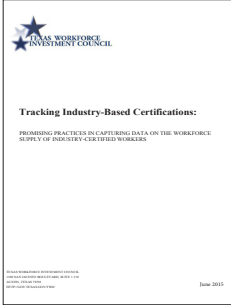


# Tracking Industry-Based Certifications:

*Promising Practices in Capturing Data on the Workforce Supply of Industry-Certified Workers*



The Texas Workforce Investment Council recently prepared a report that examines and highlights national promising practices for tracking relevant information on industry-based certifications. As a critical component of the workforce environment, industry-based certifications are identified as a key area of focus in the new Texas workforce strategic plan.

Research on industry-based certifications has generally been limited within the overall framework of postsecondary credentials. Yet, anecdotally, many industries have been emphasizing industry-based certifications as an important credential, as indicated by industry efforts to promote industry-based certification education and training. A lack of data, information, and precise definitions impedes stakeholder understanding of the role that industry-based certifications play as an important postsecondary credential. The report provides insight and clarity on several postsecondary credentials. Several case studies are presented to illustrate efforts to improve industry-based certification information and tracking.

## Making the Distinction between Postsecondary Credentials

Within postsecondary credentials, the distinction between traditional two- and four-year degrees and all other awards is relatively clear. However, awards other than traditional degrees are less precisely defined or differentiated, which has created some confusion and misunderstanding among students, educators, industry employers, and state policy makers. Three of the more commonly awarded postsecondary credentials—certificates, licenses, and certifications—are commonly incorrectly combined or used interchangeably. Clarifying these terms is critical before any postsecondary credentials may be properly researched.

### A Definition of Industry-Based Certifications

The report defines an industry-based certification as the outcome of a voluntary process, through which an individual is assessed by an independent, third-party certifying entity using predetermined standards for knowledge, skills, and competencies, resulting in a time-limited award that is nationally recognized and (usually) applicable to a specific occupation. Moreover, industry-based certifications often have expiration dates, requiring individuals to participate in continuing education or reexamination in order to keep the certification current. This characterization of industry-based certifications has been accepted and endorsed by national entities, such as the National Association of Manufacturers and the American Association of Community Colleges.

As a subset of industry-based certifications, licenses are also important credentials for the workforce system. Generally awarded by a government entity, usually at the state level, a license is regulated and signifies the achievement of certain standards. Licenses are generally obtained through examination and are required for certain professions.

## Postsecondary Terms

### Credential

A credential is the umbrella term used to describe any traditional or other postsecondary award earned by an individual.

### Bachelor's degree (or higher)

A bachelor's degree usually requires four years or more of study and is awarded by a university. Awards higher than a bachelor's require more time and training, depending on the degree. The Bureau of Labor Statistics (BLS) distinguishes between higher levels of education in this category.

### Associate's degree

An associate's degree generally requires two years of education and is awarded by a community college, technical college, or similar. The BLS classification indicates that an associate's degree generally does not require more than four years of study beyond high school.

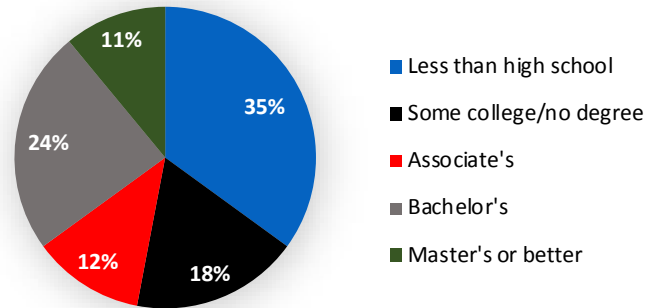
### Certificate

Certificates are awarded by educational institutions or training programs associated with specific programs of study. Certificates are created and assessed directly by the program provider and awarded at the end of a course after a learner has demonstrated competency through program-administered exams. Obtaining a certificate generally signifies the end of the instructional program.

## Middle-Skill Credentials

By 2020, about 65 percent of jobs in the United States will require some form of postsecondary education or training (right). Middle-skill jobs are those that require education and training beyond high school, but less than a four-year degree. In the new workforce system strategic plan, middle-skill occupations—specifically those that utilize industry-based certifications—are critical to the Texas workforce and have cross-partner implications.

Estimated Education Requirements for U.S. Jobs in 2020



## Industry-Based Certification Benefits

Industry-based certifications provide an optimal solution for employers' and workers' need to validate skills, namely by providing portability, uniformity, and applicability. Industry-based certifications document skills acquisition, thereby allowing individuals greater portability to move between cities, regions, and states. These awards are geographically transferable since industry required skill and knowledge are standardized. Since industry-based certifications are based on uniform national industry standards and evaluated by third-party certifiers, employers can immediately identify skills and qualifications without having to decipher the value of varying college transcripts. In many instances, industry-based certifications offer a greater degree of occupation-specific applicability, because they are up-to-date on current industry standards and job requirements.

## Tracking Industry-Based Certifications in Texas

Workers that possess industry-based certifications are becoming premium talent in many industries where firms are seeking qualified talent. In an effort to support industry-based certifications in the state, a recent initiative from the Texas Workforce Commission (TWC) was developed to address the state's need for qualified workers to fill available jobs. As such, one of the primary recommendations is to increase certification attainment to support demand occupations. Local workforce development boards were identified as key stakeholders due to their perspective and knowledge of local workforce demands. The initiative uses federal workforce funds to focus on specific industries, occupations, and types of certifications.

Numerous agencies in Texas already report on a myriad of performance outcomes, such as various secondary school statistics, traditional postsecondary degrees, and other federally required information. Actions such as the TWC initiative and the objectives in the new Texas workforce system strategic plan serve to emphasize and bolster industry-based certification attainment in Texas. However, despite substantial progress, Texas—like other states—still lacks a systematic method to collect, analyze, and report data on industry-based certifications.

## Industry-Based Certification Case Studies

### Virginia

In Virginia, dual credit participation for high school students emphasizes industry-based certifications. By integrating industry-based certifications into the general curriculum, Virginia has been able to track and analyze data on attainment.

### Maryland

Maryland combined disparate data systems to address middle-skill job shortages. The initiative has resulted in an annual accountability report that details and tracks various outcomes on state policy priorities.

### Illinois

By collaborating with industry representatives, Illinois created an industry-based certification sharing program to improve statewide data collection, matching, and integration. The program successfully merged information on industry-based certification exam participation rates, passage rates, and individual data records.

### Florida

Florida improved industry-based certification attainment and addressed local industry demands by increasing industry-based certification activity from high school through postsecondary education. Current state efforts bolster existing secondary and postsecondary industry-based certification programs by adding complementary academic and career courses, third-party assessment entities, and an enhanced ability to track and record individuals that earn certifications.