California Nonprofit Teams Ups to Promote "Credential Currency Marketplace" That Links Education, Training and Employment in U.S.

Ambitious paper outlines a way to boost economic productivity and get more people connected to work by linking their collection of academic and occupational credentials to actual open jobs.

Monterey, CA., May 5, 2021 — The National Laboratory for Education Transformation, NLET, a California research and development nonprofit just released *The Newest Economy: Welcome to the Credential Currency Revolution,* a paper that unravels the complex relationship in the U.S. between academic degree attainment and occupational certification and their relationship to the current needs of the employment market.

In the *Newest Economy,* author Gordon Freedman describes the broken chain of credential management across education and training that is disconnected to a labor market that, notwithstanding the pandemic, has millions of open jobs.

"There is no mechanism to link students, adult learners and jobseekers across multiple institutions and agencies in their quest to figure out what education and training matters for which jobs in the market," says Freedman. "What has been suggested, but never modeled, is an actual operating market-like system that assigns differential or floating values to credentials (badges, certifications or degrees) that result in jobs with some frequency."

The blockage, the paper concludes, are the differences in traditional institutional practices and policies in high schools, colleges, universities and training and how those fail to communicate the value of their graduates or certificate holders to employers.

Ironically, there are up to seven million open jobs and an actual shrinking U.S. labor pool according to a report from the labor market information company, Emsi, entitled *The Demographic Drought*. "For the millions of dislocated and job-hunting Americans, the competition for a shrinking labor pool will likely produce greater opportunities, faster promotions, and more favorable benefits," said Rob Sentz, Emsi's Chief Innovation Officer.

The Newest Economy suggests that a functional Internet marketplace model, built upon earlier programmatic work by the Education Strategy Group (ESG), could use modern technology and data analytics to actively give different values to credentials – badges, certification or degrees – based on their success in landing jobs for credential holders.

"As states continue down the road to recovery from the pandemic, building a more resilient economic future will include equipping learners, workers, and employers with the data they need to clearly identify which pathways will lead to the outcomes they seek," said Scott Cheney, CEO of Credential Engine which operates state open and transparent credential registries in twenty-six states aligning credentials with employment categories.

The *Newest Economy* further advocates for the formation of a Credential Alliance that includes multiple types of stakeholders, stewards and solution providers to build out a fully functioning credential marketplace. Contributors to the *Newest Economy* paper include Southern Regional Education Board (SREB), Credential Engine, and GoEducate, Inc. who are jointly exploring the formation of the Credential Alliance with other nonprofits and solution providers.

About the National Laboratory for Education Transformation (NLET)

NLET is a decade-old California research and development non-profit focused on systems level changes in mathematics learning, state K-12 data, learner records and the education-to-employment pipeline. For more information, email info@NLET.org.