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College Degrees vs Skills and Competencies

Which is More Important?

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Student loan deferments. Student loan forgiveness. Predatory student loan practices. Federal politics and the pandemic have together amplified the country's dialogue around student loans.

They've also sparked a dialogue on the value of the college degrees that are paid for with those loans. One thread shifts the conversation to explore alternatives – less expensive, more practical, more inclusive options – for preparing young people for the workforce. In other words, to explore options that emphasize skills and competencies over college degrees.

What's happening now? Why should your organization value competencies and skills over college degrees? And what can you do about it?

What's Happening Now

In a country where employers have long-valued college degrees for entry-level professionals, the landscape is shifting. Perceptions are changing about the value of college degrees in the workplace and about whether seeking college-educated individuals is a realistic, practical, or desired path to filling job openings.

Employers are struggling to fill a near-record number of job openings. At the end of November 2021, there were 11.1 million unfilled positions in the U.S. [[Financial Times](#)]

College degree programs aren't keeping up. In 2018, 25% of the U.S. population had at least four years of college education. But students are being prepared for jobs that no longer exist and many don't have the right skills for the jobs they want. [[Harvard Business Review](#)]



Emerging job skills can be learned without college. According to the World Economic Forum's *Jobs of Tomorrow* report, there will be a rapid rise in new kinds of digital jobs – with skills that can be learned without college degrees. [[World Economic Forum](#)]

Requiring a college degree limits employer access to a bigger, more diverse talent pool. Says economist Byron Auguste, “If you arbitrarily say that a job needs to have a bachelor’s degree, you are screening out over 70% of African-Americans. You’re screening out about 80% of Latino-Latina workers, and you’re screening out over 80% of rural Americans of all races.” [[NPR](#)]

Fewer young people are going to college. So, access to college-educated individuals will be even more challenging. There are more than 1 million fewer students enrolled in college now than before the pandemic began, accelerating a downward trend since 2012. [[NPR](#)]

Why Value Competencies and Skills Over College Degrees?

Using a skills and competency-centered approach to hiring and workforce development has numerous advantages over a degree-centered approach.

Flexibility.

It's easier to target and build a skill than it is to introduce a new college curriculum or degree program. At any time, employers and employees can direct attention to skills relevant to career paths, industry expectations, and emerging trends – and drop those that are becoming obsolete.

Inclusivity.

We touched on this above. While the U.S. Census Bureau reports that 42% of Americans over the age of 25 have some sort of college degree, that means that 58% do not. And, college degrees skew white. 72% of degree-holders are white [[Best Colleges](#)]. ***On the other hand, 100% of individuals have some skills. And skills can be learned, regardless of background or education.***

Practical application.

Certainly, earning a college degree brings with it a predictable set of skills for most graduates: teamwork, time management, verbal and written communications, for example. But those soft skills are not enough to do the technical work. Most employers expect to identify a mix of soft and hard skills for employees to develop before they can fully contribute to their jobs.

Control.

Many employers prefer to shape the skills of their employees rather than hire skilled individuals whose bad habits need to be unlearned or whose skills gaps are a surprise and disappointment. Hospitality companies, for example, are known for having training programs so their team members do it the Marriott (or Hilton or other brand) way. Unlike a college education, which has tremendous variability from one graduate class schedule to the next, a company training program is a known, repeatable program with specific skills tied to the requirements of the job.



Management.

One of the great things about skills and competencies is that they can be measured. And tracked. And managed over time. By collectively tracking and managing employee skills with a competency management system, your employees, your managers, and your organization will be in a position of strength to build the skills that are truly needed today and tomorrow.

How to Favor Skills Over Degrees at the Workplace

If you're ready to put skills and competencies first at your organization, here are some ways to make that happen.

Drop the college degree requirement.

In order to reach a more diverse talent pool, consider lightening up your policies on requiring a degree. Numerous companies have announced that they are either reducing or [dropping the college degree requirement](#). Ernst & Young's managing partner for talent, for example, says, "Academic qualifications will still be taken into account and indeed remain an important consideration when assessing candidates as a whole, but will no longer act as a barrier to getting a foot in the door."

Lead with skills when hiring.

Whether you're pursuing external or internal candidates (or both!), start with skills-based job descriptions. You'll be more inclusive in your process, and you'll get to a "best fit" match faster by focusing on skills and competencies.

Build your own training.

Internships. Mentorships. Apprenticeships. Continuous learning plans. [Upskilling and reskilling](#). There are numerous tried and true ways for you to take charge of shaping the vision and future skills of your workforce by owning in-house skill development.

Or partner with colleges in your community.

We're not actually saying that all college degrees are bad. We are saying that a blind requirement for college degrees is bad – and that they're unnecessary in too many jobs that require them today. One way to make them more relevant is to work with colleges in your community to build the curricula and degree programs your company needs. Construction company owners A. Ross Myers and John R Lawson II provided an endowment to form the [Myers-Lawson School of Construction at Virginia Tech](#) in 2006. [Taco Bell](#) just made headlines with this approach, partnering with the University of Louisville to offer accredited classes on the business of franchising.

Are you ready to get started?

Are you thinking of favoring skills over degrees for your workforce? [Contact us](#) to find out how Avilar's skills analysis and competency management platform – [WebMentor Skills™](#) – can support your efforts.