



Executive Summary

SREB

# Credentials for All: An Imperative for SREB States

Southern  
Regional  
Education  
Board

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From the report of the Southern Regional Education Board  
Commission on Career and Technical Education

# Credentials for All: An Imperative for SREB States

*The challenge: How do we help more young people earn the postsecondary credentials and degrees that matter in today's economy?*

**SREB states and the nation are gaining ground on high school graduation rates.** Eighty percent of American students now graduate on time from high school — continuing a decade of steady progress.<sup>1</sup>

**However, the future looks bleak for young people with a high school diploma or less and no postsecondary credential of value in the workplace.** The number of jobs available to those with a high school diploma or less has steadily declined for decades, and the Great Recession hit these individuals hard,<sup>4</sup> particularly in SREB states.<sup>5</sup> Workers with a high school diploma or less continue to lose jobs despite the economic recovery.<sup>6</sup>

For young people born into poverty, educational attainment may offer the only means of moving up the economic ladder. Research shows that 42 percent of young people born to families in the lowest fifth of income distribution will remain there<sup>7</sup> — a considerably higher percentage than countries like Great Britain (about 30 percent) or northern European countries like Denmark, Finland and Sweden (about 15 percent).<sup>8</sup> Even youth born to middle-income families are as likely to move down the economic ladder as they are to move up.<sup>9</sup>

**The future looks brighter for young people with the right postsecondary credentials.** Higher education attainment of any kind benefits individuals in the labor market. Post-recession, jobs for those with bachelor's degrees have increased, and jobs for workers with some college or a postsecondary credential have mostly recovered.<sup>10</sup>

**But not enough students are earning postsecondary credentials and degrees.**

As Table 1 shows, between 55 percent and 73 percent of adults aged 25 to 64 in SREB states had less than a postsecondary credential in 2012. And although about two-thirds of high school graduates immediately enroll in some form of postsecondary education, too few complete a useful credential.<sup>11</sup> As of 2012, the three-year graduation rate for first-time, full-time certificate or associate degree-seeking students fell shy of 20 percent; the six-year graduation rate for first-time, full-time bachelor's-seeking students was about 57 percent.<sup>12</sup> SREB's analyses of educational attainment data suggest that at least half of all students entering ninth grade will fail to earn a credible industry or postsecondary credential or degree by age 25.

## Employment in the New Economy

In the 21st-century U.S. economy, nearly two-thirds of all jobs require education and training beyond high school. One growing sector is jobs that pay between \$35,000 and \$75,000 a year<sup>2</sup> in fields such as advanced manufacturing, energy, health care, information technology, and science, technology, engineering and mathematics (STEM).<sup>3</sup> To secure these jobs, individuals need to know how to analyze data, apply math, use technology, think critically and solve problems — skills students can develop in high schools, work-based training programs, community and technical colleges, and universities.

**TABLE 1:**  
Percentage of Adults Aged 25-64 by Educational Attainment, SREB States — 2012

State	No high school credential	High school but no postsec. credential	Some postsec. but no credential	Total: Less than a postsec. credential	Postsec. credential
Alabama	15	30	23	68	32
Arkansas	14	34	23	71	29
Delaware	10	31	21	62	38
Florida	12	29	22	63	37
Georgia	13	28	22	63	37
Kentucky	13	34	22	69	31
Louisiana	15	34	22	71	29
Maryland	9	25	21	55	45
Mississippi	16	30	24	70	30
North Carolina	13	26	23	62	38
Oklahoma	12	31	24	67	33
South Carolina	13	30	22	65	35
Tennessee	13	33	22	68	32
Texas	18	25	23	66	34
Virginia	10	24	21	55	45
West Virginia	13	40	20	73	27

Source: U.S. Census Bureau.

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## **Low educational attainment harms individuals and the economy.**

At current rates of attainment, by 2020 the United States will fall 5 million workers short of industry demand for employees with some postsecondary education.<sup>13</sup> Despite this substantial workforce gap, joblessness is persistently high, especially for minorities. According to U.S. Department of Labor data for adults aged 20 to 24 who were looking for work in 2013, unemployment was more than 11 percent for white young adults, almost 13 percent for Hispanic young adults and nearly 23 percent for black young adults.<sup>14</sup> The economic outlook for young men is also poor. The age at which young men can expect to reach the median wage has shifted dramatically. In 1980, it was age 26; in 2010, it was age 30.<sup>15</sup>

*“The new forgotten half [are] those youth who do not complete college and find themselves shut out of good jobs in the era of college for all... Many youth who took society’s advice to attend college, sacrificing time and often incurring debts, have nothing to show for their efforts in terms of credentials, employment, or earnings.”*

— William T. Grant Foundation<sup>16</sup>

**Not enough students are earning credentials and degrees in the right fields for today’s economy.** Many believe that a bachelor’s degree, regardless of major, is the best guarantee of a well-paying job. Yet after taking on debt, some recent college graduates find themselves with no work. As of 2012, the average unemployment rate for recent college graduates ages 22 to 26 with a bachelor’s degree was 7.5 percent.<sup>17</sup> And according to one estimate, as many as 23 percent of recent college graduates may be underemployed, working in a job that requires less than a college degree.<sup>18</sup>

**Overall, SREB’s analyses of educational and labor market data suggest that for many young adults, the 20s are a lost decade. After years of underemployment or unemployment, many return to school when they are nearly 30.**<sup>19</sup>

**Simply put, the bridge from high school to postsecondary attainment and career opportunities is broken.** To solve this problem, more high school students must get into community and technical colleges — and on pathways to postsecondary attainment and career advancement — much sooner.

***The challenge:** How do we provide more young people with an education that connects the classroom with the workplace and prepares them to succeed in postsecondary education and 21st-century careers?*

## **The solution:**

- **Transform education with rigorous, relevant career pathways that align secondary, postsecondary and workplace learning and lead to postsecondary credentials that help individuals secure good jobs.**
- **Double the percentage of young adults who earn postsecondary credentials by age 25 over the next decade.** These credentials include advanced industry credentials and postsecondary certificates and degrees at the associate degree level or higher.

**Members of SREB’s Commission on Career and Technical Education offer eight actions states can take to build rigorous, relevant career pathways.**

These eight actions — supported by a set of policies and practices summarized below and described at length in the full report — can help states double the percentage of young adults earning valuable industry and postsecondary credentials.



**Steve Beshear**, Governor,  
Commonwealth of Kentucky  
Chair, Southern Regional  
Education Board  
Chair, SREB Commission on  
Career and Technical Education

### *A Message from Governor Beshear*

In the SREB region, each of our states has its own character, our economies as different as our landscapes and our dialects. But we share a common problem: Too few students graduate from high school with the academic, technical and workplace knowledge and skills they need to find employment in the key industries that are critical to our states' economies. One of my goals as chair of SREB and its Commission on Career and Technical Education is to promote policies and practices to support strong career pathways that help more students earn industry and postsecondary credentials and obtain good jobs.

This report makes it clear that preparing for today's workplace requires a transformation of our educational system. Over the next decade, we must double the number of young adults who earn credible advanced credentials or degrees by age 25.

By creating high-quality career pathways in our states, we can ensure that our region's young adults are fully prepared for today's knowledge-based economy.

## **ACTION 1 — Build bridges from high school to postsecondary education and the workplace by creating rigorous, relevant career pathways driven by labor market demand. Such pathways:**

### **A. Combine a college-ready academic core with challenging technical studies and require students to complete real-world assignments.**

*Require all students to complete a college-ready academic core and a concentration — for example, a four-course career pathway or a set of Advanced Placement or International Baccalaureate courses — that provide the foundational learning skills they need to earn credentials and secure good jobs.*

### **B. Align three stages of learning — secondary, postsecondary and the workplace — through strategies like dual enrollment and work-based learning.**

*Leverage state and federal funds to incentivize school districts, community and technical colleges, and employers to develop career pathways that align with identified workforce needs in key state and regional industry sectors.*

*Promote structured dual enrollment programs for career pathways and establish uniform statewide policies so students can earn credits toward high school graduation that are automatically added to students' transcripts at community and technical colleges.*

*Incentivize industry partners to expand ongoing, structured, progressively intensive work-based learning that engages students in authentic applications of academic, technical and workplace skills.*

*Develop policies with insurers, workforce commissions and other agencies to protect students and their employers in work-based learning experiences.*



**Royce West**, Texas State Senator

### **C. Create guidance systems that include career information, exploration and advisement and engage students in ongoing career and college counseling beginning in the middle grades.**

*Mandate career exploration courses and activities in the middle grades and high school and adopt distributed, curriculum-based career guidance systems that make career and college counseling the shared responsibility of every adult in the school.*

**D. Allow students to choose accelerated learning options in settings that provide the extended time needed to earn advanced industry credentials.**

*Encourage school districts to offer career pathways in diverse settings — comprehensive high schools, shared-time technology centers, full-time technical high schools, early college high schools, career academies, and community and technical colleges — that allow students to earn advanced credentials and college credits while still participating in activities at their home high schools.*

*Incentivize districts, technology centers, and community and technical colleges to partner to create early advanced credential programs modeled after early college high schools. Early advanced credential programs allow students to graduate with a diploma plus an advanced industry certification, postsecondary credential or significant credits toward an associate degree.*

**E. Lead to further education and training and high-skill, high-wage jobs in high-demand industries.**

*Prioritize the investment of state and federal funds to develop rigorous, relevant career pathways that lead to employment in state and regional industry sectors with a shortage of skilled workers.*

**ACTION 2 — Expect all students to graduate academically ready for both college and careers.**

*Establish literacy- and math-readiness standards for non-STEM college majors and set benchmark cut scores on the assessments chosen to measure college readiness.*

*Collaborate with secondary, postsecondary and industry partners to establish foundational literacy and math readiness standards needed for advanced education and training, non-degree programs and the workplace. Establish cut scores for academic career readiness on multiple validated assessments (such as nationally normed assessments) that predict success in advanced training programs.*

*Use state-approved junior-year academic readiness assessments as a measure of students' academic preparedness for college and advanced training programs. Work with community and technical colleges to adopt or develop senior-year transitional readiness courses in literacy and math that count as fourth English or math credits.*

**ACTION 3 — Select assessments of technical and workplace readiness standards that offer long-term value to individual students, employers and the economy; carry college credits; and are directly linked to more advanced certifications and further study.**

*Define technical career readiness in state policy, capturing the knowledge and skills students must master to enter postsecondary education and training programs and secure high-skill, high-wage jobs in high-demand fields.*

*Designate a state agency to work with secondary and postsecondary education agencies and employers to identify, evaluate and approve industry certification examinations, technical skills assessments, dual credit courses and end-of-course assessments that are part of a system of stackable credentials.*

**ACTION 4 — Provide all high school career pathway teachers, especially new teachers from industry, with the professional development and fast-track induction programs they need to meet high academic, technical and pedagogical standards and enhance students' academic and technical readiness for college and careers.**

*Allocate funds for new teachers from industry to participate in fast-track induction programs that span the first 15 months of teaching and include two weeks to one month of paid employment in the summer before they enter the classroom.*

*Work with postsecondary and industry partners and external providers to deliver research-based professional development that teaches academic and CTE teachers how to design real-world, project-based instruction, assignments and assessments that integrate literacy, math and science with technical content.*

**ACTION 5** — Adopt a framework of strategies to restructure low-performing high schools around rigorous, relevant career pathways that accelerate learning and prepare students for postsecondary credentials and degrees.

*Use federal, state and local funds to help low-performing high schools reorganize around theme-based career academies that feature rigorous, relevant career pathways.*

**ACTION 6** — Offer early advanced credential programs in shared-time technology centers, aligning their curricula, instruction and technology with home high schools and community and technical colleges.

*Create the time needed for technology center students to earn advanced industry credentials by offering full-time study during students' junior and senior years; extending the school year or the school day; creating 13th-year early advanced credential programs; converting some centers into full-time technical high schools or full-time regional magnets; or partnering with community and technical colleges to offer junior- and senior-year career pathway instruction.*

**ACTION 7** — Incentivize community and technical colleges and school districts to double the percentage of students who earn certificates, credentials and degrees by setting statewide readiness standards and aligning assessment and placement measures with those standards. Other strategies: Use the senior year of high school to reduce the number of students who need remediation, retool developmental education, adopt individualized support strategies for struggling students and improve affordability.

*Use a combination of incentives and performance-based funding models to encourage community and technical colleges to work with school districts to increase the percentage of students who complete their programs and earn industry credentials and postsecondary certificates and degrees.*

*Increase the number of ways students can qualify for credit-bearing course work and developmental education. Establish multiple measures of postsecondary readiness, such as the grade point average (GPA), benchmark scores on nationally normed assessments and college placement exams.*

**ACTION 8** — Design accountability systems that recognize and reward districts, high schools, technology centers, and community and technical colleges that double the number of young adults who acquire postsecondary credentials and secure high-skill, high-wage jobs by age 25.

*Allocate extra weight in state accountability systems for each high school student who meets both academic college-readiness standards and technical career-readiness standards. Ensure that the state accountability system values academic college readiness and academic and technical career readiness equally.*

*Allocate extra weight in state accountability systems for each high school student who completes an advanced industry credential in a critical industry sector.*

*Increase each year the percentage of high school students who demonstrate academic, technical and workplace readiness by:*

- a. completing capstone courses, senior portfolios, career and technical student organization competitions, or work-based learning experiences;
- b. attaining advanced industry credentials;
- c. earning dual credits for career pathway courses; and
- d. passing end-of-course assessments for career pathway courses that generate extra weight toward the GPA or carry college credit.



**Derrick Graham**, State Representative, Kentucky

*Establish a multi-measure, college- and career-ready performance index to assess, track and report progress made by school districts, high schools, community and technical colleges, and employers delivering career pathways. Expect secondary and postsecondary partners to:*

- Raise high school graduation rates to 90 percent or higher in all high schools within a decade or less and help schools with graduation rates of 70 percent or less raise their graduation rates to 80 percent or higher within five years.
- Increase the percentage of students who leave high school academically prepared for college and careers to 80 percent or higher.
- Increase each year the percentage of students who meet academic career-readiness benchmarks for the foundational literacy and math skills appropriate to their career pathways.
- Increase each year the percentage of high school students who complete a career pathway consisting of a college-ready academic core and at least four sequential CTE courses leading to further education and training and workforce opportunities.
- Increase each year the percentage of high school graduates who immediately enter some form of postsecondary education, including employer-sponsored work-based training programs.
- Double over the next decade the percentage of young people who complete advanced industry credentials, postsecondary certificates and degrees by age 25.
- Expand each year the number of secondary and postsecondary students who participate in employer-sponsored work-based experiences and learn-and-earn programs.

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<sup>1</sup> "Table 2: Public high school 4-year adjusted cohort graduation rate (ACGR), by race/ethnicity and selected demographics for the United States, the 50 states, the District of Columbia, and other jurisdictions: School year 2011–12." U.S. Department of Education, National Center for Education Statistics (NCES), 2014. [http://nces.ed.gov/pubs2014/2014391/tables/table\\_02.asp](http://nces.ed.gov/pubs2014/2014391/tables/table_02.asp).

<sup>2</sup> Anthony P. Carnevale, Tamara Jayasundera and Andrew R. Hanson. *Career and Technical Education: Five Ways that Pay along the Way to the B.A.* Georgetown University Center on Education and the Workforce, 2012. See also Anthony P. Carnevale and Nicole Smith. *A Decade Behind: Breaking Out of the Low-Skill Trap in the Southern Economy.* Georgetown University Center on Education and the Workforce, 2012.

<sup>3</sup> Carnevale and Smith, 2012. See also Rachael Unruh. *Driving Innovation from the Middle: Middle-Skill Jobs in the American South's Economy.* National Skills Coalition, 2011.

<sup>4</sup> Carnevale, Jayasundera and Hanson, 2012.

<sup>5</sup> Carnevale and Smith, 2012.

<sup>6</sup> Jeff Gagne, Joan Lord and Michaela Corrente. *Workforce Development in SREB States: The Role of Two-Year Colleges in Preparing Students for Middle-Skill Jobs.* SREB, 2014.

<sup>7</sup> Julia B. Isaacs. *Economic Mobility of Families Across Generations.* Brookings Institution, 2007.

<sup>8</sup> Markus Jäntti Bernt Bratsberg, Knut Røed Oddbjørn Raaum, Robin Naylor Eva Österbacka and Anders Björklund Tor Eriksson. *American Exceptionalism in a New Light: A Comparison of Intergenerational Earnings Mobility in the Nordic Countries, the United Kingdom and the United States.* Institute for the Study of Labor, 2006.

<sup>9</sup> Isaacs, 2007.

<sup>10</sup> Gagne, Lord and Corrente, 2014.

<sup>11</sup> "Indicator 30: Immediate Transition to College. Figure 1: Percentage of high school completers who were enrolled in 2- or 4-year colleges by the October immediately following high school completion, by level of institution: 1990-2012." *The Condition of Education 2014.* NCES, 2014.

<sup>12</sup> "Table 46: 150 Percent of Normal Time Graduation Rates in Public Universities and Colleges by Racial/Ethnic Groups." *SREB Fact Book on Education.* SREB, 2014. Figures reported are for the same cohort — Fall 2009 students at public two-year colleges and Fall 2006 students at public four-year colleges and universities. See [http://info.sreb.org/DataLibrary/factbook/collegecompletion/FB14\\_45\\_46\\_47.xlsx](http://info.sreb.org/DataLibrary/factbook/collegecompletion/FB14_45_46_47.xlsx).

<sup>13</sup> Anthony P. Carnevale, Nicole Smith and Jeff Strohl. *Recovery: Job Growth And Education Requirements Through 2020.* Georgetown University Center on Education and the Workforce, 2013.

<sup>14</sup> U.S. Department of Labor, Bureau of Labor Statistics.

<sup>15</sup> Anthony P. Carnevale, Andrew R. Hanson and Artem Gulish. *Failure to Launch: Structural Shift and the New Lost Generation.* Georgetown University Center on Education and the Workforce, 2013.

<sup>16</sup> James Rosenbaum, Caitlin Ahearn, Kelly Becker and Janet Rosenbaum. *The New Forgotten Half and Research Directions to Support Them.* William T. Grant Foundation, 2015.

<sup>17</sup> Anthony P. Carnevale and Ban Cheah. *From Hard Times to Better Times: College Majors, Unemployment, and Earnings.* Georgetown University Center on Education and the Workforce, 2015.

<sup>18</sup> Personal communication, Anthony P. Carnevale, Director, Georgetown University Center on Education and the Workforce, February 18, 2015.

<sup>19</sup> "Students at Community Colleges." American Association of Community Colleges, 2014. See <http://www.aacc.nche.edu/AboutCC/Trends/Pages/studentsatcommunitycolleges.aspx>.

# SREB Commission on Career and Technical Education

## *Commission Members\**

**Governor Steve Beshear**, Commonwealth of Kentucky, Chair, Southern Regional Education Board, Chair, Commission on Career and Technical Education

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**Lloyd Jackson**, State Board Member, West Virginia Board of Education

**Ronald Jackson**, Commissioner, Technical College System of Georgia

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**Michael Berry**, Deputy Commissioner for Policy & Programs, Texas Education Agency

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