



Navigating the Maze of Short-Term Credentials to Boost Young Adult Talent

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The number of industry, career, and postsecondary credentials promising to help jobseekers build their skills and validate their abilities with prospective employers has grown exponentially over the past five years. While this represents an unprecedented opportunity for young people seeking economic advancement, the sheer volume of options combined with the complexity of the credential landscape is creating confusion for young adults. It's also causing myriad challenges for community organizations trying to help them navigate this complex terrain.

This brief provides an overview of the burgeoning credential marketplace for young adult talent developers—the community-based, entrepreneurial organizations that work with young people ages 16 to 24, many of whom are seeking a faster and less costly route into the labor market. It is critical that these organizations can effectively navigate the credentials available today. (*See box, “What Young Adults and Young Adult Talent Developers Want to Know.”*)

These organizations play an important role in helping young people select high-quality, achievable, and affordable short-term credentials that local employers value. Understanding how to navigate the credential landscape can help them more effectively support young people in accessing the labor market and in developing new training approaches.

This brief also highlights the many states and national organizations, including JFF, that are taking steps to increase transparency about short-term credentials and ultimately create a more rational, coherent, and user-friendly credential marketplace. As the credential landscape continues to evolve, the need to strengthen alignment between training providers and the local labor market—and better catalog, evaluate, and publish objective information about available options—will [only grow](#).

What Young Adults and Young Adult Talent Developers Want to Know

This brief answers questions raised by members of [JFF's Young Adult Talent Development Network](#), which represents more than 35 national and local organizations involved in young adult talent development and employer engagement. They asked the following questions:

- Where can we learn more about credential options?
- How important are credentials to employers?
- How do jobseekers and job-preparation programs vet and select credentials?
- How can we connect young people to the right credential programs?
- How can we help training providers more effectively deliver credentials to young people, removing any barriers that might stand in their way?

The Challenges of Today's Credential Landscape

As education and training programs have expanded beyond traditional educational institutions, it has become difficult to navigate the postsecondary education and training marketplace of providers—public, private, in-person, online, nonprofit, and for-profit—and credential options. The lack of data about the quality of providers, programs, and credentials is a major problem.

There are [nearly 1 million unique credentials](#) available in the United States, according to the latest research from [Credential Engine](#). The [range](#) includes more than half a million different educational certificates, registered apprenticeships, occupational licenses, industry-recognized certifications, other skill certificates for special skill sets, and digital badges in addition to traditional associate's and bachelor's degrees. Non-degree credentials, which are typically awarded by short-term programs, are likely to become even [more prevalent](#) as labor demands shift with the growth of new technologies, the looming retirement of many older workers, and worker shortages related to the COVID-19 pandemic.

Most credential programs, both degree and non-degree, are delivered by established postsecondary institutions and industry and occupational associations. However, many new credential providers have recently emerged including boot camps, skills platforms, badging companies, labor market information providers, and massive open online courses, or MOOCs. Community-based organizations (CBOs) are also increasing their involvement in workforce training; some provide their own industry-recognized credentials while others partner with external training providers.

Lack of standardization and central source of information are problems

Some new platforms are emerging that promise to bring clarity to the credential marketplace and make it easier for providers to identify the credentials that have the strongest alignment with and greatest value for their training programs. However, many of the platforms are incomplete and the growing number of platform options can have the unintended consequence of adding to the confusion. The lack of a central clearinghouse for information makes it difficult to identify and evaluate the options. Additionally, there is little to no standardization across credential offerings—and no uniform language or metrics to capture learning. These challenges are compounded by the fact that the portability, stackability, and ultimate value of a credential can depend on who provides it and which occupation it's for.

The number of short-term credentials continues to grow

The clarity of career pathways—and whether certain credentials might or might not be able to help one advance—varies by industry and occupation, as well. For example, while the pathway from licensed practical nurse to registered nurse might be clearly articulated, advancement from

entry-level jobs such as certified nursing assistant or phlebotomist is less clear. Similar inconsistencies in pathways and required credentials exist within welding and manufacturing. The lack of clarity on what advancement looks like from one occupation to another can make it difficult to determine which credentials offer the most value.

As the credential landscape grows, training providers and employers are also struggling to navigate the options available. In fact, many employers do not require credentials, and, in many industries, no single credential is dominant.

Strategies for Vetting and Selecting Credentials

Community-based organizations and training programs that prepare young adults for the labor market often must make decisions quickly about which credentials to offer and how to advise their participants to select credentials that make sense for them. This section outlines five key steps that leaders of community-based organizations serving young jobseekers—as well as young people themselves—can take as they navigate the credential marketplace.

1. Access Up-to-Date Local Labor Market Information

Regional workforce development boards can help community-based organizations (CBOs) access and analyze the most up-to-date local labor market information (LMI) available. Program leaders can use this information to determine whether certain credentials make it easier for individuals to find a job and advance in the industries hiring in their community. Some industries rely on credentials to vet job candidates more than others. Health care, for example, is heavily regulated and requires multiple credentials to advance along an occupational pathway. In many cases, it's clear which credentials are required to support advancement, making it easy for employers and jobseekers to understand what is needed to advance. In other industries, such as IT or hospitality, pathways are less defined and there is less clarity on how credentials can be stacked to support advancement. The realities of local labor markets can be quite different, even within the same industries. What holds true for IT careers in Colorado may not apply in Louisiana, for example. Local employers may also have different priorities than industry associations that offer the credentials.

2. Engage with Employer Partners About What They Want and Need

Before selecting a credential to either embed into a program design, offer through an external partnership, or build an on-ramp to, CBO leaders can engage with existing and potential employer partners to confirm that the credential does in fact hold value for them and meet their needs. They can ask employers about the skills and competencies they wish to see in new employees, and about which credentials, if any, they prefer new hires to have. [Some employers prefer to provide individuals with their own credentials](#) so that they have certifications aligned with their specific needs whereas others opt to utilize industry-recognized options.

In some cases, credentials have become a [new hiring proxy](#). Like bachelor's degrees before them, credentials are not always required for an individual to be successful in a job and are not always indicative of someone's ability to be successful within a position or advance beyond it. Practitioners can work with employers to determine if credentials are truly needed to do the job in question or whether the candidate's performance during training and/or prior job experience provide the information needed to validate the candidate's abilities.

3. Gather Information on Credentialing Options

Industry associations, employer, workforce, and education partners as well as fellow training providers can all be helpful in building a working knowledge of the credential marketplace. Workforce boards will have a knowledge of the credentials most commonly offered through training programs and industry associations and employer partners will be able to offer insights into which credentials hold the most value for their industries and occupational opportunities. Collaborating with fellow practitioners can illuminate opportunities and promising practices for selecting credentials, helping programs that are newer to this space avoid potential pitfalls. Practitioners can also use American Job Centers and [Career OneStop's Credential Center](#) to help participants determine what training options are the best fit. They also can leverage the career profiles on the federal government's [O*Net](#) database to better understand the importance of credentials for different occupations.

4. Understand the Requirements of Offering Various Credentials in House

Once an organization has identified credentials that are in demand in its area, leaders should determine if it will offer the training in-house or partner with an existing training provider. Depending on the credential, offering it in-house might include significant costs for infrastructure and equipment, testing fees, and licensure, as well as the training itself. If there is testing, practitioners need to be aware of how it is administered to ensure that the learning styles and needs of all participants are addressed and supported. This information is essential in determining whether a community-based organization is best positioned to offer a credential in-house or through a partnership with an external training provider.

It is also important for participants to understand the value of the credential they are pursuing and how it aligns with their short-term and long-term career goals and training needs. If a credential doesn't align with an individual's goals, then they should be encouraged to look at other options that will better support their career and education aspirations. Using tools like [Career OneStop's](#) skills assessments and self-assessments or JFF's [MyBestBets](#) platform, training providers can support participants as they navigate different training and credential pathways and help ensure that they connect with the opportunities that most closely align with their goals, passions, and interests. It

is also important that participants be fully aware of the preparation and cost commitments required to obtain a particular credential. Some credentials will require more rigorous training to prepare for testing and the test itself may include fees and require equipment and course materials. When possible, programs are encouraged to offset these costs to ensure equitable access to credentials and training for all participants.

5. Remove Barriers to Credential Attainment

If young people are to succeed in gaining a credential, the training they receive must be well-aligned to the competency and skill requirements of the credential. Community-based organizations and their training partners can work together to ensure that the training properly prepares participants to meet these requirements and to complete any tests or assessments required to earn the credential. This can entail determining whether the test is administered in person, remotely, or in a hybrid format; whether participants can access accommodations such as extra time or large text materials and being clear on all costs associated with training and test taking and the options available to defray these costs. This could include providing transportation to and from the testing site, requesting that employer partners cover testing or licensure fees, or providing equipment to participants so they can access training and testing (i.e., computers, tablets, machinery, etc.).

Looking to the Future

While talent developers adopt strategies to help young adults navigate among a confusing array of credentials, states and national organizations are starting to implement strategies to bring more consistency and transparency to the credential marketplace itself. As of 2020, [33 states](#) had started collecting quantitative data on credential attainment and are using the data to build their understanding of which credentials offer the most value, have the best alignment with industry needs, and most effectively support advancement. This data is also being used to develop consistent language and definitions for credentials to make it easier to understand the options.

National organizations are also undertaking efforts to centralize credential information. [SkillUp](#), of which JFF is an operating partner, is building a localized database of credentials and training opportunities based on 34 occupational pathways in communities across the country. Platforms like [Credential Engine](#) and [Credly](#) are developing databases for credentials to make them easier to explore and organizations like [Skills Engine and Calibrate](#) also offer a similar services for community colleges and employers.

JFF is also working to bring clarity to the credential marketplace and has [acquired EQOS](#), Education Quality Outcomes Standards, a nonprofit organization that develops and maintains a framework of universal, independent measures of education and training program quality based on real-world student outcomes including employment and earnings. The addition of EQOS will expand JFF's capacity to evaluate new models of postsecondary education and training, including short-term credentials.

For young adult talent development organizations, such efforts could go a long way in demystifying the credential landscape and making it easier for practitioners and jobseekers alike to navigate the options available to them.