

States and Universities: A New (or renewed) Economic Compact

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Postsecondary Education: Context for the compact

- With exceptions, postsecondary education has not been among the top policy priorities among governors
- This has changed dramatically in the past five years
- In 2007, 90% of governors mention importance of postsecondary education in state-of-state addresses
 - 67% mention in terms of economic development, partnerships with industry
 - 50% mention in terms of access and affordability

Postsecondary Education: Fulfilling its Charter?

- U.S. falling behind in educational attainment of population relative to other OECD countries
 - Problem is acute for ages 25-34
- Graduates to not have the analytical and critical thinking skills needed by employers, society
- Postsecondary education not meeting the workforce needs in critical occupations (e.g. teachers, nurses, engineers)
- Too few ideas are getting out of the laboratory
- Diminished public service mission

Postsecondary Education: States are also Responsible

- Lack of understanding among policymakers
- Postsecondary education systems often lack clear expectations
- Public (financial) support of postsecondary education flat or declining
- Current state funding (blanket tuition subsidies) of postsecondary education can be regressive
- Institutions must often provide remedial courses; high school graduates not prepared
- State policies do not encourage coordination and flexibility among institutions.

Postsecondary Education: What about *Reform*?

- Reform efforts have largely focused on restructuring
- Conflict is common
- No one “ideal” system
- A few successful efforts:
 - Have a clear vision linked to the state public agenda
 - Have a narrow focus
 - Are well-received among state citizens
 - (Usually) have support of governor
- A new (or updated) approach is needed!

Vision of Postsecondary Education

- Globally focused
- Linked to the needs of the state
- Innovation driven
- Quality oriented
- Collaborative, transparent, open
- Adaptable, flexible, and market driven
- Entrepreneurial
- Accessible
- Accountable
- Clear Articulation and coordination of missions among colleges and universities

Articulation of Roles in Vision

- Postsecondary education
- State Government
 - Accountability, budget alignment/stability, deregulation, etc.
- Governors
 - Leadership, support, appoint reform-minder members to governing boards, create a compact, etc.

A Compact is a good vehicle for alignment

Implementing the Compact

Audit of State Needs

- Economic Needs of the state
- Postsecondary system needs
- Audit of policies, including constitutional issues (e.g. conflict of interest)
- Common data needs (Evidence-based practice requires good data/information)

Implementing the Compact

Convening the Stakeholders

- State government
- Governing boards
- College and university representatives
- Private sector
- Students

Economic Compact in Practice

Components

- Mission, Priorities, and Outputs (goals)
 - Teachers
 - Critical Occupations
 - Acceleration of Innovation
- State responsibilities
- Accountability/performance metrics
- Articulation and coordination among institutions

Compact Examples

- North Dakota
- Virginia
- Minnesota
- Kansas
- California

Next Steps for NGA

- State-University-Industry Partnerships
(innovation component of compact)
 - Will examine university relationships with industry (large firms, small existing firms, and startups)
 - Challenges and enablers
 - Role that states are playing (or could play)
- Limited technical assistance to states
 - Facilitated planning sessions, data collection
- Seeking funding for project to help states create/tweak compact

Thank You!

Let us know if we can help...

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