



# **CERTIFICATE PROGRAMS: USES & OUTCOMES**

The use of certificate and credentialing programs is growing, and it's not hard to see why. Certificates are mobile credentials that demonstrate specific skills and knowledge among employees. Organizations are using certificates as part of their learning strategy as a way to quickly educate targeted workforce segments with critical skills. Their surge in use comes at a time when organizations need to both educate and retain employees.

Additionally, employees are hungry for professional development, and will stay with organizations if their leaders show they care about their long-term development. Certificate programs thus demonstrate immediate skills benefits and longterm retention potential.



Human Capital Media - the research arm of Chief Learning Officer – partnered with Bisk for this CLO Certificate and Credentialing Programs survey.

## KEY FINDINGS

We surveyed HR professionals about their certificate program adoption, asked questions relating to roadblocks and challenges, and explored successful program outcomes.

#### **USES AND USE CASES**

- Certificate programs are widely used. Nearly 60% of organizations use them and another 20% say they plan to within the next few years.
- Organizations with certificate programs plan to offer them to sizable percentages of their workforce. More than half of all organizations will offer certificate programs to more than 25% of their workforce. Further, 29.5% will offer them to more than 50% of their workforce in the next year.
- Certificate programs are being used to identify in-house experts. 69.7% use credentialing to some extent when identifying experts.

#### ROADBLOCKS

- The HR team needs help managing programs. One in four organizations reports this as a top roadblock.
- Lack of budget and senior leader buy-in are top challenges. Respondents also reported difficulty in proving ROI as a reason why they don't use certificate programs.



Percentage of organizations using certificate programs

## **OUTCOMES**

• There's room for improvement in measurement. 42.7% of organizations say they don't use workforce analytics at all when determining the need for specific certificate programs. Also, more than half of organizations don't use any metric other than transactional metrics to measure the impact of certificate programs on the organization.

69.7%

Organizations using credentialing when identifying experts



Targeting different business segments or job roles is a popular method of determining who gets offered certificate programs.

# WHO USES CERTIFICATE **PROGRAMS AND WHAT MOTIVATES THEIR USE?**

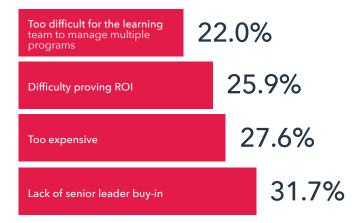
Certificate programs are widely used, and organizations without them are considering adoption. More than half (59.6 percent) of all organizations use certificate or credentialing programs as part of their learning strategy. A further 20.7 percent of organizations plan to incorporate such programs into the learning strategy over the next three years.

Organizations that don't use certificate programs give various reasons for not having them (Figure 1). Often organizations cite a lack of budget or senior leader buy-in. It may be too difficult for the HR team to prove return on investment (ROI). Some report the difficulties of having their HR team manage multiple programs, which can be problematic if organizations need multiple initiatives for different business segments.

## **PROGRAM TARGETS**

Targeting different business segments or job roles is a popular method of determining who gets offered certificate programs. While one organization in 10 offers certificate programs to everyone regardless of job title or role level, they are in the minority. Most organizations target certain workforce segments for education. The most common targets are employees with certain job roles. Targeting employees by business unit or career level is also popular (Figure 2).

## FIGURE 1: KEY REASONS ORGANIZATIONS **DON'T USE CERTIFICATE PROGRAMS**



## **USE CASES**

Motivations and use cases for certificate programs vary, as organizations hope to achieve myriad outcomes. One major use case is to identify in-house experts. Nearly 70 percent of organizations identify in-house experts through certificate programs to some extent. Other popular motivations for using certificate programs include creating knowledge consistency, keeping workforce knowledge current and growing critical skill capability (Figure 3).

#### FIGURE 2: TOP WORKFORCE SEGMENTS OFFERED CERTIFICATE PROGRAMS

Job roles

78.5% | 42.2% | 39.5% | 34.8%

**Business units** 

Career levels

High-potential employees

Another use case is to develop certain skills among employees. Popular topics developed through certificate programs include leadership development, project management or other industry-specific knowledge (Figure 4). Such skills will come in handy in the coming years, as baby boomers retire and members of the younger generations step into leadership roles. To move forward with skills development through certificate program adoption, organizations will need to address roadblocks to program adoption and use.





#### FIGURE 4: TOPICS IN NEED OF CERTIFICATES





## PROGRAM ROADBLOCKS

Like any L&D initiative, certificate programs have their own challenges and roadblocks. Programs may be perceived as too expensive or complicated to implement. Organizations overwhelmingly report budget as their top concern. Beyond budget, however, are other, more nuanced concerns. One in four respondents thought it was too difficult for their HR team to manage multiple programs. One in four also cited a lack of senior leadership buy-in regarding certificate programs. Just under one in five didn't believe any certificate existed for what they needed (Figure 5).



One in four respondents thought it was too difficult for their HR team to manage multiple programs.

How can organizations overcome these roadblocks and successfully implement certificate programs? To gain senior leader buy-in, HR leaders will need to make the business case for certificates. Ensuring that metrics will be recorded and assessed throughout all phases of the certificate program will make it easier for human resources to prove ROI to the C-suite. Knowing where and how certificate programs should be used within the organization will also help make the case. By targeting specific workforce segments for specific education, HR should better be able to build the business case for certificate programs.

#### FIGURE 5: CERTIFICATE PROGRAM ROADBLOCKS

No certificate exists for the skills that they need

Lack of executive buy-in

Too difficult for HR/learning teams to manage multiple programs

24.9%

Budget

65.4%

If organizations find it difficult for their HR teams to manage multiple programs at once, they might benefit from having an outside partner shoulder some of the burden. Often, organizations will source certificate programs from their own in-house training courses. However, that's not the only source available to HR. Professional organizations, higher education programs and vendor-supplied programs are just some options available to organizations.

## **WORKING WITH OTHERS**

Outside partners can also work with organizations to develop customized solutions, addressing concerns that certificate programs don't already exist to fill organizational needs. Many organizations already use some or all of these (Figure 6). Such programs have the advantage of having already developed high-quality programs, meaning organizations don't need to build anything new. By working with outside vendors and implementing metrics that align with organizational business strategy, organizations should realize successful outcomes from their certificate programs.

#### FIGURE 6: TOP SOURCES OF CERTIFICATE PROGRAMS

22.0% 25.9%

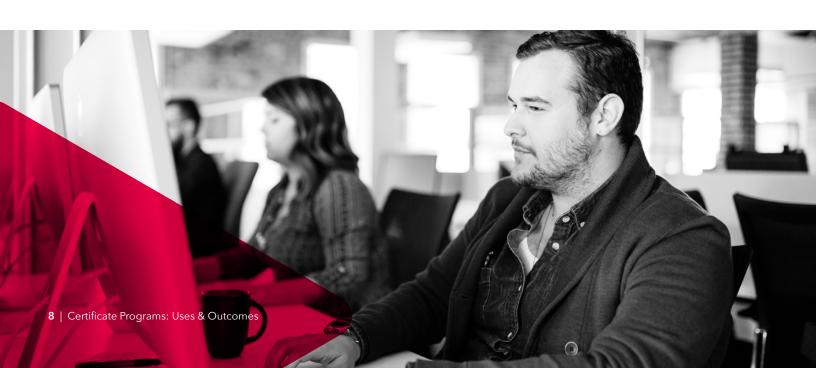
**Higher education** programs

Industry organizations

27.6% 31.7%

Professional organizations

Programs created from in-house programs



## **PROGRAM OUTCOMES**

How will organizations know if their certificate programs are successful? They will need to use appropriate metrics at all stages of the program. Workforce analytics can help determine the need and scope of certificate programs, while post-education metrics can be used to assess program impact. Many organizations that don't use certificate programs cited the difficulty of proving ROI as one of their top reasons for not having such programs. Are organizations successfully able to prove ROI through metrics assessment?

The answer is: sometimes. There's room for improvement in measurement. When it comes to determining who needs a certificate, workforce analytics could help. However, 42.7 percent of organizations say they do not use workforce analytics at all when determining the need for specific certificate programs.

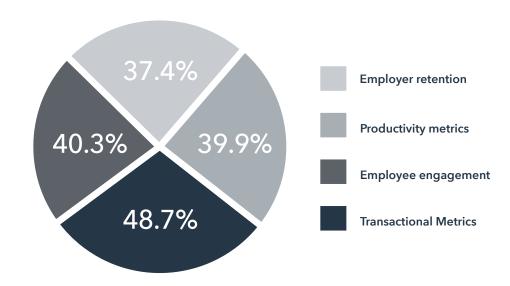


FIGURE 7: METRICS USED TO MEASURE CERTIFICATE PROGRAM IMPACT

## **IDENTIFYING METRICS**

Organizations must first identify their metrics before they can assess the impact of their certificate programs. Common metrics include employee engagement numbers or retention, as well as metrics that show productivity (Figure 7). Transactional metrics, such as the number of program participants, registration or completion rates are the most popular metrics used to measure impact. While easy to gather, such metrics don't always tell the complete story of how employees are using what they've learned in their certificate programs. More than half of organizations do not use any metric other than transactional metrics to measure the impact of certificate programs on the organization.

# **DEMOGRAPHICS**

**SURVEY DATES: JANUARY - FEBRUARY 2017** 



**RESPONDENTS** 

441



ORGANIZATIONAL LEVEL

53.2%

At director level or above



ORGANIZATION SIZE

36.4%

>500 employees 37.7% 25.9%

500 - 1000 10,000+

employees employees



**GEOGRAPHIC** DISTRIBUTION 27.2% 39.5%

One country, one location

One country, multiple **locations** 

13.6%

One country, some global distribution

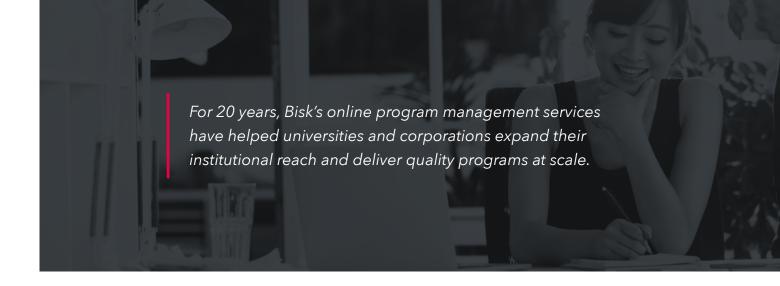
19.6%

Highly distributed

## CONCLUSION

Certificate programs have the potential to educate a target number of employees in a short amount of time. Successful certificate programs will create in-house experts, fill critical skills gaps and deliver return on investment through engaged employees. Organizations are widely using certificate programs to educate certain workforce segments; however, they could be doing more to prove return on investment. By employing higher levels of metrics assessment, HR should easily be able to make the business

case to senior leaders for certificate programs. Outside vendors can shoulder some of the responsibility of running a certificate program, which can greatly benefit the business if multiple workforce segments need different certificates. Having access to already-created high-quality programs can save organizations time and development money. Making certificates mobile and transferable can generate goodwill among employees, who want to know the organization cares about their development.



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