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REPORT

Microcredentials: Exploring the student perspective

September 2021

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Microcredentials – a certification of assessed learning that is less formal – are an alternative form of education which can help individuals prepare for the future of work.

To help universities respond to student demand for different learning options, OUA has extended its marketplace to also include diplomas, short courses and microcredentials.

Furthermore, the successful Rapid Development Fund (RDF) has been expanded to provide grants to aid their development.

Yet there is much confusion about microcredentials. What are they? What do potential students want from a microcredential? What is the benefit of a microcredential and what need are they fulfilling? What kinds of microcredentials do students want to study?

Presently, the student perspective is under explored. To address this current gap in understanding, OUA chose to explore what students thought of microcredentials.

Our research objectives were two fold. Firstly to explore prospective students behaviour, attitudes and perceptions towards microcredentials. Secondly to validate the microcredentials and the characteristics students find most appealing.

Refer to pages 24 and 25 for information about the methods used.

Research objectives

To explore the behaviour, attitudes and perceptions of potential students towards microcredentials

To validate what students find appealing about microcredentials

To identify what topics students are interested in studying as a microcredential

In a BBC worklife article the question is posed as to whether microcredentials could compete or even replace traditional degrees. The reality is that they will probably be a supplement to traditional offerings but give learners more flexibility and choice.

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A summary of key findings

People recognise the need for on-going learning to keep up with new trends and technology advancements. Continuous learning is the norm.

People are staying up to date and upskilling in many different ways but are seeking credible short courses that are industry recognised.

Microcredentials is a new concept but once it is explained, people found microcredentials are an appealing way to update their skills or possibly try a course before committing to further study.

The ideal microcredential would be flexible, modular, accessible, a duration of 3 months, provide a means of earning credits towards a degree from a reputable source, and offer recognition of completion such as a certificate or a digital badge.

Students want to study both hard and soft skills but Business and management, IT technical skills, Communication, Problem solving, Health and Psychology were popular.

Most people are willing to pay $1,000–1,500 for a microcredential that meets these requirements.

Continuous learning is the norm

Jobs in the future may not exist today and so it is important to move away from a focus on knowledge recall to teaching people the skills they need to participate in a future workforce, such as higher order thinking and critical reflection.

Of particular note is the importance of preparing individuals to be lifelong learners, which is seen as the new norm for the way we live, work and learn in a rapidly unfolding era of change.

All study participants spoke about how their workplaces are changing to adapt to new technology and automations across industries. There was evidence that technology is personally impacting current job roles and work practices.

60%

are experiencing new systems and platforms implemented by businesses to drive efficiencies in the workplace.

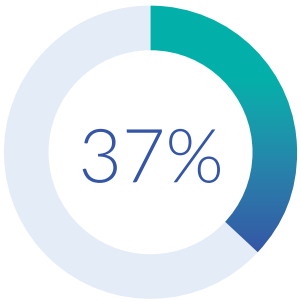
50%

felt the impact of new streamlined work practices.

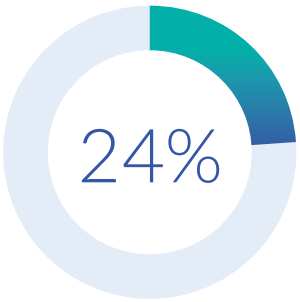
There was a feeling that companies are trying to do more with less, and that they want their staff to have broader capabilities and expertise across multiple areas.

> *"People at work are just more worried. You are not guaranteed a job anymore. Everyone is expendable I guess, because you can always find someone cheaper. I'm definitely going to up skill." (female, AE)*

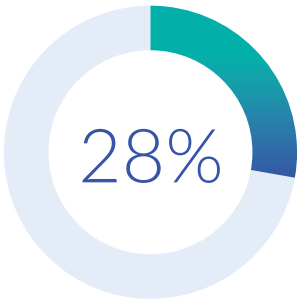
Participants felt that more people are losing their jobs, restructuring is happening in the workplace with flatter structures the result of more efficient platforms, and systems, labour market changes and offshoring.



37% see job cuts and workplace redundancies as a direct result of the impact of technology and automation.



24% felt the impact of flatter organizational structures.



28% see a shift towards the casual workforce and contract roles.

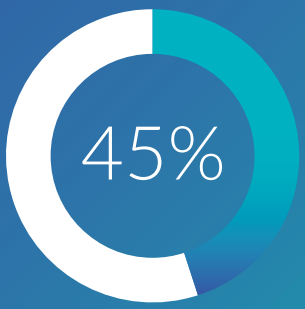
Many people are feeling the impact of technology and thought that new technologies such as self-driven cars or drones, are inevitable in the future. The impact of technology is particularly being felt by those working in trades and the construction industry.

Here the impact of changes to labour hire, impact of automation and staffing efficiencies is high.

A shift from employees to contract and casual roles, with fewer full-time positions available results in lower job security for workers, making it harder to get a home loan and plan for their future. There was a strong feeling that a job is no longer guaranteed, and many were feeling worried about their future in their chosen industry. Although many were considering how they can broaden their skills to open up future opportunities, and secure jobs of the future, a lack of technological expertise, worry that online study will be difficult and fear that they don't have the background skills/ knowledge required were barriers for most.

Technology is seen as a part of workplace evolution; most have survived the digitalisation of workplaces, new agile work practices, the evolution of social media, and this is the next wave of technology evolution.

New technology and business practices have always been part of the workplace, however the rate of change is happening faster than it has previously. There is a feeling that individuals need to adapt to new technology in order to survive – for the younger cohort this is exciting and opens up opportunities for the future.



45% see new roles being created as a result of new technologies in the workplace.

For the older cohort, new technology is seen as a requirement to survive in their industry, but many feel pressured to upskill to keep up in the workplace. There was a feeling that if you don't adapt and upskill, you will have a limited career and many have seen older workers leave their jobs as they're not willing to adapt to change.

Disruptive technology is part of the norm in workplaces, however changes are happening more rapidly than ever before and change is expected to continue. There is a need for on-going learning to keep up with new trends and technology advancements.

Focus group participants stated that it was important to have a positive attitude towards change and continuous learning. There was a feeling that individuals need to embrace change and be open and adaptable to new opportunities – saying 'yes' to opportunities for upskilling, exposure and participating in new areas of the business is important. There's a fear that those that say 'no' or don't have the energy to embrace continuous learning will fall behind.

80%

thought that new technologies were exciting and open up new career opportunities.

86%

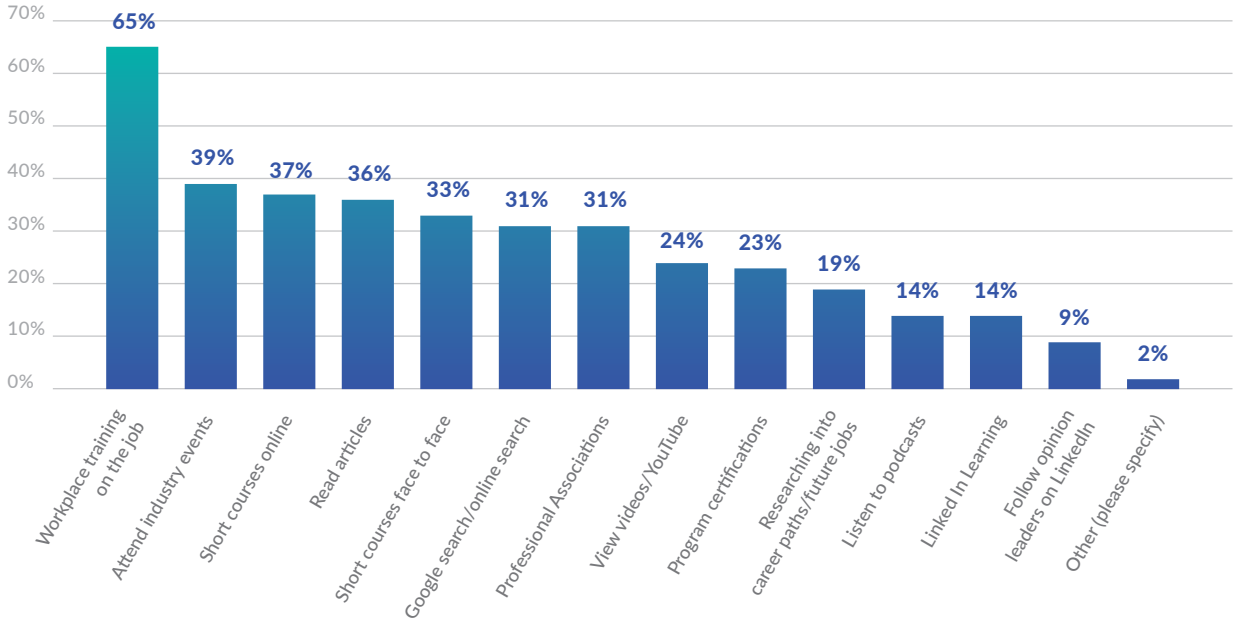
felt that lifelong learning was becoming the norm as people need to adapt to changing technology and new ways of working.

Staying up to date

Workplace training is more common in larger organisations. The modern workplace is a learning environment where organisations are often creating employee learning institutions using their own learning platforms.

Some of the larger employers offer their staff their own curated workplace training resources accessed via an app or a website. These are not for mandatory learning but offer micro learning in industry specific areas of skill development and new technology.

Which of the following are the main ways that you update your skills and knowledge to keep up with new trends and prepare for the future workforce? (N=611)



There are a variety of ways people are keeping up to date, these included: reading relevant articles, listening to podcasts, watching videos, taking short courses, and work-based learning. In addition peer mentoring and shadowing are valuable but informal ways of learning undertaken by many informants.

Online (37%) and face to face (33%) short courses also featured but university degrees were only mentioned by a few people and responses are incorporated in the Other category (2%).

Short courses versus university degrees

Informants do undertake short courses. Some of the perceived benefits of short courses: that they are considered to be cheap, can be used for personal development, are targeted to a specific skill, are not a big commitment, can act as an introduction to a topic, can build familiarity on a topic and give the learner confidence in the workplace.

Short courses, however, have an image problem. Participants thought that many are not seen as legitimate or offered by credible providers and therefore may not be valued by employers.

People felt that it is hard to anticipate the quality of a short course as the market is so varied, the content is often light on and more of an introduction to learn the basics rather than designed to meet a skill gap.

Conversely, university degrees were seen as credible, highly valued and tangible. But there are also barriers which mean undertaking higher education is an unlikely option for many people. The time commitment is huge, and degrees are expensive which is a barrier, too big for many people. Participants felt that a lot of time and energy is required to complete a degree, but the skills and knowledge could be outdated by the time it is completed. Many thought that technology is moving so quickly, and they questioned the value of a degree that may not keep up with the speed of change.

Students expressed interest in an alternative to short courses without the commitment of a full degree.

"Short course doesn't have as much clout, it's for your own benefit, you're collecting knowledge that you can demonstrate but there's nothing tangible that you can put on your resume." (female, CB)

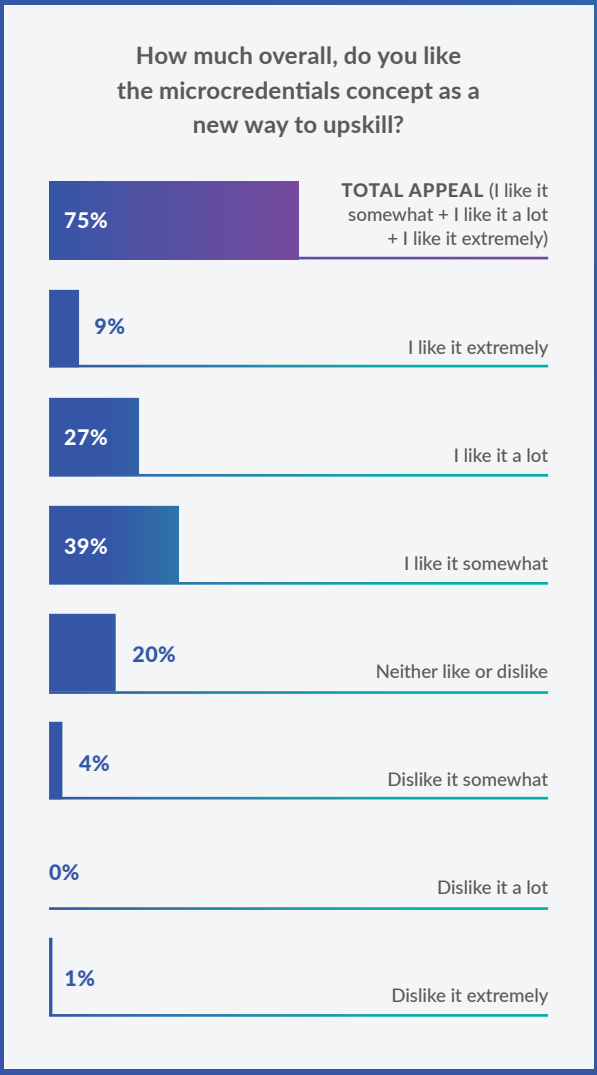
Defining microcredentials

The term microcredentials was a new concept for most people who participated in OUA research, it's unfamiliar and not readily recognised, only 11% had heard the term before.

However, once the concept was described to participants it did have high appeal as a new way to upskill.

Unprompted, participants thought the term implies a short course (micro) and credibility (credential) which is considered a positive association and helped to differentiate this type of offering from other less formal types of training.

Microcredentials are seen as a 'step-up' from a short course, without the commitment of a degree. One participant stated:



"I think it's another modern term for a short course, micro means small as in I've done a short course, and credential implies I've passed." (CB)

What do students value from a microcredential?

Participants clearly understood the value of a degree but microcredentials offer distinct value which is summarised as savings, quality and convenience.

A shorter time to complete which means less of a commitment and so easier to fit into busy lives.

High standard of content across a range of topics which people want to study.

Flexible means of delivery that can be personalised to suit individual learning styles.

A low price which is more affordable means people are less likely to accrue debt as a result of studying.

Credibility that is recognised by employers.

Continuous scheduling means people can enrol and study when its convenient.

Reward and recognition of effort with tangible evidence of completion.

Transferability with each microcredential working towards a degree in future.

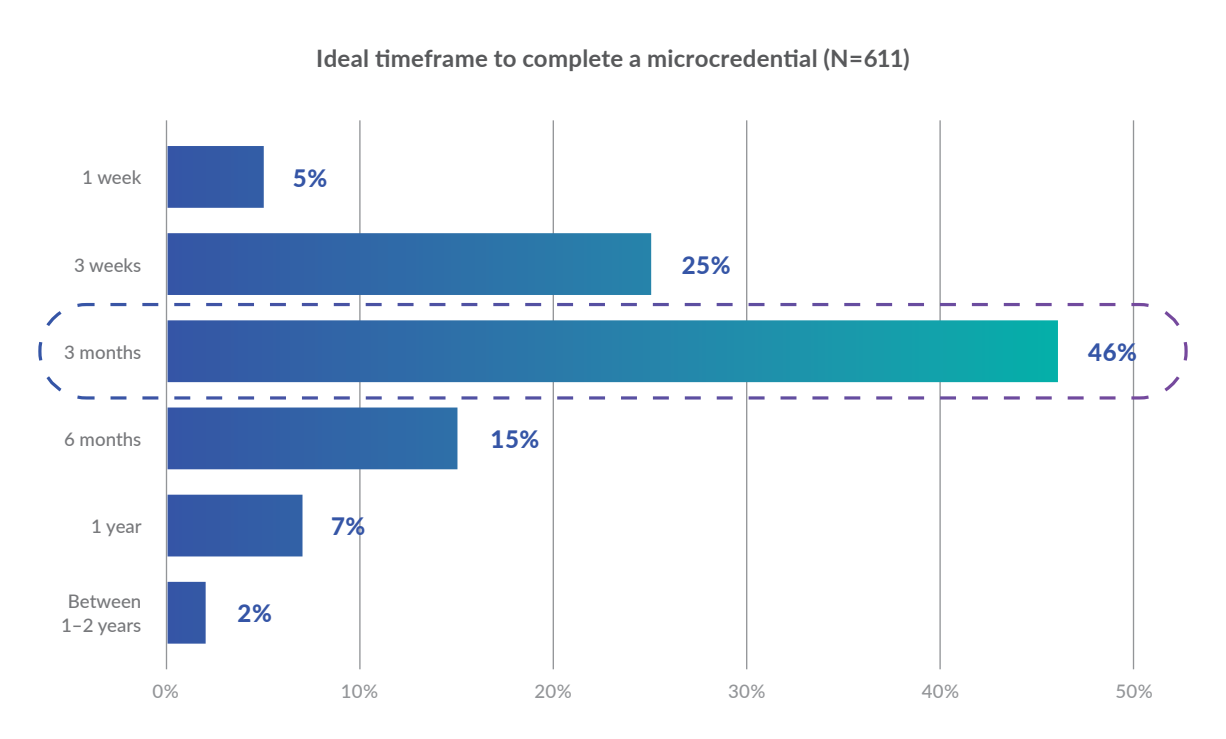
A shorter time commitment

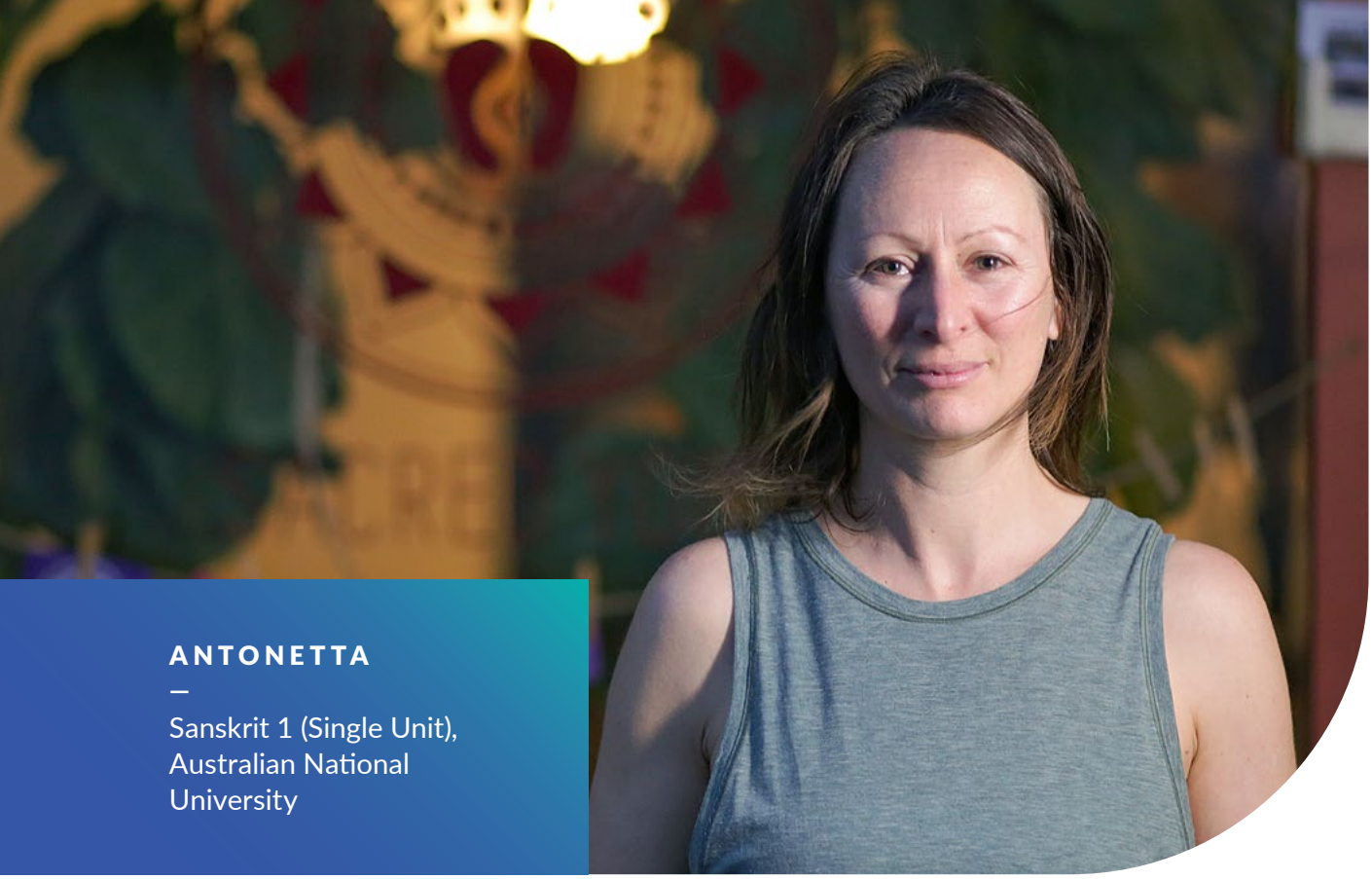
There was an expectation that a microcredential would take a short amount of time but this was balanced with a need to understand the quality of the learning.

If the timeframe is too short, for example half a day, then there was a perception that the quality of the content and the learning outcome would be low.

A duration from 3 weeks to 6 months was seen as acceptable, with the ideal time frame being 3 months. Anything greater than 6 months or longer was seen as a big commitment which may be a barrier to study whilst anything less than 6 weeks seemed too brief to offer substantial or deep learning.

"How much time it will take, I don't know what the ideal time is, 6 weeks sounds shonky, but 6 months is too much." (CB)





ANTONETTA
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Sanskrit 1 (Single Unit), Australian National University

High standard of content

There was an expectation that a microcredential is more than a basic introduction to a topic.

Value is assessed in terms of how much an individual is going to learn as well as the quality of the course content. There was an expectation that a microcredential shouldn't be 'easy' to complete which is different to short courses where 'everyone can complete them'. Participants said that to be successful in a microcredential, learners should need to work hard.

Understanding who is teaching the course, their experience and credentials was also considered important and participants felt a teacher 'bio' would aid decision making.

"I think it's around how easy it is too, if it's credible and worthwhile doing it will take you a bit of time to do, if you can whip through it in 6 weeks and aren't that challenged then what have you really learnt." (CB)

Flexible delivery that is personalised

Personalised learning which can be tailored to an individual's needs was viewed very positively because it gave people control over what they wanted to learn.

By tailoring study to their needs people felt that they would not waste their time learning compulsory units that they considered not to be relevant to their learning objectives. Customising their learning through microcredentials, was seen as more useful and relevant than a traditional degree, which may include topics they did not need or want to study.

"If it's customisable, you can tailor it to what you actually need and can utilise right away in workplaces. I think that's a good thing, because I think when you do a diploma and stuff there's a lot of subjects you'd be like, I don't need that really." (AE)

There was also a preference for pre-recorded lectures that people can view in their own time.

32%

rated the option to start and stop studying at different times throughout the year as **extremely appealing**

27%

valued the flexibility of choosing microcredentials from different universities

More affordable price

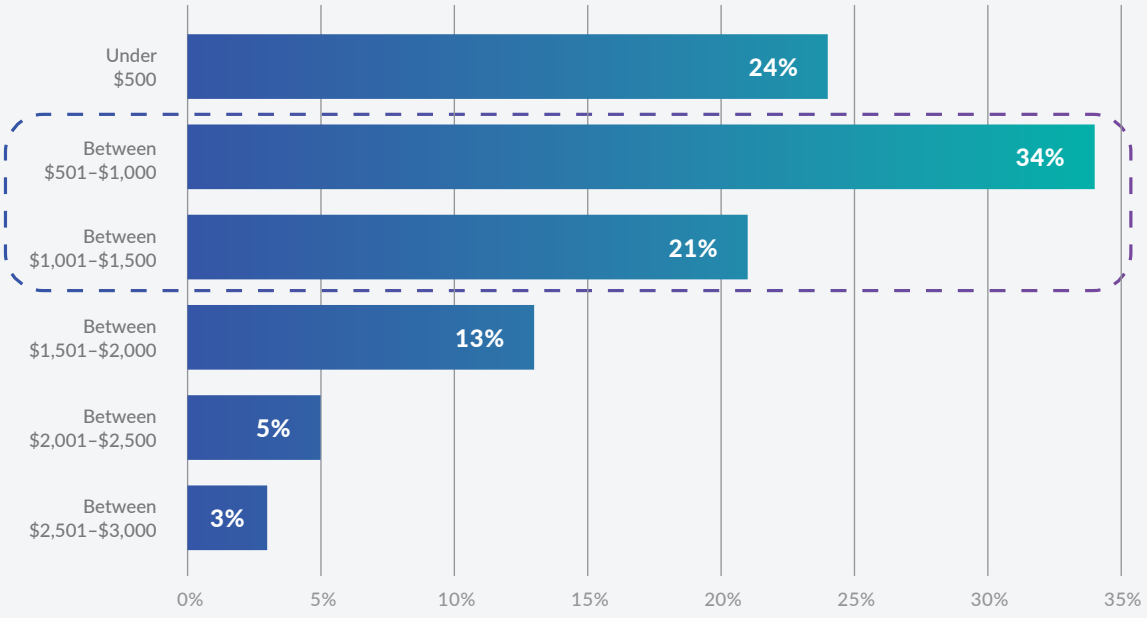
Most people were aware of the approximate cost of a degree, so understood that if the microcredential equated to one unit there would be a cost per unit ratio.

Price expectations were lower amongst Anxious Explorers who haven't attempted a degree before, with price estimates around $500.

Price expectations were higher amongst 25–39 year olds however most people would expect to pay between $1K–$2K for each microcredential if from a recognised university and the duration was about three months.

"Up to $2K is reasonable, if it was 6–8 weeks of work effort." (CB)

Price expectation for a microcredential provided by a leading Australian university with a three month timeframe (N=611)



Evidence of completion and credibility that is recognised by employers

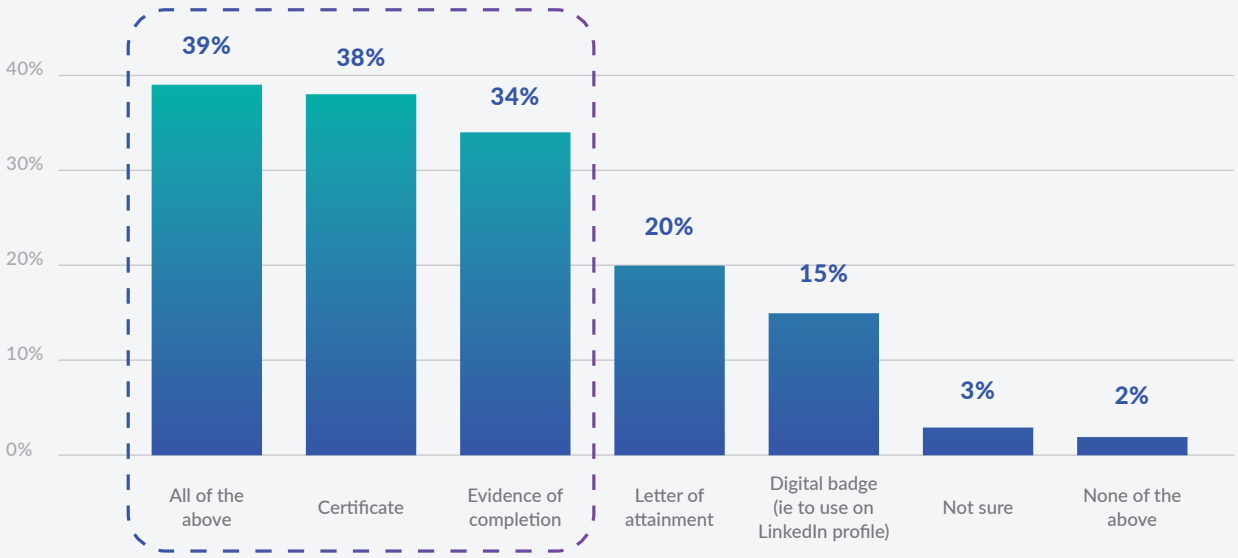
A microcredential that is delivered by a reputable and recognised institution such as a university is very appealing. The credibility of the presenter was also important.

Participants wanted to understand the experience and expertise of the person delivering the microcredential, as this was perceived to be an indication of quality.

Participants also valued the ability to be recognised and rewarded for their effort. Evidence of skills learnt such as certificates or digital badges which they could demonstrate to employers or when job seeking were important. Upon successful completion of a microcredential 38% expected to receive a certificate, 15% a digital badge.

"It depends what you want to get out of it, if it's an introduction, you could easily do one of those free online courses, ... but as you start to upskill and build your knowledge then reputation and recognition comes into it." (CB)

What would you expect to receive after successfully completing a microcredential? (N=611)



What do people want to know in order to aid decision making?

During the research phase people are looking for courses with detailed information which is clearly laid out and broken down.

Participants felt that the more detail and information provided suggested that the course was legitimate. All information about a microcredential should be easily available and clearly articulated to allow students to compare alternatives quickly.

Although credibility of the award is valuable, the most important information people wanted to know about microcredentials when reviewing and deciding to enrol are: total cost, subject outline and course content, duration in terms of contact hours, number of hours required per week and the total contact hours and study time.

> *"Important factors that I consider are the quality of the institution, the price, location, the duration and the level of expertise/experience of the provider/facilitator." (CB)*

How important is the following information when reviewing and deciding on a micro-credential course to enrol into? (N=611)

ROW %	LOW IMPORTANCE TO NONE	MEDIUM IMPORTANCE	HIGH IMPORTANCE	VERY HIGH IMPORTANCE
Total cost	3%	14%	36%	47%
Subject outline of what skills you will learn	2%	17%	46%	36%
Duration – number of weeks to complete	2%	18%	46%	34%
Number of class hours required per week	2%	19%	46%	31%
Total contact hours and study time required	3%	21%	46%	29%

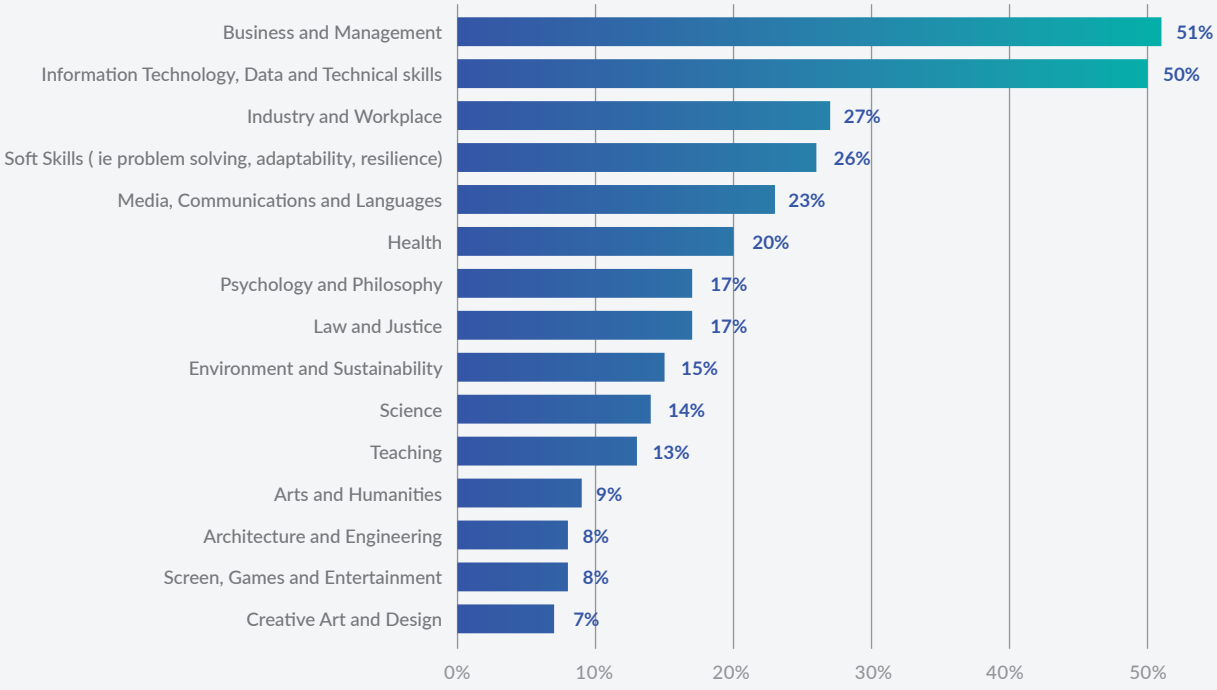
What microcredentials topics do students want to study?

Many participants felt that it was vital to get the balance right between technical skills and soft skills in order to be successful in the future workforce.

The range of skills that were considered to be important in order to succeed in the future spanned both hard and soft skills with a strong emphasis on business and management, IT technical skills, as well as soft skills which they considered to be communication, for example. Microcredentials in the areas of art/design, screen games and entertainment, architecture and arts and humanities were of lower interest.

For older participants who may have completed their degrees over 20 years ago and those who haven't completed a degree yet, there was a feeling that they are being greatly affected by technology and needed to familiarise themselves with the latest trends.

What topic areas might you be interested in developing skills through a microcredential? (N=611)



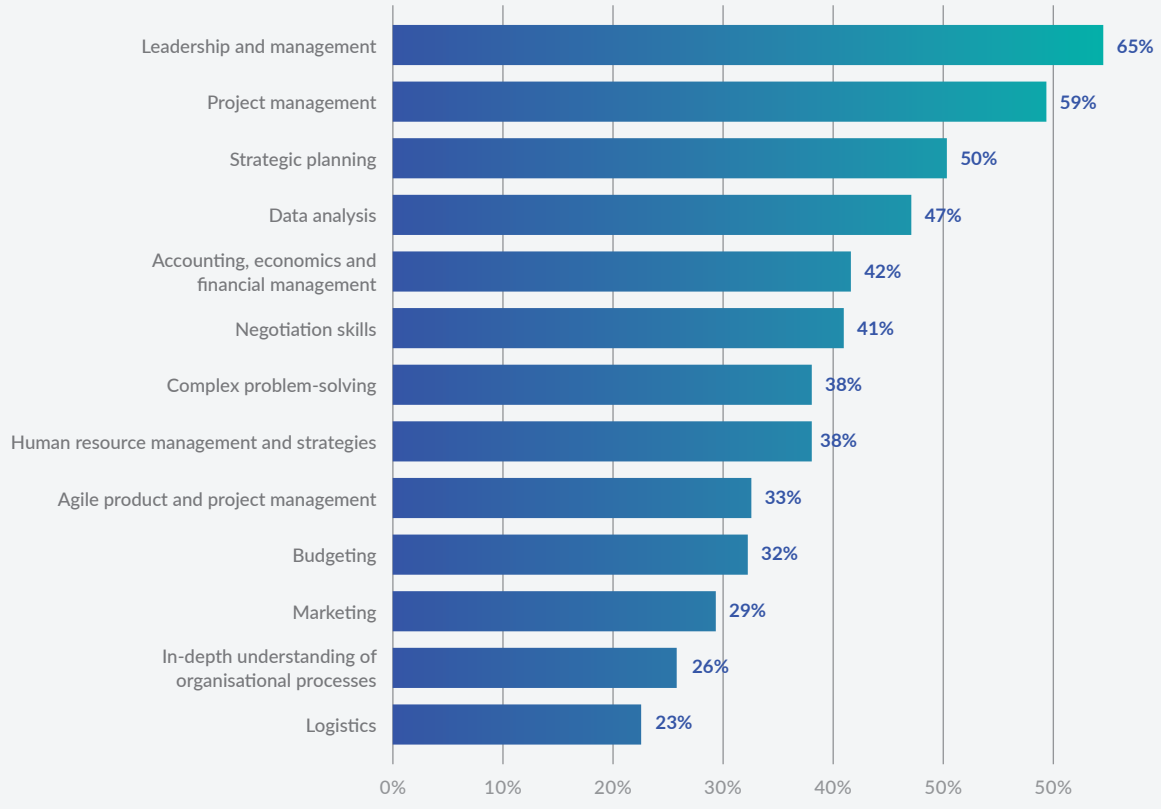
Business and Management

Amongst people who had an interest in the Business topic area, the skills being sought most highly are leadership and management, project management, strategic planning, data analysis, accounting and financial management, and negotiation skills.

According to professionals, those working in accounting, finance, IT, marketing, and technology rated data analysis significantly higher than other professions (67% interest in data analysis).

There were no significant differences by age and gender.

What topics relating to Business would you be interested in studying through a microcredential? (N=611)



Information Technology, Data and Technical Skills

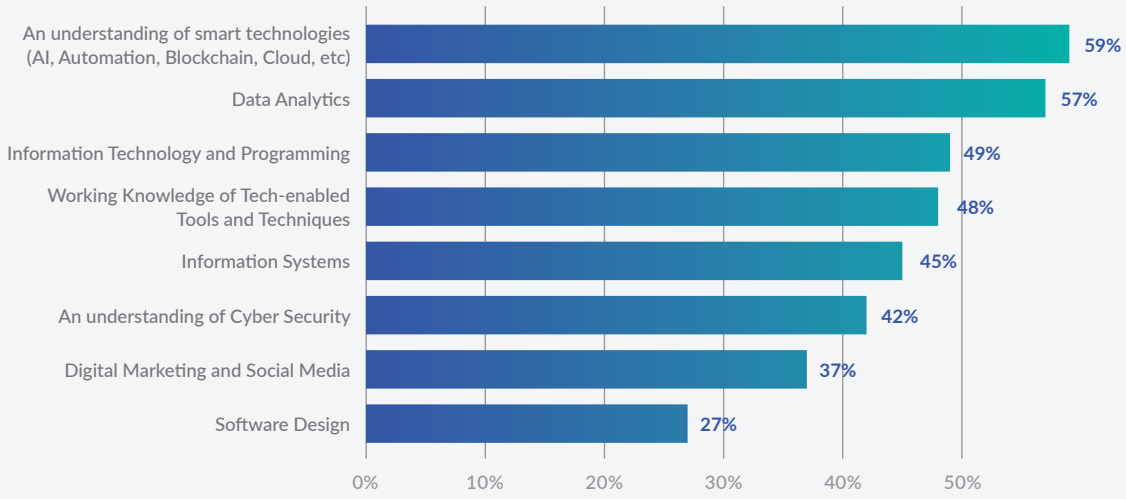
Many in senior positions didn't want to be 'experts' in the topic but wanted to get a good understanding of the topic to contribute in the workplace and join the conversation with younger colleagues.

There was a feeling that they need upskilling in technology to keep up with the latest trends, terms and concepts, and business tools being used in the workplace in order to remain relevant. 71% felt that they would require new skills that they currently didn't have within a 5 year timeframe.

For some people there was a feeling of optimism, and many are following technology advancements with interest which they felt will open future opportunities for those who are technically savvy. For people with an interest in furthering their skills in information technology, the areas of most interest were an understanding of smart technologies, data analytics, information technology and programming, working knowledge of tech enabled tools and techniques and information systems. 59% wanted to further their knowledge in automation such as AI, blockchain and cloud-based technologies.

"I want to understand enough about the basics, I don't want to become an expert I simply want to have enough understand that I can be part of the discussion. There's plenty of people, who have done uni degrees in these things that will know more than I will ever know, it's more about being part of the discussion than being an expert in data. It's more about understanding and being able to contribute." (male, CB)

What topics relating to Information Technology, Data and Technical skills would you be interested in studying through a microcredential? (N=308)



Soft Skills

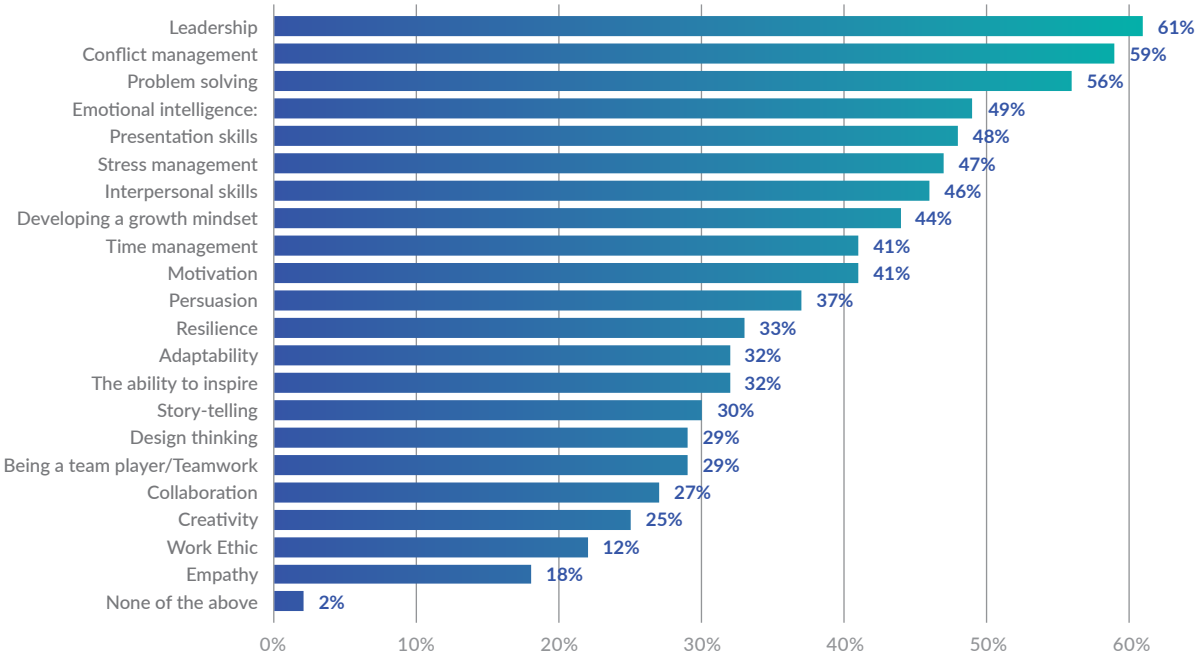
Defining and distinguishing soft skills from hard skills is difficult, as skills which many people consider to be soft skills such as communication are teachable and measureable abilities.

However, senior participants thought soft skills such as leadership and communication were lacking in less experienced workers and felt that these were an important but widening skill gap. Microcredentials that help to close this gap were appealing.

Areas of high interest were leadership skills, conflict management, problem solving, emotional intelligence, presentation skills, stress management, interpersonal skills and development of a growth mindset. Empathy, work ethics, creativity and collaboration were rated much lower.

"My view of seeing younger people coming into the workforce is that many are highly technically skilled, but not skilled in other areas, the soft skills like natural leadership or communication, I find a lot of them, ... they're not naturally adept to relationship building, networking, they have the technical abilities, but this doesn't come naturally. There are gaps in younger people in the soft skills." (CB)

What topics relating to 'soft skills' would you be interested in studying through a Microcredentials? (N=611)



PETER

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Conclusion

Microcredentials offer learners a more flexible means of learning, and achievement of learner outcomes aligned to the particular set of skills they want to develop.

All study participants felt that microcredentials are a logical fit for the OUA marketplace.

OUA was seen as a credible, objective source of information about higher education options. Participants valued the ability to compare and choose a microcredential from lots of different providers. Furthermore, potential students, especially time poor Career Boosters thought enrolment support and advice choosing the right microcredential to help them achieve their study goals was particularly important.

To assist universities in bringing microcredentials to the OUA marketplace, OUA has expanded the Rapid Development Fund (RDF). The RDF now offers three grants to support the different development requirements universities may have.

Further information about the RDF and the grants to support the development of microcredentials is available at **open.edu.au/partner-with-us**

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About the study methods

To achieve the research objectives, a mixed methods approach was taken.

The qualitative study focused on student perspectives about the future of work and the role that microcredentials might have in relation to this.

The quantitative survey focused on validating the opportunity for microcredentials.

Prospective students were classified as either career boosters (those with a degree) or anxious explorers (those without a degree).

Career Boosters

Those who have successfully completed an undergraduate or postgraduate degree

Anxious Explorers

Those who have not attempted a degree

Methods

A mixed methods approach was used. Research was conducted in two phases between October and December 2019. Analysis was completed in January 2020.

STAGE 1

Stage 1 was a qualitative exploration.

Four mini focus groups were conducted amongst two OUA segments to explore attitudes and behaviours towards the future of work and the role of microcredentials to fill skill gaps.

One and a half hour focus groups were held amongst a total of n=20 participants, in Melbourne. A homework exercise was also included in the fieldwork which comprised a mini ethnography where people recorded their behaviours when seeking out skill-based learning.

The focus groups explored the need for microcredentials, and the benefits this new learning format offers to the target market.

STAGE 2

Stage 2 was a quantitative national survey.

The insights uncovered in stage 1 were used to inform the survey design and response codes for the national survey to validate the opportunity for microcredentials.

A product concept was developed using insights from the focus groups which was tested on a national scale. N=611 full time workers across capital cities in Australia completed a 10-minute online survey to understand the level of interest in microcredentials, validate the features and microcredentials which are important to prospective users.

To explore new partnership opportunities

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