



Policy Brief

March 2021

# Creating Equitable Futures for All Learners Through Credential Transparency

Seven state leadership organizations and five workforce, education and data advocacy/technical assistance experts have come together to build awareness, understanding, and demand for how policy can integrate credential transparency into education and workforce development state strategies. This brief is one amongst a series of policy briefs that explore the ways that credential transparency can be supported, integrated, and leveraged within states. These briefs stem from the thought leadership of these organizations to extend the recommendations found within the *State Roadmap and Action Guide for Transparency*.

Specifically, this partnership:

- Builds awareness among state policymakers around the importance of credential transparency to their own state workforce and education goals and strategies;
- Elevates a common language about credentials for use in state policy;
- Increases demand among policymakers for credential transparency; and
- Provides specific actions policymakers can consider using to support integrating credential transparency into their larger human capital development efforts.

**Members of the State Policy Partnership include:**



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# Acknowledgements

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The rich partnership between these state leadership, workforce, education, and data advocacy organizations has greatly shaped the ideas, priorities, and practices shared across the various policy briefs in this series. We are grateful for the time and dedication these organizations have devoted to ensuring we can gather and provide greater access to timely, reliable, and transparent credential information. This also includes the significant contributions of Whiteboard Advisors who have helped to coordinate and advance this work. Through our combined thought leadership and expertise, we have created useful resources that others can apply within their contexts to work towards greater credential transparency.

We also want to thank the states of Alabama, Kansas, Minnesota, and New Jersey for serving as examples that demonstrate how state leaders can work to advance equity through credential transparency. Their dedication to this work serves as timely and informative examples for others to learn from and follow.

# Recommended Citation

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# Creating Equitable Futures for All Learners Through Credential Transparency

Even before the COVID-19 pandemic, the United States was in the midst of a major equity crisis. Education has been heralded as the great equalizer with the value of a college degree becoming the clearest path to the American Dream. Yet, for decades there have been barriers that continue to create inequitable access and wide gaps in attainment for Black, Indigenous, and people of color (BIPOC). Access to higher education and advanced credentials has been an ongoing battle for communities of color often fighting against systems of structural and systemic racism that have historically worked to exclude them.

This brief explores how full, open, and transparent access to information about credentials and their value can be a crucial element of how states can work to dismantle systems that have created the inequities we see today. But it should be noted that while greater access to credential information gives individuals better control over their futures, the impetus should not be placed solely on individuals to find and access opportunity. States, policymakers, and leaders should actively work to eliminate all barriers that hinder BIPOC from taking advantage of their options while offering as much support as possible for people to clearly identify, understand, and compare credentials so they can act in their best interest.

## The Problem of Systemic Inequity

The pandemic highlighted certain types of inequities created and sustained by systemic disparities in opportunity and outcomes. For instance, as schools turned to distance learning, the digital divide and disparate access to reliable internet was highlighted. But there have been long enduring inequities that have limited BIPOC communities from pursuing similar opportunities as their White peers.

For people of color who have the opportunity to pursue postsecondary credentials, access has historically been segmented or limited to lower value credentials. According to a 2019 [report](#) from the American Council on Education (ACE) and the Mellon Foundation, more than half of Native American/Alaskan Native (66%), Native Hawaiian/Pacific Islander (64%), Latinx (63%), and Black (58%) college students are enrolled in sub-bachelor's degree programs compared to their White peers (47%). While White students primarily enter postsecondary education straight into the bachelor's degree, the main access points into higher education for BIPOC have primarily been through associate degrees, certificates, and other credentials below the bachelor's level. This has contributed to generations of lower wages, decreased job prospects, and less safety in a pandemic ravaged economy than other Americans. Unemployment related to COVID-19 has disproportionately affected the workers most likely to hold low-wage, low-skill jobs: those with a [high-school diploma or less](#), people with limited English proficiency, and members of underrepresented racial and ethnic minorities.

Economists have warned since the 1990s that low-skill jobs were disappearing, and they've been proven correct. In the years leading up to the pandemic, headlines spelled out a bleak future for our most vulnerable populations: [Two-thirds](#) of future jobs will require a postsecondary education, with one-third requiring a bachelor's degree, due to accelerating technology. [Automation](#) likely will eliminate 36 million jobs in the coming

years, with low-wage positions at highest risk. [Reduced demand](#) for low-skill workers has also contributed to unemployment inequality.

The solution lies in acknowledging how our policies, norms, and practices have served to create and perpetuate inequities, and then actively working to fix them. Apart from being the right thing to do, it is also in our best interest as a country.

If we are to meet the workforce needs of America, [Lumina Foundation](#) estimates that at least 60 percent of working-age Americans should have a quality degree or credential beyond high school by 2025. The issue is that there are significant disparities in credential attainment by race/ethnicity. As reported by Lumina, in 2018 it was estimated that 63.8% of Asian Americans had an associate degree or higher, followed by white (47.9%), Black (31.6%), Native American (24.6%), and Latinx (24.5%) populations.

Many states have also set forth their own [goals for postsecondary attainment](#). But those state attainment goals will only become a reality if states prioritize remedying the systems that have contributed to these disparate outcomes. Who lacks access to opportunity and why? Which populations have and are being underserved by education and training systems? How have state policies served to limit access? Which populations have been tracked into differential credentials and why? How can the credential attainment, employment, and earning prospects be improved for BIPOC?

These questions have many answers which will carry important policy implications. One way that states can help their constituents is by increasing people's access to credential information and providing individuals more agency in their education, training, and employment pathways.

## Knowledge Is Power: How Credential Transparency Increases Equity

Today we have more education training providers than ever, including more short-term online credential programs tied to employer and labor market needs. In the U.S. alone, there are close to [1 million credentials](#)—degrees, diplomas, certificates, certifications, badges and licenses—being offered in the education and workforce training marketplace.

Here's the bad news: The credential marketplace is confusing. It lacks transparency. There's almost no uniformity in how credential and training programs are described. There's little common understanding of what students actually learn while enrolled. And there's a disconnect between the skills learners are taught and the skills employers say they need.

All of this contributes to [systemic inequities](#). The credentialing landscape is confusing for all stakeholders—students, educators, employers and policymakers—who struggle to compare requirements and outcomes from program to program, state to state. People of color [face higher unemployment rates](#), fewer opportunities to work remotely and often are tracked into less rigorous education and career paths in part because they [lack information](#).

The real challenge is making sense of this marketplace and ensuring that opportunity is equally distributed. An important part of the solution lies in **credential transparency**.

The work spearheaded by Credential Engine and our partners—including nearly one half the states to date, hundreds of education and training providers, and influential policy, workforce, data advocacy, and education organizations—is making the marketplace less confusing and more transparent. There is a growing use of a common descriptive language to bring more transparency to the credential landscape: greater uniformity, understanding, and access to credential, skill, and competency information.

Credential transparency lets anyone—anytime, anywhere—know what’s behind a credential. It makes information easily accessible, understandable and actionable. People discover a credential and, like reading a list of ingredients, can easily identify the specific skills, competencies and levels of mastery required to earn it. They can figure out whether one credential is more likely to lead to a preferred career or higher wages than another. They can learn which pathways lead to larger, stackable pieces that build to higher-level credentials and increased market value.

And in an age focused on equity, credential transparency eliminates barriers to information and makes opportunities more attainable. For too long, gaining information about credentials has depended on personal social networks, wealth, access to institutions and other systems acting as gatekeepers. The most disadvantaged in our labor market often lack the social capital to tap into these networks, along with the cultural capital to connect the dots between such information.

The rationale behind credential transparency is simple: **The easier it is to access and use open, comprehensive, and comparable information about credentials and competencies, the easier it is for people to succeed.**

That’s why as state leaders take stock of their attainment goals, they’re increasingly investing in systems that promote equity through credential transparency. It gives educators and employers richer and more robust data, which makes it easier to discover inequities in access to credentialing programs. Postsecondary and workforce training programs can use disaggregated data to analyze disparities in attainment rates and outcomes, then use that knowledge to make those programs more equitable.

## CTDL and the Credential Registry: Mechanisms For Equity

Credential transparency requires a common descriptive language. The **Credential Transparency Description Language (CTDL)** is a way to describe, compare and evaluate credentials in a uniform manner—so someone researching a credential in California is using the same terms as someone in Florida. The CTDL helps learners, educators, employers and policymakers:

- better understand the large (and growing) credential universe;
- unpack the skills and competencies inside each credential;
- evaluate the labor market value of various credentials; and
- compare connectivity, transferability, stackability and pathways.

Through the CTDL, states can create open-access data about all credentials. The **Credential Registry** contains information supplied by education providers, industry organizations, employers and state and federal agencies. It's available to everyone—from individual workers looking to upskill to states and other groups looking to develop new credentialing programs.

Combined, the CTDL and the Registry equalize access to information in a timely, efficient manner—leveling the playing field by creating uniformity and offering a common, open space for this information to live. States can create **interfaces and access points** attuned to their local contexts to then give historically disadvantaged groups insight into the competencies, learning outcomes, up-to-date market values and career pathways. They're necessary first steps toward creating an enhanced credentialing system that's accessible, trusted and values all learning because they provide equal access to quality information to everyone.

Once essential information about credentials is more transparent, state leaders will have a variety of ways to address equity gaps in credentialing programs. They can:

- use improved data to develop education and career pathways
- improve academic program review to address gaps in available credentials
- bolster policies around credit for prior learning
- fund programs that meet equity goals and identify availability gaps to ensure high quality programs are available in under-resourced areas

Each of these strategies can reduce inequities, since it ensures that information is accessible and navigable for all. For example, since one issue still prevalent in postsecondary education is the lack of access for BIPOC into bachelor and advanced degree programs, mapping how existing credentials, competencies, skills, and prior learning connects to other credentials can help. Better data can help make these opportunities explicit for learners and increase their agency while also showing employers how the competencies between credentials align and meet their workforce needs.

## The Role of Policymakers: Building Equity Through Credential Transparency

State policymakers are catalysts for bringing equity to credentialing—by way of policies and financial allocations that support credential transparency. This section provides some strategies to consider, along with examples of how states are using credential transparency to advance their equity goals.

**Use education and workforce data systems that can track access and outcomes and provide disaggregated data.** First, legislators should encourage their state to adopt the use of the CTDL, post information on the Credential Registry, and provide equal access to quality information. Then the state can combine its existing data framework with a **P-20W data system** to identify gaps in access, attainment, and career placement for BIPOC communities. Better data facilitates better decision making. Disaggregated, aligned, and transparent data systems can inform supports, resource allocation, and policy changes that need to be made for states to meet their credential attainment and workforce needs.



## State Example: Minnesota

[Minnesota](#) is committed to addressing systemic barriers to sustainable employment and sustainable wages. That focus includes people with a disability; dislocated workers; veterans; people without a college degree; young people; people of color; and people from low-income backgrounds. The state is using credential transparency to expand and improve existing [Eligible Training Provider Listed \(ETPL\)](#) programs by collaborating across state agencies, public education institutions and private providers. It's also adding its credential data into the Registry to increase awareness of opportunities. Minnesota leverages the CDTL to explore how learning opportunities are serving communities facing barriers to employment and sustainable wages. The work is done with one purpose in mind: creating transparent pathways for Minnesotans.

**Direct resources toward services that broaden participation in transparent, high-value credentialing programs.** Underrepresented groups often need help overcoming challenges that prevent their full participation in credentialing programs. States can increase funding for services that remove barriers, such as career coaches, basic skills training, transportation, tuition, and childcare.

## State Example: New Jersey

[New Jersey](#) is focused on eliminating barriers and clearing up confusion about quality credentials so people can make the best decisions for their futures. The state is advancing credential transparency by creating a single definition of quality for credentials regardless of type—with the aspirational goal of incorporating the universe of degree programs. The goal is to prevent residents from pursuing credentials that don't match their needs or that of the workforce. New Jersey is also working to describe its credentials through the CTDL and add them to the Credential Registry. The New Jersey Department of Labor is piloting a quality assurance framework for its ETPL that will analyze whether a credential provider's education, employment and wage outcomes are equitable by demographic characteristics. They are also measuring quality in such a way that recognizes whether providers are serving populations with historical barriers to labor market attachment. The state's efforts will create a credentialing system that can be widely understood and used by all, regardless of the identity and location of the education/training provider. New Jersey's work also will help stack credentials by informing how providers accept transfer credits; give credit for prior learning; and help residents understand how different learning opportunities can result in higher-order degrees and certificates.



## Helpful Resources

It's important to note that people have to be able to use the information afforded by greater credential transparency. For that to happen, they'll need ample supports and commitments to equity by state leaders. Luckily, there are various resources to guide leaders toward more equitable practices and supports. For example:

- The National Skills Coalition has a [Roadmap for Racial Equity](#) that explores barriers to equitable workforce training and employment, and the racial and ethnic disparities in education attainment and access. It explains why equity is needed and why we should work toward it.
- The [Center for Urban Education](#) created tools for state leaders to enact strategies and postsecondary education policies aimed at increasing equity.
- The [Lumina Foundation](#) has resources to help organizations weave equity into their communications and activities.
- The Education Trust has a [State Equity Report Card](#) to help states understand equitable college opportunities for their residents.
- States can invite organizations to take the [Diversity & Inclusion Self-Assessment](#) from the National Association of Colleges and Employers to help them understand and improve their commitment to equity, hiring practices and outcomes.

**Require community colleges and workforce training programs to publish information on stackable credentials in their Credential Registries.** Stackable credentials allow learners to accumulate qualifications that build over time. That can lead to more significant credentials or possibly even two- or four-year degrees. Outlining these pathways on a state's Credential Registry creates more opportunities and greater equity.

## Stackable Credentials and Pathways

Stackable credentials—also called embedded credentials when these stacking opportunities are intentionally integrated into college curricula—allow people to accumulate (or “stack”) learning experiences and credentials over time to help them earn a higher-order credential or four-year degree. Stackable credentials can help individuals move along education and career pathways that lead to higher-paying jobs.

## State Example: Kansas

The [Kansas](#) Board of Regents (the Board) has evaluated the state of higher education in Kansas as it relates to their public institutions. Kansas is expected to become more diverse, and already significant equity gaps exist across communities of color and veterans. Moreover, the Kansas college going rate into public postsecondary education has decreased five percentage points in a three-year period, and the rates of students enrolling in postsecondary education are even lower for underrepresented groups, approximately ten points lower for Black and Hispanic students than their white peers. The gap in attainment is even more significant. At Kansas public universities, attainment is 31 points lower for Black students and 17 points lower for Hispanic students compared to their white peers. When evaluating access and sustaining wages for veterans and servicemembers, approximately 20% of all military recruits are from households earning less than \$40,000 per year.

The Board hopes to broaden its credential transparency by adding more robust information to the Credential Registry, including wage outcomes, military credit articulations, systemwide transfer courses and financing options. Prospective students and members of the military will be able to see how credits will count toward degree programs and learn about the costs and the return on investment. They can match degree offerings and credit articulations to learning outcomes published by the Board or through other agencies, such as the American Council on Education and its military guide. Combined with strategies to ensure equitable access and affordability, those seeking career training or retraining have better information to make informed decisions about their futures.

**Prioritize credentials which signal the skills and competencies needed by local employers.** Policymakers can ensure that credentials lead to opportunities that are actually available in their local communities. State leaders should meet with employers and educators to determine which non-degree credentials are important to the local workforce. That way, stakeholders can address any racial inequities in attainment and outcomes.

## State Example: Alabama

Employment equity is critical to [Alabama's](#) economic future. Under the leadership of the Office of the Governor of Alabama, the Alabama Supercomputer Authority and the Alabama Commission on Higher Education (ACHE) are using the Credential Transparency Description Language (CTDL) to set up the hardware and software infrastructure for collecting, organizing, and aligning credential program data with workforce needs in Alabama. Leaders in Alabama recognized that building this foundational infrastructure using the CTDL would streamline data sharing between state agencies by breaking down existing data silos. ACHE is using the infrastructure to create a statewide credential registry that will also connect to the P20-W longitudinal data system, known as the ATLAS on Career Pathways. These data will also be published to the Credential Registry to facilitate connections across state lines. Alabama's credential registry will support the work of the newly established Alabama Committee on Credentialing and Career Pathways (ACCCP) to define in-demand industries and occupations, develop equitable statewide career pathways, and approve credentials of value to be included on the Alabama Compendium of Valuable Credentials.

## Conclusion

We envision credential transparency as a common good, and an important investment to help states meet their equity goals. While inequities cannot be remedied with one action or initiative, credential transparency can be an essential tool. Credential transparency helps state leaders uncover, understand, and work to solve inequities, while also providing individuals with increased agency to find, understand, and compare opportunities to advance along their education and career pathways.

Often, conversations on increasing equity in credential attainment can focus on providing avenues for BIPOC to earn short-term credentials, and with good reason: many Americans are still out of work as we recover from the pandemic, and others are not earning a livable wage. People need jobs—good jobs—and they need pathways to those jobs. Earning a quality credential can help give individuals the boost they need to work toward the futures they want. But focusing only on short-term credentialing and training pathways can perpetuate inequities by steering parts of the population into programs with less earning potential than a four-year college degree.

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All people need *all* the information, which is why credential transparency is important. Providing individuals equitable access to clear, trusted and timely information lets them choose the pathway that's best for them—for both the short- and long-term. It allows people to identify connections, on-ramps, and chances to stack learning opportunities enroute to a four-year degree or better job prospects.

But using credential transparency to remedy inequities also requires commitment from state leaders and policymakers to unearth and dismantle systems that have created the inequities we see today. Structural racism and systemic inequities cannot be fixed by solely providing individuals better access to information, but it is an effective way of helping to remedy the lack of access to opportunity that afflicts Black, Indigenous, and people of color. Ensuring that everyone has equal access to quality information—while not a panacea for addressing all the structural racism and systemic inequities that afflict Black, Indigenous, and people of color—is a critical first step to addressing inequities.

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## Glossary

**Credential:** Credential Engine uses the term “credential” broadly. It refers to diplomas, badges, certificates, apprenticeships, licenses, certifications and degrees of all types and levels. Each credential represents unique competencies that signal what a holder can do in the workforce.

**Credential Registry:** A cloud-based repository that collects, maintains and connects information on all types of credentials—from diplomas, certificates and apprenticeships to certifications, licenses and degrees of all types and levels. The registry holds detailed information in an easily-accessible format. Users can explore competencies, learning outcomes, up-to-date market values and career pathways.

**Credential Transparency Description Language (CTDL):** An open-source language that lets states identify, describe, organize and compare credentials with uniformity, making it easier to match educational programs with careers.

**Equity:** Equity means fairness and providing people fair and just support to meet their needs. Inequity means entire populations are systematically disenfranchised and don’t have the same chances, resources or supports as others. Equity is an ongoing process that begins with identifying and recognizing where inequities exist, then providing supports so those affected can overcome barriers. While equality means providing everyone the same thing, there are imbalances in opportunities or starting positions. In those situations, equity requires that we work to balance the playing field.

**P-20W Data System:** Infrastructure that securely brings together specific data so leaders, practitioners and community members can better understand educational opportunities and pathways. Key sectors include early childhood, K–12 and postsecondary education and the workforce.

**Stackable Credentials:** Stackable credentials allow people to accumulate (or “stack”) learning experiences and credentials over time to help them earn a higher-order credential or four-year degree. Stackable credentials can help individuals move along education and career pathways that lead to higher-paying jobs. (Also referred to as “embedded” credentials when these stacking opportunities are intentionally integrated into college curricula).

**Systemic Inequity:** Policies, practices, and norms that intentionally or otherwise serve to create and perpetuate differential access to opportunity and supports—including education, health, employment, wealth, housing, and general opportunity—serving to disadvantage Black, Indigenous, and people of color.



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Credential Engine is a non-profit whose mission is mapping the credential landscape with clear and consistent information to fuel the creation of resources that make it easy for people to find the pathways that are best for them.