traditional academic degrees or required occupational licensures.

"Alternative credentials are key to uncovering untapped talent, especially when it comes to those job seekers who may not have the opportunity to build skills in a traditional way but have the competencies they need to succeed," said SHRM Foundation President Wendi Safstrom. "A majority of executives, supervisors and HR professionals believe that including alternative credentials in hiring decisions can actually improve overall workplace diversity."

Other key findings include:

Alternative credentials are popular with workers: Nearly three-quarters of U.S. workers (72%) agree they are an affordable way to gain the skills or experience necessary to enter a new job, and 77% agree that having a job-relevant alternative credential increases or would increase their chances of being hired for a job.

People who hold alternative credentials bring value to the workplace, according to executives (87%), supervisors (81%) and especially HR professionals (90%).

During a time of skills shortages, alternative credentials can uncover untapped talent. When employers recognize alternative credentials, it becomes easier for diverse candidates to obtain employment, according to 81% of executives, 71% of supervisors and 59 percent of HR professionals

Adjusting applicant tracking systems could help increase awareness of alternative credentials. Nearly half of HR professionals surveyed (45%) say their organization uses automated pre-screening to review job applicant resumes, but only one-third of those (32%) say their automated system recognizes alternative credentials. However, one potential barrier to employers' wider recognition of alternative credentials is actually a technical one. Automated applicant tracking systems (ATS) frequently don't pick up on them, because often there is still no standard approach to collecting this information as systems do for traditional education and work experience. Only one-third of HR professionals whose organizations use automated pre-screening say this pre-screening even recognizes alternative credentials.

Still, says the report, including alternative credentials when hiring can increase Diversity, Equity and Inclusion as

well as including older workers in the hiring process. When employers recognize alternative credentials, says the report, "it becomes easier for diverse candidates to obtain employment, according to 81% of executives, 71% of supervisors and 59% of HR professionals.

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