New and needed research to understand credentialing needs and continued competence

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Abstract
From healthcare to manufacturing, U.S. industry sectors are undergoing seismic shifts. The continual introduction of new technologies is transforming industry needs, necessitating new skills and job roles, and requiring workers to reskill and upskill rapidly. This article highlights findings from a U.S. manufacturing research study that is relevant to health care and other industries facing a skills mismatch. In addition, it explores the need for new research examining the continued competence of the workforce in a climate of life-long learning.

The U.S. manufacturing sector is grappling with a major skills mismatch. Nearly 3.5 million manufacturing jobs are expected to be needed over the next decade, but two million positions are likely to go unfilled, carrying a potential economic impact of $2.5 trillion.¹ The industry is seeing significant shifts: new technologies and innovations are transforming industry needs, necessitating new skills and job roles, and requiring workers to reskill and upskill quickly to keep pace with evolving skills needs. The competencies that will be required will be vastly different from those needed today. Developing these new roles, concurrent skills, and credentials will require collaborative efforts to identify the competencies and roles and to identify how these competencies fit in career and/or credential pathways.

A research report published by American National Standards Institute (ANSI) affiliate Workcred examining credential use in U.S. manufacturing offers a look at how credentialing can help employers and workers keep pace with changing skill needs. Funded by the National Institute of Standards and Technology (NIST) Hollings Manufacturing Extension Partnership (MEP), the study was based on findings drawn from survey and focus group participants from a wide range of manufacturing sectors, geographic regions, and job roles.

The study revealed that credentials have uneven use in the manufacturing industry and are not routinely required or used as a major factor in hiring or promotion decisions. While 45% of survey respondents reported preferring credentials, 30% indicated not using credentials at all (Figure 1).

![Figure 1: How Credentials Are Used in Manufacturing Facilities](image-url)
When asked what difference they felt credentials make, 69% of respondents stated credentials help to identify qualified people. Fifty-two percent felt that credential holders required less on-the-job training. Increased productivity, a better work ethic, and staying on the job longer were other benefits of credentials that were noted, while only 3% believed that credentials do not make a difference (Figure 2).

![Figure 2: Differences Credentials Make in Manufacturing Facilities](image)

However, when asked why they did not use credentials, 66% of respondents felt that experience was a better predictor of performance, and 36% indicated that workers – even those that held a credential – needed to be retrained anyway (Figure 3).

![Figure 3: Reasons Why Credentials Do Not Make a Difference in an Individual’s Performance](image)

Importantly, however, respondents indicated they believed credentials could serve as a critical resource if they focused more on hands-on skills, soft skills, and were more in line with job-specific skills (Figure 4).
While focused on U.S. manufacturing, the report is relevant to other industries, such as healthcare, that are grappling with a similar skills mismatch. According to healthcare staffing consulting firm Mercer, approximately 2.3 million new healthcare workers will be needed by 2025 to effectively care for the U.S. aging population, but a shortage of skilled workers could mean hundreds of thousands of positions will remain unfilled.

Credentials can play an important role in helping to close these staffing gaps due to skills mismatch. They can help individuals gain new skills and demonstrate that they have attained competencies needed by industry, and they can help employers understand what an individual knows and can do. However, to maintain their validity, credentials must be aligned with the current skill needs of industry and updated continually as those skill requirements evolve.

As highlighted in the research report, aligning competencies with employer needs requires effective communication and collaboration among employers, credentialing organizations, and education and training providers. When employers signal their competency requirements on an ongoing and systematic basis, education and training content and credentials can be updated to meet employers’ needs as jobs evolve and new ones are created. The more employers are involved in the development of credentials, the more directly those credentials will reflect the skills that employers deem important. As a result, credential seekers will benefit from knowing that a credential will have greater relevance throughout their career.

On the Horizon: Continued Competence in a Climate of Lifelong Learning
In a climate of life-long learning necessitated by technological advancements and evolving industry needs, ensuring continued competence – or recertification – of the individual is important. Professional certification and licensure programs often require that those who attain certification or licensure demonstrate continuing competency at regular intervals in order for the credential to remain valid. Yet a growing number of states have passed or are considering legislation regarding physician practices that would not require recertification as a condition for licensure for physicians/physician specialty occupations. This is emblematic of an ongoing debate about the benefits of certification and what it means to facilitate continued workforce competence. At the core of this debate is the underlying difficulty of understanding the impact of recertification. Is it an effective means of ensuring continued competence? How is it being measured? These are important questions given the growing tendency for accountability through reliable and valid metrics.
To further understanding of recertification and continued competence, Workcred is exploring new areas of research. The purpose of one proposed study is to examine the processes of recertification and how, if at all, effectiveness is measured in a variety of occupations and industries. This research would allow scholars and practitioners to better understand the existing data associated with the impact of recertification and lay the groundwork for future empirical research in this area. Once this research has identified the state of existing data on the impact of recertification in the professions, standards for recertification evaluation metrics and practices can be developed to support certifying organizations in assessing the impact of their recertifications.

In another study, we hope to further initial research examining the 2015 and 2017 waves of the National Survey of College Graduates, which found that holding a credential with a recertification is positively related to earnings for college graduates regardless of whether one holds a certification or license, or an advanced degree. Individuals appear to hold certifications with a recertification requirement for longer than certifications without such a requirement, further suggesting that credentials with a recertification component may be seen as more valuable than other credentials. We aim to conduct research to explore the effect of recertification on long-term labor market outcomes. In addition to helping certification bodies identify the value of recertification requirements, this research project could yield insights that help the National Science Foundation and other federal agencies collect better data on recertification practices. It may also confirm the value of recertification as a means of helping workers advance their careers and provide a counterpoint to concerns in economic literature about the potential barriers to labor market entry posed by recertification requirements. In addition, the research may reveal the value in maintaining recertification requirements for state licensure boards that may be tempted to cut such requirements in the name of reducing regulation and help convince working professionals to oppose efforts to weaken recertification, such as the initiative underway to remove re-testing requirements for physician specialty occupations.

We are living in a complex time where the labor market is continually evolving in response to technological advances. In this environment, research to examine industry sector needs and the continued competence of workers is essential to better understanding the workforce challenges facing U.S. industry and workers, and uncovering potential solutions. Research to address national workforce priorities, and in particular a model that examines continued competence in the professions is desperately needed, and research collaboratives should be formed to address this gap in research.

References

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