Public Viewpoint

Examining the Value of Nondegree Credentials

July 28, 2021
Since the onset of the pandemic, Americans have expressed a consistent preference for **nondegree** and **skills training** options.

Preferred education option if you were to enroll in the next six months:

- **Skills training***: 37%**
- **Nondegree credential**: 25%
- **Associate degree**: 12%
- **Bachelor's degree**: 16%
- **Graduate degree**: 10%

*Courses for skills training or personal development. **Certificate, certification, or license.

Interest is high and growing, but questions about quality and value remain
2020 Strada-Gallup Education Survey

• Nationally representative mail and web survey of nearly 14,000 adults of varying education levels
• Fielded April to December 2020
• Detailed questions about nondegree credentials:
  • Type of credential
  • Provider
  • Length
  • Alumni perspectives of quality and value
## Types of nondegree credentials

<table>
<thead>
<tr>
<th>Educational certificate</th>
<th>Professional license/certification</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Similar to degree programs but usually shorter</td>
<td>• Shows an individual has the required qualifications to work in a specific job or occupation</td>
</tr>
<tr>
<td>• Complete sequence of courses in career, technical, trade, vocational, or professional education program</td>
<td>• Usually requires passing an exam</td>
</tr>
<tr>
<td>• Does not include attendance-based certificates</td>
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Understanding the Nondegree Credential Market
2 in 5 working-age adults have completed a nondegree credential; 1 in 5 report it as their highest level of education

Nondegree credential attainment

40% of working-age adults have completed a nondegree credential

Highest level of education

- Bachelor's or higher: 35%
- Associate: 7%
- Nondegree credential/program: 20%
- Some college, no credential: 10%
- High school or less: 28%

BASE: 25- to 64-year-olds (n=12,023)
The institutions that issue nondegree credentials are diverse

Issuers of nondegree credentials

- Vocational/technical college: 19%
- College/university: 18%
- Government: 17%
- Professional association: 15%
- Community college: 12%
- Business/company: 10%
- Other: 9%

BASE: 25- to 64-year-olds with a nondegree credential (n=5,545).
Examining the Quality and Value of Nondegree Credentials
Outcome Measurement Framework

Alumni Perspectives of Quality and Value

- Was it worth the cost?
- Did it help you achieve your goals?
- Did it make you an attractive candidate for jobs?

Labor Market Outcomes

- Earnings
- Job Satisfaction
Alumni outcomes of nondegree programs are slightly higher than associate degree programs, though not as high as bachelor’s degree programs.

**Alumni ratings (strongly agree/agree)**

- **Bachelor's or higher**
  - 75% (Worth the cost)
  - 48% (Helped me achieve my goals)
  - 75% (Attractive job candidate)

- **Associate**
  - 59% (Helped me achieve my goals)
  - 57% (Attractive job candidate)

- **Nondegree**
  - 65% (Attractive job candidate)
  - 49% (Helped me achieve my goals)
  - 56% (Worth the cost)

**BASE:** 25- to 64-year-olds with a nondegree credential or higher (n=10,237) Note: “Bachelor’s or higher” and “Associate” categories are inclusive of individuals who may have additionally completed a nondegree credential. “Nondegree” is inclusive of individuals who completed a nondegree credential but not a degree.
The labor market outcomes of nondegree programs are similar to associate degree programs.

### Median annual earnings

<table>
<thead>
<tr>
<th>Program Type</th>
<th>Median Annual Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bachelor’s or higher</td>
<td>$75,000</td>
</tr>
<tr>
<td>Associate</td>
<td>$50,000</td>
</tr>
<tr>
<td>Nondegree</td>
<td>$50,000</td>
</tr>
<tr>
<td>High school</td>
<td>$32,000</td>
</tr>
</tbody>
</table>

### Job satisfaction (extremely/very satisfied)

<table>
<thead>
<tr>
<th>Program Type</th>
<th>Share of Program Completers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bachelor’s or higher</td>
<td>69%</td>
</tr>
<tr>
<td>Associate</td>
<td>59%</td>
</tr>
<tr>
<td>Nondegree</td>
<td>69%</td>
</tr>
<tr>
<td>High school</td>
<td>61%</td>
</tr>
</tbody>
</table>

BASE: Employed 25- to 64-year-olds with a nondegree credential or higher (n=8,417). Note: “Bachelor’s or higher” and “Associate” categories are inclusive of individuals who may have additionally completed a nondegree credential. “Nondegree” is inclusive of individuals who completed a nondegree credential but not a degree.
Adults who combine a college degree with a nondegree credential experience greater quality and value than those with a college degree alone.

Alumni ratings (strongly agree/agree)

- **Helped me achieve my goals**
  - Bachelor's or higher
  - Associate

- **Worth the cost**
  - Bachelor's or higher
  - Associate

- **Makes me an attractive job candidate**
  - Bachelor's or higher
  - Associate

Share of program completers

BASE: 25- to 64-year-olds with an associate degree or higher (n=8,452)
Program/Credential Characteristics
Longer certificate programs do not necessarily lead to better alumni outcomes than shorter programs.

**Alumni ratings (strongly agree/agree) by length of certificate program**

<table>
<thead>
<tr>
<th>Length of Program</th>
<th>Worth the cost</th>
<th>Helped me achieve my goals</th>
<th>Attractive job candidate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 week to &lt;1 month</td>
<td>53%</td>
<td>50%</td>
<td>54%</td>
</tr>
<tr>
<td>1 to 6 months</td>
<td>54%</td>
<td>66%</td>
<td>54%</td>
</tr>
<tr>
<td>6 months to 1 year</td>
<td>59%</td>
<td>59%</td>
<td>54%</td>
</tr>
<tr>
<td>More than 1 year</td>
<td>77%</td>
<td>62%</td>
<td>68%</td>
</tr>
</tbody>
</table>

**Median annual earnings by length of certificate program**

- **1 week to <1 month**: $30,000
- **1 to 6 months**: $55,000
- **6 months to 1 year**: $40,000
- **More than 1 year**: $58,000

BASE: 25- to 64-year-olds with an educational certificate who report a nondegree credential as their highest level of educational attainment (n=980)
Health care nondegree credentials receive the highest ratings of quality and value

Alumni ratings (strongly agree/agree) by field of program

- Healthcare: Worth the cost - 72%, Helped me achieve goals - 59%, Made me an attractive candidate - 72%
- Construction: Worth the cost - 64%, Helped me achieve goals - 49%, Made me an attractive candidate - 61%
- Accounting/finance: Worth the cost - 69%, Helped me achieve goals - 42%, Made me an attractive candidate - 53%
- Transportation: Worth the cost - 64%, Helped me achieve goals - 49%, Made me an attractive candidate - 55%
- Mechanic/repair: Worth the cost - 64%, Helped me achieve goals - 40%, Made me an attractive candidate - 61%
- Computer science: Worth the cost - 64%, Helped me achieve goals - 44%, Made me an attractive candidate - 55%

Share of working-age adults with nondegree credentials

BASE: 25- to 64-year-olds who report a nondegree credential as their highest level of educational attainment (n=980)
Nondegree credentials issued by community colleges have the highest alumni ratings, while those issued by individual businesses and companies have the lowest.

Alumni ratings (strongly agree/agree) by provider type

- **Community college**
  - Worth the cost: 78%
  - Helped me achieve goals: 59%
  - Made me an attractive candidate: 67%

- **Vocational/technical college**
  - Worth the cost: 68%
  - Helped me achieve goals: 57%
  - Made me an attractive candidate: 67%

- **Government**
  - Worth the cost: 57%
  - Helped me achieve goals: 41%
  - Made me an attractive candidate: 57%

- **Professional association**
  - Worth the cost: 73%
  - Helped me achieve goals: 32%
  - Made me an attractive candidate: 49%

- **Business/company**
  - Worth the cost: 54%
  - Helped me achieve goals: 40%
  - Made me an attractive candidate: 49%

Share of adults with a nondegree credential

BASE: 25- to 64-year-olds with an educational certificate who report a nondegree credential as their highest level of educational attainment (n=5,492)
Demographics
Among racial groups, Black Americans rate nondegree credentials the highest

Alumni ratings (strongly agree/agree) by demographic characteristics

<table>
<thead>
<tr>
<th></th>
<th>Worth the cost</th>
<th>Helped me achieve my goals</th>
<th>Attractive job candidate</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>65%</td>
<td>44%</td>
<td>52%</td>
</tr>
<tr>
<td>Latino</td>
<td>65%</td>
<td>54%</td>
<td>59%</td>
</tr>
<tr>
<td>Black</td>
<td>70%</td>
<td>68%</td>
<td>71%</td>
</tr>
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Share of adults with nondegree credentials

BASE: 25- to 64-year-olds who report a nondegree credential as their highest educational attainment (n=1,707).
Key Findings

- **The outcomes of nondegree credentials earned in isolation are comparable to associate degree programs.** For example, 65 percent of those who complete nondegree programs said their education was worth the cost and 49 percent said it helped them achieve their goals, compared to 59 percent and 43 percent, respectively, of associate degree holders.

- **College graduates who combine their degree with a nondegree credential have substantially higher ratings of their education than those without nondegree credentials, especially associate degree holders.** For example, 43 percent of associate degree holders but not a nondegree credential said their education made them an attractive job candidate, compared to 70 percent of those who had both an associate degree and a nondegree credential.

- **Longer programs do not necessarily lead to better outcomes than shorter programs.** For example, 85 percent of those who completed a certificate program that took between a week and a month to complete said it was worth the cost, compared to 59 percent of those who completed a program that took between six months and a year to complete.

- **Among nondegree education and training providers, alumni rated community colleges the highest in terms of quality and value.** For example, 78 percent of those with a nondegree credential from a community college said it was worth the cost, compared to 54 percent of those with a nondegree credential from an individual business or company.

- **Black Americans rated nondegree programs the highest among racial groups, while white Americans rated them the lowest.** For example, 68 percent of Black Americans with a nondegree credential said their education helped them achieve their goals, compared to only 44 percent of white Americans with a nondegree credential.
Learn more at StradaInsights.org
Methodology

• The 2020 Strada-Gallup Education Survey is a nationally representative survey using both mail and web data collection modes. The survey was conducted from April 2 to Dec. 22, 2020; n=13,839.

• Please contact Strada Education Network with questions or information requests at stradareshape@stradaeducation.org or learn more at StradaEducation.org/PublicViewpoint.