

## Podcast: Global challenges - Global solutions Transcript for:

Micro-credentialing: Powerful new learning tool, or just "pouring old wine into new bottles"?

Interview with Pedro Moreno Da Fonseca, ILO Technical Specialist on Lifelong Learning, and Anastasia Pouliou, Expert in Qualifications and credentials - Future of Vocational Education and Training, and Lead Researcher on Micro-credentials at the European Centre for the Development of Vocational Training, Cedefop

## Introduction by host:

Welcome to the ILO Employment podcast series, Global Challenges, Global Solutions. I'm your host Tom Netter...and today we're going to talk about a new phenomenon that's changing the face of learning and training as we know it. It's called micro-credentials, and it's sweeping the on-line learning and training world.

There's been an explosion of online and micro-credential programmes during and after the COVID-19 pandemic. Work or learning from home and social distancing reduced in place training and skills development but it didn't reduce the need for learning and developing skills.

Micro-credentialing programmes stepped into the brink. And now, in the wake of the pandemic, it's highlighting the importance of lifelong learning to upskilling, reskilling and economic recovery.

Yet while these learning courses may help successfully train and equip workers with the skills needed for the jobs of the future, they also raise several questions. This podcast will explore, among other areas, if micro-credentialing is a temporary phenomenon, or is here to stay. And with us today are two experts on the topic,

Pedro Moreno Da Fonseca, ILO Technical Specialist on Lifelong Learning, and

Anastasia Pouliou, Expert in Qualifications and Credentials - Future of Vocational Education and Training (VET), and Leading Researcher on Micro-credentials at the European Centre for the Development of Vocational Training, known as Cedefop.

Pedro, Anastasia, welcome to the podcast.

Tom: So, let's begin our conversation with a definition of what we mean by micro-credentials and micro-credential programmes. Exactly what are we talking about here? And can you give us some examples? Where in fact did the term micro-credentials come from in the first place? Let's start with Anastasia.

**Anastasia**: Thank you, Tom. Well, what we mean by micro-credentials, I like, very much, using metaphors. So, I would like all of us to think about food, right? I know that we all like snacks, like learning snacks, learning bites, and I think micro-credentials can be, let's say, somehow considered as taste of learning. They're actually bite-sized pieces of learning. They're very prominent nowadays, and I think the reason why is because they are very employment-focused, and part of their joy is their informality. Quite often they are very regional, local, and yeah, they're very good word and concept.

Now, if we think about the prominence of micro-credentials lately, I hear quite a lot of people saying, but the micro-credentials are the new black, or the emperor's new clothes. Can they be considered a kind of a wolf in the sheep's clothing, or the other way around? Well, actually, as they have been flying around quite a lot lately, but under the radar, we need to have a kind of microscope to zoom in on their profile and really to understand what they are.

What is interesting is that the term micro-credentials is not very well known, and at least in Europe we see that other terms can be used. For instance, they can be compared to micro certifications, badges, micro-qualifications, even module certificates. But despite these various different terms, the European Commission has published a recommendation on the European approach to micro-credentials.

And what this definition does, it actually focuses on a very important concept. This is related to learning outcomes, meaning what the learner has acquired following a short learning experience. And this is a very important aspect. These learning outcomes have mainly been assessed against transparent standards, and this is what we have to think about.

Of course, micro-credentials are very useful. They open the possibility for people to accumulate, to stack, let's say, different competencies that can be documented and recognized by different providers, by employers in different sectors and even across countries. Of course, Tom, we have to be very careful not to put this term in the box, because in that sense it might lose its flexibility. So back to you now.

Tom: Thanks, Anastasia for that very metaphorical answer. Now, Pedro, what are your views?

**Pedro**: Thank you, Tom. We have been also putting some research into this theme. We also looked a bit into the definition, also following up to work that we have done together with other agencies including UNESCO and UNICEF. And I think I would like just to add, I mean, Anastasia framed it a lot in terms of the European Union definition.

I would like to highlight the flexible dimension where she landed on, in terms of the definition. I mean, constituents understand badly the term, the expression micro-credentials for the moment. And frequently the perception is that micro-credentials correspond to short courses. So, they are certificates that prove that a person has undergone a short course. And partly this is because they were very much used in higher education as to break down modularized courses. But they are at the end a demonstration of competence. And so, they can be mobilized to be used in recognition of prior learning processes to show that a person knows something and enable access to flexible pathways, they can prove that a person is specialized, and assume the form of a professional certificate in a specific industry, especially if you have highly regulated occupations. And in fact, they are very, very diverse in their nature, which of course makes them very interesting, but also very complex. Very complex to manage, very complex to regulate. So, it's an interesting discussion indeed.

Tom: Thanks, Pedro. I want to ask you, what specifically has driven the proliferation of this type of learning? Does it offer new opportunities for lifelong learning,

particularly as it relates to upskilling and re-skilling in a fast-changing world of work? And who benefits, especially youth, older workers? Pedro and then Anastasia.

**Pedro**: Well, I think circumstances have driven a lot the recent explosion, as we have been referring to, of micro-credentials. Essentially, because COVID, as we know, created all this learning based, digitally based, people studied to get digital certificates, which reflected these small chunks of learning online courses that people had taken. But now they seem to be here, and this is the new reality of learning, the new reality of credentials. I think that also they are relatively easy to create. The thing is that you can easily modularize any type of qualification, any type of course. The big question really is if these modules that are being created are in any way relevant. But that's another question. I also think that stakeholders are waking up really to their potential, and so the take-up is increasing. I think especially larger companies are very interested in micro-credentials as a staff development tool to raise productivity, to support innovation dynamics. I think big question here is also if they're bearing the fruit they should for workers themselves.

Anastasia: And I think what Pedro said is very interesting, I would definitely add to what he said. And from what we saw in our CEDEFOP study, there are different, let's say reasons and drivers that have contributed to this growing demand for micro-credentials. Yeah, I mean, first of all, we also saw in the year 2020 with the EU Skills Agenda, there has been a very increased focus on this idea of upskilling and reskilling. And this was actually directly supporting adults because I think Tom, you asked who actually benefits, especially youth or older workers. I would say that micro-credentials are mainly sought by learners with diverse range of characteristics. But due to the main purposes they have, which are very, very closely linked to labour market, they're quite often and more preferably used by adults.

So, in that sense, this idea of, let's say treating micro-credentials as a feature of an evolving, continuing vocational education and training system in Europe is very, very important. We also see that teaching and learning have become, for example, less constrained by time and space. And I think Pedro mentioned that before. And this demand for digital individualized learning, which has been on the rise for several years, was even more accelerated by COVID. And our Cedefop study actually shows that micro-credentials, in essence allow adults to make somehow their career progress or their changes easier, and it actually enables them to combine learning with other commitments in a more flexible manner.

And lastly, I would like to mention that what we also see is that the shift to learning outcomes and the emergence of arrangements for validation of non-formal learning are very, very important. And they somehow have created a more open and flexible pathway for diverse people out there.

**Pedro**: So, Tom, if I may just add a small point to this, I think very important aspect of this flexibility, is that micro-credentials articulate potentially very well with the idea of lifelong learning because they pull away from institutionalized learning at school and training institutions. And so even for youth, although Anastasia focused on the utility for adults, they can be very useful because they build around work realities, not necessarily building around an institutional logic. And can serve youth as well, they just serve it in a different way.

Tom: Thanks, Pedro. But the big question is, how is this training certified? Anastasia, you mentioned employers before. Will they accept applicants who rely on these new types of credentialing systems, or will they be viewed as less qualified than those who have more traditional learning and training? Can the two coexist?

**Anastasia**: Well, Tom, thank you very much for this question. I think yes, the two can coexist because what is important here is to emphasize this idea of complementarity. What we see is that micro-credentials are not posing any threat to existing qualifications. They actually operate both within, let's say, formal systems. For instance, in many countries, they are considered as partial qualifications, as we said, module certificates, supplementary qualifications, but at the same time, they can operate outside the system as somehow market qualifications or even sectoral certificates. So, in that sense, they are really something which I would say is a more of a supplementary nature to the existing system.

And this is not considered in an abstract manner. It's our research that shows that they are largely seen not as posing any major threats. Of course, you asked me how is the training certified we really need to consider about this important concept of quality assurance.

Because in order to understand whether these training and the certification actually of training is of value, you need to think whether it is quality assured. And this actually is an important trust factor, especially if you think about the proliferation of micro-credentials out there, considering the plethora, let's say, of the micro-credentials offering, there's a lot of uncertainty about the quality of such credentials, that can actually act as a kind of a factor of distrust. That is why both

learners and employers and employees need assurance that the promised learning outcomes they will have will in essence be achieved, they'll be very visible for the employers and for the labour market in general. So, I think yes, microcredentials in that sense can be very much in line with existing qualification systems.

## Tom: Thanks, Pedro, let's have your views on this issue?

**Pedro**: Well, I fully agree with this perspective. I mean, I think they can coexist. I think this trust issue that Anastasia's focus is absolutely core, but I also think that it's important to reflect that micro-credentials in fact need to be part of an enabling system and enabling skills ecosystem for workers, really that effectively raises equal opportunities to access learning and generates pathways to decent work. So, there are fundamental aspects in terms of the systems that need to be there for that to happen.

It's very useful and important that they are referenced to quality assurance qualifications. It's good that they are integrated and coordinated with recognition of prior learning processes. It's also important that they are linked to financial incentives to learning, particularly to individual incentives, incentives that target people, and also that in the fact that they are enabling the individuals, they're also adequately supported by systems like career guidance, for example.

So, what I think is also important is that micro-credentials don't become a root for situations of exploitation. Because what micro-credentials can also create on, let's say the negative side, is that they enable people to work more, take more responsibilities without necessarily having further and just reward for their efforts. It needs all to be very well-balanced here.

Tom: Well, let me ask you this. Do micro-credentials make labor markets more efficient? What role do they play in terms of, for example, continuation of training and learning, offering new pathways to re-skilling and up-skilling and in general, promoting lifelong learning for jobs of the future?

**Pedro**: I think that micro-credentials can be extraordinarily useful, and they can effectively address many of these growing needs that we're having, especially the ones due to structural changes happening due to digital, to greening, all these tendencies we are talking about. But to, let's say increase, generate more efficiency in the labour market, have better labour market adjustments they need

to bear meaning, they need to be relevant and understandable and work as a market signal. Labour market signal. Relevance is particularly important. They need to really be addressing identified gaps, identified skills mismatches. They need to support positive work mobility for a number of people in the labour market, and they need to assist on a more macro level, a process of just transition.

So, I think that on a practical level, they need to be more part of sectoral skill strategies supported by social dialogue, informed by social partners. They need to be more embedded also in public-private partnerships for skills development, and so that they can be all that they can be in terms of that potential you mentioned.

## Tom: Over to Anastasia.

**Anastasia**: Yeah, I think what Pedro just explained is very, very relevant, and I would definitely agree with him, but I also wanted to add the following. Indeed, like for instance if we see the learners, let's say the employees out there, they really claim that they have experience that micro-credentials have provided a positive labour market return. This is very important. And at the same time, of course, employers also see them as a way to tailor their training to their business strategies.

However, what we've also seen is that provision currently is very, very fragmented, and realities, at least in countries in Europe, are much more complex. So, in order for example, to understand in what way micro-credentials can really support continuation of training and learning, how, for example, they can offer entry pathways to re-skilling, we need to consider that we really need guidance, guidance and counselling about micro-credential offering.

If, for instance, learners out there or employees do not have comprehensive information about, for example, where they can find very good and trustworthy micro-credentials, then things cannot really evolve in a positive manner. Then perhaps their learning experience might not be that worthy of their potential financial investment, or the time spent to engage in such a short learning experience. And that is why guidance that is focusing on the user, let's say user-centred guidance, and for instance, accompanied by, for example, important online platforms that can support learners is key. This is a very important element.

And lastly, what I wanted to mention is that micro-credentials can somehow show this important role of transversal skills and competencies, meaning all these horizontal skills and competencies that you might acquire that can provide a pathway into improving employment opportunities. So, for this reason, yes, microcredentials can have a very important potential, but as long as they're very nicely supported.

Tom: Well then, do you think that micro-credentialing is here to stay? And how do you see this trend evolving in the future? And also, one last question. Do we need a new international standard on this? Anastasia, let's start with you.

**Anastacia**: Well, Tom, well, yes, micro-credentials are here to stay, but they are not the silver bullet that will solve all our problems, actually. Their future is quite open, I would say. And while there potential to meet, the different needs of education and labour market out there, and of course this potential is undeniable, we definitely need more comprehensive research, as I mentioned before. What is very, very important to understand is that getting things right here is a balancing act.

We need to understand how, for example, we can balance this idea of fostering trust that we said before, the transparency element and how really to preserve their flexibility. And it is not enough to know, for example, what skills needs are emerging or what types of jobs will be in demand in the near future. What is very important is we need to conduct systematic research in order to ensure that microcredentials can offer the end users a real value. Because of course, they cannot be considered a quick fix, let's say, for the unemployed or for the people who are left unregulated or let's say all the different problems.

But they definitely need to be trusted, quality-assured and compatible, for example, with qualification systems in order to become drivers, drivers of learning and drivers of the green transitions, as we heard before. And you asked me whether we need a new international standard. Well, at least in Europe, there are different scenarios from the developments, let's say, of a European register of micro-credentials and these other scenario of opening up of all types of qualification frameworks to more, let's say, incremental approaches that are based on metadata. But at the same time, we need to consider advantages and disadvantages of these scenarios, and for example, that we need to definitely focus on a user perspective in order for these scenarios to materialize in the future.

**Pedro:** I mean, if they're here to stay, I think they've been here for a long time in many forms. I think that what happens is that these days we are understanding that they have a particular potential combined with digital means, and with this growth and consolidation of lifelong learning systems. And so, they're acquiring a new role and being seen in different ways. And so, there's an effort to now regulate and also to stimulate their uptake and improve their quality. So yes, of course, I also agree they're here to stay and in an improved way. I think that a lot of this staying here also has to do with the fact that we are also investing in developing more and more digital technologies that improve certification processes, allow people to tailor their personal portfolios, transmit their information, for example, to employers or other organizations in a secure way.

We have blockchain technology that now allows to have a secure personal identifier. So, there's a lot of system level options in terms of how the credentials will stay and be developed in each country.

As for an international labour standard, that would probably be a bit of an excessive piece of regulation, I think. But we do need to pay attention, of course, to the way micro-credentials are linked to qualification systems.

What I believe is that qualification systems themselves need to be sufficiently dynamic. They need to be very well-supported by information systems, by digital technologies and social dialogue, very well-informed, so that they can adapt to this new way of imparting and recording knowledge and competences. I would in general just advise some care in terms of not developing excessive regulation. A great deal of the value of micro-credentials is really their flexibility and the way in which we can use it, although with care, assuring quality and coherence with qualifications, but in the way we can use them to construct flexible pathways to create, as I was saying, an enabling an environment that secures a just transition and access to decent work while also encouraging productivity and enterprises.

Tom: Well, that's all we have time for today. But I'd like to thank Pedro and Anastasia for sharing their expertise on this growing trend. As you've said, there's been an explosion of on-line micro-credentials programmes, during and since the pandemic. But can it last? And will they play an important role in the recovery and beyond?

Like all new things, some might think it's like pouring old wine into new bottles. On the other hand, our experience so far has been positive. Time will tell whether we can ensure its quality and relevance to certifications and qualifications. But so far, it sounds like it has a bright future.

I'm Tom Netter, and you've been listening to the ILO EMPLOYMENT podcast series, "Global Challenges, Global Solutions". For more on micro-credentials, and some useful links, go to www.ilo.org/employment. Meanwhile, thank you for your time.