From 'Product' to 'Purpose'

Some speculations on the Qualifications Landscape of the future

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Introduction

This paper is a speculative piece on possible futures for qualifications. It’s a good time for such pieces to be written: the High Level Review of Training Packages demonstrated how the development of a national qualifications framework had, and had not, achieved its intentions, the new Industry Skills Councils are exploring how to maximise the usefulness of VET qualifications, several States are pursuing forms of graded assessment, and the VQA itself has been exploring the notion of a Credit Matrix. At the same time, some VET researchers have begun to question the direction of reforms:

“…the time has now come to break away from our fixation on qualification-led reform”

It is, indeed, worth ‘speculating’ on the directions in which qualifications might go, and what they might achieve in the future.

How much do qualifications matter?

It might be thought heretical to ask this question: after all, qualifications have been used so widely, and indeed the whole of national training reform has had at its core the importance of nationally-consistent portable VET qualifications.

But it’s not as clear as that, and the general impression is that qualifications themselves might not matter as much as people think.

Firstly, how much do qualifications matter to employers? Recent research\(^2\) tells us that when employers are asked about the importance of qualifications, they report that they seek candidates with qualifications for management jobs, trade jobs and jobs which are associated with some sort of compliance (OHS jobs, forklift drivers). However, employers consistently stated that they generally gave greater weight to other factors ahead of qualifications – personal qualities, and relevant prior experience in the industry. ABS figures, however, tell a different story: they reveal that employers are actually more likely to employ people with qualifications, regardless of whether or not they say they are looking for people with qualifications. And the more qualified the person, the better their employment outcomes. We might say that employers are using qualifications as a substitute for their own judgment, but are reluctant to admit this when asked. So employers rely on qualifications, but they don’t necessarily acknowledge this, and they continue to assert that they ascribe higher importance to personal values and relevant prior experience.

So, how much help are qualifications to learners hoping to achieve their expected employment outcomes? Research in Australia and the UK has confirmed that, for individuals in general, acquiring qualifications pays off.\(^3\) And the higher the level of qualification, the better the financial return compared to not having qualifications. But returns to lower-level vocational qualifications appear to be zero. Financially (and many would argue, in terms of self-confidence, social status and security) higher level qualifications do appear to benefit individuals. However, it is difficult to disentangle research data in this area from other variables. Many personal characteristics affect qualification and wage outcomes for individuals. People with innate abilities are more likely to gain qualifications, and are also more likely to be rewarded with higher wages, without one necessarily having caused the other.
The question is also vexed in relation to the importance of qualifications for learners undergoing transition from VET to university. Our recent research has led us to explore the ways in which universities and State admissions agencies use VET qualifications. State admissions agencies attempt to draw parallels with the (school) system with which they are most familiar. However, when considering students for direct admission, universities appear to place relatively little emphasis on qualifications per se, and more emphasis on the relationship that they have with the relevant provider. Where the relationship is strong (and especially if there is an element of interdependence) qualifications serve as no more than an eligibility statement for particular learners; and where the relationship is weak or non-existent, it is difficult to find examples of where a VET qualification counts for very much at all – it certainly does not appear to help generate mutual respect between sectors.

Through experience with the development of Training Packages in certain industry areas it is clear that some established professions show little interest in adopting, or linking to, VET qualifications. Barriers to progression in these fields, often based on established perceptions of institutional reputation and prestige but also on genuine anxiety about outcomes-based education, undermine the value of qualifications as a means for creating pathways.

However, despite questions of how much they matter, qualifications are used in a variety of different ways, by different users, as proxies for:

- skill – for example in the Industry Action Agendas, in which qualifications appear to be interpreted as industry skill levels
- capacity to succeed at university
- the amount actually ‘learnt’, including the recognition of non-formal and informal learning
- capability of learners to access pathways to further learning, particularly by creating new routes to qualifications and increasing learner choice in qualifications
- accountability of providers
- levers for reform – both by the development of frameworks and the potential of qualifications to be used as accountability measures
- structures on which to base funding decisions and mechanisms.

Perhaps we can draw from this multiplicity of uses that it is not qualifications themselves that matter but the purposes for which they can be used, and query whether qualifications are in fact the most appropriate tool for all of the uses to which they are put. As Michael Young has observed, conflict between the purposes of qualifications can lead to difficulties in their use:

“Qualifications offer an ideal instrument to a reforming government, as they appear to serve a dual purpose. They provide incentives for individual learners and can be used as mechanisms for making education institutions accountable. The educational problem, however, is that these purposes can be opposed to each other. More emphasis on accountability leads to tighter specification of outcomes – a trend in all qualifications-led reforms. Promoting learning, however, especially amongst those with previous experience of school failure, requires learners to feel the confidence to take risks and learn from them. In other words it requires qualifications that are less specified in advance. Furthermore, a greater emphasis on qualifications as outcomes puts pressure on institutions and workplaces to give more time to assessment and less to the teaching and learning activities that might in the longer term lead to more people gaining qualifications.”

Some Speculations on the Qualifications Landscape of the Future

From ‘Product’ to ‘Purpose’
How much might they matter in the future?

If qualifications currently matter because of the multiple purposes for which they are used, will that remain the case in the future? Will the future landscape render qualifications unfit for some purposes? Will new purposes for qualifications arise?

For some years the rise of the knowledge economy has been foretold. This was to be a place where workers would be versatile, highly skilled, continuously learning and would rely on sophisticated qualifications. However, to a large extent the predicted changes do not seem to be emerging. Rather we have seen greatest growth in low-skilled work, such as in call centres and the fast food, cleaning and security industries. The introduction of new technologies and the e-economy, despite considerable publicity, have created little real demand for ‘knowledge workers’.

Combined with an observable growth in part-time and casual work, these unforeseen outcomes may result in a decreased demand for qualifications in the workplace – or at least a slower uptake of higher-level qualifications than might have been anticipated.

The uneven progress toward a ‘new’ economy has created an enormous diversity of learning demands in modern society. Given the range of learning needs, we may ask whether it is realistic to envisage one framework that would suit the whole range of qualifications that might be needed in the future? Perhaps, in scenes reminiscent of The Sorcerer’s Apprentice, we have been striving to fit all workforce skill requirements into one box only to find that they continue to multiply and evade our control.

Australian research has also revealed that employers are increasingly seeking workers who have an array of aptitudes, capabilities and dispositions that move beyond the traditionally understood vocational knowledge and skill. This trend is evidenced by the interest that concepts of employability skills have recently sparked in industry groups.

Aptitude, disposition and other elusive personal qualities and values are not captured in qualifications as we currently understand them. But, given employers’ claims to value other attributes more highly than qualifications, if more effective or consistent mechanisms are devised for identifying these qualities (e.g. through work on employability skills, or psychological profiling) employers may rely on qualifications to a lesser extent in future.

A trend identified through recent European research is the increasing integration of formal and informal learning, implying new methods and systems for competence recognition and accumulation of learning credits that are not necessarily part of the current system of qualification. It seems there is a growing demand for systems that can capture and value informal learning.

There is a belief held in many quarters that lifelong learning will be a necessary condition for individual success and for the future competitiveness of national economies. With this in mind, recent OECD research has focused on the extent to which national qualifications systems might be used as tools to promote lifelong learning. If qualifications systems are to be used effectively for this purpose they will need to provide maximum encouragement for learning by enabling easy access and navigable pathways.
While some of these developments might be seen as reducing the importance of standard, formal, qualifications and qualifications systems in the future, they could also signal an opportunity for qualifications to evolve into a more holistic mechanism (more flexible, perhaps even ambiguous?) for recognising skills, attributes and informal learning, and for granting access to a range of pathways. We could do worse than to take our cue from a recent UK policy briefing, which seems as relevant to Australia:

“The core issue...is how to create a regulatory framework that carries public confidence in its products and services with creativity and flexibility in its processes.”

What might hinder the future use of qualifications?

While qualifications are currently used for a variety of purposes, changes in the future landscape will challenge the usefulness of qualifications for some of those purposes. Indeed, as noted earlier, this multiplicity of purposes has the potential to undermine the effectiveness of qualifications in some situations. In particular, the use of qualifications as funding or accountability mechanisms is at odds with their role in promoting lifelong learning or improving access to pathways.

An extension of this conflict in purpose is the question of focus within the education sector. The current centrality and significance of qualifications has been seen by some as discounting the importance of quality teaching and learning. Unless attention is paid to the capability of providers to award qualifications of high value, the value of qualifications in the marketplace will be undermined.

The future usefulness of qualifications will also be heavily impacted by our capacity to uncover the real needs of industry. Information currently gathered from industry about skill needs is generally based on the present and past, not the future. As was found during the High Level Review of Training Packages,11 methods of gathering intelligence from emerging industries and ensuring that qualifications development is informed by broadly based market intelligence will be critical.

If qualifications cannot keep pace with the changing needs of the labour market, other options will readily be adopted to fill the gaps. Informal, international, in-house and vendor training offer services that individuals or employers may find more convenient, flexible, efficient or appropriate for their needs. Particularly in areas of rapid change, it may not be possible for a lumbering qualifications system to keep pace with alternative learning solutions.

A final hindrance to the future of qualifications is the value placed on them by people who count. To quote Michael Young again:

“the credibility, quality and currency of a qualification is only partly based on what it says the person qualified can do or knows; far more important is the trust that society in general and specific users in particular (those whom select, recruit or promote) have in the qualification.” 12

Trust takes time to establish and requires an understanding and ownership of the qualification on the part of many stakeholders including occupational, professional and academic communities. If these parties are not partners in the development or implementation of new, or newly revised, qualifications it is unlikely that the qualification will be valued by users.
Where might qualifications go?

Developing and maintaining a clear view of the real purpose, or multiple purposes, of qualifications will help policy makers to make decisions that best fit those purposes, and will allow qualifications to be better understood in the market. It is interesting to see that research conducted by the UK Department for Education and Skills found that:

“Most people wanted a shift in focus from the current emphasis on the qualification specification and its accompanying accreditation process towards a better understanding of how it could be used. A shift, in other words, from product to purpose.”

Though hardly stunning or novel, for the Department this recognition was eye-opening and led to the realisation that their qualifications policy and practice had to be driven by user needs, and that they needed to be clear about where and how qualifications added value. Improving users’ understanding of the purpose of qualifications should help them to use qualifications more effectively and appropriately.

As already noted, the level of trust that users have in qualifications will impact on their effectiveness, particularly as enablers of progression pathways. Drawing from the German vocational education system, Michael Young proposes building ‘communities of trust’ to overcome barriers in sectors that have had few qualified people in the past, and to create new routes for people to gain access into traditionally professional occupations. He warns that:

“The implications of recognising that all qualifications — vocational, general or academic — are based on ‘communities of trust’ are profound for those designing qualifications. New forms of community based in the modern economy and the new organisation of knowledge have to be established to underpin new qualifications.”

Linked to the notion of ‘communities of trust’ is the way in which users – principally employers, but also educational institutions – understand and treat qualifications. Some researchers have suggested that the way that skills and qualifications are supported and developed in the workplace is a significant factor in perceived problems of skills shortages or mismatches. It is claimed that employees’ existing qualifications are poorly utilised and their development needs are often frustrated. Together with consideration of issues concerning job design and employee entitlements, there is a need to build employer understanding of qualifications as part of the ongoing workforce development process and part of the personal and occupational progression pathway.

An important message for users in building their understanding of qualifications and their purposes is that qualifications need not focus exclusively on outcomes. In this regard some researchers think we would do well to learn from the German system in which the emphasis in qualifications is on “a working lifetime and full participation in citizenship.” Other nations are also seeking ways to build the ability of their qualifications systems to accommodate flexible learning routes by lessening the focus on outcomes. One example, in The Netherlands, is the introduction, and certification, of partial qualifications as a mechanism for stimulating the development and application of RPL.

As noted earlier, the potential of qualifications systems to support individual progression pathways is considerable – in fact it pervades a recent OECD report. What is significant about the mechanisms suggested within the report is that they focus primarily on the pathways or learning routes that qualifications systems can unlock, and how they can be unlocked, rather than the qualification product itself.
This speculative piece might appear to be arguing that, for a variety of reasons, qualifications will become less important in future. That is not the message. Rather, future conditions will mean that traditional ways of developing frameworks and using qualifications will need rethinking in order for qualifications to remain an important currency. The rethinking process will need to consider:

• the relationship of qualifications to informal learning and to the recording of personal attributes and values

• the capacity of qualification frameworks to best serve the needs of all users, in all industries, at all times

• the potential of qualification systems (and the bureaucratic and regulatory baggage that accompanies them) to stimulate, or discourage, ongoing learning and development

• the level of trust qualifications can establish in significant professional, occupational and academic communities

And the most significant shift in thinking will be a change in the way qualifications are viewed by both policy makers and end users. A shift from ‘product’ to ‘purpose’ that will allow us to harness the power and versatility of qualifications to serve a multitude of uses in the landscape of the future.
Footnotes and References

1 Fernandez, R & Hayward, G (2004), Qualifying for a job: An educational and economic audit of English 14-19 education and training system, SKOPE Research Paper No. 44, ESRC funded Centre on Skills, Knowledge and Organisational Performance, Oxford and Warwick Universities

2 This point is based on insights gained from the following NCVER papers, all released in mid-2005:
   - Mark Cully: What it’s worth: Establishing the value of vocational qualifications to employers.
   - Ray Townsend, Peter Waterhouse, Marg Malloch: Getting the job done: How employers use and value accredited training leading to a qualification.
   - Lee Ridout, Chris Selby Smith, Kevin Hummel, Christina Cheang: What value do employers give to qualifications?
   - Lee Ridout, Kevin Hummel, Ralph Dutneal, Chris Selby Smith: The place of recognised qualification on the outcomes of training.

3 See references (2) and (3) above


5 This is an interesting point. Universities see qualifications as providing them with the best measure of capacity to succeed, even though the best predictor of success, at least for first-year studies (which in turn predicts success in higher years) is meta-cognitive skills, which are often poorly represented in a typical pre-university qualification. (Personal communication, Professor David Canley, University of Oregon.)


7 Chappell, C. et al (2003), High Level Review of Training Packages, Phase 1 Report: An analysis of the current and future context in which Training Packages will need to operate. Australian National Training Authority, Brisbane


10 Besley, S. (2003), Developing a more responsive and flexible vocational qualifications system, Policy and Qualifications Division Briefing, Department for Education and Skills, UK


13 Besley, S. (2003) op. cit


15 Rainbird, H. & Munro, A. (2003), Exploring employer demand for skills. Paper presented to CIPD Professional Standards Conference, Keele University


18 Organisation for Economic Co-operation and Development (2005), op. cit.