

# Credentialing, Licensure, Certification, Accreditation, Certificates: What's the Difference?

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The most popular types of credentialing programs that association executives should be aware of include licensure, certification, accreditation, recognition designations, and certificates.

Because there is no governmental or private agency responsible for setting and enforcing consistent credentialing standards, associations are free to develop credentialing programs when and how they want. That's the good news. The bad news is that the lack of standardization in credentialing terms and use make it possible for less-than-quality programs to exist in the marketplace and for terminology to be applied inconsistently. For example, while organizations are usually accredited and individuals are usually certified, some associations accredit individuals and certify organizations. This can cause confusion within the association industry and for the public.

In this e-Answers issue, I try to bring clarity and uniformity to the terminology of credentialing. Here are definitions of frequently used credentialing terms, along with examples and important things you should know about each.

## **Credentialing:**

Process by which an agent qualified to do so grants formal recognition to and records such status of entities (individuals, organizations, processes, services, or products) meeting pre-determined and standardized criteria.

### *Things you should know:*

- Credentialing is the umbrella term used for the many types of programs that exist, including licensure, certification, accreditation, recognition designation, and certificates.
- Some organizations use the term credentialing in place of or as a synonym for certification, described later.
- The term "credentialing" is also used by hospitals and other healthcare organizations to describe the process

through which a healthcare professional is determined qualified to have certain medical privileges at the institution.

Now, here are the specific definitions for the various types of credentialing programs.

### **Licensure:**

Mandatory process by which a governmental agency grants time-limited permission to an individual to engage in a given occupation after verifying that he or she has met predetermined and standardized criteria.

#### *Examples:*

Licensed Real Estate Agent

Licensed Practical Nurse

Licensed Cosmetologist

#### *Things you should know:*

- The goal of licensure is to ensure that licensees have the minimal degree of competency necessary to ensure that the public health, safety, and welfare are reasonably well-protected.
- To become licensed, one usually has to meet eligibility requirements (such as years of work experience) and pass an assessment (usually a multiple-choice test).
- The licensure assessment usually covers a broad area of knowledge and skills at the entry level.
- Licenses usually have ongoing requirements (such as continuing education or retesting and renewal fees) that need to be met to maintain the license.
- Licensure is typically granted at the state level.
- If a state has licensure for a given occupation, an individual in that occupation must be licensed to work in that state without penalty.
- If an individual works in multiple states, he or she must be licensed in all of those states.
- Associations do not grant professional licensure. However, they often have a role in licensure activities. As examples, they may advocate for licensure to be instituted in states (including providing model language) and they may collaborate with the state agencies during development and administration of licensing.

### **Professional Certification:**

Voluntary process by which a nongovernmental entity grants a time-limited recognition to an individual after verifying that he or she has met predetermined and standardized criteria.

#### *Examples:*

Certified Association Executive (American Society of Association Executives)

Certified Meeting Planner (Meeting Planners International)

Certified Project Manager (Project Management Institute)

#### *Things you should know:*

- While certification of individuals was previously an almost exclusive association activity, now corporations and even academic institutions are getting into the mix, especially in the technology industry (Microsoft certification, Novell certification, as examples).
- Certification is voluntary. Unlike licensure, an individual does not need to be certified to engage in a given occupation. However, sometimes the certification becomes so important to job attainment that it can be considered quasi-mandatory. This occurs when the certification is written in as a requirement in job descriptions, career laddering systems, or project specifications, as examples.
- To become certified, one usually has to meet eligibility requirements (such as years of work experience) and pass an assessment.
- The certification assessment usually covers a broad area of knowledge and skills — at entry, specialty, or advanced levels.
- Certificants usually have ongoing requirements (such as continuing education or retesting and renewal fees) that need to be met to maintain the certification.
- The National Organization for Competency Assurance is a membership organization for organizations offering or interested in offering certification. Visit <http://www.noca.org> for more information. Its accreditation body, the National Commission for Certifying Agencies, accredits associations and other certifying bodies that offer certification programs meeting their quality standards. The standards are available for download at <http://www.noca.org/ncca/accreditation.htm>.

**Add-on or Modular Certification:**

Voluntary process by which a nongovernmental entity grants a time-limited recognition to a certified individual after verifying that he or she has met predetermined and standardized criteria in a specialty or sub-specialty area.

*Example:*

Case Management modular certification (American Nursing Credentialing Center)

*Things you should know:*

- Add-on or modular certifications are awarded to individuals already holding a professional certification, upon their meeting the criteria for a relatively narrow specialty or sub-specialty add-on or modular certification (for example, a certified pediatric nurse could also attain the case management modular certification).
- Like professional certification, add-on or modular certification is voluntary.
- To attain a modular certification, one usually has to meet eligibility requirements (such as years of work experience) and pass an assessment.
- The certification assessment usually covers a focused area of knowledge and skills.
- Certificants usually have ongoing requirements (such as continuing education or retesting and renewal fees) that need to be met to maintain the certification.
- Typically, if an individual loses the modular certification, he or she can maintain the professional certification. However, if an individual loses the base professional certification, he or she also forfeits the modular certification (since the professional certification is usually an eligibility requirement).

**Curriculum-based Certificate:**

A comprehensive training program on a focused topic for which participants receive a certificate after completion of the coursework and successful demonstration of attaining the course learning objectives.

*Examples:*

Certificate in Association Management (DePaul University's Institute for Nonprofit Management)

### Accreditation of certifying agencies (National Commission for Certifying Agencies)

*Things you should know:*

- Accreditation is voluntary. However, sometimes the accreditation becomes so important that it can be considered quasi-mandatory. As an example, colleges and universities do not need to be accredited, but there are significant ramifications of not being, such as reduced or no funding, degrees not being accepted by other entities (such as certification boards), etc.
- The focus of an accreditation's assessment is on safe and effective processes and outcomes.
- Accreditation usually has ongoing requirements (such as applications, site visits) that need to be met to maintain the accreditation.

### **Which is right for your organization?**

Which type of program an organization should create (if any) depends upon the organization's and stakeholders' desired goals of a program, market demand, significance of opportunities and obstacles, and outcomes of a feasibility assessment.

To make the decision, then, you'll need to:

- Determine Goals
- Determine Opportunities and Obstacles
- Conduct Market Research
- Conduct Feasibility Assessment
- Apply Decision Checklist

We'll explore each of these steps in depth in a future e-Answers issue.