

# Building trust in micro-credentials for improving employability

Synthesis Report from the Peer Learning Activity 28-29 May 2024



PLA support team, 3s/ICF June, 2024

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## Executive summary

The objective of this Peer Learning Activity (PLA) was to discuss successful approaches to building trust in micro-credentials that are offered in close connection with the labour market, with the specific aim of enhancing employability. Successful examples from Croatia (the virtual host country), Estonia and Denmark were presented. In addition, the European Commission provided an overview of the EU policy framework on micro-credentials, Cedefop introduced its research work on micro-credentials, experiences from the Erasmus+ project 'Skills for long-term unemployed - SKY' were presented and the participants had the opportunity to discuss the topic of PLA in small groups.

Discussions during the PLA covered more general aspects related to the concept of micro-credentials (including terminological aspects, scope, NQF/EQF levels at which they are offered, their providers, functions and links with other types of credentials and qualifications) as well as specific aspects of their quality assurance.

One of the key findings of the PLA is that the development and implementation of micro-credentials requires the involvement of multiple stakeholders to ensure trust and guality assurance at national, regional and local levels. The design of these micro-credentials should be based on the demands of the labour market (possibly based on sectoral needs), which requires continuous updating in terms of relevance and responsiveness. While challenging, this is crucial to maintain both flexibility and robust quality assurance mechanisms. An important role is also played by trusted providers, who often undergo accreditation or licensing procedures, whereby institutional accreditation can reduce the burden on providers. Some countries maintain public registers of these providers to inform potential users. Furthermore, assessment procedures for micro-credentials must be transparent and appropriate, focusing on learning outcomes and incorporating recognition of prior learning (RPL), despite the challenges involved. User feedback from learners and employers is essential for quality assurance, offering insights into the effectiveness and practical impact of micro-credentials in the labour market. Financial support systems for learners and employers are crucial, as are advisory and information systems, such as through trusted platforms. Pilot and testing phases are necessary to establish sound procedures. EU-funded cross-country collaboration for the development and testing of quality-assured micro-credentials is already in place, and there is interest in continuing these efforts in the future.

## 1. Introduction

#### 1.1. Policy context

Global megatrends, developments and innovations such as the green and digital transition, automation, demographic change, climate change and the COVID-19 crisis are all impacting the link between education systems and the labour market, increasing the importance of lifelong learning, agile up- and reskilling opportunities as more and more people need to update their knowledge and skills. In the face of accelerating developments, traditional qualification systems are often unable to keep up with the pace of innovation and complementary ways of acquiring and certifying new skills, such us micro-credentials, are gaining relevance to labour market stakeholders. Although these short formats or small units of learning may be referred to as micro-credentials, their design and approach can be very different, making it difficult for both learners and employers to understand them and decide how trustworthy they are.

To address this situation, the '<u>Council Recommendation of 16 June 2022 on a</u> <u>European approach to micro-credentials for lifelong learning and employability</u>' was adopted to ensure the development of high-quality micro-credentials with a transparent issuing process to build trust in what they certify and to promote their uptake.

## 1.2. Objectives of this PLA and overview

This Peer Learning Activity (PLA) gathered a range of stakeholders including policy makers, national ministries and agencies, social partners, European Commission, Cedefop and ETF. The event took place online, with approximately **93 participants** attending the event, representing **24 countries**: Austria, Belgium, Croatia, Cyprus, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Ireland, Italy, Latvia, Luxembourg, Malta, Netherlands, Norway, Poland, Slovak Republic, Slovenia, Spain, Switzerland and Ukraine.

The PLA provided an opportunity to explore successful approaches to building trust in micro-credentials that are offered in close connection with the labour market, with the specific aim of enhancing employability. The event was opened by **Chiara Riondino** from the **European Commission** (DG EMPL, head of Unit B.3) and kicked off by an introduction to the current activities of the European Commission (DG EMPL) in connection with the European approach to micro-credentials, followed by an overview presentation on Cedefop's research work on micro-credentials (see Chapter 2: Setting the scene). Participants were introduced to successful practices from the virtual host country (see Chapter 3: The case of Croatia) and two additional countries (Estonia and Denmark) and

learned about experiences from an Erasmus+ project focusing on microcredentials for enhancing employability: "Skills for long term unemployed" – SKY (see Chapter 4: Additional examples and experiences). The PLA also offered space for participants to share experiences with their peers, reflect on effective practices together and discuss open questions around the concept and quality assurance of micro-credentials (see Chapter 5: Reflections and lessons learned). The event was rounded off with concluding remarks by the European Commission (see Chapter 6).

At the beginning, the participants were invited to engage in a brainstorming session: 'With one or two words, what does "building trust" mean to you?' The results presented in the figure below clearly show that the participants particularly associated transparency, quality and reliability with the concept of 'building trust', but also mutual responsibility and cooperation.



## 2. Setting the scene

## 2.1. EU approach to micro-credentials

During the first part of the meeting, **Isabel Ladrón Arroyo** from the **European Commission** (DG EMPL, Unit B.3) presented the **European approach to micro-credentials**, referring to the current context (including the <u>European Skills</u> <u>Agenda</u>, the EU targets by 2030 in terms of skills) and the potential of microcredentials for the labour market. After a brief overview of the content of the Council Recommendation and the available research, the ongoing work on microcredentials was highlighted: the Member States' reporting on the Council Recommendation, the <u>Erasmus+ call for Policy Experimentation projects 2024</u> and the PLAs.

The European Commission provided a comprehensive overview of the EU policy framework on micro-credentials within the broader context of the EU skills development policy. The foundation of this framework is the European Skills Agenda, which aims to foster a mindset of lifelong learning to adapt to the constant changes in society and the labour market. Key targets under this agenda include:

- 60% of the adult population to participate in training each year;
- 80% of Europeans to have at least basic digital skills;
- Increasing the number of ICT specialists to 20 million, with a focus on gender convergence.

The current landscape shows that while many employers offer traineeships, these are often not certified, highlighting the need for formal recognition of such learning experiences. Micro-credentials can bridge this gap by providing certified, targeted, and flexible learning opportunities. It was emphasised that micro-credentials are not intended to replace traditional diplomas or qualifications. Instead, they complement existing educational paths by providing additional opportunities for upskilling and reskilling. This approach ensures that learners can continuously update their skills and knowledge in response to changing job market demands.

Micro-credentials are defined by their targeted nature, flexibility, and typically small scope, although the Council Recommendation from June 2022 does not specify their volume. These credentials are designed to boost the quality, uptake, and trust in learning outcomes, which are increasingly important in a dynamic labour market.

The European approach to micro-credentials consists of three building blocks, including the definition of micro-credentials, the standard elements for the description and the principles for the design and issuance of micro-credentials. Moreover, it refers to several key areas of action, whereby the focus is on education, training and skills policies as well as on Active Labour Market policies:

- Development of an ecosystems for micro-credentials;
- Realizing the potential of micro-credentials in both education and the labour market;
- Supporting these initiatives through the European Commission.

The implementation of micro-credentials is supported by resources from the European Training Foundation (ETF), Cedefop, and the OECD. These resources offer insights into various practices as well as practical guidance on creating

micro-credentials that are robust, recognizable, and valuable to both learners and employers. Moreover, the implementation of micro-credentials is supported by the <u>European Digital Credential</u> system, which is integrated with EUROPASS, as this platform offers a practical solution for creating and managing microcredentials in a standardized and accessible way.

The EU's approach to micro-credentials is a strategic effort to enhance lifelong learning and skills development across Europe. By providing a flexible, targeted, and certified way of learning, micro-credentials are supposed to help bridge the gap between education and the labour market. The European Skills Agenda, combined with the support activities provided by the European Commission, sets a strong foundation for the widespread adoption and success of micro-credentials in Europe.

## 2.2. Insights into Cedefop's research

**Cedefop**, the European Centre for the Development of Vocational Training, has been extensively researching micro-credentials, focusing on their role and impact within the labour market. The presentation by **Anastasia Pouliou** provided insights into Cedefop's findings, highlighting the proliferation, value, and integration of micro-credentials across various sectors and member states. <u>Cedefop's research on micro-credentials</u> revolves around three main objectives:

- Conducting an extensive mapping of micro-credential usage and policies in labour-market related education, training and learning across Member States;
- Exploring the relationship between micro-credentials and evolving qualification systems;
- Assessing the added value of micro-credentials for end-users.

These objectives aim to understand whether micro-credentials represent a novel approach or merely provide a new label for existing practices, particularly focusing on their ability to respond quickly to labour market needs.

Cedefop used various methodological tools to gain a comprehensive understanding of the current landscape and potential of micro-credentials. Key findings include:

- Proliferation Across Sectors: Micro-credentials found to be most prevalent in such areas as ICT, engineering, manufacturing, and construction, but also in sectors such as hospitality, human health, and social work. This widespread adoption indicates their versatility and potential to address diverse training needs;
- Flexibility and Timeliness: Micro-credentials are recognized for their ability to provide timely, targeted training that can quickly adapt to changing

labour market demands. This flexibility makes them a promising tool for continuous skill development;

• Trust and Social Value: Establishing trust and social value is crucial for the widespread acceptance of micro-credentials. They must be seen as credible and reputable, ensuring that they are recognized and valued by employers and educational institutions.

While Cedefop's research highlights several examples of good practices both within and outside the EU (which provide valuable lessons for other countries looking to adopt and integrate micro-credentials), it also points to a number of weaknesses and barriers to the wider uptake of micro-credentials:

- Quality and Transparency: Ensuring the quality and transparency of microcredentials is a significant barrier. Without standardised quality assurance, their credibility can be questioned;
- Integration with Qualification Frameworks: There is an ongoing discussion about how micro-credentials can be integrated into existing qualification frameworks. Modularisation, common in adult learning, offers a potential pathway, but concerns from trade unions about equivalence with traditional qualifications need to be addressed. It should also be borne in mind that micro-credentials are often offered outside the formal sector and although progress is being made in opening up national qualifications frameworks to qualifications and credentials acquired outside formal education and training, this is not always the case;
- Recognition and Accumulation: The lack of mechanisms to recognise and accumulate micro-credentials, allowing learners to build a comprehensive portfolio of skills and qualifications, hinders their take-up.

Moreover, Cedefop's research suggests a number of conditions or enablers for building trust as well as several policy implications and future directions:

- Creating an Ecosystem: Developing a robust ecosystem where companies, educational institutions, and regulatory bodies collaborate is essential for the success of micro-credentials. This involves clear guidelines, quality assurance frameworks, and recognition mechanisms;
- Focus on Labour Market Needs: Micro-credentials should be designed to meet specific labour market needs, offering practical, skills-based training that enhances employability;
- Social Function: Beyond employability, micro-credentials can serve a social function, providing opportunities for lifelong learning and social inclusion.

Cedefop's research provides critical insights into the current state and potential of micro-credentials in Europe. While there are significant challenges, the flexibility, timeliness, and targeted nature of micro-credentials make them a promising tool for lifelong learning and skills development. Continued efforts to establish trust, ensure quality, and integrate micro-credentials into existing frameworks will be key to their success and widespread adoption.

Pouliou (2024), explores the emergence of micro-credentials in vocational education and training and outlines possible future developments, presenting four plausible scenarios with specific types/characteristics of microcredentials: 1. Supply-driven micro-credentials (as part of formal education) for further learning; 2. Supply-driven micro-credentials for labour market entry and job setting (professional credentials); 3. Demand-driven micro-credentials (examples of enterprises/sectors); and 4. Micro-credentials for vulnerable groups/groups at risk of social inclusion (upskilling/reskilling).

## 3. The case of Croatia

During the second part of the PLA, participants learned about how microcredentials are set-up and used in Croatia. Three presentations covered the following topics: the revised Law on Adult Education of 2021 that introduced the concept of 'micro-qualifications', the methodology for creating adult education programmes for the acquisition of micro-qualifications and the way of funding of programmes leading to micro-qualifications.

#### 3.1. The revised Adult Education Act of 2021

**Ivana Pilko Čunčić**, from the Ministry of Science, Education and Youth in Croatia, provided an in-depth overview of the country's efforts to reform and enhance its adult education system. Recognizing the need for a more flexible and responsive education system, Croatia has implemented several innovative measures to improve adult education, ensuring it meets the demands of the modern labour market and addresses the challenges faced by adult learners.

Croatia, though a small country, hosts a wide range of educational institutions. Historically, the country has faced challenges with its adult education system, particularly due to low participation rates. In 2021, Croatia was at the bottom of adult education participation rates in Europe. This was attributed to several factors, including financial constraints, lack of time, and a negative perception of adult education as a pathway for the less successful. Recognizing these challenges, Croatia embarked on a comprehensive reform of its adult education system in 2020. In late 2020, Croatia realized the need for a new perspective on adult education, leading to the creation of a new legal framework, which was adopted in 2021. The reform aimed to change the perception of adult education from a negative one to a hopeful and positive one. Key objectives of the reform included:

- Strengthening the quality assurance system in adult education: This was to be achieved through the harmonisation of adult education with the Croatian Qualifications Framework (CROQF) and external evaluations of adult education providers and programmes. The first evaluation took place in 2023, and it has become an annual process;
- Financial accessibility: To enhance accessibility of adult education programmes, a voucher system for micro-qualifications was introduced, significantly increasing participation rates. This system aimed to ensure that no one was left behind due to financial constraints;
- Establishment of the National Information System of Adult Education (NISAE): A robust information system was developed to collect data, reducing bureaucracy by operating through an online portal;
- Validation of informal learning: Efforts were made to develop arrangements and procedures for validating informal learning activities, especially important given the influx of foreign workers.

Croatia's reform of the adult education system refers to formal, non-formal and informal learning contexts and introduces credentials and pathways aimed at enhancing the flexibility and relevance of adult education:

- Micro-qualifications: These can be both formal and non-formal, designed to quickly equip learners with skills needed in the labour market. The issuance of micro-qualifications ensures quality assurance and recognises the achievement of these skills. Micro-qualifications are linked to Levels 2

   5 of the CROQF and offer the acquisition of sets of learning outcomes through: training (Levels 2, 3, 4 CROQF), specialisation (Level 4 CROQF) or vocational specialisation and training (Level 5 CROQF);
- Non-formal programmes: These programmes require approval and are also financed through the voucher system. They focus on the acquisition of skills (needed at the labour market) outside traditional educational institutions;
- Validation and certification: Programs for validating informal learning and acquiring certificates from recognized providers were developed, allowing for a more inclusive and comprehensive approach to skill recognition.

The reform aimed to incorporate several key elements such as trust, flexibility, affordability, equal opportunities, and personalized learning pathways. Employers, unions, and chambers of commerce were strongly involved to ensure that the programs remained relevant to labour market needs. To ensure transparency and accessibility, an online catalogue of all programmes and providers was established. This user-friendly system, developed with the help of the Agency for VET and Adult Education, allows individuals to easily navigate available educational opportunities.

Future steps include:

- Strengthening career guidance capacity of adult education institutions;
- Development of tools for self-assessment and assessment of skills;
- Development of short-term micro-qualifications for personal and professional development: Designing short programmes for both personal and professional development with a holistic approach, taking into account individual needs;
- Development of programs for validation of informal prior learning;
- Further development of the National Information System of Adult Education (NISAE): Developing this system further to enable cooperation with other countries, facilitating the mutual recognition of qualifications and enhancing international mobility;
- Stronger promotion of lifelong learning (LLL) among the general population;
- Enhancing internationalisation in the field of adult education;
- Providing funding support through funds;
- Cooperation on projects with other member states (Erasmus+, Technical Support Instrument).

Croatia's comprehensive reform of its adult education system, underpinned by a new legal framework and innovative measures, aims to create a more inclusive, flexible, and responsive educational landscape. By addressing financial barriers, ensuring quality assurance, and integrating modern data systems, Croatia is setting a new standard for adult education that can adapt to the evolving needs of the labour market and support lifelong learning.

# 3.2. The methodology for creating adult education programmes for the acquisition of microqualifications

The second Croatian presentation by **Ivana Krešić Klaucke** from the **Ministry** of Science, Education & Youth, and Mario Vučić from the Agency for VET and Adult Education provided an overview of Croatia's methodology for creating adult education programmes for acquiring micro-qualifications. Outlining the context and drivers on the national and European levels, the presentation focused on the methodology, highlighting questions that emerged during the programme development phase along with their accompanying solutions. The presentation closed with a summary of the implementation of the methodology, showcasing some initial results and signs of impact emerging in this phase. The key points from the presentation are as follows:

- The Croatian Adult Education Act (2021) and the Council Recommendation on a European Approach to micro-credentials (2022) provided important building blocks for the development of the methodology.
- Three further important momentums that helped drive the development of the methodology were:
  - o lessons learnt during the Covid-19 pandemic regarding the importance of flexible and accessible education,
  - o the implementation of a major reform of VET in the country,
  - the introduction of the voucher system by the Ministry of Labour, providing finance for adult education (AE) for the first time in the country's history.
- Placing micro-qualifications in the Croatian adult education system, the methodology contains recommendations for the planning, creating and designing of micro-qualifications, along with the required elements for a micro-qualification.
- Croatia uses the term micro-qualifications, as these courses build on sets of learning outcomes that are registered on the CROQF as part of established standards. The majority of micro-qualifications are offered at Levels 4 and 5. They differ from partial qualifications in their scope; however, micro-qualifications (as sets of learning outcomes) can originate from both partial and full qualifications.
- The methodology provides guidance on various programme development questions such as possible combinations of learning outcomes, their CSVET (Croatian Credit System for VET) value range when combined, required descriptors for courses, and naming conventions for micro-qualifications built from CSVET from existing standards and programmes.
- Experience shows that the time taken from needs assessment to the development and implementation of a micro-qualification is influenced by many factors, including whether the set of learning outcomes in question is already part of a standard on the CROQF register. If this is the case, the timescale can be up to one month. If they are not included in the register, the time span can be at least three months.
- Regular communication with providers and consultations with a wide range of stakeholders have been critical in building trust during the implementation phase.
- Since the introduction of the voucher system, over 170 institutions have registered to award vouchers, with more than 1,000 programmes currently available on the system. Early figures indicate that the introduction of micro-qualifications, especially in tandem with the voucher system,

appears to have a positive effect on participation rates in adult education in Croatia.

#### 3.3. Financing of programmes leading to microqualifications

The third Croatian presentation by **Dario Baron** from the **Ministry of Labour**, **Pension System, Family and Social Policy** provided an overview of the financing of programmes leading to micro-qualifications, detailing such characteristics as funding mechanisms, funding eligibility criteria for programmes and providers, along with the bodies managing and implementing the voucher system. In addition to highlighting the voucher awarding process in place, the presentation also introduced the training register, and the supports available for learners and providers using the platform. Following details on the methodology for evaluating the voucher system, the presentation closed with outlining future plans such as the ongoing work to establish individual learning accounts (ILA) in Croatia (to be achieved by the end of 2027), and the exploration of industry cofunding mechanisms for ILAs for sustainability. The key points from the presentation are as follows:

- In addition to raising participation rates in adult education, the promotion of green and digital skills acquisition was also a motivating factor for the introduction of the voucher system.
- Introduced in April 2022, the voucher system is funded through national and ESF+ sources. The catalogue of eligible programmes and providers are listed on a publicly accessible portal called the National Training Registry.
- Al is used to fill and update the skills catalogue of the platform, all skills in the catalogue are in the occupational standards of the CROQF, and Al is used to extract relevant information. In the initial phase, this meant extracting information relevant to green and digital skills, but this is being broadened now as the catalogue expands.
- The voucher system is implemented by the Croatian Employment Service (CES). The implementation is supported by terms and conditions outlining programme eligibility for funding, and a detailed process for the awarding of vouchers. If a voucher application is approved, the payment is made directly to the provider, not the learner.
- The voucher amount is calculated based on programme length, sector, and labour market demand. To ensure safety and security, access to the training registry and applications for vouchers are facilitated via the National Identification and Authentication System (NIAS).
- The Training Registry portal is a valuable tool for both learners and training providers, while also providing CES with an opportunity to collect feedback

to evaluate the voucher system. In addition to collecting insights to enhance the educational offerings, in some cases, feedback from users led to the removal of certain providers from the register.

- Indicating growing demand, over 21,000 vouchers have been approved to date, with an average amount of €1,500 awarded per vouchers. In terms of provider types, many traditional providers use the platform and the voucher system, but there is also an increase in new training providers, e.g. those specialising in digital or green skills.
- The evaluation of the voucher system is in its initial phase, with low response rates for the time being. A new evaluation cycle is planned to commence at the end of this year, with new elements planned, such as the introduction of a rating system for providers. Items being considered include a rating scale based on whether graduates are employed six months following graduation. Sanctions are being considered against those providers with poor ratings or poor graduate employment rates.
- Regarding the optional career guidance available to learners, evidence indicates that most learners follow guidance received in terms of programme choice, and these learners tend to have better outcomes than those learners who did not avail of guidance services. Croatia is planning a major initiative for career guidance services to build a holistic system for the whole education lifecycle, including lifelong learning.

## 4. Additional examples and experiences

## 4.1. Experiences from Estonia

**Rita Kask** from the **Ministry of Education and Research** discussed Estonia's journey in integrating micro-credentials into the adult education system. The process faced numerous challenges, primarily related to quality assurance, and establishing trust.

The initiative to introduce micro-credentials in Estonia started in 2020, led by a thematic working group that conducted a <u>comprehensive study</u> on the potential integration of micro-credentials into the educational system. In May 2021 this study was finally published, which drew insights from international experiences, highlighted the need for a robust quality assurance framework to ensure the credibility and acceptance of micro-credentials. The study pointed out that as long as Estonian companies see education and training primarily as a social responsibility of the state, and higher education institutions are more likely to target their micro-degrees to more highly-educated people, state intervention is necessary to unveil the full potential of 'micro-qualifications'.

The legislative framework for micro-credentials was drafted as part of the adult education law and was finalized in 2022; it is scheduled for adoption in the summer of 2024. The law defines micro-qualifications, sets principles for their implementation, and outlines the quality assurance mechanisms. Key features of the law include:

- Definition and Scope: Micro-qualifications are defined as sets of knowledge, skills and attitudes acquired during further training, certified and recognized (with independent value) in the labour market. They are quantified in terms of credit points, ranging from 6 to 30 credit points (1 credit point =26 hours of student work) and it is possible to accumulate and combine micro-qualifications to reach the full qualification;
- Providers: Authorised providers include higher education institutions, vocational education and training (VET) and other continuing education institutions with the necessary licences. VET institutions are allowed to offer micro-qualifications up to EQF Level 5;
- Quality Assurance: Quality assessment is organized by Estonian Quality Agency for Education (HAKA). The law mandates that the acquisition process, the volume of micro-qualifications, and assessment results be clearly documented and registered;
- Certification: The acquisition of a micro-qualification is certified by a certificate (or microdegree in case of higher education). Micro-qualification programmes and their corresponding certificates are registered to ensure transparency and recognition.

Although it took considerable time to establish the law, the implementation of micro-qualifications began prior to its final adoption. Higher education institutions were particularly proactive, proposing and offering micro-degrees as part of continuing studies. This early adoption was quite successful and indicated a strong demand for such qualifications.

Key implementation aspects include:

- Institutional eagerness: Higher education institutions quickly embraced micro-qualifications, demonstrating their utility and demand in the education sector;
- Integration into professional systems: The European Social Fund (ESF) programme is set to support the transition from profession-based qualifications to skill-based processes. This change will include the development of methodologies that incorporate regional and other specific aspects;
- Financial support: While Estonia does not currently have a voucher system for micro-qualifications, there are plans to explore this option. Some programmes are funded through regional funds, particularly those related to the green transition, while others may require students to pay fees;

- Private sector involvement: The framework aims to eventually include private sector providers, although ensuring quality assurance remains a priority. Currently, universities and established educational institutions are the primary providers;
- Employer participation: Engagement from employers has been limited, partly due to the abundance of existing providers. The broader definition of micro-qualifications aims to encourage greater employer participation in the future.

Several challenges have been identified, including ensuring robust quality assurance and engaging the private sector and employers in the provision of micro-credentials. Future steps include:

- Quality assurance: Strengthening the quality check mechanisms and criteria for issuing licences to providers;
- Employer engagement: Encouraging greater involvement from employers in offering training and recognising micro-qualifications;
- Regulatory adjustments: Continuously reviewing and adjusting regulations to keep pace with the evolving educational landscape and labour market needs.

Estonia's experience with micro-qualifications highlights the importance of a welldefined legal framework and robust quality assurance mechanisms in gaining trust and ensuring the credibility of these qualifications. Despite initial challenges, the proactive approach of higher education institutions and the ongoing development of supportive measures indicate a promising future for microcredentials in Estonia's education system.

## 4.2. Experiences from Denmark

**Michael Kjær Pedersen**, CEO of the **Joint Secretariat of the Trade committees for the commercial and clerical trade**, and **Rasmus Gundelach**, Educational Director at **Aarhus Business College**, provided an introduction to the Danish VET system and an overview of their experiences regarding working with micro-credentials (i.e., the Adult Training programmes, AMU). The presentation reflected on the strategic benefits of AMU programmes in the Danish context, highlighting challenges encountered during implementation, closing with three practical examples. The key points from the presentation are as follows:

 The Adult Vocational Training courses (AMU) system has been in existence since the late 1950s and plays a key role in maintaining, improving and developing the qualifications of the Danish workforce. Annually, approximately 500 courses are introduced to or updated on the system, in response to fast changing labour market needs.

- The close collaboration between the Danish government, social partners and the education system ensure that these AMU courses respond to recognised labour market needs. Over 80 providers are currently in the system, these are normally VET schools, but there are also a number of private providers.
- They are targeted to both unskilled and skilled workers and each course results in a nationally recognised certificate. They offer one of three competence types: specific (to a job function), general competences (e.g. IT, or languages), and personal competences (responsibility, ability to work in a team). These courses have varying lengths from ½ day to six weeks, but they all have both theoretical and workshop training components. Learners also receive a training plan, outlining what they will do during the course and they will achieve following completion.
- An attractive feature of micro-credentials is the potential to customise learning for the individuals. The ongoing work concentrates on reducing the size and length of courses into bite size pieces, with the ultimate aim of increasing flexibility and tailoring to individual needs. The facilitation of the recognition of prior learning (RPL) plays an important role in the individualisation of training, and ultimately building trust in the system.
- The presentation introduced three practical examples for micro-credentials currently available in the AMU, showcasing three different approaches and contents.
  - The Jobcenter Ost Jutland offers unemployed individuals skills training for various jobs. They currently offer over 100 courses across many areas such as sales, services and IT, with course lengths ranging from one day to six weeks. Priority areas for 2024 courses include sustainability and social media.
  - A hardware store cooperative offering a 3-days course on product information and guidance in retail, focused specifically around competences for the industry.
  - Basic leadership training is offered across five micro-credentials, totalling 13 days over half a year. These courses develop such skills as management and personal leadership; communication as a management tool; meeting facilitation; conflict resolution and difficult conversations; and situational leadership.
- Micro-credentials development comes with multiple challenges such as tailoring assessment to fit needs, diversity of assessment practices, while courses can be shortened, developing skills and competences takes time; economic drivers, resources and time needed to develop a course that may be relevant for a relatively short time given the fast pace of changes. Accelerating developments mean the educational system would need to respond quickly, this may result in lower quality offerings.

Further challenges highlighted include a strict framework governing course length, along with the economy of running small classes, potential timing challenges during busy periods, with the limited academic recognisability (no ECTS).

#### 4.3. Experiences from the SKY project

Jean Buffenoir from Comité Européen de Coordination and Elisabeth Diaz from the Fundacio Privada Trinijove provided a presentation on the SKY project: Skills for the long-term unemployed, outlining 'professional gestures' as key components of the ground-up micro-training programmes being developed as part of the Erasmus+ funded project. Focusing on piloting and evaluating innovative tools to shorten the path to the labour market for the longterm unemployed, the SKY consortium has been exploring micro-training programmes to provide essential skills needed at the workplace. The presentation provided an overview of the methodology, implementation, quality assurance of micro-credentials being developed, along with some closing thoughts on next steps for the project. The key points from the presentation are as follows:

- The consortium found the competence-based approach of course development unsuitable for micro-trainings for their target group and decided to build micro-trainings based on 'professional gestures.' In the project's definition, professional gestures are:
  - A concrete reality of professional practice (how to perform tasks)
  - An authentic component of work activity (what tasks are performed)
  - Proof of know-how (demonstration of skills, knowledge)
  - o Personal expression
  - Reproducible in micro-training (can be passed on).
- The consortium worked closely with employers and employees to explore the role of professional gestures in various work settings. As part of this information gathering phase, multiple focus group sessions were held with employees, testimonies were collected, and multiple videos shot of employees performing professional gestures in the workplace. Thus, these micro-trainings are anchored in learning outcomes that are developed jointly by the employers and the training provider, ensuring that the microtrainings respond to identified skills needs.
- Initial results from the piloting of micro-trainings show positive feedback from employers and training providers, highlighting the benefits of short trainings with tailored learning outcomes. An interesting aspect to note from these early days of implementation is the critical importance of building a partnership between training providers and employers that is

based on regular, continuous exchanges. Such exchanges support designing relevant micro-trainings and also provide feedback that can inform future iterations.

These micro-credentials are currently recognised only locally by some training providers. As next steps, the SKY project identified such areas as validating and setting the qualification levels for micro-trainings, and exploring how such company micro-trainings may be integrated into education systems and national qualifications frameworks to facilitate recognition.

## 5. Reflections and lessons learned

Participants generally welcomed the organisation of a PLA on this topic as many countries face similar issues when discussing or introducing micro-credentials. Discussions during the PLA focused on more general aspects related to the concepts of micro-credentials as well as specific aspects of their quality assurance:

#### **Conceptual aspects**

- *Terminology*: The examples presented and discussed showed a variety of names for micro-credentials (e.g. with or without hyphen, micro-qualifications, micro-degrees, micro-training or AMU in the case of Denmark); this is sometimes seen as a blurred conceptual understanding of micro-credentials. However, it was also emphasized that the term used in each case is not the most important thing, but further clarification of the concept and its respective use seems useful.
- Volume: There are also some differences in terms of volume. In Croatia, for example, micro-credentials have a scope of 2 to 9 CSVET (Croatian Credit System for Vocational Education and Training; 1 CSVET = 25 hours of learning experience), while in Estonia the scope is larger and ranges from 6 to 30 credit points (1 credit point = 26 hours of student work). For AMU courses in Denmark, there are also discussions about an even shorter duration: Since 2022, work has been underway to divide some of the courses down into even smaller parts so that they only take minutes and hours instead of days. The question was raised as to whether 'nanocertificates' are actually too small, which raises issues such as quality assurance and economic feasibility.
- Levels and providers: Another difference is which providers can offer micro-credentials at which NQF/EQF levels. In Croatia, on the basis of the new Adult Education Act, they can be offered at NQF levels 2-5, and AMU programs in Denmark can also be offered at these levels. In Estonia, micro-credentials can only be offered by VET institutions up to EQF level 5, and at higher levels only by higher education institutions. However, a

Center of Lifelong Learning at a university in Slovenia also reported that micro-credentials are offered at levels 4 to 7. This indicates that the boundaries between VET and higher education are clearly blurred in this context, as in most cases micro-credentials with a strong reference to labor market needs are also offered in the context of higher education. Nevertheless, the different sectors also have their own unique challenges and opportunities (e.g. VET providers often have closer ties to labor market needs and established relationships with employers, which can be advantageous in tailoring short courses to meet these needs).

- *Functions*: Micro-credentials also have a wide range of functions, e.g. in terms of upskilling, combating labor shortages, facilitating re-entry into the labor market) and can be targeted at different groups with diverse needs (skilled and unskilled workers at different levels of qualification, employed or unemployed, vulnerable groups).
- Connectivity: Regarding the interconnection between micro-credential developments in higher education and VET at policy level, it was noted that not much progress has been made in recent years. However, there are many activities at regional and local level that facilitate discussions and agreements on individual courses.

#### Quality assurance aspects

- Stakeholder involvement: Trust and quality assurance are critical in all sectors, whether in higher education, formal web providers, or non-formal providers. This necessitates extensive discussions among stakeholders to ensure alignment on national, regional, and local levels.
- Design based on demand: The key quality assurance measure in the design phase of micro-credentials is the inclusion of relevant competences that reflect labour market demand. This also means that the provision needs to be continually revised to ensure its responsiveness. The challenge is to maintain responsiveness and flexibility while ensuring robust quality assurance mechanisms. In order to reconcile the needs of companies with relevance and feasibility, it was also discussed whether it would not be more advantageous to focus micro-credentials on sectoral needs rather than on the requirements of individual companies.
- Offered by trusted providers: In some cases, providers of microcredentials must undergo an accreditation or licensing process. To inform potential users about trustworthy providers, some countries maintain a public register of accredited or licensed providers. The question of whether institutional or programme accreditation should be sought was discussed, as was the need to avoid redundant quality assurance processes that could overburden those responsible.
- *Trusted assessment procedures*: It was emphasized that appropriate and transparent assessment principles must be used to evaluate the

acquisition of learning outcomes or competences; this should form the basis for awarding micro-credentials. However, it is sometimes challenging to define the assessment process for learning units with a very small scope. Another important aspect is the inclusion of recognition of prior learning (RPL) based on solid processes.

- Feedback and review: User feedback is an important aspect of quality assurance. This includes feedback from the learners themselves, on the one hand on the acquisition of the learning outcomes or the assessment process itself, and on the other hand (after a few months) on the actual use of the micro-credentials, especially in the labor market (e.g. to what extent did it help them to find a job or to meet new requirements in their current job). On the other hand, this also includes feedback from employers, i.e. their assessment of the extent to which the competences acquired actually meet their requirements or the extent to which changes would be necessary.
- Support systems: The importance of financial support for the acquisition of micro-credentials was also emphasized. Various options were identified, including financial support and cost coverage for learners and employers. In addition to funding structures, other information and support systems are also vital to facilitate access to micro-credentials and to help disadvantaged groups in particular to navigate their way through the wide range of opportunities on offer. The need for lifelong career guidance was clearly emphasized. Effective dissemination and the creation of trusted platforms for micro-credentials are also crucial to make them easily discoverable.
- *Piloting:* The country examples presented have made it clear that the introduction of such a new form of credentials requires time and consultation with the relevant stakeholders. In many cases, pilot and testing phases are also required to establish sound procedures. This may later lead to the development of a more systematic approach to micro-credentials in a country or even to the creation of a legal basis for them.
- Collaboration across countries: The PLA has also shown that the potential of EU funding areas is already being used to collaborate for the development and testing of quality assured micro-credentials and that there is interest in continuing to use them for this purpose in the future.

## 6. Outlook

Jan Varchola (DG EMPL, Unit B.3) closed the event by emphasising that the European Commission is greatly encouraged by the robust interest in microcredentials demonstrated by the diverse mix of countries represented at the PLA. It was clear that micro-credentials are becoming a vital component of our educational and labour market strategies across Europe.

Last year, the European Commission has prioritized micro-credentials within the Erasmus+ programme, underscoring their significance in our collective efforts to enhance skills development and lifelong learning. The discussions and insights shared during this PLA, affirm the value of these efforts and the importance of continued collaboration.

In response to the enthusiasm and inquiries, a similar PLA will be organised in 2025. These sessions will continue to provide a platform for sharing best practices, addressing challenges, and fostering innovative approaches to micro-credentials.

He concluded by stressing that the European Commission looks forward to the joint ongoing work in advancing the landscape of education and skills in Europe.

#### **Further information**

On the <u>resource page</u> of the meeting you will find further information, including a background paper and the presentations delivered at the meeting.

## 7. Annex: Agenda



EUROPEAN COMMISSION DIRECTORATE-GENERAL FOR EMPLOYMENT, SOCIAL AFFAIRS AND INCLUSION

Jobs and Skills Vocational Education and Training

### Peer Learning Activity 'Building trust in micro-credentials for improving employability'

#### Virtual meeting, 28 and 29 May 2024 (9.30am-12.30pm CET)

#### Draft agenda

Day 1:				
As of 09.15	Arrival of participants: Log-in and technical intro			
09.30-09.35	Opening and welcome by the European Commission			
9.35-09.45	Introduction of the agenda and icebreaker			
	3s			
Part 1: Micro-credentials in for employability: Introduction and food for thoughts				
09.45-10.00	Presentation of relevant EU policy developments related to micro-credentials			
	European Commission			
10.00-10.30	Insights from Cedefop on their work on micro-credentials			
	Anastasia.Pouliou, Cedefop			
	Q&A			
Part 2: The case of Croatia				
10.30-11.00	Introductory presentation of the Law on Adult Education and the rationale for introducing micro-credentials			
	Ivana Pilko Čunčić, Ministry of Science and Education Q&A			
11.00-11.20	Comfort break			
11.20-11.40	Methodology for creating adult education programmes for acquiring micro- qualifications			
	Ivana Krešić Klaucke, Ministry of Science and Education & Mario Vučić, Agency for VET and Adult Education			
11.40-12.00	Financing programmes leading to micro-credentials			
	Dario Baron, Ministry of Labour and Pension System			
12.00-12.20	Q&A			
12.20-12.30	Wrap-up and looking ahead to Day 2			
12.30	End of Day 1			

Day 2:			
As of 09.15	Arrival of participants: Log-in and technical intro		
09.30-09.35	Opening and welcome, brief review of Day 1		

Day 2:				
	Plenary session			
Part 3: Country examples				
09.35-10.05	<b>Estonia</b> Rita Kask, Ministry of Education and Research Q&A			
10.05-10.35	<b>Denmark</b> Rasmus Gundelach, AMU Denmark & Michael Kjær Pedersen, Danish Board of Education Q&A			
10.35-10.45	Comfort break			
10.45-11.15	<b>Skills for long term unemployed – SKY project</b> Jean Buffenoir, Comité Européen de Coordination (BE) & Elisabeth Diaz, Fundacio Privada Trinijove (ES) Q&A			
11.15-12.00	Discussion on lessons learned, take aways Peer discussions in break-out groups			
12.00-12.15	Summary of key conclusions from the breakout sessions			
12.15-12.30	Wrap-up and meeting close			
12.30	Participants' log off			

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