Non-Degree Pathways: A DC Insider's Perspective

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Overview

NEW AND EXPANDED educational pathways that prepare individuals for good jobs and careers have the potential to complement traditional degrees. A recent survey of students and employers found broad support for these non-degree pathways (see "<u>Degrees of Risk</u>," a survey commissioned by American Student Assistance and Jobs for the Future). In this new survey, we find that there

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is also broad support among Washington, DC-based policymakers. Yet there are also areas of divergence, especially by party affiliation, in support for these expanded pathways. This paper outlines the views of these DC Insiders on supporting expanded educational pathways and offers recommendations for these policymakers in advancing supportive policies.

While students and employers may be open to non-degree options, diverse education-to-career pathways will struggle to gain traction and more widespread acceptance if policymakers do not follow suit with supportive policy and funding. To better understand policymakers' perceptions of, support for, and willingness to federally fund non-degree pathways, ASA and JFF commissioned a poll conducted by the market research firm <u>Morning Consult</u> in the spring of 2022. The poll surveyed 156 "DC Insiders"—a select but diverse group of policy influencers working in the Washington, DC area.

For more on methodology and a deep-dive into the survey's data, click here.

Who We Are



A path for every student. A plan for every future.™ American Student Assistance[®] (ASA) is a national nonprofit changing the way middle and high schoolers learn about careers and navigate education-to-career opportunities. ASA believes that exploring career possibilities, as early as middle school, and having equitable access to postsecondary education pathways aligned with one's passions and goals will result in greater confidence and long-term success for all students.



Building a Future That Works Jobs for the Future (JFF) drives transformation of the American workforce and education systems to achieve equitable economic advancement for all.

NON-DEGREE PATHWAYS: A DC Insider's Perspective 03

Major Findings

 \rightarrow Bipartisan support for the expansion of non-degree paths.

A vast majority of respondents agree (expressing "strongly agree" or "somewhat agree") that non-degree pathways can help diversify options for students (93%) and provide relevant skills to meet employer needs (89%). Likewise, most respondents believe more students should consider non-degree postsecondary education pathways (89%). This is a notably high area of agreement and convergence not frequently seen in educational and political topics.

→ Desire for more legislative support. Eighty-nine percent of Insider respondents want legislative support for the expansion of non-degree postsecondary education pathways to increase in the next five years—and 51% want it to increase greatly. Independents show the most appetite for greatly increasing legislative support at 58%, followed by Republicans (53%) and Democrats (44%).

"I feel non-degree pathways can serve as a great opportunity for people to access high-waged jobs, while not incurring too much debt from college." –DC Insider respondent

→ New pathways seen as a tool to reduce student debt. Many Insiders commented that non-degree programs offer students the opportunity to attain good jobs without going into debt. As one Insider commented, "I feel non-degree pathways can serve as a great opportunity for people to access high-waged jobs, while not incurring too much debt from college." Among Insiders surveyed, 86% agree that non-degree programs can help reduce student debt, and 79% say non-degree programs can provide quality options for students other than college. 93% OF RESPONDENTS AGREE THAT NON-DEGREE PATHWAYS CAN HELP DIVERSIFY OPTIONS FOR STUDENTS

89% of respondents AGREE THAT NON-DEGREE PATHWAYS PROVIDE RELEVANT SKILLS TO MEET EMPLOYER NEEDS

86% OF RESPONDENTS AGREE THAT NON-DEGREE PROGRAMS CAN HELP REDUCE STUDENT DEBT

79% OF RESPONDENTS AGREE NON-DEGREE PROGRAMS CAN PROVIDE QUALITY OPTIONS FOR STUDENTS OTHER THAN COLLEGE

78% OF RESPONDENTS AGREE THAT FEDERAL FUNDING FOR NON-DEGREE EDUCATION PATHWAYS SHOULD INCREASE FROM THE CURRENT LEVELS

17% OF REPUBLICAN RESPONDENTS DISAGREE THAT FEDERAL FUNDING FOR NON-DEGREE EDUCATION PATHWAYS SHOULD INCREASE **BOTH REPUBLICANS AND DEMOCRATS** agree that employers should hire based on skills over degrees.

Republicans 96%

Democrats 81%

REPUBLICANS, DEMOCRATS, AND INDEPENDENTS agree

that college degrees are not a reliable signal of assuring the quality of a candidate.

Republicans 90%
Democrats 63%
Independents 66%

HOWEVER, nearly half of respondents also agree it is less risky to hire someone with a college degree, albeit in smaller numbers.

Republicans 44% Democrats 41% Independents 53% → Broad support for increased federal funding. Three in four Insiders (78%) agree that federal funding for non-degree education pathways should increase from the current levels. Republicans report the largest dissent, with 17% somewhat or strongly disagreeing.

→ Federal grants preferred over loans. When asked which two federal legislative actions Insiders would support to expand non-degree education pathways, 60% of Insiders would prefer using grant funding, followed by only 41% in favor of federal loan funding. Support for federal Direct Loans and general expansion of Federal Pell Grants tied at 28%, while the specific extension of Pell to short-term programs garnered 14% support and Income-Share Agreements received 7%. WIOA funding is also seen as an option for non-degree pathways, with general support from Republicans (36%) and Democrats (40%).

→ General support for federal funding of various pathways. The majority of Insiders generally support federal funding of non-degree postsecondary education pathways and credentials. Apprenticeships and career training programs, or formal training programs to learn a trade and earn a high school diploma or GED, are the most popular funding choices, with approximately 89% of respondents showing support. Among supporters, about 75% are in favor of funding licenses and certifications and 69% support the funding of certificates.

→ High perception of the value of apprenticeships. When ranked against other non-degree pathways and credentials, the perceived value of apprenticeships is high, with nearly two-in-three Insiders (61%) reporting they have a very favorable impression. The other credentials rank as follows: career training programs at 58%, licenses at 55%, certifications at 47%, and certificates at only 25% very favorable.

→ Widespread support for skills-based hiring vs. degree. Despite the ambivalence in some sectors to move away from the four-year college pathway, when pushed to prioritize a degree over skills in the hiring process, there is general consensus that employers should hire based on skills rather than degrees. Both Republicans and Democrats agree that employers should hire based on skills over degrees, with 96% of Republicans and 81% of Democrats agreeing (strongly or somewhat). Further, the vast majority of Republicans (90%) also agree that college degrees are not a reliable signal of assuring the quality of a candidate as compared to Democrats (63%) and Independents (66%).

However, respondents overall also agree it is less risky to hire someone with a college degree, albeit in smaller numbers; 53% of Independents agree, vs. 44% of Republicans and 41% of Democrats. This echoes similar recent findings from the Degrees of Risk report in that, while most employers (72%) don't see a degree as a reliable signal for assessing the skills of a candidate, the majority (52%) still hire from degree programs because they believe it is a less risky choice when hiring.¹

Divergence by Party Affiliation

→ **Concerns over program quality.** While nearly 80% of DC Insiders strongly or somewhat agree that non-degree pathways offer quality options to students, a closer look reveals that some hold greater reservations. Democrats (41%), Independents (39%), and graduate-degree holders (38%) are much less likely to strongly agree than Republicans (70%) and those whose highest educational level was a bachelor's degree (63%). In addition, as will be noted later, concerns over program quality appear to be the largest impediments to providing federal funding for non-degree programs.

→ Broad support for more student consideration of the options, but differing opinions on the role of high schools. Across the board, Generation Z reports having a lack of information on their post-high school options besides traditional college. In separate <u>Morning Consult</u> research, nearly three-quarters agree high schools should do more to help students understand the non-degree educaAcross the board, Generation Z reports having a lack of information on their posthigh school options besides traditional college.

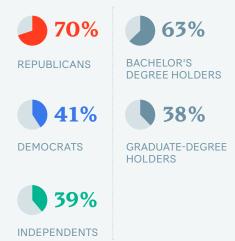
tion pathways available. Seventy-one percent report that they would like more career exploration opportunities in high school and just 47% report that they had enough information to decide "the best plan for me" after high school.²

Overall, the majority of respondents (89%) in the Insider survey agree that more students should consider non-degree postsecondary education pathways. But once again, a closer look reveals deep partisan divides: 8 in 10 Republicans (77%) agree that more students should consider non-degree

¹ American Student Assistance and Jobs for the Future. "Degrees of Risk: What Gen Z and Employers Think About Education-to-Career Pathways...and How Those Views are Changing." (August, 2022.)

² ibid

REPUBLICANS and those whose highest educational level was a bachelor's degree are much more likely to agree that non-degree pathways offer quality options to students



DEMOCRATS AND

INDEPENDENTS are more concerned about the lack of quality assurance of non-degree programs than Republicans as a reason for withholding federal funding.

Republicans 23% Democrats 67% Independents 75% postsecondary education pathways as compared to only 1 in 3 Democrats (33%). "College is extremely expensive and it is only getting more expensive," said one respondent. "Those who would prefer to pursue another path, like working on a trade like construction or plumbing, should be encouraged to save the time and money by pursuing a non-degree pathway."

However, despite the fact that Insiders think students should understand their options, they do not necessarily think high schools should encourage these options. Heavily down party lines, Republicans (72%) are nearly twice as likely as Democrats (37%) to agree that high schools should encourage students to consider non-degree postsecondary education pathways and 13% of Democrats somewhat or strongly disagree while 0% of Republicans do.

→ Lack of quality assurance and federal standards seen as biggest funding barriers. Concerns over program quality may be the largest impediment to providing federal funding for non-degree programs. Specifically, when asked to choose their biggest political concerns (up to two) about providing federal funding for non-degree postsecondary education pathway programs, Insiders most often chose "the lack of quality assurance of non-degree programs may hurt students." Democrats (67%) and Independents (75%) are more concerned about the lack of quality assurance of non-degree programs than Republicans (23%) as a reason for withholding federal funding.

The next most chosen barrier was a "lack of federal standards for non-degree education pathways," with females (58%) being more concerned than males (42%). Meanwhile, 26% believe "the higher education sector already receives ample funding," and 18% say "individuals should bear the cost of degree and non-degree education programs." Interestingly, although media and education policy circles often portray the narrative that traditional college and non-degree programs are a zero-sum game where one receives funding at the other's expense, the Insiders response tells a different story—only 10% chose "federal funding should focus on increasing the number of students in degree programs." And finally, only 8% say "students would exhaust Pell or Ioan limits for non-degree pathway programs."

Policy Recommendations

JFF AND ASA support a robust postsecondary ecosystem, where students have an expanded set of educational opportunities including both traditional college and high-quality non-degree paths. There are a number of recommendations for policymakers that would make this scenario a reality.

The results of this DC Insider survey highlight places where there is a need for continued advocacy and opportunities for bipartisan federal action.

SUMMARY ↓

1 Expand Apprenticeship and Work-based Learning Opportunities

2 Expand Access to Existing Financial Supports for Federal Education and Training

3 Increase Investment in Workforce Development

4 Invest in Grants to Spur Innovation

5 Promote Skill Building

6 Provide Federal Funding for Assessing the Quality and Efficacy of Programs

7 Enact Gainful Employment Rules

8 Encourage Career Readiness as a Core Component of K-12 Accountability

9 Strengthen Student Supports

10 Improve Career Navigation and Access to Data

RECOMMENDATION 1 Expand Apprenticeship and Work-based Learning Opportunities

Throughout our nation's history, the U.S. apprenticeship system has been a powerful tool in moving people into middle-class careers. However, the <u>National Apprenticeship</u> <u>Act</u> has not been updated for over 80 years. Congress must reauthorize this act to reflect current economic realities and employer needs and increase investments across apprenticeships. This includes targeting funding for the expansion of youth apprenticeships and pre-apprenticeships, encouraging apprenticeship opportunities for individuals who face barriers to employment, and creating more apprenticeship opportunities in non-traditional occupations.

We also encourage Congress to support the design and scale of other high-quality work-based learning models to ensure all young people and adults have access to career experiences that prepare them for in-demand employment and advancement.

RECOMMENDATION 2

Expand Access to Existing Financial Supports for Federal Education and Training

Federal financial aid should better meet the needs of today's students. Policymakers should allow for the creation of student emergency aid grants, an increase in the federal Pell Grant maximum award, expansion of the federal Pell Grant program to cover high-quality short-term credentialing programs, an increase in available funding for workforce training, and the expansion of Pay for Success initiatives to encourage a focus on strong results for students.

RECOMMENDATION 3 Increase Investment in Workforce Development

There is broad bipartisan support for federal funding of non-degree postsecondary education pathways and credentials. While opinions may vary on the different approaches to reach that goal, policymakers should commit to investing in workforce development at levels that support the economic and skill needs of U.S. workers and employers; allow for needed transformation of workforce programs; and bring workforce investments into parity with those of other OECD countries. Such a commitment includes significantly increasing investments in

career and technical education through Perkins legislation and in skills development to support high-quality short-term credentials, high-quality stackable credentials, and longer-term degree pathways. This commitment also includes significant investments in the alignment and modernization of our workforce development ecosystem. These investments should be cross-system and focus on scaling reforms in the delivery of education and training, adopting new modes of service delivery, scaling high-quality work-based learning experiences, expanding evidence-based strategies-such as career pathways and sector strategies, and bolstering comprehensive programs serving young adults ages 16 to 24 who are out of school and unemployed.

RECOMMENDATION 4 Invest in Grants to Spur Innovation

As non-degree programs grow in number and scope, the federal government should create a grant program—perhaps through the Fund for the Improvement of Postsecondary Education (FIPSE) authority—to incentivize innovative strategies specifically around non-degree pathways, evaluate their effectiveness, and communicate best practices. These grants should focus on comprehensive solutions to common or widespread areas of concern, encourage action-oriented programs, and support and test new and innovative approaches.

RECOMMENDATION 5 Promote Skill Building

Skill building is essential at every stage of the life journey. Youth need to build foundational skills early and align education to future careers, young adults need more technical and specific workforce skills, and adults constantly need to build skills that align with business needs for the changing workforce.

Without strengthening all parts of the continuum, the skills infrastructure will fall short. However, all three of these life stages span the jurisdiction of three different federal agencies. Policy should ensure that all federal laws impacting youth, older adolescents, and adults stress the importance of continued skill building. The Secretaries across the U.S. Departments of Education, Labor, and Commerce should align federal resources and ensure the federal government plays a strong and coordinated role in building the future workforce and spurring leaders in adjacent sectors to take action. By focusing federal resources on skill building-for both the future workforce and current job seekerswe can ensure a more focused alignment of federal dollars and reinforce the imperative that skill development should be a national priority. The Secretaries should continue to use the bully pulpit to speak and frequently draw attention to this issue, work to align programs and fund sources within their agencies, and convene external stakeholders in education and business to act.

RECOMMENDATION 6

Provide Federal Funding for Assessing the Quality and Efficacy of Programs

In order to expand positive perception and understanding of the value of non-degree paths, we first must address the well-founded concerns about the quality and effectiveness of programs. We must ensure non-degree pathways are a route to good jobs, economic mobility, and positive outcomes. Federal policymakers should fund research aimed at assessing how well shortterm programs achieve student outcomes in job placement and median earnings, as well as how well these programs set students up for lifelong learning and future pursuit of additional degrees and/or credentials. Funding could go to an array of academic researchers, practitioners, accreditors, nonprofit organizations, and existing and new quality assurance entities, among others, so that a diversity of approaches to assessing quality is seeded.

RECOMMENDATION 7 Enact Gainful Employment Rules

The Gainful Employment rule was intended to ensure transparency around student outcomes for non-degree programs. Prior gainful employment regulations measured students' debt to their earnings upon completion of for-profit postsecondary programs and non-degree programs provided by nonprofit higher education institutions. While the rule was never fully enforced before being generally rescinded in 2019, its goal was to restrict financial aid eligibility for programs whose graduates did not earn enough to pay down their education debt in a timely manner. A recent U.S. Department of Education proposal would require all postsecondary education providers, both public and private, to report program outcomes with respect to student debt vs. earnings, with penalties only applying to for-profits and nonprofit career programs. This would broaden accountability across the entire postsecondary sector, put data into the hands of students and families as they make education and career decisions, and ensure students are not harmed by bad actors.

RECOMMENDATION 8

Encourage Career Readiness as a Core Component of K-12 Accountability

Federal policymakers should encourage and support states in adjusting their high school accountability standards and metrics by embracing career readiness as a core goal and not limiting school success to college enrollment metrics. Currently, the K-12 educational system focuses primarily on four-year college preparation, including using standardized testing to measure student and school performance. While this is still valuable, it does not fully account for student needs to succeed in the labor market. Accountability systems should be reformed to emphasize career readiness and encourage the K-12 system to prepare students for success in other high-quality postsecondary options, such as apprenticeships and work-based learning. Ideally, they should also recognize and reward schools that enable students to start, and even finish, such experiences by high school graduation, especially those that also bear postsecondary credits toward a credential and preparation for further education if students so choose.

RECOMMENDATION 9 Strengthen Student Supports

Policymakers should provide guidance, technical assistance, and funding to high schools on how to help every student develop a career plan prior to graduation. Whether a student wishes to pursue a college path or explore another option, more must be done to support students in making these choices. Resources should be used to expand the use of tech-enabled career navigation tools in schools, and thereby increase the capacity of education and career counselors to serve students from low-income backgrounds and first-generation students. These are students who are likely to need the most personalized support as they explore career options and learn how to build social networks.

Additionally, policy should ensure that young people have the guidance and support they need to succeed in all postsecondary pathways, such as access to transportation, food, and housing.

RECOMMENDATION 10 Improve Career Navigation and Access to Data

Policy should encourage the expansion of career navigation services that support youth. Policy should also create transparent data systems that encourage sharing across systems and provide easy-to-understand information on the quality of education and training programs, including student outcomes. Supporting policies that promote data transparency for employers, academic institutions, and training providers will help inform education programs that better prepare learners for a lifelong career.

Conclusion

As one respondent said, "The college pathway is not for everyone, whether that is due to finances, lack of certainty around a career path, or wanting a career that doesn't squarely fit into the college program."

To ensure that all Americans have equitable opportunities to economic mobility, good-paying jobs, and financial stability, lawmakers must craft and adopt policies that champion postsecondary pathways as diverse as the workers who make up our workforce.

In 21st-century America, there can be no cookie-cutter, one-sizefits-all approach to navigating education to career. The American Dream is a mosaic, not a still frame. Let us strive to make a society where non-degree programs are no better or worse than the four-year college route, but instead an equal option for those who choose a different path. "The college pathway is not for everyone, whether that is due to finances, lack of certainty around a career path, or wanting a career that doesn't squarely fit into the college program."

-DC Insider respondent

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