



What we know about returns to community college certificates: evidence and open questions

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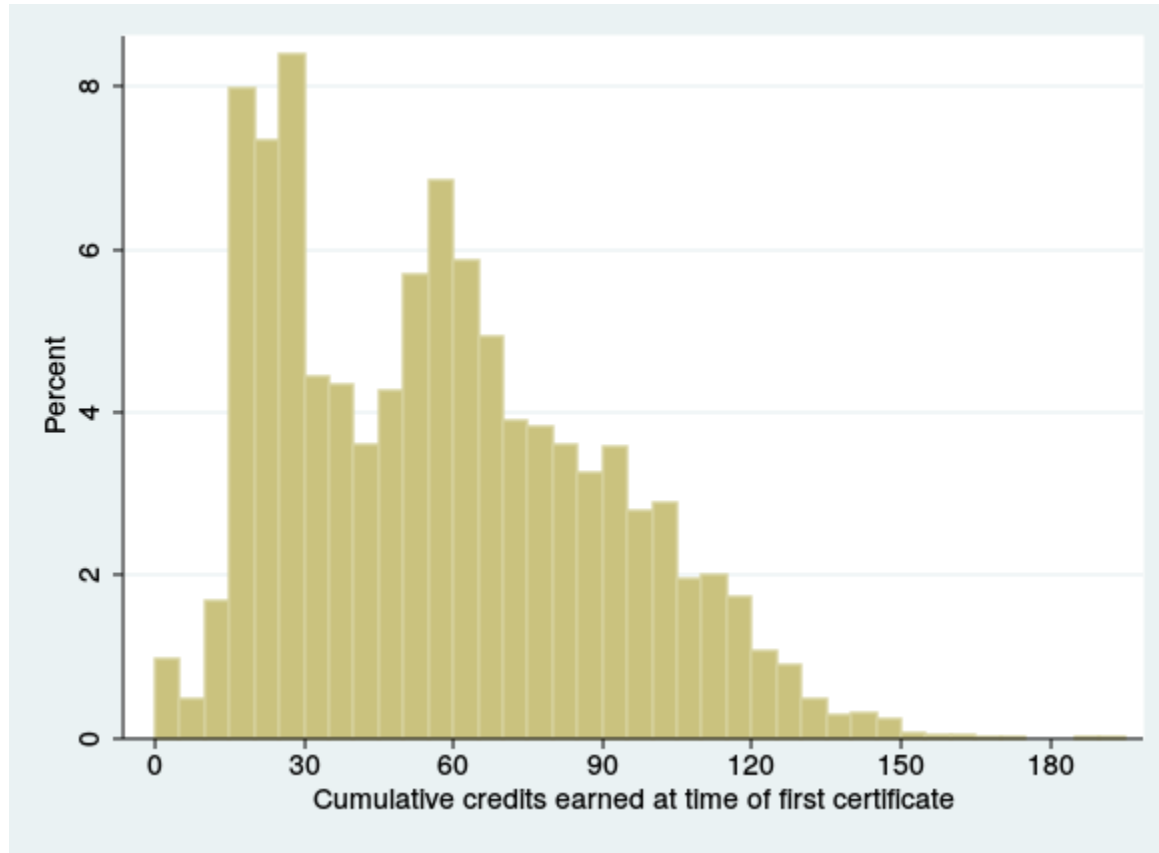
April 6–7, 2017 | Washington, DC

What do I mean when I say “certificate”?

- A certificate **is**:
 - A credential that is officially awarded by an accredited college
 - A credential that denotes completion of a particular program of study
 - Sometimes known by other names (e.g. diploma)

- A certificate **is not**:
 - Non-credit
 - An associate degree
 - An industry certification (though it can be strongly linked to one)

Certificates are diverse in... length



North Carolina data , 06-08 cohorts

- Short-term: Less than 1 year of full-time study (< 30 credits)
- Long-term: 1 year or more of full-time study (\geq 30 credits)

Certificates are diverse in... field

	National	
	Short-term	Long-term
Allied Health	17%	18%
Business and marketing	10%	6%
Construction	4%	5%
Cosmetology, culinary, and admin services	7%	11%
Education and Childcare	5%	3%
Engineering sciences	6%	5%
Humanities and Social Sciences	1%	6%
Information science, communication and design	5%	4%
Mechanics, repair and welding	11%	15%
Missing/Other	1%	2%
Nursing	14%	22%
Protective Services	10%	4%
Transportation	8%	1%
N	218,171	141,250

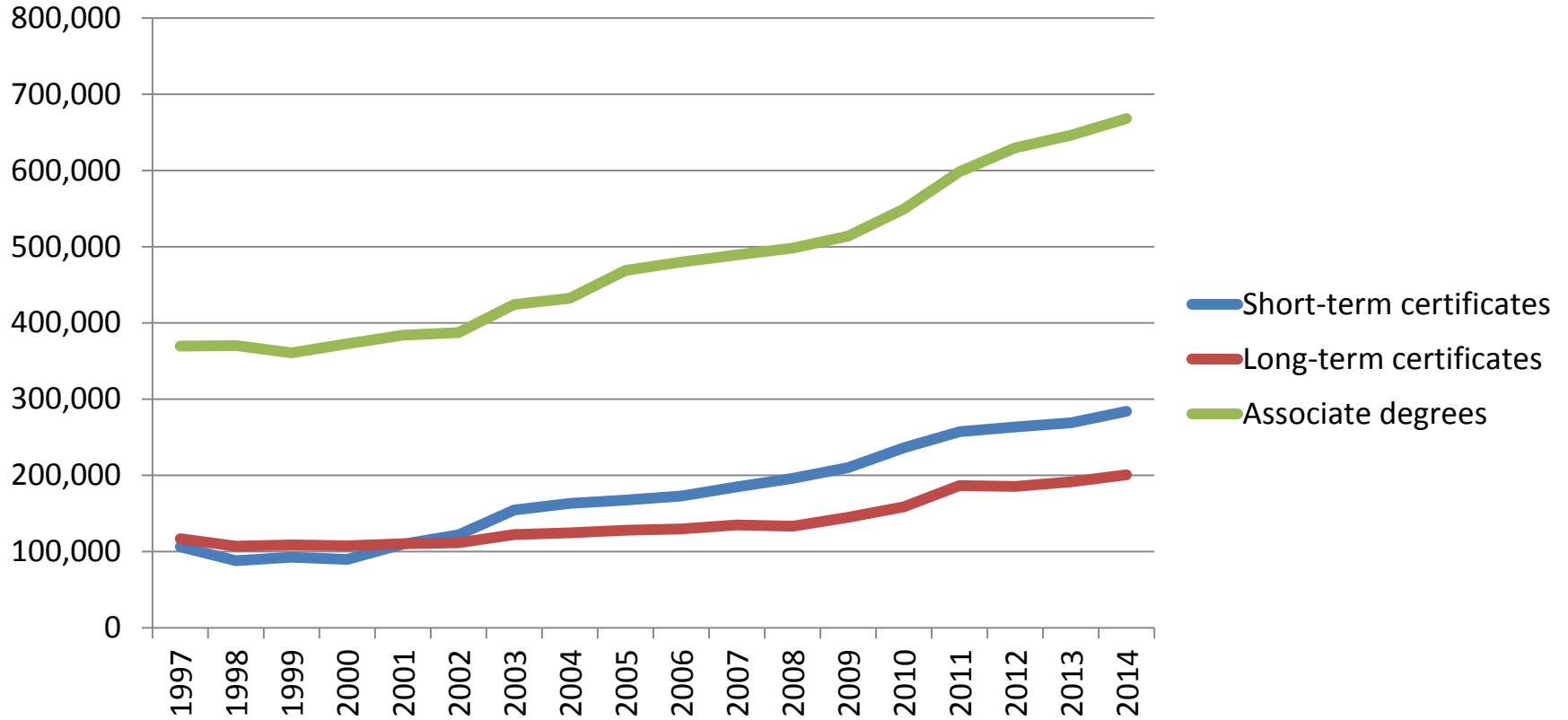
Note. The national data are calculated from the Integrated Postsecondary Data System (IPEDS) using credentials awarded by community colleges, which we define as all public, primarily postsecondary, Title IV-eligible institutions in the 50 U.S. states or the District of Columbia from which at least 90 percent of credentials awarded in 2008 were at the sub-baccalaureate level.

Certificates are diverse in... regional popularity

- From Bosworth, 2010:
“Certificates Count: An Analysis of Sub-baccalaureate Certificates”

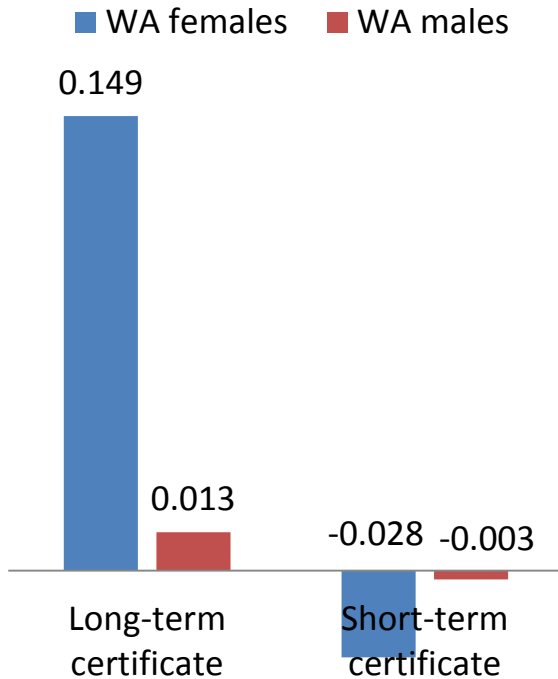
Table 5: Certificate and associate degree production	
State	Certificates as % All Sub-Baccalaureate Awards
Lowest certificate-to-associate production	
Hawaii	27.0%
Vermont	33.3%
North Dakota	38.0%
New York	40.7%
Mississippi	41.8%
Highest certificate-to-associate production	
Connecticut	149.7%
Arkansas	154.8%
Kentucky	193.9%
Georgia	298.0%
Louisiana	361.0%

Certificates are growing

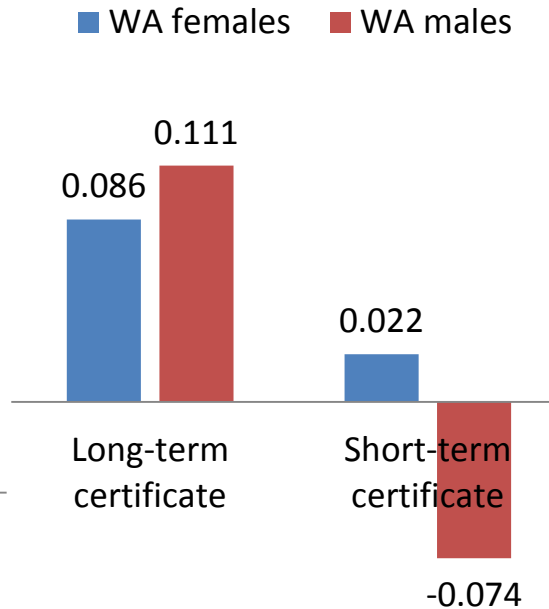


My research on returns: WA

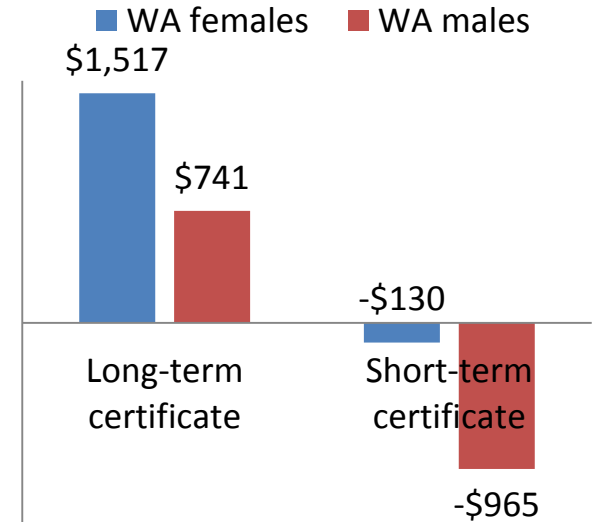
Log Wages



Probability of Employment



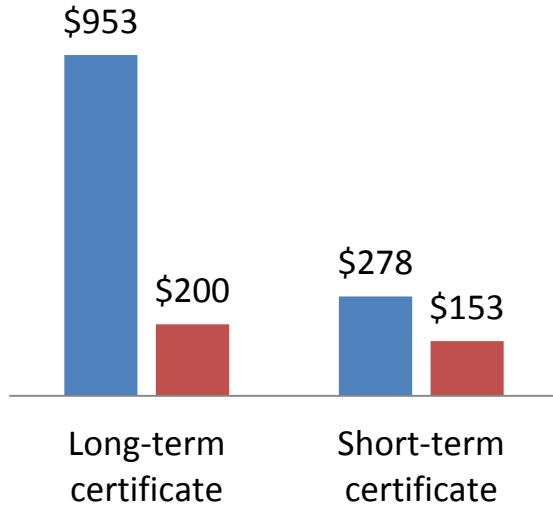
Nonzero Quarterly Earnings



My research on returns: NC and VA

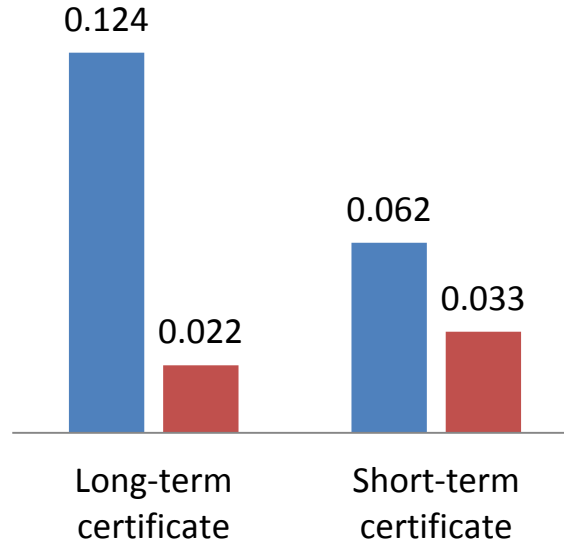
Quarterly Earnings

■ NC ■ VA



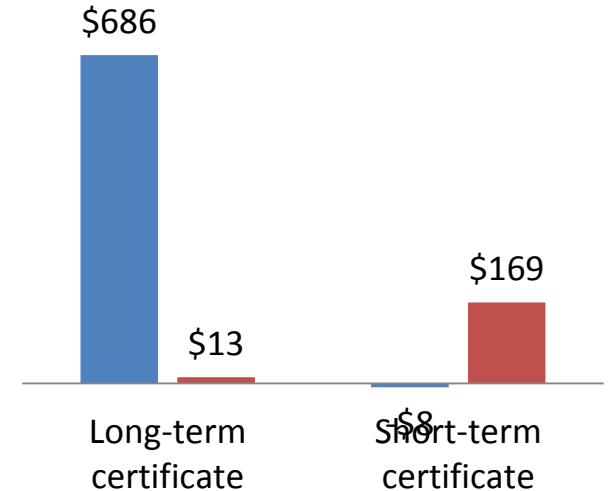
Probability of Employment

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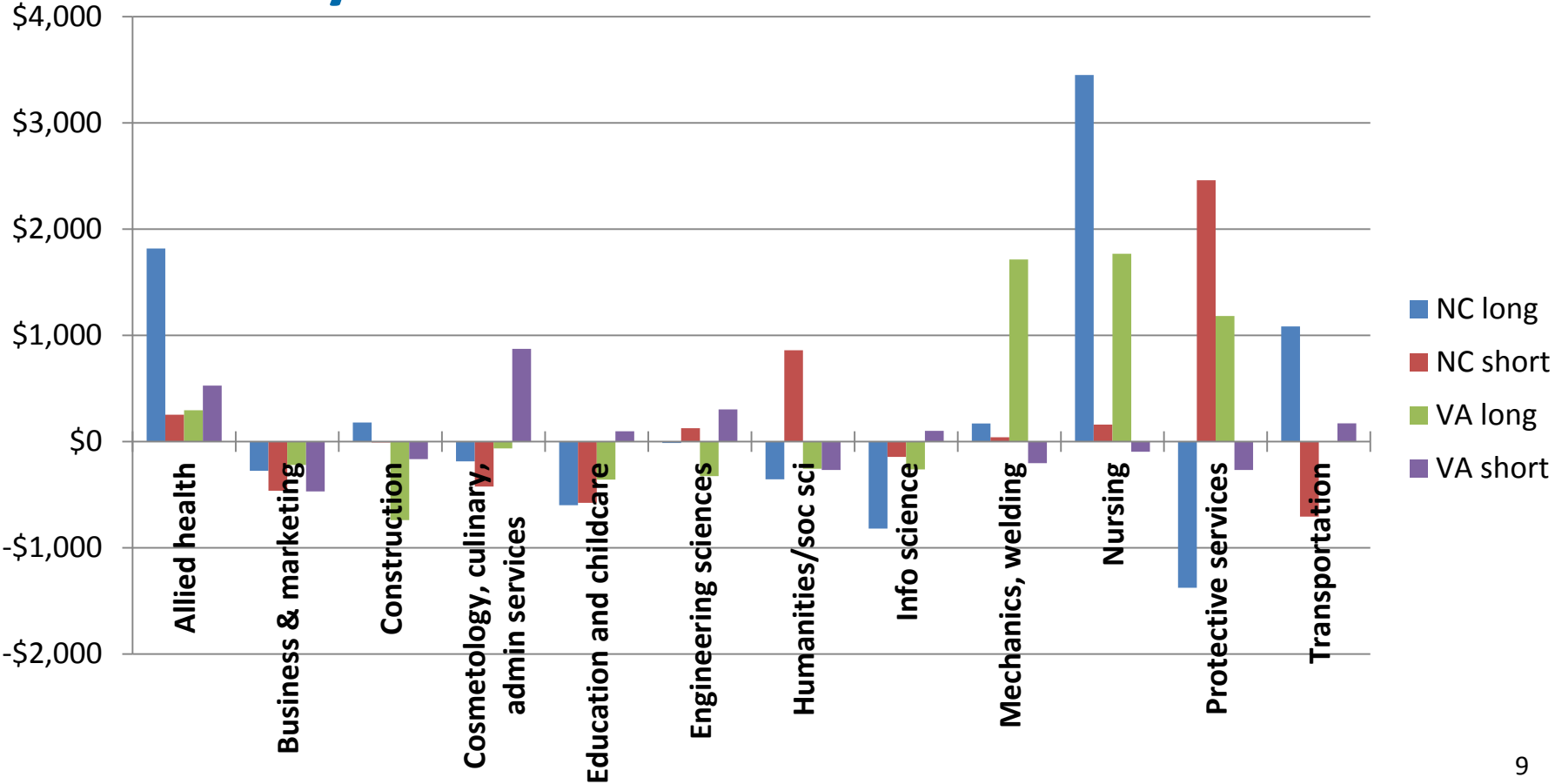


Nonzero Quarterly Earnings

■ NC ■ VA



My research on returns: NC and VA



D.C. among first in nation to require child-care workers to get college degrees






Child-care worker Debbie James-Dean, right, listens to her professor during a philosophy of religion class in the District on March 28. James-Dean is taking classes with other child-care workers through Central Texas College's D.C. satellite program. (Toni L. Sandys/The Washington Post)

By Michael Alison Chandler March 31

Debbie James-Dean graduated from high school in 1979 and has spent much of her career working in child care. She was anxious when her director at Kids Are Us Learning Center in Southeast Washington told her she needed to go back to school.



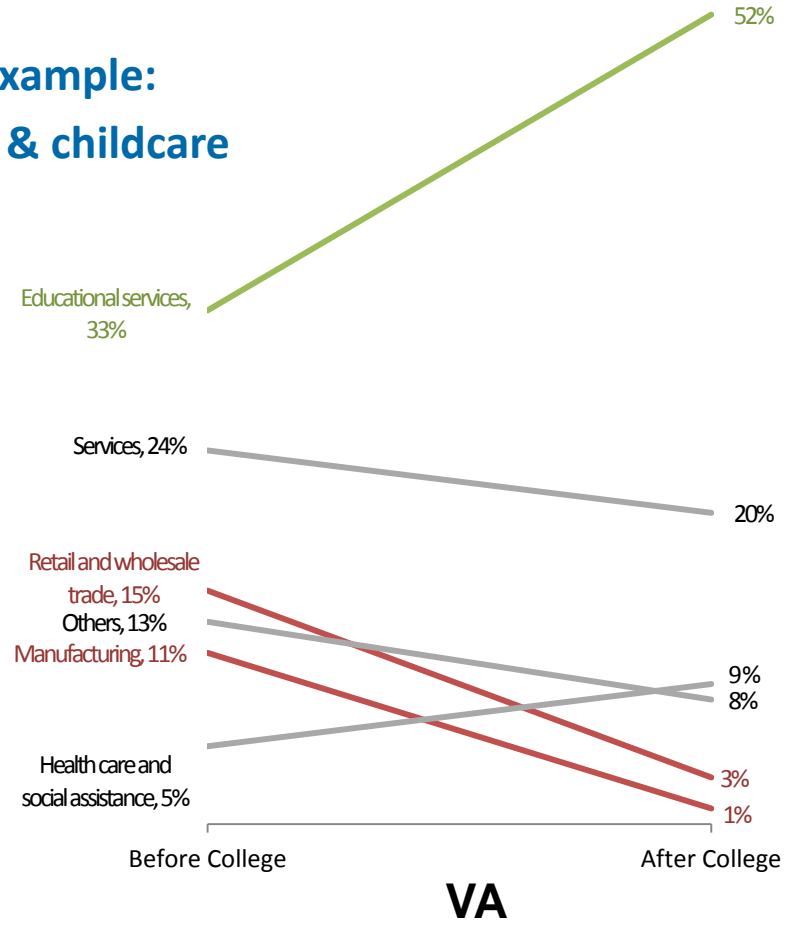
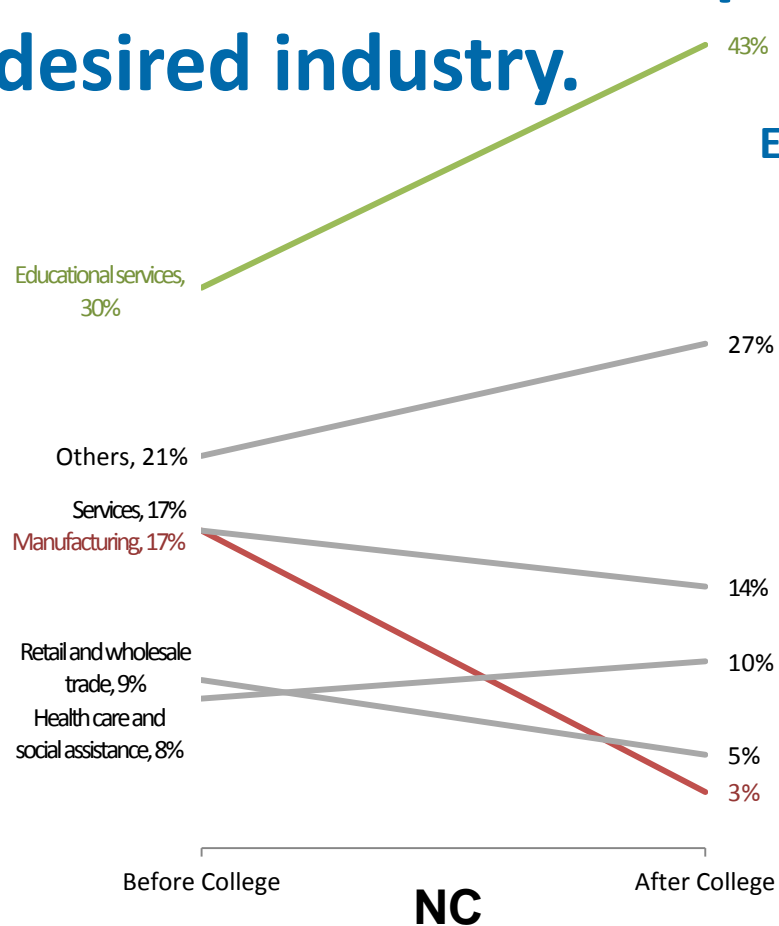
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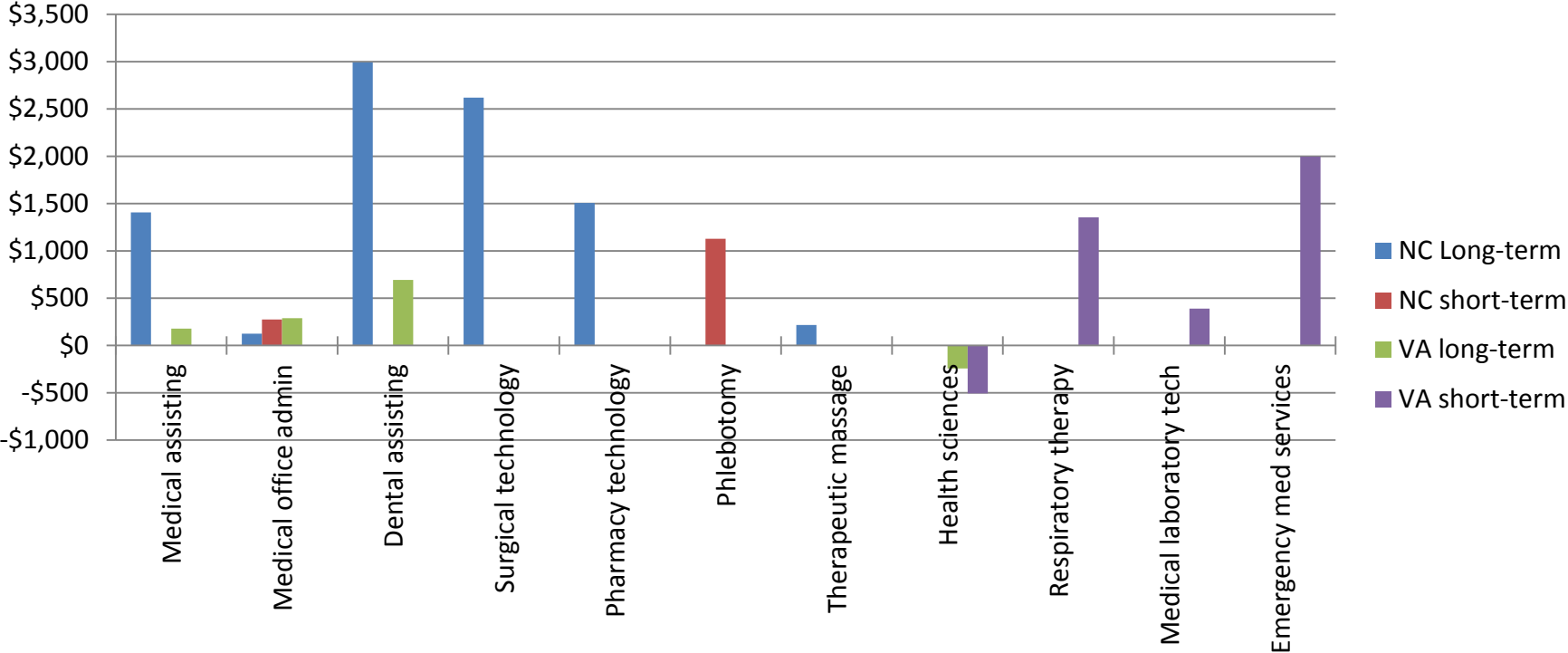


Certificates can also propel students into their desired industry.

Example:
Educ & childcare



Maybe it's better to think about returns to particular programs.



Using data to inform policy

The Free Certificate Movement

Indiana moves to focus on job training through nondegree programs.

By [Ashley A. Smith](#) // March 24, 2017

0 COMMENTS 



YOU CAN. GO BACK.

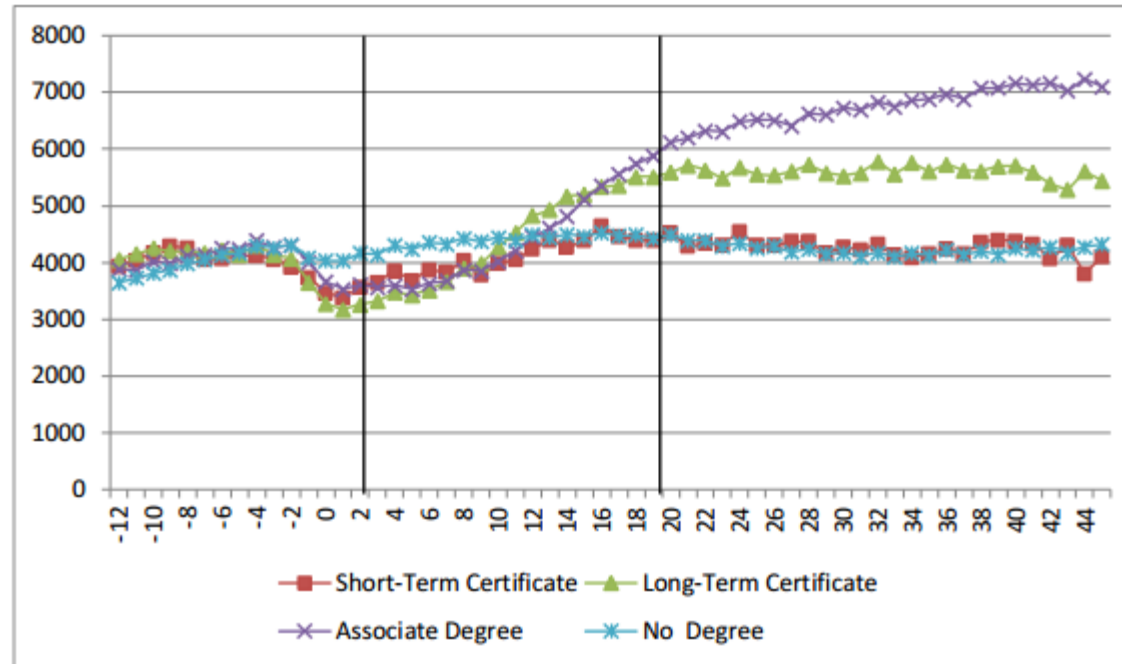
Statewide effort to help **750,000+ Hoosiers** finish their degrees.

UML.EDU/HANDS-ON

The state has determined that a high-value certificate is one that has "high job placement, high completion rate, high wage and high demand." Some of those potential certificates would be in the following fields: automation and robotics technology, medical office administration, supply chain management logistics, certified nursing assistant, welding, or commercial driver's license.

But do earnings for certificates KEEP going up? Minaya & Scott-Clayton, 2017

Figure 1a: Quarterly Earnings by Quarters Since First Entry—Women



Note. Fall 2001–spring 2004 first-time college entrants to two-year institutions followed through 2013Q1. Each quarter is measured relative to initial entry. The lines on the graph show the follow-up period of Jepsen et al. (2014), which goes through the fourth quarter of 2008.

But do earnings for certificates KEEP going up?

General Education, Vocational Education, and Labor-Market Outcomes over the Life-Cycle

Eric A. Hanushek, Ludger Woessmann, Lei Zhang

NBER Working Paper No. 17504

Issued in October 2011

NBER Program(s): ED LS PE

Policy debates about the balance of vocational and general education programs focus on the school-to-work transition. But with rapid technological change, gains in youth employment from vocational education may be offset by less adaptability and thus diminished employment later in life. To test our main hypothesis that any relative labor-market advantage of vocational education decreases with age, we employ a difference-in-differences approach that compares employment rates across different ages for people with general and vocational education. Using micro data for 18 countries from the International Adult Literacy Survey, we find strong support for the existence of such a trade-off, which is most pronounced in countries emphasizing apprenticeship programs. Results are robust to accounting for ability patterns and to propensity-score matching.

Policy Questions

- What outcomes do we really care about?
 - How should we weigh short-term vs. long-term returns?
 - Might low-return programs still be worth subsidizing?
- Should certificates be encouraged?
 - Via performance funding?
 - Via free tuition and other financial aid?
- What are the tradeoffs in requiring credentials for employment?

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