



NATIONAL NETWORK OF BUSINESS AND INDUSTRY ASSOCIATIONS
COMMENTARY ON
HIGH QUALITY ASSURANCE
FOR INDUSTRY-RECOGNIZED CERTIFICATIONS AND APPRENTICESHIPS
June 27, 2018

SUMMARY

This is a defining moment for industry certifications. Industry and the public increasingly recognize the importance of industry certifications in raising the skills of the American workforce, providing alternatives to traditional college degrees and limiting college debt. At the same time, the quality of thousands of industrial credential programs is uneven. Among the issues: some have value only at a local level; some do not adequately teach the skills needed for the industry they are designed for; and some are not taught by qualified instructors.

Consequently, the National Network of Business and Industry Associations believes it is important to build consensus around a common definition of quality control for industry certifications so that limited federal, state and local funds are not wasted in supporting poor quality programs. We believe the existing quality assurance provisions of the *National Defense Authorization Act* designed specifically to protect military personnel from exploitation offer a good basis for this consensus.

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CURRENT SETTING

This is an important moment for industry certifications in the United States. In an era of swelling college debt and the need by employers for specific job skills, industry certifications are enabling many more Americans to secure good-paying jobs in high-demand occupations that do not require a college degree.

Many of these certification programs are eligible for public aid, further reducing student costs. Federal student aid programs can be used to cover many industrial certification programs (there are restrictions, however, and not all programs are eligible), and many states are awarding funds to high schools for each student that graduates with an industry certification.

In addition, public interest in postsecondary certifications is mounting as they become more equated in the public mind with traditional academic degrees. A CNBC October 2017 poll of 5,000 Americans ranked “professional, technical certificate” well above either a four-year or two-year degree in terms of how well they prepare someone for a well-paying job in today’s economy.

On the other hand, the growing popularity of industry certifications is creating an uncontrolled proliferation of them. This has resulted in confusion over the quality and utility of many certifications, with government agencies unable to make distinctions between well-established, nationally portable industry certifications and local, regional and state “industry credentials” that have little or no support from an industry or industry sector.

For federal and state funding purposes, more rigorous standards are vital to distinguish between high quality, nationally portable, industry-wide certifications and literally thousands of those with much less value to individuals and employers.

HIGHER EDUCATION ACT REAUTHORIZATION IS CRYSTALLIZING THE DEBATE

The new *Higher Education Act* (H.R.4508), which is attempting to align postsecondary education and workforce development, is now part of the national debate over quality assurance of industry certifications. Focused on upskilling the entire American workforce, this bill would facilitate federal support for the wider use of shorter-term courses that are the bedrock of industry certifications. Yet H.R.4508 is facing challenges, because it falls short of adopting mechanisms to ensure program quality.

Until now, federal requirements for quality assurance for industry certifications in return for federal funding have been almost non-existent. The most notable exception is the 2016 *National Defense Authorization Act* (NDAA), which has a specific provision (Sec. 561) on “Quality Assurance of Certification Programs and Standards.” It stipulates that DoD and DHS support will be limited to those certifications that are:

- accredited by a nationally-recognized third-party personnel certification accreditor; **or**
- used by an entire industry or sector; **or**
- endorsed by a nationally-recognized trade/industry association or organization representing a significant part of that industry or sector.

RECOMMENDATION

The National Network of Business and Industry Associations recommends that OMB issue a Circular to apply the NDAA quality assurance of certification programs definition to all federal agencies. Agencies could use one or more of the following characteristics to define high quality certificate programs when applying the above definition:

- Define “industry” to ensure that it only applies to industry certifications that represent an entire industry, a large industry sector or major occupation, or are consensus-based with documented industry-wide acceptance;
- Choose programs that are accredited by nationally recognized, third-party accreditation bodies responsible for audits consistent with ISO 17024 (Personnel Certification);
- Focus on certifications that are based on industry-defined, nationally-validated, competency-based standards developed in cooperation with a nationally-recognized trade association or other industry body;
- Use certifications that have applied legally defensible validation methods, reflecting demographically representative samples of the target population;
- Focus on certifications that are recognized nationwide (national portability) supported by an infrastructure able to deliver related training and assessments nationwide;
- Focus on education and training programs that include “earn and learn” experiences and include attainment of industry-recognized credentials;
- Choose programs that use well-qualified, experienced instructors who are themselves certified; and
- Focus on programs with assessments delivered under strong security safeguards.