New Credentials. Global Overview

Maria Spies – Co-CEO, HolonIQ

June 2022
New Credentials

Shorter, more flexible credentials, from a range of providers are more valued by learners and employers.

Education Work Nexus

Higher education, work & skills are increasingly interconnected and becoming integrated.

Borderless Competition

New types of competitors and models including PPPs are in play. Value chains are changing.

Omni Channel Learning

Higher education is moving to omni-channel approaches to learning & the student experience.
$117B Online Degree & Micro-Credential Market in 2025

Global Online Degree and Micro-Credential Expenditure Forecast in USD

- **Very strong online degree market pre-COVID**: OPMs saw particularly high growth and online universities such as SNHU and WGU accelerated enrolments. The MOOC-as-OPM model was established and ‘certificate’ partnerships grew.

- **COVID Bump**: Forced market swing to online. Changing learner preferences, further challenges to campus-based value prop for some.

- **PostGrad Unbundling**: Significant unbundling of postgraduate credentials, integration to enterprise learning and work.

- **UnderGrad On & Off-Ramps**: Pathways and On-Ramps into Degrees and Education to Work Off-Ramp models support online degree completion while working.

- **Forecast**
  - Mid-COVID: 17% CAGR
  - Pre-COVID: 14% CAGR
‘Micro’ and ‘Alternative’ credentials are evolving pathways, substitutes and alternatives for learners.

**Associates Degree**  
60 – 65 credit hours or 20 classes.

**Bachelors Degree. Approx 4000–5000 hours**  
120 – 130 credit hours or 40 classes. (125 eight-hour days per year)

**Masters Degree**  
30 to 60 credit hours

- **straighterline**  
  ‘courses for credit’

- **Outlier**  
  ‘courses for credit’

- **WGU Academy**  
  ‘Courses you complete at WGU Academy transfer to WGU degree programs’

- **Lambda**  
  Online Coding School  
  ‘40+ hours every week for 6+ months.’

- **Google**  
  Google Certificates  
  ‘Equivalent to a 4-Year Degree’

- **Future Learn + AWS**  
  ‘...whilst earning academic credit from Coventry University, an AWS Academy member institution’.

- **Coursera Specialization**  
  ‘Most ... take 4-6 months to complete’

- **Udemy**  
  Average Udemy Course ~ 3 hours
Segmenting the Post Secondary Credential Spectrum

Defining the Global Micro and Alternative Credential Spectrum, beyond government led qualification frameworks, is not straightforward. Different stakeholders bring very different perspectives, and this segmentation is by no means exhaustive.

- On Demand, Online, Short Courses.
- Mostly asynchronous video and resources.
- Generally, no formal assessment.
- ‘Peer to Peer’ heavy.

- Professional certifications and licenses.
- Generally issued by industry bodies.
- Dominated by Question Banks, Study Notes and Test Prep.

- ‘Self-credentialled’, employer or industry backed, non-accredited programs.
- Google: ‘equivalent to a four-year degree’.
- Industry backed MOOC Certificates

- University Branded Certificates. Delivered internally or through partners/platforms.
- Increasingly credit bearing or some form of recognition/advancement quality.

- University Issued Non-Degree ‘Certificates’

- National/Regional Qualification Framework Regulated Programs.
- Government funding tied to qualification frameworks.

Examples
- Degreed
- LinkedIn (Lynda.com)
- OpenClassrooms
- Pluralsight
- Skillshare
- Udemy

Examples
- 42
- General Assembly
- Lambda School
- Le Wagon
- Thinkful
- Trilogy

Examples
- AWS, Cisco, SSCP…
- Bar (Law), CFA (Fin)…
- CA/CPA/CIA/CERA…
- NCLEX…
- PE/FE, PMP, PgMP…
- USMLE, ABFM…

Examples
- Google Certificates, Udacity Nano-Degree
- MOOCs w Industry Partners eg EdX MicrMasters, Coursera ‘Specializations’

Examples
- eCornell
- European Micro-credential Framework
- University Learning Store
- WGU Academy

Examples
- TVET Certificates
- Associate/Bachelor
- Masters/Doctorate
- ‘Sub Bachelor’ and ‘PG Diploma’ in most parts of the world.

Source: HolonIQ, February 2021
$9.9B Micro and Alternative Credential Expenditure

2019 Global Micro and Alternative Credential Market Estimate in USD

Bootcamps (Offline + Online)

$0.9B

D2C Bootcamps, B2B Bootcamps and now University Partnership Bootcamps

Online Non-Degree ‘Certificates’ and Post Secondary Micro-Credentials.

$2.3B

Excluding Offline Executive and Continuing Education

Professional Certifications

$2.9B


Online Courses & Badges

$3.8B+

MOOCs, Marketplaces, Coding and Creator Courses, Skills Assessments and Test Prep for Professional Certifications

Source: HolonIQ Smart Estimates, February 2021
Infrastructure for micro-credentials is building.

As demand for more granular, cross sector and cross border recognition of knowledge, experience and qualifications gains momentum in the market, blockchain credentials infrastructure is being built across education and workforce through alliances and networks.

- **USA. Learning Credential Network** – recognizing education, experience and skills
- **American Council on Education** – Blockchain Challenge
- **USA** – State-based micro-credential pilots in some form or another
- **Digital Credentials Consortium** – Global universities collaborating to design an infrastructure for digital credentials of academic achievement.
- **World Economic Forum** – Reskilling Revolution and Global Skills Passport
- **Singapore My Skills Future Initiative** – SkillsFuture Credit aims to encourage individuals to take ownership of their skills development and lifelong learning. Introduced in 2015, all Singaporeans 25+ received an opening credit of S$500 and additional top ups. Coordination between government agencies, Education and Workforce
- **Malaysia** – Govt departments (HR & Education) joined forces to deliver 10,000 microcredentials across 24 skill areas, with the objective of 50k training places by December 2022, 3M over 5 years
USA. Learning Credential Network, U.S. Department of Commerce's American Workforce Policy Advisory Board and partners develop a nationwide pilot to translate all education, training, and work experience to a record of transferable skills.

Infrastructure for micro-credentials is building. As demand for more granular, cross sector and cross border recognition of knowledge, experience and qualifications gains momentum in the market, blockchain credentials infrastructure is being built across education and workforce through alliances and networks.

American Council on Education Blockchain Challenge. Technology-enabled solutions that reorient the education and employment ecosystem around the individuals that they aim to serve. The challenge invited teams to articulate a vision and design pilots that addressed an ecosystem-first designed approach driving interoperability, social mobility, and learner control.

HOLONIQ. MICRO & ALTERNATIVE CREDENTIALS

Digital Credentials Consortium. Founded in 2018 by 18 universities globally, designing an infrastructure for digital credentials that can support the education systems of the future.

World Economic Forum. In January 2020, at its 50th Annual Meeting, the Forum launched its global Reskilling Revolution to benefit more than 1 billion people by 2030. The initiative supports systemic change in recognizing the value of skills-based training and hiring, with discussion about a Global Skills Passport.

538 Universities have established a Bootcamp partnership since 2010. They are growing faster than OPM partnerships in the US and globally.

Number of new Bootcamp partnerships established by Global Universities each year. (2010 – 2021).

New Bootcamp University Partnerships Established each year

- US
- International

Universities establishing partnerships to recruit and deliver bootcamp programs, generally with the continuing education department and in technology focused domains such as Coding, Data Science, Cyber and Digital Marketing.

Cumulative Bootcamp University Partnerships Established since 2010

Source: HolonIQ, January 2022
2021 Global HE Poll: When will micro-credentials will become integrated into most university offerings?

- 14% in the next 1-2 years
- 36% by 2025
- 38% by 2030
- 13% never
2021 Global HE Poll: Top Barrier to scaled adoption?

- Complexity of micro-credential offerings: 10%
- Lack of understanding of what micro-credentials are: 21%
- Lack of trust in some micro-credentials: 10%
- Constraints in the recognition and quality assurance of micro-credentials: 59%
2021 Global HE Poll: Status of micro-credential adoption?

- Mature: 5%
- Emerging: 70%
- Don’t know: 6%
- Non-Existent: 19%
Micro-credentials are set to play a critical role in the reshaping post-secondary education landscape.

Traditional education models may not be suitable for the evolving needs of learners and employers as demand for continuous learning and new skills increases.

Many industry providers, including large employers and global brands are increasingly delivering and endorsing alternative learning options within specific industry verticals.

However, the micro-credential landscape is vast and complex, with many different providers, approaches and formats.

The lack of digital solutions for the validation, recognition and storage of micro-credentials remains a barrier to adoption at scale.

While there are no agreed standards or a common framework for recognition of micro-credentials, early attempts are emerging.

Governments around the world are starting to build national platforms and create incentives for integration and recognition of micro-credentials across sectors and systems.

National Qualifications frameworks are beginning to allow the flexibility to incorporate alternative and micro-credentials.

The re-shaping post-secondary education landscape creates an opportunity for traditional providers to reconsider what, how and for whom they offer education and training.