

Understanding Short-term Credentials

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October 9, 2021

This work was made possible due to generous funding from the Ascendium Education Group, with additional support from SREE, Dr. Di Xu, and Dr. Angela Boatman.

EXECUTIVE SUMMARY

Rapid advances in technology have changed workforce needs. Indeed, to remain competitive in the labor market, U.S. workers are expected to regularly improve their professional skills and competencies. While obtaining a bachelor's degree remains the most secure option for stable employment and a middle-class income, there is growing attention on alternative, short-term educational pathways including credit-bearing certificates, work-based training, bootcamps, massive open online courses (MOOCs), and competency-based education programs (Brown & Kurzweil, 2017; Carnevale et al., 2020; NCRN, 2019). Some states, such as Ohio and Virginia, have engaged in widescale efforts toward increasing credential attainment (Daughtery et al., 2020; Kazis et al., 2021).

The current study focused on enrollment and outcomes for students in *short-term credit-bearing certificate* programs, defined for this study as academic programs lasting less than one year of full-time academic study and requiring fewer than 30 credits. The number of students awarded short-term certificates increased 50% from 342,589 in 2002-03 to 512,799 in 2019-20 (U.S. Department of Education, IPEDS 2002-03 to 2019-20). Compared to students in bachelor's degree programs, students enrolled in credit-bearing certificates are more likely to be the first in their families to attend college, to have lower incomes, and to be students of color (Carnevale et al., 2012; Carnevale et al., 2020).

The evidence concerning the labor market value of short-term certificates is mixed, but there is clear evidence that short-term credentials hold less labor market value than associate degrees (Bahr, 2016; Bohn et al., 2019; Dadgar & Trimble, 2015; Grubb, 1997; Ositelu, 2021; Xu & Trimble, 2016). The labor market benefit of short-term certificates depends on many factors, including gender, race/ethnicity, field of study, and the occupation where the student secures employment upon earning their credential (e.g., Bahr et al., 2015; Bohn et al., 2019; Ositelu, 2021). Importantly, women and racial/ethnic minorities disproportionately complete certificates in fields with lower economic gains in the labor market (Carnevale et al., 2012; Ositelu, 2021). Accordingly, researchers have cautioned policymakers from viewing short-term credentials as a "magic bullet" for addressing longstanding inequities in educational attainment and subsequent labor market outcomes in the United States (Belfield & Bailey, 2017a; Carnevale et al., 2012; Dadgar & Trimble, 2015).

Despite these cautions, short-term credentials have pushed higher education leaders and policymakers to think innovatively and expand their vision concerning what "counts" as a quality education. More research is needed to understand how short-term certificates and other credentials might serve as an onramp toward a higher credential.