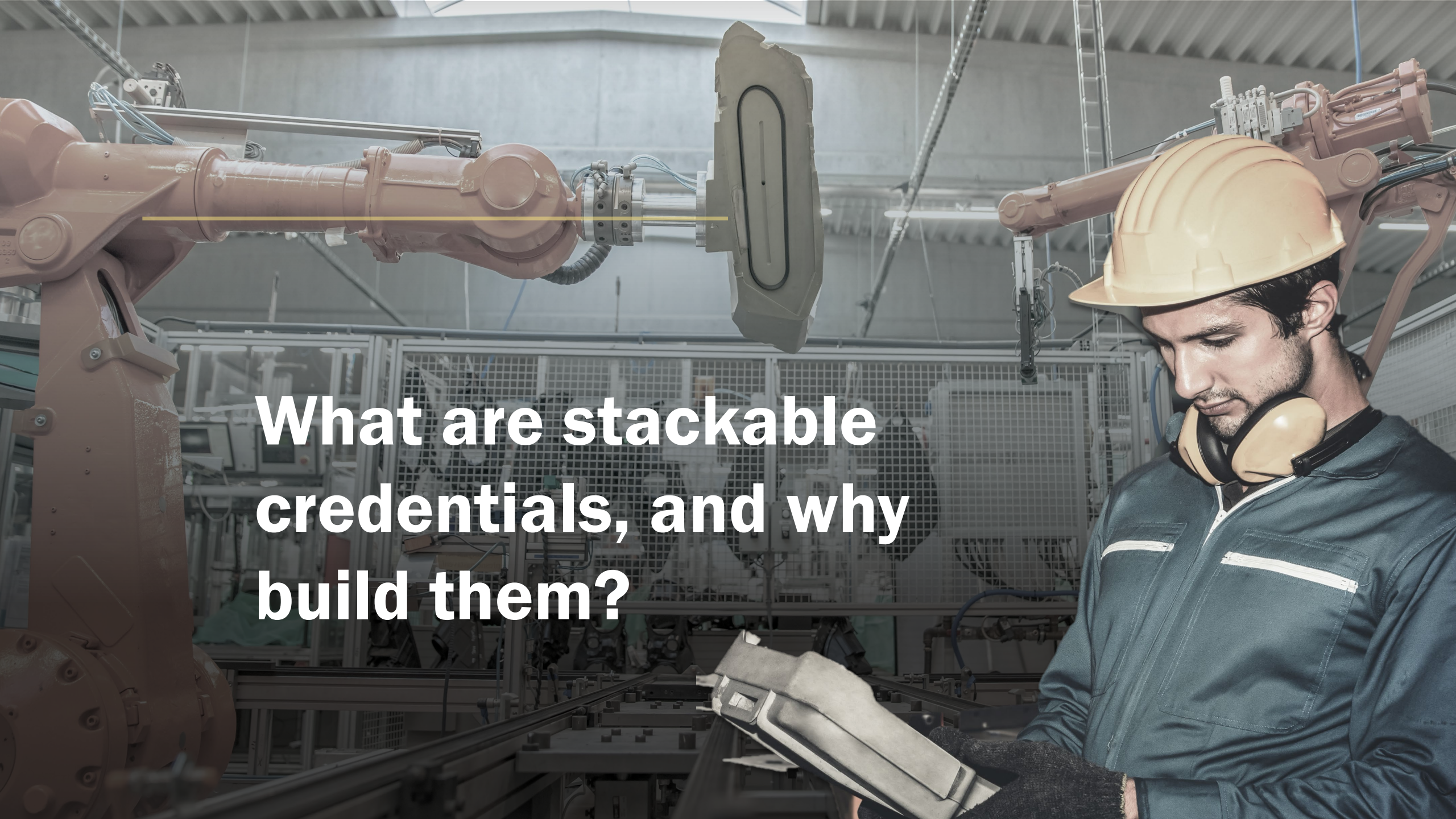
RAND EDUCATION AND LABOR

Building Stackable Credentials

What We've Learned So Far

Lindsay Daugherty



What are stackable credentials, and why build them?


Professions
Trades

Professions

Trades

Possible graduate school

4 years of college

High school


Professions
Possible graduate school
4 years of college
High school
Trades
Certifications & licenses
Work & on-the-job training
High school

The siloed system
was not working
for everyone

65%

of all jobs require some sort of postsecondary credential

Middle-Skill Jobs

These jobs often require different types of credentials

	DEFINITION	GRANTED BY	EXAMPLES
Professional certification	Third-party credential certifying knowledge or proficiency in a certain industry or profession	Professional organizations, educational institutions, private certificate-granting agencies	Cisco certification, American Welding Society certification
License	Credential required by law to enter an occupation	State agency	Vocational nursing license
Educational certificate	Credential for completion of less than 2 years of coursework typically geared toward occupational training	Colleges and training institutions	Computer systems networking, emergency medical tech
Associate and bachelor's degrees	Postsecondary credentials typically requiring 2–4 years of coursework across general education fields and a specialized field of study	Colleges	AAS in computer and info sciences, BAS in hospital administration

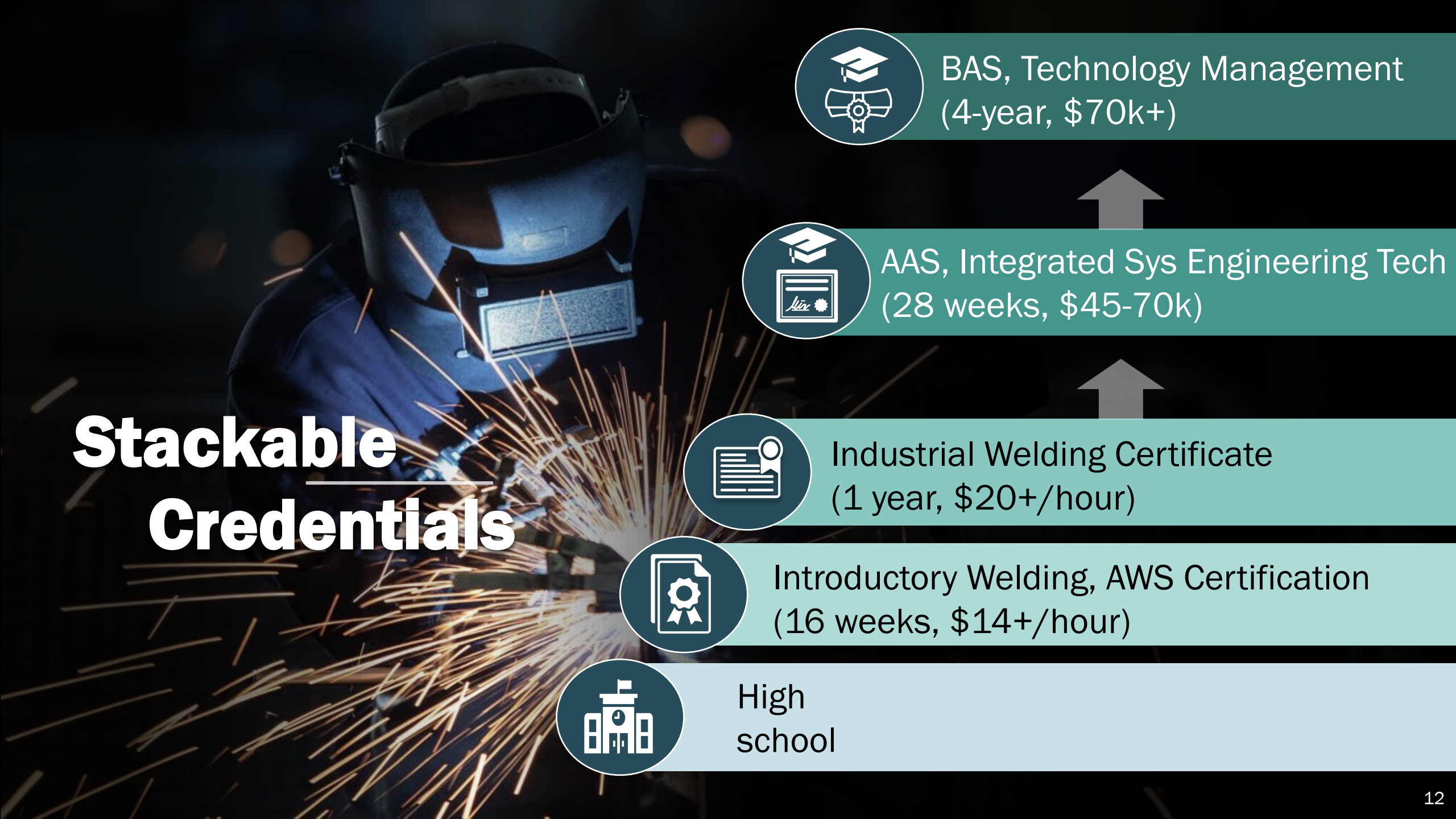
Stackable Credentials

A **sequence of credentials** that can be **accumulated over time** to build up an individual's qualifications **and help that individual move along a career pathway** to further education and different responsibilities, and potentially higher-paying jobs.

Education and Training Administration, 2010

Stackable Credentials

- Industrial Welding Certificate (1 year, $20+/hour)
- Introductory Welding, AWS Certification (16 weeks, $16+/hour)
- High school



Stackable Credentials

BAS, Technology Management
(4-year, $70k+)

AAS, Integrated Sys Engineering Tech
(28 weeks, $45-70k)

Industrial Welding Certificate
(1 year, $20+/hour)

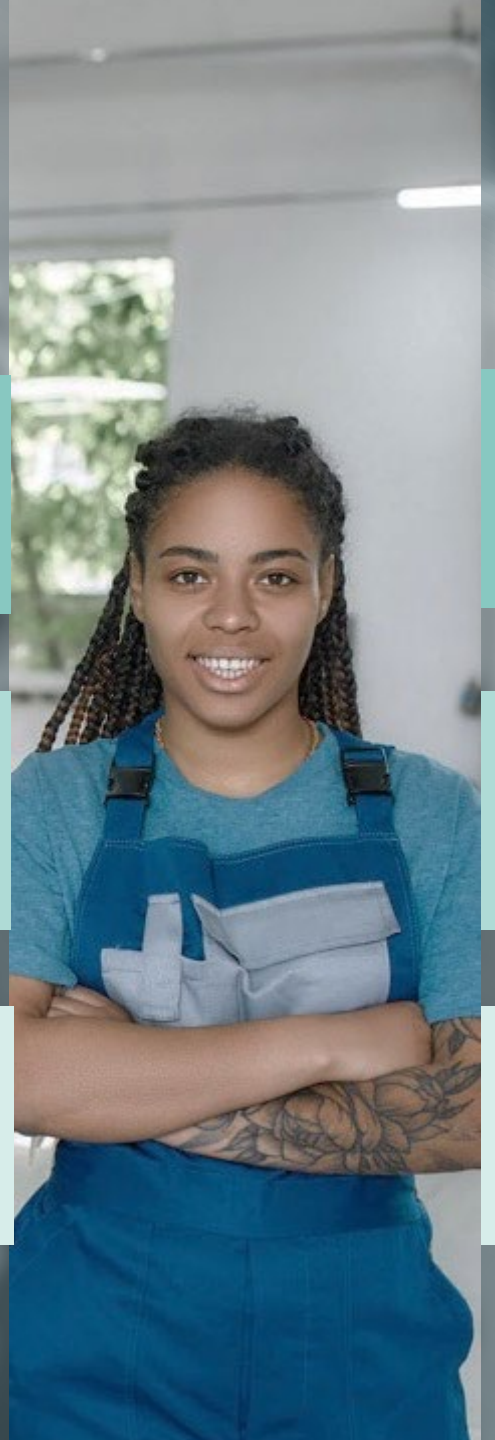
Introductory Welding, AWS Certification
(16 weeks, $14+/hour)

High school

Stackable credentials

can improve opportunities for individuals

- New onramps into postsecondary education
- More opportunities to build on education and training over time
- Can potentially streamline credentialing opportunities



Investments Made

- Employers incentivize credentialing through hiring
- Large investments in workforce training beginning with federal recovery efforts
- Addition of short-term credentials to state funding formulas for postsecondary education
- Financial aid funding to cover the costs of training for individuals
- Initiatives to build credentialing pathways

Photo: Ohio, USA by Mike Fox, via Unsplash

What have we learned about stacking credentials?

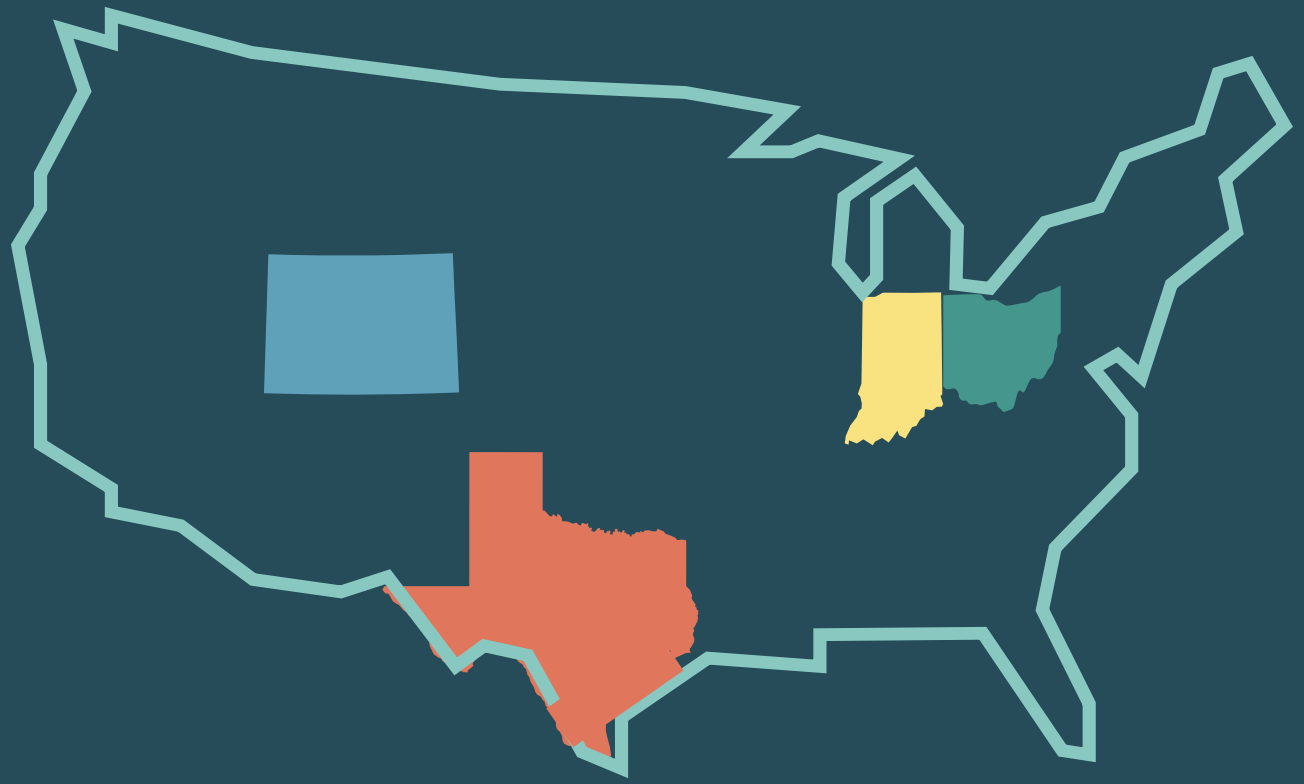
RAND has partnered with several states to build evidence on stackable credentials, earnings and related initiatives

Colorado

Policy levers, equity, financial aid, wraparound supports

Texas

Applied community college BAs, identifyi ng stackable programs, employer partnerships



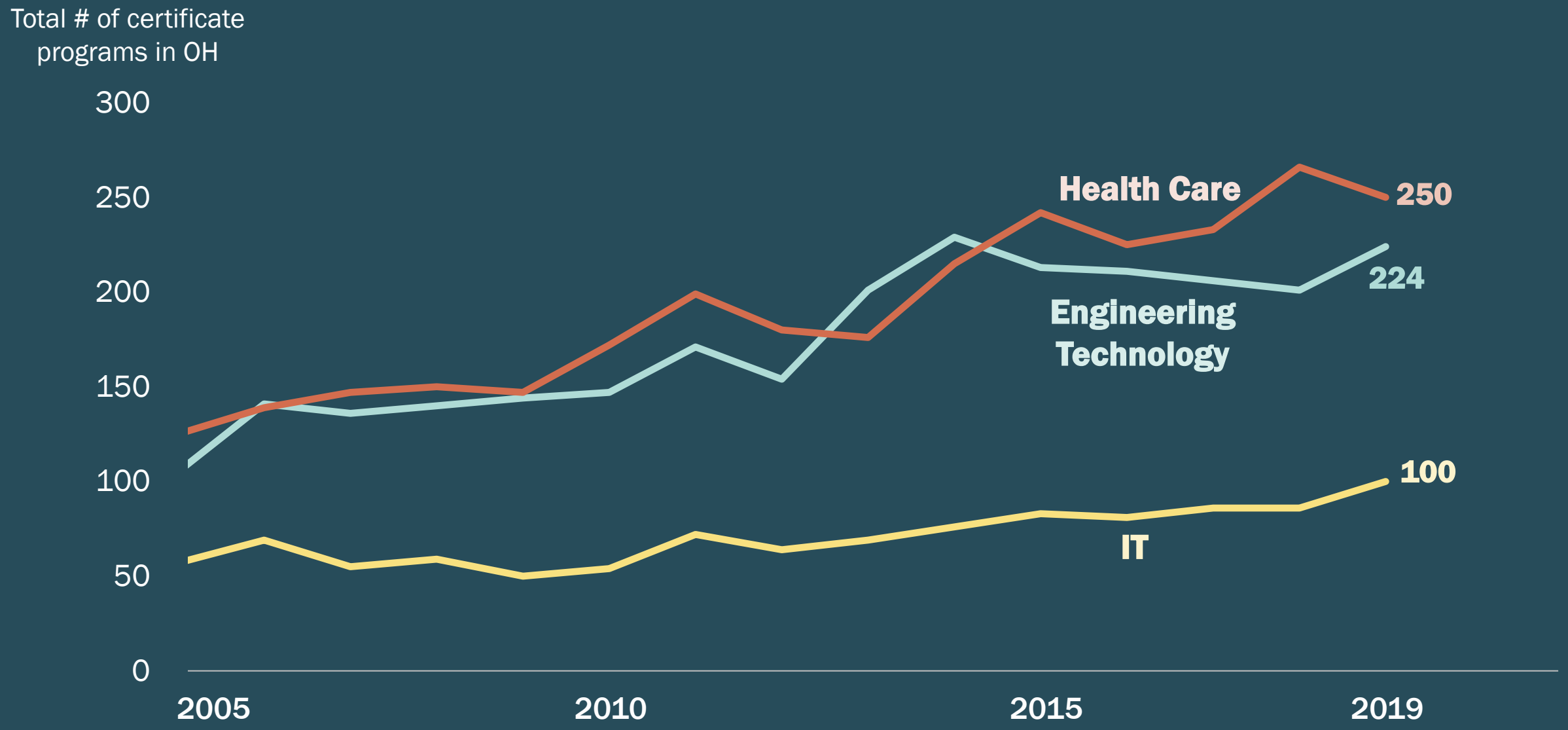
Indiana

Policy levers, noncredit training, financial aid, employer partnerships

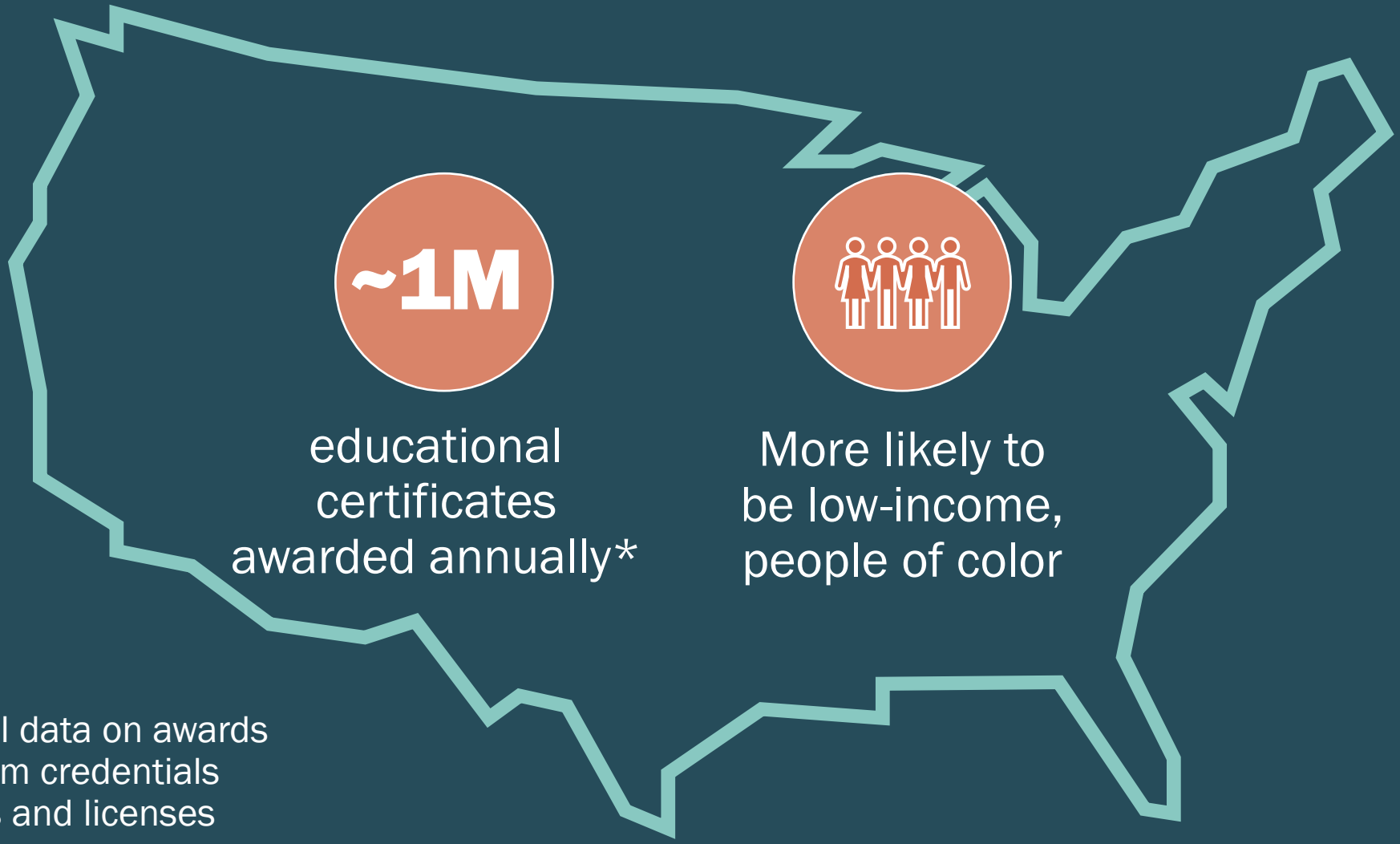
Ohio

Policy levers, equity credit for prior learning, adv. manufacturing, computer science/IT, employer partnerships,

We know that colleges are offering more short-term programs



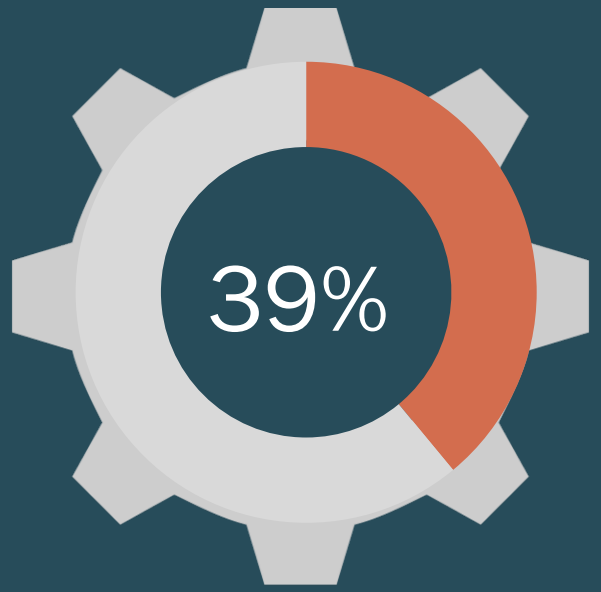
And we know many people in the U.S. earn short-term credentials



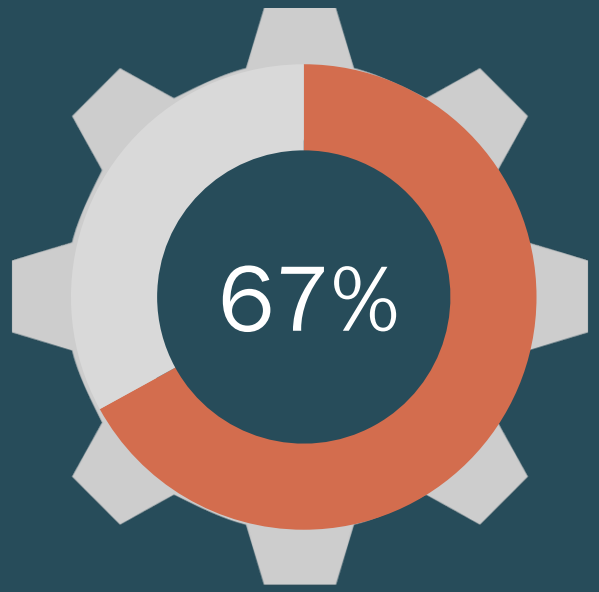
*Limited national data on awards of other short-term credentials like certifications and licenses

We know that short-term programs are increasingly being designed to be stackable

% of Ohio certificate programs with “stackable” features: Healthcare



Embedded in degree program

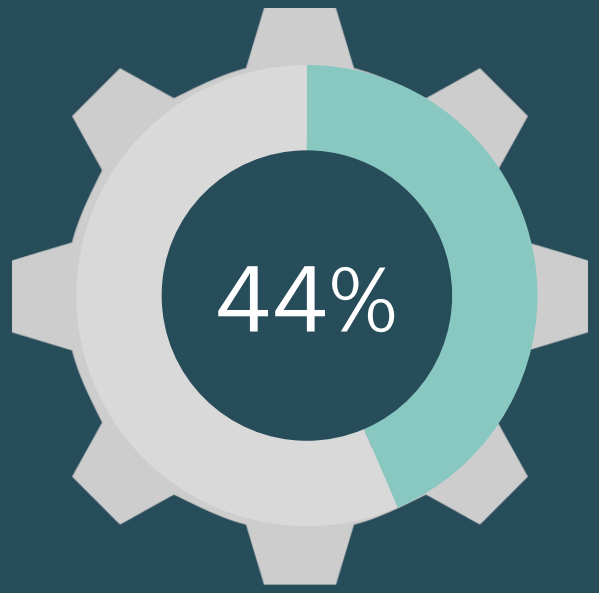


Aligned with industry certifications

And we know that many certificate-earners go on to stack credentials

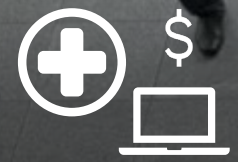
% of certificate-earners who went on to earn a 2nd credential in 4 years

Colorado



Ohio

We know that stacking credentials can increase earnings, but the returns to stacking vary



Wide variation in returns by field

<u>High returns</u>

Health care, engineering tech, info tech

<u>Low returns</u>

Family sciences, culinary arts

Photo: Commute by Timon Studler, via Unsplash

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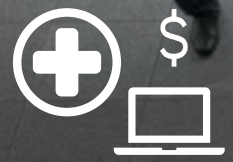

Wide variation in returns by field

Some concerns about equity

- Smaller returns for adult learners
- Smaller returns to fields that attract individuals of color
- Mixed findings by gender

Photo: Commute by Timon Studler, via Unsplash

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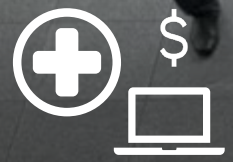


Wide variation in returns by field

Some concerns about equity

Longer credentials lead to higher returns

<u>High returns</u>

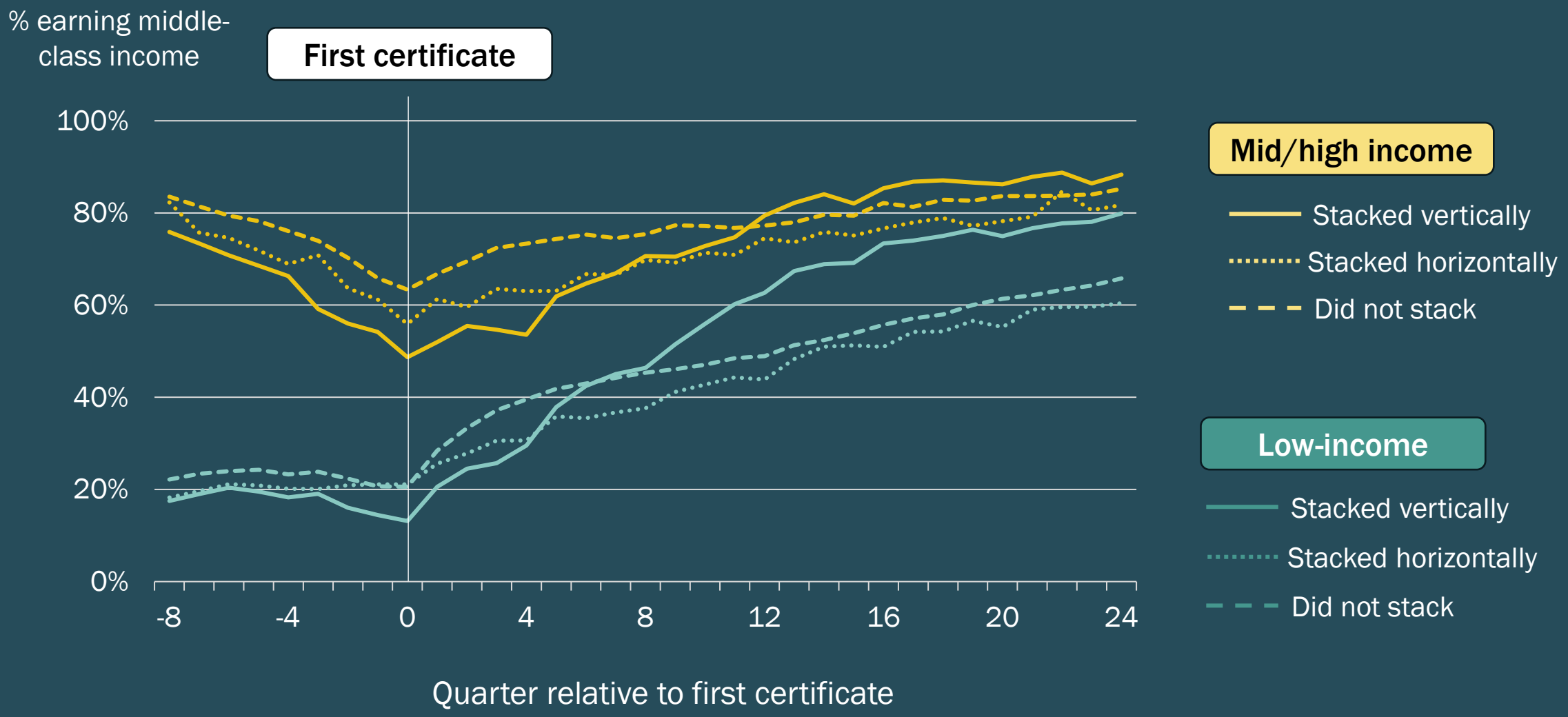
Stacking to degree, noncredit to credit

<u>Low returns</u>

Stacking certificates at the same level

Photo: Commute by Timon Studler, via Unsplash

And stacking credentials vertically helped to close earnings gaps in Colorado



What education and training providers can do

to build stackable credentials

- Build programs/credentials that offer value
- Embed short-term credentials in longer-term programs
- Collaborate with industry and learners to develop pathways between school and work
- Clearly communicate to learners about program options
- Provide comprehensive student supports

Photo: Ohio, USA by Mike Fox, via Unsplash

States can also take action

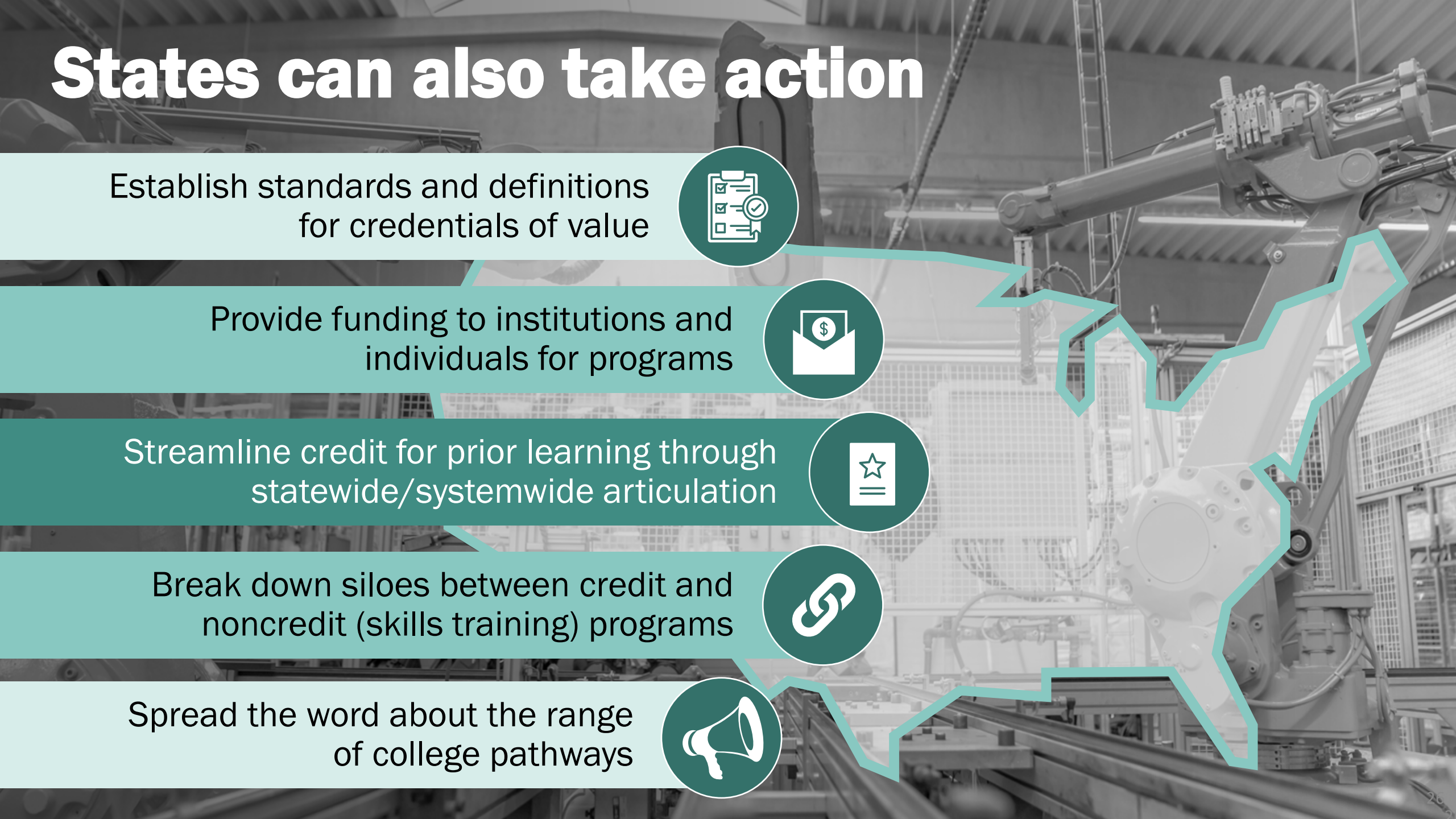
Establish standards and definitions for credentials of value

Provide funding to institutions and individuals for programs

Streamline credit for prior learning through statewide/systemwide articulation

Break down siloes between credit and noncredit (skills training) programs

Spread the word about the range of college pathways

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Thank you!
Research Brief on What States Can Do to Build Stackable Credentials
Research Brief on Ohio's Stackable Credential Pipelines