Credential Transparency: An Essential Part of Attaining State Goals
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

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 and Guidera Strategy 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 Credential Engine’s state and regional partners for providing rich examples that demonstrate how state leaders can work to advance credential transparency. Their dedication to this work serves as a timely and informative model for others to learn from and implement.

Recommended Citation

Introduction

Our nation is confronted with the daunting task of rebuilding the economy and creating opportunities for individuals who have been impacted by health and equity crises. But there’s a silver lining amid the disruption: states have a unique opportunity to ensure that all learners have the skills and knowledge needed for this new economy. Achieving this will require a different type of investment from states, one that gives policymakers, education and training providers, and opportunity seekers access to vital information about the needs of the labor market. That means providing information about credentials — everything from badges and certificates to postsecondary degrees — with as much clarity and urgency as possible. All stakeholders must understand what credentials are in demand, where to earn them, and what their value is in the workforce.

Policymakers are central to making this a reality. Across the country, governors, legislators, and agency heads are enacting policies that align education and training systems to the realities of the workforce. Almost half of the states are using or building data systems that make information about credentials more searchable, comparable, and actionable — something we call credential transparency. A transparent credential marketplace helps opportunity seekers, employers, policymakers, and education/training providers:

- Find and compare credential options;
- Discover the credential data needed to evaluate how best to add value to an individual or organization;
- Analyze how credentials connect to each other and to the larger credential marketplace; and
- Understand the credential process more clearly, as well as the quality assurance standards around education and training providers and the credentials they offer.

As policymakers build data systems that enable credential transparency, they need to ensure these systems:

- Use a common language to describe credentials;
- Tap into a shared repository, so stakeholders have access to the most up-to-date information without duplicating efforts; and
- Are actionable so stakeholders can use information about credentials to inform better decisions.

This brief outlines the actions state policymakers can take to make credential transparency part of their state’s education, workforce, and economic development strategies. It will:

- Showcase the ways credential transparency connects to and augments current state policy priorities;
- Provide examples of specific state policies that support credential transparency;
- Highlight opportunities and actions state leaders can take; and
- Suggest actions and funding streams to support credential transparency.
Credential Transparency: An Essential Part of Attaining State Goals

In the U.S. alone, education and training providers offer more than one million credentials, including degrees, licenses, badges, certificates, and apprenticeships. This increasing array gives job seekers, students, and workers more options than ever to get ahead in their careers. Unfortunately, there’s a lack of comprehensive information about credentials, which causes confusion and uninformed decision-making. Until recently, there wasn’t an effective mechanism for collecting, searching, and comparing credentials — at least not one that was easy to understand and kept pace with rapidly changing workforce needs.

Credential transparency allows anyone — at any time and anywhere — to find essential information that helps them make the best decisions for themselves. Transparent systems describe credentials in a shared language, making that information easier to access. For that reason, Credential Engine developed the Credential Transparency Description Language (CTDL), the preeminent language providing a shared understanding and “rules of the road” to describe credentials. The CTDL contains over 500 terms that align existing credential data across the country, regardless of provider. And because the CTDL makes the information machine-readable, it can become part of the Credential Registry, an open-access, cloud-based repository. Web-based applications like the Credential Finder make the information accessible so people can find and compare their options. The CTDL, Registry, and Finder become powerful resources for discovering the full range of opportunities available for learning, advancement, and meaningful careers.

States can play a vital role in making credential transparency a reality for millions of learners nationwide. Policymakers are working to streamline systems to support not only the opportunity seekers but also the education and training providers working to meet this demand in a faster, more tailored manner. Accurate, trusted, and timely information is critical for these efforts to meet the evolving needs of the learn and work ecosystem. Credential transparency is necessary to build this information infrastructure to enable connections to other vital data sources, including labor market data, to solve current and future challenges.

Every state is strengthening its efforts to align data systems across early education, K-12 education, post-secondary education, and the workforce (known as P-20W data systems). Credential transparency enhances that process. The following graphic from the Lumina Foundation, Stakeholders and Key Initiatives for a Connected Learn-and-Work Ecosystem, explains how credential transparency fits into a state’s broader investments. The process begins with better data through credential transparency. Using CTDL, the Registry, and the Finder makes other key initiatives more effective.

Policymakers can help increase credential transparency by adopting:

- The Credential Transparency Description Language (CTDL) provides the common language and “rules of the road” for describing credentials, credentialing organizations, quality assurance information, and competencies.
- The Credential Registry, which collects, connects, and maintains up-to-date credential data.
- Customizable applications, which use data from the Registry to access tailored credential information.
Stakeholders and Key Initiatives for a Connected Learn-and-Work Ecosystem

Helpful Resources:

The Role of States in Credential Transparency explores how states can leverage credential transparency to reach completion and workforce goals.

How Credential Transparency Connects To and Augments State Policy Goals

When data about credentials is transparent through the CTDL and the Registry, all stakeholders win. Here are examples of how credential transparency can advance state attainment and employment goals:

Improving Short- and Long-Term Economic Health and Mobility of Residents
Credential transparency can help states address COVID-19 response and recovery by making information about in-demand credentials more accessible, and by establishing pathways for learners and workers to meet those demands. As the demand for short-term credentials grows, and as more displaced workers need upskilling and reskilling, credential transparency can play a role by:

- Capturing and describing the growing universe of credentials.
- Increasing access to actionable information about credential options. This can happen by integrating Eligible Training Providers Lists (ETPLs) — those that can accept Workforce Innovation and Opportunity Act (WIOA) funds — and other state-approved credentials lists with the CTDL and the Credential Registry.
- Clarifying effective and equitable pathways by improving navigation tools and data.

Increasing the Impact of Postsecondary Education and Training Programs
Every state is focused on increasing the number of residents with the skills and competencies to succeed. Credential transparency helps policymakers:

- Reach state attainment goals by identifying, funding, and signaling quality non-degree credentials that count towards those goals.
- Facilitate credit transfer and/or skills articulation through better skills mapping and matching, which will improve credit for prior learning, provide more transparent information about transfer opportunities, and lead to more recognition for non-credit experiences creating more efficiency for learners.
- Understand and address skills deserts by mapping the location of programs, which will inform decisions about where to add new ones.

Connecting the World of Work to K-12 Education
For the past two decades, policymakers have focused on ensuring that high school graduates are college and career-
ready. This work, unfortunately, has been hampered by a lack of information about skills and competencies students need and the pathways available for them. More information about credentials will help states:

- Better connect secondary education to the world of work. Teachers, parents, and students make better decisions when they understand the skills and knowledge needed to succeed in specific careers.
- Clarify pathways to help students and families make decisions. Providing critical information about skills and knowledge signified by specific programs supports efforts to increase the number of students engaged in quality career and technical education programs, dual enrollment, early college, and work-based experiences.

**Ensuring State Systems Provide Information to Stakeholders**

Many states already collect data on credentials from degree- and non-degree-granting providers alike. But state leaders know that stakeholders — from the kitchen table to the state capitol — need quality information to improve decision making. By investing in credential transparency, state policy leaders can:

- **Empower people with more actionable information.** State leaders are breaking down existing data silos within and across state lines; aligning data and initiatives across agencies and throughout the education and workforce spectrum; reducing redundancies in data collection; and improving existing data.
- **Focus their efforts on opportunity seekers.** States are investing in strategies that put people at the heart of their workforce efforts. For example, systems that let opportunity seekers maintain a personalized digitized wallet of credentials rely on credential transparency. Initiatives like credit for prior learning, which awards college credit, certificates, and/or badges for prior knowledge and work experience, can benefit from transparent credential data.
- **Promote and pursue equity.** By using the Credential Registry, states can eliminate barriers and provide equal access to labor market information for a segment of the population that generally lacks it. 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 greater access to credential information the easier it is for all people to succeed. Better data can also allow state agencies and credential providers to identify gaps — both in offerings and also in participation and graduation rates by demographics — that can lead to corrective actions.

**Making Sense of Credentials: A State Roadmap and Action Guide for Transparency** is a starting point for states to build policy agendas that prioritize credential transparency. This roadmap provides steps that policymakers can take; details role-specific actions for governors, agency leads, and legislators, and highlights state exemplars. Visit the [Toolkit](#) for resources to help your state’s effort to build credential transparency.
How Policymakers Can Add Credential Transparency to Broader Policy Strategies

There’s no single way for a state to strengthen credential transparency. However, policies not only signal priorities but also help ensure that the work continues. In some states, governors are leading the focus, while the legislature or state agencies are taking the reins in others. In states where credential transparency is transforming conversations about the labor market, policymakers have deployed a statewide, long-term strategy.

States have many avenues for enacting policies, including executive orders, regulations, strategic plans, and guidelines. Regardless of the role they play in their state, leaders can encourage using a common language to describe credentials and develop a common repository for the information.

Governors

Governors can use their bully pulpit to make credential transparency part of the state’s economic development, education, and workforce strategies. For example, the governor’s workforce cabinets in Connecticut and Indiana include the Credential Registry and the CTDL in their strategic plans to ensure consistency across agencies.

Governors can also issue executive orders for a common schema and linked open data to describe credentials. Executive orders can serve as an important first step by signaling the importance of credential transparency and the commitment of leadership to support the work. Connecticut Gov. Ned Lamont’s executive order for the Governor’s Workforce Council included a requirement to review the state’s workforce development system and recommend ways to make credentials more transparent. See these sample executive orders to support credential transparency.

Legislators

State legislators can propose laws that encourage or mandate statewide adoption of the CTDL and the Registry, which is happening in Alabama, Connecticut, Vermont, and Texas. Strong credential transparency legislation like the kind passed in Connecticut will outline methods and goals and describe how it connects to other state goals. States like Texas may start with less prescriptive language, which simply encourages the state to create a “library” of credentials. See this sample policy language that states can modify in support of credential transparency.

State Higher Education Agencies and Systems

Many states and education providers are wrestling with aligning credentials and college credits from one provider to another. The Midwestern Higher Education Compact has partnered with Credential Engine to help its 12 states adopt the CTDL. In Kansas, the Board of Regents is collaborating with Credential Engine’s CTDL working group to identify programs and schools awarding credit for prior learning in military training.

State higher education leaders can also build credential transparency into program review or inventory processes. This provides a clearer picture of the credential opportunities available in the state, how they match with demand/need, and what must be done to improve. For example, leaders at the Louisiana Community and Technical College System have built credential transparency into their Program Health Index, which assesses
how programs align with regional and statewide workforce demands while considering performance and financial sustainability. To facilitate these and other goals, state higher education leaders can include requirements for credential transparency in their strategic plans as well as ensure all relevant information reported at the state and system level are made transparent through the Credential Registry.

**Secondary School Leaders**

*Chief State School Officers* can start by incorporating credential attainment into state accountability systems and public reporting. Using the CTDL and the Credential Registry statewide can better connect siloed data and boost efforts toward credential transparency, especially if leaders ensure that P-20W data systems include information around credentials.

For example, the *Ohio* Department of Higher Education is:

- Revealing the labor market value of credential options.
- Strengthening pathways from secondary career technical education to postsecondary credentials.
- Informing policy used for career and education advising in secondary schools.
- Upgrading internal systems that track credentials approved for public funding.
  - Ensuring veterans receive appropriate credits for military training.

The state has published over 5,000 credentials to the Registry, including information about credentials offered by public institutions.

*State Career and Technical Education Directors* — whether housed at the secondary or postsecondary level or in a separate agency — can also leverage the Credential Registry to inform decisions about career and technical education and ensure information about credentials used in CTE programs is accessible, comparable, and connected. South Carolina, for instance, is developing tools and practices to help students better prepare for their careers, and has selected credential attainment as its *Perkins V* secondary CTE program quality indicator. In collaboration with the Southern Regional Education Board, the state is:

- Identifying high-quality, industry-recognized credentials for CTE programs.
- Developing a searchable list with detailed information about industry-recognized credentials.
- Developing pathways from CTE to education and career opportunities.

To meet these goals, South Carolina will use Credential Engine’s linked, open data infrastructure to ensure that the work is already underway in 26 states and regions, and across 2 regional consortia of states in the U.S. Visit Credential Engine’s state partnerships web page and explore the interactive map to learn more about how each partner has approached the work and find state and regional specific resources.
information is described in a common language; available in an open-source repository; and built into tools that signal quality and pathways.

Workforce Agency Directors
State leaders focused on the workforce can use credential transparency to enhance the value of ETPLs by integrating them into the Credential Registry. Washington, Minnesota, Colorado, Illinois, and New Jersey are working toward these goals and including language around the use of the Registry in their WIOA regulations. Minnesota has added language to its ETPL terms of use and reviewed how publishing to Credential Engine aligns with state and national efforts, such as WIOA.

Workforce agency directors can also use the CTDL and the Registry when signaling the quality of credentials — and require that the information is transparent. New Jersey, Colorado, Louisiana, and Alabama have their quality assurance frameworks with the CTDL. In New Jersey, agency leaders have agreed on a quality framework that includes indicators that fit into either demand-alignment; educational outcomes; employment and wage outcomes; financial impact; or equity. With the Registry as its backbone, New Jersey is developing an end-user tool to help residents explore and understand which opportunities are high quality.

Funding for Credential Transparency
Creating stronger labor market information systems isn’t a one-time effort. As the demand for faster, more actionable information about credentials increases, so will the need for resources that make credential transparency possible. Building credential transparency requires:

- Adopting the CTDL as the shared, common language to describe the skills and competencies signified by credentials. This includes incorporating the CTDL across data systems and developing publishing workflows.
- Building a campaign that encourages publishing all credentials to the Credential Registry, starting with existing statewide data. This includes encouraging state agencies, education and training providers, and employers to use the CTDL and the Registry.
- Creating a vibrant market for developers to create tools that make it easier to access credential information. States can ensure equitable access to rich and reliable credential information by requiring the use of the Registry in grants and RFPs.

The costs of these activities vary by state and by infrastructure needs, but there are many potential sources of funding to support the work. The following sections offer an overview of funds to consider.

Tap into Existing State Funding
States can build credential transparency costs into agency budgets. For example, the Indiana Commission for Higher Education is funding its work through its annual budget, which includes money for staff time, work on end-user tools, and technical assistance from Credential Engine. Because credential transparency requires statewide collaboration, cross-agency cost-sharing models are a good way to ensure commitment. States also can tap into funding streams to support this work, including those focused on workforce development or modernizing P-20W data systems.
Leverage Federal Funds
The Data Quality Campaign created a document that highlights sources of funding for states which Credential Engine has annotated to include what we believe are ways this funding can be used to support credential transparency. Examples include:

- **Every Student Succeeds Act (U.S. Department of Education)**
  - Using the CTDL to describe credentials can enhance Title 1, Part A requirements about data reporting and accountability.
  - Using Title 1, Part B funding for state report cards to include information about K-12 credentials, their value, their transfer value, how they fit into effective pathways, and their outcomes.

- **Strengthening Career and Technical Education for the 21st Century Act (Perkins V) programs (U.S. Department of Education)**
  - Using state leadership funding to support data systems that better capture and analyze credential attainment data.

  - Extending data systems to include rich credential information to be aligned to student information.
  - Using one-time ESSER funds as part of the recovery packages that allow investments in data systems, which could include credential transparency.

- **Governor’s Emergency Education Relief (GEER) funding**
  - Using GEER funding to support K-12 and higher education data systems as part of the state’s pandemic response.
  - Ensuring that students and workers know which credentials meet quality standards; are part of effective pathways; and lead to positive outcomes is critical to support recovery and re-employment.

- **CARES Act**
  - The Florida Department of Education is using CARES Act funds to make sure workforce programs align with industry needs; evaluate their performance; and determine their ability to accelerate economic self-sufficiency. The work is designed to meet Florida’s REACH Act, which includes goals around ensuring all credential information is accessible through the Credential Registry.

- **WIOA programs (U.S. Department of Labor)**
  - Using Title I and Title II to coordinate and align data systems for WIOA, and to evaluate the performance data of job training, adult education, and literacy programs. Many states, including New Jersey, Indiana, Colorado, Minnesota, and Washington, are using their ETPLs as the backbone for credential transparency work. WIOA funding can support staff time and technology improvements for activities like publishing to the Registry.

- **Workforce Data Quality Initiative (WDQI) (U.S. Department of Labor)**
  - Accessing intended to link education and workforce data systems. A number of states, including Alabama, Illinois, Michigan, and Minnesota, are using WDQI funds to support work on credential transparency.

- **Federal grants such as Reimagine Workforce Preparation**
  - Federal agencies, including the departments of labor and education, are beginning to require that applicants describe information about relevant credentials and their related competencies through common schema such as the CTDL. Michigan, New York, and California have received these federal grants not only to fulfill the grant requirements but expand credential transparency across their states.
Alabama, for example, has braided together many of these federal funding streams to prioritize credential transparency as the backbone of the state’s workforce development strategy. This approach aligns robust leadership across multiple state agencies focused on providing quality information about labor markets. Through leadership from the Alabama Governor’s Office, the state has leveraged funding from WIOA, WDQI, CARES Act, and state agency budgets, including the Commission for Higher Education and the Alabama Department of Commerce. These federal and state funds support developing technologies to publish credential data to the Registry and creating a backpack to help students collect information about their credentials. Alabama has also used philanthropic dollars to address these gaps, including a grant from the National Skills Coalition to develop its quality framework for non-degree credentials, and funding from the Lumina Foundation to hone statewide competency frameworks.

Ph philanthropy’s Role

Given that the goals of credential transparency significantly overlap with the missions and visions of many philanthropies—such as equitable access to and attainment of high-quality credentials, improved understanding of and ability to use clear information about effective pathways, improved affordability, and a fair and sustainable economic recovery—state should strongly consider the best ways to engage foundations in their transparency work. Foundations may be helpful at key stages and for key elements of the work, but should not be considered for long-term operational funding.

A number of foundations have helped states make strides toward credential transparency. For example:

- The Lumina Foundation was an initial supporter of Credential Engine, and provided grants that kicked off credential transparency in several states: Indiana, New Jersey, Ohio, Minnesota, Kansas, and six states through a partnership with the New England Board of Higher Education.
- The Ascendium Foundation helped launch work in Iowa, Wisconsin, and North Dakota through a partnership with the Midwest Higher Education Compact.
- The Gates Foundation, the Walmart Foundation, and the JPMorganChase Foundation have supported state advancement and adoption of credential transparency.
- The Walton Family Foundation has supported expanding credential transparency work in K-12 education.

Foundations may also be especially interested in ensuring that credential transparency specifically benefits specific policy goals (equity, open data, longitudinal data system improvements, career pathways, and navigation, etc.), or populations (low-income, incarcerated and formerly incarcerated, rural, veterans, etc.).

State policymakers should consider how to best incorporate efforts to make information on credentials more transparent and actionable into their conversations with philanthropic funders as part of their larger shared strategy to improve labor market information, strengthen pathways, and empower opportunity seekers.
A Shared Vision

State leaders have a unique opportunity to ensure that all learners have the skills and knowledge they need to succeed. Frankly, states need better data and systems to rebuild and remain flexible in the new economy. Credential transparency gives policymakers, education and training providers, employers, learners, and workers access to vital, reliable, and actionable information to meet labor market needs. All stakeholders must understand what credentials are in demand, where to earn them, and what their value is in the workforce.

Policymakers are central to making this shared vision a reality. State leaders across the country are recognizing credential transparency as a shared good. They are enacting policies that promote the use of CTDL and the Registry; they are aligning state and regional education and training systems; and they are using linked open data to identify, create, and promote equitable pathways through education and into the workforce. A transparent credential marketplace helps everyone. But states need policies in place that advance this vision.

For additional information about how state leaders can help advance credential transparency, how to get started, and/or identifying philanthropic support for state-led credential transparency, please contact Credential Engine at info@credentialengine.org.
Glossary

**Credential**: diplomas, badges, certificates, apprenticeships, licenses, certifications and degrees of all types and levels that represent unique competencies that signal what a holder can do in the workforce.

**Credential Registry**: a cloud-based library that collects, maintains and connects information on all types of credentials – from diplomas, badges, certificates and apprenticeships to certifications, licenses and degrees of all types and levels. The Registry holds detailed information in an easily accessible format. Users, including employers, job seekers and students, can explore competencies, learning outcomes, up-to-date market values and career pathways.

**Credential Transparency**: making essential information about credentials public in formats humans can read and machines can act upon – such as their competencies, quality, costs, pathways, transfer value and connections to jobs. It is based on the premise that the easier it is to access and use comparable information about credentials, the easier it is for people to find the most cost-effective way to learn the right skills and find the best jobs.

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

**P-20W Data Systems**: Infrastructure that securely brings together specific data so leaders, practitioners and community members can better understand educational opportunities and pathways. This includes key sectors of the education to workforce pipeline beginning with early childhood education and transitioning through K–12, postsecondary education, and ultimately the workforce.
Credential Engine is a non-profit whose mission is to map the credential landscape with clear and consistent information, fueling the creation of resources that empower people to find the pathways that are best for them.