New Data for Measuring Professional Certifications and Licenses

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Professional Credentials

Non-degree, post-secondary

- Licenses (issued by governmental body)
  - Often required as a condition of practice
  - e.g. Attorneys, Certified Nurses, Certified Public Accountants

- Certificates (non-governmental)
  - May specific to product/corporation, profession-wide
  - e.g. Citrix Certified Associate/Professional, Certified Manufacturing Technologist, American Institute of Certified Planners (AICP)

Signals worker competency and knowledge

- WIOA emphasizes programs that support industry-recognized post-secondary credentials

Until recently, there was no representative source of information on non-degree professional credentials
Current Population Survey

Monthly National Survey ~60,000 Households

• Bureau of Labor Statistics, Census Bureau
• Expansive set of demographic and socio-economic questions

2015 added questions:

1) Does ... Have a currently active professional certification or a state or industry license? Do not include business licenses...
2) Were any of ...'s certifications or licenses issued by the federal, state, or local government?

2016 added:

3) Is your certification or license required for your job?
CPS Public Use Microsample (PUMs)

BLS does not provide State-level tabulations

- Relative small sample size within any one month
- Possible via public micro-data files

Complex Survey Design

- Repeated sampling of HHs, 4-8-4 month rotation
- Oversampling of underrepresented populations
  - Sampling Weights
- Sub-state regional cluster-sampling
  - Representative at state level, not necessarily within
CREC/LMI Institute State Tabulations

Pilot project, 2015 estimates for California
• Compare to U.S. Averages

Estimates for all 50 states, plus D.C.
• Annual monthly average, pooled over two years (2015-16)
• Demographics (race, sex, educational attainment)
• Industry and occupational groups
• Prevalence, employment rates, wages

Caution interpreting results, especially for small states, small sub-populations, or highly detailed categories
Certification Rates by Labor Force Status, 2015

Figure 1: Share of the Working Age Population that had a Certification or License by Labor Force Status, Working population age 16 and older, 2015 annual averages. Source: Bureau of Labor Statistics.
Certification/Licensure Rates by Industry Sector, 2015

Figure 2: Certification/licensure rates by major Industry Sector, California and the U.S., 2015 annual averages. Source: Bureau of Labor Statistics.
Certification/Licensure Rates by Occupation Group, 2015
# Labor Market Outcomes (2015)

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>with a license or certification</th>
<th>w/out a license or certification</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>California</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Labor force participation rate</td>
<td>62.4%</td>
<td>86.7%</td>
<td>57.8%</td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>6.2%</td>
<td>3.7%</td>
<td>6.9%</td>
</tr>
<tr>
<td>Rate of full-time employment</td>
<td>80.3%</td>
<td>82.7%</td>
<td>79.6%</td>
</tr>
<tr>
<td>Median weekly earnings*</td>
<td>$844</td>
<td>$1,173</td>
<td>$772</td>
</tr>
<tr>
<td><strong>United States</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
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</tr>
<tr>
<td>Unemployment Rate</td>
<td>5.3%</td>
<td>2.7%</td>
<td>6.1%</td>
</tr>
<tr>
<td>Rate of Full-time Employment</td>
<td>81.6%</td>
<td>86.0%</td>
<td>80.1%</td>
</tr>
<tr>
<td>Median weekly earnings*</td>
<td>$809</td>
<td>$1,004</td>
<td>$747</td>
</tr>
</tbody>
</table>

*Wages calculated for full-time wage and salary workers only*
Key Findings (2015, US & CA)

- 25% of US workers hold a certification or license (22% CA)
  - Women more likely to hold certifications than men
  - Hispanic/Latino less likely than non-Hispanic

- Rates vary considerably by industry, occupation, and educational attainment
  - Highest among healthcare practitioners
  - Highest among those with advanced degrees

- Workers with credentials had a lower unemployment rate, higher weekly earnings, higher labor force participation, and are more likely to be employed
  - Relative benefits vary by sex, race, education, etc.
  - Not necessarily due to the credential
Certification Rates (16+ Population), State Comparisons (2015/16)

US Average: 17.7%
Highest: 23.7% (AK)
Lowest: 14.7% (HI)

Share of 16+ Population with Certification or License

NM, NC, CA, NV, AL, GA, HI
AK, ME, WY, MT, NH, UT, IA
Employment Rates, State Comparisons (2015/16)

US Average: 3.5%
Highest: 5.5% (AL)
Lowest: 1.4% (ND)
Difference in Weekly Earnings (full-time), State Comparisons (2015/16)

US Average: $251
Highest: $442 (DC)
Lowest: $177 (MO)
Ongoing work...

Study of certification/licensure in Manufacturing

- in preparation for upcoming special issue of Economic Development Quarterly

Components

- Socio-demographic profile (age, sex, race, edu., etc.)
- Deeper analysis of Earnings Differences
  - Distinguish portion of difference due to individual characteristics from that due to credential itself
- State-level analysis
  - What explains state differences in certification rates and in earnings benefits?
Thank you!

Any Questions?

Feel free to contact me at:

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