

The Korean Academic Credit Bank: A Model for Credit Transfer in North America?

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INTRODUCTION

South Korea's Academic Credit Bank System (ACBS) is that genuinely rare thing in higher education: something new. Essentially a degree-granting institution of last resort, the ACBS allows students to earn a degree by combining credits from different sources. Although the ACBS was formed to give students a path towards a degree without requiring post-secondary institutes to recognize transfer credits, it is also useful for students who have nearly enough qualifications to graduate, but are deterred from finishing by the difficulty of registering in a new institution with the risk of needing to repeat classes.

In North America, where institutions are far more receptive to transfer credits than in Korea, the ACBS might nevertheless be a useful model to help those students who have almost finished their degrees, but who do not want to begin a new program, as well as those who are forced to retake very similar prerequisite courses when they start a new program.

The purpose of this brief paper is to describe the Credit Bank's operations, its record of success, and to suggest ways in which the concept of a credit bank could be applied in North America. Though the Credit Bank may sound relatively simple to implement, it was created in a specific historical and institutional context not directly comparable to an American or Canadian backdrop. We therefore start this paper with a brief history of South Korea's higher education system.

Glossary	
ACBS	Academic Credit Bank System
KCUE	Korean Council on University Education
KEDI	Korean Educational Development Institute
KNOU	Korea National Open University
MEST	Ministry of Education, Science, and Technology
NILE:	National Institute for Lifelong Education
PLAR	Prior Learning and Assessment Recognition

KOREAN HIGHER EDUCATION IN THE TWENTIETH CENTURY

Korea's higher education system is of relatively recent origin. Although academies of higher learning have existed in Korea for more than a millennium, only one university that predates the Japanese occupation of 1910-1945 is still recognizable today: Ehwa Women's University, founded by American missionaries in 1886.¹ Two private universities (Yonsei and Korea) were founded during the Japanese occupation, with a total of 7,000 students enrolled in the three institutions when Korea was liberated from the Japanese in 1945. Due to decades of Japanese occupation, Korea's first higher education institutes were heavily influenced by the Japanese system, which itself was mostly a copy of a nineteenth-century German model. This imposed system was very hierarchical, with universities essentially run by a small number of very powerful professors. This model had some similarities with Korea's Confucian-influenced indigenous higher education traditions, which were based on a mentor-disciple model.

Denied a say in their own system of education under the thirty-five year Japanese occupation (access to education was heavily restricted, and instruction at the higher levels was in Japanese), there was enormous popular demand for higher education as a means of social and economic advancement. Additionally, the Korean government hoped to use education to develop the nation's human resources and national cultural identity. Both state and popular perspectives combined to create the phenomenon popularly known as "*Gyoyuk Yolg*" or "Education Fever,"² a term Koreans use to describe the extremely high demand for education at all levels in their country.

In the immediate aftermath of World War II, a decision was made to create a single "model" public university. Keijo Imperial University, established as an elite institution for Japanese students in 1925 and modeled on Tokyo University, was closed down in 1945 and re-born in 1946 as Seoul National University, which today ranks in the top 100 research universities in the world.³ The development of higher education was given an unexpected stimulus by the Korean War. A number of colleges were founded in refugee camps in the period 1951-1954, many of which were given legal status retrospectively. At this time, access to universities was governed through a set of competitive national exams. In a country which was very poor (in 1956, South Korea's per capita GDP was lower than Ghana's) and which lacked a native ruling or commercial class, the exam system acted as a guarantee for open access by merit and was zealously protected by government.

Student numbers rose quickly in the 1950s. Roughly 55,000 students were enrolled in higher education institutes by 1957, and nearly 100,000 by 1960. In that year, student protests led to the overthrow of President Syngman Rhee. By 1961, a new authoritarian president, Park Chung Hee, had taken power, and his regime placed careful limits on Korean higher education, including controlling overall

¹ Sung Kyun Kwan University, now owned by Samsung, is indirectly descended from a fourteenth-century Confucian academy. However, to call this institution a university (as it existed in the early twentieth century) would be a stretch. It was "refounded" as a college in July 1946.

² See Michael Seth, *Education Fever: Society, Politics, and the Pursuit of Schooling in South Korea*. Honolulu: University of Hawai'i Press. 2002.

³ 35th in the QS World University Rankings, 44th in THE World University Rankings, and in the 101-150 range in the Shanghai Jiaotong Academic Ranking of World Universities

enrollment. Private universities were allowed to open, but their curriculum and administrative structures were strictly overseen. Seoul National University was physically relocated from its original site within a couple of miles of the Presidential “Blue House” to its present site on the other side of the Han River, in part to better monitor and control students’ activities.

More importantly, the growth of higher education places slowed considerably. In 1961, after enrolments in four-year colleges jumped 33% in a single year (to 134,000), the government made a deliberate attempt to reduce university numbers by closing some private institutions and reducing intake at public ones. The government at the time was increasingly worried about the supply of skilled labour and wanted to divert enrolments from “less productive” degree-level studies in the humanities towards vocational qualifications, which appeared more useful to industrial development. The plan gradually unraveled in the face of public pressure. By 1970, enrolments at higher education institutes had risen to 200,000 and further increased to 300,000 by 1975.

It was only after Park’s assassination in 1979 and the assumption of power by President Chun Doo Hwan in 1981 that the floodgates began to open. President Chun, seeking to buttress the legitimacy of a term of office that began with tanks rolling into central Seoul, sought popular approval by drastically increasing access to higher education. By 1985, enrolment had grown to nearly 1.3 million. This was partly a function of allowing new private universities to open and partly a function of opening a large number of new public regional universities.

By the mid-1980s, the current status quo for both funding and prestige had been set in place. Private universities are, of course, almost entirely reliant on private tuition revenue for their income. However, even in public universities in South Korea, students’ tuition accounts for between 40-50% of total institutional income. South Korea is thus an outlier among OECD countries in that its institutions of higher education receive only about 20% of their income from government. The Korean higher education system is significantly more market-driven than that seen in any other country, including the United States.

Throughout the modern period of Korean higher education, Seoul National University remained the country’s “model institution,” which all other institutions sought to emulate. As model institutions tend to be, it was highly selective and intensely focused on research. In the capital, two other private universities (Yonsei and Korea) were likewise considered very prestigious.⁴ Following these three were other public “national” universities – notably the Korea Advanced Institute for Science and Technology, and a few more private institutions either with long histories (e.g. Ehwa Women’s University) or very specific hi-technology mandates (such as the Pohang University of Science and Technology, also known as POSTECH). The least prestigious institutions were public regional universities and the remainder of the public universities followed by the country’s junior colleges.

South Korea’s admissions and credit transfer systems have for the most part been quite rigid. For example, although junior colleges in South Korea award Associate’s degrees, there is no way for

⁴ Later, in the 1990s, two specialized institutes - POSTECH and the Korea Advanced Institute of Science and Technology (KAIST) - also rose to the top of the prestige ladder, but at this time the focus was almost entirely on institutes inside the capital.

students to ladder their Associate's degree into a full Bachelor's degree; students wishing to move from a junior college to a university must start again as freshmen. Even at the Bachelor's level, movement between institutions within a single degree program is highly problematic. Though there are (in theory) ways to transfer "up" into prestigious institutions like Yonsei or Korea, the use of entrance exams to screen transfer applicants tends to reduce numbers enormously. However, transferring between institutions was not always this difficult. During the Korean War, universities effectively merged their operations to become a single United Wartime College that offered courses in refugee camps, and students' home institutions willingly recognized those credits when the fighting stopped. After the war, Korean institutions returned to being largely impermeable to transfer students.

With student numbers at traditional campuses so restricted in the 1970s and early 1980s, there was enormous interest in attending university by other means. This was the genesis of the Korea National Open University (KNOU). In 1972, Seoul National opened the "Korea Air and Correspondence College." Ten years later, it became a separate university. Because the gap between supply and demand was so large at that time, KNOU mostly served traditional students at first (i.e. direct entrants from secondary school) who could not gain acceptance into a mainstream university, rather than non-traditional (i.e. non direct-entry) students looking to access higher education. However, as access rates into traditional colleges raised KNOU's demography shifted: it lost its traditional students and began acquiring older "lifelong learners." This was a real innovation in Korean higher education, since until the late 1980s universities were actually prohibited from admitting older students into Bachelor-level programs. Today, the average KNOU student is in his or her late-30s, and most concurrently hold full-time jobs. KNOU offers courses via a variety of delivery media, and awards just less than 30,000 degrees annually, making it the second largest granter of degrees in Korea after the ACBS.

The change in KNOU's demographics signaled a shift in the government's attitude towards lifelong learning. In the early 1990s, something called the Self-Study Bachelor's Degree was introduced. Initially managed by the Korean Educational Development Institute (KEDI), a state-funded educational research and policy body, the self-study degree was designed as a series of exams that a student could undertake in one of nine subject areas. The exams are designed to measure the intellectual development that students are hypothesized to have gone through after each additional year of study. Hence, while the first exam tests general knowledge of the liberal arts, the second tests basic knowledge of the student's major area, the third tests knowledge of the core program area in more detail, and the final exam acts as a kind of capstone, comprehensive examination.

The target market for the Self-Study Bachelor's was non-traditional learners; that is, people already in the workforce. The Self-Study Bachelor's eliminated the need for students to gain admission to an institution and actually attend classes. The problem is that the people who have the drive and commitment to finish a degree in this manner tend to be the people who attended university in the first place. As a result, take-up is very low and fewer than 1,000 people per year graduate with these degrees.⁵

⁵ Ministry of Education, Science and Training and the National Institute for Lifelong Learning. *Republic of Korea: National Report on the Development and State of the Art of Adult Learning and Education*. Document prepared for the 6th UNESCO conference on Adult Education, 2009.

The point of this rather lengthy preamble is this: By the mid-1990s, the Korean higher education system was becoming large enough (1.75 million students) that it was more or less meeting demand from traditional-aged students. However, there remained an enormous backlog of pent-up demand from mid-career Koreans who had come of age in the 1970s when demand for higher education far exceeded supply. This demand was partly accommodated through KNOU, but there was clearly a demand for policy initiatives that could address the needs of lifelong learners beyond what was offered by the Self Study Bachelor's.

One of the barriers to reform – and perhaps the most important one - was the rigid nature of university admissions. The more prestigious institutions have an interest in rationing spots to maintain their exclusivity and see little need to accommodate transfer students. Less prestigious institutions have an economic incentive to admit transfer students but little incentive to grant them transfer credit which would reduce the number of credits paid for at the transfer institution. The fact that so much of South Korea's higher education system is in private hands further reduces the kinds of co-ordination mechanisms available to the Korean government.

This was the situation facing the Kim Young Sam government in 1995 when the Presidential Committee on Educational Reform released its landmark report, calling (among other things) for even greater efforts to encourage lifelong learning.

THE ACADEMIC CREDIT BANK SYSTEM

Although KNOU and the system of Self-Study Bachelor's degrees had been in place to help non-traditional students obtain degrees since 1996, the Korean government still felt that more needed to be done to help lifelong learners. A particularly pressing problem came from students who had obtained academic credits from more than one institution but did not possess enough credits from any single institution to obtain a degree. Another issue was the difficulty students faced when their studies were interrupted to complete their mandatory military service,⁶ but who wished to accumulate credits towards their degrees while enlisted.

The government's solution to the problem of universities and colleges refusing to deliver greater system flexibility through transfer credits was to ask KEDI to create a new system that would, in effect, circumvent the universities on credit transfer. This system – known as the Academic Credit Bank System (ACBS) – was created by an act of the National Assembly in 1997. KEDI would continue to manage ACBS' operations until 2008, when all of its lifelong learning management activities were spun-out into a separate corporation known as the National Institute for Lifelong Education (NILE).

The easiest way to understand ACBS is to think of it as a degree-granting agency of last resort. What ACBS allows people to do is to pool the credits they have earned from various sources, and package those into a degree, or a plan of study that leads to a degree. Although at first glance this may make ACBS seem like a kind of Prior Learning Assessment and Recognition (PLAR)⁷ regime, it is in fact nothing of the kind.⁸ To understand why requires some understanding of how curricula are designed in Korean higher education. At all institutions, credit hours are classified as belonging either to an “academic core” (meaning a set of required courses in one's area of concentration), “general education” (referring to a set of courses – some of which are compulsory, some of which are chosen from a list of electives – that are considered integral to a well-rounded education), and “electives” (which are chosen by the student, and which may or may not be from the student's area of concentration). Similar programs at different institutions may possess curricula with different mixes of core, general, and elective credits, but all programs are organized around the notion of these three credit types.

When the ACBS certifies that someone has a degree, and asks the Ministry of Education to issue the degree, it is not certifying that the degree-recipient possesses the knowledge and skills *equivalent* to someone who holds that same degree from an institution. Rather, it is actually certifying that students have followed an ABCS-designed curriculum and accumulated the relevant number of core, general, and elective credits for that program. To do this, ACBS has, with the assistance of numerous subject matter

⁶ One of the main ways in which Korean higher education pathways differ from our own is the way in which they are required to accommodate male students undertaking their universal military service. All male Koreans must complete this obligation before the age of 25. The duration of this service has been getting shorter over time; in the 1980s, it was 36 months, by the turn of the millennium it was just over two years and currently is about 18 months. Many (if not most) choose to do this in the middle of their studies – that is, they spend a year or two at university after secondary school, complete their military service and then return to complete their degree.

⁷ PLAR is a process that helps adults obtain recognition for learning and experience outside of formal education.

⁸ See *Current Problems and Future Prospect* below for more as to how ACBS is facing the challenge of developing a PLA recognition system.

experts, developed its own standard curriculum for each of its 218 degree programs (109 majors and 24 degrees at the Bachelor’s level, and 109 majors and 13 degrees at the Associate’s level, as shown below in Table 1).

Table 1: Degrees offered through ACBS

Bachelor’s Level	Associate’s Level
<ul style="list-style-type: none"> • Home Economics • Nursing • Business Administration • Economics • Engineering • Tourism • Advertising • Military Science • Dance, Liberal Art • Library and Information Science • Fine Arts • Beauty Art • Law • Public Health • Theology, Arts • Arts in Music • Science • Traditional Arts • Science in Leisure and Sports • Oceanography • Science in Public Administration • Fashion • Criminal Investigation 	<ul style="list-style-type: none"> • Home Economics • Business Administration • Engineering • Tourism • Military Science • Agriculture • Industrial Art • Biotechnology • Language, Arts • Riryo (a form of physiotherapy) • Traditional Arts • Sports • Public Administration

North American readers may find this description puzzling: how can ACBS have a curriculum if it doesn’t actually offer any classes of its own? How can students “follow” a curriculum if they must do so by taking courses offered by providers who are not technically governed by the curriculum-drafting authority?

Answers to these questions are three-fold. Firstly, the issue of curriculum does not really arise with respect to general education and elective credits. As in North American universities, these credits are there to ensure breadth, and so credits from virtually any program at any accredited institution can fulfill these requirements. The problem really only arises with respect to “core” credits. Secondly, the variation between institutions in core course offerings in a single subject is not very great. Whether this is because the power of disciplines is particularly strong in Korea or because all institutions try to imitate what the prestigious universities are doing is unknown, but the significant level of consistency makes it relatively easy for ACBS to prescribe a “standard” national curriculum in each field to which most existing institutions can easily adopt. And third, because there are so many ACBS students in a fractured

market characterized by a large number of small, tuition-dependent institutions, ACBS curriculum decisions create pressures for institutions (particularly small private providers) to modify their curricula so as to be compliant with them. In a somewhat roundabout way, the ACBS therefore intensifies the trend towards greater standardization of the higher education curriculum. In North America, where professors put a high value on the freedom to develop their own curricula within their institutions, this may not seem particularly desirable. In the Korean system, however, where competition for student dollars is fierce, many institutions are more interested in earning revenue from student tuition than maintaining a unique curriculum, and so institutions choose to adhere to the (quasi-)national curriculum.

Students wishing to obtain a degree from ACBS begin by registering in a particular program. The registration may occur at any point in the credit accumulation period: some students register before getting a single credit, others do not bother to register until they have all their credits. (Since curricula are published on the web, and since ACBS provides counseling services by telephone to registered and potential students, it is possible to obtain a set of credits that meets degree criteria without actually having registered for the program). ACBS verifies that the courses match program requirements and that they have been issued by accredited programs (see below for details on accreditation). If the accumulated credits meet the curriculum, then the ACBS recommends that the ministry issue a degree to the student.

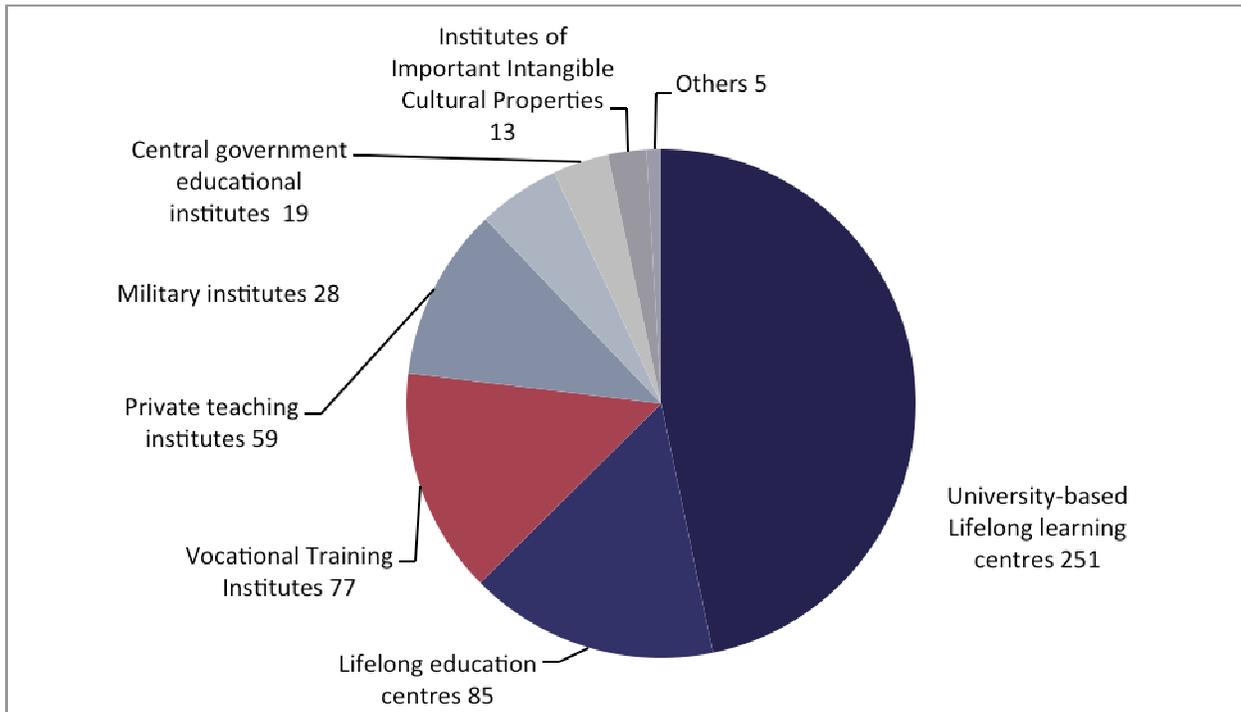
SOURCES OF CREDIT

Students may obtain credits through six different channels:

- 1) **Completing regular courses at recognized universities and colleges.** For people who have withdrawn from regular courses (the drop-out rate from Korean universities has historically hovered near 10%), this is probably the most important route to credit accumulation. As recently as 2008, this was the largest source of ACBS-recognized credits; in 2011, this track accounted for 22.6% of all credits granted.
- 2) **Completing part-time or extension programs at recognized colleges and universities.** These are essentially the same as the previous channel, only for students who are not in the traditional educational stream. In 2007, this source accounted for 33% of all credits, but by 2011 it had fallen to just 7% of credits awarded.
- 3) **Completing courses accredited by NILE and the Ministry of Education.** As noted above, the ACBS accredits programs and courses for being “compliant” with its own model curricula for particular subjects. This is now by far the largest channel for obtaining ACBS credits, with over 64% of credits coming from this source, up from just 29% in 2008. Much of the growth is from online providers.
- 4) **Acquiring national certificates or officially recognized private certificates.** Korea does not have an established national qualifications framework allowing for easy recognition and laddering of sub-Bachelor’s credentials. That said, the ACBS will in some circumstances allow some of these certificates to be used as building blocks to higher degrees. In the early aughts, this was a major source of ACBS credits (17% in 2005) but by 2011 it had fallen to just 4% of all credits awarded.
- 5) **Passing exams for the Self-Study Bachelor’s Degree.** As noted earlier, students trying to take the Self-Study Bachelor’s Degree need to pass four major exams to receive a degree. However, students who pass fewer than four can still use them as building blocks towards degrees (each is worth 35 credits) and supplement them with other courses in the curriculum. This route accounts for only about 1% of all credits granted through ACBS.
- 6) **Having skills or completing training to acquire skills of Important Intangible Culture Properties.** Another relatively rare source of credits is from training obtained in specialized (mainly artisanal) cultural schools or training centres. Examples of these would be schools teaching traditional dance, singing, stone-work, etc. Less than 1% of all credits come from this source.

NILE does not need to accredit the institutions that provide credit through the first two channels since these are from programs already recognized as degree-level, and they are managed by institutions that are certified as universities by the Korean Council on University Education (KCUE). However, for the other four channels, NILE does perform a significant accreditation function. As of mid-2012, NILE had accredited over 5,000 programs at 537 different institutions. Almost half of these institutions are universities and colleges whose extension/lifelong learning efforts are not covered by KCUE and so must be accredited separately by NILE; most of the remainder are private institutes (frequently of an online variety). There are also 28 military education institutes and the 19 education institutes affiliated with central and local governments (e.g. police academies). The distribution of these institutions is shown below in Figure 1.

Figure 1 – Accredited providers of ACBS credits, by type

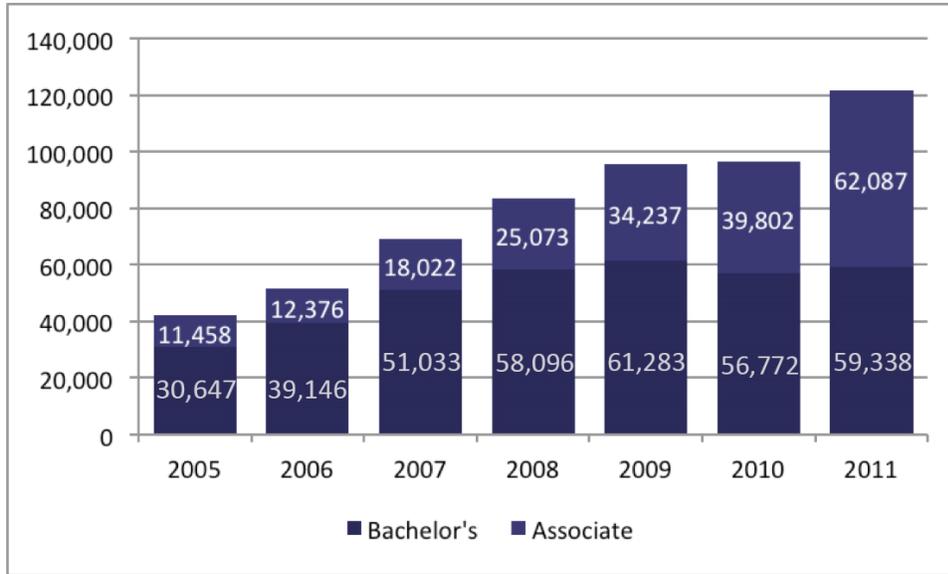


Clearly, the process of accrediting educational providers looms large in the list of key tasks before the ACBS system can achieve its full potential. Technically, it is programs rather than institutions which are accredited. Most programs are re-examined every four years. Private online education providers are examined for accreditation every two years. For programs to be accredited, they must demonstrate an alignment between their curricula and that of the standard ACBS curriculum, and they must meet the usual kinds of accreditation criteria regarding sufficient facilities, qualified faculty, etc. However, it should be noted that Korean higher education in general has long been plagued by fairly low standards for accreditation (a consequence of having so many precariously-funded private institutions). As a result, concerns about whether the standard is sufficiently high are legitimate, and are a significant source of preoccupation even within NILE.

THE ACBS TO 2011

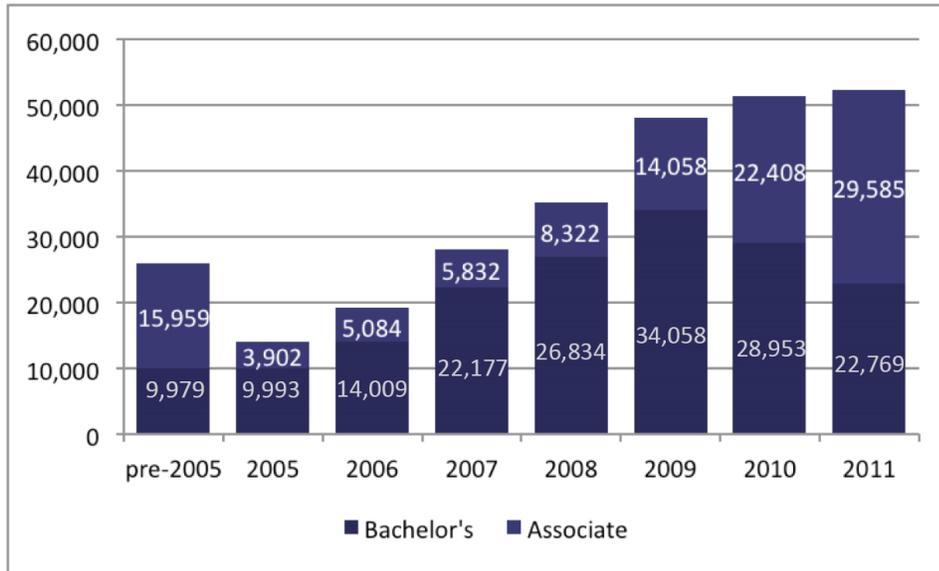
As noted earlier, the relationship between registrants and degrees awarded is highly uncertain because there is no standard “length” of registration – the temptation to compare the two sets of data for some kind of graduation rate should therefore be avoided. Figure 2 shows the evolution of ACBS registrations from 2005, and Figure 3 shows the degrees awarded per year.

Figure 2 – ACBS Registered Learners by Year



Of particular interest in Figure 2 is the growth in degrees awarded annually. After slow growth in its first few years of operation, the number of degrees awarded expanded dramatically after 2005. In that year, ACBS gave out just under 14,000 degrees, roughly 71% of which were at the Bachelor’s level. Four years later, the number more than tripled to just over 48,000 degrees, again with roughly 71% being at the Bachelor’s level. The year 2009 was the high-point for Bachelor’s degrees awarded through ACBS; in that year, 34,058 were awarded, meaning that ACBS was responsible for more than one in ten of all undergraduate degrees awarded in South Korea that year. Since then, 4-year degree numbers have fallen substantially. In fact, the number of Bachelor’s degrees awarded dropped by a third between 2009 and 2011, from over 34, 000 to 22,769. At the same time as the number of Bachelor’s degrees awarded has declined, the number of Associate’s degrees awarded has spiked. Between 2009 and 2011, the number of Associate’s degrees awarded more than doubled, from 14,058 to 29,585. In 2011, nearly 16% of all junior college degrees in Korea were awarded through the ACBS.

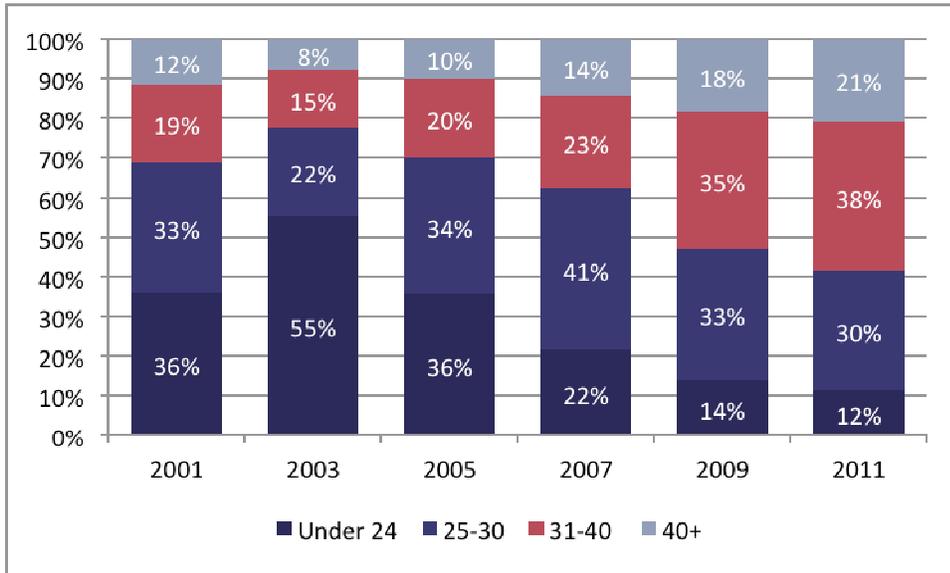
Figure 3 – ACBS Degrees Awarded by Year



The cause for the sudden growth in Associate’s degrees is fairly straightforward. Nearly all of the growth occurred in just two fields of study: child care and social work. These two fields are suddenly in demand because of changing demographics (declining working-age populations mean more women are being drawn into the workforce), and increasingly strict daycare licensing requirements. Korean birthrates have fallen well below replacement rate (1.21 per woman), which means that the average age in Korean society is increasing rapidly. This has led the government to push for human resource development in these areas, requiring new practitioners to have post-secondary certifications.

Over time, the age profile of ACBS graduates has also changed in a way that parallels changes at KNOU. When ACBS first began, much of the demand for its services came from servicemen and from people who were relatively young, but who had not yet been admitted to their first-choice programs. Surplus demand for higher education immediately after secondary school meant that there was a large potential youth clientele (in 2001, roughly 70% of all graduates were under 30). Over time, an ever-higher proportion of Korean youth have obtained higher education directly after finishing secondary school, and their share of students participating in ACBS has shrunk. Increasingly, the ACBS clientele is an older one, made up of either mid-career professionals looking for a job, or (increasingly) middle-aged homemakers looking to return to the workforce. As a result, the proportion of under-30s has fallen to just 41%. This increase in the number of homemakers is also clearly a factor in the changing gender make-up of ACBS graduates: 74% are now female, compared to just 63% in 2008. Figure 4 shows the changing age composition of the ACBS graduate population.

Figure 4 – Age Profile of ACBS Graduating Students, 2001-2011



CURRENT ISSUES AND FUTURE PROSPECTS

Within Korea, ACBS tends to be seen as a success, albeit a limited one. The number of degrees conferred is considered adequate, but it has not had the kind of transformative effect on higher education that some of its more optimistic proponents had hoped for. One of the perceived barriers to greater take-up is the lack of prestige attached to ACBS degrees. If given the choice between a degree with the name of a university on it – even a relatively low-prestige private university – and one issued by the Ministry of Education, nearly all Koreans would pick the former. Therefore, ACBS is seen primarily as a *functional* credential – something that gives people looking to switch careers the minimum necessary qualification to get a new start, rather than a *prestigious* credential that can help them get ahead in their existing career. This necessarily limits their attractiveness of ACBS to potential students.

The main challenge confronting ACBS at the moment is the issue of quality control. An increasing percentage of credits are coming from online providers whose quality is difficult to monitor. Already, the ACBS takes extra measures to counter potential fraud, most notably by requiring private online providers to get accredited every two years instead of the usual four. ACBS officials are aware that the possibility of fraud will remain a reputational threat into the indefinite future. The worry is that if abuses are uncovered at a few ACBS-accredited institutions, it will taint all ACBS degrees, past and present.

In terms of future prospects, there are a number of challenges on the horizon. The most obvious one is what happens when the current employment boom in childcare and social services ends. Presumably at some point in the near future, demand for credentials in these areas will slacken as the market becomes saturated.

Other challenges stem from fulfilling parts of the original ACBS mandate, which have not yet been implemented. For instance, although the law says that the ACBS is supposed to evaluate credits from foreign providers, this part of the law has never been implemented for the simple reason that NILE has never had the human resources to deal with such a major task. Given that few people immigrate to Korea, this has not been a major issue. However, as immigration increases in response to declining births and an aging population (and, indeed, as Seoul increases in importance as an international business center), there will be a need to broaden ACBS to include foreign credit providers.

Another challenge is one that was always implicit in the organization's mandate: the incorporation of prior learning assessment into the ACBS system. The government has recently asked the ACBS to make it possible for students to have their prior learning assessed and converted into credit. There are efforts underway to accommodate this, but at the time interviews were conducted for this project, it was not clear how this will be addressed, or in what kind of time frame a system is likely to be put in place.

COULD THE ACBS WORK IN NORTH AMERICA?

Clearly, ACBS arose from a very specific mix of institutional factors unique to Korea, and it is not a model that could be transplanted directly to foreign soil. Could something like a credit bank work in North America?

The two key barriers to setting-up an ACBS-like system are accreditation and public credibility. There is no doubt that if such an organization were set up in North America, accreditation agencies (or their Canadian equivalents, such as Ontario's Post-Secondary Quality Assurance Board) would look askance. No rules exist at present to allow an institution that does not perform its own teaching to award degrees. As a result, if a state or provincial government (or a consortium of state governments, such as the one that established Western Governors' University) wanted to award degrees, there would need to be significant discussions and co-ordination with accreditors in order to ensure that the ACBS would operate in a manner acceptable to them. In some cases, that would require a revision of accreditation rules, and this process might create some political opposition from existing institutions who may see it as a direct competitor.

The second barrier is public credibility: would enough people believe a degree from an ACBS-like institution actually has value? In Korea, the prestige problem is an issue, but it does not stop hundreds of thousands of students from enrolling. But part of the Korean acceptance of ACBS comes from the fact that in many cases, the alternative to ABCS is to re-do an entire degree at a new institution (with all the expense in time and money that entails). In North America, credit transfer is in many ways imperfect, but institutions here are still far more willing to grant at least some advanced standing than in Korea. The *relative* benefit of an ACBS may not be as large here and so the trade-off between value and prestige may be quite different. This matters because without sufficient clients, public support for an ACBS-like institution may not last long.

An ACBS model's success rests on the willingness of sufficient number of students being both in a position to use the Bank's services and willing to do so. The latter is even a problem in Korea, where an ABCS degree is seen as something of a "second-class" degree. Students may dislike having to re-take pre-requisite courses, but they may do so anyway even if a credit bank existed because of the prestige gap between existing institutions and what – to most – would be a new and strange institution. To rephrase the question: would there be demand for Credit Bank degrees even if they existed?

With respect to Canada, there are enough similarities with Korea to suggest that a Credit Bank might work. Prior to the introduction of the ACBS, Korean students found it difficult to collect credits across universities. Similarly, with the exception of an inter-provincial agreement to facilitate credit transfer between Alberta and British Columbia, there is nothing approaching a national credit transfer policy in Canada. And while Alberta and British Columbia do have quite sophisticated and relatively comprehensive transfer credit mechanisms among their own institutions, this is not true in Ontario, where a patchwork of inter-institutional agreements reigns. It is possible that a Credit Bank-like system might have some purchase in Canada, catering mainly to students in Ontario but also serving those who have transferred across institutional borders but who have not been successful in having their previous credits recognized.

That said, although Canada does not have many formal credit transfer arrangements, it is far from clear that this is a barrier to credit recognition in practice. In late 2011, HESA polled students across the country about their experiences of credit transfer.⁹ Among the polled students who transferred from college to university, 89% were able to transfer at least some of their credits, and one-third had all of their college-earned credits recognized by their university. For students transferring between colleges, the chances of getting credits transferred were similar: 83% of Ontario students who transferred into colleges had some or all of their credits recognized, and a third of these students did not even have to make a request. Students who had the most difficulty getting their credits transferred were often transferring between unrelated programs where there was little overlap in the required courses – students who would in any case be unlikely to see their situation improved via means of a Credit Bank. For the most part, it seems that Canadian institutions’ willingness to accept transfer credits means that credit transfer works in practice despite the lack of a national credit transfer policy.

Where credit transfer systems seemed to work less well was with respect to recognition of pre-requisites for required courses. Our student panels signaled that it was not uncommon for transfer students to have to repeat required courses; 38% of students transferring between similar programs had to repeat pre-requisite course. Alberta and British Columbia’s comprehensive (but somewhat labyrinthine) systems brought this number down only slightly. Here, the Credit Bank’s achievement in nudging institutions towards a more-common curriculum might be of great use to Canadian students in the sense that those who did not want to re-do a number of courses could simply take their credits from two or more institutions and get the Credit Bank to recognize them instead. The introduction of a Credit Bank in Canada might therefore be useful not only in terms of directly helping students to get their degrees more rapidly, but also indirectly by exerting competitive pressure on other institutions to improve their credit transfer policies and expand recognition of pre-requisites.

Given the advanced state of credit-transfer arrangements in Alberta and British Columbia it is hard to see much demand for an ACBS-like entity in those provinces, but it might make sense elsewhere in the country. Ontario is both large enough and in enough need of more coherent transfer credit arrangements to make a Credit Bank-like system workable on a provincial scale; conceivably, a more nationally-focused institution would work as well, though it is harder to see who would start one. The federal government is perfectly capable of chartering an institution (as it did with Royal Military College, for instance) but degrees would still need provincial approval to be considered valid. In most provinces, a significant policy exception would be needed to create a Credit Bank because degree quality standards, as currently written, would make it impossible for an institution to grant degrees on the basis of credits acquired elsewhere. This isn’t a deal-breaker – no doubt rules could be re-written in a sufficiently rigorous way to permit a Credit Bank to operate – but it would require active co-operation from at least one provincial government to make it work.

A better fit for a Credit Bank may be the United States, where the institutional context for higher education more closely resembles that of South Korea. Like Korea, the United States’ higher education system is market-driven with a mix of public and private institutions, making it very difficult to drive

⁹ Of the 1876 university students we surveyed on this issue one in six had actually transferred credit from one institution to another, while one-in-five had considered transferring but had not done so.

systemic change on institutional policies like credit transfer. It is also a place where the inability to transfer credit has a demonstrable effect on the country's rate of degree completion.

Studies funded by the Lumina Foundation indicate that large numbers of former students with unfinished degrees desire to complete their studies but cannot efficiently find a way to do so because re-starting at a new institution often means losing "old" credits.¹⁰ Clifford Adelman, a former researcher for the US Department of Education, notes that among all beginning post-secondary students, ten years after enrolling, fully 15% of students had not yet obtained a degree, but yet held 60 or more credits with a cumulative GPA of 2.5 or higher. For these students, an American ACBS could make it easier to aggregate "old" credits with ones from nearby institutions, allowing students to obtain an actual degree.

At the core of ACBS's attempt to acquire credibility was the decision to create a standard subject-level curriculum for each of its degrees. This established the quality and content of ACBS's degrees in a very public way – something that would not have happened had ACBS adopted a purely prior-learning assessment approach to recognizing credits. The standard curriculum also plays an important role in harmonizing curricula across a diverse set of institutions, in effect encouraging a kind of quality control-role across the entire higher education system. In fact, the manner in which ACBS tries to distill system-wide practice into a single "model" standard is not so different from a Tuning Process, although it is obviously both a more input-based and less forward-looking process than Tuning.

Clearly, this part of the ACBS approach would be difficult to import directly into North America. A North American degree-granting agency of last resort would be more likely to outline a set of knowledge blocks to be acquired than a "curricula," per se. But in practice, these might not actually be all that different. A set of standards for a degree in marketing would outline the knowledge and competencies required, but the specific knowledge acquired would likely map onto specific courses very well (e.g. economic history, statistics, micro 100, etc.), and presumably these kinds of courses would likely appear with similar names at a lot of universities and colleges. Using university and college course catalogues, it would be relatively straightforward (if time-consuming) to come up with lists of courses in various fields that cover similar areas of knowledge. Assuming these credits came from accredited colleges, an American ACBS could start with some building blocks of standardized curricula. This need not be done from scratch, either. There are already off-the-shelf data sources, like CollegeSource, which contains information on tens of thousands of known articulation arrangements. Because these contain information on courses in a wide number of fields covering similar areas of knowledge at already-accredited colleges, they possess the building-blocks of a "standard curricula" in many different fields of knowledge. An ACBS that offered degrees based on such building blocks would likely attract a number of students – and would also act as a spur for more institutions to put in place better credit-recognition policies so that they could compete for these students and their tuition dollars.

¹⁰ Searching for Our Lost Associate's Degrees: Project Win-Win at the Finish Line. Institute for Higher Education Policy, Washington, DC. Retrieved July 2014 from:

http://www.ihep.org/assets/files/publications/m-r/pww_at_the_finish_line-long_final_october_2013.pdf.

CONCLUSION

Though the phrase “innovation” is an overused term in education, it does seem appropriate for the concept of a Credit Bank. Instead of creating a complicated scheme to improve credit transfer, the Korean government sidestepped the problem by creating an entirely new organization to tackle the issue. It was hoped at the outset that the Credit Bank might induce Korean universities to begin working together, and to accept one another’s credits more readily. That has not happened, but this has also not impeded the ACBS’s success because the ACBS allows students to accumulate credits outside the system of traditional universities in a manner that does not depend on their co-operation.

There are parallels between the Korean ACBS experience and earlier waves of higher education innovation such as that of 18th-century France, where the resistance to teaching science and engineering at universities led to the creation of the *grandes écoles*. Universities generally tend to be slow to reform; to simply go around them can be an attractive policy alternative. The important lesson here is that when comprehensive systemic change is blocked by the intransigence of its stakeholders, it is sometimes easier to craft a solution that bypasses the stakeholders entirely. We may not yet be at that place in North America, but the situation – particularly in the United States – is sufficiently close to it that more radical alternatives should be considered.



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