

Education & Life Skills Issue: Career Ready Credentials/Post-Secondary Credentials

Issue: By 2020, 46% of jobs in Montgomery County will require a degree, while about 34% of adults have a degree (see map on reverse). Considering all credentials, 63% of jobs will require at least a post-high school credential. Educational attainment is measured by the Census in the regular degree fields of high school diploma, associate’s degree, bachelor’s degree, etc., and research shows that “education pays.” More recently, attention has been called to other educational credentials that have labor market value. However, only one major government survey has information on certificate holdings, the US Census Bureau’s Survey of Income and Program Participation and it found that 75% of adults have no alternative credential and those with degrees are more likely to have additional credentials (see table).

“The prevalence of alternative credentials varies across demographic groups. Although men and women hold alternative credentials at similar rates, there are significant differences by race and ethnicity. Non-Hispanic Whites are more likely than other groups to hold professional certifications, licenses, and educational certificates, and Hispanics are least likely. For example, 24 percent of non-Hispanic Whites hold professional certifications or licenses, compared with 13 percent of Hispanics. Although Asians and Blacks hold alternative credentials at similar rates, both groups are less likely than Whites to hold professional certifications and licenses, and Blacks are less likely than Whites to hold educational certificates.”¹

Why it Matters: Given that many people start college but don’t earn a degree, certificates are attainable and they also “pay,” as is shown in the table below (e.g., monthly earnings for those with less than a high school education are \$1,920 with no other credential and \$2,419 with a professional certification or license). Two out of every three workers who have a certificate and a college degree earned the certificate first, an indication that certificates can serve as a stepping stone on the way to a college degree.² Certificates almost always take less than two years to complete, and more than half take less than one year.

Percentage of U.S. Adults with Alternative Credentials by Education Level (< Bachelor’s Degree) for the Population Aged 18 and Older, 2012

Education Level	No Alternative Credential		Professional Certification, License ¹		Educational Certificate ²	
	Percent	Median Monthly Earnings	Percent	Median Monthly Earnings	Percent	Median Monthly Earnings
Total	75.2		21.6		8.9	
Less than high school	93.6	1,920	5.5	2,419	1.7	3,291 (big standard error)
High school Diploma	83.1	2,500	13.9	3,053	6.4	2,917
Some College	76.5	2,947	19.3	3,333	10.2	3,333
Associate’s degree	63.8	3,240	30.2	3,810	17.1	3,200

¹**Certification** is a credential awarded by a certification body based on an individual demonstrating through an exam that he or she has acquired the designated knowledge, skills, and abilities to perform a specific job. A **License** is a credential awarded by a licensing agency based on predetermined criteria.

²Educational certificate is a credential awarded by a training provider or educational institution based on completion of all requirements for a program of study.

Source: U.S. Census Bureau, *Measuring Alternative Educational Credentials, 2012*

Evidence Based Practice and Where I can Learn More:

<https://cew.georgetown.edu/wp-content/uploads/2014/11/Certificates.ExecutiveSummary.071712.pdf>

<https://www.workforce3one.org/view/2001401035927249660/info>

<http://www.clasp.org/issues/postsecondary/pages/credentials>

<http://www.cael.org/pdfs/taaccct-webinar>

<http://www.jff.org/initiatives/credentials-work>

¹ U.S. Census Bureau, *Measuring Alternative Educational Credentials, 2012*

² Georgetown University Center on Education and the Workforce, *Certificates: Gateway to Gainful Employment and College Degrees, 2012.*

