# Quality Credentials or a Needle in a Haystack: Which is Harder to Find?

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#### Introduction

When it comes to issues impacting our nation's economy and global competitiveness, workforce development rises to the top. Even as unemployment drops, our nation faces a skills mismatch. Despite 6.3 million job openings,<sup>1</sup> 6.7 million Americans remain unemployed.<sup>2</sup> And while various reasons can account for job openings companies grow and add new positions; workers retire or take new jobs—we know that many employers and industry sectors simply cannot find workers with the skills and competencies they need.

Credentials have become a hot topic and are frequently cited as the solution to the nation's workforce issues. From certificates and certifications to licenses, badges, and microcredentials, credentials have skyrocketed in number and variety in recent years. But simply increasing the number of credentials is not the answer. In fact, it creates even more confusion about whether a credential has quality and market value, or if it is a "ticket to nowhere."

Today, more than one-quarter of Americans hold a non-degree credential such as a certificate, certification, or occupational license,<sup>3</sup> and certificates have become the fastest-growing postsecondary credential awarded in the US over the past several decades, with more than one million awarded each year.<sup>4</sup> But too often, workers who hold credentials come to the job market without having gained the competencies as advertised. With less than ten percent of the more than 4,000 personnel certification bodies active in the US accredited by a third party, it is difficult for employers and job seekers to tell a quality, industry-recognized credential from a questionable one. The lack of third-party assessments has created a "buyer beware" environment.

To move the needle on workforce development issues, a focus on quality is paramount. Raising the quality of credentials will increase the effectiveness, efficiency, and performance of the labor market and improve the quality of the workforce.

## **CREDENTIALING SYSTEM IN THE UNITED STATES**



So, what do quality credentials look like? Quality credentials have credibility with industry, meet quality standards,<sup>5</sup> and have provided evidence that they are effective in the workplace.

#### Workcred

At Workcred, an American National Standards Institute (ANSI) affiliate formed in 2014, we are dedicated to working in partnership with industry, government, and the credentialing community to advance the quality of workforce credentials. Our mission is to strengthen workforce quality by improving the credentialing system, ensuring its ongoing relevance, and preparing employers, workers, educators, and governments to use it effectively. A labor market that relies on the relevance, quality, and value of workforce credentials for opportunities, growth, and development has been our guiding vision since Workcred's launch.

One major project leading progress toward this vision is our research with the

National Institute of Standards and Technology (NIST) Manufacturing Extension Partnership (MEP) examining the quality, market value, and effectiveness of manufacturing credentials.

The gross domestic product of US manufacturing has been on the rise and is forecast to keep growing,<sup>6</sup> yet the sector faces a skills mismatch that threatens manufacturers' growth and ability to keep pace with projected productivity. According to a joint study between Accenture and the Manufacturing Institute, an affiliate of the National Association of Manufacturers, more than seventy-five percent of US manufacturers report a moderate to severe shortage of skilled resources, and these skills shortages could lead to reduced earnings of up to eleven percent annually.<sup>7</sup>

For US manufacturing to close the skills gap and maintain its competitiveness, an understanding of how credentials are currently used and valued by the industry is essential. Our research found that, in general, credentials have uneven use in the manufacturing industry and are not routinely required or used as a major factor in hiring or promotion decisions, except in certain job roles (such as engineer or human resources) or when required by law or regulation.

Our findings suggest several reasons for credentials not being used, including a lack of awareness of manufacturing-related credentials, preference for on-the-job training, and a belief that experience is a more valuable predictor of performance. In general, although there were some exceptions, employers could not quantify whether credentials provided added value in terms of reduced cost or reduced training time for people possessing credentials. Furthermore, many employers do not appear to understand how the credentials that they are aware of might be relevant to their workplace.

Detailed in Workcred's final research report, which is expected to be published by mid-2018, are recommendations to improve understanding about the content, use, and value of credentials; to expand the use of quality standards; and to strengthen the relationships between employers, education and training providers, and credentialing bodies. Based on our findings, we also detail an important need to add employability skills components to credentials; create credentials that focus on performance rather than knowledge alone; and expand apprenticeships. Once published, the report will be available on both www.workcred. org and www.nist.gov/mep and we hope vou will read and share it. While focused on US manufacturing, there are important implications for other industries and stakeholders as well.

Another extremely exciting project has Workcred partnering with the Center for Employment Opportunities (CEO) and Jobs for the Future on a US Department of Labor grant to support CEO's Economic Opportunity Project, helping young adults recently released from incarceration to gain skills and work experience needed for a successful transition to a stable, productive life. As part of Workcred's technical assistance, we are developing a goal-focused individual work plan intended to strengthen the young adults' engagement in the program, improve their employment outcomes, and encourage rapid attachment to the workforce. Workcred will also identify credentials that can be easily obtained within a short timeframe, and will evaluate these credentials for potential inclusion in career pathways programs to ensure that the credentials meet criteria for quality, validity, and market value. We will also provide guidance about how to more effectively build and expand partnerships with employers.

Recently, Workcred worked with a national standard setting and regulatory organization to determine whether professionals who obtain specific credentials should be considered qualified. Based on our recommendations, the national organization is now working with credentialing organizations to establish a recertification program that will ensure that individuals maintain their competency after obtaining a credential. Workcred has also advised states such as Kansas and Nevada on building industry credential recognition programs, and we are currently working with other states to explore ways we can help them reach their workforce goals.

In terms of other recent accomplishments, Workcred could not be prouder to see the creation of Credential Engine, a new non-profit organization to house the Credential Registry. Credential Engine grew out of the Lumina Foundation-funded Credential Transparency Initiative, in which Workcred partnered with George Washington University's Institute of Public Policy and Southern Illinois University to design, develop, and pilot a Credential Registry, common credentialing language, and prototype software application. The registry provides comparable information on all types of credentials to help align credentials with the needs of students, job seekers, workers, and employers. The registry and software app, Credential Finder, are now open to the public.8 Workcred continues to work closely with Credential Engine and is planning to build an app that will allow users to understand the quality of credentials posted to the registry.

#### On the Horizon

Work-based learning is increasingly recognized as an effective way to build a more valuable and productive workforce. It can speed workers to greater productivity, build essential employability skills, and facilitate two-way, often intergenerational learning that encourages questioning, dialogue, and respect. There is also growing evidence that the stronger the connection between education and work experiences, the better the employment and earnings outcomes. But like credentials, work-based learning initiatives should be founded on quality or they will not serve the market well. Workcred is currently exploring research and activities that will improve the quality, market value, and effectiveness of work-based learning initiatives.

At Workcred, we are also concerned about issues related to continued competence, or recertification. Quality certifications are time-limited and require renewal in order to maintain the certification. In a climate of lifelong learning where technology and knowledge change at a rapid rate, recertification is as important as the initial certification process. And yet, we are seeing a lack of focus on recertification as a means of continued competence. A growing number of states have passed or are considering legislation regarding physician practices that would not require recertification as a condition for licensure for physicians and physician specialty occupations.9 As alarming as this sounds, the fact is there is very little research about what factors contribute to individuals remaining competent in their profession. Workcred has created a task force to investigate issues surrounding recertification and continued competence and to develop a research study around "facilitating continued competence in the professions."

When it comes to workforce credentials, standing up for quality is critical if we are going to create real opportunities for growth and development. We invite you to join Workcred in this pursuit; if your organization is interested in teaming up on research or collaborative activities, or can benefit from Workcred's expertise, contact us at info@workcred.org. To learn more, please visit www.workcred.org.

#### About the Author

Dr. Roy Swift is the executive director of Workcred, an affiliate of the American National Standards Institute (ANSI). Previously, he served as ANSI's chief workforce development officer and senior director of personnel credentialing accreditation, where he built ANSI's internationally recognized personnel credentialing accreditation programs. Prior to ANSI, he was a consultant (Continued on page 10)

#### (Continued from page 9)

to educational, certification, licensure, and health care organizations. From 1993 to 1998, he was executive director of the National Board for Certification in Occupational Therapy (NBCOT). This appointment followed a twenty-eight year career in the US Army Medical Department where in his last position, he was chief of the Army Medical Specialist Corps in the Army Surgeon General's Office with policy responsibility for Army occupational therapists, physical therapists, dietitians, and physician assistants throughout the world.



He has served on many national committees, non-profit Boards of Directors, and Federal and state government advisory committees. Dr. Swift chaired an international working group within the International Accreditation Forum to recognize personnel certifications among member countries through the development of multilateral recognition arrangements. He has been active on working groups related to personnel credentialing in the International Organizational for Standardization in Geneva.

Dr. Swift holds a BS in occupational therapy from the University of Kansas, an M.S. Ed. from the University of Southern California, and a Ph.D. in continuing and vocational education with an emphasis in continuing competency in the professions from the University of Wisconsin-Madison. He has also successfully completed the University of Chicago's three-week management development course.

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- 4 Georgetown University Center on Education and the Workforce, "CER-TIFICATES: Gateway to Gainful Employment and College Degrees," 2012, https://1gyhoq479ufd3yna29x7ubjnwpengine.netdna-ssl.com/wp-content/ uploads/2014/11/Certificates.FullReport .061812.pdf
- 5 Nationally- and internationally- accepted standards exist to ensure the quality of certificate and certification programs. ANSI/ASTM E2659, Standard Practice for Certificate Programs, and ANSI/ISO/ IEC: 17024:2012, Conformity assessment - General requirements for bodies operating certification of persons, set the bar for certificate and certification programs, respectively.
- 6 Trading Economics. "United States GDP From Manufacturing - Forecast." Tradingeconomics.com. https://tradingeconomics. com/united-states/gdp-from-manufacturing/ forecast (accessed March 14, 2018).
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- 8 Visit www.credentialengine.org for more information.
- 9 Policy and Medicine. "Anti-MOC Laws Picking Up Steam Across the United States." Policymed.com. http://www. policymed.com/2017/06/anti-moc-lawspicking-up-steam-across-the-united-states. html (accessed March 15, 2018).

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