

# BUILDING A SKILLS ECONOMY

## SPOTLIGHT: ALABAMA



**SCOPE:** Statewide alliance

**INDUSTRIES:** Manufacturing, Health Science, Transportation, Distribution, and Logistics

**SYSTEMS:** Atlas (Longitudinal), Alabama Talent Triad

**NORTH STAR:** Raising the labor force participation rate

This spotlight draws on conversations with **Anna Chappelle**, Executive Director of the Alabama Workforce Board, and **Nathan Rankin**, Director of Alabama’s Office of Education and Workforce Statistics within the Alabama Department of Workforce. Together, they lead two of the state’s most significant workforce data and skills-based initiatives: Atlas, Alabama’s Longitudinal Data System, and the Alabama Talent Triad, the state’s skills-based ecosystem.

## A Structural Transformation

In 2024, Alabama passed the Alabama Workforce Transformation Act, which replaced the Alabama Workforce Council with the Alabama Workforce Board. The act was designed to break down the silos that had developed between separate workforce entities. The structural consolidation reflects a broader principle that both leaders emphasize: *the only way forward is to bring people together—across agencies, across regions, and across the traditional divides between education, government, and industry.*

## Labor Force Participation As The North Star

Around 2019, with Alabama's unemployment rate at historic lows, the state sought a more meaningful measure of workforce health and turned to the labor force participation rate, which had historically lagged the national average by 6 to 7 points. Governor Kay Ivey set a goal to raise it to the national average, and that goal has anchored the state's workforce strategy ever since. Everything the board does, from credential policy to employer engagement, is in service of re-engaging disengaged individuals or making it easier for people who have never held a job to enter the labor force. The rate is climbing, slowly but measurably.

*"When people hear that 'I have a skill that is valuable, that can be used,' that changes their thinking. That changes their purpose."*

– Anna Chappelle, Executive Director, Alabama Workforce Board

## Unwrapping Competencies

At the core of Alabama's approach is a framework Nathan describes as *"wrappers of competencies."* No credential, degree, or training program is the final product; they exist to teach about competencies. The state's method involves unbundling these wrappers to assess what someone actually knows, their skills, and their abilities. Once competencies are viewed at that granular level, it becomes possible to identify gaps in someone's knowledge and encourage them: *you only need a few more things before you can move into the next occupation, or perhaps one more credential lifts you from your current role toward a destination occupation.*

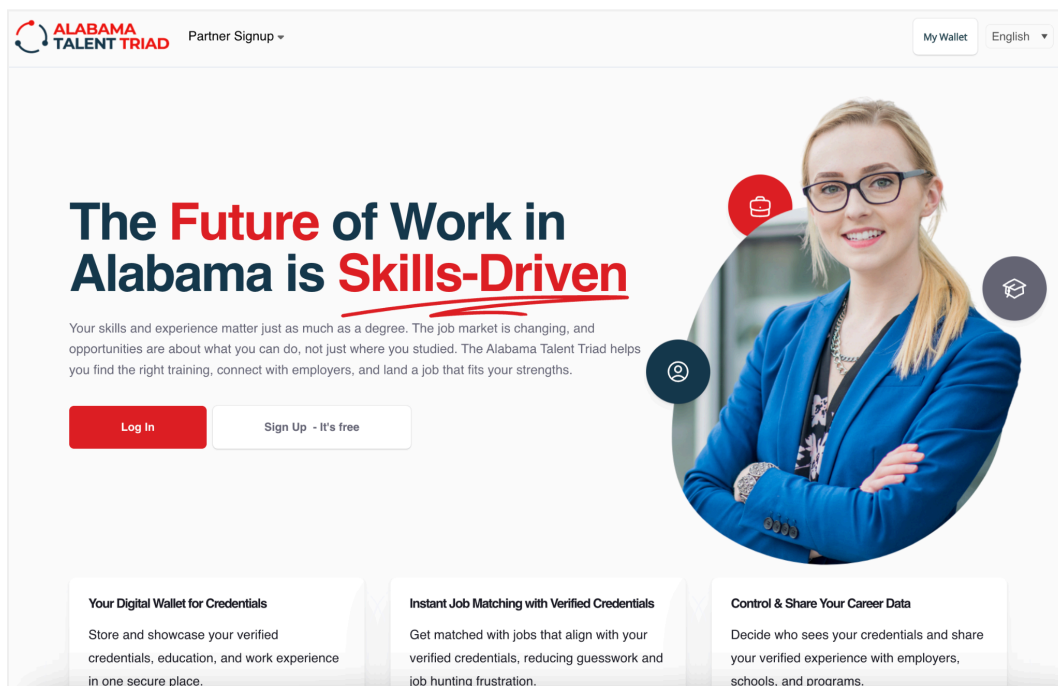
*"Getting everyone in the state's workforce system on board with this stackable, competency-based view of career progression has been a central effort and a key lesson in this work: the state had to learn, over time, what a competency actually is."*

– Nathan Rankin, Director of Alabama's Office of Education and Workforce Statistics

Early technical advisory committees produced language that read like job descriptions. The team discovered that a competency must be demonstrable and testable, and refining that shared language took significant effort. Nathan notes that resources on competency writing should have been available from the beginning.

# The Alabama Talent Triad

The Talent Triad organizes Alabama’s skills-based work around three focus areas. The first is learners and earners: individuals who have recently graduated from high school or secondary education, or are pursuing continuing education. The second is employers, who are learning to adopt skills-based hiring practices. The third is education and training institutions, which are beginning to view their programs as bundles of competencies rather than simply end-to-end certificates. Nathan describes the triad as the framework for getting each of these groups invested in, understanding, and using the system effectively.



Source: [www.alabamatalenttriad.com](http://www.alabamatalenttriad.com)

## Priority Industries And Free Training

Alabama’s pilot industries for skills-based initiatives include transportation, distribution and logistics, health science, and manufacturing. The state’s manufacturing base is notably diverse: aerospace and defense in the north, maritime in the south, and automakers throughout. The Alabama Office of Apprenticeship has been growing rapidly, working with healthcare, nursing, and manufacturing employers to build skills through apprenticeship pathways. The Alabama Industrial Development Training (AIDT) program, which has received national accolades, provides free training across a range of

occupations from forklift operation to specialized welding disciplines, including maritime welding.

*“These free programs are giving people a new lease on life, the ability to provide for their families, and contribute to their communities.”*

– Anna Chappelle, Executive Director, Alabama Workforce Board

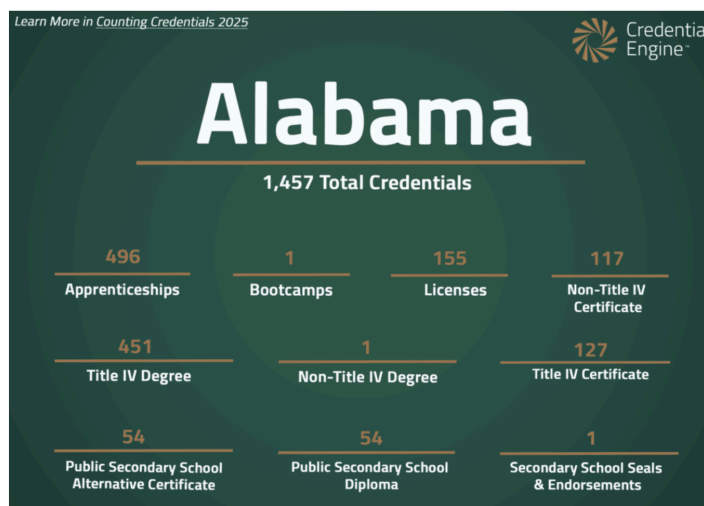
## Communication as The Biggest Hurdle

Whether through marketing, outreach, or simply connecting people to the right resources, communication and messaging are the most significant ongoing challenges. The foundation and framework are in place, but getting citizens, employers, and education institutions to know the system exists and understand how to use it remains the primary barrier. The state has launched a video series on training for its technical advisory committees, but both leaders acknowledge that communicating the value and purpose of skills-based work to every stakeholder group requires sustained, deliberate effort.

## Interoperability across State Lines

Cross-state interoperability is a non-negotiable priority for Alabama. Thousands of Alabamians commute daily to Georgia, Tennessee, Mississippi, Florida, and Louisiana for work. If Alabama builds a skills-based system that cannot communicate with the systems neighboring states have developed, it will be useless to those workers.

The state has been integrating with Credential Engine and its CTDL standard, and the vendor partnership has prioritized industry-standard approaches over bespoke solutions. But the broader challenge remains: *as each state develops its own infrastructure, the ability to share and recognize credentials across borders will determine whether these systems achieve their full potential.*



Source: <https://credentialengine.org/partners/alabama/>

## Small Team, Big Ambition

Over six years, the equivalent of roughly three and a half full-time employees have built the state's skills infrastructure. A full staffing plan to launch this from scratch would require seven or eight full-time employees, board investment, staff training, and support from career center personnel. The team makes do with what it has, but both leaders are candid about the gap between what exists and what is needed, particularly as leadership changes require re-educating new members and partners from the beginning.

## Lessons Learned

*Anna Chappelle, Executive Director of the Alabama Workforce Board, and Nathan Rankin, Director of Alabama's Office of Education and Workforce Statistics, share lessons from building a statewide skills-based hiring ecosystem with a small team, a clear north star, and a commitment to breaking down silos.*

- 01 Define what a competency is before you ask people to write them**
- 02 Unbundle the 'wrappers': Every credential is a bundle of competencies**
- 03 Plan for realistic staffing: This work takes more people than you think**
- 04 Prepare for leadership changes with a succession plan**
- 05 Choose vendors as partners, not just providers**
- 06 Build for Interoperability from Day One**

[→ Read the full list of lessons learned.](#)

# Learn More

To learn more about how Alabama is building a skills economy, visit the following resources:

|  |   |
|--|---|
| <a href="#"><u>Alabama Department of Workforce</u></a>   | Main state agency overseeing workforce development (renamed in 2024 under the Alabama Workforce Transformation Act). STEM Teacher Externship Program, career pathways, skills training initiatives, and coordination of regional workforce councils.  |
| <a href="#"><u>Alabama Talent Triad</u></a>  | Platform connecting job-seekers, employers, and educational institutions. Digital credentialing, verified digital resumes, skills-based job descriptions, and talent matching across Alabama.   |
| <a href="#"><u>Lt. Governor's Alabama Workforce Development Plan (2024)</u></a>                      | Comprehensive strategic plan from the Commission on 21st Century Workforce. Assessment and recommendations for Alabama's workforce system, career pathways, credentials, industry partnerships, and plan to create the Alabama Workforce Authority.   |
| <a href="#"><u>Case Study: Scaling Skills-Based Pathways in Alabama through the Talent Triad</u></a> | Published in the USCCF LER Toolkit Case Study Collection, this case study provides an overview of the Alabama Talent Triad. This statewide, skills-based marketplace connects job seekers with education and career opportunities. It expands opportunities across sectors and in-demand occupations, as well as at different life and career stages. |