

# SKILLS ECONOMY TOOLKIT

## ACTION GUIDE: EVALUATING YOUR SKILLS READINESS

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### Introduction

Workforce Development Boards have always focused on what people can do. As the broader economy embraces skills-first and skills-based approaches, new tools have emerged, such as digital badges, skills taxonomies, AI matching, and open data standards, that can further support the work boards are already doing. This has also amplified the need for workforce development boards to be ready to lead your region's skills economy transformation.

*Skills readiness* is your board's ability to prepare for and lead in a skills-rich, high-performance economy. It reflects how prepared your region is to connect people to jobs based on their demonstrated abilities, not just their credentials or job titles, and your board's capacity to leverage emerging tools to lead your region's skills economy transformation. It's about having the data, partnerships, infrastructure, and commitment to make skills visible, validated, portable, and actionable.

This assessment helps you understand where your board stands today and identify your next steps forward.

### Why Skills Readiness Matters

The challenge is clear: *employers can't find qualified workers, job seekers struggle to demonstrate their capabilities, and traditional credentials don't always reflect what people can actually do.* Skills readiness is your board's answer to these disconnects.

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When your board is skills-ready, you can:

- **Close talent gaps faster** by helping employers see beyond degrees to find overlooked workers
- **Expand opportunity equitably** by recognizing skills from any source, such as work experience, military service, community college, or apprenticeships
- **Respond to change** as automation and technology reshape job requirements in real-time
- **Demonstrate impact** with data showing how skills-based approaches improve employment outcomes and wages
- **Lead regionally** as the trusted convener who brings employers, educators, and workers together around a common language

## Four Elements of Skills Readiness

Your board's readiness can be assessed across four interconnected elements. Each element represents a critical dimension of capacity, from understanding your labor market to building partnerships that drive change. Together, these elements create a complete picture of what it takes to lead skills transformation.

● **Action:** Use this framework to identify your strengths and prioritize where to focus your efforts.

Element	What It Means	Why It Matters
<b>Element 1:</b> Labor Market Alignment	Data and analysis of priority industries, occupations, and skill needs in your region	You can't build a skills economy without knowing which skills your region needs
<b>Element 2:</b> Shared Skills Framework	A clear, inclusive definition of what "skills" mean for your region, within and across sectors	A common language enables employers, educators, and workers to communicate about skills
<b>Element 3:</b> Inclusion Commitments	Specific goals to expand access and remove barriers for underrepresented groups	Skills-based approaches only work if they expand opportunity for everyone, especially those historically excluded
<b>Element 4:</b> Partnership Roadmap	A roadmap for how the board, employers, educators, and community partners will collaborate	No single organization can build a skills economy alone—it requires coordinated action

# TOOL: SELF-ASSESSMENT

## Element 1: Labor Market Alignment

Check all that apply to your board:

- We have current data on priority industries in our region
- We know which occupations are growing and declining
- We've identified the top in-demand skills for key sectors
- We regularly analyze job posting data to understand employer needs
- We track skill gaps and credential requirements
- We use labor market data to inform training investments

Score: \_\_\_\_\_ / 6

## Element 2: Shared Skills Framework

- We have a shared definition of what 'skills' means in our region
- We've adopted or are exploring a skills taxonomy (e.g., [O\\*NET](#), [ESCO](#))
- Employers, educators, and partners use a common language to describe skills
- We distinguish between technical skills, soft skills, and foundational competencies
- We have processes for validating and recognizing skills from various sources
- Our skills framework is inclusive of non-traditional pathways

Score: \_\_\_\_\_ / 6

## Element 3: Inclusion Commitments

- We have explicit goals to expand access for underrepresented groups
- We collect information on the people and communities represented in our work
- Underrepresented communities are at the planning table
- We've identified specific barriers that skills approaches can address
- Our skills initiatives prioritize workers with non-degree and/or without degree credentials
- We measure whether benefits are reaching all populations equitably

Score: \_\_\_\_\_ / 6

## Element 4: Partnership Roadmap

- We have engaged employers to understand their skills priorities
- Educators and training providers are aligned on skills strategies
- We have identified champions to lead skills initiatives
- There's a clear plan for who does what in our skills ecosystem
- We have regular convenings focused on skills
- Resources (funding, staff capacity, tools) are allocated to skills work

Score: \_\_\_\_\_ / 6

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## Interpreting Your Score

Total your scores across all four elements (out of 24 possible): \_\_\_\_\_ /24

Score	Level	What It Means	Recommended Next Steps
20-24	<b>Leading</b>	You're ready to lead regional skills transformation	Focus on deepening partnerships, scaling initiatives, and sharing your lessons with other boards
15-19	<b>Building</b>	You have strong foundations	Identify your 1-2 weakest elements and prioritize improvement in those areas. Consider piloting a skills initiative to build momentum
10-14	<b>Developing</b>	You're making progress	Start with the Skills Economy Visioning activity to build shared understanding and commitment. Focus on strengthening one element at a time
0-9	<b>Starting</b>	You're beginning your skills journey. That's okay!	Start with awareness-building: share this toolkit with your board and staff. Use the Quick Action Checklist to identify your first 2-3 steps

# Quick Action Checklist

Check all that apply to your board:

- We've held a strategic discussion on what a skills economy means for our region
- We have labor market data on priority industries and skill gaps
- Underrepresented communities and partners are at the planning table
- We've engaged employers to understand their skills priorities and challenges
- We have a communications plan to educate employers and partners about skills
- We've identified champions (board members, employers, educators) to lead this work
- We have resources (funding, staff capacity, tools) allocated to skills initiatives
- We've completed the Skills Economy Visioning activity with stakeholders

**If you've checked 5 or more boxes:** Your board has strong readiness foundations and is positioned to lead skills transformation.

**If you've checked fewer than 5:** Focus on completing the unchecked items first, as they represent critical building blocks for skills readiness.

## Next Steps

After completing your readiness assessment:

- Share findings with your board, staff, and key partners
- Use the Skills Economy Vision guide to develop a shared future vision
- Reference Action Guide: Strategic Planning to build a roadmap
- Start with your highest-impact actions and build momentum
- Revisit this assessment quarterly to track progress

## Additional Resources

- Skills Economy Vision Guide: Develop your regional vision
- Action Guide: Strategic Planning for the Skills Economy
- Action Guide: Mapping Your Regional Skills Ecosystem
- Action Guide: Employer and Issuer Engagement

*Questions or feedback?*

*Contact the National Association of Workforce Boards*

[www.nawb.org](http://www.nawb.org)