Developing a Road Map for Establishing a National Data Exchange Clearinghouse for Industry and Professional Certification Organizations and State Longitudinal Data Systems

<u>**Background.**</u> National and state leaders are increasingly launching major initiatives to increase the number of people with postsecondary degrees and certificates and other types of employer-recognized credentials – including industry and professional licenses and certifications. States are establishing aggressive goals and developing plans to meet them. They also are implementing systems to monitor progress. Additionally, federal and state programs, such as Perkins, are incorporating new performance measures that will measure the effectiveness of states and education and training providers in preparing students to attain both formal educational awards (i.e., degrees and certificates) and industry and professional credentials.

Often with federal support, states are developing sophisticated data and reporting systems that can be used to track progress on a timely basis and incent goal attainment. There is a movement from performance monitoring to performance management. States are building longitudinal data systems that can report which students got what types and combinations of educational degrees and certificates and the employment and earnings that are associated with different degrees, certificates and different majors. Transitions to further education are also being tracked. Some states have expanded these systems to integrate occupational licensing and certification data from state professional regulation, certification, and licensing agencies especially for licensed occupations such as many healthcare occupations.

However, these state systems have yet to build comprehensive and sustainable data linkages with professional and occupational certification organizations. These linkages are critical in building more comprehensive state longitudinal data systems that can address three major needs:

1. <u>Progress Reporting</u>: Reporting duplicated and unduplicated counts of individuals with different combinations of education and industry credentials. How well are we meeting the need for educated and trained workers in high demand fields (e.g., STEM)? Are we ahead of the projected need for replacement workers for the aging baby boomers – among the most educated generation? What can we report about important demographic breakdowns for individuals who received what types of credentials (e.g., equity analysis)?

2. <u>Labor Market and Consumer Information</u>: How many and what types of workers have credentials relative to labor market demand? What is the market value of education and industry credentials at the national, state, and regional levels? What education and training providers are most effective in preparing students to attain industry credentials? What education and training options receive the highest returns in employment and earnings (e.g. inform federal Gainful Employment reporting)?

3. <u>Performance Improvement</u>: How can this information be used by education and training providers to increase credential attainment as well as elevate employment and earnings outcomes for their completers? How can we leverage an expanded dialogue with the industry and professional credentialing community to strengthen the supply of work ready completers?

<u>**Developing a Road Map for Establishing a National Data Clearinghouse.**</u> Because of the large number and wide variety of state and industry data systems, these critical data linkages can best be achieved and sustained by establishing a national data exchange clearinghouse similar to the Federal Employee Data Exchange System (FEDES) and the National Student Clearinghouse. This clearinghouse would include certification and licensing data from state occupational licensing and certification agencies. Establishing a uniform approach benefits the

credentialing community by standardizing data exchange and using a predefined schedule with secure processes and protocols agreed to by all partners. How do we get there? Here is a proposed road map.

Step 1: Raise Awareness and Gain Consensus on Need. The first step is to raise awareness and gain consensus on the need for a national clearinghouse and the general roadmap for getting there. This first step should engage both national and state public and private leaders but also the experts who manage industry certification and public education and workforce data systems.

Step 2: Developing Use Cases and Conducting Pilot Projects. The second step is building trust and understanding between states and industry and certification organizations and their federal agency partners on how shared data can be used to address important needs and how data can be matched and managed for these uses in ways that ensure data quality and meet all public and private standards and regulations on data privacy and security. This second step should focus on use cases that address all three major public needs described above as well as any additional needs of industry and professional certification organizations.

These use cases should then serve as the starting point in planning and implementing a series of pilot projects between states and industry and professional certification organizations that demonstrate how any future clearinghouse would provide "win-win" opportunities for all partners (credentialing entities, suppliers of trained workers, and certified individuals). These pilot projects also should provide information on the types of personal identifier information available in both state and certification data systems (e.g., first name, last name, gender, address, etc.) that can provide the basis for high-quality and reliable data matching. Finally, these pilot projects should identify major issues that need to be addressed in sharing and using individual-level data including data quality, potential steps to enhance confidence levels in the matches, and privacy and security.

As an example, Illinois and CompTIA recently launched a pilot project to explore possible uses and identify major barriers and issues in matching and managing individual-level data. This project was successful in showing the potential uses and benefits to CompTIA and Illinois. It was also successful in understanding the major legal issues in sharing data and identifying ways to improve the quality of data matching. These types of use cases and pilots should be expanded to include other states and industry and professional certification organizations.

Step 3: Developing Standards and Guidelines on Data Sharing. These use cases and pilot projects provide the basis for launching a public-private effort to define the public-private standards and guidelines necessary to establish a national data exchange clearinghouse that meets the needs and requirements of all stakeholders including all legal requirements now in place on privacy and security. This could be accomplished through an ANSI-compliant process that ensures that all stakeholder needs and requirements are met. These public-private processes, procedures and protocols should build upon existing federal and state standards and guidelines. They should minimally address: (1) definitions of personal identifiers and how to validate and communicate confidence levels in identifier quality, (2) procedures for matching data records and reporting confidence levels in matching, (3) policies and procedures in maintaining data security and privacy in exchanging and managing data, and (4) guidelines on the acceptable use of exchanged data between states and certification organizations.

Step 4: Establishing National Data Exchange Clearinghouse. The next step is for industry and professional organizations, federal agencies, and participating states (including their state licensing and certification agencies) to develop and implement a national clearinghouse that can provide a trusted and sustainable service to both industry and professional organizations and states in sharing and using data.