



The Future of Human Capital Management

How individuals benefit from earning digital credentials

Whitepaper

Credly
by Pearson

AN OVERVIEW

Digital Credentials

Digital credentials are a powerful resource for human capital management to address the global talent shortage and skills gap. A growing number of organizations, including Fortune 500 companies like IBM and Microsoft, are using digital credentials to improve workforce readiness, upskill employees, identify talent pools, and create more effective learning and development initiatives.

This white paper will discuss the rise in importance of digital credentials, how they support a culture of recognition, and the benefits they provide individuals who earn credentials from an organization.

Technology, automation, and artificial intelligence advancements are spurring a digital transformation across businesses. Digital credentials play a pivotal role in transforming the competencies, processes, and technology required of the new workforce.

A digital credential is a *portable, verified, and secure representation* of acquired knowledge, a specific skill, or an earned achievement. They are what happens when old-fashioned paper certificates meet the modern labor market. Digital credentials are visualized through digital badges, which offer a highly-recognizable way to showcase one’s achievements. These badges are accompanied by extensive metadata detailing the requirements an individual has satisfied to earn the credential along with the evidence that a specific individual has indeed satisfied those requirements. Organizations issue digital credentials to recognize skills and capabilities that matter most to them—from agile design to data science to critical thinking.

Here’s how it works

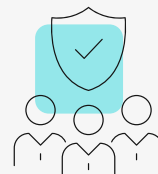
Issuing, managing, and sharing digital credentials is a seamless interaction between an organization and an individual.



Individual Earns Credential



Organization Issues Digital Credential



Individual Claims & Shares Digital Credential



Individual is Connected to Opportunities

Since 2013, the use of digital credentials has steadily increased. Millions of digital credentials have been issued by thousands of organizations using platforms provided by Credly, the digital credentialing leader, and those credentials have been earned by millions of unique individuals.

This rise in popularity of digital credentials is part of a larger trend that innovative businesses are undertaking to meet the demands of the 21st century workforce: creating a culture of recognition to upskill, retain, and empower employees.

Creating a Culture of Recognition

Radical changes in the workforce, the workplace, and technology are causing business leaders to make a profound shift, according to the [2018 Deloitte Global Human Capital Trends report](#): transforming from a business enterprise to a social enterprise.



Every 2 seconds a digital credential is used, shared or verified on Credly.



Digital credentials are issued on Credly in **195 countries**.

SOURCES: Credly, August 2018

“In a 21st-century career, the individual and his or her experiences take center stage. Instead of a steady progression along a job-based pathway, leading organizations are shifting toward a model that empowers individuals to acquire valuable experiences, explore new roles, and continually reinvent themselves,” according to the report.

The idea of recognizing and empowering employees is not a new concept, but quantifying the value of these programs is becoming more important than ever. According to Deloitte, nearly 60 percent of respondents in the 2018 survey rated their organizations as only somewhat effective or not effective in empowering people to manage their own careers.

Additionally, rewards and recognition topped

“As I talk to leaders at global companies, they report that digital credentials are not a nice-to-have, but a strategic imperative to keep, attract, and value their most important asset—their people.”

Jonathan Finkelstein
CEO of Credly

the list of employee engagement drivers in 2018, according to the [2018 Aon Trends in Global Employee Engagement report](#). Recognition for contributions, beyond pay and benefits, was the key factor in elevating rewards and recognition to the top spot, with fair pay providing a support role in engagement.

“Getting recognition right has a great impact on employee engagement, productivity, and retention. Digital credentials are the foundation for building a culture of recognition that fully leverages the investments that employees and employers make in each other. They give organizations a way to honor skills, achievements, values—whatever matters most to the organization—in a consistent, holistic, and public way. And, in turn, employees are motivated to keep learning and growing, and taking on opportunities that are aligned with their professional growth and the company’s greatest needs,” says Jonathan Finkelstein, digital credentialing pioneer and CEO of Credly.

How Individuals Benefit from Digital Credentials

Digital credentials help individuals gain recognition for their achievements—and make those achievements portable, verifiable, and discoverable. At their core, digital credentials are designed to be portable and stackable, living with the earner. That means no matter when or where an individual earned a credential, he or she will always have access to the record of that achievement and control when and how it's put to use.

Real life rarely follows a linear path, and digital credentials better represent the unique journey an individual took to get where he or she is. They add context around skills mastered. And, they help individuals distinguish themselves by the unique set of credentials they've earned, making them more marketable.

New Skills, New Opportunities

Obtaining new skills and being able to showcase them with digital badges is extremely powerful. It helps individuals stand out in crowded fields and demonstrate readiness for career progression. And credentials are highly valued in the labor market. They provide employers with accurate, trusted signals of skills and abilities, and more confidence in verified achievements versus ones that are self-reported.

"After getting certified and adding the badge to my LinkedIn profile, two CEOs from local companies got in touch with me to work with them on a project," says Saint-Paul Tinga, a software architect and developer, who was issued a digital badge through Credly's Acclaim product to represent his Oracle certification.

A More Confident Career Path

Empowering individuals and recognizing their achievements also makes them more confident, which can boost an individual's prospects when searching for career opportunities. Coletta Teske, an independent network consultant, was having difficulty finding work until she shared her IBM digital badges on Twitter and LinkedIn. *"Digital badges helped me get a job because they increased my confidence."*

Supercharged Networking

Digital credentials are easily put to use on professional networks and social media, as well as on resumes, email signatures, and portfolios. Displaying earned badges on professional profiles enables employers and professional partners to discover and verify an individual's training and skills, which can increase an individual's career opportunities. Professionals who publicly display their credentials are discovered, on average, six times more often.

Creating a Culture of Recognition with Credly

Credly was founded to empower the recognition of achievements and connect people to opportunity based on their verified skills and abilities. In 2018, the award-winning Acclaim platform joined Credly, creating the leading global digital credentialing suite.

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.