Pre-NACAC College Board Workshop

Student Trends in the New Economy

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Presentation by:
David Longanecker
President, Western Interstate Commission for Higher Education (WICHE)

Crisis or Opportunity

Beyond Just “Knocking on the College Door”
Why Deviate From the Script

Demographics of High School Grads is Critically Important -- That’s Knocking

But rest of context is equally important

- Competition
  - Not from your perspective – competition for students
  - From public policy perspective – nation’s competitiveness

- The New Economic Normal
  - We will live leaner
  - And we should
  - Ergo, we must live smarter to live as well
Common Lore:

- Weiji/Crisis
  - Danger
  - Opportunity

True Linguistic Interpretation:

- Bad times, plan and simple
Crisis or Opportunity

Demographics

- Young Adults
- Not A simple story
WICHE Projections of High School Grads

Figure 3.9. Public High School Graduates in the West by Race/Ethnicity 1993-94 to 2004-05 (Actual), 2005-06 to 2021-22 (Projected)

Figure 3.15. Public High School Graduates in the South by Race/Ethnicity 1993-94 to 2004-05 (Actual), 2005-06 to 2021-22 (Projected)

Crisis or Opportunity

Demographics

- Young Adults -- Not A simple story
  - But one common thread – growth is all Hispanic
WICHE Projections of High School Grads

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)

Demographics

- Young Adults -- Not A simple story
  - But one common thread – *growth is all* Hispanic
  - *Significant differences in college-going across the nation*
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
Crisis or Opportunity

Demographics

- Young Adults -- Not A simple story
  - But one common thread – growth is all Hispanic
  - Significant differences in college-going across the nation
  - Significant differences in educational attainment by race/ethnicity
Percent of 18-24 Year-Olds Enrolled in Postsecondary Institutions by Race/Ethnicity

Difference in College Attainment Between Whites and Minorities (Blacks, Hispanics, Native Americans) 2009

Source: U.S. Census Bureau, 2009 American Community Survey
Crisis or Opportunity

Demographics

- Young Adults -- Not A simple story
  - But one common thread – *growth is all Hispanic*
  - *Significant differences in college-going across the nation*
  - *Significant differences in educational attainment by race/ethnicity*
- *Less well represented are less well prepared to succeed*
Percent Meeting ACT College Readiness Benchmarks by Race/Ethnicity, 2012

Demographics

- Young Adults -- Not A simple story
  - But one common thread – *growth is all Hispanic*
  - *Significant differences in college-going across the nation*
  - *Significant differences in educational attainment by race/ethnicity*
  - *Less well represented are less well prepared to succeed*

- *And, less well represented are less well able to afford higher education*
Median Income by Race/Ethnicity and Sector, 2007-08

Notes: Data represent students at all Title IV-eligible institutions who were U.S. citizens or resident aliens.
Source: National Postsecondary Student Aid Study 2008
Institutional Grants by Race/Ethnicity, 2004 and 2008

Notes: Data represent dependent students at all Title IV-eligible institutions who were U.S. citizens or resident aliens. Average grants are calculated only for that proportion of each group who received them.
Source: National Postsecondary Student Aid Study 2004, 2008
Do we face a Crisis, Bad times, plain & simple?

The Demographic Situation

- Young Adults
  - Not A simple story
  - But one common thread – growth is all Hispanic
- Dilemma – Trends are divisive
  - Some want sustaining support/others want support for growth
  - Race still matters
Crisis or Opportunity

So Who Do You Pursue Most Aggressively?

- The Most Able Academically
- The Most Able Financially
- The Most Likely to Get An Education

The Public Policy Dilemma

- We need more of the less academically achieving
- We need more of the less financially able
- We need more of those who are now less likely to get an education
Crisis or Opportunity

Demographics

- Older Adults—“The New Hot Prospects”
  - 40 million with some college, no degree
  - 27% projected enrollment growth
Adult enrollment is projected to grow by 25.4 percent between Fall 2008 and Fall 2019.

Crisis or Opportunity

Demographics

- Older Adults—"The New Hot Prospects"
  - New starts – not much prospect for success
    - At the baccalaureate level
    - But much better prospects at the certificate level
  - Returning students – the low-hanging fruit
    - But depends on campus culture
  - Barriers
    - Life
    - Us
    - Finances – but not so much how much, as how
Crisis or Opportunity

Our Competitiveness

Globally
Differences in College Attainment (Associate & Higher) Between Younger & Older Adults—U.S. & OECD Countries, 2009

Source: Organisation for Economic Co-operation and Development (OECD), Education at a Glance 2011
Crisis or Opportunity

Our Competitiveness

Globally

Between the States
Differences in College Attainment (Associate and Higher) Between Younger and Older Adults - U.S., 2005

Source: U.S. Census Bureau, 2005 ACS
Is Education Really Critical to Economic Vitality?
Relationship Between Educational Attainment, Personal Income, and Economic Strength

Source: NCHEMS

Diagram showing the relationship between educational attainment and personal income across different states. The diagram includes a scatter plot with states divided into four quadrants based on income and educational attainment levels.

Key:
- Top Tier: High Income, High Educational Attainment
- Middle Tier: High Income, Low Educational Attainment
- Low Tier: Low Income, Low Educational Attainment
- Low Income, High Educational Attainment

The states are color-coded based on their tier, with different states represented by different colors and symbols.
Is Education Really Critical to Economic Vitality? **Absolutely**

*Past Tricks Won’t Get Us There*

- Immigration
- Migration
  - New Enemy – emigration
- Educational Attainment Is The Key
  - The Dilemma – It’s Quite a Leap
Closing the Gap: Annual Percent Increase in Credential Production Needed to get to 60% by 2025

North Dakota
Crisis or Opportunity

Economics & Finance

- Is Education Really Critical to Economic Vitality? **Absolutely**

- **So What Can We Do About It**
  - **Public Policy Response**
    - The Completion Agenda: (Obama, Foundations, States)
    - Within Severe Budget Constraints
      - More for Less -- Focus on Performance
  - **The Higher Education Response**
    - Seek New Revenues – tuition, new students, auxiliary services (requires improving competitive edge)
    - Constrain costly enrollment
    - Reduce Expenses through new ways of doing business (technology)
Crisis or Opportunity

Financial Circumstances

- Higher Education has been wacked hard, and not evenly
Educational Appropriations per FTE
Percent Change by State, Fiscal 2006-2011
(SHEEO SHEF 2011)

Note: Dollars adjusted by 2011 HECA, Cost of Living Adjustment, and Enrollment Mix Index.
Source: State Higher Education Executive Officers
Figure 8
Total Educational Revenue per FTE
Percent Change by State, Fiscal 2006-2011

Note: Dollars adjusted by 2011 HECA, Cost of Living Adjustment, and Enrollment Mix; total educational revenue exclude net tuition revenue used for capital debt service.

Source: State Higher Education Executive Officers
Public FTE Enrollment and Educational Appropriations per FTE, U.S., Fiscal 1986-2011

(SHEEO SHEF 2011)
Crisis or Opportunity

Financial Circumstances

- Higher Education has been wacked hard, and not evenly
- Our Response: Tuition to Fill The Gap
Public FTE Enrollment and Educational Appropriations per FTE, U.S., Fiscal 1986-2011
(SHEEO SHEF 2011)
Financial Circumstances

- Higher Education has been wacked hard, and not evenly
- Our Response: *Tuition to Fill The Gap*
  - *And Without Financial Aid To Fill The Gap*
    - *Pell has increased but growth unsustainable*
    - *States haven’t kept up*
    - *Institutions still focused on most able*
  - *Result: more reliance on Loans*
Crisis or Opportunity

Sounds like a Crisis
(Weije – Bad times, plane and simple)

But Actually A Great Opportunity
(Zhwanji)

Rahm Emanuel
“A Crisis Is A Terrible Thing To Waste”
The Great Opportunity -- Zhwanji

We Can Do This

We have better information from which to manage than ever before

- State Unit Record Data Bases—blending education & workforce
- College Board data and data analytics
- The National Student Clearinghouse
- Measurement of Student Learning Outcomes
- Predictive Analytics (data mining)

And we have a new mentality to use this information – evidence based practice and decision-making
The Great Opportunity -- Zhwanji

- We can do this better
  - Students can learn more
    - Technology enhanced (hybrid) learning & On-line
    - Reinvented Remediation
    - Reducing meandering—recognizing choice as the enemy for many
  - More students can learn
    - Use technology to expand reach
    - Capture the spirit of "access to success"
    - Use smart incentives in financing structures
      - Incentives for institutions
      - Incentives for students -- young and not so young
The Great Opportunity -- Zhwanji

- We can do this cheaper
  - Technology can reduce costs
  - Disruptive innovation (and innovators) are reducing costs
  - The magic of marginal costs can save resources
  - Improving based on evidence
The Great Opportunity -- Zhwanji

- We can do this faster
  - Recognize time as the enemy (Complete College America’s message)
  - Reduce clutter in the curriculum
  - Reduce degree creep
  - Recognize the value of high value certificates and applied associate degrees
  - Believe our own research
The Great Opportunities for You In Admissions and Enrollment Management

- Embrace the Changing Demographics
- Appreciate the national Imperative
- Accept the New Normal
- And, adopt the Changes that will be required to do so.

- Change is Hard,
  But we have no choice – just do it!