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## FAST FORWARD:

# TRIPLING CREDENTIALS BY SHARING RISK AND RESPONSIBILITY

/ DR. GLENN DUBOIS /

In 2015, the Virginia Community College System (VCCS) adopted a six-year strategic plan with a singular goal: Triple the number of credentials awarded.

The initiative, *Complete 2021*, was animated by the calculation that, by 2025, Virginia would need to fill 1.5 million jobs—many requiring a postsecondary credential. The mandate from the governor and the Virginia General Assembly was to build the infrastructure to prepare Virginians to fill the jobs our economy demands.

Even though credential programs tend to cost a fraction of degree-granting programs, they remain inaccessible for many candidates, in part because Pell Grants and many other traditional student financing mechanisms cannot be

used to pay for credential programs. People working full-time who are eager to change careers can find the upfront cost prohibitive. Nearly half of all American adults lack the money to cover an unexpected \$400 medical emergency, according to the Federal Reserve.<sup>1</sup> Shawn, who trained at Blue Ridge Community College, reflected, “Before I got my CDL [commercial driver’s license], I was a factory worker, and I was working six days a week just trying to make a living for my family.”

To create an affordable option for students, we tried something unprecedented: Construct a system of shared responsibility and shared accountability that would bring together students, employers, the state, and VCCS—and give each one a financial stake in success. And, at the same time, we envisioned that the program would eventually pay for itself through decreases in social service benefits and increases in income tax revenue.

## LEAVING BEHIND THE STATUS QUO

At the time of adoption of our new strategic plan, I conducted 22 town halls across our colleges. At these meetings we discussed the “one-two-seven” framework that we learned about early on and found consensus with it across the state. The typical workplace requires one person with an advanced degree, two people with bachelor’s degrees, and seven people with some sort of technical training. For example, one doctor may be supported by a physician’s assistant, a nurse, and seven technicians in roles such as phlebotomists. I saw our mission as preparing the “sevens.”

<sup>1</sup> Board of Governors of the Federal Reserve System, *Report on the Economic Well-Being of U.S. Households in 2018–May 2019*, May 28, 2019, [www.federalreserve.gov/publications/2019-economic-well-being-of-us-households-in-2018-dealing-with-unexpected-expenses.htm](http://www.federalreserve.gov/publications/2019-economic-well-being-of-us-households-in-2018-dealing-with-unexpected-expenses.htm).



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But credentialing programs don't always actually yield credentials for many reasons. We're committed to serving all students; unlike the state's selective universities, our goal is access. Credentials require course persistence, completion, and passing a test that assesses competencies in a set of skills.

In a typical credentialing program, students front the cost of training, whether through out-of-pocket expenditures or by taking on debt. For the training provider's bottom line, it doesn't matter if the student never shows up or completes the course successfully. It doesn't matter if the student ever passes the exam to earn the credential. At the same time, for busy students juggling professional and family obligations, tuition is a sunk cost.

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**Pivoting to a new system represented substantial financial risk for VCCS. But those risks were the only pathway to meeting the need.**

### **ALIGNING INCENTIVES: THE FASTFORWARD MODEL**

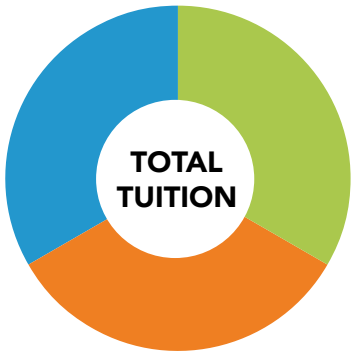
To achieve the vision of *Complete 2021*, we designed and launched the FastForward program in partnership with the Virginia legislature. As illustrated in Figure 1, the core design of this program is simple:

- Upon enrolling in a course, a student is responsible for paying one-third of the tuition (which is less than \$800 on average). In some cases, employers cover this first third. For those who can't afford it, we have created financial assistance to help.
- If the student completes the course, the state pays the institution the second third of the tuition. On the other hand, if the student doesn't earn a satisfactory mark in the course within 30 days following the course completion date, they have to pay instead. (Similarly, employers who pay for their employees commit to paying this second third if the student does not complete, though in some cases, the employer may require the student to repay it.)
- If the student earns the credential, the state pays the final third of the tuition. If the student does not earn the credential, the institution does not recoup this final third.

FastForward makes training providers' revenue conditional upon both course completion and credential attainment. Historically, all too many students had completed courses with passing marks only to fail the credential exam—or to not take the exam at all. That doesn't move us toward our goal of tripling the number of credentials earned.

## / FIGURE 1 /

### The FastForward Model for Financing Postsecondary Credentials



Total tuition cannot exceed \$4,500, so the state will pay a maximum of \$3,000 per credential.

1

**THE STUDENT** pays the first third of tuition at the time of enrollment.

In some cases, this first portion is covered by employers or public funding sources.

2

**THE STATE** pays the second third of tuition when the student completes the course.

If the student does not complete the course, that student (or, in some cases, the employer) must pay this second third.

3

**THE STATE** pays the final third of tuition when the student earns the credential.

If the student does not earn the credential, the training provider loses this tuition.

## EVOLUTION

Despite much excitement and fanfare surrounding the launch of FastForward, early results showed us where improvements were needed. Some eligible students couldn't afford the first third of tuition. Credential attainment rates remained low. Employers were still not getting the amount of trained workers they needed.

However, we gathered robust data on the model and dedicated time to studying it, iterating on our program model and learning from our students. We implemented a series of changes to adapt the program:

- **Increasing access for students with limited financial resources:** We collaborated with the legislature to create a new pool of funds to launch the Financial Aid for Noncredit Training leading to Industry Credentials (FANTIC) program. This program funds the first third of tuition for adults who have a household income that is under 400% of the national federal poverty limit and who have a high school diploma but no postsecondary degree. Students are required to take the credential exam at the end of the course, must pay out-of-pocket to retake the exam if they do not pass, and must provide their college with proof that they have obtained the credential. FANTIC has dramatically expanded access to FastForward.
- **Student counseling prior to enrollment:** We have learned a lot about what factors in a student's life are correlated with strong performance in each of our programs. Our career coaches now work individually with students before they select a credential program to help them maximize their odds of success. Coaches address considerations ranging from program duration to travel and child care logistics to help students choose programs that are well-suited to their life circumstances and find other resources to overcome barriers to completion.
- **Career coaching during and following coursework:** FastForward students have access to coaching services from the time they enroll in a program, throughout their course of study, and through the career placement process.
- **Refining credential offerings:** Using data on credential attainment and employment outcomes, we revised our set of offerings and have developed structures to constantly reevaluate which programs to expand and which to cut.



*Since the credential is the bridge to opportunity, we are proud to teach with the test in mind.*

## FASTFORWARD TODAY

During the program's first four years, FastForward participants earned more than 16,000 credentials. While FastForward students are highly diverse in their backgrounds and life circumstances, our students are disproportionately working parents, often in their 30s and new to higher education. Twenty percent of FastForward enrollees were recipients of social service benefits before enrolling in a program.

The program now offers more than 220 credentials in industries ranging from skilled trades to information technology to healthcare to logistics. The typical credential takes six to 12 weeks and can be completed during evenings or weekends while working full-time; many offerings are available virtually.

More than 90% of students who have enrolled have completed their courses. A recent survey of graduates found that wages increased by an average of \$8,000. Eighty-three percent of graduates reported that they now have paid vacation time, 81% reported employer-paid health insurance, and 87% percent reported satisfaction with their work schedule. We've heard from parents who can afford to attend their children's sporting events and dance recitals for the first time because they have a consistent work schedule.

Our institutions have always supported students in earning credentials, but the introduction of a strong financial incentive forced us to do more—to be more creative and more focused. Since the credential is the bridge to opportunity, we are proud to teach with the test in mind. In

fact, the leaders of each program dedicate themselves to understanding in detail the competencies necessary to pass the credentialing exam and design their courses to cultivate these competencies.

What started as an investment of \$4.5 million per year from the state has now expanded to \$13.5 million per year. Our analysis suggests that these investments are more than repaid through reductions in benefits utilization and increases in state income tax. Virginia is among the states with the highest share of revenue coming from income taxes; for states like us, getting workers into higher-paying jobs pays dividends.

As we look back at FastForward history, we are inspired by the results achieved across our 23 colleges. Our institutions have risen to meet the challenge of closing the skills gap in Virginia. But we are also continually innovating and looking for ways to expand our programs to offer all Virginians the opportunity to advance their careers—and our state's economic development—by earning in-demand credentials.



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This chapter came from the book *Workforce Realigned: How New Partnerships are Advancing Economic Mobility*.

Learn more at [workforcerealigned.org](http://workforcerealigned.org)