Rethinking Credentialing

Evelyn Ganzglass, Senior Fellow, Center for Law and Social Policy
Larry Good, Chair, Co-Founder, and Senior Policy Fellow, Corporation for a
*   Skilled Workforce*

THE PROBLEM—CONFUSION AND DISCONNECTION

Postsecondary credentials are increasingly a prerequisite for access to good jobs and career advancement. It is estimated that by 2020, two-thirds of jobs will require some form of postsecondary education (Carnevale, Smith, and Strohl 2010). Already, labor markets value postsecondary credentials. Although the return to individuals differs by type of credential and field of study, on average, people with postsecondary education and, in particular, a credential earn more and are unemployed less than those with a high school diploma or less.

But learners, whether in their teens and preparing for their first postsecondary learning experience or older and needing to make a career transition, face a complex, often bewildering assortment of choices. One subset of their credential pathway choices is better understood: those choices involved in pursuing a degree, whether at the associate, bachelor's, master's, or doctoral level.

Far less well understood are the choices among programs that result in other types of credentials, such as certificates, certifications, licenses, digital badges, and other "micro credentials." The quantity of these alternative credentials has grown explosively in recent years, stimulated by the interests of diverse education and employment stakeholders, and offering many more choices than learners previously had.[1]

Each type of credential in different ways and for different purposes testifies to the holder's knowledge, skills, and abilities. These credentials are offered by a wide range of education and training providers, employers, professional associations, accrediting organizations, and others. Many educational certificates are offered in occupational disciplines. Some are at the sub-associate degree level; some are at higher levels. Some are credit-bearing and transferrable, while others are not.

The diversity and dynamism of educational options and credentials is a strength of our highly decentralized system because it creates many opportunities and serves many purposes. However, it also presents major challenges for the students, employers, workers, and policymakers using it.

Weak connections among parts of this multilayered credentialing system make it difficult for learners with different levels of abilities and needs to understand career pathway options and the most direct routes to learning in order to meet their goals,

---

1   Among all credentials, certificates were the fastest growing award between 2000 and 2009. Among them, less-than-one-year certificates were the fastest-growing type (Bailey and Belfield 2011). The number of occupational certificates awarded has increased by more than 800 percent over the past 30 years (Austin, Mellow, Rosin, and Seltzer 2012).

adding time and expense to their journeys. Students and workers can't easily move between education and work-based learning, from non-credit to credit-bearing training, from applied degrees to further education, from one field of study to another, and from short-term to longer-term certificate programs.

The proliferation of credentials and lack of transparency about what knowledge, skills, and abilities many credentials actually represent make it difficult for employers to trust credentials to lead them to the skilled workforce they need. In response, some employers are inflating credential requirements for employment, such as requiring a bachelor's degree for positions not really requiring that level of attainment. Many employers have implemented their own assessment and other screening protocols that don't involve credentials.

Policymakers at all levels are unsure about how to protect users and ensure quality education and credentials in what is rapidly becoming a more diversified learning environment. They want to understand what policies are required to ensure that the U.S. system of credentialing promotes equity, economic growth, and global competitiveness, but they lack consistent data on what credentials people actually have, what credentials different kinds of educational providers are actually producing, and what the labor market return is for different kinds of credentials.

The economic importance of obtaining postsecondary education and training has increased the number of people seeking postsecondary credentials. However, minorities and lower-income students lag in credential attainment, particularly at higher levels of educational degrees. African American and Hispanic students earn more associate degrees than bachelor's degrees and even more certificates, especially short-term certificates that have the most variable return.

Creating a less confusing, high-quality system of portable, stackable credentials is a matter of equity for individuals of all skill levels seeking to climb the economic ladder and a matter of economic competitiveness for the nation as it seeks to increase workforce capacity and productivity.

There is a great deal of variation in the knowledge, skills, and personal and social abilities represented by credentials within each type and level of credential, depending on the field of study, institutional expectations, and the role each specific credential seeks to fulfill. For example, while many short-term certificates represent sub-associate level outcomes, others represent post-baccalaureate level learning.

The relationship between credentials also varies. For example, some relationships are based on prerequisites, such as a bachelor's degree being required for entry into a master's degree program or a certain professional certification or license requiring that a person work a certain amount of time in the field before being eligible to apply for the credential. Other credentials have no prerequisites and may be attained in any order as long as the person demonstrates requisite knowledge, skills, and abilities.

Some credentials are backed by strong quality assurance mechanisms, while others are not. Postsecondary education relies on institutional accreditation, which, despite

increased focus on outcomes, remains heavily focused on inputs. In large measure, whether an educational certificate is credit bearing or not depends on whether the program has gone through required approval processes. Accreditors are being challenged to adapt traditional quality assurance processes to an increasingly deinstitutionalized educational environment that includes technology-based education and the demand for providing credit for learning achieved at another institution, or through work and life experience or self-directed study outside the institution's control. Beyond the education sector, more than 4,000 personnel certification bodies are at work in the United States and fewer than 10 percent are accredited or reviewed by a third party.[2]

The portability of credentials within education, in the labor market, and between education and the labor market is impacted by governance and quality assurance issues. Occupational licenses and certifications—such as those that allow people to practice as a nurse or an attorney—are often limited to a state, with limited examples of interstate acceptance. Many students acquire course credits from a number of institutions but lose some of them along the way. One study found that while about a third of community college students transfer to a four-year institution, one in six of these students had to almost start all over again because the receiving institution would accept fewer than 10 percent of their credits (Monaghan and Attewell 2014).

CHARTING THE WAY FORWARD

We must—and can—do better. We need a national dialogue among the diverse stakeholders in credentialing to articulate a shared vision of how a more learning-based, student-centered credentialing system should function to produce tangible benefits for students, workers, and employers. Lumina Foundation, the American Council on Education, the Corporation for a Skilled Workforce (CSW), the Center for Law and Social Policy (CLASP), and more than 40 other organizations are cosponsoring such a national conversation because they are convinced that such a system is needed to ensure educational equity, increase access, multiply the benefits of increased attainment, reduce social inequity, and foster individual progress.

We see a handful of places in which to focus in order to make diverse credentials more understandable and valuable to all:

Agree on the common DNA of all quality credentials. Research by the Corporation for a Skilled Workforce (CSW) and the Center for Law and Social Policy (CLASP) suggests that all of the types of credentials in use—degrees, certificates, certifications, licenses, badges, etc.—can be described in the same language of competencies: the level of knowledge and specialized, personal, and social skills the credential representss.

CSW and CLASP co-lead a project team that has created for Lumina Foundation a beta version of a credentials framework that lays out eight levels of KSAs that appear to cover the full range of credentials.[3] We see this framework pointing at

2 Estimate provided by Roy Swift, senior director of personnel credentialing accreditation programs, American National Standards Institute.

3 www.credentialingnetwork.org

the opportunity to use language and an analytic approach (KSAs) understood both by educators and employers to improve our understanding and communication about what any credential represents, how credentials compare, and how one credential can build upon another.

Define "quality." An important piece of related work is to arrive at a shared definition of what is meant by the "quality" of a credential. We must develop a consensus on the key factors required to ensure that a credential legitimately represents the competencies it asserts.

Build the data infrastructure needed to make credentials easier to understand and compare. Colleagues at The George Washington University (DC) and the American National Standards Institute are currently doing groundwork to establish common data definitions and protocols needed to support a rich repository of information about credentials that learners, employers, and counselors could all use to swiftly bring focus to choices about credential paths. At a policy level, we need to develop methods to count attainment of all quality credentials—a big challenge today when, for example, postsecondary data systems only count degrees and certificates, and don't track industry certifications, badges, or other types of credentials attained.

Expand the interconnections among different types of credentials. For example, if the competencies being delivered by the curriculum of a technical program align with those represented by an industry-based certification, could that third-party certification be used as the recognized credential for students completing that program? Stacking can move from a concept to a large-scale reality once we agree upon a shared DNA for all credentials.

KEY ATTRIBUTES NEEDED

We envision a voluntary system that features the following attributes:

- All postsecondary credentials—including degrees—are based on competencies, making them easier for employers, educators, and individuals to understand and use.

- Users can rely on the quality of credentials, including their accuracy in representing the competencies possessed by a credential holder.

- Credentials are continually refreshed and validated to ensure that they stay relevant to changing requirements and align with emerging industries and occupations.

- Learners understand how credentials are interconnected and clearly see the learning pathways they can follow to obtain those credentials and reach their goals.

- Users doing career planning or making job transitions can combine micro-credentials easily into customized bundles that fit their needs.

QUESTIONS FOR EDUCATIONAL STAKEHOLDERS

What current practices and reforms represent building blocks that can be used as foundational elements of an improved credentialing system? What steps should post-secondary educational institutions and other stakeholders take to:
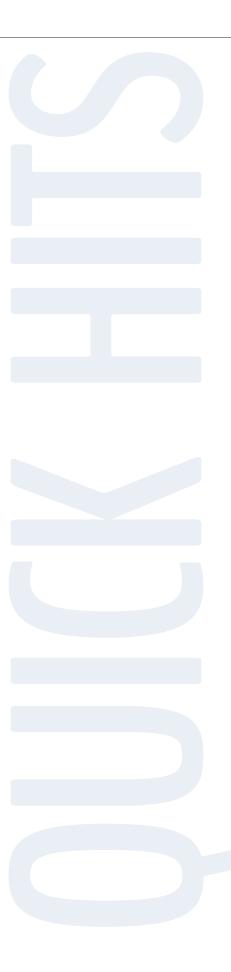
- Improve portability of credentials to reduce the number of dead ends students and workers currently face as they combine education and work, and follow often circuitous paths to skills, credentials, and ultimately their career and life goals?

- Better integrate academic and employer language and perspectives to ensure the market relevance of credentials, recognize learning that takes place outside traditional classrooms, and make it easier to crosswalk or articulate competencies among credentials?

- Increase transparency regarding the learning outcomes inherent in all credentials?

- Improve quality assurance processes across credentials to increase trust in credentials among employers, educators, and other stakeholders?

- Provide students with stackable credentials that have economic value on the way to earning higher-level credentials?

- Support faster, better decisions by learners about career and education pathways and by employers in hiring and staff development?

RESOURCES

The following resources offer an excellent overview of the issues at hand and the ideas for change.

Austin, James T., Gail O. Mellow, Mitch Rosin, and Marlene Seltzer. 2012. *Portable, Stackable Credentials: A New Education Model for Industry-Specific Career Pathways*. McGraw-Hill Research Foundation. http://www.mtsac.edu/president/cabinet-notes/PortableStackableCreds-112812_0.pdf.

Bailey, Thomas, and Clive Belfield. 2011. *Community College Occupational Degrees: Are They Worth It?* Paper presented at the Preparing Today's Students for Tomorrow's Jobs in Metropolitan America: The Policy, Practice, and Research Issues conference, University of Pennsylvania, Graduate School of Education, May 25. http://ccrc.tc.columbia.edu/publications/community-college-occupational-degrees.html.

Carnevale, Anthony P., Nicole Smith, and Jeff Strohl. 2010. *Help Wanted: Projections of Jobs and Education Requirements Through 2018*. Washington, DC: Georgetown University Center on Education and the Workforce. https://cew.georgetown.edu/wp-content/uploads/2014/12/fullreport.pdf.

Center for Law and Social Policy. 2014. *Call for a National Conversation on Creating a Competency-Based Credentialing Ecosystem.* Washington, DC: Center for Law and Social Policy. http://www.clasp.org/resources-and-publications/files/Developing-a-Competency-Based-Credentialing-Ecosystem.pdf.

Ganzglass, Evelyn. 2014. *Scaling "Stackable Credentials": Implications for Implementation and Policy.* Washington, DC: Center for Law and Social Policy. http://www.clasp.org/resources-and-publications/files/2014-03-21-Stackable-Credentials-Paper-FINAL.pdf.

Ganzglass, Evelyn, Keith Bird, and Heath Prince. 2011. *Giving Credit Where Credit is Due: Creating a Competency-Based Qualifications Framework for Postsecondary Education and Training.* Washington, DC: Center for Law and Social Policy. http://www.clasp.org/resources-and-publications/files/Giving-Credit.pdf.

Laprade, Nancy, Keith Bird, Larry Good, Jeannine La Prad, Taryn MacFarlane, and Chelsea Farley. 2014. *Making a Market for Competency-Based Credentials.* Ann Arbor, MI: Corporation for a Skilled Workforce. http://autoworkforce.org/wp-content/uploads/2014/04/MakingaMarketforCompetency-Based-Credentials-WHITE-PAPER.pdf.

Lumina Foundation. 2015a. *Connecting Credentials: A Beta Credentials Framework.* Indianapolis, IN: Lumina Foundation. http://2rs11m47n9nefk1rmiofa51a.wpengine.netdna-cdn.com/wp-content/uploads/2015/05/ConnectingCredentials-4-29-30.pdf.

Lumina Foundation. 2015b. *Connecting Credentials: Making the Case for Reforming the U.S. Credentialing System.* Indianapolis, IN: Lumina Foundation. http://2rs11m47n9nefk1rmiofa51a.wpengine.netdna-cdn.com/wp-content/uploads/2015/06/MakingTheCase-6-8-15.pdf.

McCarthy, Mary Alice. 2014. *Beyond the Skills Gap: Making Education Work for Students, Employers, and the Community.* Washington, DC: New America. http://www.newamerica.org/downloads/20141013_BeyondTheSkillsGap.pdf.

Monaghan, David B., and Paul Attewell. 2014. "The Community College Route to the Bachelor's Degree." *Educational Evaluation and Policy Analysis.* http://www.aera.net/Newsroom/RecentAERAResearch/TheCommunityCollegeRoute-totheBachelorsDegree/tabid/15414/Default.aspx.

ACE is co-sponsoring with more than 70 organizations a national dialogue on credentialing. For information about opportunities to engage in the dialogue as well as about credentialing initiatives and resources, visit the website recently launched to support the dialogue (www.connectingcredentials.org).