

Students should consult their academic advisers to make sure that their educational choices target careers where post-secondary education is compensated and market conditions are favorable.

Is Credentials Stacking Worth It?

Initiatives aimed at creating more entry and exit points into an educational pathway can help students enter the workforce sooner and with less debt. However, the evidence presented in this article – limited to young completers⁶ – shows that earning multiple post-secondary credentials helps only if employment opportunities exist at the different points of educational attainment.

The promise of stackable credentials may not play out in practice because educational attainment does not always translate into career mobility and better jobs. Students should think carefully about the options that are ahead. Is there a credential stacking option in the chosen academic field? Are earnings prospects enough to recoup the cost of more schooling? Are there good job opportunities if one decides not to pursue further education?

These findings lead to the following recommendations

for schools, students and employers to expand the use and effectiveness of credentials-stacking in Minnesota:

- Schools should use labor market information to demonstrate employer demand for credentials⁷ and design educational pathways with the purpose of developing marketable workforce skills.
- Schools should enhance transferability of credits to ensure that people who continue on get credit for what they have already learned. Shorter stackable certificates and articulation agreements between community colleges and universities should be pursued not just to boost graduation rates but to build marketable skills in areas where a credential is needed for career entry.
- Schools should set up a strong system of student advising, which is the most critical piece in the effort to promote stackable credentials. If students are not adequately informed about employment opportunities and earnings prospects in occupations associated with an educational track, even the best pathway design won't improve choices and outcomes.
- Employers would be well advised to reward academic credentials in the form of higher wages and/or career advancement opportunities. Industries that do not offer career ladders commensurate with educational attainment might face difficulties recruiting college-educated workers as the labor market tightens.
- Finally, students should think clearly about their occupational goals before committing to an educational path.

In conclusion, for stackable credentials to be a viable option for students, higher education institutions should design their programs and pathways taking into account labor market conditions and students' outcomes. Employers also have an important role to play by partnering with schools to ensure that efforts to enhance stackability and portability of credentials translate into actual career readiness and advancement opportunities for students. ■

⁶A separate research would be needed to examine the labor market payoffs of stacking for older students who already have considerable work experience.

⁷DEED has developed the Graduate Employment Outcomes tool (<https://apps.deed.state.mn.us/lmi/etd/Results.aspx>) for use by prospective students/trainees as well as post-secondary institutions to evaluate the labor market alignment of Minnesota training and education programs.