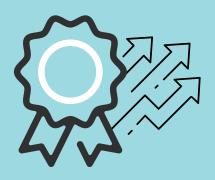
Chart a path to enrollment growth with alternative credentials



Our research shows that attitudes about higher education are shifting, tilting toward alternative credentials as alternative pathways to getting degrees or upskilling/reskilling. While learners are already out ahead on this, and employers are following, traditional institutions are wrestling with how best to wade in and launch offerings.

Given that both learners and employers want this, institutions can carve out a niche for themselves. Alternative credentials can lead to lasting relationships with learners, a pipeline of future enrollments, and relevance into the future.

Degrees are still a strong foundation for success, but we need more learning opportunities for skill development at all levels of higher education.

The need is acute for those learners who were left behind during the pandemic. This past year has further widened the gap in traditional learning as college enrollments dropped, leaving out portions of the population that didn't have internet access or didn't think they'd be successful in a remote learning environment.

In this white paper we'll:

present key findings from Pearson's research highlight three institutions and how they are using alternative credentials give five suggestions for you to start, expand or transform your alternative credential offerings



Learners expect flexible, anytime, anywhere learning

Although learners still value traditional degree programs that lead to careers, they're seeking alternatives to the degree through upskilling, reskilling, and alternative careerentry preparation. The pain points of affordability, accessibility, and the need to constantly stay relevant in a changing job market converged with a new on-demand mentality. The COVID-19 pandemic accelerated these trends.

In December 2020, we conducted The Pearson Alternative Credentials/Emerging fields survey with over 13,000 respondents.

We found that:

58% of learners said the uncertainties of the pandemic made them more willing to engage in short courses (than degrees) 57% of learners surveyed would prefer to engage in a competency-based short course than commit to a university degree

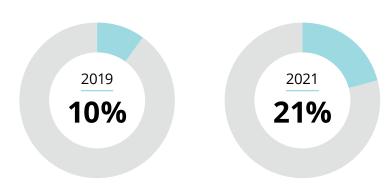
53% say alternative credentials are a better option than degrees for those planning to grow in their current careers

What educational qualifications do employers value?

Pearson's 2021 Employer Survey shows an overall increased preference for additional education at the bachelors, masters, and certification/certificate level. Their attitude toward credentials shows a shift, jumping 11% from 2019-2021. While this shift could have been influenced by the pandemic and having education move online for most learners in 2020, the accelerated acceptance of credentials seems here to stay.

EXTREMELY/VERY
IMPORTANT CREDENTIALS
FOR ENTRY LEVEL
CANDIDATES

Source: Pearson Employer Survey, conducted in Jan. 2021 with 600 employers and in 2019 with 232 employers



We have started hiring employees with only non-degree credentials

However, the credential must match the business application. 79% of employers believe a credential is valuable when the curriculum aligns with applied, real-world work, like learning a coding language for programmers.

EMPLOYERS NEED HELP WITH FINDING THE RIGHT PROGRAMS AND PARTNERS

What challenges does your organization face in providing learning and development to empoyees	2019	2021
Difficult for employees to take time off to participate	38%	29%
Rising costs	34%	26%
Lack of employee interest/engagement	23%	26%
Difficult finding the right external partners	17%	25%
Uncertainty over the value programs provide	18%	23%

Gartner predicts that the number of skills required for a single job is increasing by almost 10% year over year¹. This can leave employers, job seekers, and learners out of sync. While college and universities offer for-credit and credit-eligible shorter credentials, there is a growing library of non-credit offerings that employers are viewing as just as valid as traditional credentials. Alternative credential programs can precisely target immediate workforce need: they are less expensive, often taught on demand, and can be lower commitment.

How do traditional institutions meet this new demand?

The upskilling/reskilling movement presents a unique opportunity for institutions to innovate and grow, ensuring students are set up for success in a rapidly changing market. See how some of our institutional partners have experienced success using certificate programs to nurture relationships for long-term growth and provide an additional entryway point for degree enrollments.

NORTHEASTERN UNIVERSITY

Stackable courses leading to graduate degrees

In thinking about setting up their <u>certificate programs</u>, Northeastern University D-A'more-McKim School of Business knew that many students were wary of committing to a full postgraduate program, worrying about the time commitments and affordability of it. The potential to deliver upskilling for learners and to attract students to their degree programs spurred them to develop certificates, starting with their MBA program.

Certificates gave learners an alternate entry point to learn skills for their jobs and provided credits that could be applied later toward a full MBA degree.

For example, a student can begin with a certificate program and upon earning the certificate, continue on and apply those courses to either a master's program or the MBA. Or, they can stop, having earned the certificates they need right now and come back later to finish.

"We're finding about 25% of our learners will continue on into the degree immediately upon completion of a certificate," said Kate Klepper, Associate Dean of the D'Amore-McKim School of Business at Northeastern University. "It's great because these were the learners who were most hesitant to come back, mostly because of career and family commitments. It's easier for students to continue than it is to stop and start again."

And they saw success for the learners and for their university. "Now there is a broad offering of graduate level, credit bearing, stackable certificates and Northeastern is seeing growing interest in their short courses in graduate management education. A lot has been written about whether it's worth offering short courses, but they are meeting a need for our learners and their employers," Klepper said.

MARYVILLE UNIVERSITY

An alternative path to an undergraduate degree

Maryville has had a longstanding commitment to helping the millions of learners with some college credit but no degree. There are 36 million people in this category in the U.S., and they are on average older, with financial, family, and career commitments that could be impeding their progress in traditional higher ed settings.

Online higher education can be a game changer for these learners. To enhance their experience and expand the offerings to better meet learner needs, Maryville launched certificate programs to accelerate skill building and make learners more immediately employable or better prepared to change careers.

Students need flexibility to learn and work at a pace that fits into their lives. Certificate options as stand alone or embedded within degree programs give students options to use what they are learning throughout their experience.

Learners can work and study, showing employers progress toward their goal while applying their newly acquired skills on the job. These shorter, more cost-effective options help people advance in their professional lives.

"Certificates are valuable options because they put learner needs first through a more modularized curriculum by grouping meaningful, highly applicable learning and skill development. This allows learners to achieve milestones they can leverage as standalone credentials along their journey as opposed to only at the end with a degree.", said Katherine Louthan, Dean of the School of Adult and Online Education.

And they're growing. Maryville has launched a suite of undergraduate certificates in high-demand careers like artificial intelligence, software development, cybersecurity, data science, and UX/UI. They also have two post-baccalaureate certificates in big data and machine learning. Maryville has aligned their content areas with employer feedback and market demand. As Pearson's 2021 Employer Survey shows, more employers are accepting certificates as a way for workers to show that they're prepared with the skills they need to flourish on the job.

GEORGE WASHINGTON UNIVERSITY

Offerings at the School of Business

George Washington offers <u>27 certificates programs</u> in its business school: learners can stack certificate offerings toward a degree, attend online or a combination of online and on campus. Their courses can be taken as stand-alone credentials, used as glidepaths into degrees, or as a finishing elective set for degrees.

Their certificates fall into three major categories:

Focused on skill building: business analytics, artificial intelligence, and information systems **General management:** leadership, global management , and crisis management Industry-specific: sports management, energy and environmental systems, management, hospitality, and tourism

They serve learners across a continuum of educational journeys, with different backgrounds, interests, and career trajectories.

While they have many different certificate offerings, they also created an innovative interdisciplinary master's degree that gives students some degree of freedom in combining certificates. Students stack two certificates on top of one another plus two electives that integrate the field areas they want to pursue. George Washington's advising team works with students to identify which of the over 277 different certificate combinations is the best fit for their career needs and interests.

"Graduate certificates can serve as pathway academic programs for professionals," said Vice Dean for Strategy Liesl Riddle. "Those who are daunted about returning to school after being in the workforce for a significant period of time gain the opportunity to explore the fit of graduate school to their lives and careers through shorter term study. The limited commitment, while gaining skills and social capital they can put to use on the job immediately, that yields a credential at the end of the experience lowers the perceived barriers of risk of investing in graduate school for many students. This has yielded a larger, more diverse pool of applicants to our programs."

5 strategies to consider before setting up your certificate programs

The Pearson Alternative Credentials/Emerging Fields Survey has shown a clear need for upskilling — and institutions like yours have an opportunity to continue to be the go-to place for workforce skill development.

Important considerations for success:



Choose the right programs to attract more students. Select something that is trending or fills a need in the marketplace. Individual courses can also be used to confirm demand or interest for a full certificate program. Investing in a short course is an easy way to get insight into whether there is demand for it.



Make sure you have the infrastructure in place. The idea of offering an alternative credential is great, but you need buy-in from academics, academic operations, and student services amongst others. Think through what support will be available before you launch.



Think about how certificates fit into the structure of a program or department. Consider how a certificate can stack into and confer credit toward a degree and the next step in a student's journey. There is no need to create a certificate program from all-new courses—think about ways to re-package your current degree program offerings.



Have as few barriers as possible for learners. If it's not easy to apply and sign up, you're not going to attract students. You can still have requirements but think about them in a meaningful way. Do you need a long application with essays? Do you need a 3.0 GPA? Rethink rules that have been traditional barriers and simplify the application and payments.



Present financing solutions. Since the cost of upskilling and getting advanced degrees is a concern for learners, what are the alternative payment plans that you can offer? Be up front with learners, not only about costs but about all program costs and fees; availability of federal financial aid; or alternative payment sources like employer contributions, payment plans, subscription payments, or scholarships.

Charting a path forward

In today's environment, institutions risk declining enrollments by not adapting to what learners and employers seek from higher ed: shorter programs, affordability, equity in access, and certificates that prove learning outcomes and contain just the right match of needed skills.

Certificates can lead learners into full degree programs and build brand loyalty for life-long learning. By leveraging your existing strengths in specific programs, you can pave a path forward to staying relevant with learner demands to upskill or reskill, gain credentials, and make progress in their chosen careers.

About Pearson Online Learning Services

Pearson Online Learning Services has pioneered online learning for more than 25 years, and we're more passionate about it today than ever. We help institutions build and run great online learning experiences, from short courses to doctoral degrees.

Contact us if you want to:

Reach motivated learners you aren't reaching today.

Market and deliver nondegree offerings at scale. Access tested strategies, comprehensive services, and deep expertise.



Whatever the need, we're here to help you serve more learners and strengthen your brand. **So, let's talk. >>**

SOURCES

- https://www.gartner.com/smarterwithgartner/stop-training-employees-inskills-theyll-never-use/
- https://www.pearson.com/content/dam/one-dot-com/one-dot-com/global/ Files/PearsonEmployerResearch_2021_FINAL1.pdf
- 3. https://nscresearchcenter.org/some-college-no-degree-2019/ Copyright © 2021 Pearson All rights reserved. 12302-0721-KT

