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UPCEA Convening on The Future of Credentials: Post-Event Executive Summary

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UPCEA
Leaders in Professional, Continuing and Online Education

A Convening of Leaders at a Formative Moment in the Field's Evolution

On November 16, 2017, UPCEA (the University Professional and Continuing Education Association) hosted a special invitation-only convening of leaders in higher education at One Dupont Circle in Washington, D.C. focused on "The Future of Credentials." The nearly 50 attendees represented a variety of stakeholders from across the credentialing ecosystem, including college and university leaders; executives from educational technology firms, foundations, and employers; and non-profit organizations as well as government. These leaders contributed special expertise and perspective that spanned both the current practice and future potential of innovative and alternative credentials. The day's discussions included panels, presentations, and small roundtable working group sessions.

The goals of the event were to:

- Create a working understanding of the current status of alternative credentials among interested parties, including those from higher education and from business
- Identify key issues to be addressed regarding alternative credentials in order to expand their use and acceptance
- Determine if there is a particular role for UPCEA with regard to alternative credentials and if so, what the next steps should be

As a result of the event, this document briefly summarizes the key themes and takeaways – establishing trends and the state of the field and current practice, as well as opportunities for future action.

Background: Growing Demand, Interest, and Innovation in Credentials

Providing educational programs that result in academic credentials—such as degrees and certificates—is the core mission of colleges and universities, and is central to their business models. Educational credentials play a unique and highly significant role in the job market and society by documenting the achievement of learning and in qualifying individuals for jobs.

In recent years, however, issues such as the rising cost of higher education and the need for wider access to traditional credential programs have led to a boom in interest in "alternative" credentials such as certificates and badges, as well as new and innovative models for delivering traditional credentials—for example, through online learning and competency-based education. The need for credentialing innovation has been amplified by a thriving job market and the recognition by policymakers, institutions, and many others that working adult and non-traditional students represent a pivotal demographic that is not always well-served by the traditional milestones of degrees.

As more colleges and universities have developed dedicated online education strategies, the role of credentialing and the opportunity for new types of credential offerings has become a key topic for many presidents, provosts, deans, and college and university boards. The interest in this topic has been further amplified by growing demand among learners for these new credential offerings. This demand is fueled by the pace of change and the shorter half-life of skills in a technology-driven job market that values industry-aligned outcomes and curriculum; the catalytic efforts of major philanthropic foundations focused on postsecondary education; and the direction of national education policy—which has encouraged alternatives to traditional college degrees in Congress and under both President Obama and President Trump.

For more than a century, UPCEA members—the units that lead professional, continuing, and more recently online education within some of the world's best colleges and universities—have been the national and global leaders in innovative credential delivery and aligning with workforce imperatives to meet the needs of adult and part-time learners. In a 2016 survey, UPCEA and Pearson Education found that 13% of higher education UPCEA-member institutions were offering microcredentialing programs, and 18% were involved in digital badging.

An even larger share of institutions is entrepreneurially offering various types of for-credit and non-credit certificates as alternatives to the degree. Based on more recent regional polling of UPCEA members in 2017, 24% currently offer alternative credentials. Perhaps more significantly, 68% indicate that their institution is more interested in alternative credentials than they were just three years ago. Notably, some of the highest profile and largest-scale initiatives in credential innovation are led by UPCEA members—from the MOOC-based degrees offered at Georgia Tech to NYU School of Professional Studies' diplomas, and the "University Learning Store" collaboration between the University of Wisconsin-Extension, the University of Washington, Georgia Tech, and the extension divisions of three University of California campuses (UCLA, Irvine, and Davis).

Long-form educational programs and credentials such as degrees are increasingly becoming "unbundled" from their larger constructs and ported into a targeted and more "micro" form, to address perceptions of a "skills gap" and a pressing need for skills and talent in the job market. Additionally, a growing number of employers and well-capitalized companies and start-up businesses are providing their own unaccredited credentials. As a result, the future of credentials poses existential questions—and opportunities for growth and leadership—for the professional, continuing, and online education field.

Key Themes and Conclusions from the Convening

Growing Interest in Credential Innovation and Leadership by Professional, Continuing, and Online Education

College and university leaders attending the convening confirmed the growing demand for alternative credential and microcredential offerings in the marketplace, based on growing enrollments, as well as employer and outside interest in new credential offerings. In addition, academic leaders reported increased attention and interest in credential innovation on their campuses coming from faculty and senior institutional leaders. In this way, the work of professional and continuing education (PCE) leaders is increasingly in the spotlight.

There is increasingly a recognition on campuses and in the broader economy that "lifelong learning" – the very domain and mission of PCE – is the new economic and social reality. New types of credentials as well as new ways to earn traditional credentials will therefore be essential to higher education access, economic competitiveness, and individual prosperity. For example, 85% of students in American higher education are adult and nontraditional learners, according to U.S. Department of Education data. And, more than 50% of the 23 million job openings in the U.S. during 2017 sought a bachelor's degree or higher, based on BurningGlass Technologies data. Further, the millennial generation is participating in post-baccalaureate education at an accelerating rate: 9% have earned a

graduate-level degree by age 30, more than double the 4.5% attainment rate just 25 years ago in the mid-1990s.

The growing demand for lifelong learning presents a significant opportunity for UPCEA and its members. It is also worth recognizing and underscoring—as evidenced by the efforts of the academic leaders in attendance at the event, not to mention others—that UPCEA members are the clear leaders in pioneering and scaling new credential constructs.

A Focus on Skills and Competencies Drives the Need for Traditional Higher Education Processes to Adapt

Another important recognition is that the innovation in credentialing intersects a great deal with the related high-profile trends of competency-based education (CBE), prior learning assessment (PLA), and online learning—each areas where UPCEA members are the leaders both within their institutions and within the marketplace. Increasingly, the dialogues, initiatives, and strategies related to these areas will converge with the growing interest in credential innovation. Insofar as credentials are the core product of higher education institutions, this momentum is bringing work that was once the focus only of PCE units—often working on the margins—closer to the very center of the university. Thus, it is important that the array of efforts related to these themes (and the related policymaking, institutional planning, and investment) take place in a more unified way. Online education, CBE, PLA, and credentialing innovation share a common entrepreneurial DNA: leading to innovation in program design and educational delivery, and an orientation toward meeting the needs of the marketplace.

From the discussion it is also clear that innovation in credentialing will place new pressures on traditional university processes and policies, given that alternative credentials and their delivery demands are testing some of higher education's most enduring constructs. Thus, institutions will need to be increasingly prepared to address issues and make adaptations related to programmatic strategy; credential program design and approval processes; governance and time-to-market; the role of the PCE unit and outside partners and vendors; employer/industry orientation; and the timely refreshing and validation of curriculum. As has been documented in the media and other forums, the growth of innovative credentials offered by non-institutional and commercial providers presents a competitive threat to traditional college and university programs. However, the market's growth also presents clear opportunity—as UPCEA members are demonstrating through their innovation and advocacy.

Framing New Types of Credentials: The Importance of Semantics, Standards, and Transparency: A New Infrastructure for a Well-Functioning Market

Another important theme emerging from the discussion is the criticality of establishing clear standards, consistent semantics, and a new technology and policy infrastructure for documenting credentials—given the nascent state of the alternative credentials market and the general explosion of experimentation and innovation in this area. Employers' and students' experience with and understanding of alternative credentials is still very new—and programs have a wide range of goals, lengths, and outcomes associated with them. Many UPCEA members are at the forefront of exploring and addressing these issues.

Ensuring transparency is a key goal—associating clear, documented outcomes to new credentials, and clearly communicating the scope and interrelationship between credentials to both learners and employers.

In addition, discussion focused on the fact that many new credential constructs and terminologies are proliferating—for example, various forms, levels, and ways to refer to certificates; new types of digital badges and diplomas; and trademarked terms like "nanodegree" and "micromasters." Given the pioneering nature of these naming conventions and terms—and the significant variation in the scope and outcomes of these credentials—an attention to semantics and establishing some standards and definitions was acknowledged as critical. It is also worth noting that in a landscape where "alternative" credentials are booming, colleges and universities must for themselves and for their constituents better describe the relationship, similarities, and differences between alternative credentials and traditional credentials such as degrees.

Another related and very significant development is that the traditional boundaries related to academic credit (i.e., what is "for-credit," "non-credit" or transcripted) are rapidly blurring. For example, many new credentialing initiatives beneficially allow for the stacking of non-credit education into for-credit degree programs. In addition, many colleges and universities are increasingly partnering with outside firms (e.g. MOOC providers and coding bootcamps) to articulate industry-based learning into for-credit academic certificates and degrees. These dynamics are fundamentally reshaping the traditional notions and protocols associated with assessing transcript-worthy credit; the role of the university registrar; and accreditation standards as well as general institutional policies and practices. As a result, PCE leaders should ensure that other leaders on their campuses are aware of and responsive to these developments – as well as continuing to advocate for thoughtful approaches to credentialing innovation with outside regulators, accreditation bodies, etc.

The need for scaffolding and technology interfaces that link institutions' credentials with employers—and allow for greater transparency, comparison, and verification—is also foundationally important. The launch of Credential Engine and its Credential Registry (an effort supported by the Lumina Foundation) is seen as a key development and an important

area of work to support. Similarly, the IMS Global Learning Consortium is maintaining and continuing to advance the Open Badges technology specification for digital badging. In addition, a host of companies—ranging from Pearson Acclaim to Credly, Degreed, Parchment, and many others—are partnering with institutions and employers to facilitate the documentation, sharing, and verification of digital credentials. It will be important for interested parties to monitor and shape how these technologies and standards undergirding the new world of credentialing develop. With much of the innovation in credentialing playing out digitally, data standards and data exchange are crucial—especially as employers move toward data-driven talent analytics in hiring.

Responding to and Proactively Shaping the Policy and Regulatory Landscape to Enable Growth and Ensure Quality

The innovative credential programs already in existence have been able to launch and scale against the backdrop of a traditional accreditation, regulation, and quality assurance system that is more focused on institutions and degrees than specific programs or micro-level outcomes. The existing policy and regulatory landscape is in the process of catching up to innovations in credentialing—and it is important that regulators and quality assurance leaders create thoughtful frameworks that encourage quality and support innovation, while filtering out bad actors. Policies and regulations also need to recognize the long-established—but now accelerating—trend toward symbiotic partnerships and service relationships between accredited higher education institutions and commercial firms and non-institutional providers of education.

Convening participants noted that many of the most visible and successful new credential approaches are developing in the non-credit space—entirely independent of the existing Title IV financial aid system that is the purview of the federal government. However, recent policy developments, under both the current and previous presidential administrations and Congress, are pointing explicitly in the direction of encouraging and supporting credentialing innovation and alternatives to traditional degrees. Examples include the U.S. Department of Education's EQUIP (Educational Quality Through Innovation Partnerships) experimental sites initiative; the extension of financial benefits to non-institutional providers in the recently passed GI Bill; and current discussions in Congress related to the reauthorization of the Higher Education Act / the PROSPER Act. With so much attention being devoted to alternatives to traditional higher education and degrees—even as professionally oriented and online degree programs are thriving—policymakers need to be educated about the complexities of the credentialing ecosystem and the ways that traditional, accredited higher education still has resonant value in the marketplace.

It was also discussed that any policy agenda will require more intentional coordination across the state and federal levels, given the intersection with various workforce and training initiatives and funding streams, and the regulatory triad (state licensure, accreditation, and federal financial aid) that undergirds traditional higher education.

Addressing Equity, Opportunity, and Access Gaps Through New Credentialing Approaches and New Approaches to Assessing and Sourcing Talent

Executives participating in the convening underscored that the trends in credentialing innovation both surface challenges and introduce major opportunities with respect to equity, opportunity, and access—and that this is a topic of paramount importance. For example, many of the promising innovative new approaches to credentialing launched by universities serve a post-bachelor's audience (e.g. master's degrees). It has been reported that approximately 80% of participants in MOOCs and coding bootcamps already hold a bachelor's degree.

Yet, even as more individuals are pursuing credentials beyond the bachelor's degree, it is important that credentialing innovation also address the critical population of tens of millions of adults who do not have a bachelor's degree or postsecondary credential. Today's system highly favors degrees: either one has a degree or not (even with 3½ years of college). Legitimate, employer-recognized alternative or non-degree credentials provide an opportunity for new and more equitable pathways to jobs. In addition, the growing focus on the "stackability" of credentials—with each course, program, and credential articulating into a related or more advanced credential—is a significant opportunity to increase economic opportunity.

Another pattern of note is the "new collar" movement (a term coined by IBM) in which many employers are beginning initiatives to move beyond a reliance on degrees in hiring and encourage the uptake of alternative credentials. The U.S. Chamber of Commerce Foundation's "Talent Pipeline Management" initiative is another push in this direction, aiming to assist businesses in refining their hiring practices.

In addition to continuing to advocate for adult and nontraditional learners and championing new approaches that create access for disadvantaged populations, UPCEA and its members could play a role in validating alternative talent initiatives; documenting the competencies related to credentials; and linking their formal academic programs and pathways to alternative credentials and specific jobs and employer partners.

Engaging Employers in Shaping the Development of a High Value Credential Market

The trend toward new forms of credentialing and alternative credentials is intimately connected to the needs and demands of the job market—the need for technology-related education; the changing pace of business; and a perceived "skills gap" among employers. In many cases, innovative credential programs have been developed and designed in concert with employers, or with employers as endorses or validators of skills and curriculum. As alluded to earlier, this situation aligns the development of alternative credentialing approaches with the need for more industry-aligned, competency-oriented education. There is a significant opportunity for higher education institutions and employers to develop a shared mapping of skills and competencies. It is also important to acknowledge the varying needs and resources of small- and mid-sized businesses in this work. Additionally, it is noted that although there is clearly high demand for credentials related to technology skills (e.g. coding and analytics), demand is also growing and many examples exist of new credentials in "soft skills" or foundational areas, such as communication, working in teams, and the liberal arts.

The convening recognized the need for greater engagement with the employer community—and indeed the event structure was organized to facilitate this. It was also acknowledged that continued and deeper conversation and new channels for collaboration and communication between the education community and employers must be pursued and supported—with UPCEA increasingly playing a role as a conduit to the business community and a convener across sectors.

It was also emphasized that as pedagogical experts and leaders in quality, colleges and universities and their PCE units may have a special role to play not only in awarding credentials—but also in assisting employers with the validation of on-the-job learning and developing a more research-based understanding of professional skills and competencies.

Additionally, it is especially important in this formative moment for educational institutions to monitor how employers are responding to and valuing the new types of credentials that learners are earning and bringing into the workforce.

An Agenda for Action: Next Steps

Informed by experts and leaders from across many domains, the convening succeeded in creating a deeper understanding of the current state of the field and the future of credentials.

Shaped by the convening and further reflection, a clear set of potential next steps emerged in terms of the leadership role that UPCEA and its member institutions can uniquely play with respect to shaping the future of credentials:

- Continue to provide thought leadership: with such a deep heritage related to these issues, UPCEA has a special role to play when it comes to creating the nexus for credentialing developments. These themes will continue to be integrated into conferences, special events or convenings, and UPCEA's programmatic strands.

- Continue to engage in research, benchmarking, and the collection of data on how the field is developing and the approaches that are working. With the alternative credential market still so nascent, foundational data and research is critical to understanding and shaping its development.

- Further support existing initiatives and standards development (e.g., Lumina's Credential Engine).

- Develop UPCEA-led frameworks of excellence that would assist member institutions in designing and offering alternative credentials—developing models, pilot initiatives, and identifying best practices.

- Consider playing a leadership role in outcome-focused quality assurance for new credentials—by coordinating across institutions, partners, employers, accreditors, and others in ways that are driven by assessment and focused on establishing trust and transparency.

- Provide leadership on public policy advocacy for issues related to alternative credentials, and partner with other organizations in the National Adult Learner Coalition that UPCEA coordinates, and other stakeholder bodies.

- Serve as a channel and platform for engaging industry on credential and competency validation efforts through employer and association partners.

In the months ahead, UPCEA looks forward to engaging its members and the broader community in service of these directions.

Appendix

Event Participants

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About UPCEA

UPCEA is the association for professional, continuing, and online education. Founded in 1915, UPCEA now serves most of the leading public and private colleges and universities in North America. With innovative conferences and specialty seminars, research and benchmarking information, professional networking opportunities and timely publications, we support our members' service of contemporary learners and commitment to quality online education and student success. Based in Washington, D.C., UPCEA builds greater awareness of the vital link between adult learners and public policy issues. Visit upcea.edu.