New Credentials. Global Overview

Maria Spies – Co-CEO, HolonIQ

June 2022

www.holoniq.com

4 Strategic Shifts in Higher Education

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

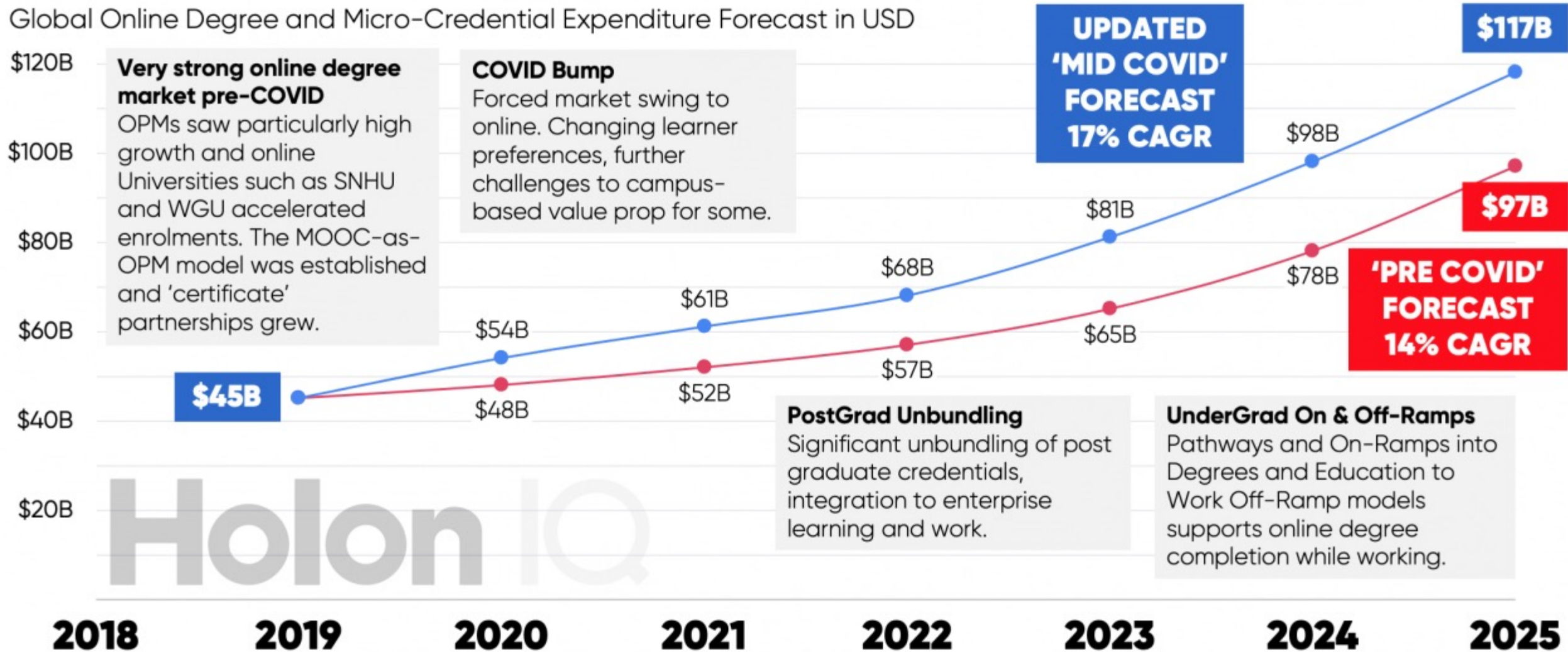New types of competitors and models including PPPs are in play. Value chains are changing.

Omni Channel Learning

Higher education is moving to omni-channel approaches to learning & the student experience.

Holon IQ

Holon IQ

$117B Online Degree & Micro-Credential Market in 2025

Global Online Degree and Micro-Credential Expenditure Forecast in USD

UPDATED 'MID COVID' FORECAST 17% CAGR

$117B

$120B

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.

$100B

$98B

$81B

$97B

$80B

$68B

'PRE COVID' FORECAST 14% CAGR

$61B

$78B

$60B

$54B

$65B

$57B

$45B

$48B

$52B

PostGrad Unbundling
Significant unbundling of post graduate credentials, integration to enterprise learning and work.

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

$40B

$20B

2018   2019   2020   2021   2022   2023   2024   2025

'Micro' and 'Alternative' credentials are evolving pathways, substitutes and alternatives for learners.
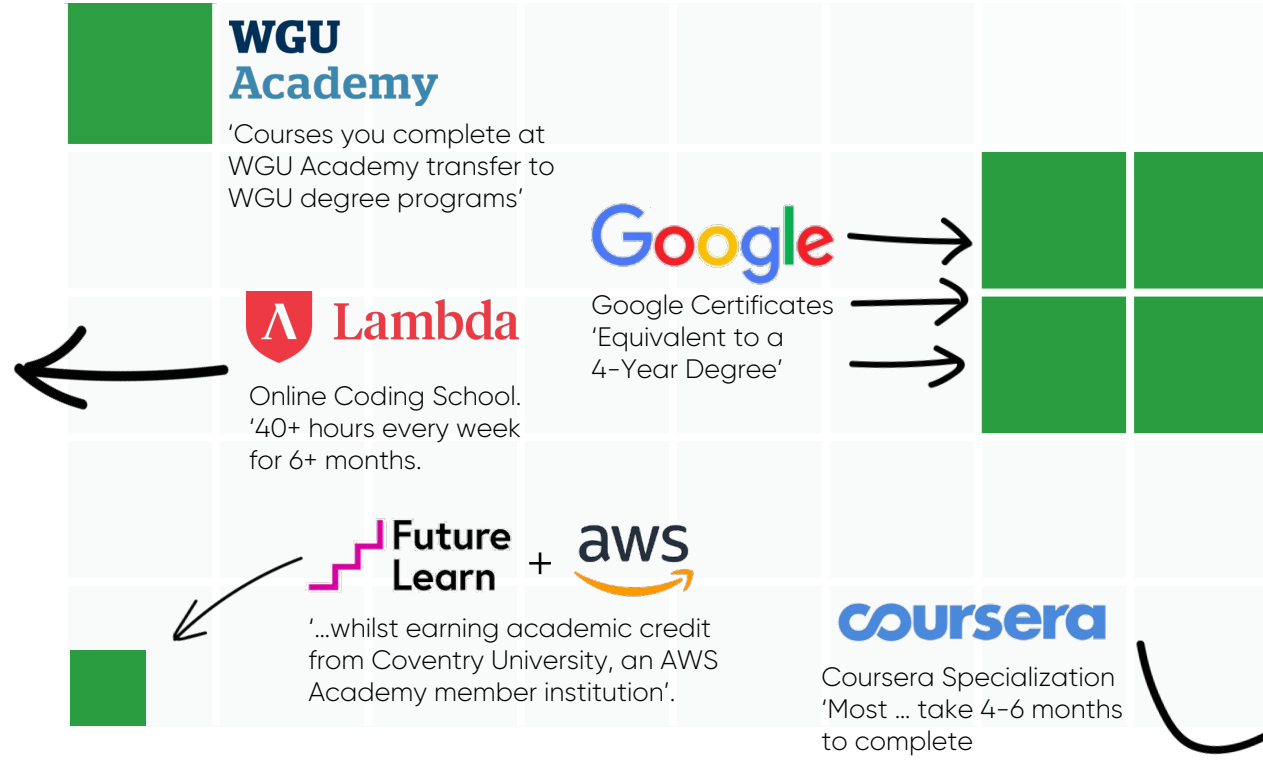—

Associates Degree
60 – 65 credit hours or 20 classes.
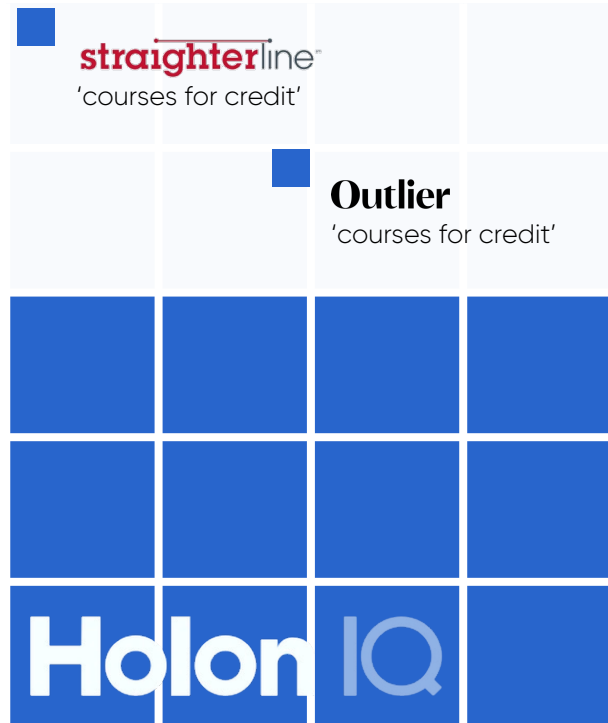
Bachelors Degree. Approx 4000-5000 hours
120 – 130 credit hours or 40 classes. (125 eight-hour days per year)

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'

Google
Google Certificates 'Equivalent to a 4-Year Degree'

Lambda
Online Coding School. '40+ hours every week for 6+ months.

Future Learn + aws
'...whilst earning academic credit from Coventry University, an AWS Academy member institution'.

coursera
Coursera Specialization 'Most … take 4-6 months to complete

Udemy
Average Udemy Course ~ 3 hours

getsmarter

eCornell

edX
Micromasters

Holon IQ

Holon IQ

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.

1–10+ hours **Short Courses/Badges**	500–1000 hours **Bootcamps**	200–1000 hours **Professional Certifications & Licenses**	100–1000 hours **Non-University Issued Non-Degree 'Certificates'**	100–1000 hours **University Issued Non-Degree 'Certificates'**	1500–5000 hours **Degree Programs/ 'Accredited Programs'**
• On Demand, Online, Short Courses. • Mostly asynchronous video and resources. • Generally, no formal assessment. • 'Peer to Peer' heavy.	• 3–6 month full-time immersive programs. • Coding, Cyber, Digital Marketing, PM, UX… • Formerly offline, moving online due to COVID. Might go back	• 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.	• 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 MicroMasters, 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

Holon IQ

$9.9B Micro and Alternative Credential Expenditure

2019 Global Micro and Alternative Credential Market Estimate in USD

Illustrative examples only

Bootcamps (Offline + Online)

B2B and HE growing very fast

$0.9B

D2C Bootcamps, B2B Bootcamps and now University Partnership Bootcamps

Online Non-Degree 'Certificates' and Post Secondary Micro-Credentials.

University & Non-University designed & delivered 'certificates' & micro-credentials

$2.3B

Excluding Offline Executive and Continuing Education

Professional Certifications

Accounts, Cyber, Engineers, Finance, Lawyers, Nurses, Physicians, Software Developers, Tech/Project Management.

$2.9B

Online Courses & Badges

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

$3.8B+

Holon IQ

Holon IQ

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

- **Australia** - National Micro-credentials Framework launched. Embedding into qualifications framework.

- **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

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).
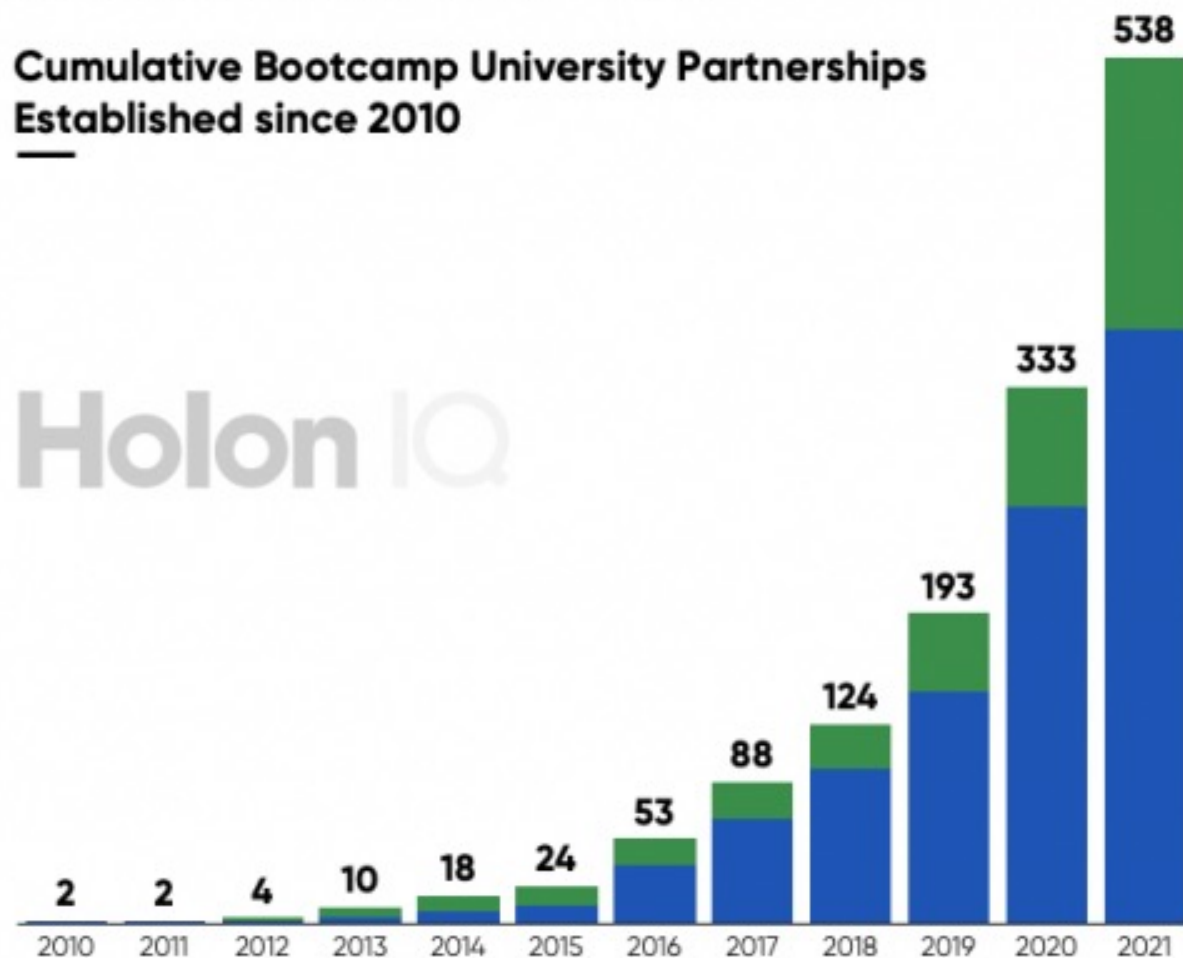
New Bootcamp University Partnerships Established each year

- ■ 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.
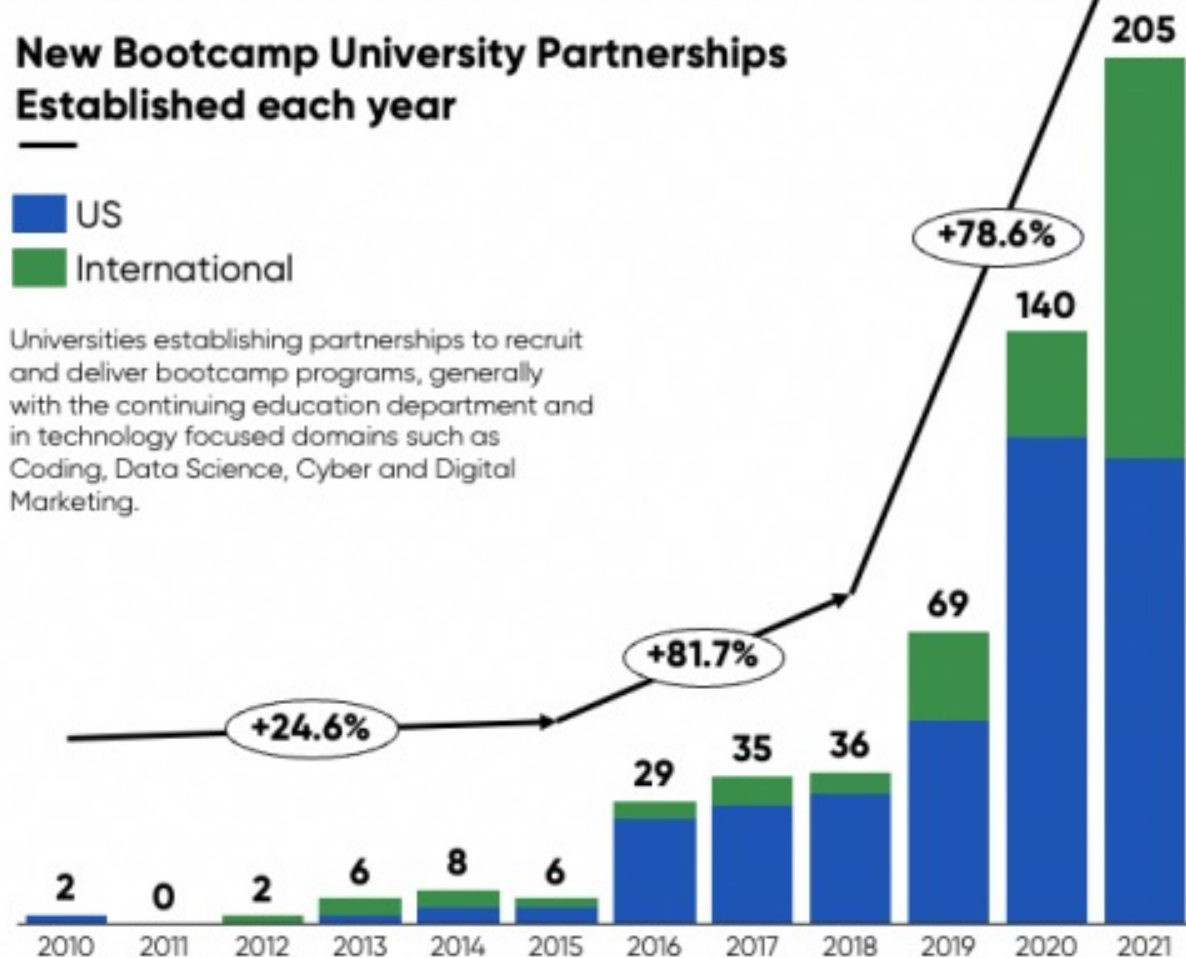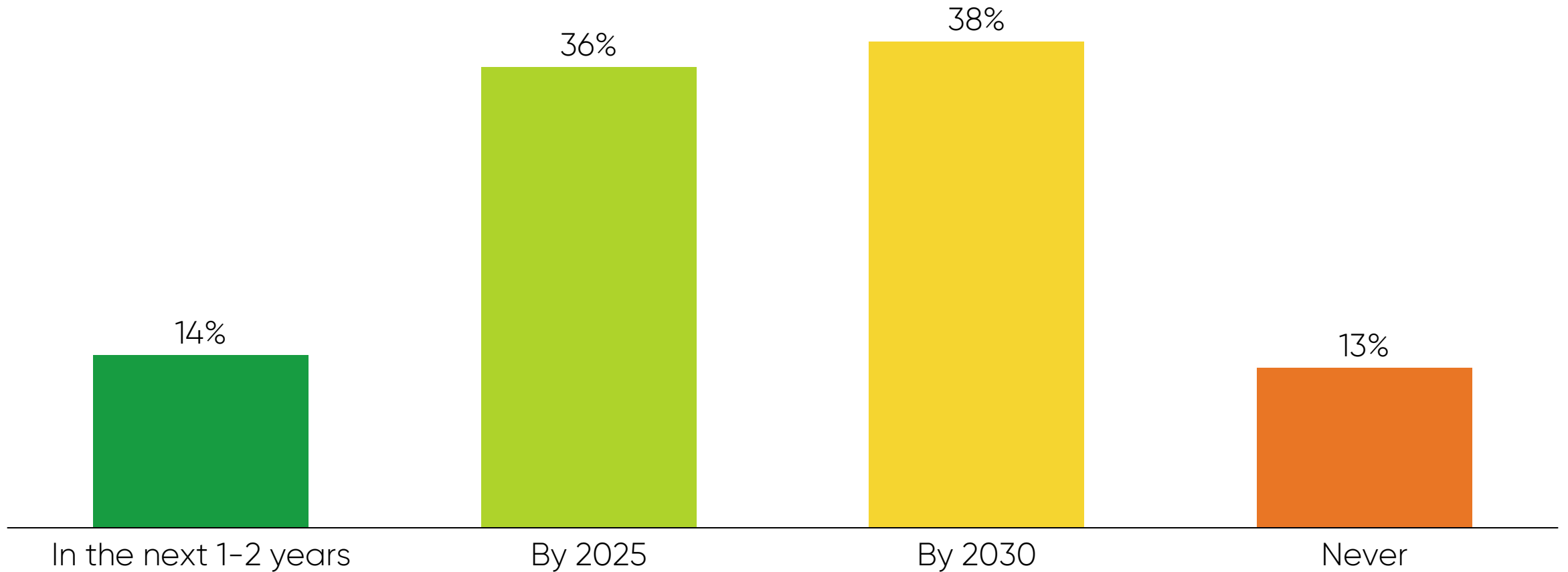
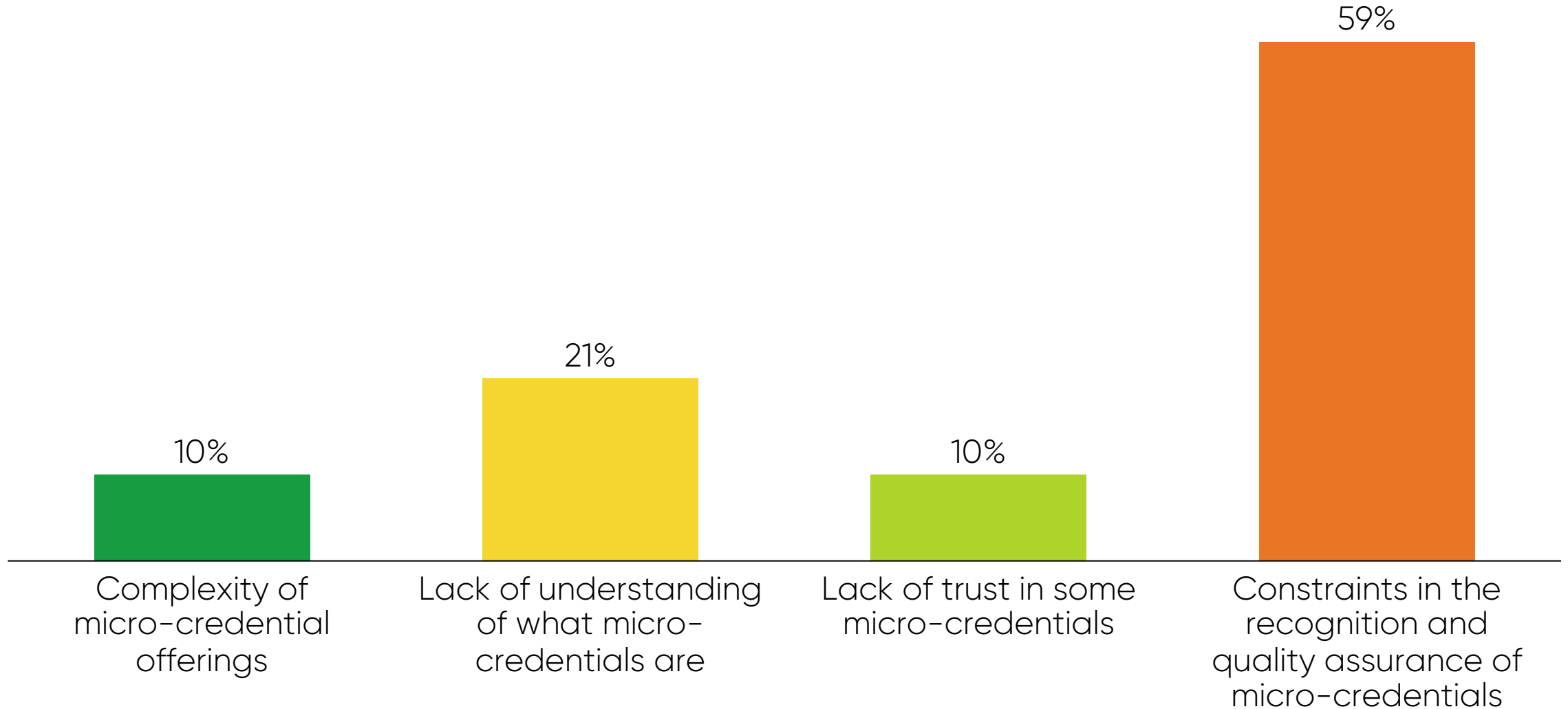**Cumulative Bootcamp University Partnerships Established since 2010**

Holon IQ

Left chart — New Bootcamp University Partnerships Established each year:
- 2010: 2
- 2011: 0
- 2012: 2
- 2013: 6
- 2014: 8
- 2015: 6
- 2016: 29
- 2017: 35
- 2018: 36
- 2019: 69
- 2020: 140
- 2021: 205

Growth annotations: +24.6%, +81.7%, +78.6%

Right chart — Cumulative Bootcamp University Partnerships Established since 2010:
- 2010: 2
- 2011: 2
- 2012: 4
- 2013: 10
- 2014: 18
- 2015: 24
- 2016: 53
- 2017: 88
- 2018: 124
- 2019: 193
- 2020: 333
- 2021: 538

Source: HolonIQ, January 2022

Holon IQ

2021 Global HE Poll: When will micro-credentials will become integrated into most university offerings?
—

14%	36%	38%	13%
In the next 1-2 years	By 2025	By 2030	Never

Holon IQ

2021 Global HE Poll: Top Barrier to scaled adoption?

10%	21%	10%	59%
Complexity of micro-credential offerings	Lack of understanding of what micro-credentials are	Lack of trust in some micro-credentials	Constraints in the recognition and quality assurance of micro-credentials

Holon IQ

2021 Global HE Poll: Status of micro-credential adoption?

Holon IQ
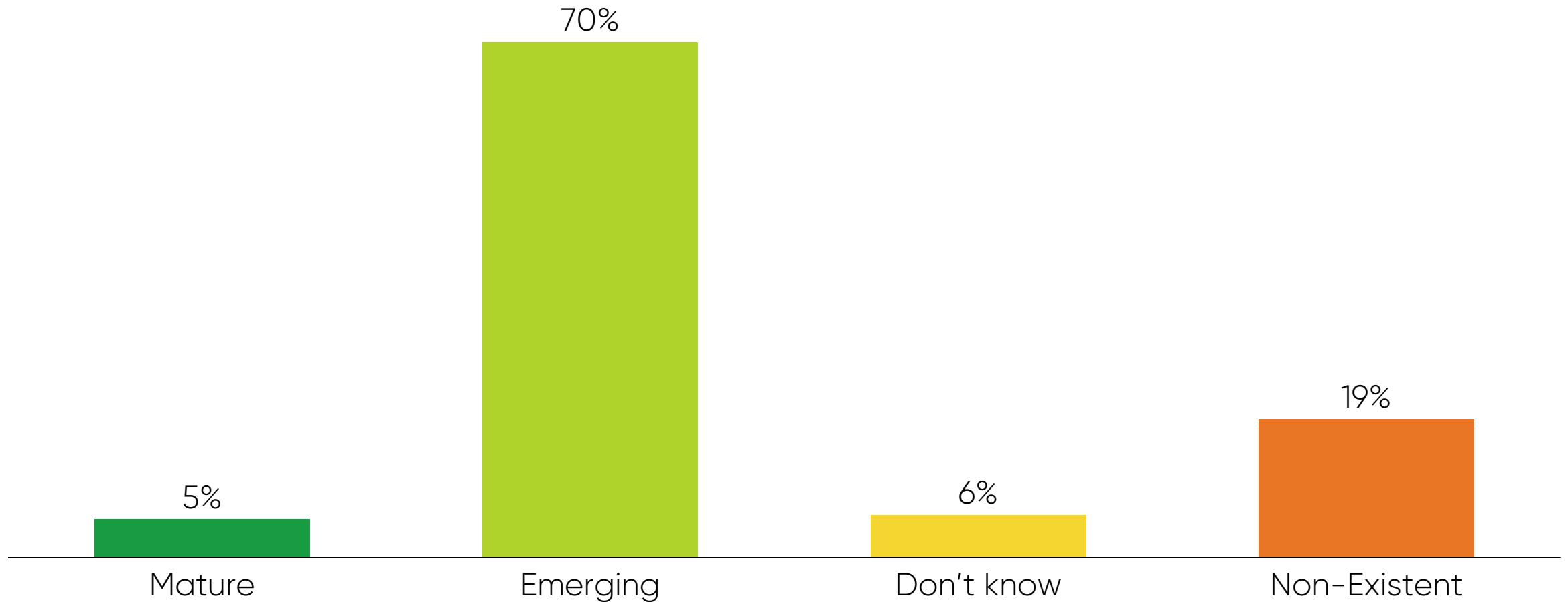
Micro-credentials are set to play a critical role in the reshaping post-secondary education landscape.

—

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.