GIVING CREDIT WHERE CREDIT IS DUE

Creating a competency-based qualifications framework for postsecondary education and training

Overview

- *The World of Noncredit Education*
- *Growing Demand for Occupational Credentials*
- *Returns on Investment to Postsecondary Education*
- *Recommendations*
- Q&A

Background

- Increasing education and skill requirements
- Labor market mismatch
- Credit-worthy occupational training, outside of postsecondary educational system

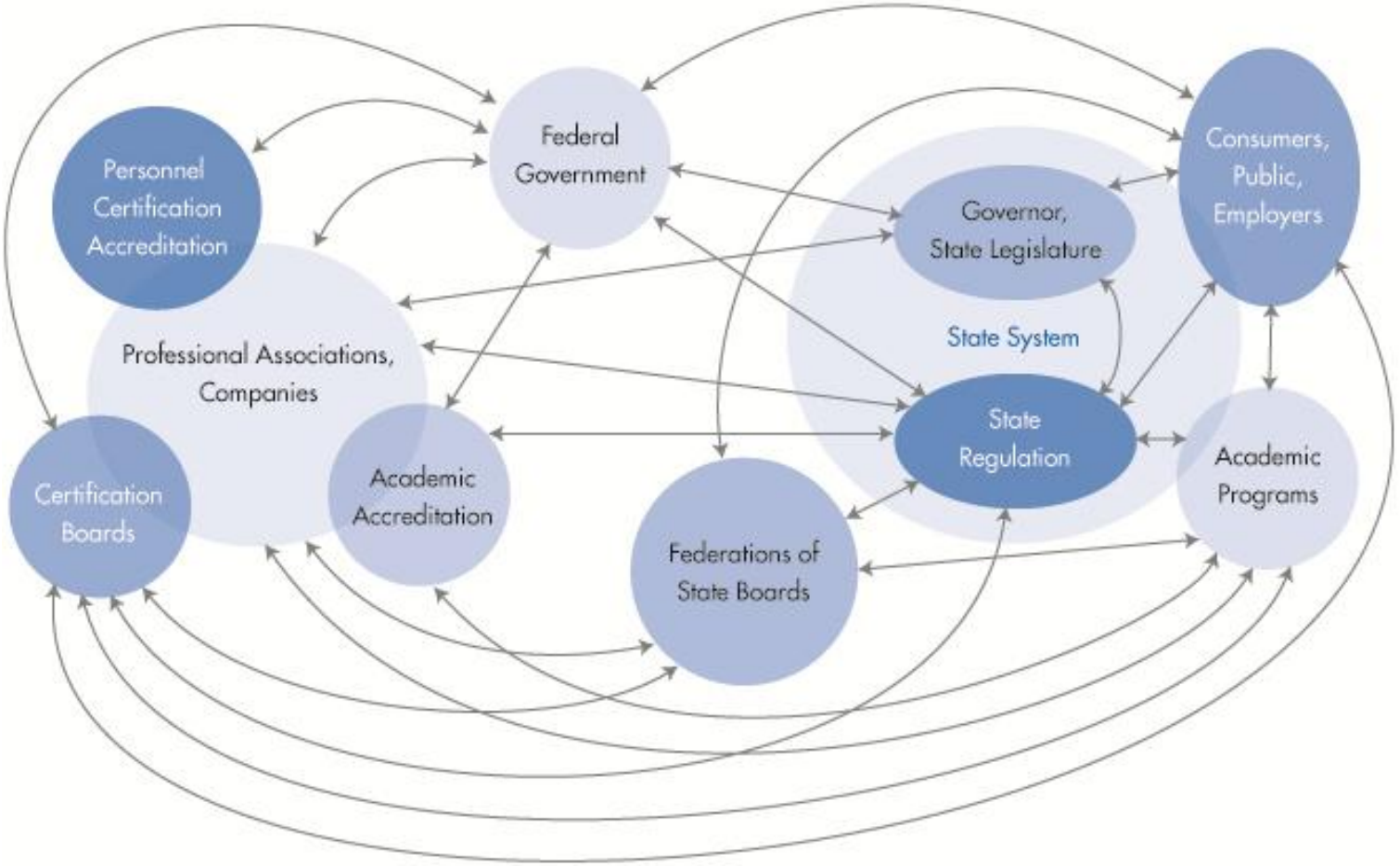
World of Noncredit Education: Scale and composition of noncredit enrollment

- 43 million postsecondary students
  - 20.8 million of these are enrolled in noncredit courses
    - 13 million students in 2 and 4 yr. institutions enrolled in noncredit courses
    - 7.8 million in noncredit courses outside postsecondary educational institutions
      - Employer-based formal and on-the-job learning
      - Military training
      - Registered and unregistered apprenticeships
      - Courses certified by ICE and ANSI
      - Unaccredited certifications

World of Noncredit Education: disconnects between credit and noncredit learning

- Inconsistent and incomplete data on programs and students
  - Noncredit programs excluded from most federal and state data collection
  - Little data collected on certificates and certifications earned outside of education
- Inconsistent metrics and processes for assuring quality
  - Noncredit programs use diverse metrics for quality
  - Clutter of private sector accrediting bodies
- Lack of portability in education
  - Transfer decisions frequently rely on faculty determinations of equivalencies
  - Credit for prior-learning is vastly underutilized
- Credential landscape is crowded, chaotic and confusing
  - Employers, institutions and individuals unclear as to which certificates have value in education and/or the labor market

World of Noncredit Education: credentialing system in the U.S.



World of Noncredit Education: proliferation of certifications and certificates

- Certificates and certifications
  - 242% increase in all types of certificates awarded by community colleges over past 20 years
  - 459% increase in short-term (<1yr.) certificates awarded over same time period (approximately 240,000/yr.)
  - 45% increase in long-term (2-4 yr.) certificates awarded over same period (approximately 10,700/yr.)

World of Noncredit Education: Labor Market Value

- 43% of licenses and certificates **earn more** than an Associate Degree
- 27% of licenses and certificates **earn more** than an Baccalaureate Degree
- 31% of Associate Degrees **earn more** than an Baccalaureate Degree

The Credential Differential

- Attempt to quantify and put a dollar figure on shortfall in credential attainment compared to 60% benchmark
- Illustrate how investments in postsecondary education generate (significant) returns to individuals, states, and the federal government
- Written to accompany an "ROI Dashboard" for the U.S., and for the 50 states

The Credential Differential: Findings

- Continuing current trends in college participation and credential attainment will leave the U.S. behind economic rivals and fail to meet demand for a skilled and educated workforce
  - U.S. currently 15th of 34 OECD countries in terms of 25-34 year olds with college degrees or certificates
  - By 2018, more than two-thirds of 47 million new job openings will require some level of postsecondary education and training (including industry certifications) (BLS)

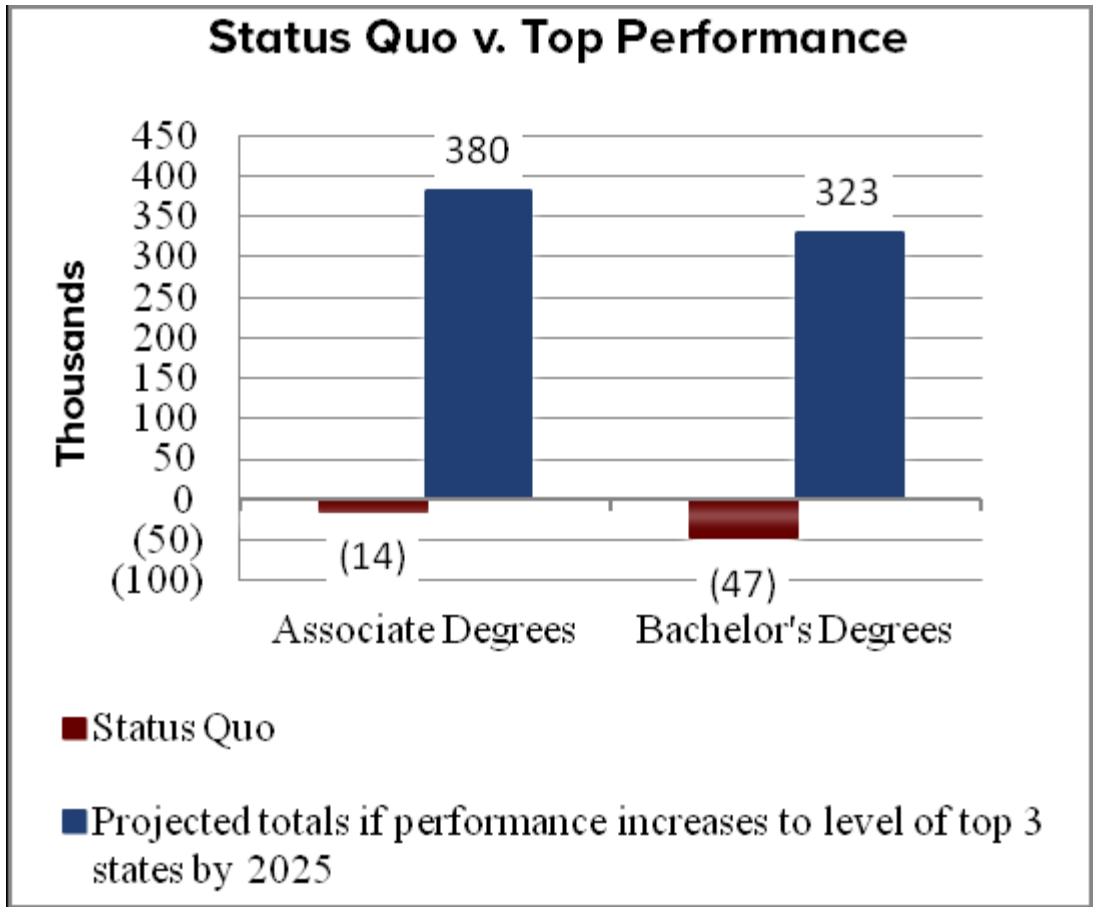
The Credential Differential: Findings

- Current investment patterns contribute to negative economic returns
  - Personal income falls in near term, edges up to just under $14 in additional income by 2025
  - State revenues– from income, sales, and property taxes– decline
- A rising tide (of credentials)…
  - Meeting 60 percent goal raises average annual income for all by $1400 by 2025
  - Meeting the 60 percent goal would raise an additional $60b in revenue nationally by 2025
- 60 percent goal is attainable if:
  - Current enrollment patterns remain the same, but increases in college participation and credential attainment rates of all states matches the rates of 3 highest performing states in terms of H.S. graduation rates, percentage of H.S. students enrolling in college directly after H.S., and percentage of 20-39 year olds enrolled in college

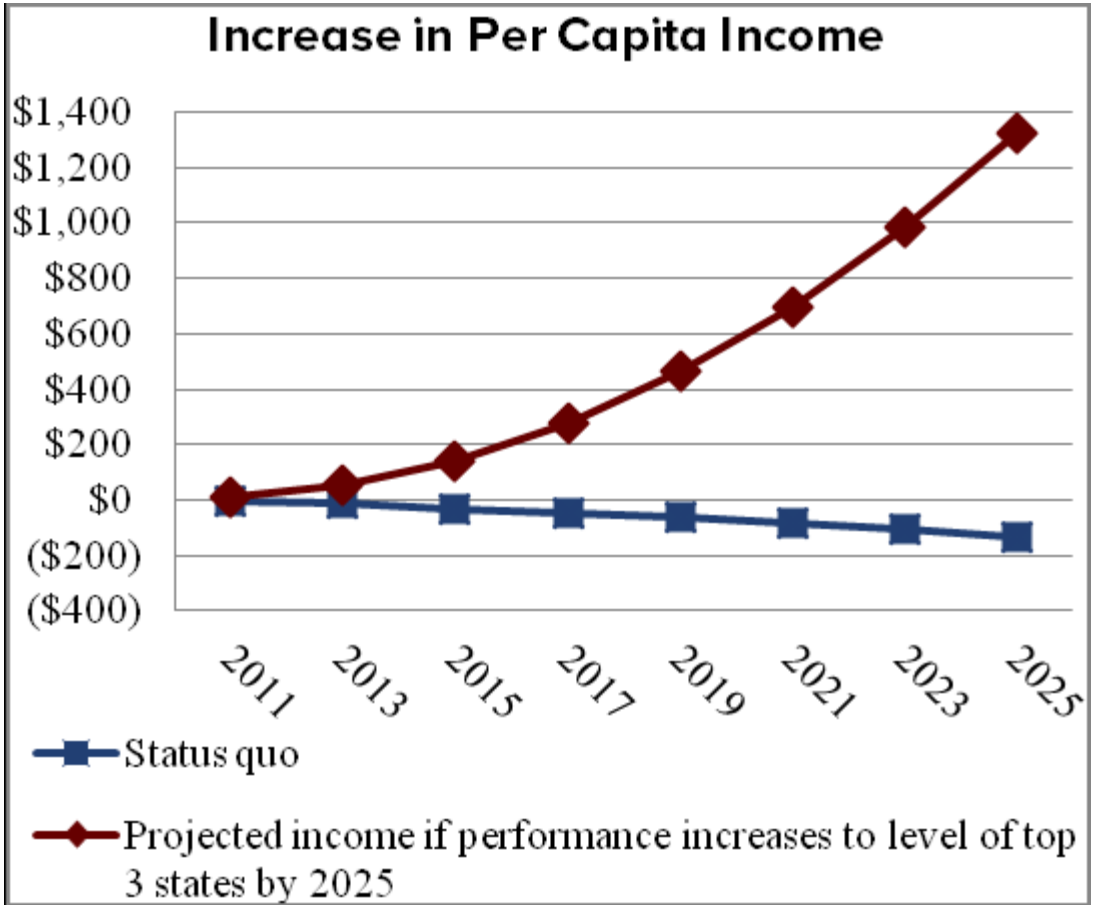
The Credential Differential: Policy Considerations

- States are unlikely to meet the demand for postsecondary credentials without significantly investing in adults
- To meet the demand for credentials, states will need to improve both postsecondary participation and attainment rates
- A primary driver of the cost of credential attainment is type of institution producing the credential
- All states see significant and positive returns to meeting robust postsecondary credential targets

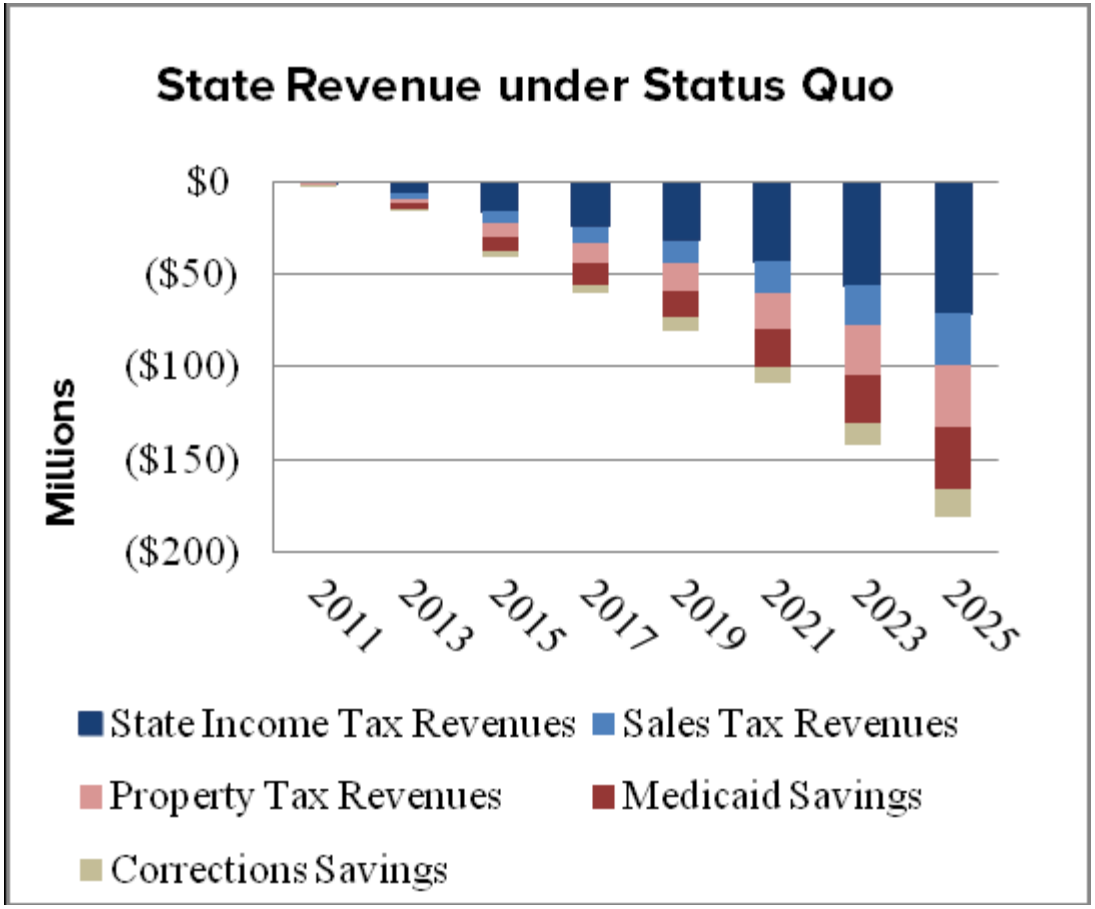
Ohio ROI Dashboard: College Participation and Credential Attainment Rates



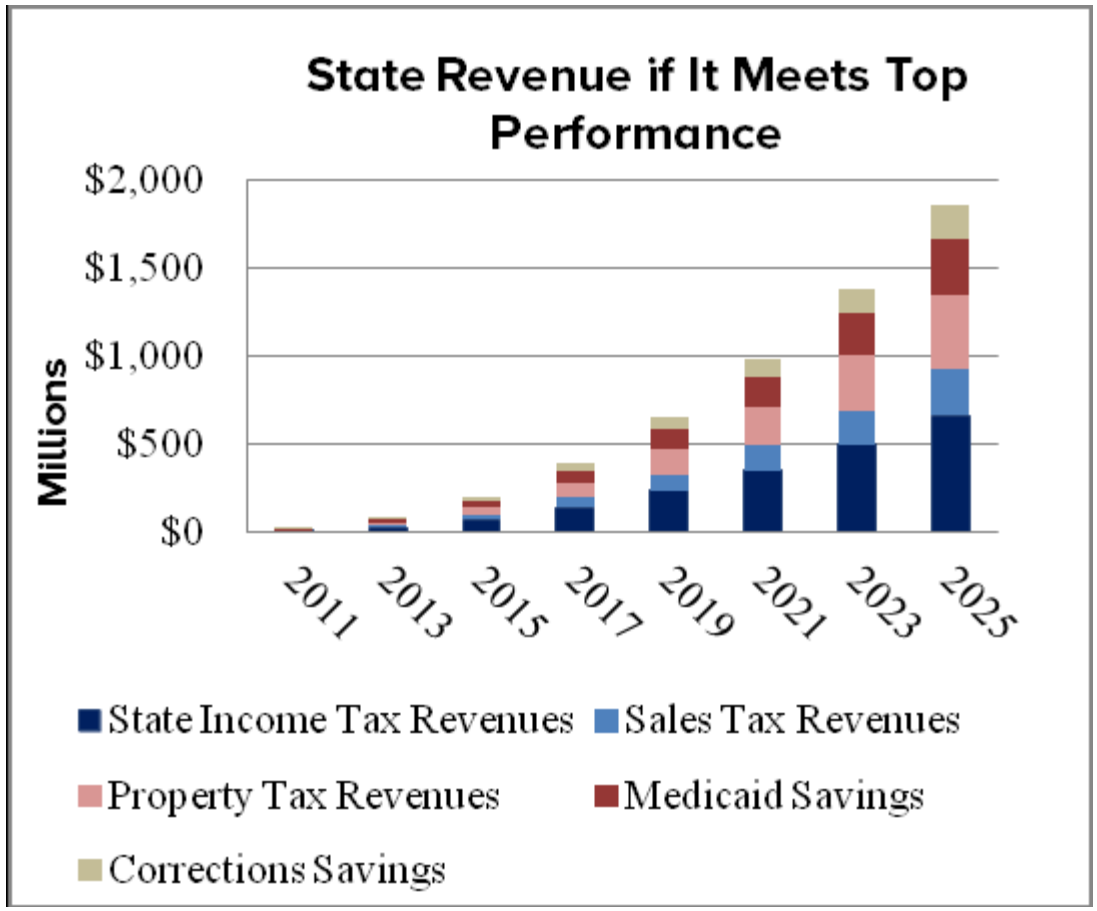
Ohio ROI Dashboard: Personal Economic Return



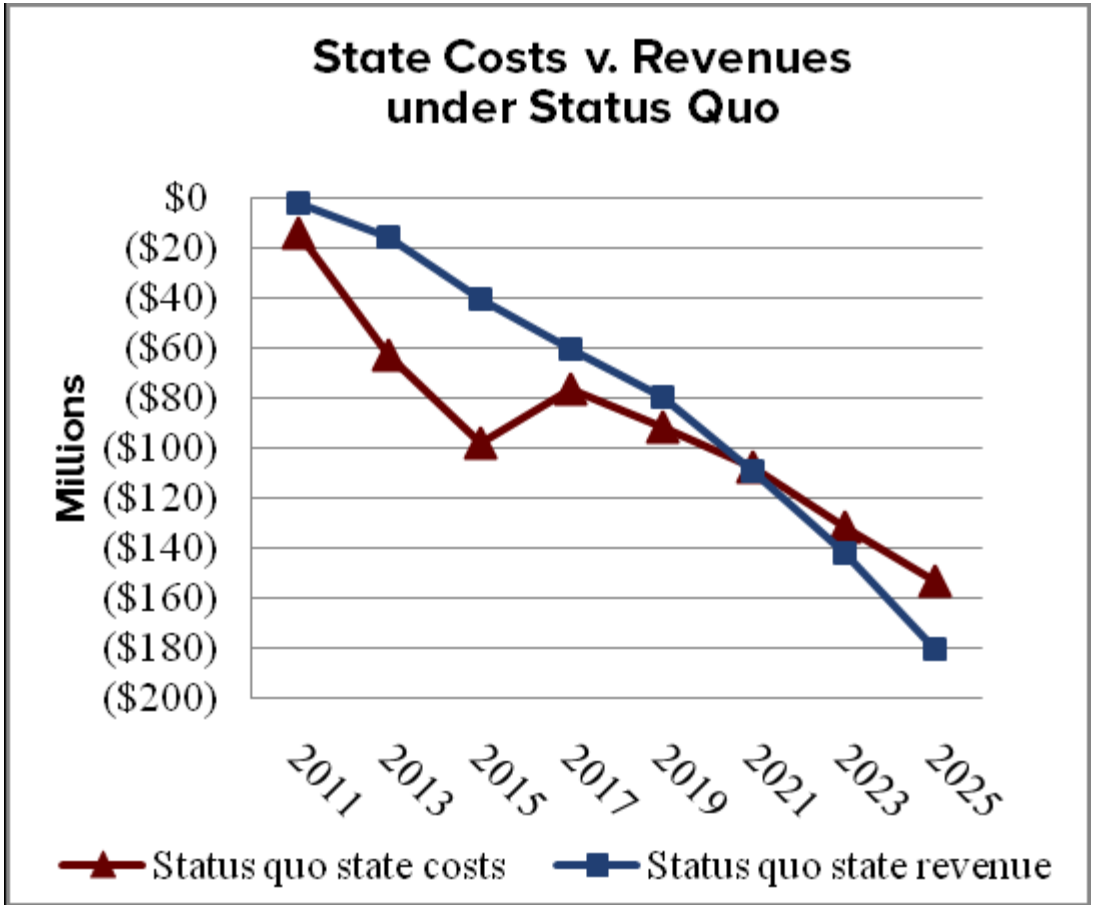
Ohio ROI Dashboard: Economic Returns to the State



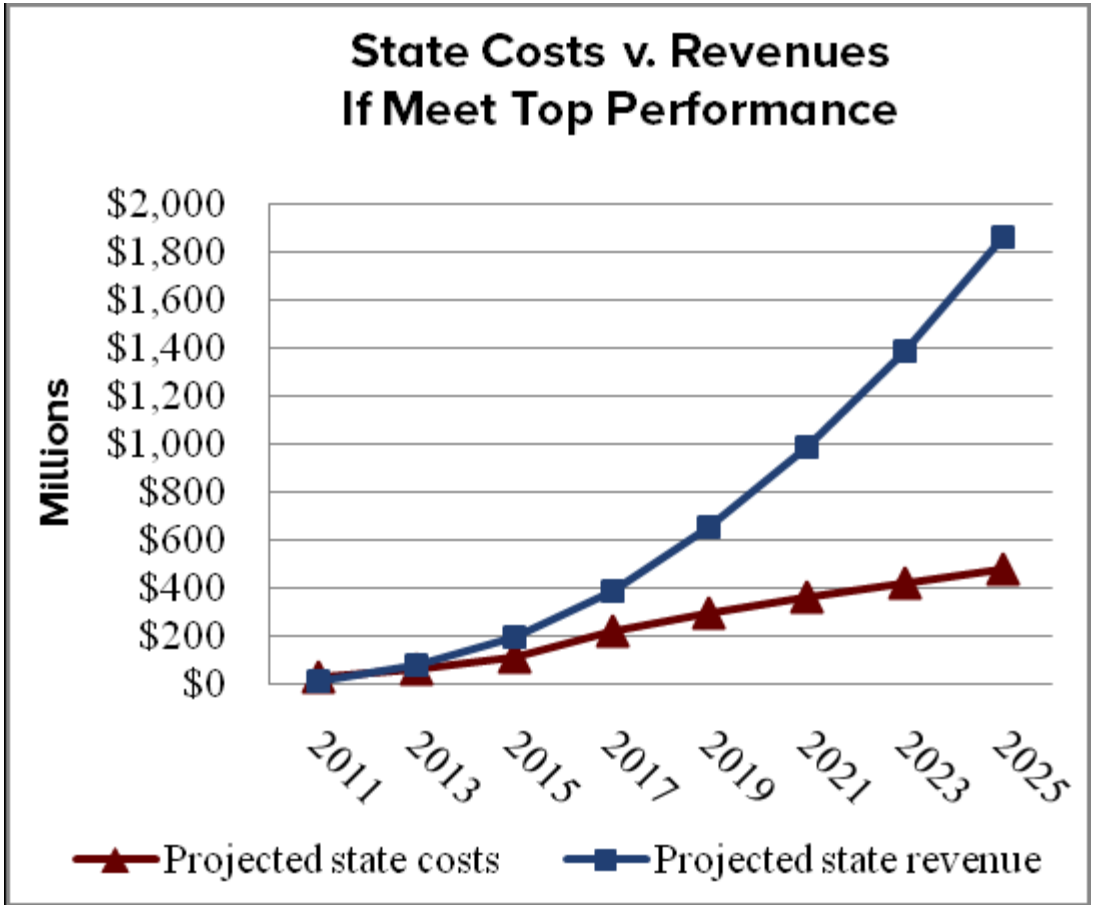
Ohio ROI Dashboard: Economic Returns to the State

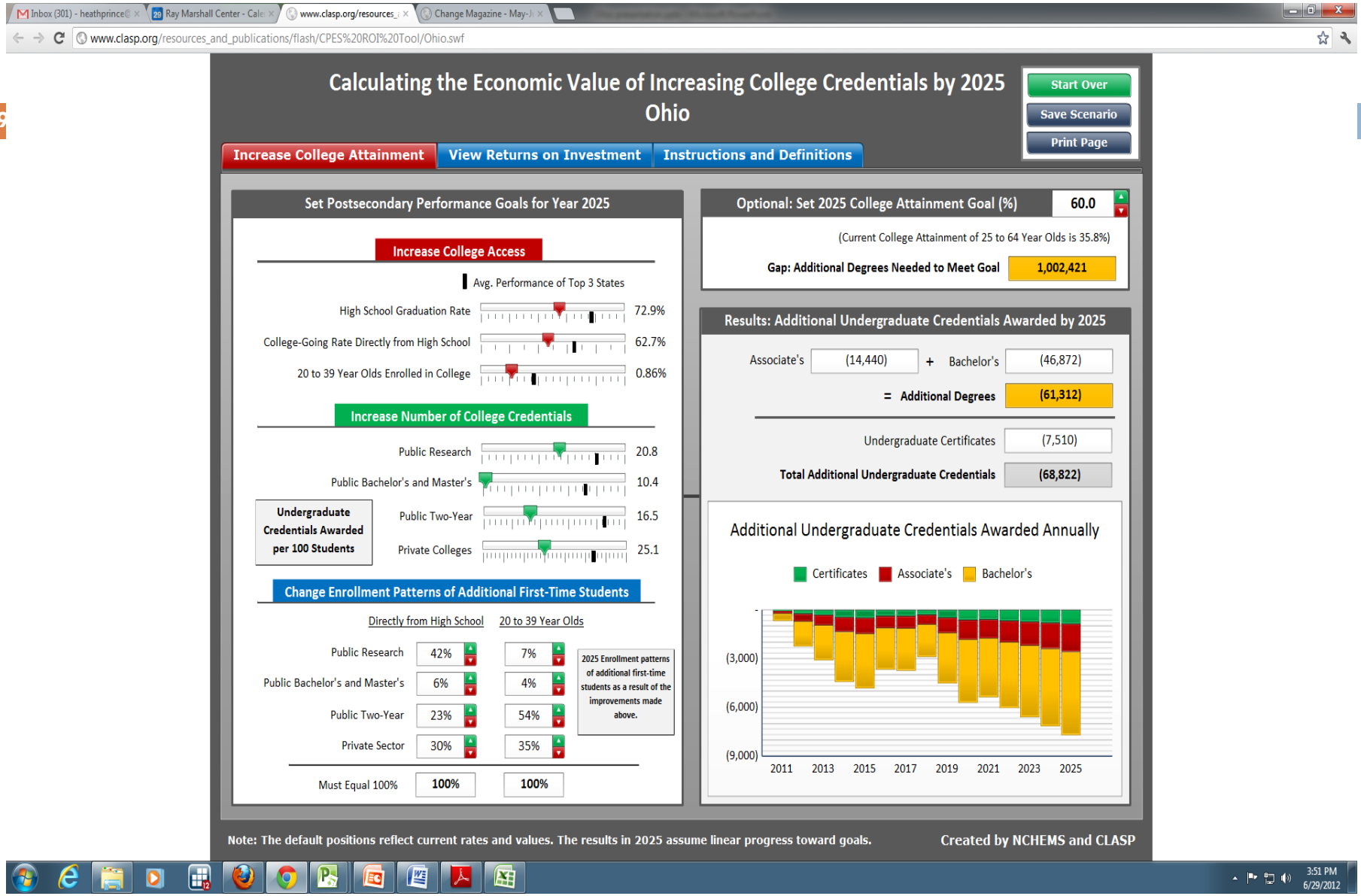


Ohio ROI Dashboard: State Revenues vs. State Costs for Postsecondary Education



Ohio ROI Dashboard: State Revenues vs. State Costs

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Calculating the Economic Value of Increasing College Credentials by 2025
Ohio
Start Over
Save Scenario
Print Page
Increase College Attainment
View Returns on Investment
Instructions and Definitions
Set Postsecondary Performance Goals for Year 2025
Increase College Access
Avg. Performance of Top 3 States
High School Graduation Rate 72.9%
College-Going Rate Directly from High School 62.7%
20 to 39 Year Olds Enrolled in College 0.86%
Increase Number of College Credentials
Undergraduate Credentials Awarded per 100 Students
Public Research 20.8
Public Bachelor's and Master's 10.4
Public Two-Year 16.5
Private Colleges 25.1
Change Enrollment Patterns of Additional First-Time Students
Directly from High School
20 to 39 Year Olds
Public Research 42% 7%
Public Bachelor's and Master's 6% 4%
Public Two-Year 23% 54%
Private Sector 30% 35%
Must Equal 100% 100% 100%
2025 Enrollment patterns of additional first-time students as a result of the improvements made above.
Optional: Set 2025 College Attainment Goal (%) 60.0
(Current College Attainment of 25 to 64 Year Olds is 35.8%)
Gap: Additional Degrees Needed to Meet Goal 1,002,421
Results: Additional Undergraduate Credentials Awarded by 2025
Associate's (14,440) + Bachelor's (46,872)
= Additional Degrees (61,312)
Undergraduate Certificates (7,510)
Total Additional Undergraduate Credentials (68,822)
Additional Undergraduate Credentials Awarded Annually
Certificates
Associate's
Bachelor's
(3,000)
(6,000)
(9,000)
2011
2013
2015
2017
2019
2021
2023
2025
Note: The default positions reflect current rates and values. The results in 2025 assume linear progress toward goals.
Created by NCHEMS and CLASP
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Thought Leaders Agree

Lumina Foundation

"What is needed is a system that assesses competency to measure learning-"defines curricula outcomes-knowledge, the application of acquired knowledge, reasoning capacities and skills..and that can be assessed regardless of where and how they are learned"

Center on Wisconsin Strategy

"We will never be able to clean up the general mess of the American labor market without a stronger commitment to credentials and a system of common standards that supports them. A competency based credentials system reduces employer search and transaction costs, increases worker security, and can guarantee quality work and quality jobs"

Create a National Competency-Based Qualifications Framework

1. Develop common standards underlying occupational credentials (incl. certif.-level)
2. Connect credit and non-credit education to build pathways to credentials that have value in the labor market
3. Link data systems to:
   - Provide a more comprehensive picture of student learning outcomes across educational silos
   - Track noncredit students' progress as they advance in postsecondary education

1. Develop Common Standards

A. Change the metric in postsecondary education from credit hours (seat time) to learning outcomes (competencies required for advancement in education & employment)

- Tuning USA
- DOL Industry Competency Model Clearinghouse
- Industry efforts

1. Develop Common Standards, cont.

B. Engage employers and faculty deeply

- Jointly establish rigorous competency standards to undergird instruction, assessment & credentials
  - WA State Skills Panels
  - AZ Skill Standards Commission
- Develop mutually acceptable quality assurance mechanisms
  - ANSI

2. Reduce institutional barriers between credit-and noncredit-bearing education

- Pre-approve equivalencies between credits and industry certifications & learning outside of postsecondary institutions
- Streamline course approval & development of curricula based on competencies developed directly with employers
- Combine credit and noncredit learning through co-enrollment, embedded industry recognized credentials, certificates and stackable credentials

2. Reduce institutional barriers between credit- and noncredit-bearing education, cont.

- Streamline processes for assessment of prior learning (PLA) & determination of equivalencies to college level courses or competencies
  - CAEL LearningCounts.org
  - ACE CREDIT and Military Evaluation
  - WTCS credit for apprenticeship programs
  - Ivy Tech's Prior Learning Assessment
- Better align and link federal, state, and local public workforce systems, adult education, and educational institutions
  - Federal guidance of career pathways, integrated approaches
  - Discretionary funding

3. Link Data Systems

- Include data non-credit courses and related credential attainment in SLDS and federal data systems
- Include data on students in credit, noncredit, employer-based, community-based and proprietary workforce programs in state workforce data systems (WDQI)
- Track student outcomes by program and provider, including course and program completion, credential attainment and labor market success

The end goal

Transform instructional delivery

- Reduce cycle time of leaning
- Create multiple entry/exit points
- Increase contextualized learning
- Imbed industry certification in curricula

Develop credentials that:

- Reliably communicate to employers that students/workers have the competencies to be successful in the labor market
- Are portable & stackable in a dynamic labor market and in education

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