



Tell me more about...

Micro-credentialing

psiexams.com



Contents

02

The rise of the micro-credential

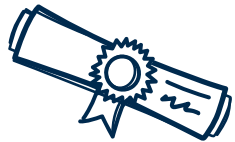
Page 10



04

How to develop a micro-credential

Page 16



01

Introduction

Page 4



03

The benefits of micro-credentials

Page 12

06

Meet the challenges with micro-credentials

Page 28



05

Different types of micro-credentials

Page 24



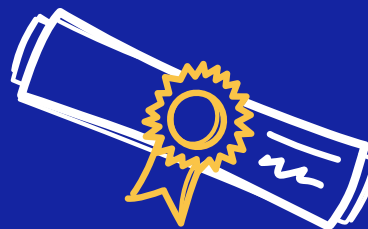
07

In conclusion...

Page 32

Introduction

We all need innovative options for our credentials



The speed of change and innovation in the workplace is driving transformation in credentialing. Employers and employees alike are increasingly looking to micro-credentials as an alternative – or a complement - to more traditional routes.

The ongoing evolution of the job market and the impact of the pandemic have both led to increased demand for certain types of skills, knowledge and competencies. These aren't readily available and we are experiencing a global workforce shortage across almost every industry and sector.

There is clearly an urgent need for more creative and effective ways to rapidly skill, upskill and reskill the workforce. The ability to easily pair relevant micro-credentials with more traditional training and education offers a compelling argument for their increased adoption.

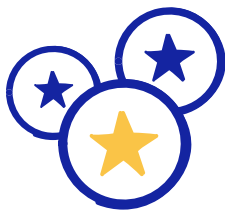
With the evolution of the jobs market, **95% of executives** say it's somewhat or very challenging to find employees with appropriate skills and talents.ⁱ

More than 80% of executives, supervisors and HR professionals believe alternative credentials bring value to the workplace.ⁱⁱ

77% of individuals agree having a job-relevant alternative credential increases or would increase their chances of being hired for a job.ⁱⁱⁱ







Micro-credentials – *a definition*

A micro-credential is a bite-sized credential that demonstrates skills, knowledge and / or competencies in a specific subject area or capability.

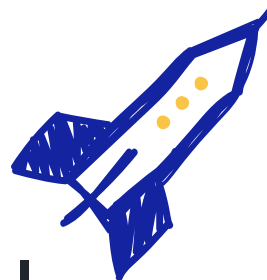
A micro-credential offers proof of learning outcomes that is more specialized, affordable and faster to obtain than a more traditional credential, such as a degree or certification.



***Why* micro-credentials?**

Micro-credentials provide training and assessment for skills that are in high demand. The focused knowledge and skills acquired and assessed through a micro-credential are up-to-date and aligned with current workforce needs. This might be evolving technology, changing industry methods or building organizational capacity.

The rise of the micro-credential



In 2019 there were more than 800 micro-credentials. By mid-2021, the number had **grown to over 1,500**^{iv}



Micro-credentials are offered in anything from healthcare, leadership and teacher development to fashion, photography and climate studies





Many companies see micro-credentials gradually diminishing the emphasis on degree-based hiring^{vi}



Popular micro-credentials are in business or technology-related fields



College retention rates have declined significantly **while completion rates for short-term training are rising**^v



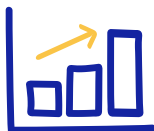
Companies such as Google, Penguin-Random House, Hilton, Apple, Starbucks, IBM and Bank of America no longer use degrees as a major requirement of hiring^{vii}



In 2019, the micro and alternative credential spend by learners, governments and industry **totaled around \$10 billion globally** ^{viii}



The investment in micro and alternative credentialing is **projected to reach \$20 billion by 2025** ^{ix}



The growing investment in micro-credentials is evidence they are **seen as a valuable tool by institutional leaders** ^x



Drivers for micro-credentialing are centred on a wide range of issues including: **employability, increased flexibility for learning, and promoting lifelong learning** ^{xi}

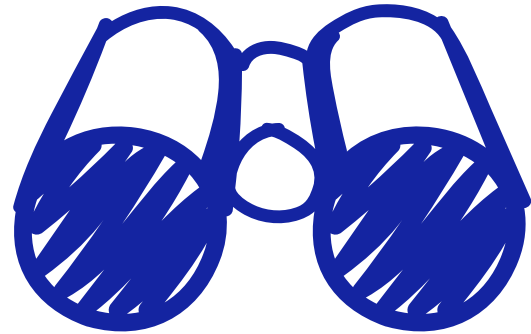


Major policy initiatives related to micro-credentialing have been **adopted by governments worldwide** ^{xii}



The *benefits* of micro- credentials

Micro-credentials offer numerous advantages for employers, employees and the organizations that deliver them. These benefits extend across almost every industry to organizations of different sizes.





"We identified a need amongst entry-level professionals and students for relevant and easily consumable learning. The stackable credential we have created enables us to bring them into our community and guide their career from the outset."

Kim Cohen

Director of Credentials, ISACA

Benefits for employers

- ▶ Address the skills gap and talent shortage.
- ▶ Access to a broader untapped talent pool.
- ▶ Evidence of in-demand knowledge, skills and abilities when hiring.
- ▶ Easier to match applicants to jobs during recruitment.
- ▶ Increase equity, diversity and inclusion.
- ▶ Agile qualifications that pivot quickly to meet demand.
- ▶ Improve workforce development and engagement.

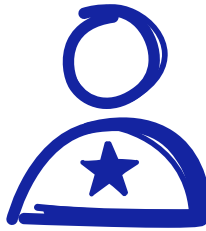


**64% of
companies**

see micro-credentials as demonstrating
a commitment to lifelong learning –
something they value highly. ^{xiii}

Benefits for *individuals*

- ▶ Access to online learning, assessments and tests. On-demand, anywhere, anytime.
- ▶ More accessible, affordable and less time consuming than traditional options.
- ▶ Validated and up-to-date knowledge and skills when seeking employment.
- ▶ Less reliant on work history for credibility during recruitment.
- ▶ Easier to upskill or reskill to change or progress career.
- ▶ Can be earned consecutively and 'stacked' as pathway to certification or degree.
- ▶ Enhance or update an existing degree or certification with new skills.



**72% of
individuals**

agree a micro-credential is an affordable way to gain the skills or experience necessary to enter a new job. ^{xiv}

How to *develop* a micro-credential

Speed is vital in the creation of a new micro-credential, to ensure your content is current and up to date. However, high standards are equally important.

A rigorous development process will ensure both the relevancy and quality of your credential, protecting the reputation of your program and your organization.



44%
of executives and
39%
of HR professionals

**believe quality
among credentials
is too varied** ^{xv}










***Map your
journey***
**and
competency
framework**



The first step for any organization looking to develop a new micro-credential is to identify the competencies and critical skills needed in your industry today. Explore the following questions:

-  Have the skills needed in our industry changed in recent years?
-  Where are the resulting skills gaps?
-  What knowledge and skills will an individual need to fill these gaps?
-  How will these skills be applied in our industry?
-  How will they be effectively assessed?

It's also important to consider how a micro-credential fits with and complements your existing offering.

How is it different?

Streamline test development

With micro-credentialing, test development follows a similar process to traditional testing, only it is more responsive and faster – and so more cost effective.

Key considerations for micro-credential test development include:



Need

For a streamlined approach to identify the key skills / competencies to be assessed.

Opportunity

To create shorter tests, or tests divided into sections, to make testing more accessible and less 'scary' to the test taker.

Potential

To create tests with different item types, focused on specific skills and objectives.

A major benefit of a micro-credential is that with shorter tests you don't need as many items in your item bank. This makes it possible to get an assessment validated and finalized more quickly. Nevertheless, it's always important to follow the proper process. Rigour is still critical.



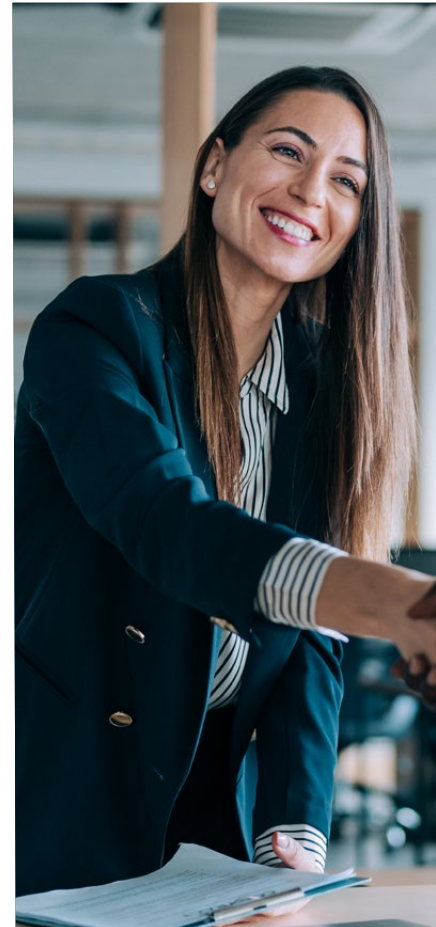
Democratize test delivery



More flexible forms of learning require more flexible test delivery. And when convenience and accessibility are key to a successful micro-credential, this must extend to test delivery.

Secure remote testing with online proctoring offers convenience, flexibility and accessibility for all test takers. The ability to take a test at home or in the office reduces travel time, expense and anxiety. This increased accessibility extends to the use of software that makes testing easier for people with different hearing, sight and cognitive abilities.

Online proctoring may still be new to many, so aim to understand and address any questions your test takers might have. For example, privacy and data security is assured with the use of a lockdown browser rather than browser extension. And additional reassurance and support are offered 24/7 through chat, email and phone.



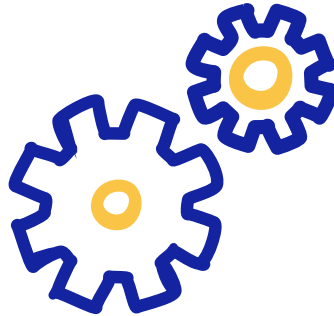


Maintain trust **with secure testing**

The reputation of a micro-credential is vital. Test takers, employers and the public must trust in the fairness and integrity of any tests required to obtain the credential. A secure testing environment is vital to maintain this trust.

Online proctoring provides the highest possible levels of test security. In addition to protecting test takers, a lockdown browser protects your Intellectual Property (IP) by preventing copy / paste and access to other applications. Additional measures, such as secure data storage and transfer, automatically varying test content, and post-test data forensics all maintain test integrity.

Different types of micro- credentials



Stackable credentials

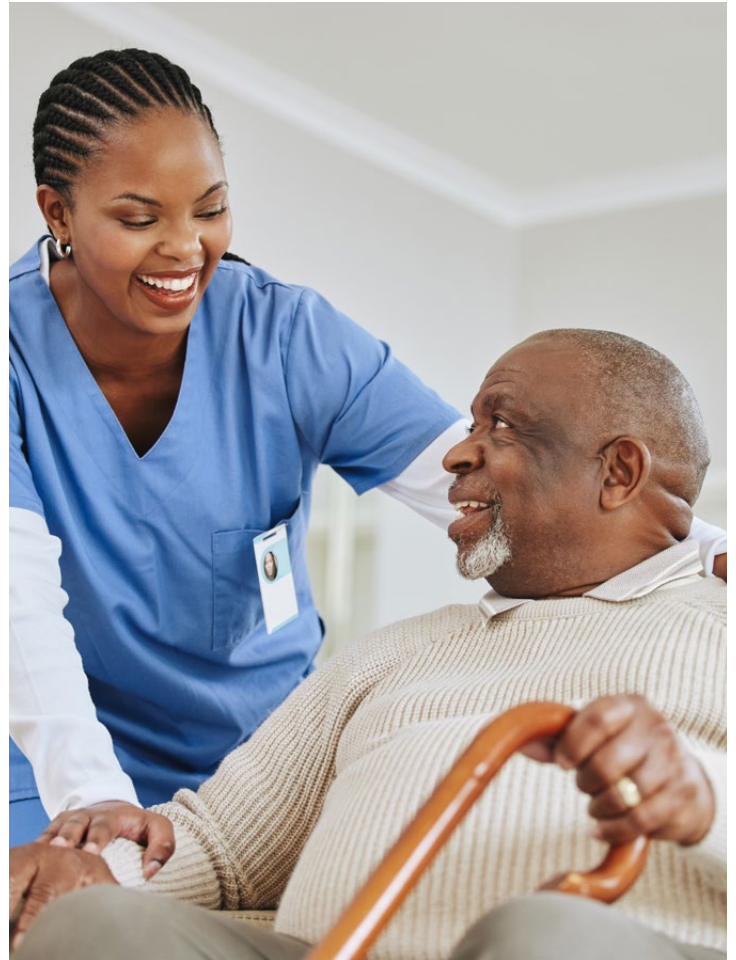
Modular or stackable credentials are a form of micro-credential. With a stackable credential, learners obtain a credential by completing components over a set period.

On completion, each component is stacked to indicate progress towards a broader certificate. This allows test takers to demonstrate their knowledge and progress over time, at their own pace.

Specialty **micro-credentials**

When a credentialing organization offers a major 'banner' credential, they often attach micro-credentials to show professional specialty in practice.

Specialty micro-credentials are a 'lighter weight', cheaper and more accessible way to gain and assess additional skills than a full certification.





***Introductory or taster* credentials**

Short credentials are often used as an introduction to a more in-depth or advanced course or certification. This type of credential is offered by many professional organizations and corporations, as well as training providers and educational institutions.

MOOCs are just one example of a taster credential. MOOC stands for Massive Open Online Courses, free courses available to anyone.



***Digital* badges**

On gaining a micro-credential, an individual will often earn a certificate or badge. A digital badge is a public and highly portable micro-credential. It offers proof of competence for a specific skill.

Digital badges can be stacked to build a personal portfolio of demonstrated and validated knowledge and skills. A digital badge is easily shared and transferable across companies.



Different delivery *mechanisms*

How a micro-credential is delivered will vary depending on the content.

Most micro-credentials are fully available online, on demand. Some are offered with an element of face-to-face or hybrid learning.

Meet the *challenges* with micro-credentials



An industry need for the knowledge and skills developed by a micro-credential won't necessarily lead to success. A lack of understanding and confidence can still limit the potential of your micro-credential.

While the concept of micro-credentials has been around for some years, it is still new to many. Some test takers and employers are still unsure about their worth and application.

Credentialing organizations need to understand and demonstrate the value of micro-credentials to their test takers, as well as wider stakeholders, including employers.



Misconceptions of **micro-credentials**

Some people still believe micro-credentials hold less value than more traditional certifications. They need support to understand that a micro-credential in fact offers current and evolving skills, as well as knowledge that is more aligned with existing and future needs.

It's not just a case of build it and they will come. Within a high-stakes field, credentialing organizations need to educate their test takers and wider stakeholders that there is a need for validity in their micro-credential.





***Barriers* to employer acceptance**

When HR professionals were asked what might **prevent them from recognizing** micro-credentials in the hiring process, they gave the following reasons:

- ▶ Varied quality among credentials.
- ▶ Lack of clarity about skills learned.
- ▶ Uncertainty about how to evaluate against other qualifications. ^{xvi}

Considerations that would make employers **more likely to consider** a micro-credential were:

- ▶ Reputation and industry relevance of the provider.
- ▶ If there is an exam or test needed to gain the credential.

Credentialing organizations can learn from this feedback to inform the development, quality standards and communication around their micro-credential.

Promoting what your micro-credential course content and assessment comprises and delivers will sell it to potential test takers and other stakeholders – and ensure it is a success.



In conclusion...



We need more qualified workers to bring constantly evolving knowledge, skills and abilities to the workplace. Traditional methods of skilling, upskilling and reskilling the workforce are not keeping pace with demand.



Employers and workers

are experiencing the negative impact of this failure. Individuals need more accessible ways to acquire relevant skills. And organizations need more reliable ways to assess those skills. Micro-credentialing meets these needs and is increasingly seen as the future of learning and work.



For credentialing organizations

investing in and developing new micro-credentials is an opportunity to innovate and grow.

Case study



ISACA

ISACA is a global non-profit professional association for individuals and enterprises in the IT governance sector. The team at ISACA wanted to expand into new markets and diversify the organization's learning and credentialing portfolio. They were also looking for ways to connect with the next generation before they enter the workforce, and support those wishing to switch to a career in IT.

ISACA created five hybrid 'stackable' certificates, including cybersecurity and data science. On passing all five tests, an Information Technology Certified Associate (ITCA) Certificate is awarded. Secure, flexible multi-modal testing, through global PSI test centres and innovative testing kiosks, is vital to delivering this new stackable credential.



References

- i Robert Half, 2021.
- ii Society for Human Resource Management (SHRM), 2021.
- iii SHRM, 2021.
- iv Class Central, 2021.
- v Education Dynamics, 2021.
- vi Northeastern University, 2018.
- vii Glassdoor, 2021.
- viii HolonIQ, 2021.
- ix HolonIQ, 2021.
- x OECD, 2021.
- xi Dublin City University, 2021.
- xii Dublin City University.
- xiii SHRM, 2021.
- xiv SHRM, 2021.
- xv SHRM, 2021.
- xvi SHRM, 2021.

Your trusted *testing partner*

Every day our clients support millions of people to realize their dreams, reach their potential, and improve their life chances. They care about their test takers – and we share that responsibility.

Our unwavering focus is on delivering frictionless and fair test taker experiences, without compromising test integrity, through...

Secure test delivery

- ▶ Authorized global **test centre** network.
- ▶ Secure and scalable **remote testing** Live and Record & Review **online proctoring**.
- ▶ Flexible **multi-modal** test delivery.
- ▶ Testing **windows or continuous testing** on-demand.

Rigorous test development

- ▶ Legally defensible and **valid test content**.
- ▶ **Job analysis** and **test** content specification.
- ▶ **Subject Matter Expert** (SME) recruitment, training and management.
- ▶ Secure **item authoring, banking and test generation** software.

Expertise in testing science

- ▶ Experienced **psychometricians**.
- ▶ Specialist **test developers**.
- ▶ **Data forensics** and web crawling.

Our willingness to listen and adapt means clients can either benefit from a full testing service, or access solutions at any stage of their testing journey.

Dreams deserve

We understand every test is about more than the result. It's about a dream. A dream the test taker believes is worth striving for. And we believe that too. Their dreams deserve trusted science, technology and operational expertise. They deserve PSI.



Connect with an expert today.

psiexams.com

