

Prioritizing Credentials of Value

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What are credentials?

Licenses provide holders with legal authorization to work in specific occupations.

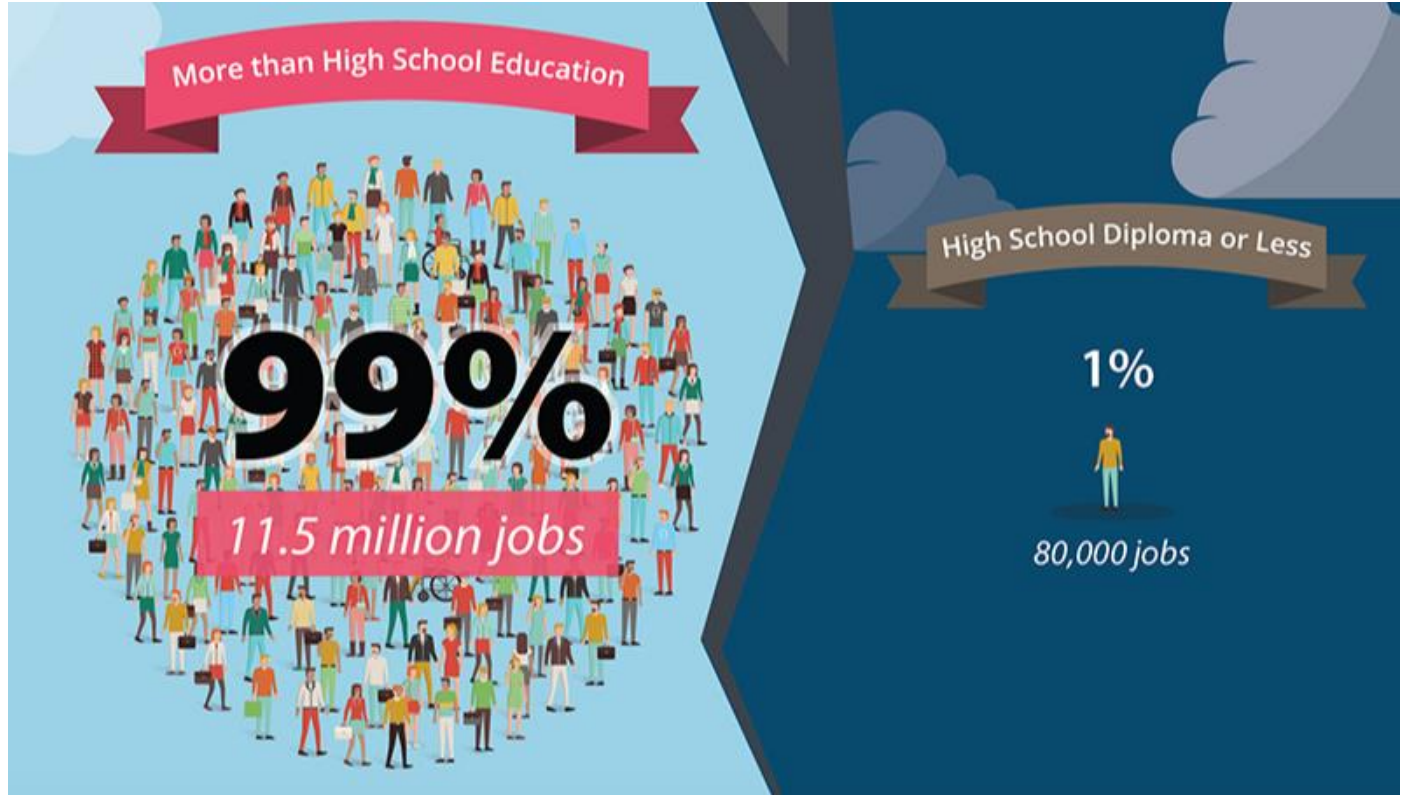
Industry recognized credentials are issued by a professional or industry organization to validate knowledge and skills relevant to a job or occupation.

Certificates issued by postsecondary institutions signify completion of a course of study typically shorter than a degree.



The economy has changed...

Nearly all jobs created in the recovery after the Great Recession required some postsecondary education or training

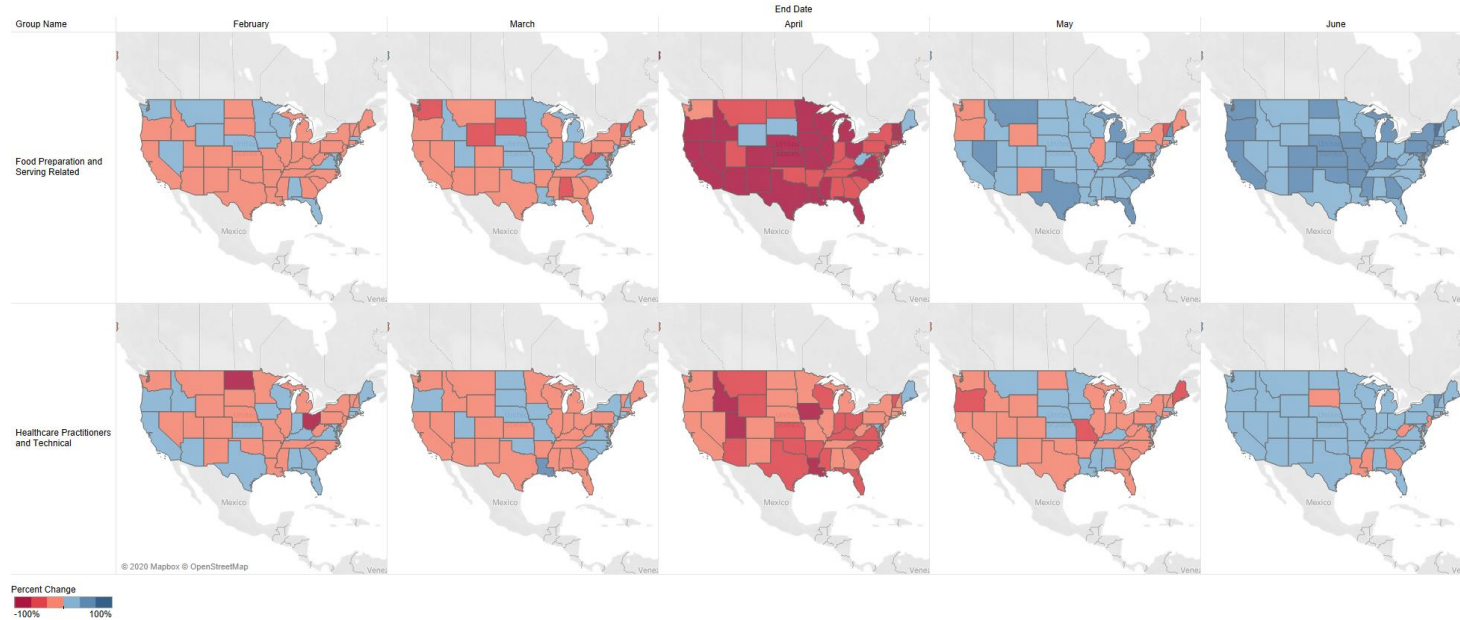


...and continues to change rapidly

Labor markets are shifting rapidly, and the pace of recovery differs across industries, states, and regions.

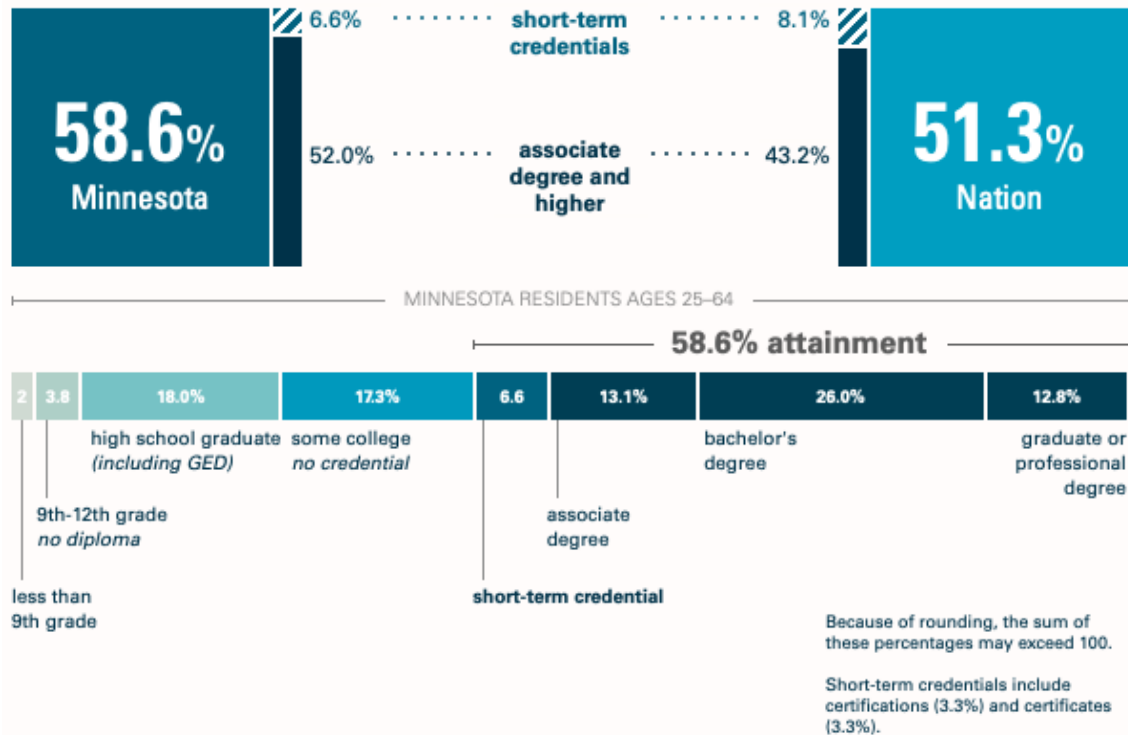
Month to Month Percent Change by Occupation and State

States in blue saw positive change in occupation job postings from the previous month end, while states in red saw decline in job postings over the previous month.

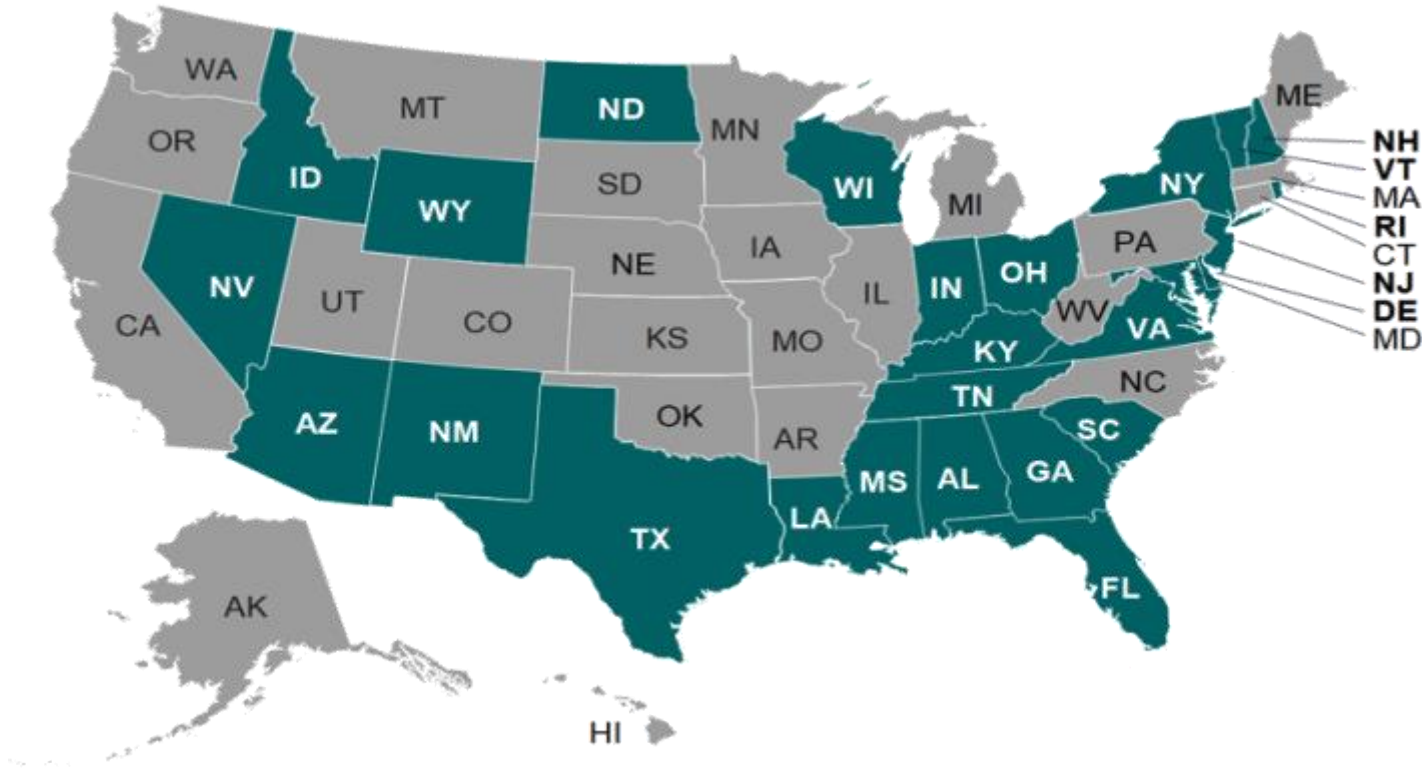


States are setting goals to increase credential attainment

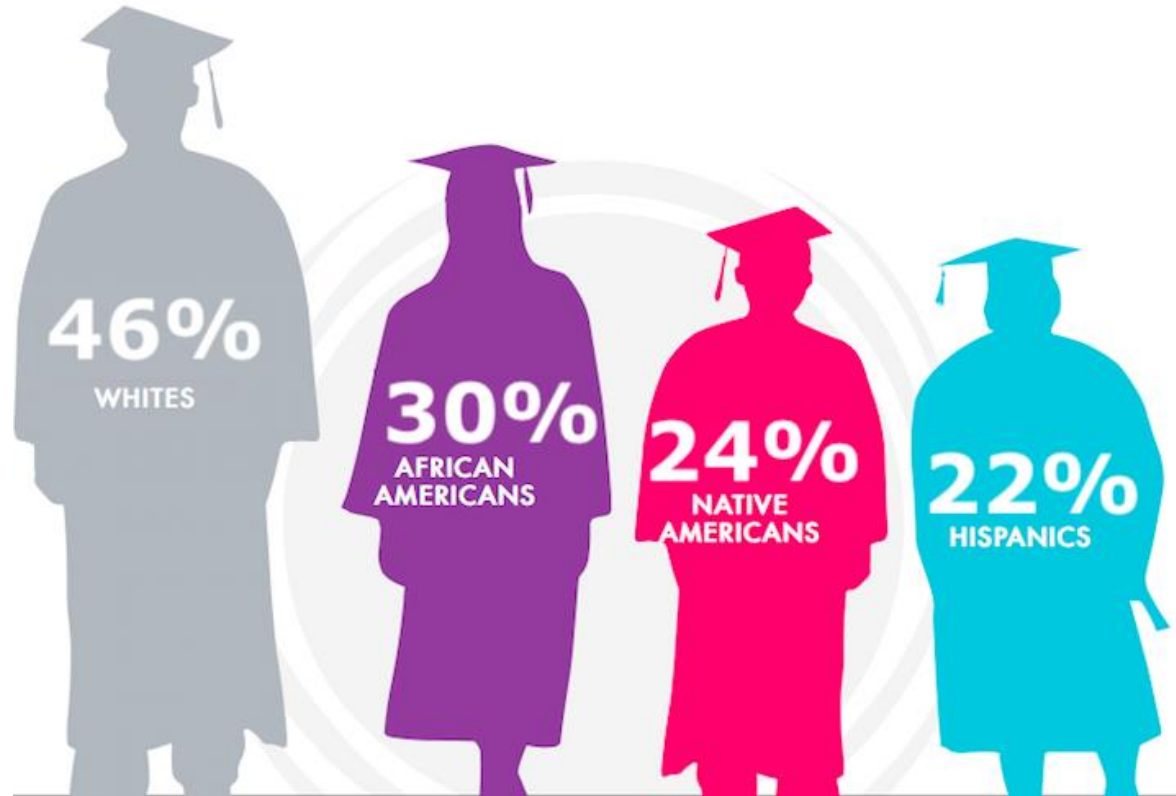
Minnesota has one of the highest attainment goals in the nation at **70%**




And they're including IRCs in High School Accountability



Significant attainment equity gaps remain





Across sectors, we have a shared belief that high-value credentials:

- Represent acquired knowledge & skills needed in the labor market**
- Lead to jobs that are plentiful and pay a family-sustaining wage**

The credentials we signal matter.

The credentials that we...

- ✓ build into our accountability systems
 - ✓ count toward attainment goals
 - ✓ embed in career pathways and guided pathways
 - ✓ and make available through ETPL providers
- signal to learners what has value.**

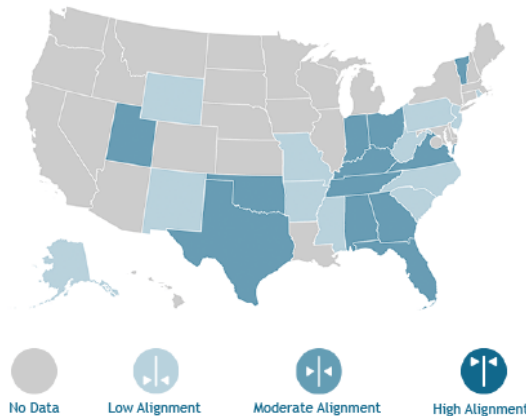
Alignment is essential



Alignment is essential

FINDING: No state is highly aligned in terms of supply for credentials earned by high school students and the demand for those credentials in the job market.

Only 19% of the credentials earned by K-12 students are demanded by employers in the United States.



Oversupply of credentials not demanded in the labor market is the most significant source of misalignment.

Of the top 15 credentials earned, 10 are entirely oversupplied, meaning in every state with data more students are earning them than there is demand for them.

Of the nine Licenses being earned by students in K-12, only four have any demand in occupations that command a living wage.



SOURCE: ExcelinEd and Burning Glass Technologies, *Credentials Matter Report 1: A National Landscape of High School Student Credential Attainment Compared to Workforce Demand*, May 2019

Alignment is essential

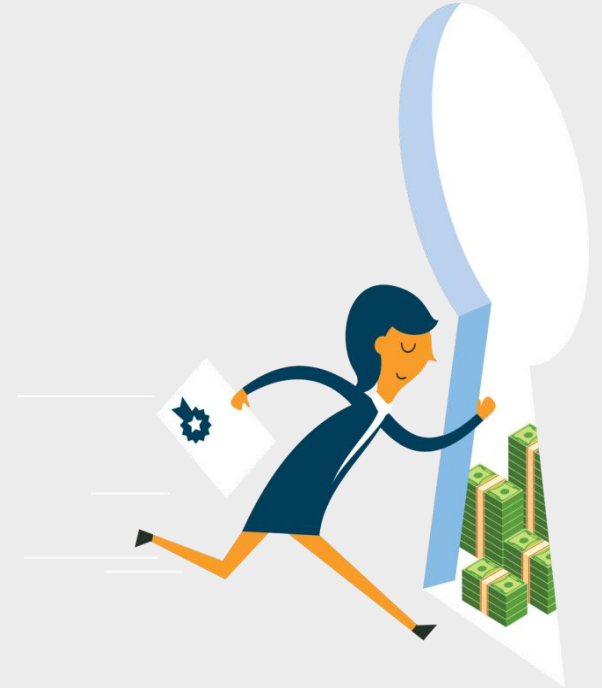
Credentials
Employers
Want



Credentials
Students
Earn

Alignment requires cross-sector collaboration

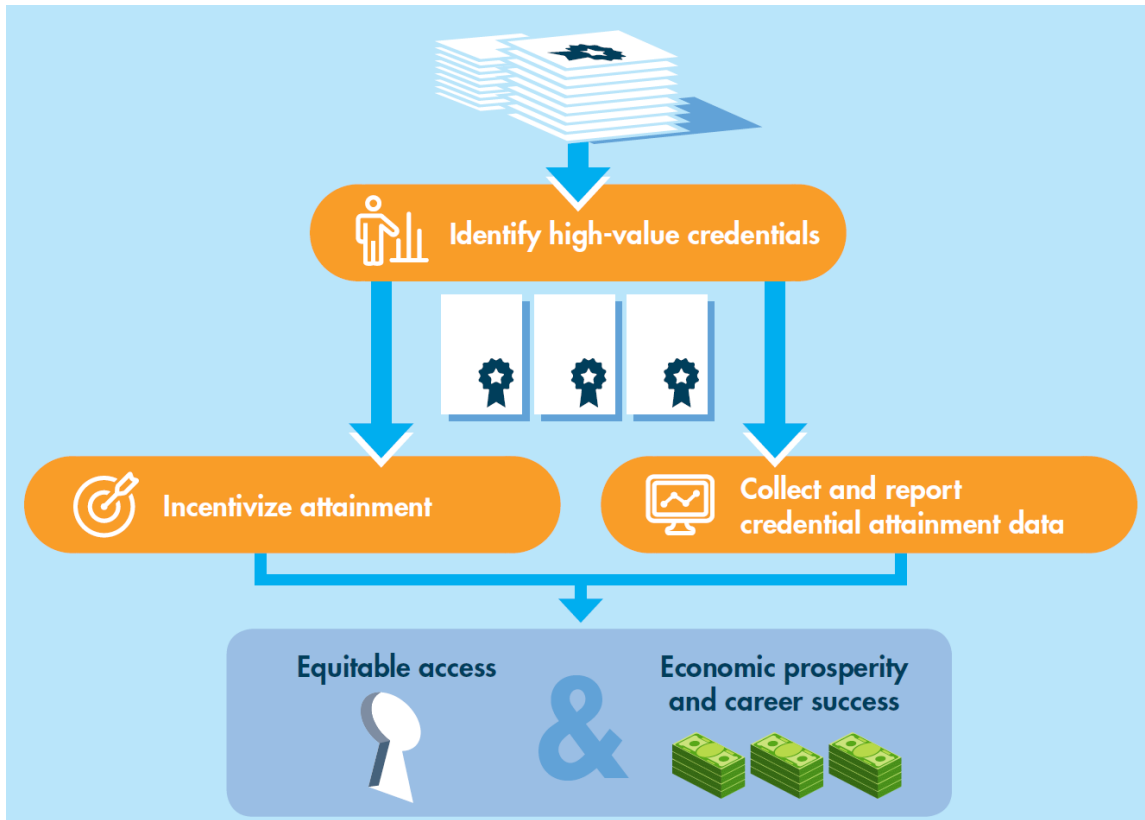
- **Strengthens alignment between education and workforce**
- **Provides “truth in advertising” that specific credentials are in-demand in the labor market**
- **Enables data-driven conversations about equity**
- **Improves return on investment for both students and education systems**
- **Prevents “gaming” of the accountability system**



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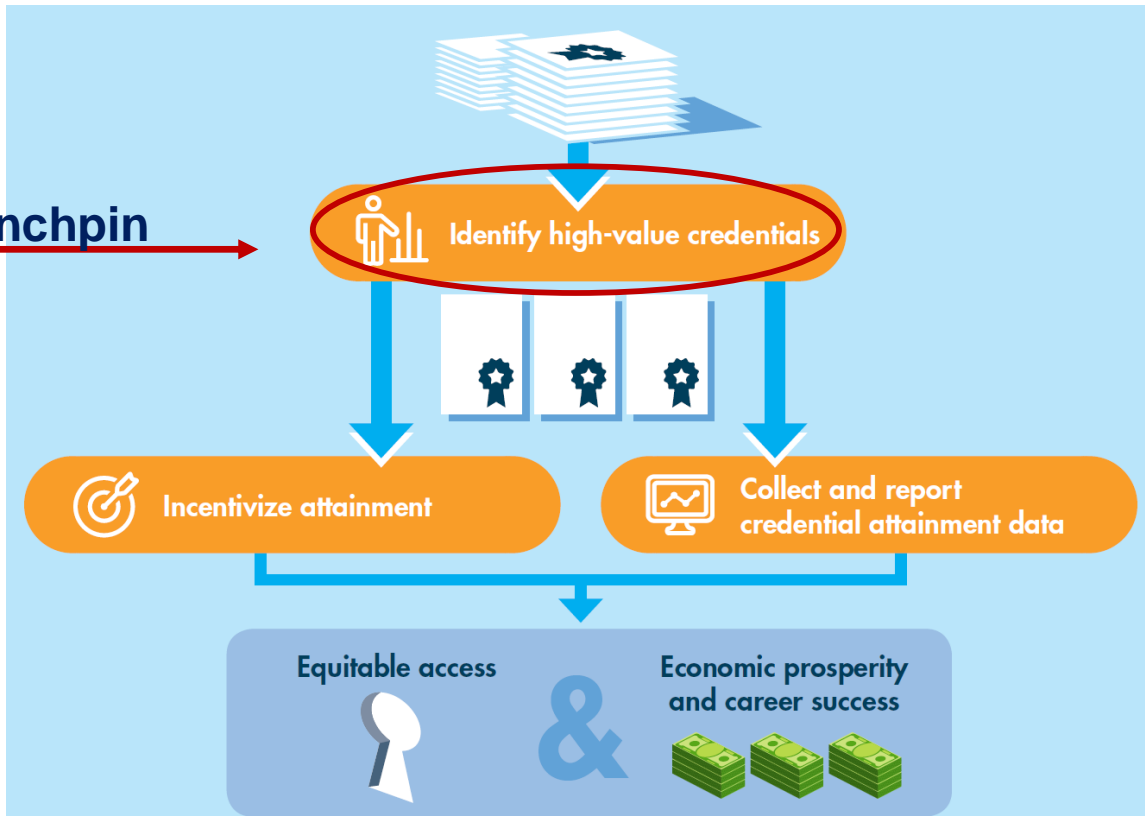


Theory of action

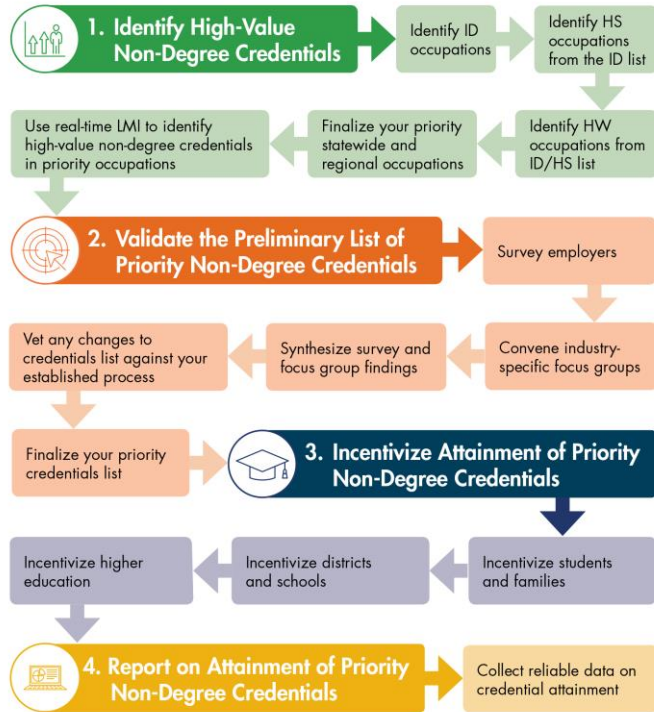


Theory of action

This is the **Lynchpin** →



Building Credential Currency Toolkit

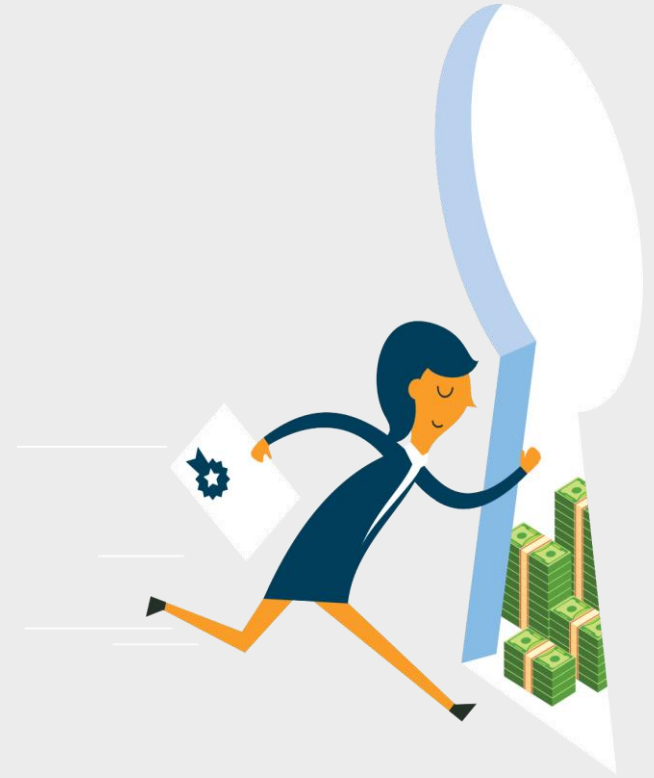


Building Credential Currency offers cross-sector teams a suite of resources to **identify**, **validate**, **incentivize**, and **report on** their state's priority non-degree credentials.



Validate your
results with
employers

Develop incentives and supports to increase attainment



State actions to value credentials

Identifying Credentials of Value

- **Washington** is evaluating credentials and occupations regionally, understanding that family sustaining wages vary greatly across the state.
- **Hawaii** is executing deep labor market analysis to identify both priority occupations and their associated credentials and validating those results with employers. They are also developing one-page summaries for every credential that show aligned occupations, wages, and information about how and where the credentials can be earned.

Incentivizing Credentials of Value

- **Florida** has a long-standing and robust set of incentives, including financial payments to teachers for each student who obtains an approved IRC. This year, Florida re-evaluated their approved credentials to increase the rigor and alignment of credentials on the list.
- **Ohio** has a host of initiatives aimed at increasing IRC attainment, including funding for districts to start new IRC programs, emphasis in the K12 accountability model, and an employer reimbursement plan for tech-related certificates and credentials.

Alignment to State Goals

- **North Carolina** is intentionally aligning their credentials of value work to their attainment goal, identifying a range of high value credentials that should be included in their goal, and leveraging the broad statewide coalition (MyFutureNC) focused on meeting the goal.

Discussion



- How has MN prioritized a diverse array of credentials aligned to the labor market?
- What other state examples resonated with you?
- How can K-12 and higher education work together to strengthen definitions, incentives and/or reporting on credentials?