



Credential Fluency: The Hiring Advantage in the Race for Skills

By Shrinidhi Rao, April Weathers, and Alex Martin

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How employers use non-degree credentials to compete for talent

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Executive Summary

In today's constrained labor market, winning companies are those that can identify and develop talent wherever it exists. With an aging workforce and accelerating skill turnover, the traditional playbook—hiring through degree based requirements—no longer delivers competitive advantage.

Forward-thinking firms are turning to non-degree credentials as a solution. These validated skill signals help companies identify qualified talent they would otherwise overlook, while giving workers—particularly those without four-year degrees—a way to prove their capabilities. According to the U.S. Labor Department, workers without degrees make up 58% of the prime-age U.S. workforce—yet they're systematically screened out of needed roles they could perform.

The Burning Glass Institute and OneTen analyzed over 1,000 major U.S. employers, revealing stark differences in how companies approach credentials:

Leading firms are making credentials work. Firms like LinkedIn, Nordic Global, and Procore Technologies consistently request credentials in job postings and hire based on them. These companies link specific credentials to business-critical skills (HubSpot requires Inbound Marketing certification; Infosys prioritizes AWS Architect credentials), enabling them to more effectively hire the right talent.

Many companies struggle to translate intent into action. Even when looking at companies hiring for the exact same types of jobs, a sharp divide in their approach to hiring emerges. Leading firms – those in the top 10% of hiring for non-degree credentials – are 11 percentage points more likely to do so than firms in the bottom decile of credential fluency. This wide gap shows that the practice is far from standard: while some organizations have fully embraced these credentials, many are still just beginning to figure out how to incorporate them into their hiring process. For example, our analysis showed that companies that remove degree requirements see only a 2-percentage-point increase in the share of hires with non-degree credentials. This evidence suggests that shifting hiring practices requires more than policy changes; it demands operational infrastructure.

Credentials offer substantial benefits for workers, particularly those from historically disadvantaged groups. Through credentialing, women see annual wage gains of \$1,600, while men see gains of \$916. Furthermore, Black and Hispanic workers experience even larger premiums, with wage gains nearly double those of White peers. For companies committed to advancing opportunity for all, credential-based hiring offers a data-driven path forward.

The bottom line: In an era where technical skills increasingly have a half-life measured in months, not years, companies need dynamic ways to assess capability. Firms that build “credential fluency”—the ability to identify, validate, and hire based on quality credentials—will access talent their competitors miss.

Who should read this: This report is designed for hiring leaders evaluating credential strategies, workers considering skill investments, and workforce development professionals seeking evidence on which credentials deliver real returns. It shows how leading companies access overlooked talent, which credentials predict performance, and how to operationalize credential recognition in your hiring systems. This report focuses on the use of non-degree credentials as hiring signals. For clarity and readability, the terms “credentials” and “non-degree credentials” are used interchangeably throughout to refer to this subset, unless otherwise specified.

Introduction

Three structural forces are reshaping the talent landscape—creating both challenges and unprecedented opportunities for companies willing to adapt.

First, demographics have fundamentally altered labor supply. The slack labor market of the 2010s—when the supply of workers exceeded available jobs—has given way to fierce competition for a smaller, older, and more selective talent pool. Immigration has slowed, baby boomers are retiring in droves, and younger workers are reconsidering whether traditional career paths align with their values.

Second, the pace of skill change has outstripped traditional education’s ability to keep up. The tools and platforms that define modern work—from cloud architecture to machine learning frameworks—evolve faster than university curricula. By the time a computer science graduate receives their diploma, half of what they learned as freshmen may already be outdated.

Third, AI is reshaping job architecture across every sector. It’s not just automating routine tasks but augmenting complex ones, creating demand for hybrid skills that barely existed five years ago. Companies need workers who can manage AI tools, interpret their outputs, and apply judgment where algorithms fall short.

Companies are adopting credential fluency to navigate unprecedented change and transform it into opportunity. Unlike degrees earned years ago, credentials provide portable proof of current mastery: Salesforce’s latest platform, Google’s cloud certification, advanced training in supply chain optimization. A credential signals what someone knows now. Furthermore, companies that emphasize credential and remove degree requirements are expanding their pool of candidate to the 58% of the prime-age U.S. workforce that are traditionally systematically screened out of roles that have required four-year degrees.

The market has recognized this opportunity. Training providers, technology companies, and educational institutions have rushed to meet demand for faster, more flexible skill development. By 2024, over 1.1 million distinct credentials were available in the U.S., according to Credential Engine. In 2026, the post-secondary Pell Grant is expanded to short-term training programs via the newly formed Workforce Pell Grant. This isn’t just growth; it’s a fundamental reimaging of how skills are developed, validated, and signaled in the labor market. However, the sheer volume and variety of credential offerings ranging from weekend bootcamps to rigorous multi-month programs and from vendor-specific badges to industry-wide certifications, make it difficult for employers and talent to separate valuable signals from expensive noise.

Some firms have learned to navigate this complexity, and they are already seeing results. Our analysis identifies companies like ServiceNow and Procore Technologies that have turned credential recognition into competitive advantage, expanding their talent pools while their competitors continue to struggle with talent shortages. Meanwhile, firms like HubSpot and Infosys have gone further, mapping specific credentials to critical roles and building hiring pipelines around these validated skills.

This report, a joint effort by the Burning Glass Institute and OneTen, examines how companies at different stages are approaching credentials—and what the leaders are doing differently. Drawing on analysis of over 1,000 major U.S. employers, we reveal:

- Which credential strategies actually expand talent pools (and which don't)
- Patterns in how firms operationalize credential recognition in ways that drive hiring outcomes
- Where credentials create the most opportunity for workers without degrees—and for which employers
- Practical steps any company can take to build credential fluency, starting today.

Section 1: What Credential-Fluent Firms Do Different

In today's tight labor market, the contest for talent has become critical. Companies with the most capable and adaptable workforces will win; those unable to identify and develop talent will lose market share to more agile competitors. Yet most firms still rely on the same proxies—prestigious degrees, previous job titles—that tell us little about whether someone can perform on the job.

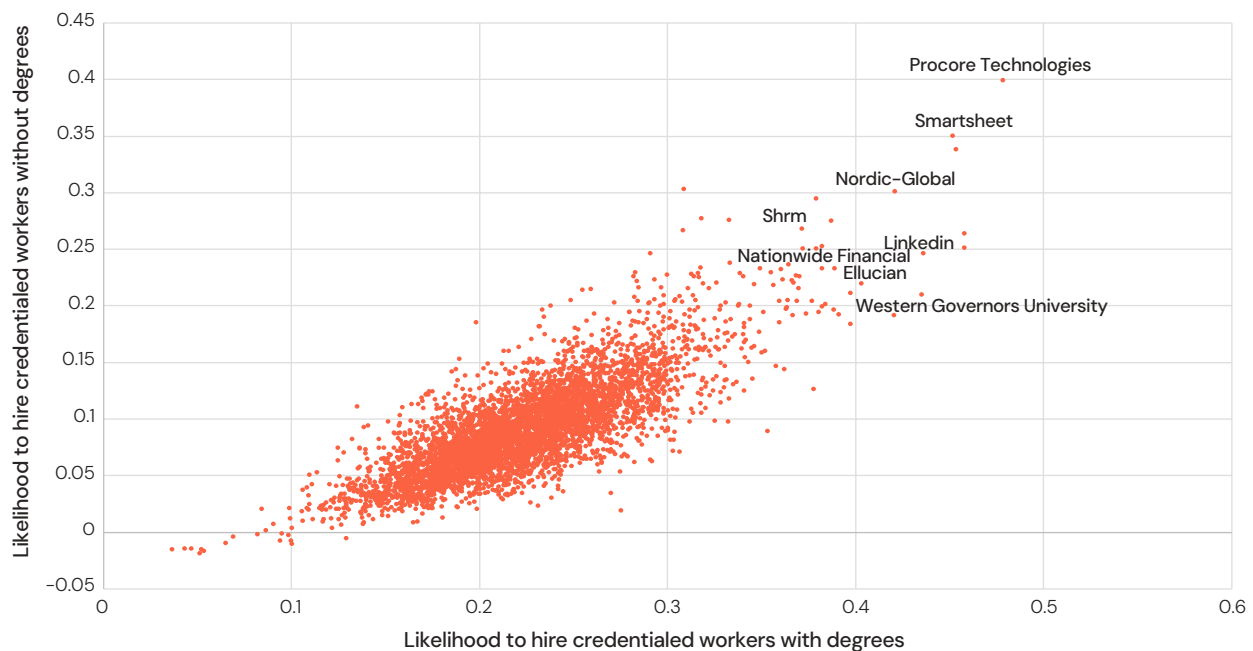
The movement toward skills-based hiring promises a solution: evaluate candidates based on what they can do, not just whether they went to school. But implementation has proven difficult. **Hiring managers lack tools to assess skills objectively.** Recruiters face hundreds of applications per role with no reliable way to identify capability. Even well-intentioned AI screening tools often replicate the biases they're meant to eliminate.

This is where credentials become transformative. When properly validated and understood, they provide what traditional hiring strategies cannot: objective, verified proof of specific capabilities that directly map to job requirements and performance.

The Companies That Crack the Code

Our analysis identifies a select group of firms that have turned credential recognition into standard operating procedure. These companies systematically identify, request, and hire based on credentials—a talent strategy that we call “credential fluency.”

Figure 1. Firms that lead in hiring for credentials among all worker groups



Source: Burning Glass Institute

The top-right quadrant reveals the leaders: Procore Technologies, Nordic Global, Smartsheet, and others that consistently value credentials across roles and departments. These aren't random outliers—they represent a deliberate strategy that spans industries from construction software to healthcare technology.

What distinguishes these firms isn't their industry or size—it's their operational commitment to credential fluency. They've built the infrastructure to identify quality credentials, integrated them into job architectures, and trained hiring managers to recognize their value.

The Credential-to-Business Strategy Link

Leading firms don't value credentials in abstract; they map specific credentials to concrete business needs. For example, at Infosys, priority credentials include Certified Scrum Master and AWS Architect – credentials that directly align with client delivery requirements. Meanwhile, at HubSpot, Inbound Marketing and Inbound Sales certifications are prized, highlighting a firm-level emphasis on effective lead generation and customer acquisition.

Implementation Excellence: How Can Leaders Operationalize Credentials?

Effective integration of credentials into hiring involves both new cultural practices and new tools:

- 1. Build credential recognition into your tech stack.** Effective applicant tracking systems should capture credential data—issuer, credential ID, date earned, expiration, and standardized skills taxonomies – and verify self-reported data with credentialing platforms.
- 2. Train hiring managers to value credentials.** Rather than leaving it to chance, companies should educate their hiring teams on which credentials matter for which roles and arm them with resources. External tools like the Credential Value Index—a first-of-its-kind index and navigation tool that measures the career and wage impact of virtually every certification in America—help distinguish rigorous credentials from those that don't move the needle, while internal rubrics can weight credentials alongside other qualifications and track performance correlations.
- 3. Create feedback loops and partnerships.** Rather than only tracking performance after the fact, leading firms partner directly with community colleges, bootcamps, and other training providers. By integrating company practices and tools into the curriculum, they help develop stronger classroom-to-career pathways and build a reliable talent pipeline.
- 4. Communicate credential value externally.** Signal preferences for credentials clearly in job postings, career sites, and recruitment marketing. **As prior OneTen research shows, this has been proven to attract candidates.** It also encourages and gives direction to applicants on the credentials to pursue and skills to develop to become stronger candidates

The Competitive Advantage

Companies that have achieved credential fluency report measurable benefits:

- **Expanded talent pools:** Access to qualified candidates without traditional four-year degrees
- **Faster hiring cycles:** Clear signals reduce time spent evaluating unqualified candidates
- **Improved early performance:** Workers with role-relevant credentials require less training
- **Enhanced diversity:** Credentials help identify talent from non-traditional backgrounds
- **Better retention:** Employees hired based on validated skills report higher job satisfaction

The Cost of Inaction

While credential-fluent companies forge ahead, companies in the bottom-left quadrant—those that neither request nor hire based on credentials—are leaving talent on the table. Workers who’ve invested in upskilling see their achievements ignored rather than valued. Credentialed candidates without degrees often never make it past initial screens. As a result, the status quo firms face persistent “talent shortages” that are largely self-imposed.

In a market where talent determines competitive advantage, the firms that fail to recognize validated skills will find themselves playing catch-up.

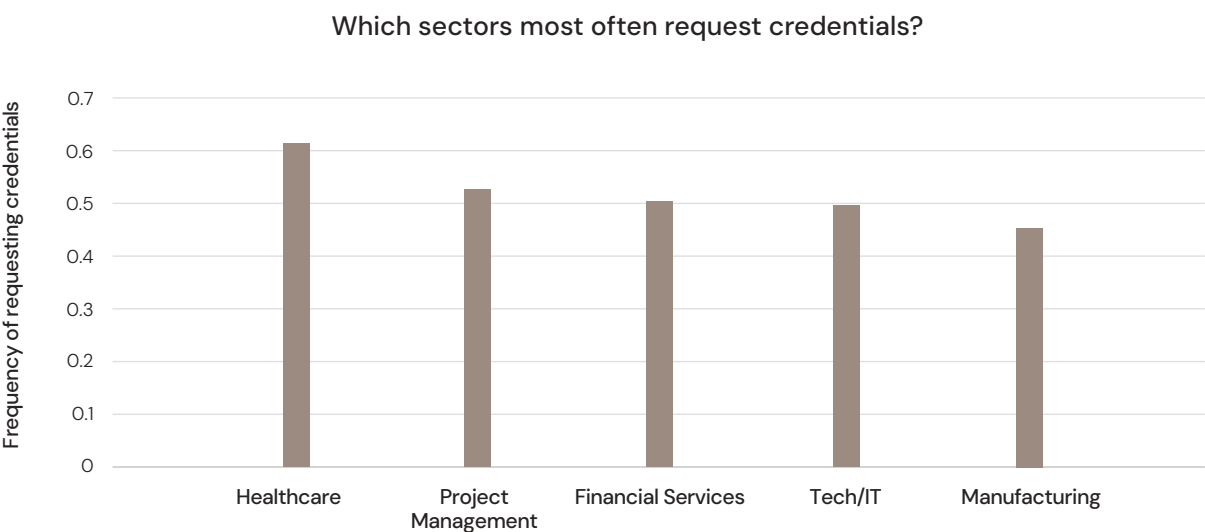
Section 2: Sectors Matter, But Firm Strategy Matters More

Credentials are reshaping opportunity across the economy, but their impact varies dramatically by industry. To understand where credentials create the most pathways for non-degreed workers, we examined five sectors: healthcare, tech/IT, financial services, project management, and manufacturing.

The Sector Landscape

Healthcare has long understood the value of credentials for workers without bachelor’s degrees. Certifications like Registered Nurse, Certified Nursing Assistant, and Emergency Medical Technician have provided career pathways for decades. Our data confirms this: healthcare employers request credentials in job postings more than any other sector, particularly for roles that don’t require four-year degrees.

Figure 2. Credential Requests in Job Postings, by Sector



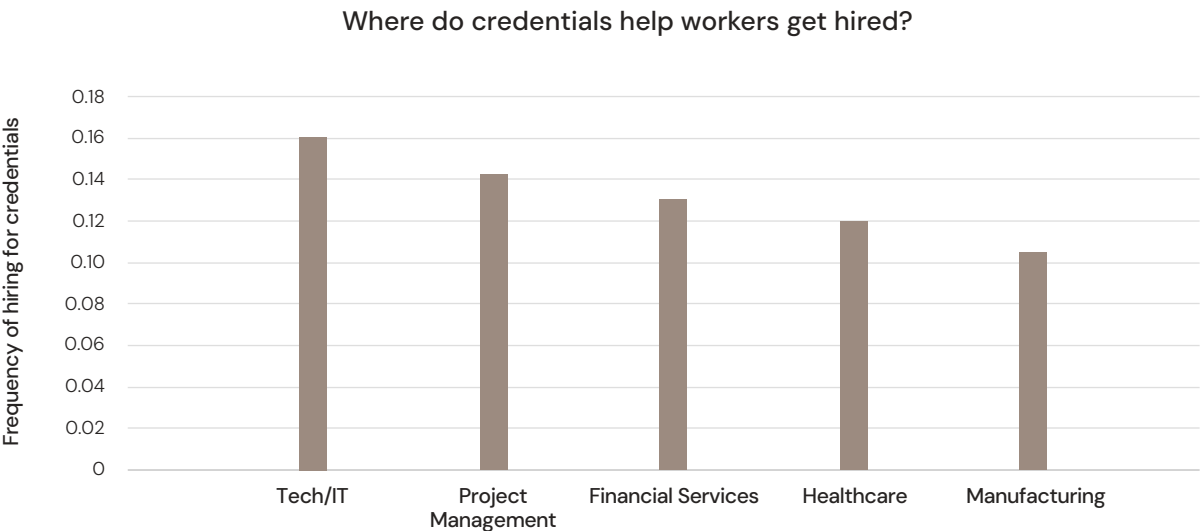
Note: The vertical axis represents the relative probability of firms requesting non-degree credentials in job postings after controlling for occupational differences.

Source: Burning Glass Institute

The tech sector tells a different story—one that reveals the hidden potential of credentials. While tech companies rarely list credential requirements explicitly in job postings, they’re actually the most likely to hire workers who hold them. This disconnect between stated requirements and actual hiring practices in the tech industry suggests that coding bootcamps, cloud certifications, and cybersecurity credentials have value so quickly that hiring managers on the front lines recognize their worth, even if the company’s official HR department hasn’t caught up to formally include them in job descriptions.

The paradox here is that credentials matter so much that their value has created a gap between formal policy and real-world practice. But there’s a risk to adopting this approach. Outdated job descriptions may be actively filtering out or discouraging the very candidates their hiring managers want to hire. Aligning their job postings with their actual hiring behavior to attract the best talent would minimize the cost of unnecessary friction in their talent pipeline.

Figure 3. Share of Workers Hired with a Credential, by Sector



Note: The vertical axis represents the relative probability of firms within each sector hiring workers with non-degree credentials, after controlling for occupational differences.

Source: Burning Glass Institute

This pattern offers crucial insight: in fast-moving fields where skills matter more than pedigree, credentials are already functioning as degree alternatives: workers are landing tech roles through Google Career Certificates, AWS certifications, and intensive bootcamp programs. The industry’s quiet embrace of an alternative talent pipeline offers a model for other sectors. The key takeaway is that credential value is context-dependent: in regulated fields like healthcare, they are formal requirements, while in fast-moving fields like tech, they function as powerful, informal signals of the most current skills.

Wide Variance Within Sectors Reveals the Real Story

While sector patterns matter, the differences between companies within the same industry dwarf the differences between industries overall. This finding is critical: it means individual firms aren't constrained by their industry's conventions. Any company can become a credential leader.

Consider manufacturing. The sector overall shows modest credential adoption, yet individual firms prove what's possible:

- **Top Firms:** Applied Materials, Rivian, and HP are three times more likely to hire based on credentials than their peers
- **Bottom Firms:** Valero Energy, Bombardier, and Texas Instruments largely ignore credential signals, missing qualified workers

The same pattern repeats in tech:

- **Top Firms:** Salesforce, ServiceNow, Microsoft, and RedHat actively seek and hire credentialed workers
- **Bottom Firms:** Electronic Arts and Netflix value credentials less than half as much, limiting their talent pools.

This variance sends a clear message: sector norms are not destiny. Companies that choose to recognize credentials can immediately access broader talent pools, regardless of what their competitors do.

Which Credentials Create the Most Opportunity

Not all credentials open the same doors. Our analysis reveals which certifications deliver the strongest wage gains for workers in each sector:

Figure 4. Top Credentials for Wage Gains for Earners, Project Management

Credential Name	Provider	Wage gains
Project management, general; global project management	University of California - Irvine	10,000
Graduate certificate in project management	Colorado State University - Fort Collins	9,000
Project management certification	Workday	8,900
Project management certification	Milwaukee School of Engineering	8,800
Project management certification	University of Illinois Springfield	8,500
Professional project manager	Google	8,500
Graduate certificate in project management	The University of Texas at Dallas	7,900
Deeply practical project management	Udemy	7,900
Project management certification	Arapahoe Community College	7,800
Project management certification	California State University - Los Angeles	7,400

The data reveals an important truth: the value of a credential is not guaranteed. Even within a single field like Project Management, outcomes can vary widely based on a program's rigor and employer recognition. However, for an employer, the most important question is not "which program is best?" but "which credential prepares students with the skills we actually need?" The most effective company strategies focus on aligning credentialing programs with internal practices. Rather than simply preferring candidates with a PMP, for example, a company might partner with a local training provider to ensure their curriculum includes the specific agile methodologies and software tools the company uses. This creates a seamless bridge from the classroom to a career, incentivizes relevant upskilling, and provides a far greater return on investment than simply sorting candidates by the prestige of their certificate's issuer.

Where Credentials Transform Non-Degreed Workers' Prospects

For workers without four-year degrees, certain occupations show exceptional responsiveness to credentials. These roles offer the greatest opportunity for credential-based career entry and advancement:

Figure 5. Occupations That Place the Highest Premium on Credentials for Non-Degreed Workers

Occupation	Credential impact on hiring
Information security engineers	0.228
Information security analysts	0.207
Network and computer systems administrators	0.166
Computer network architects	0.165
Computer network support specialists	0.143
Computer system engineers/architects	0.143
Pharmacy aides	0.142
Database architects	0.135
Penetration testers	0.135
Computer, automated teller, and office machine repairers	0.135
Data scientists	0.135
Computer occupations, all other	0.132
Computer user support specialists	0.126
Digital forensics analysts	0.116
Diagnostic medical sonographers	0.112

Note: Values represent the estimated increase in hiring likelihood associated with holding a credential, controlling for occupation and education level. For example, information security engineers are 23 percent more likely to hire non-degreed candidates who hold relevant certification.

The figure highlights two key insights. First, the information and technology sector places a high value on professional certifications that signal current, job-relevant skills and align closely with evolving industry needs.

Second, the healthcare sector demonstrates how credentials create pathways for career mobility within the industry, enabling workers to progress into higher-skilled roles without requiring traditional degree credentials.

Taken together, these findings underscore the importance of credential fluency: companies that actively understand, adopt, and shape credentialing practices will play a defining role in how current credential programs evolve. By engaging now, employers can help ensure that credentials align with real workforce needs, support talent mobility, and strengthen long-term workforce development strategies.

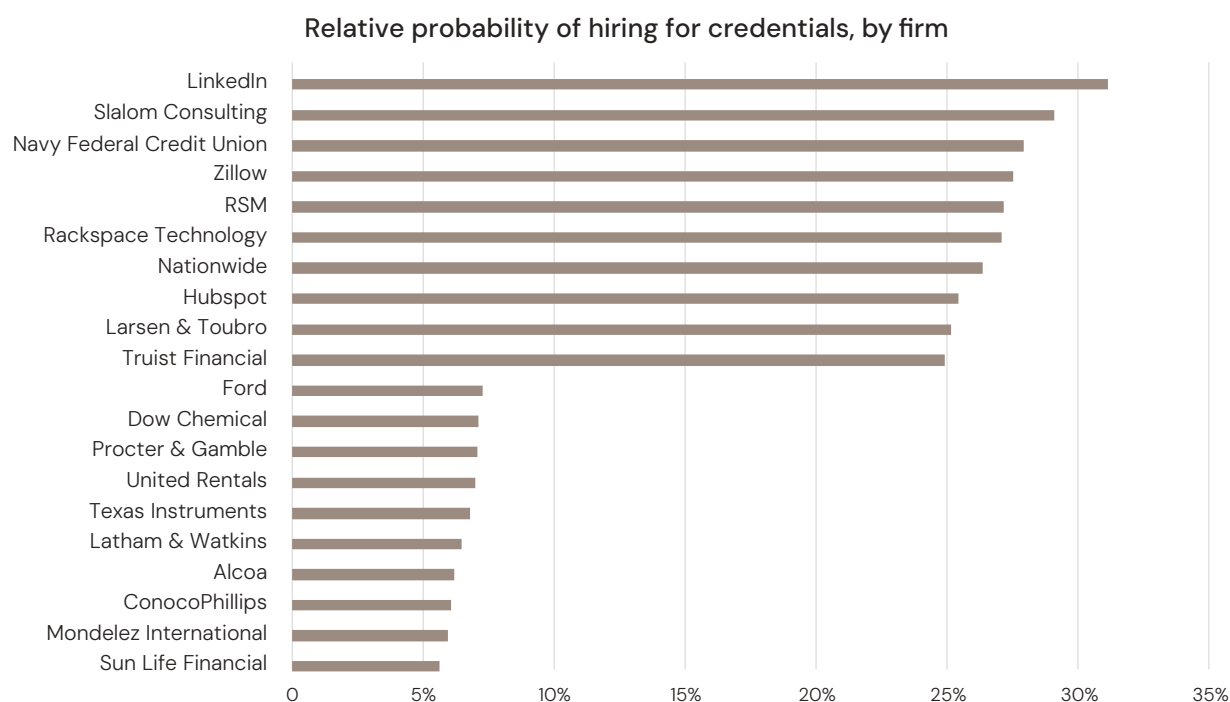
Section 3: The Implementation Gap— Why Most Companies Fail to Capture Opportunity

Despite credentials’ proven ability to expand talent pools, most companies remain stuck in old hiring patterns. For example, fewer than 4% of newly degree-free job postings resulted in the hiring of non-degree candidates, according to past research by the Burning Glass Institute and Harvard Business School.¹ This gap between rhetoric and reality means that firms who have invested in changing policies are missing out on the core benefits of those policies: attracting and retaining the right talent.

The Scale of Missed Opportunity

Our analysis reveals staggering variation in how companies approach credentials. After controlling for occupation and industry, organizations in the top 10% will hire for these credentials 11 percentage points more frequently than those in the bottom 10%. This inconsistency reveals an uneven landscape, where many companies have not yet formalized the role that certifications and other non-degree qualifications play in their official hiring strategies.

Figure 6. Firm Practice Regarding Credentials Varies Widely



Note: The chart displays the wide distribution of firms based on their propensity to hire workers with non-degree, after controlling for industry and occupation. Firms at the top are more likely to hire credentialed talent than firms at the bottom.

Source: Burning Glass Institute

This means two companies hiring for an identical role—a cloud architect, for instance—can have vastly different outcomes. The credential-fluent firm actively seeks and finds talent with AWS or Google Cloud certifications, filling the role quickly. The status quo firm, by ignoring those same signals, systematically screens out qualified workers and then faces long hiring cycles, wondering why there is a “talent shortage.”

The cost of the paper ceiling is the exclusion of highly qualified candidates who have demonstrated their capabilities through certifications, effectively shrinking the hiring pool. And as artificial intelligence reshapes job roles and accelerates skill obsolescence, there’s an additional cost to consider: that relying on degrees that are more likely to be less targeted and more out of date risks falling behind the pace of technological change.

Why Policy Changes Are Not Enough

For nearly a decade, companies have championed skills-first hiring. Yet this enthusiasm has rarely translated into meaningful changes in who gets hired. Our 2024 analysis found that a little more than one-third of major US firms that removed degree requirements from their job postings actually hired candidates without degrees.²

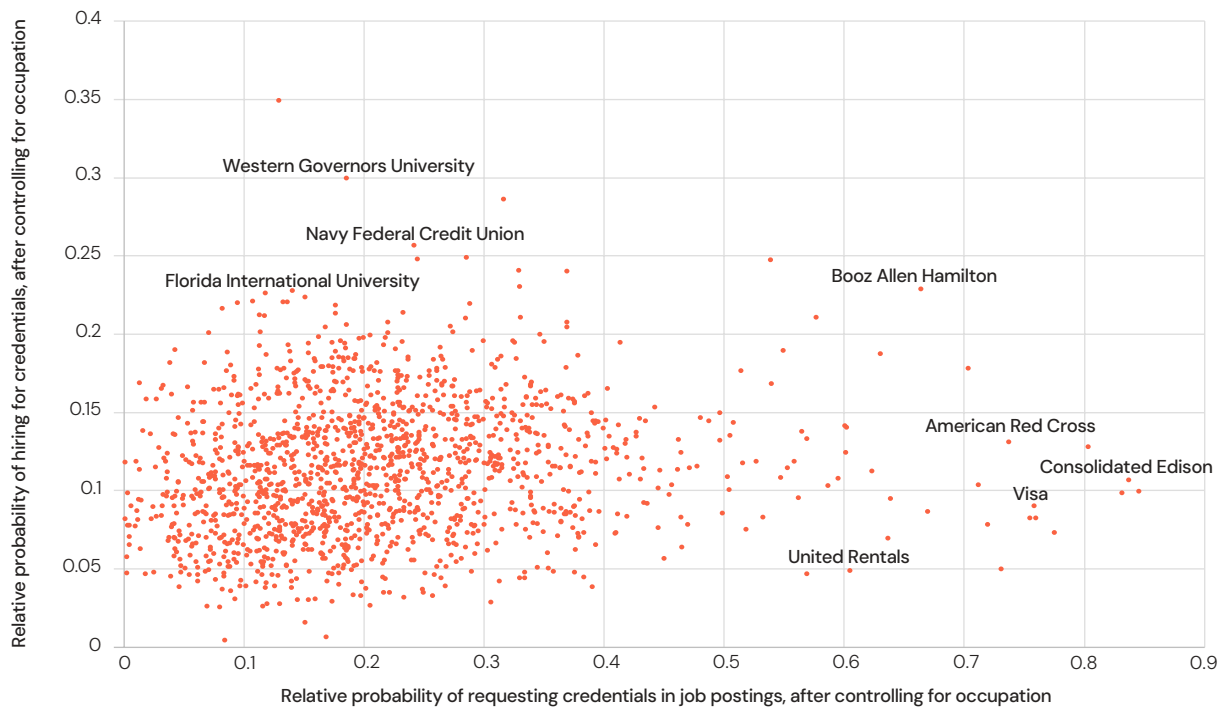
To explore this pattern further, our current analysis tested what happens when companies remove degree requirements from their job postings. We found that most companies do not directly swap one for the other; they simply remove the degree requirement without adding a new credential requirement. The analysis also showed that firms that dropped degree requirements saw a 2-percentage-point increase in the share of hires holding non-degree credentials—a modest but statistically positive shift.

Still, this marginal change reveals a critical insight: shedding degree requirements does not automatically translate to hiring for non-degree credentials. Without broader organizational alignment, clear guidance for hiring managers on what credentials to look for, and systems that can actually recognize and value credentials, skills-first hiring is likely to remain largely aspirational.

The Intent-Implementation Misalignment

The disconnect becomes even starker when we examine the relationship between what companies say and what they do. There is no correlation between how often firms request credentials in job postings and how often they actually hire credentialed workers.

Figure 7. The Intent-Implementation Gap: Firms That Advertise for Credentials Rarely Hire for Them



Source: Burning Glass Institute

The chart reveals four distinct patterns of credential adoption:

- **Bottom Right: Good Intentions, Limited Follow-Through** (e.g., Visa, American Red Cross)
These firms frequently advertise credential requirements but rarely hire accordingly. They're sending mixed signals—telling workers that credentials matter while their hiring managers still favor degrees. Qualified non-degreed candidates see credential requirements and apply, only to be screened out by hiring practices that haven't changed.
- **Bottom Left: Status Quo Employers** (e.g., companies not recognizing any non-degree qualifications)
These firms neither request nor hire based on credentials. By relying exclusively on four-year degrees as their qualification signal, they miss opportunities to hire workers who've demonstrated capability through rigorous certification programs.

- **Top Left: Quiet Adopters** (e.g., Western Governors University, Navy Federal Credit Union)
These firms hire credentialed workers at a high rate without explicitly requesting them in job postings. They are effectively recognizing credential value in practice but are missing an opportunity to attract an even wider pool of qualified candidates by signaling this openness upfront.
- **Top Right: The Leaders** (e.g., Booz Allen Hamilton, LinkedIn, Nordic Global, Procore Technologies)
Only this small quadrant contains firms that both request and hire based on credentials consistently.

Why Good Intentions Fall Short

The root causes of this implementation gap reveal just how entrenched traditional hiring practices remain:

1. **Applicant Tracking Systems aren't configured for credentials.** Most ATS platforms were designed to capture degree data. They lack fields for credential issuer, certification ID, earned date, or expiration date, making it impossible for recruiters to systematically filter for or verify these qualifications.
2. **Hiring managers don't trust what they don't understand.** For example, a hiring manager with a broad degree in Health Administration may not realize that a nine-month certification in medical billing and coding provides more essential, up-to-date knowledge for a medical coder role. Without education on credential value, managers default to what they know: degrees.
3. **Organizational inertia defeats good intentions.** Removing a degree requirement from a job posting is easy. The hard work is rewriting evaluation rubrics, retraining interviewers, and restructuring compensation bands that assume degree premiums. As seen in Figure 7, the vast majority of companies are not yet doing this difficult but necessary work.
4. **Feedback loops and growth paths don't exist.** Companies rarely track whether credentialed hires succeed, and they usually fail to build clear career pathways for these hires. Without data demonstrating success and a visible ladder for advancement, there is no evidence to overcome institutional bias and no incentive for retention. A truly credential-fluent company not only hires for skills but also fosters their growth.

The Human Cost of the Implementation Gap

Behind these organizational failures are real people whose lives are constrained by corporate inertia. Consider:

- The military veteran whose cybersecurity certifications are ignored because they lack a bachelor's degree
- The working mother who completed an intensive data analytics bootcamp at night but can't get past automated resume screens
- The former retail worker with Salesforce certifications who is rejected for entry-level CRM roles requiring "bachelor's degree or equivalent"

These aren't skill gaps—they're recognition gaps. The workers have proven their capabilities through rigorous credential programs. Employers claim they need these exact skills. Yet outdated hiring practices prevent employers from closing these skill gaps.

How to Close the Implementation Gap: A Unified Guide for Employers

Closing the intent–implementation gap demands more than updating job descriptions. It requires a two–pronged approach: rebuilding the organizational systems that create trust in skills, and equipping hiring teams with the tactical tools to evaluate credentials.

First, build the strategic infrastructure for credential fluency. Companies serious about leveraging credentials should work toward the following, recognizing that transformation happens in phases:

- **Rebuild Hiring Technology** to capture, verify, and weight credential data
- **Educate Hiring Teams** on which credentials predict performance for which roles
- **Create New Evaluation Frameworks** that assess skills, not proxies
- **Track Outcomes Rigorously** to validate which credentials deliver value
- **Signal Credential Value Publicly** to attract non–degreed talent
- **Challenge Degree–Biased Policies** in compensation, promotion, and development

Second, equip your teams to evaluate credential quality. The benefits of credentials are not universal; the market is crowded, and quality varies widely. In fact, research drawn from the Credential Value Index finds that only about one in eight credentials produces a meaningful wage or career boost for the earner (i.e., beyond what the worker would have likely achieved if they had not earned the credential).³

For employers, this means that simply opening the door to credentials is not enough. The crucial next step is to differentiate high–value credentials from the rest. Use the following criteria to evaluate and curate credentialing programs:

- **Employer Recognition:** Is the credential frequently and specifically requested by employers in job postings for your target roles? High demand is a strong signal of market value.
- **Rigorous Assessment:** Does the credential require passing a proctored exam or completing a hands–on project that demonstrates mastery? Avoid credentials based on participation alone.
- **Market Relevance:** Does the credential prepare workers for the specific tools, platforms, and practices used in your organization today? Ensure it is linked to currently in–demand jobs and skills .

This work doesn't require doing everything at once. A practical first step for managers is to build a curated list of high–value credentials relevant to key roles, partnering with department heads and technical leads to identify the certifications that signal true competency. Starting small, learning from early results, and expanding gradually makes this transformation manageable.

For companies willing to do this work—even incrementally—the payoff can be substantial: companies that implement skills–based hiring see 20% higher retention rates among skills–based hires according to research by the Burning Glass Institute and Harvard Business School.⁴ In a talent–constrained labor market, that advantage alone can influence which employers thrive.

Section 4: How Credentials Expand Opportunity for Workers Without Degrees

The previous section made clear that credentials represent an enormous opportunity for employers willing to recognize them. But opportunity is not equally distributed. The differential outcomes presented later in this section—where credentials deliver notably larger wage gains for women and minority workers—provide clear evidence that a skills-first approach can help correct for existing inequality.

A core principle of modern talent strategy is that talent is spread evenly across the population. Yet access to pathways that showcase that talent remains concentrated among those with four-year degrees. For the majority of American workers who lack them, the path to economic mobility has never been straightforward. They face systemic barriers: automated resume screens that filter them out, job postings that require degrees for roles that don't need them, and hiring processes designed around educational pedigree.

Many hiring managers recognize that credentials can signal capability. Yet without tools to identify, verify, and evaluate those credentials, they default to the familiar proxy: degree requirements.⁵ The result is the same: qualified workers without degrees remain invisible to hiring systems built on educational pedigree, even as employers perceive of talent shortages. To break this cycle, employers must move from passive recognition to active validation. The solution is to build the capability to confidently evaluate credentials on their own merit.

Credentials offer a different path—one based on demonstrated skills rather than academic credentials. When they certify real, in-demand capabilities, credentials become bridges to opportunity, allowing workers to prove themselves on the basis of what they can do rather than where they went to school.

The Expanding Horizons of Skill Development

The booming growth of online learning has made professional development accessible in ways unimaginable a decade ago. Through platforms like Coursera, LinkedIn Learning, and specialized bootcamps, workers can earn industry-recognized credentials while working managing work, family, and other responsibilities. This flexibility particularly benefits workers historically excluded from traditional higher education, including working parents, residents of rural areas, and adults who cannot afford to stop earning an income to pursue a degree. The result is a growing pool of skilled workers with certifications in cloud computing, data analysis, digital marketing, and dozens of other in-demand fields.

Credentials Counter Bias by Providing an Objective Signal of Skill

Traditional hiring processes often rely on subjective signals. Resume screens filter for well-known schools, and interviewers may favor candidates who feel like a “culture fit.” These practices can cause hiring managers to systematically overlook capable candidates who do not match the profile of past hires.

Credentials cut through this noise by providing objective, third-party validation of skills. When a candidate presents an AWS Solutions Architect certification, it signals specific, tested capabilities regardless of the holder’s background. This objectivity allows hiring managers to act with greater confidence, knowing the credential represents verified competency. This is particularly beneficial for workers who might otherwise face skepticism about their capabilities, as it is harder to dismiss a candidate who has passed the same rigorous certification exam as a company’s own top performers.

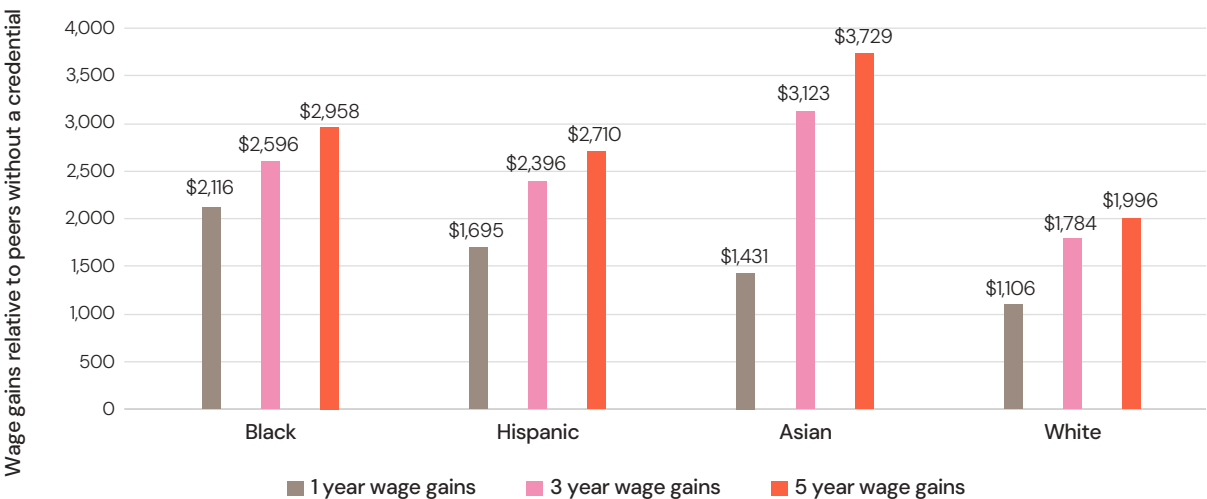
Evidence of Impact: Credentials Drive Substantial Gains in Wages and Mobility

Our analysis shows that the objective signal provided by a credential translates into concrete economic benefits for workers.

Wage Gains:

Our data shows that credentials provide earnings boosts across demographic lines. While all workers benefit, the gains are largest for women and minority workers, suggesting that credentials are a powerful tool for closing systemic pay gaps. One year after earning a credential, White workers see an average annual wage gain of \$1,105. For Hispanic workers, the gain is \$1,694, and for Black workers, it is an even more substantial \$2,116.

Figure 8. Differential Credential Outcomes by Race/Ethnicity: Earnings

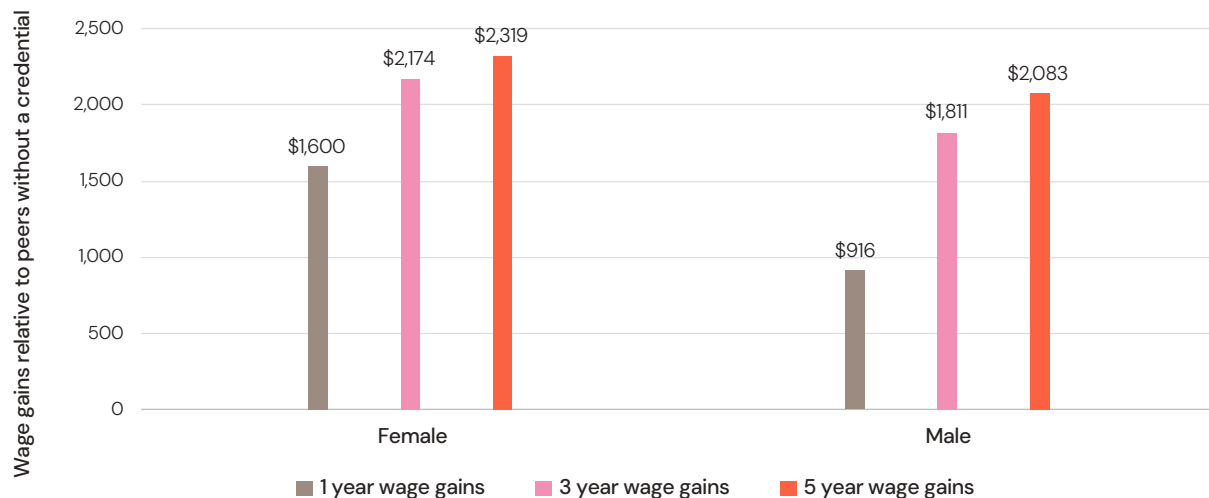


Source: Burning Glass Institute

While all groups see positive returns, the larger wage gains for Black and Hispanic workers are particularly noteworthy. This does not imply that White workers benefit less; rather, it indicates that credentials can help correct for pre-existing wage disparities. For individuals who may face higher scrutiny or bias in hiring and compensation processes, a verified credential provides an objective measure of their capabilities, helping to ensure their skills are valued more equitably based on market demand, not subjective factors.

This effect is also apparent across genders. Our analysis finds that though both men and women benefit from earning credentials, the wage gains are particularly strong for women. Men see an average annual wage gain of \$916, while women see a gain of \$1,600.

Figure 9. Differential Credential Outcomes by Gender: Earnings



Source: Burning Glass Institute

A key driver of the gender pay gap is the documented tendency for work performed by women to be undervalued.⁶ A credential can help counter this by shifting compensation discussions from subjective assessments to the objective market value of a verified skill.

Overall, these findings imply a win-win scenario: while credentials boost earnings for all workers, they are also effective at addressing systemic pay disparities.

Conclusion: The Choice Before Us

The evidence is clear: non-degree credentials can transform careers and companies alike. They offer workers without four-year degrees a path to prove their capabilities and achieve economic mobility. They provide employers access to skilled, motivated talent ready for work. In a labor market defined by persistent shortages and accelerating skill change, credentials should be the bridge connecting capable workers to opportunity.

The Fundamental Challenge

The systems meant to connect workers to opportunity are failing. In 2026, the challenge is no longer diagnosis, but treatment. The critical task is to build operational trust in skills-based signals.

The companies that have achieved this share a key combination: leadership conviction paired with investment in execution. At LinkedIn, Salesforce, and other credential leaders, senior executives didn't wait for perfect systems or industry consensus. They invested in infrastructure—applicant tracking systems for credentials, hiring manager training, evaluation frameworks, feedback loops—that make skills-first hiring operationally feasible.

These leaders understood something fundamental: in a world where technical skills have half-lives measured in months, where AI reshapes job requirements weekly, where demographic shifts guarantee worker scarcity, the companies that win will be those that can identify and develop talent wherever it exists. Fishing only in the traditional pond of four-year degree holders isn't just limiting—it's a recipe for competitive decline.

A Call to Action

The challenge for every company is to build the bridge that closes the gap between work-ready, credentialed talent and meaningful careers within their organization. For employers, the path forward is clear:

- Invest in the infrastructure—technology, training, evaluation frameworks—that make skills-first hiring operationally possible. **Your hiring managers want to do this.** Give them the tools and training they need.
- Identify which credentials predict success for your critical roles. Run pilots. Gather data.
- Set skills-based hiring targets and track goals. Signal your openness to the credentials that predict success to provide direction to workers and job seekers.
- Start small if needed—pick one department, one role type, one credential—then scale.

For more insights into change management best practices for driving greater skills-first practices in your organization, we recommend this **set of case studies** from OneTen.

The Bottom Line

For America's workers, credentials represent hope: that their potential won't be permanently limited by decisions made at 18. Hope that they can adapt to economic change through accessible, affordable upskilling. Hope that their contributions will be valued based on what they can do, not where they went to school.

But this isn't just about equity—it's about competitive necessity. Companies that unlock this talent will outpace those that don't. They'll fill roles faster, reduce early turnover, build more diverse teams, and access capability their competitors overlook. In a labor market where talent determines competitive advantage, the math is simple: the 58% of workers without degrees represent untapped competitive advantage.

Whether that advantage accrues to your company—and whether that hope becomes reality for workers—depends on choices we make today. The tools exist. The evidence is clear. Hiring managers want to embrace skills-first hiring. The only question is whether we'll give them what they need to succeed.

Appendix A: Methodology

Our analysis employed three complementary approaches to understand how credentials function in the labor market.

Event Study: Degree Requirement Removal

To understand whether firms substitute credentials for degrees, we tracked changes in firm behavior when degree requirements were removed from job postings. We identified specific role–firm combinations that dropped degree requirements, then analyzed two outcomes:

1. **Changes in job postings:** Using event study regression, we examined how the characteristics of these roles evolved over time compared to their pre-change baseline.
2. **Changes in hiring patterns:** We linked these roles to Burning Glass Institute’s social profiles database (representing 40% of the U.S. workforce) to analyze the actual workers hired. Event study regression revealed how the profile of successful candidates changed after degree requirements were removed.

Firm-Level Credential Adoption Analysis

We used linear regression to measure each firm’s propensity to both request and hire based on credentials. Our approach:

- **Dependent variable:** Share of job postings requesting credentials (or share of hires holding credentials)
- **Controls:** Firm and occupation fixed effects
- **Output:** Firm-specific effects that measure credential emphasis, controlling for occupational composition

This analysis revealed the gap between credential requests in postings versus actual credential-based hiring—exposing the intent–implementation disconnect.

Measuring Credential Value

To measure credentials’ impact on worker outcomes, we leveraged Burning Glass Institute’s Credential Value Index, which evaluates 23,000+ commonly earned credentials.

Recognizing that credential earners likely differ from non-earners, we employed rigorous counterfactual analysis. For each credential earner, we constructed a matched control group of similar workers who didn’t earn the credential, matching on:

- Occupation prior to credential completion
- Years of work experience
- Education level (including presence/absence of bachelor’s degree)
- Demographics (race/ethnicity and gender, inferred from name and location modeling)

We then tracked both groups over time, comparing outcomes including wages, promotions, and skill development. Superior outcomes for credential earners, relative to their matched controls, indicate the credential's causal impact rather than selection effects.

This multi-method approach ensures our findings reflect credentials' true labor market value, not just correlations or compositional differences.

Appendix B: Top Credentials By Sector

Top performing credentials – Financial services

Credential name	Provider	Wage Gains
Analyzing Financial Reports	Wall Street Prep	10,200
Finance And Financial Management Services	Fitch Learning	10,100
Microsoft Certified: Dynamics Finance Functional Consultant Associate	Microsoft	9,200
Finance And Financial Management Services	University of Wisconsin-Madison	9,200
Finra Series 65 (uniform Investment Adviser Law)	North American Securities Administrators Association (Nasaa)	8,200
Business and Financial Modeling Specialization	Wall Street Prep	8,200
Certification in Financial & Valuation Modeling	Adventis	7,900
Certified Financial Marketing Professional	American Bankers Association	7,800
Finance And Financial Management Services; Financial Services	Workday	7,700
Finance And Financial Management Services	Massachusetts Institute of Technology	7,000

Top performing credentials – IT / Tech

Credential name	Provider	Wage Gains
Computer Systems Networking And Telecommunications	Google	15,300
Computer/Information Technology Administration And Management	Udemy	14,700
Computer Software And Media Applications	Digital Film Academy	14,100
Computer Science	Harvard University	14,100
Computer/Information Technology Administration And Management	Google	13,800
Computer Science	Saint Martin'S University	13,500
Computer Systems Networking And Telecommunications	Google	13,000
Data Entry/Microcomputer Applications	Year Up	13,000
Computer/Information Technology Administration And Management	Palo Alto Networks	12,600
Computer Programming	Digital Film Academy	12,500

Top performing credentials – Project management

Credential name	Provider	Wage Gains
Project Management, General; Global Project Management	University of California-Irvine	10,000
Graduate Certificate in Project Management	Colorado State University-Fort Collins	9,000
Project Management Certification	Workday	8,900
Project Management Certification	Milwaukee School of Engineering	8,800
Project Management Certification	University of Illinois Springfield	8,500
Professional Project Manager	Google	8,500
Graduate Certificate in Project Management	The University of Texas at Dallas	7,900
Deeply Practical Project Management	Udemy	7,900
Project Management Certification	Arapahoe Community College	7,800
Project Management Certification	California State University-Los Angeles	7,400

Top performing credentials – Manufacturing

Credential name	Provider	Wage Gains
Industrial Production Technologies/Technicians; Advanced Manufacturing	Coursera	7,200
Lean Manufacturing Certification	University of Michigan-Flint	5,000
Lean Manufacturing	Skillsoft	4,800
Digital Manufacturing and Design	Coursera	3,800
Lean Manufacturing Certification	University of Michigan-Ann Arbor	3,300
Smart Manufacturing	Massachusetts Institute of Technology	2,800
Industrial Production Technologies/Technicians; Additive Manufacturing (3D Printing)	Linkedin	2,600
Diploma in Operations Management (OPS)	Alison	2,200
Industrial Production Technologies/Technicians; Additive Manufacturing (3D Printing)	Dassault Systems	2,000
Industrial Production Technologies/Technicians; Additive Manufacturing (3D Printing)	Massachusetts Institute of Technology	1,300

Top performing credentials – Healthcare

Credential name	Provider	Wage Gains
Family Nurse Practitioner-Board Certified	American Academy of Nurse Practitioners Certification Board (Aanpcb)	18,600
Certified Nurse Practitioner	American Nurses Credentialing Center (Ancc)	18,000
Certified Nurse Practitioner	American Academy of Nurse Practitioners Certification Board (Aanpcb)	17,800
Advanced Practice Registered Nurse	American Academy of Nurse Practitioners Certification Board (Aanpcb)	17,000
Board Certified Family Nurse Practitioner	American Academy of Nurse Practitioners Certification Board (Aanpcb)	17,000
Advanced Practice Registered Nurse	American Association of Nurse Practitioners	16,900
Family Nurse Practitioner (FNP)	American Association of Nurse Practitioners	16,600
Family Nurse Practitioner (FNP)	The American Association of Nurse Practitioners (Aanp)	16,600
Board Certified Family Nurse Practitioner	American Association of Nurse Practitioners	16,500
American Association of Nurse Practitioners (AANP) Certified	American Academy of Nurse Practitioners Certification Board (Aanpcb)	15,800

Credential Fluency: The Hiring Advantage in the Race for Skills

How employers use non-degree credentials to compete for talent

By Shrinidhi Rao, April Weathers, and Alex Martin

Acknowledgement: About OneTen

OneTen is a nonprofit organization committed to unlocking opportunity for talent without four-year degrees. As a coalition, we work with leading CEOs and their companies to transform hiring and advancement practices through skills-first strategies and connect talent without traditional college degrees to in-demand jobs at America's top employers. OneTen is dedicated to closing the opportunity gap for all talent without traditional college degrees. By prioritizing skills over degrees, we can create greater economic mobility for talent while investing in America's workforce. Learn more at OneTen.org, where one can be the difference.

Endnotes

- ¹ Matt Sigelman, Joseph Fuller, and Alex Martin, "Skills-Based Hiring: The Long Road from Pronouncements to Practice," Burning Glass Institute, February 2024, <https://static1.squarespace.com/static/6197797102be715f55c0e0a1/t/65cc355c4935cb001349a4cd/1707881822922/Skills-Based+Hiring+02122024+vF.pdf>
- ² Sigelman et al., "Skills-Based Hiring: The Long Road from Pronouncements to Practice."
- ³ Sigelman, Matt, et al. Holding New Credentials Accountable for Outcomes: We Need Evidence-Based Funding Models. American Enterprise Institute, June 2025.
- ⁴ Sigelman et al., "Skills-Based Hiring: The Long Road from Pronouncements to Practice."
- ⁵ A 2025 study by OneTen in partnership with Ipsos found that for hiring managers, among the top procedural barriers to skills-first adoption are difficulty in assessing skills effectively (40%) and not having the right assessment tools (18%). See Insights from Hiring Managers: How Employers Can Turn a Skills-First Mindset into Sustained Impact (OneTen, 2025).
- ⁶ See Blau, Francine D., and Lawrence M. Kahn. 2017. "The Gender Wage Gap: Extent, Trends, and Explanations." *Journal of Economic Literature* 55 (3): 789–865; Levanon, Asaf, Paula England, and Paul Allison. 2009. "Occupational Feminization and Pay: Assessing Causal Dynamics Using 1950–2000 U.S. Census Data." *Social Forces*, vol. 88, no. 2, 865–892.