Digital Credentials Unlocked: A Beginner's Guide for Employers

Guide

Credly
by Pearson

Overview

In today's fast-changing corporate world, developing a skilled workforce and managing talent is a multifaceted challenge. As market dynamics rapidly change and competition intensifies, organizations must prioritize employee training and engagement, supporting them to upskill to maintain competitiveness.

According to **Gartner**, 58% of the workforce needs new skills relevant to their roles, and **46% of learning and development (L&D) leaders** observed a widening skills gap within their organizations in 2023. At the same time, hiring new talent is equally challenging. Surveys have shown that **nearly 60% of HR and talent development professionals** struggle to find candidates with the ideal combination of technical and soft skills that match their organization's requirements. These underscore HR's need to pivot towards a skills-centric, data-informed strategy.

Meanwhile, employees increasingly prioritize career growth and value upskilling and reskilling opportunities. However, only **34% of employees** feel content with their role-specific training, **while a third perceive their organization's training methods as outdated**. This mismatch between an organization's skill development strategies and employee learning demands can negatively impact employee satisfaction and retention and hinder companies' efforts to mitigate skill shortages.

Concurrently, L&D decision-makers commonly face challenges related to **time and budget constraints**, with the CIPD revealing that **46% of L&D professionals** still lack a comprehensive understanding of their employee training expenditures.

For organizations with established L&D strategies: **How can you demonstrate return on investment (ROI) to ensure the continuity and improvement of your initiatives, fostering enhanced employee engagement?** For those currently shaping their L&D plans: **How are you constructing a compelling business case for your L&D strategy? Are you aware of the essential foundational skills needed to future-proof your organization?**

Digital credentials are pivotal in aligning individual roles with organizational objectives, providing supporting data to monitor program progress, measure output, and establish a tangible ROI for justifying budget allocation.

A **lack of career development and advancement** (41%) is why employees left their jobs between April 2021 and April 2022, while 94% of employees would stay longer at a company if it offered learning and development opportunities.
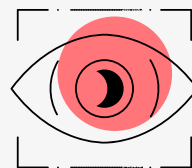
The lost productivity of not engaged and actively disengaged employees is equal to **18% of their annual salary**.

Use this guide to:

» Understand the transformative potential of digital credentials for your organization.

» Explore practical applications and benefits of digital credentialing in talent management, employee skill development and tracking employee data.

» Develop a roadmap for successfully implementing and managing a digital credentialing program.

What Are Digital Credentials?

A digital credential is a tangible representation of an employee's competencies and skills. Every credential contains verifiable data that confirms what, where, and how someone earned that credential.

They complement paper-based certificates, but because they're online, they're data-rich. **With the right platform**, management, and integration, it's easy for organizations to create, issue and share digital credentials with their employees.

These digital credentials, or digital badges, can then be shared by employees on social media, embedded into an email signature, resume, or website, or linked to them for full visibility into their verified knowledge, skills, or abilities.

Given the versatility and strategic value of digital credentials in today's evolving workplace landscape, companies of all sizes can implement digital credentials either as a standalone initiative or as an integral component of a comprehensive L&D strategy.
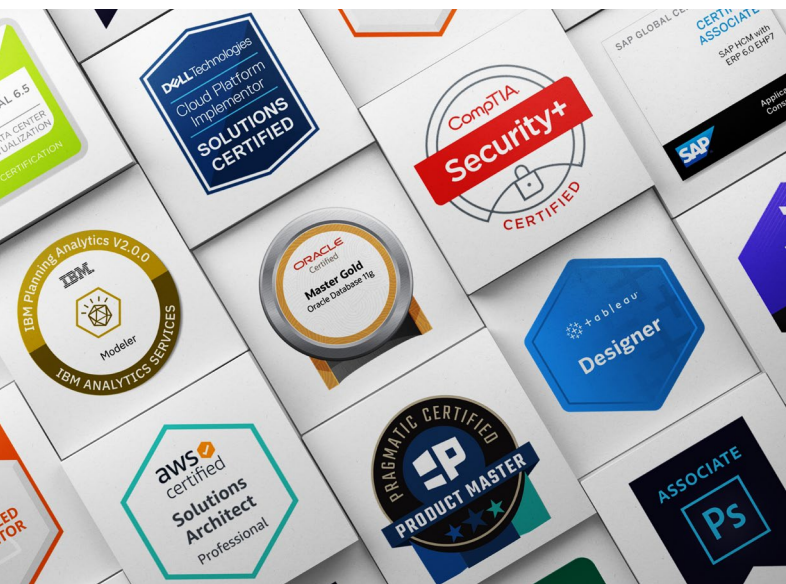
Verified Skills vs. Inferred Skills

As highlighted above, digital credentials offer a secure and reliable means to showcase verified skills, serving as proof of an individual's expertise or completion of specific training. These credentials use **metadata** to describe an employee's capabilities and skills using standardized language, enabling employers to make unbiased workforce decisions confidently based on an employee's profile.

In contrast, organizations relying on skill inferencing and deriving skills from past experiences without formal validation face subjectivity and ambiguity risks. This can lead to overestimating or underestimating capabilities, impacting the accuracy of an organization's skills map and decision-making.

Implementing a verified skills approach enhances upskilling, supports internal mobility, and refines workforce planning. While skill inferencing has its place in some situations, its limitations underscore the need to evolve skill assessment strategies to meet the complexities of today's dynamic workplace.

Use Cases for Issuing Badges to Your Employees

Over 81 million credentials have been created and issued on **Credly**. These badges can be earned in a wide variety of environments, and here are some examples of how you can utilize digital credentials for your employees:

» **Skills Verification:** Issue digital credentials after training to validate and standardize employee competencies.

» **Career Progression:** Badges indicate employees' advancements as they reach milestones or acquire additional skills.

» **Onboarding:** Provide new hires with credentials upon completion of essential training and orientation to company policies.

» **Compliance Training:** Digital credentials validate employees' completion of compliance training programs, ensuring adherence to mandatory industry regulations.

» **Professional Development:** Badges encourage continuous learning through workshops, webinars, and developmental activities.

» **Collaboration:** Digital credentials acknowledge teamwork and contributions across departments or projects.

» **Expertise Recognition:** Digital badges highlight subject matter experts, enabling their roles as mentors or consultants within your organization.

Mindfulness@IBM
Community Member
Issued by **IBM**
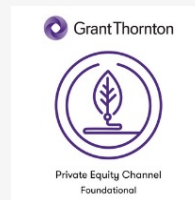
Private Equity
Channel - Foundational
Issued by **Grant Thornton US**

PVH Complies
2023 Champ
Issued by **PVH Corp**.

The Benefits of Investing in Digital Credentials

Now that you have learned about the many applications and opportunities for digital credentials, let's look at the key benefits within your organization.

Benefits to Employers

» **Verify Skills with Standardized Language**
Digital credentials provide a secure and tamper-proof way to verify an individual's skills and qualifications. They can also standardize frameworks and taxonomies for describing skills, enabling a common language for categorizing skills across the organization.

» **Measure Output & ROI**
Credly with its **analytics tool** enables organizations to measure the effectiveness of their learning and development programs.

By analyzing areas such as engagement and acceptance rates of credentials, employers can demonstrate ROI and quantify the impact of their initiatives on job performance, productivity, and reten-tion rates.

» **Accurate Skills Mapping**
With digital credentials, organizations can create more accurate and comprehensive employee skill profiles. This helps build a detailed skills inventory, providing a clear picture of the expertise within the workforce.

» **Data-Driven Decision Making**
Leverage data analysis to gain insights into employees' skills, competencies, and performance. This will help identify top talent for informed decisions on promotions, project assignments, and resource allocation. Organizations can also use the data to inform future L&D investments by identifying in-de-mand skills and employee strengths.

» **Talent Management & Retention**
Facilitates better talent management by validat-ing and rewarding employees' skills, achieve-ments, and contributions. This contributes to a positive learning culture, enhancing employee satisfaction and retention.

» **Compliance Risk Mitigation**
Ensures employees are up-to-date with compliance training and regulatory require-ments for businesses, reducing the risk of non-compliance penalties.

» **Promotion of Continuous Learning**
Motivating employees helps foster a culture of continuous learning, enhancing organizational agility and innovation.

» **Commitment to Excellence**
Demonstrates commitment to employee development, innovation, and excellence enhances your reputation as an employer of choice and builds trust with customers.

» **Cost & Time-Saving**
By replacing paper certificates with digital credentials, you can streamline distribution through automated and bulk issuance, facili-tated by a detailed tracking dashboard, enhanc-ing efficiency and cutting operational costs.

Benefits to Employees:

» **Increased Motivation**
Recognizing their efforts and accomplishments through digital credentials can inspire employ-ees to pursue further learning and develop-ment opportunities, driving intrinsic motivation.

» **Skills Recognition & Validation**
Validates employees' skills, knowledge, and competencies through standardized digital credentials, enhancing their professional credibility and marketability.

» **Career Advancement Opportunities**
It opens up new career pathways and advance-ment opportunities within your organization by validating their skills development and commitment.

» **Personalized Employee Training**
With Credly, employees can discover platform-generated learning recommendations based on their occupation and browse manager recommended digital credentials to pursue, creating an individualized learning experience.

» Structured Development
Offering digital credentials provides employees with a clear skills development framework, guiding them towards valued skills and career progression and enhancing their professional direction and purpose.

» Easy Sharing
Employees can effortlessly share digital credentials across social media, email, or digital portfolios, increasing skills visibility and reach.

Snapshot: Creating a Culture of Learning at PVH

Challenge: **PVH Corp**., the parent company of renowned fashion brands like Tommy Hilfiger and Calvin Klein, had the challenge of motivating 30,000 employees to complete courses and creating individualized learning experiences. They wanted to foster continuous learning to boost recruitment, retention, and engagement.

Solution: PVH implemented a digital credentialing program with Credly, allowing the Learning & Development team to design and issue badges spanning various domains, from inclusion and diversity to leadership strategies. Analytics embedded within the platform enabled PVH to gain insights into employee engagement, course completion rates, and learning culture dynamics.

Results:

» Issued 9,500+ employee digital credentials, driving increased course completion rates.

» Achieved 77% badge acceptance and 35% sharing rate, signaling robust engagement and pride.

» Digital credentials incentivized employee development, enabled employees to showcase skills and fostered growth within the company.

How Credly Can Help – An Overview of The Platform

The Credly platform incorporates a series of product features that deliver wide-ranging benefits for corporate enterprises – from reducing administration workloads to motivating employees.

Key Features	Benefits
Customization and branding	Create a unique badge template that reflects and ensures a consistent brand identity across all digital credentials.
Certificate maker	Issuers can offer customized, printed certificates alongside Credly's digital credentials, giving organizations full control over digital certificate creation to better highlight employees' achievements.
Badge management and automation	Effectively issue, monitor, and manage digital badges to meet your organization's needs. You can issue badges individually, in bulk using a spreadsheet, or through Credly's API. All these methods can reduce manual work and lower labor costs.
Integration	Credly can be integrated with various learning management systems (LMS), HR systems, and other enterprise tools to streamline the process and align it with your organization's workflow.
Metadata mapping	Embedded metadata in each badge ensures verifiable and secure credentials, detailing the issuer, badge earner, achievement, and earning criteria, helping employees to tell their stories.
Social sharing	Employees can share their credential badges on social media, email, and online platforms, showcasing their accomplishments to networks. Badges also extend brand reach and highlight the value of your credentialing programs.
Analytics	Credly provides insights into the performance of your digital credentialing program through various analytics and reports, helping you measure engagement, reach, and impact on your organization's objectives.

Key Features	Benefits
Blockchain	Blockchain technology adds security and verification to digital badges, making credentials tamper-proof and verifiable, increasing credibility and value.
Recommendations	You can recommend relevant courses, certifications, or training to help employees further their skills and knowledge in specific areas.

The Steps to Launch a Successful Digital Credentialing Program with Credly

» **Define Goals**
Set digital credentialing goals to align the program with your organization's strategic aims.

» **Define ROI & Metrics**
Establish clear return on investment goals within the business context to define the intended impact and identify internal metrics signaling positive influence.

» **Onboarding**
Utilize the onboarding resources and support from Credly's **Customer Success** team to set up the program and ensure credentials are aligned with industry standards and best practices.

» **Establish a Governance Plan**
Appoint someone (with a backup) to handle control, authority, and credential creation.

» **Get Buy-In**
Engage internal stakeholders to articulate credentials' potential to get leadership buy-in.

» **Determine Level of Access**
Make sure all relevant users have access to the system and master the platform.

» **Design Credentialing Framework**
Begin a pilot credential using a well-designed taxonomy.

» **Create Badge Template**
Develop a high-quality badge template, including elements like verified skills, clear criteria and more.

» **Market & Launch Program**
Develop a marketing strategy to raise awareness and drive interest.

» **Issue Badges**
You can issue one badge at a time, in bulk, using a spreadsheet or by tapping into our API.

» **Integrate With Existing Software**
Integrate Credly with existing systems like learning management system (LMS) and HR software.

» **Measure Your ROI**
After the program launches, **track your metrics** like badge earners' engagement and credential issuance for program evaluation. Demonstrate the program's success to build a compelling budget allocation case.

» **Be Ready to Adapt & Change**
Use **analytics** to make data-driven decisions and continuously improve the program.

Common Misconceptions about Digital Credentials

Now that you're familiar with digital credentials and their benefits for both your organization and employees, you might still need some clarification. Let's address some commonly asked questions:

01 Do I have to offer multiple training programs to get started?

Not at all. Even if you offer one program, we can help. In fact, starting with just one program lets you get familiar with the Credly platform. You can develop your marketing content, build awareness, and get buy-in. Once launched, you can review the data, make necessary adjustments, and expand your offering.

02 How does Credly by Pearson ensure data protection?

We comply with **data security**, privacy and accessibility best practices. We hold ISO 27001 and ISO 27701 certifications and maintain a Voluntary Product Accessibility Template.

03 What support options are available post-launch?

Our **dedicated customer success team** is always on hand to help. Additionally, you can find an extensive collection of **resources, guides, and FAQs on our website**, as well as exclusive monthly drop-in sessions for our customers.

04 How soon can I begin my credentialing program?

Our team is prepared to identify the best solution for you and collaborate on a timeline.

If you are unsure, start with our **Credentialing Mastery Assessment**! By taking the assessment, you can see how your strategy measures against credentialing best practices.

It provides a comprehensive evaluation of your current strategy and offers personalized top tips to guide you toward success.

Transforming Talent Strategy with Digital Credentials

We hope this guide has shown you that the benefits of digital credentials can be far-reaching to any corporate enterprise. By adapting to the changing skills requirements and catering to your employees' training goals through digital credentials, your enterprise can position itself as forward-thinking and adaptive, improving talent acquisition efforts and demonstrating it with substantial data. If you want to learn more about how digital credentials can advance your organization's skill development strategies, visit our **Resource Centre**.

Schedule a demo

Credly is the network of choice where 3,500+ certification, assessment, and training providers and employers issue their credentials. With a notable 76 Net Promoter Score, our secure, user-friendly, and data-rich platform is a reliable choice for supporting your employees. To explore how digital credentials can contribute to your organizational growth and commercial goals, schedule a demo now.

About Credly by Pearson

Credly is helping the world speak a common language about people's knowledge, skills, and abilities. Thousands of employers, training organizations, associations, certification programs, and workforce development initiatives use Credly to help individuals translate their learning experiences into professional opportunities using trusted, portable, digital credentials. Credly empowers organizations to attract, engage, develop, and retain talent with enterprise-class tools that generate data-driven insights to address skills gaps and highlight opportunities through an unmatched global network of credential issuers.