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**The Quiet Movement That Could End Higher Education as We Know it**

By [Michelle R. Weise](http://www.businessweek.com/authors/55110-michelle-r-weise) October 02, 2014

 With college costs under scrutiny, student loan debt spiraling out of control, state subsidies for public higher education diminishing, and unemployment still high, it’s no surprise that Americans are in search of alternatives to the four-year degree.

 While much talk of alternatives has centered on MOOCs (massive open online courses), there’s been a quiet movement to train students in specific job skills, a model known as competency-based learning. Competencies measure how well a subject is mastered rather than how much time someone has spent in class. It promises to make higher education affordable to more people and to people from all backgrounds—[82 percent of students](http://www.washingtonpost.com/business/economy/minorities-and-whites-follow-unequal-college-paths-report-says/2013/07/31/61c18f08-f9f3-11e2-8752-b41d7ed1f685_story.html) who attend the top 468 colleges are white.

 In June, *Bloomberg Businessweek* reported that institutional obstacles to changing academic cultures and teaching structures could [keep competency-based education from going mainstream,](http://www.businessweek.com/articles/2014-06-19/a-new-teaching-structure-could-make-college-more-affordable-dot-why-dont-more-schools-adopt-it) but momentum around it continues to build. The Department of Education recently announced that it’s establishing [experimental sites](http://www.ed.gov/news/press-releases/us-department-education-expands-innovation-higher-education-through-experimental) on college campuses for competency-based education, and Congress passed [legislation](http://edworkforce.house.gov/news/documentsingle.aspx?DocumentID=386869) that will help encourage that effort. At the same time, nearly 30 traditional colleges gathered for two back-to-back conferences in Washington to discuss how to set up competency-based learning programs on their campuses.

 Tuition costs for these programs are already comparable to, or lower than, community colleges. Most offer simple subscription models so students can pay a flat rate and complete as many courses as they wish in a set time period. As a result, online competency-based education is an attractive option for a growing number of nontraditional students.

 Let’s say a graduate with a bachelor’s degree in English literature realizes she needs to understand logistics to get her dream job at Amazon.com. But returning to school is not an option, and most institutions don’t offer programs in newer fields, such as supply chain management. An employer such as Amazon could work with a company that offers online instruction to create a program that will train interested job candidates, and current employees, in the specific skills needed for that position. Students get the training, and Amazon gets a better educated and wider pool of applicants.

 This approach is a lot different from the traditional higher education model. As opposed to a list of courses and letter grades in various disciplines, competencies demonstrate precisely what students can do.

 As more job candidates emerge from these programs just as qualified as students from traditional four-year programs, employers may offer them jobs in an increasing number of areas. Eventually, the need for formal degrees or certificates could go away.

 Skeptics and traditional colleges are quick to dismiss competency-based learning. Some question the “rigor” behind an experience that allows students to keep trying until they have mastered a competency. Still, that’s far more rigorous than the traditional credit-hour model, since students can’t get away with a merely average understanding of the material.

 Many dismiss these programs as vocational, but they have the potential to reduce the importance of location, the time it takes to get a degree, and the school brand in traditional higher education, ultimately putting an end to what is now a strikingly inequitable system.

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