



# What Is A Credential?

Association for Career  
and Technical Education



**E**ducation- and work-related credentials are important milestones for many individual career pathways. Both at the secondary and postsecondary level, students have the opportunity to earn credentials that verify skill mastery, educational attainment, and the authority to perform a task or operation—conveying real economic benefits in the labor market. Credentials are also valuable to employers, allowing them to determine the skill or education level of job applicants without having to perform an assessment for each one.

## TYPES OF CREDENTIALS

An education- and work-related credential can be defined as a verification of an individual's qualification or competence issued by a third party with the relevant authority to issue such credentials (U.S. Department of Labor, 2010). The term credential encompasses educational certificates, degrees, certifications, and government-issued licenses.

### Certificate

Certificates are awarded upon the successful completion of a brief course of study, usually one year or less but at times longer, primarily in public or private two-year institutions of higher education, university extension programs or non-degree granting postsecondary institutions like area career and technical education schools. Upon completion of a course of study, a certificate does not require any further action to retain.

### Certification

Certifications indicate mastery of or competency in specific knowledge, skills or processes that can be measured against a set of accepted standards. These are not tied to a specific educational program, but are typically awarded through assessment and validation of skills in cooperation with a business, trade association or other industry group. After attaining a certification, individuals often must meet ongoing requirements to maintain the currency of the certification.

### License

A license is legal permission, typically granted by a government agency, to allow an individual to perform certain regulated tasks or occupations. A license can be obtained by



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meeting certain requirements set forth by the licenser, usually by completing a course of education and/or assessments. Upon receipt of a license, ongoing requirements may be necessary to maintain the license.

## Degree

An academic degree is an award or title conferred upon an individual for the completion of a program or courses of study over multiple years at postsecondary education institutions.

	CERTIFICATE	CERTIFICATION	DEGREE	LICENSE
AWARDED BY...	Education Institution	Business, trade associations, industry	Education Institution	Government Agency
RESULTS FROM...	Course of Study	Assessment	Course of Study	Meeting Requirements
INDICATES...	Education	Skill Mastery	Education	Legal Permission
COMPLETED IN...	<2 Years	Variable	2+ Years	Variable
MAINTAINED BY...	N/A	Skill practice, re-assessment	N/A	Re-application, continuing education
EXAMPLE...	ServSafe Food Handler, Green Manufacturing Specialist, Certificate in Business Administration	Certified Welder (CW), Certified Logistics Technician (CLT), Certified International Information Systems Security Professional (CISSP)	Bachelor of Science, Master of Science, Doctor of Engineering	Registered Nurse (RN), Cosmetologist, Master Plumber

## INDUSTRY-RECOGNIZED CREDENTIALS

High-quality credentials are recognized by multiple employers across an industry. To help better identify and prioritize such credentials, ACTE proposes the following uniform definition of “industry-recognized” be implemented across federal legislation when referencing credentials.

The term “industry-recognized,” used with respect to a credential, means a credential that—

- A. is sought or accepted by employers within the industry or sector involved as a recognized, preferred, or required credential for recruitment, screening, hiring, retention or advancement purposes; and,
- B. where appropriate, is endorsed by a nationally recognized trade association or organization representing a significant part of the industry or sector.



The Association for Career and Technical Education (ACTE) is the nation’s largest education association dedicated to the advancement of education that prepares youth and adults for successful careers. For more information, contact: ACTE, 1410 King Street, Alexandria, VA 22314, [www.acteonline.org](http://www.acteonline.org).