Obama’s Goal – Best In The World By 2020
Obama’s Goal – Best In The World By 2020

Nice Idea
Obama’s Goal – Best In The World By 2020

Nice Idea but Can We Get There From Here?
“By 2020, America will Once again have the highest Proportion of college graduates In the World”

President Barrack Obama, 2/24/09
A Perfect Situation

But, is it

A Perfect Storm, or

A Perfect Opportunity
Perfect Storm or Perfect Opportunity

- The Economic Competitiveness Challenge
- The Demographic Challenge
- The Financial Challenge
The Perfect Storm – The First Wave

The Economic Competitiveness Challenge

The Demographic Challenge

The Financial Challenge
Differences in College Attainment (Associate and Higher) Between Younger and Older Adults - U.S., 2005

Source: U.S. Census Bureau, 2005 ACS
Relationship Between Educational Attainment, Personal Income, and Economic Strength

State New Economy Index (2002)
- Top Tier
- Middle Tier
- Low Tier

Personal Income Per Capita, 2000
- $15,000
- $20,000
- $25,000
- $30,000

Percent of Adults Age 25-64 with a Bachelor’s Degree or Higher
- 15%
- 20%
- 25%
- 30%
- 35%
- 40%

Source: NCHEMS
The Perfect Storm -- The Second Wave

- The Economic Competitiveness Challenge
- The Demographic Challenge
- The Financial Challenge
College-Going Rates – First-Time Freshmen Directly Out of High School as a Percent of Recent High School Graduates, 2006

Source: Tom Mortenson, Postsecondary Opportunity Via NCHEMS
Figure 3.11. Public High School Graduates in the Midwest by Race/Ethnicity 1993-94 to 2004-05 (Actual), 2005-06 to 2021-22 (Projected)

Figure 3.13. Public High School Graduates in the Northeast by Race/Ethnicity 1993-94 to 2004-05 (Actual), 2005-06 to 2021-22 (Projected)

The Perfect Storm – The Third Wave

- The Economic Competitiveness Challenge
- The Demographic Challenge
- The Financial Challenge
Projected State and Local Budget Surplus (Gap) as a Percent of Revenues, 2016

Source: NCHEMS; Don Boyd (Rockefeller Institute of Government), 2009 Via NCHEMS
We all know the mantra

- The States don’t love use anymore.
- They’ve been “disinvesting” in us for years
- And, even those who love us have had to forsake us because we have that other source of revenue

TUITION
Life could have been worse


Note: Net tuition revenue used for capital debt service is included in the above figures. All figures are adjusted by SHEEO Higher Education Cost Adjustment (HECA).
But that was then, this is now

- We’ve been hammered the last two years.
- And, the worse is still to come.
- Well!
  - Yes, and No
Even in “The Worst of Times”, One Size Doesn’t Fit All

2009-2010 without stimulus

2009-2010 with stimulus

Source: SHEEO & WICHE Preliminary Data – November 2009
Where to from here

Will it get worse

Absolutely

- We’ve squandered the stabilization funding

And, we fall off the cliff when this goes away

- 2011 for most
- 2012 for the rest
- And a few states don’t have to worry
A Perfect Storm – Three Waves Colliding

- **On Economic Competitiveness** – we’re losing ground
- **On Demographics**
  - Performance is already subpar in college success
  - Growth will be entirely in least educated portions of our population
- **On Finances**
  - Bad, and getting worse
  - And seemingly no capacity to change our way of doing business (except on the margin)
How Can the U.S. Reach International Competitiveness?

Current Degree Production Combined with Population Growth and Migration and Improved Performance on the Student Pipeline Measures

Degrees Produced 2005-25 with Current Rate of Production  
Additional Degrees from Population Growth  
Additional Degrees from Net Migration of College-Educated Residents  
Reaching Best Performance in High School Graduation Rates by 2025  
Reaching Best Performance in College-Going Rates by 2025  
Reaching Best Performance in Rates of Degree Production per FTE Student  
Total Degrees Produced 2005-25 If All of the Above  
Degrees Needed to Meet Best Performance (55%)  

Source: 2005 ACS, PUMS/nchems
So,

The President has set out a major challenge – to regain world leadership in higher education.

We face major demographic and economic challenges in just sustaining the status quo.

**CAN WE GET THERE FROM HERE?**
So, How Can We Get There From Here

From Perfect Storm to Perfect Situation

What won’t be the winning strategy

- Pride in accomplishments of the past
- Same old – same old
- More public funds – from either states or feds.
Moving from the Perfect Storm to the Perfect Situation

A winning versus whining strategy

- Improving productive in undergraduate education

Focus on those who aren’t succeeding today

Focus on the new traditionals
  - Ready Adults
  - On-liners
Becoming More Productive

By What Measure?
- More, Better, Faster, Cheaper

But How?
- In The Policy Arena - Focus Activity
  - Reverse mission creep
  - Reduce governmental avarice
- In The Practice Arena – Change the Business Model
  - Rely on evidence based practice – student success
  - Use technology to transform the industry
    - At a distance
    - Close to home
Examples of Productivity Enhancers

- Scuttle under-enrolled courses and programs
- Increase/re-align teaching loads
- Begin (or pay for) new courses and programs only where student demand exists
- Use cost-effective technology to reduce costs and increase student learning
Examples of Productivity Enhancers

- Reduce excess credits to degree
- Trust each other more – accept transfer credit
- Increase credit for prior learning – dual enrollment, credit by exam, CAEL assessment
- Collaborate on pedagogy with other institutions – use their best courses
- Only serve students we can serve
- Reinvent developmental education – we couldn’t do it worse, if we tried
Focus on those who aren’t succeeding today

Communities of Color, particularly the Hispanic community
Difference in Education Attainment Between Whites and Hispanics (2006, Percent)

Source: U.S. Census Bureau, 2006 American Community Survey (ACS) Public Use Microdata Sample (PUMS) File. Via NCHEMS
Focus on those who aren’t succeeding today

- Communities of Color, particularly the Hispanic community
- Adult Students, particularly prior participants
- Those with special needs
  - Military
  - Those with mental health issues
So, Can We Get There From Here?

Absolutely!

But not on the current track

We have to change **BIG TIME**

- Increasing Productivity
- Increasing Real Access

We must look forward, not back

- Pride is one of the Seven Deadly Sins

“Just Do It”.