



# How Digital Credentials Can Help Dismantle Gender Bias in the Workplace



**“Even well-intentioned people find themselves captive to systems that perpetuate biases and exclusion.** *By deploying tools and approaches that center on proven skills, organizations can ensure they live up to their values and create a more diverse and inclusive workplace.”*

**Jonathan Finkelstein, Founder & CEO, Credly**

## INTRODUCTION

# Gender Bias in the Workplace Still Exists. Digital Credentials Can Help.

Many companies are positioning themselves for the future of work within the context of a new reality—a post-pandemic world. Wide-ranging discussions are taking place in C-suites and boardrooms about what the workplace is going to look like now and in the future. One of the most important issues raised during these discussions is gender bias and equity.

Women have made great strides in the workplace, but gender bias is still very much alive. While the #MeToo movement has helped propel the need for change in overt bias and harassment happening in the workplace, implicit bias is still simmering. It is evident in hiring, promotions, and one of the biggest issues today, pay equity.

In this white paper, we'll look at gender bias in the workplace using the latest research and statistics, highlighting how far we've come, how far we still have to go, and how **digital credentials can play a critical role in dismantling gender bias for good.**

## Implicit Gender Bias and Pay Equity

Overt, explicit gender bias in the workplace is obvious. And thanks to #MeToo, people have felt empowered to file formal complaints and push for change. But gender bias is still lingering in the workplace in the hard-to-see places. It's there in the way people feel, but perhaps don't say out loud. Women may be passed over for promotions. Men may be hired more often than women. And then there's the issue of pay equity.

### Implicit Gender Bias

- » Covert
- » Harder to spot and define
- » How people feel, but don't necessarily say out loud
- » Women may be passed over for promotions
- » Men may be hired more often than women
- » Women earn less than men for equal work

It is one of the most glaring examples of gender bias in the workplace today. Some people call it the gender pay gap. While women and men are doing equal work, women have not yet achieved equal pay. The Bureau of Labor Statistics reported that, in the U.S. in 2020, women earned 82 cents for every dollar a man earns.

Equal Pay Day fell on March 24 in 2021. It's a symbolic representation of the number of extra days women must work to earn what men earned the year before. But, as frustrating as it is to think of a woman working almost 18 months to earn the same amount as her male counterpart earned in 12 months, that's just for white women. It's even worse for women of color. Equal Pay Day for Black women will fall on Aug. 3, 2021. For Latinas, Oct. 21.

And it's not just for women in lower-level positions. Women in the C-suite earn 85 cents for every dollar earned by men.

## Slow Progress Toward Advancement

Women have made progress advancing up the ladder in corporations, but that progress has been slow.

According to McKinsey, between January 2015 and January 2020, the percentage of women in senior vice president positions grew from 23% to 28%. The percentage of women in the C-suite grew from 17% to 21%. Still, on those very top rungs of the ladder, men outnumber women by 7 to 1.

Why haven't women seen higher numbers in the C-suite? Upon closer examination, it's not just about the glass ceiling at the top. It starts with a broken rung at the bottom.

According to the [McKinsey](#) survey, in 2020, for the sixth year in a row, women "continued to lose ground at the first step up to manager." The survey found that, for every 100 men promoted to manager, 85 white women were promoted, 58 Black women were promoted, and 71 Latinas were promoted. Overall, women held 38% of manager-level positions. That is a serious rupture in the promotion pipeline, and a big reason why we're not seeing greater numbers of women taking their place in the C-suite. For many women, the bottom rung is broken and they simply can't climb to the top.

## The Pandemic Set Women Back

The latest studies and research about the pandemic's effects on the workforce have not been encouraging. According to Pew Research, 2.4 million women left the workforce due to the pandemic. The latest figures coming out of the Bureau of Labor Statistics support that research. In February 2021, women's labor force participation rate was just 55.8%. That's the same rate as April 1987 — a 30-plus-year setback.

This could lead to yet another break in the promotion pipeline. With fewer women in the workforce, there are

## Snapshot: Women in the Workforce

- » Men outnumber women 7 to 1 in the C-suite.
- » For every 100 men promoted, only 85 women are promoted.
- » 2.4 million women left the workforce from 2020-2021.
- » Women's participation in the workforce fell to 55.8% in 2021. That's a 30-year setback.
- » Women earn 82 cents to the dollar of what their male counterparts earn.

fewer women on track for leadership positions.

Despite all of this, women have a powerful ally in the fight to end gender bias in the workplace. Skills-based hiring and digital credentials are tools employers can use to mend those breaks and ruptures in the promotion pipeline, and provide women with a level playing field.

## Skills-Based Hiring + Digital Credentials: A Powerful Team to Combat Gender Bias

Powerful forces are at work to combat gender bias in the workplace, namely the trend toward skills-based hiring, and the importance of digital credentials fueling that trend.

Even before the pandemic hit, companies were gravitating away from traditional hiring models and moving toward a more skills-based list of criteria for hiring.

The reasons for that are many, including the high cost of student debt crippling a generation and leading

their younger cohorts to reexamine the necessity of a four-year degree. This trend was heightened during the pandemic, when campus life became a non-issue as colleges and universities closed their doors and opened online learning instead. Students (and their parents) were thinking: Why pay for an expensive education if there is no campus life? It led to more students opting for less expensive two-year degrees, and supplementing those with job-specific skills education.

Another reason for the trend toward skills-based hiring came from within the workplace itself, as HR, managers, and others began to look at competencies and skills to organize teams and staff projects rather than the traditional list of education and experience. People soon realized it was a way to combat bias in hiring.

The skills-based hiring trend shows no signs of slowing down. In 2020, the White House directed the federal government to reduce the use of minimum education requirements for federal jobs, and focus on skills instead as a way to combat bias in hiring. Employers like Google, Apple, IBM, Oracle, Bank of America, and many others are focusing on skills and continuous learning rather than degrees.

But, there is one vital element that can either make or break the effectiveness of skills-based hiring: verification of those skills. People can say anything on a resume, and claim knowledge and skills that they have not earned.

**Third-party-verified digital credentials are the key to making skills-based hiring effective.**

## How Digital Credentials Can Level the Playing Field for Women

With the upsurge in skills-based hiring and talent mobility, digital credentials are a powerful way to level the playing field for hiring and promotion of women.

**Digital credentials democratize the path to the top of**

**the funnel.** They do so by being the solution to several of the problems outlined in this white paper:

- 01** Digital credentials combat gender bias in the workplace by being a portable, verified, and secure representation of acquired knowledge and skills. By hiring on the basis of skills, there's no room for implicit gender bias to work its way into the hiring process.
- 02** Digital credentials help unstick the "block in the promotion pipeline" by offering women a way to get the skills needed to advance.
- 03** Digital credentials can help close the pay equity gap by becoming the standard by which salaries, promotions, and raises are set. Digital credentials don't see race, color, gender, or any other differentiator.
- 04** Digital credentials can help women who have left the workplace upskill with in-demand skills and credentials when they are ready to re-enter the workforce.

## What's Next?

Gender bias isn't going to disappear from the workplace without a concerted effort to eliminate it. It takes changes to policies for hiring standards, pay standardization, opportunities for employees to upskill, and promotion practices. Digital credentials are a critical component in bringing these to fruition. By creating a workplace based on a person's verifiable skills, it levels the playing field. And, makes it anybody's game.

At Credly, that's what we're all about. [Contact us](#), if you're interested in learning more about how your organization can benefit from digital credentials.

## About Credly

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.