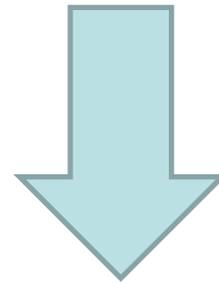# The Changing Labor Market, Non-Degree Credentials and the Role of WIBs

Michelle Van Noy and Heather McKay
Education & Employment Research Center
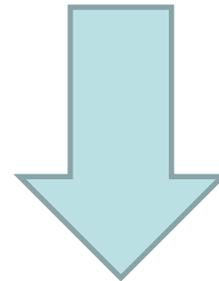Rutgers, The State University of New Jersey

Garden State Employment and Training
Association annual conference, Atlantic City, NJ
October 3, 2019

Many Adults Hold NDCs

In 2016, a total of 27 percent of adults reported having a nondegree credential—a postsecondary certificate, a certification, or a license. (NCES 2017)

adults with a nondegree credential
27%

adults without a non degree credential
73%
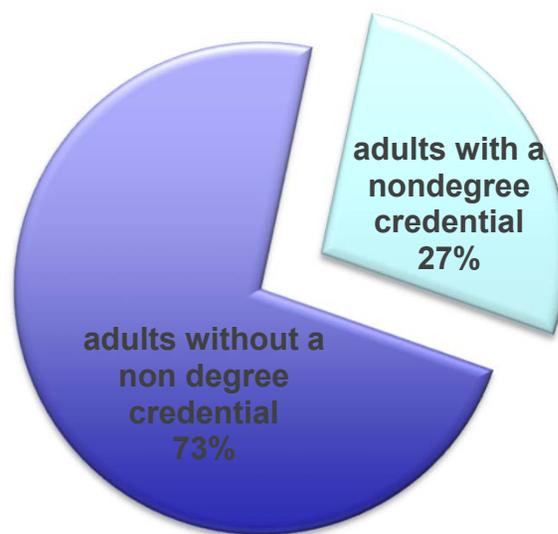
adults with a nondegree credential   adults without a non degree credential

Types and Definitions of Non-Degree Credentials

Type	Definition
Sub baccalaureate credit certificates	Credential awarded by an educational institution for completion of a subbaccalaureate credit educational program, usually less than one year in length (short-term and long-term credit)
Non-credit certificates	Credential awarded by an institution (educational or workplace) for completion of a noncredit educational program
Apprenticeship	Credential awarded after completion of structured educational and workplace program based on industry and occupational standards.
Industry certification	Credential awarded by an industry body or governmental agency for demonstration of skills typically via examination based on industry or occupational standards.
Occupational or professional licensure	Credential awarded by a governmental agency for demonstration of skills in a specific occupation and sometimes also completion of an educational program; often required to work in an occupation.
Badges, microcredentials	Credential awarded for completion of a short program of study or demonstration of a targeted set of skills; these are newly emerging and are still being developed.

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What Do We Know About NDCs?

- Awarded by a wide range of organizations
  - Colleges, industry groups, unions, government, etc.

- Awarded based on a variety of criteria
  - Course completion, work experience, examination, etc.

- Learning occurs in many locales
  - At school, at work, informally

- Data is located in many sources
  - State data systems, industry data, national surveys

"The Wild West"

- Understanding quality of NDCs is incredibly difficult.

- There is no single system, set of standards or mechanism to help workers, employers, policymakers, and educational institutions define quality or measure it.

- Understanding which NDCs are quality varies by:
    - Geography
    - Industry
    - Consumer

What is a "Quality" NDC?

- Quality from who's perspective
  - Credential holder vs. employer vs. educational institution vs. policymaker
  - Potential tension in goals
  - Equity implications

- Potential variation based on context, e.g. industry, occupation, labor market, organization

- Variation by type of NDC

Defining Quality for Emerging Credentials

- Conception of quality is similar for traditional and emerging credentials though with slightly different emphasis

- Task force framework provides most broad outlook
  - Outcomes for individuals and society
  - Intentional design
  - Student centered institutions, policies and practices

- Rutgers EERC non-degree credential quality conceptual framework provides similarly broad framework
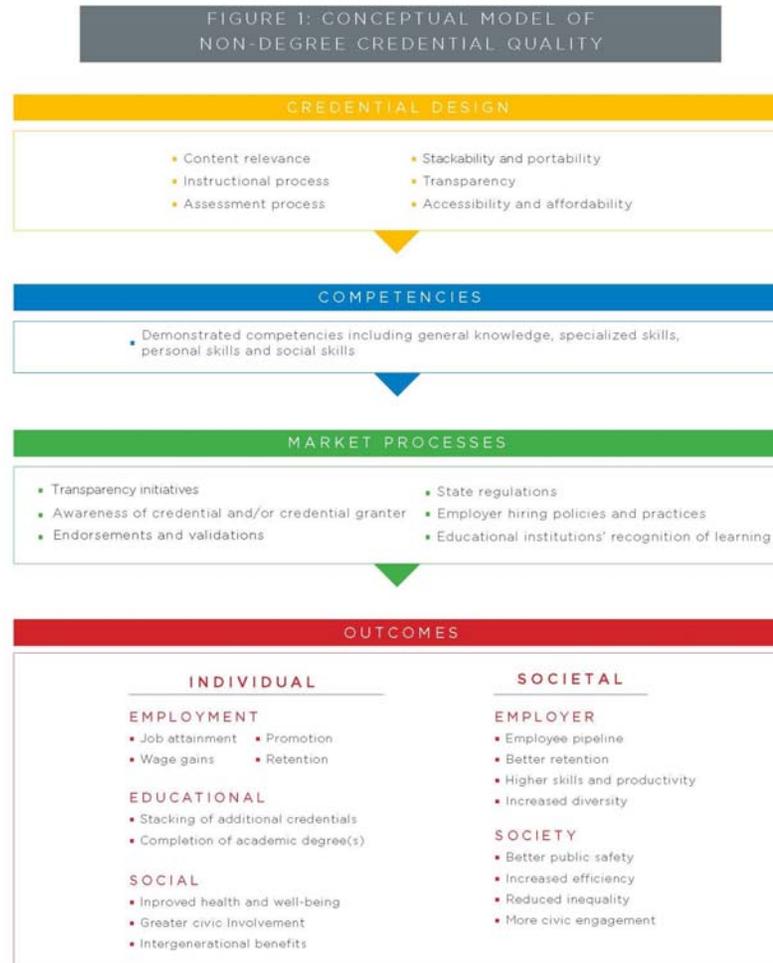
Uses of Conceptual Frameworks for Quality

- Importance of examining equity

- Quality elements as a guide

- Quality elements as diagnostic tool

- Quality relative to goals

- Quality relative to context

Key Elements of Non-Degree Credential Quality

- *Credential design.* This element includes numerous features, usually decided on by the credential grantor, that define what a credential represents in terms of the competencies it marks and how it seeks to do so.

- *Competencies.* These are the skills and knowledge that the credential aims to represent.

- *Market Processes.* This term refers to the ways that a credential comes to be recognized and have currency in the world.

- *Outcomes.* The accumulation of competencies represented by credentials are expected to generate outcomes of value, typically in terms of the educational, employment, and social advancement of individuals, employers, and society.

Conceptual Model of Non-Degree Credential Quality

FIGURE 1: CONCEPTUAL MODEL OF NON-DEGREE CREDENTIAL QUALITY

CREDENTIAL DESIGN
- Content relevance
- Instructional process
- Assessment process
- Stackability and portability
- Transparency
- Accessibility and affordability

COMPETENCIES
- Demonstrated competencies including general knowledge, specialized skills, personal skills and social skills

MARKET PROCESSES
- Transparency initiatives
- Awareness of credential and/or credential granter
- Endorsements and validations
- State regulations
- Employer hiring policies and practices
- Educational institutions' recognition of learning

OUTCOMES

INDIVIDUAL

EMPLOYMENT
- Job attainment
- Promotion
- Wage gains
- Retention

EDUCATIONAL
- Stacking of additional credentials
- Completion of academic degree(s)

SOCIAL
- Improved health and well-being
- Greater civic Involvement
- Intergenerational benefits

SOCIETAL

EMPLOYER
- Employee pipeline
- Better retention
- Higher skills and productivity
- Increased diversity

SOCIETY
- Better public safety
- Increased efficiency
- Reduced inequality
- More civic engagement

Credential Design

- Competency relevance

- Instructional process

- Assessment process – initial and ongoing

- Stackability and portability

- Transparency

- Accessibility and affordability

Competencies

- Demonstrated competencies
  - Including general knowledge, specialized skills, personal skills, and social skills

Market Processes

- Transparency initiatives
- Awareness of the credential and/or the credential grantor
- Endorsements or validations
- State regulation
- Employer hiring practice and politics
- Educational institutions recognition of learning

Outcomes

- Individual economic outcomes
- Individual educational outcomes
- Individual social outcomes
- Employer outcomes
- Societal outcomes

Implications for Policy and Practice

- Need to….
  - Create awareness of non-degree credential quality and how to measure it.
  - Collect better information on non-degree credential quality and outcomes.
  - Develop and promote systems to assess non-degree credential quality.
  - Promote and understand the use of data on non-degree credential quality.

- States are currently developing quality measures that draw from elements of this framework

Create awareness of non-degree credential quality and how to measure it

- Promote integration of NDCs into educational programs

- Engage conversations about NDCs with employers

- Promote competency-based hiring linked with NDCs

- Facilitate conversations among stakeholders about NDC quality

Collect better information on non-degree credential quality and outcomes

- Integrate into data systems across institutions

- Prompt industry to collect and report on industry certification

- Create incentives to add to tracking systems

Develop and promote systems to assess non-degree credential quality

- State reporting and rating systems

- Eligible Training Provider List

- Consumer report cards

- Credential Registry

- Assessments by educational institutions

Promote and understand the use of data on non-degree credential quality

- Examine data to guide improvements at educational institutions to value NDCs where appropriate

- Promote employer understanding and use of relevant NDCs in hiring and promotion

- Guide policy discussions to ensure NDCs are effectively used to promote economic and educational success

The Role of WIBs Do in NDC Quality

- Local boards work with education providers to create training programs and NDCs

- Local boards help employers understand NDCs

- Local boards help clients choose NDCs

- Local boards make decisions on funding NDCs

- Local boards collect and use data on NDCs

Institutions and Local Areas

- Use/Get credit assessments (ACE)
- Develop credentials with local employers and other interested parties
- Use Prior Learning Assessment (reassessing)
- Offer industry recognized credentials
- Develop competency based learning programs and pathways
- Use a Sector Strategy approach
- Use industry boards and committees
- Develop marketing campaigns
- Collect and share data on credential outcomes

Employers

- Value can be hard to determine
- Relationships are critical (Sector strategies and boards)
- Industry recognized credentials have value *(example: In manufacturing MSSC (Manufacturing Skills Standards Council), NIMS, and AWS)*
- Used as a screener or supplement
- Competencies are an important language
- Data

States

Determining Quality, Documenting Quality, and making Quality Transparent:

- State Longitudinal Data System Work
- TAACCCT grant reporting – Missouri
- Financial aid or workforce training dollars (Eligible Training Provider List)
- Create a list – New Jersey's *Industry Valued Credentials* list
- Collect data including non-credit credentials

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