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BTC Brief

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CREREDENTIALS COUNT TOWARD COMPLETION TARGETS: Skills Training for North Carolina's Workforce and a Stronger Economy

*Timely,
accessible,
and credible
analysis of
state and local
budget and tax
issues*

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KEY FINDINGS:

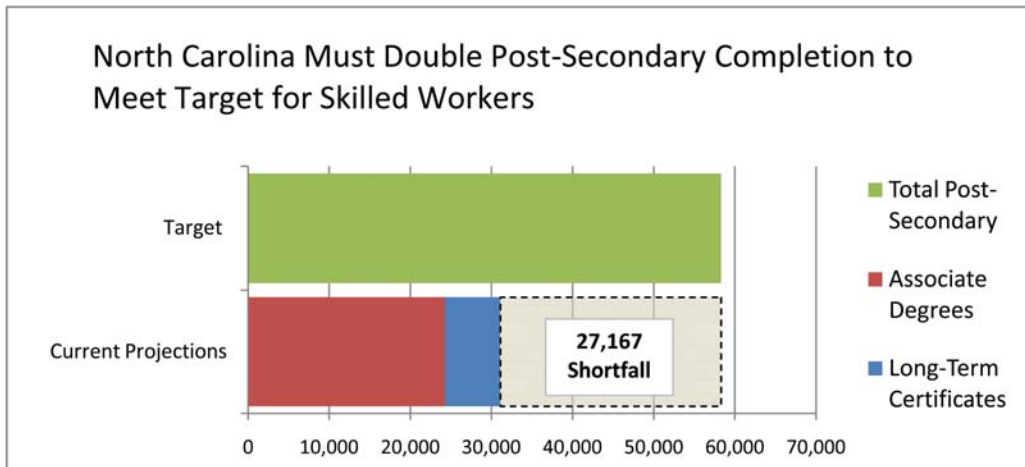
- By 2018, 53 percent of North Carolina jobs will require some form of post-secondary education, yet just 38.5 percent of the adult working-age population (aged 25 to 54) in North Carolina has an associate's degree or higher.
- In the 2011 legislative session, a bill entitled No Adult Left Behind set as a target for North Carolina to increase the percentage of North Carolinians who earn associate degrees, other two-year credentials, and baccalaureate degrees to 40 percent. This would require that an additional 58,000 working-age North Carolinians attain degrees or long-term credentials.
- Credentials, or sub-baccalaureate certificates, can help close the state's skills gap while providing a boost to worker's income. But for the last year data is available, 2007-2008, North Carolina produced just 6,789 are credentials requiring more than one year of study.
- A greater focus on measuring credentials and aligning those programs of study with growth industries and occupational requirements can go a long way to supporting higher earnings for workers and improved economic outcomes.

Weighing the Role of Credentials in Workforce Development

Credentials beyond a high school diploma are, and will continue to be, a necessary requirement for success in the labor market. By 2018, 59 percent of jobs in North Carolina will require some form of post-secondary education, according to research by the Georgetown Center on Education and the Workforce. Yet just 38.5 percent of the adult working-age population (aged 25 to 54) in North Carolina has an associate's degree or higher. The credential shortfall has significant implications for policymakers focused on growing jobs and the economy. A skilled and credentialed workforce is a key factor in filling vacant jobs and for attracting and creating other good jobs with good wages.

During the 2011 session of the North Carolina General Assembly, a bill entitled No Adult Left Behind set as a target that the state increase to 40 percent the share of North Carolinians who earn associate degrees, other two-year credentials, and baccalaureate degrees. This would require an increase in the number of working-age North Carolinians with these types of credentials by 58,000.

However, the target did not take into account sub-baccalaureate certificates or credentials. In 2007-08, the last year for which data is available, North Carolina produced 38,181 sub-baccalaureate certificates, more than twice the number of associate degrees in the same period. Certificates or credentials indicate completion of a



SOURCE: Working Poor Families Project, 2011. Analysis of the American Community Survey, 2010 by Population Reference Bureau and credential long-term certificate data from Bosworth, December 2010.

discrete program of study or series of courses that does not result in a degree. As with any line of study, in order for a credential to have market value it must be both industry-recognized and in a high-demand field.

Research shows that certificates and other such credentials can play an important role in enabling students to achieve success in the workplace and can make attainment of a degree more accessible and likely, especially for adult workers. Credential

attainment can have positive effects on labor and social outcomes if the educational programs are tailored to the labor market and are long-term—and if the credential represents one year or more of study. Of the 38,181 sub-baccalaureate certificates awarded in North Carolina in 2007-08, only 6,789 required more than one year of study.

Credentials are a tool for providing “rapid post-secondary attainment and portable skills and knowledge.” However, whether credentials requiring less than a year of study are providing such benefits to North Carolina workers is an open question in need of more data and research.

The Need for More Data on Jobs, Workers and Credentials

Having more data on how the attainment of credentials affects workers’ earnings and success in the job market can enable North Carolina to make the most effective investments in its post-secondary education system. The currently disconnected array of programs offered by community colleges (credit and non-credit), Workforce Investment Act programs, TANF, vocational rehabilitation, community-based organizations and apprenticeship programs makes it difficult for policymakers to monitor and make decisions about the range of workforce training programs throughout the system, the numbers of participants completing these programs, and the nature, quality and quantity of credentials awarded and skills developed. Capturing this information can provide North Carolina with an opportunity to align and connect the various institutions delivering workforce development programs while also making these targets relevant to better economic outcomes.

Understanding the full scope of credentials attained through the state’s various workforce-development institutions can help North Carolina get closer to the important goal of No Adult Left Behind: to increase educational attainment among the working-age population. It can also support greater coordination and policy development around recognizing the competencies of workers beyond the credit and non-credit dichotomy that currently exists and building a pathway whereby workers can obtain credentials that build toward a degree.

North Carolina’s policymakers are right to focus on establishing a goal for education and skill attainment among the state’s workforce. An important effort must be made to put into place cross-agency measurement systems that can make the state’s targets real as well as investments in programs and policies that can make it realizable.

- 1 Carnevale, Anthony P, Nicole Smith and Jeff Strohl, June 2010. Help Wanted: Projections of Jobs and Education Requirements through 2018. Georgetown University: Center on Education and the Workforce, Washington DC.
- 2 Working Poor Families Project, 2011. Analysis of American Community Survey, 2009 by Population Reference Bureau.
- 3 N.C. General Assembly, Senate Bill 166, No Adult Left Behind.
- 4 Bosworth, Brian, December 2010. Certificates Count: An Analysis of Sub-baccalaureate Certificates. Complete College America., p. 35-42. Note: These sub-baccalaureate certificates are only those that are easily countable within the state—college-based for-credit certificates.
- 5 Bosworth, December 2010.
- 6 Bosworth, December 2010, p. 15-17
- 7 Bosworth, December 2010, p. 35-42.
- 8 Bosworth, December 2010, p. i.