



Postsecondary career and technical education in the United States

A Skills beyond School Review of the United States

Summary and recommendations

THE GLOBAL CHALLENGE OF SKILLS

A generation ago, the United States had one of the highest levels of both high school and postsecondary attainment in the world. But now the US faces a global skills challenge, given rising education and skills levels in many competitor countries. The OECD report *A Skills beyond School Review of the United States* (Kuczera, M. and S. Field, 2013) is concerned with postsecondary “career and technical education” (CTE), career-focused associate degrees, postsecondary certificates, and industry certifications.

Many of the basic features of the US approach to career and technical education (CTE) are strong. There is an inclusive philosophy of comprehensive high schools and there are open access community colleges. Labor market returns from postsecondary CTE are good on average. Extensive decentralization gives rise to many strengths, to diverse and flexible forms of provision meeting the needs of many groups of learners, to a rich field of policy development and innovation, involving state governments and many non-government organizations. The quality of data analysis and academic research available to support policy development is clearly outstanding.

Three factors may act as barriers to postsecondary attainment. First, the basic skills of US teenagers and high school graduates are relatively weak compared with many other OECD countries. Second, decentralization means that the choices faced by any individual are more difficult and more uncertain, with many routes to a target career or occupation. Third, despite public financial support which makes college programs affordable for many students, the financial risks of investing in postsecondary education can be higher in the US, because costs and returns are highly variable. The joint effect of all three of these factors is that investing in postsecondary education is often more confusing and risky than in many other OECD countries.

The OECD report *A Skills beyond School Review of the United States* (Kuczera, M. and S. Field, 2013) therefore proposes reform to make outcomes not only better but also more predictable. While the challenges are longstanding, they are becoming more pressing, as reductions in state-level funding for community colleges and the expansion of private for-profit sector providers means that the individual costs of investing in postsecondary CTE are increasing.

Overarching recommendation:

- **While taking advantage of the vibrant diversity of the US postsecondary CTE system, balance the decentralized approach with a strategic pursuit of more quality, coherence and transparency.**

To deliver this overarching recommendation, students need assurance that the CTE programs they are pursuing will be good value for money, that their credentials will be recognized in the labor market, and that transitions in and out of postsecondary programs can be managed effectively. This will provide the students with the assurance necessary to commit to postsecondary education, and provide the skills for the future. Three issues – quality and funding, credentials and transitions – form the main topics of the OECD review.

The evolution of postsecondary CTE has been influenced by an exceptionally diverse range of policy instruments at both federal and state level. Because each instrument corresponds to separate legislation at state and federal level, and each piece of legislation is driven by its own policy rationale and political dynamic, it is sometimes hard to appraise the sector as a whole, how it is developing, and what might be done to strengthen it. Aided by

international comparison, the OECD review aims for a more holistic perspective. It will therefore look very broadly at the policies and practices which bear on postsecondary CTE, the strengths of the system, and the challenges it faces, and what might be done through different policy instruments at both federal and state level to address those challenges.

FUNDING FOR QUALITY

A variety of federal and state funding streams support postsecondary CTE, including Title IV Federal Student Aid under the Higher Education Act, the Carl D. Perkins Act, and the Workforce Investment Act, to name a few. Of these, by far the largest and most influential is Title IV federal student aid.

Title IV student aid channels many billions of federal dollars to postsecondary institutions through the students that pay their fees, but the current arrangements linking title IV student aid to quality assurance have major weaknesses. The quality assurance system is insufficiently strong, is sometimes inadequately enforced, and is inconsistent in its application across the US. It also places too great reliance on institutional accreditation arrangements which, whatever their qualities in some respects, look mainly to peer-group assessments which may not reflect the interests and concerns of external stakeholders. Current arrangements also miss an opportunity to provide a clear quality standard for CTE programs, linked to their effective integration with labor market needs. The blend of this system with increasing tuition fees, constrained public budgets and broader economic distress creates a dangerous mix with financial risks both for individuals and lending bodies, including the federal government. Unless these challenges are addressed robustly they could undermine the broader goal of improving the skills of the US labor force. President Obama, in his 2013 State of the Union address, has already signaled his wish for reform.

Recommendation: Substantially strengthen quality assurance in postsecondary education and its links to title IV student aid.

- **Link institutional eligibility for title IV student aid to consistent and demanding quality standards.**
- **Ensure that existing rules on quality in CTE provision are observed, including requirements on accrediting agencies to address program-level student outcomes, and regulations preventing unfair and deceptive marketing practices on the part of providers.**
- **Strengthen attention to aspects of quality specific to postsecondary CTE, including industry demand for, and recognition of the credential delivered, and the inclusion of high quality work-based learning in the program.**
- **Building on the college scorecard, improve the collection of comparable data about providers and publish these data.**

ANCHORING CREDENTIALS IN THE NEEDS OF INDUSTRY

Occupational credentials are subject to less central organization in the United States than in almost any other OECD country. This allows local college provision and industry certifications to be very flexible and highly responsive to changes in labor market demand. But it also means that some of the benefits of more structure and organization in credentials – greater clarity for both students and employers about the skills and credentials required for particular types of job - cannot readily be obtained.

It would be unrealistic to propose the systematic creation of occupational standards. Instead we propose a more modest advance, by creating a national quality standard for certifications. If adopted in certain sectors it would provide strong incentives for postsecondary CTE programs in the same sector to align themselves with those certifications, substantially increasing the clarity of entry routes to the associated careers.

Two key elements in the US system – certificates delivered by postsecondary institutions, and the (often linked) certifications delivered by industry and professional associations – are inadequately monitored at present, with very few systematic sources of data. Better data sources are now being developed, and these efforts need to be sustained.

Recommendations: Establish a quality standard for certifications and obtain better data on both certifications and certificates.

- **Where industry is willing, establish quality standards for certifications based on industry support and quality in the assessment.**
- **Building on recent initiatives, establish systematic arrangements to monitor certificates and certifications in the US workforce.**

BUILDING TRANSITIONS THAT WORK

Transitions in and out of postsecondary programs are both very common and very important. Individuals need to be able to advance from high school into colleges and careers, and between these different domains. One key challenge is ensuring that learning acquired in one setting can be recognized and made portable, smoothing entry into different contexts of learning and careers. In these domains state governments very often play the leading role, by steering high school programs and managing state college systems.

Stronger attainment in basic skills in early schooling would be extremely important in improving postsecondary success rates, but this raises many issues beyond the scope of the OECD review. Research evidence suggests that strengthened CTE in high school, alongside substantive and good quality workplace training, would help the transition into postsecondary education (as well as into the labor market). Prior learning assessment – particularly when it involves the recognition of skills acquired through work and other experience - can help to encourage adults to return to postsecondary education. But to realize its full potential, more systematic action is necessary, recognising that there are many institutional barriers to its effective use.

Transition into postsecondary programs: Recommendations to enhance CTE and workplace learning at high school, and use prior learning assessment for adults.

- **Alongside existing initiatives to improve attainment in basic education and increase college readiness, ensure that high school students have access to good quality CTE programs, ideally including meaningful work experience.**
- **Systematically develop and support prior learning assessment both as a means of encouraging adults to return to postsecondary education, and because of its wider benefits.**

Students often face problems in transferring their credits from one postsecondary institution to another. Bilateral program-by-program negotiated solutions are often laborious. There is a clear need for a more systematic approach to such transitions, and the associated credit transfer. Clearer quality standards for industry certifications, as recommended in the OECD review, would help to anchor different programs in common points of reference, easing transitions.

Transition within postsecondary education: Recommendations to build articulation frameworks.

- **Develop effective articulation frameworks. To this end, among other matters:**
 - **Build articulation requirements into accreditation procedures.**
 - **Use industry recognized standards in CTE programs to increase their comparability.**
 - **Ensure that students have sufficient information and guidance to understand transition opportunities.**
 - **Continue to develop crosswalks between apprenticeships and other postsecondary institutions and programs.**

Stronger quality assurance and clearer industry standards for credentials, as argued above, would go a long way to improving transitions from postsecondary programs into the labor market. In addition, systematic use of quality work-based training within postsecondary programs, such as is practiced in some other OECD countries, could be very helpful in helping graduates into jobs. Stronger career counseling within postsecondary education would also help.

Transition to the labor market: Recommendations to strengthen workplace training and career guidance.

- **Develop workplace training as a standard element in postsecondary CTE programs, taking advantage of the workplace as a learning environment, promoting partnerships between CTE institutions and employers, and securing an effective transition of graduates into employment.**
- **Ensure that students in postsecondary CTE institutions have access to good quality advice and information about career opportunities.**

MAKING IT HAPPEN: IMPLEMENTATION

The OECD report *A Skills beyond School Review of the United States* (Kuczera, M. and S. Field, 2013) has made a number of recommendations that title IV student aid needs to be linked to stronger and more consistent quality assurance, that a quality standard for industry certifications needs to be established, and that postsecondary transitions need to be supported more systematically. Other recommendations concern the need to develop better data, strengthen career counseling, and make fuller use of work-based training. These recommendations are mutually supportive. For example a quality standard for industry certifications should help to underpin quality assurance linked to title IV, and assist transition into the labor market from postsecondary programs.

The federal government has a major role in implementing the proposed reforms, partly through structural legislation such as the Higher Education Act, and partly through small but strategically important programs such as the Carl D Perkins legislation. But action is also needed by the states, and by other organizations and stakeholder groups.

FURTHER INFORMATION

Increasingly countries look beyond secondary school to more advanced qualifications to provide the skills needed in many of the fastest growing technical and professional jobs in OECD economies. The OECD study, *Skills beyond School*, is addressing the range of policy questions arising, including funding and governance, matching supply and demand, quality assurance and equity and access. The study will build on the success of the previous OECD study of vocational education and training (VET) *Learning for Jobs* which examined policy through 17 country reviews and a comparative report. The study also forms part of the horizontal OECD Skills Strategy (OECD, 2012).¹

Full country policy reviews are being conducted in Austria, Denmark, Egypt, Germany, Israel, Korea, the Netherlands, Switzerland, the United Kingdom (England), and the United States (with case studies of Florida, Maryland and Washington State). Shorter exercises leading to an OECD country commentary will be undertaken in Belgium (Flanders), Canada, Iceland, Romania, Spain, Sweden and in Northern Ireland and Scotland in the United Kingdom. Background reports will be prepared in all these countries, and in France and Hungary.

[A Skills beyond School Review of the United States, OECD Reviews of Vocational Education and Training](#) (Kuczera, M. and S. Field, 2013) was published on 10 July 2013.

Further information about the policy review and reports on VET systems in other countries is available on the OECD website www.oecd.org/education/vet

1. OECD (2012), *Better Skills, Better Jobs, Better Lives: A Strategic Approach to Skills Policies*, OECD Publishing.
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