Reputation by the Numbers

SUMMARY: Vast amounts of data will support reputation systems, and reputation will increasingly eclipse credentials for landing a job. As worker reputation systems and human resources analytics grow, assessment of an individual's suitability for a job will be driven by a person's algorithmic match to needs.

Forecasts

- The evaluation of reputation data by new analytics could change what personal attributes or abilities are valued. For instance, a system may reward popularity, or it may effectively ignore it.
- New reputation analytics may erode current credentials, both educational and professional. For example, degrees from Ivy League schools may carry no more weight than degrees earned via massive open online courses (MOOCs) or other alternatives.
- A move to a more objective measurement of talent could vastly expand the talent pool of workers, facilitating a more global workforce. Workers previously overlooked due to subjective human hiring biases could also find more opportunities.
- For those without an established reputation, there will be challenges to entering the workforce. Reputation systems will have to include effective "on-ramps."

Key Uncertainties

Efficacy and reliability of reputation systems, especially black-box, algorithmic systems

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Privacy concerns

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Role of algorithmic and human discrimination

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The effects of rating fatigue on users

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Effects of gaming the system and reputation-polishing

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Supporting Trends

- **Worker reputation systems.** Reputation systems have the potential to effectively match prospective workers to organizations.
- **HR analytics.** Human resources analytics (often called people analytics) is expanding to include capability analytics, competency acquisition analytics, capacity analytics, employee churn analytics, corporate culture analytics, recruitment channel analytics, and leadership analytics.
- **Proliferation of credentials.** The number and types of credentials beyond traditional academic degrees are rising. Alternative credentials include professional certifications, licenses, and certificates of course completion and digital badges, from both universities and associations.
- **Occupational licensing on the rise.** Over the past several decades the number of workers and professions that require licensing in the United States has grown substantially.
- **Automated management.** Companies are developing software to automate day-to-day management; targeted capabilities include filling open positions and mediating disputes.
- **Algorithmic discrimination.** Widespread use of data analytics may lead to digital discrimination.

Related Drivers of Change

- Automating Work
- Higher Education 3.0
- Work Redefined
- New Forms of Work

Notable Data Points

HR ANALYTICS

The rising importance of this field is reflected in a survey that found that **77% of organizations polled believe people analytics is important.**

Source: Deloitte University Press, Global Human Capital Trends

AUTOMATED MANAGEMENT

By 2018, forecasts predict that more than **3 million workers around the world will be managed by "robobosses."**

Source: Gartner

OCCUPATIONAL LICENSING

In 2015, **25% of U.S. workers needed a state license,** five times the percentage in the 1950s and largely due to growth in licensed occupations.

Source: U.S. Department of Labor Bureau of Labor Statistics

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Strategic Insights

- Associations are already a source of reputation and credibility via membership requirements and certification of skills and training. This makes them remarkably well-positioned to play a role in the development of reputation systems within their field or industry.
- At the same time, a reputation economy could undercut the role associations have played in credentialing and certification, as metrics from third-party rating systems compete with the validation bestowed by associations.
- For people just starting in their field, associations could play a role in helping to build reputation by tying membership to skills and facilitating processes that help members build reputations of their own.
- For human resources departments, a time of change is at hand as these new systems are deployed. This could spell a shift in the role of HR as hiring manager and as monitor of data for career development and advancement.
- Reputation systems could be a force for renewal and expansion for many sectors, as workers previously excluded by credentialing processes—and sometimes by bias—are brought into the fold and contribute new ideas and thinking to their fields.

Timing

- **Stage:** Emergent, though rudimentary systems are already in use
- **Speed:** Rapid growth, fueled by ever-expanding data collection and analysis

Potential Alternative Futures

- **Algorithmic discrimination:** Automated systems hard-coded with (mostly inadvertent) biases lead to reputation systems corroded by prejudice.
- **No longer trustworthy:** Users with ratings fatigue, and those seeking to game the system for their own benefit, undermine a central draw of these systems: a kind of objectivity.
- **All about the game:** The desire for a perfect reputation score shifts the focus of work (and sometimes other parts of life) from enjoyment and satisfaction to point-scoring.
- **HR redefined:** A move to automated hiring realigns HR priorities to workplace behavior.

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Take Action

- **Explore new ways to validate experience and competency.** Credentialing programs often rely on self-generated evidence to establish work experience. Reputation systems could support tracking and validating learning experiences and demonstrated competencies. Associations with restrictive membership requirements also might turn to reputation systems. Associations may decide they need to build and control these systems rather than cede this role to third-party sources.
- **Give people the training and tools to manage their reputations.** People build their reputations over time through career and professional development. Associations can teach people how to build and protect their careers in a future that offers more ways to score reputation by the numbers.
- **Find new talent for volunteer and leadership jobs.** Most associations have volunteer jobs that are hard to fill, so they end up recycling the same people as leaders and subject matter experts. Reputation systems could give associations a new tool to discover talent in unexpected places.
- **Evolve member engagement systems into reputation builders.** The kind of transactional information member engagement systems capture also may be indicators of reputation. Associations might explore how to link these purposes and relate the metrics for engagement to reputation.
- **Guard against unintentional bias.** Algorithms and data modeling rely on assumptions. Without taking great care, organizations could simply end up quantifying subjective judgments that reflect existing patterns of discrimination and exclusion. Reputation systems that attempt to reduce people's attributes and contributions to numbers could intentionally bar people for unjust reasons. Moreover, important soft skills like emotional intelligence are harder to quantify.

Keyword Search

To continue researching this change driver, use these search terms:
credentials, alternative credentials, reputation systems, human resources, scoring systems, big data, data mining, data analytics, licenses, licensing, talent management systems

Who Will Be Affected

Any organization that fosters or uses reputation will want this capability. Credentialing organizations have to consider the strategic implications. Customer service organizations will use these systems to identify and reward preferred customers. An array of software providers may have to consider how to incorporate reputation by the numbers into managing members, volunteers, human resources, content, and speakers.

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ASAE ForesightWorks is a deliberate, evidence-based research program and emerging line of products to provide association professionals with a continual stream of intelligence about the changes facing the association industry, including:

- regularly updated action briefs;
- tools for applying insights from the research in your association;
- guidance in performing environmental scans; and
- opportunities to engage with peers around the research.

Ultimately, the program's mission is to empower association leaders to create a culture of foresight.

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