The Role of Non-Degree Credentials in the Changing Labor Market

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The Rise of Non-Degree Credentials

- Rapidly changing labor market
- Increased need for lifelong learning, just in time training
- Proliferation of different types of NDCs
What are Existing Non-Degree Credentials?

• Noncredit certificates
• Industry certifications
• Occupational Licensure
• Apprenticeship
• Badges
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
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
NDC Quality and its Influences

Figure 1: Conceptual Model of NDC Credential Quality and its Influences

How the credential was made...

- Good instruction or learning, good testing or certification process
- Credential reflects skills, competencies among its holders
- Reputation, beliefs about credential
- Interactions with credential holders, trust in institution
- Government regulations, industry or employer norms

End products of the credential...

- Labor market opportunity, academic credit and pathways
- Influences on the end products of the credential
**NDC Quality Measures: How NDC Was Made**

<table>
<thead>
<tr>
<th>Potential Measures</th>
<th>Noncredit certificates</th>
<th>Industry certifications</th>
<th>Occupational Licensure</th>
<th>Apprenticeship</th>
<th>Badges</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>How credential was made...</em></td>
<td>- Traditional measures of program quality - i.e. accreditation - Alternative measures of program quality</td>
<td>- Quality of certification test - content included, testing process</td>
<td>- Quality of licensure process - content included, process</td>
<td>- Quality of formal instructional activities - Quality of on-the-job-learning - degree of informal learning, mentorship - Registered or not</td>
<td>- Standards for awarding badge, criteria, verification processes</td>
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</tbody>
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## NDC Quality Measures: End Product of NDC

| Credential holder skills/competencies | - Occupationally specific skills  
|                                       | - General skills  
|                                       | - Hands on assessments of skill  
|                                       | - Self assessment of skill  
| Transparency                          | - Reputation among educational institutions  
|                                       | - Reputation among employers  
| Educational Outcomes                  | - Recognized for academic credit within an institution  
|                                       | - Recognized for academic credit within a state  
|                                       | - Recognized for academic credit anywhere  
| Employment Outcomes                   | - Required for hiring  
|                                       | - Preferred for hiring  
|                                       | - Leads to wage gains  
|                                       | - Leads to career advancement |
Determining Quality of NDCs

Important for many stakeholders:

- Institutions
- Employers
- States
- Federal Govt.
- Workers
- Students
- Foundations and others
Portability

Industry and Institutional Awareness:

• Local
• Regional
• National
• Global
Examining Quality

1. Use labor market information to understand local and state in-demand industries and occupations as well as skills gaps

2. Learn more about what employers look for when hiring by engaging them in dialogue

3. Examine employment, retention and wage outcomes of credential completers

4. Examine further educational outcomes of credential completers
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
Tools for all Groups

• **National Credential Registry** *online registry of credentials*

• **The Evolution and Potential of Career Pathways report** (Department of Education and the Department of Labor) *to support more effective connections between credentials and career opportunities.*

• **American Council on Education’s College Credit Recommendation Service**

• **IMS Global Learning Consortium Digital Credentialing** *conceptual frameworks and technical standards for the implementation of competency-based education systems*

• **Global Learning Qualifications Framework (GLQF)** *helps students document their verifiable college/university-level learning for academic credit*
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