



# ACTIONS TO ADVANCE COLLEGE ACCESS AND SUCCESS

North Dakota Legislative Council  
Higher Education Committee

April 1, 2010

Presentation by Larry Isaak, President  
Midwestern Higher Education Compact

# Major Sources



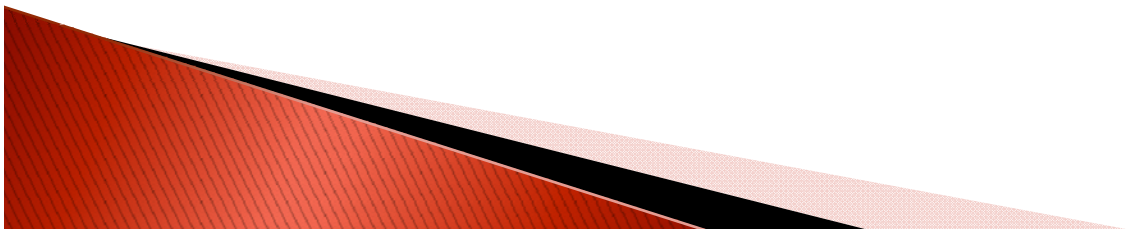
- ▶ ***Measuring Up: A Midwestern Perspective on the National Report Card 2002–2008***, Midwestern Higher Education Compact, Educational Policy Institute and The National Center for Public Policy and Higher Education
- ▶ ***Difficult Dialogues, Rewarding Solutions: Strategies to Expand Postsecondary Opportunities While Controlling Costs***, 2008, Midwestern Higher Education Compact
- ▶ ***Good Policy, Good Practice: Improving Outcomes and Productivity in Higher Education: A Guide for Policy Makers***, 2007, National Center for Higher Education Management Systems and The National Center for Public Policy and Higher Education
- ▶ ***Promising Practices: A Report from the Midwestern Education Workforce Policy Initiative***, 2008, Midwestern Higher Education Compact
- ▶ Statistical data from Lumina Foundation on Education and the National Center for Higher Education Management Systems



# Why are access and success important?

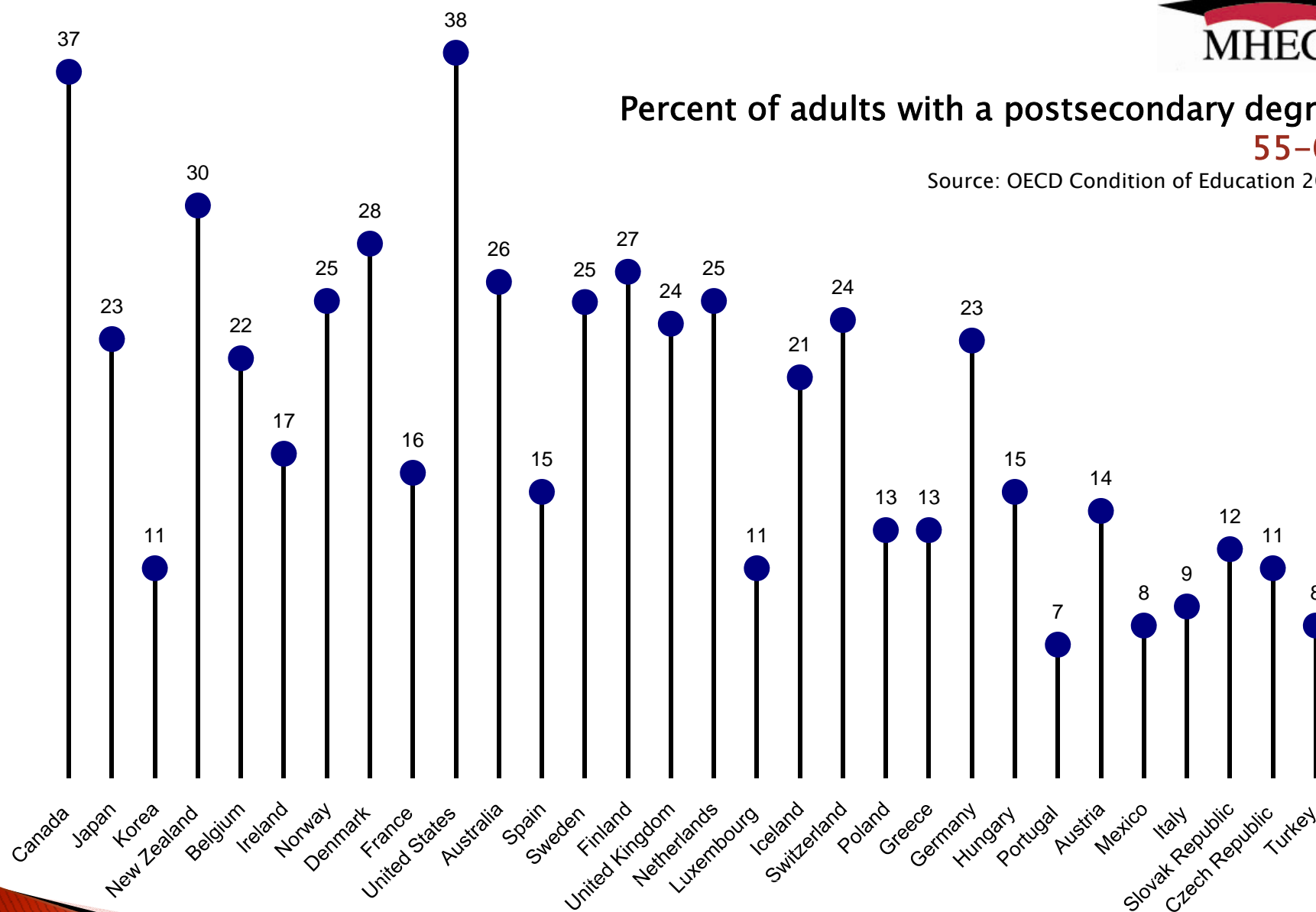


- ▶ Economy requires an educated workforce
- ▶ 75 million baby boomers retiring
- ▶ Global competition for educated workers
- ▶ Projected 15 million more postsecondary educated citizens needed in next 15 years in addition to current production



## Percent of adults with a postsecondary degree 55-64

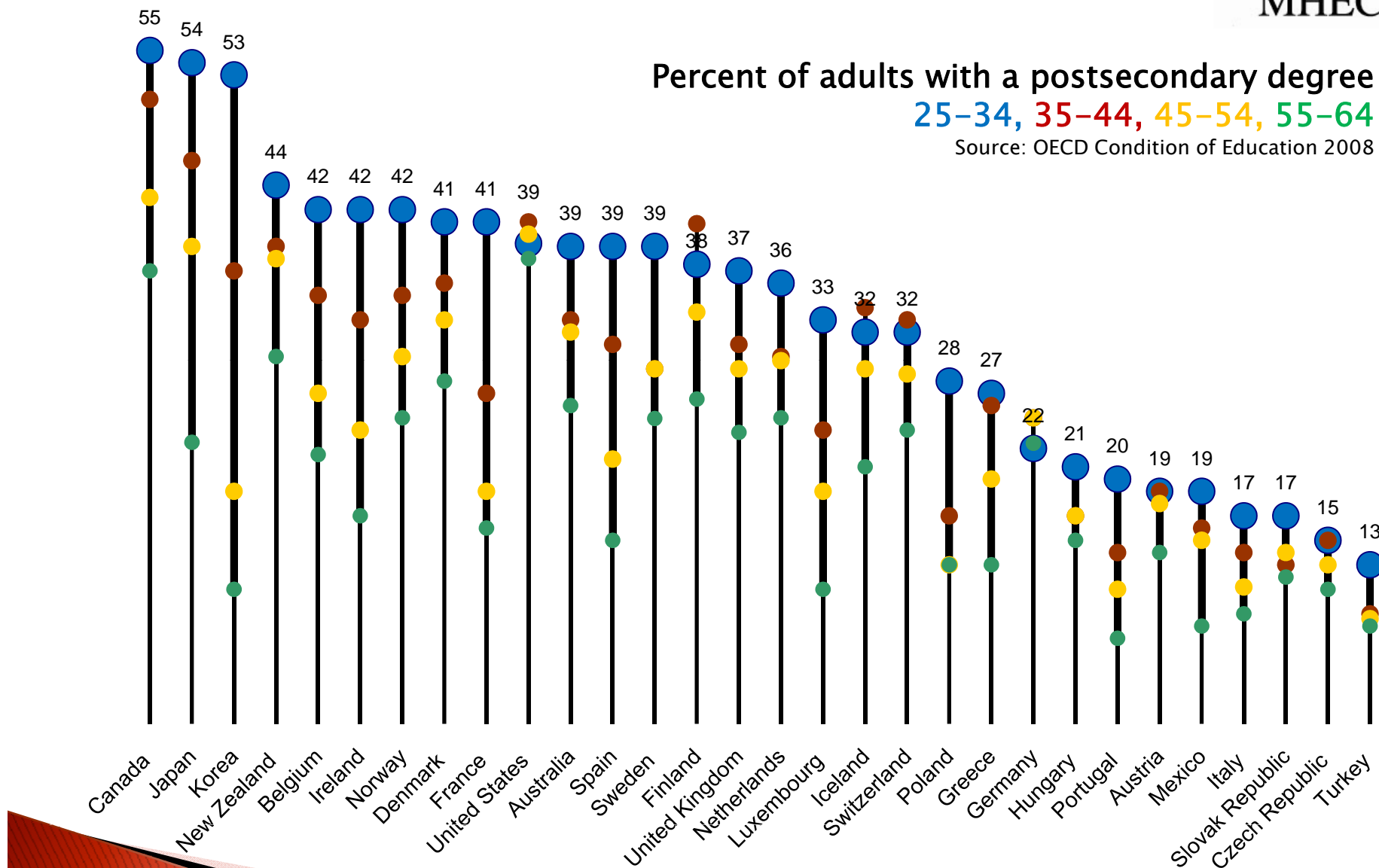
Source: OECD Condition of Education 2008



## Percent of adults with a postsecondary degree

25-34, 35-44, 45-54, 55-64

Source: OECD Condition of Education 2008



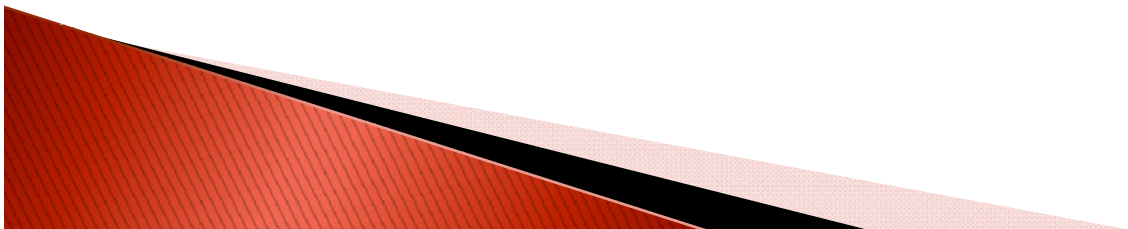
|                                  |    |                                      |
|----------------------------------|----|--------------------------------------|
|                                  | 54 | Canada                               |
|                                  |    | Japan                                |
|                                  | 52 | Korea                                |
|                                  | 50 |                                      |
| Massachusetts                    | 48 |                                      |
|                                  | 46 |                                      |
| Minnesota                        | 44 | New Zealand                          |
| North Dakota                     |    |                                      |
| Connecticut/Colorado/New York    | 42 | Norway/Ireland/Belgium               |
| New Jersey/Vermont/New Hampshire | 40 | Denmark/France                       |
| Illinois/Maryland/Nebraska       |    | United States/Australia/Spain/Sweden |
| Virginia/Iowa                    | 38 | Finland                              |
| Wisconsin/RI/South Dakota/WA     | 36 | U.K.                                 |
| Pennsylvania/Kansas/Delaware     |    | Netherlands                          |
| Hawaii                           | 34 |                                      |
| Utah/Montana                     |    | Luxembourg                           |
| Michigan/North Carolina/Georgia  | 32 | Iceland/Switzerland                  |
| Ohio/Missouri/OR/WY/CA/FL/ME     |    |                                      |
| Indiana                          | 30 |                                      |
| Idaho/South Carolina/Arizona     |    | Poland                               |
| Texas/Alabama/Tennessee/Alaska   | 28 | Greece                               |
| Oklahoma                         |    |                                      |
| Kentucky/New Mexico              | 26 |                                      |
| Mississippi/Louisiana            |    |                                      |
| West Virginia/Arkansas           | 24 |                                      |
| Nevada                           | 22 | Germany                              |
|                                  |    | Hungary/Portugal                     |
|                                  |    | Mexico/Austria                       |



# Student Share of Cost Rising



- ▶ Competition for state dollars has increased
- ▶ Tuition has been continually increasing (Nationally 439% in past 25 years)
- ▶ Burden of paying for college is increasing more for middle and low income families
- ▶ Student debt increasing
- ▶ Federal financial aid funding increasing, but several states reducing funding.
- ▶ Affordability is important.

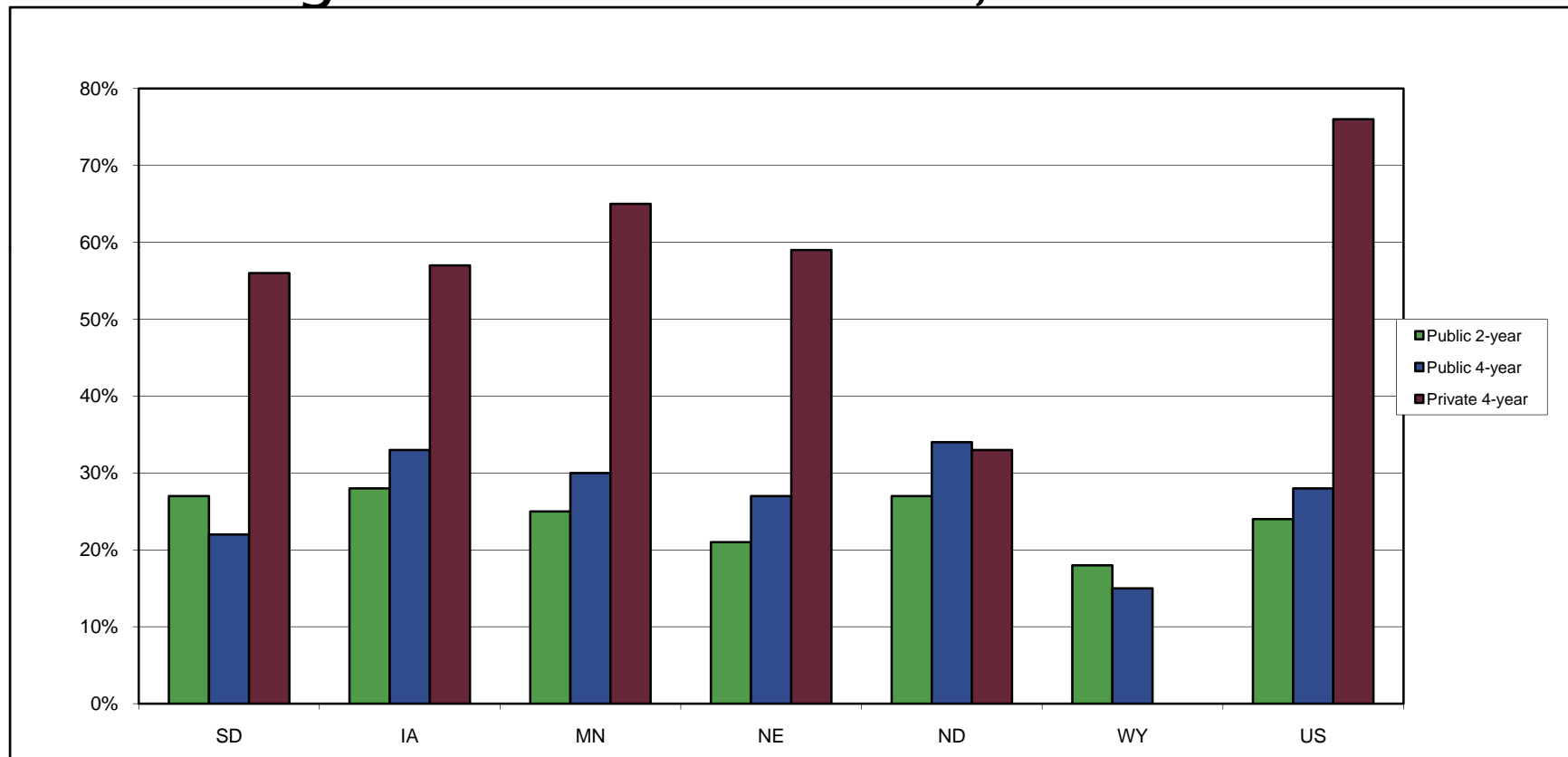




# NORTH DAKOTA CONTEXT



Percentage of median family income needed for college after financial aid, 2007–08



Source: National Center for Public Policy and Higher Education , *Measuring Up 2008*





## Reaching 60% attainment by 2025

|  |            |
|--|------------|
| Graduates already in the workforce           | 31,000,000 |
| New graduates from immigration               | 6,400,000  |
| New graduates at current rates of production | 41,000,000 |
| New graduates needed                         | 16,200,000 |
|  |            |

**To reach a higher education attainment rate of 60% by 2025, the U.S. needs to increase the production of college graduates by 40%.**

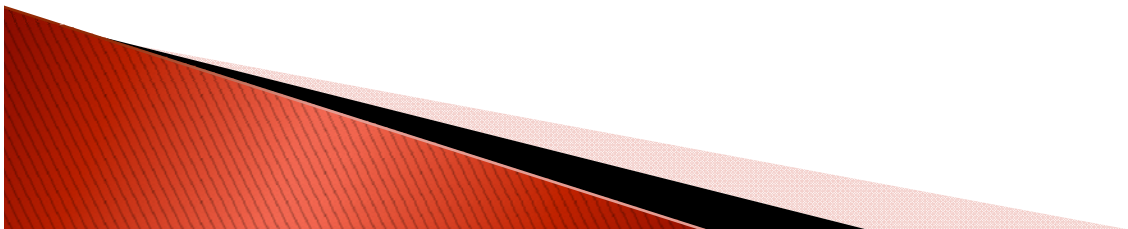
Source: Lumina: DeWayne Matthews, November 2007 Presentation to MHEC annual meeting

# North Dakota Context



## ND Student Retention & Completion

- ▶ Student retention from the 1<sup>st</sup>– to 2<sup>nd</sup>–year at ND’s 2–year colleges is the highest in the nation (69%).
- ▶ Student retention from the 1<sup>st</sup>– to 2<sup>nd</sup>–year at ND’s 4–year colleges ranks near the median of states nationally (73%).
- ▶ ND’s 6–year bachelor’s degree completion rate ranks in the bottom quartile nationally at 47%.



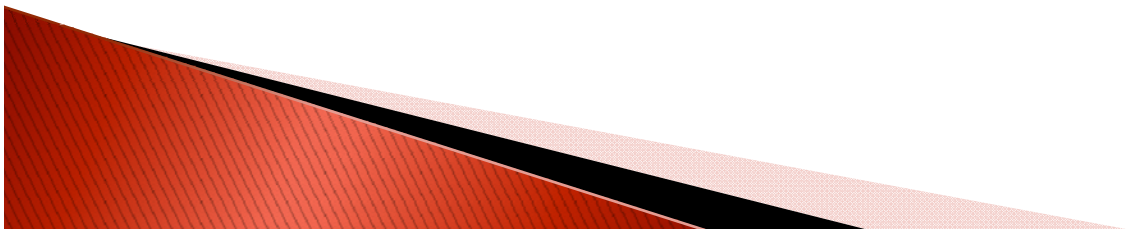
# Collision Course



- ▶ We need to educate millions of more citizens

BUT

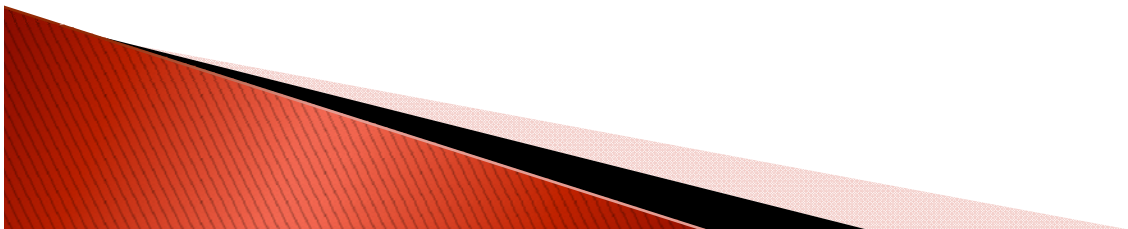
- ▶ State and personal budgets are tightly constrained.



# So, what to do?



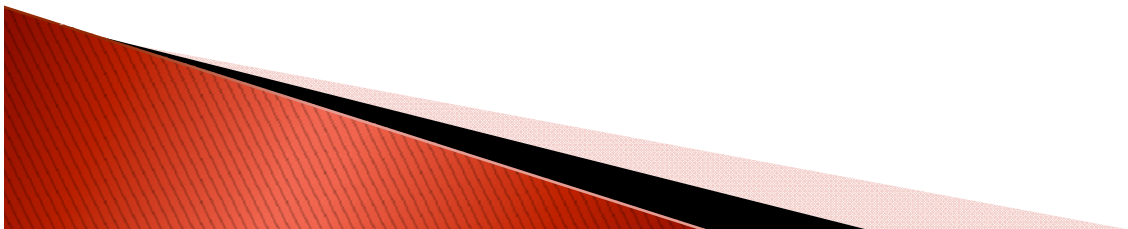
- ▶ Productivity takes center stage for:
  - State and federal policy
  - Institutional operations



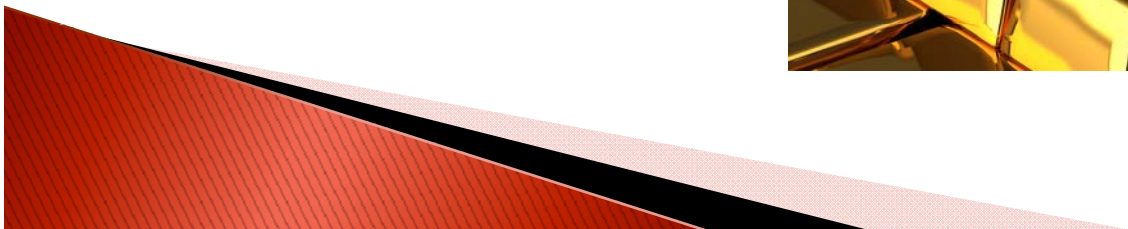
# Define the Issue Correctly



- ▶ It's not about higher education.
- ▶ It is about having an adequate supply of educated and trained citizens to ensure a successful economy.
- ▶ Business will flow to an educated citizenry.



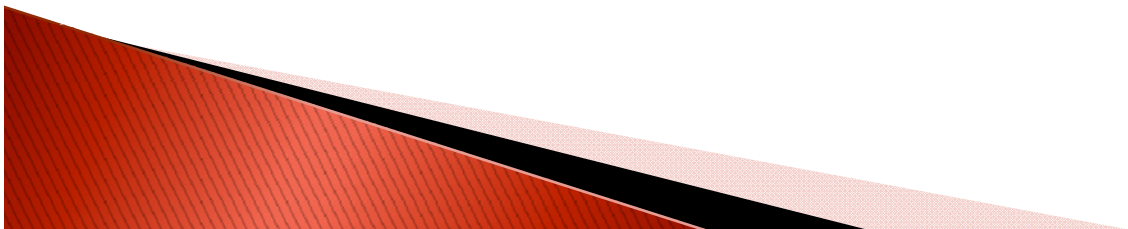
Educated human capital  
is the world's  
current and future “gold.”





# Collective leadership required (Will not succeed by working in silos)

- Governors
- Legislatures
- Higher education boards
- Campus leaders
- Faculty
- Students
- Business sector

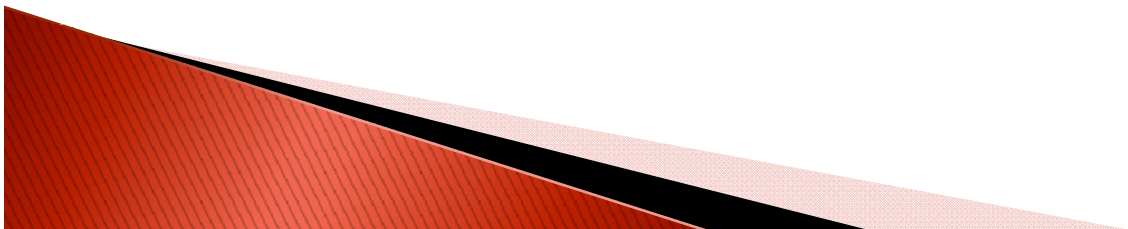




# Determine Economic and Cultural Condition of the State



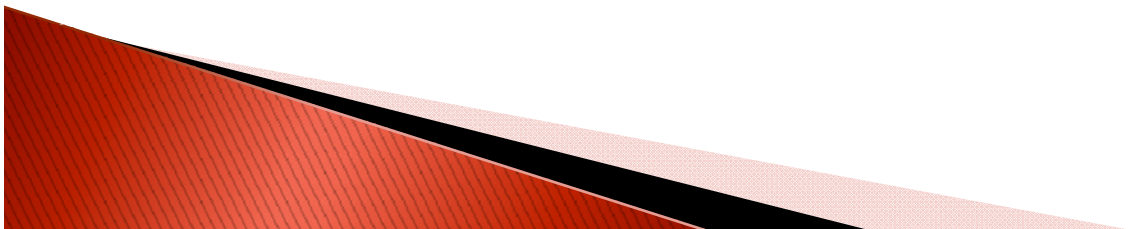
- ▶ Before talking about higher education, come to a consensus on trends shaping the state's future.
  - Global
  - Technology
  - Demography
- ▶ How can the state economy compete, be successful, and what has to change?



# What will be the big issue?



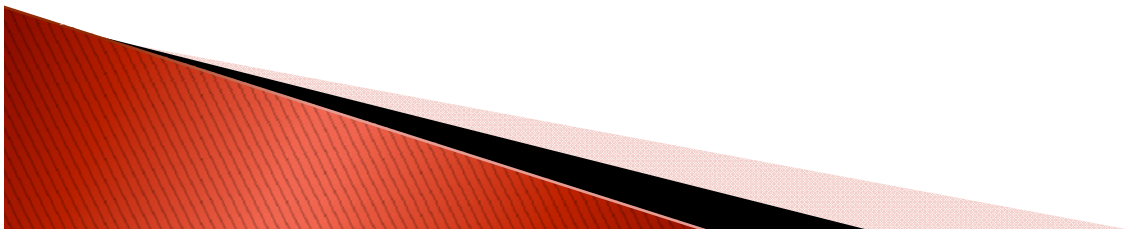
- ▶ Success of students, not just enrollment
- ▶ Reduce per unit cost of success
  - Means in many cases that more students are served by constant resources



# Change Perception



- ▶ Change the cultural perception of a campus from “a place to go” to “a place that provides learning.”



# The Strategy Pyramid



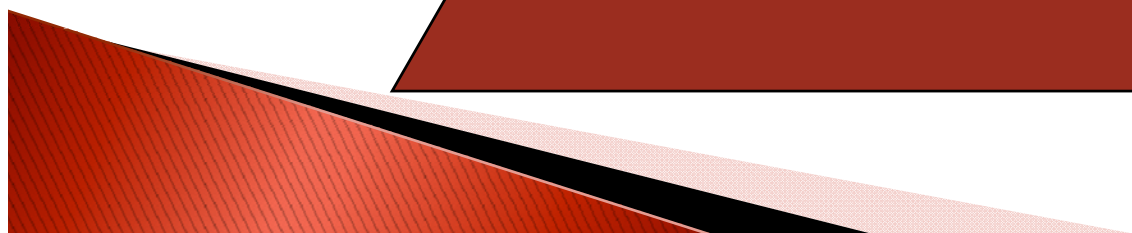
Use State Policy Levers Effectively & Strategically

Create Cost-Effective Systems

Change the Academic Production Function

Reduce Demands Each Student Places on the System (Reduce Cost Per Degree)

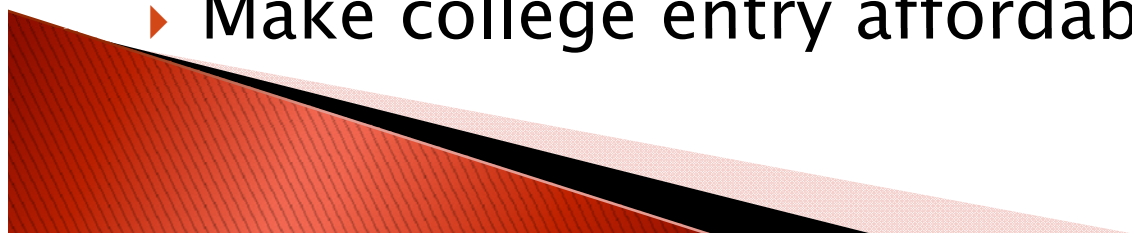
Reduce Leaks in the Pipeline





# Actions to Reduce Leaks In the Pipeline

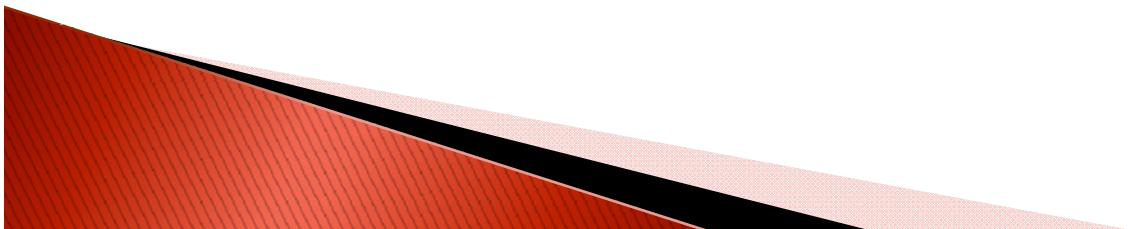
- ▶ Align curricula between high schools and colleges
- ▶ Expand dual credit enrollments
- ▶ Base completion on assessment rather than course completion
- ▶ Reward effective articulation and transfer mechanisms
- ▶ Improve consumer information
- ▶ Make college entry affordable



# Actions to Reduce Leaks In the Pipeline



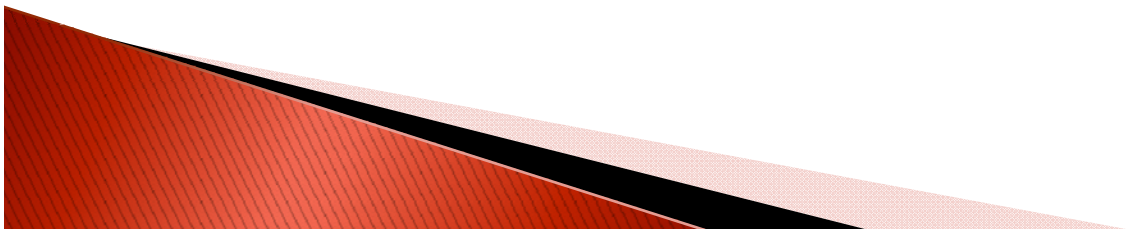
- ▶ Provide financial incentives for persistence
  - Charge less for 100 and 200 courses
  - Differentiate tuition by program
  - Tuition discounts for early completers
  - Use technology for enrollment and admission (electronic transcripts)
  - Provide a menu of differentiated charges for different times and courses



# Actions to Reduce Leaks In the Pipeline



- ▶ Significantly increase participation by adults, especially those who have some college credit but no degree.
  - 39,126 people in North Dakota have some college experience but no degree.



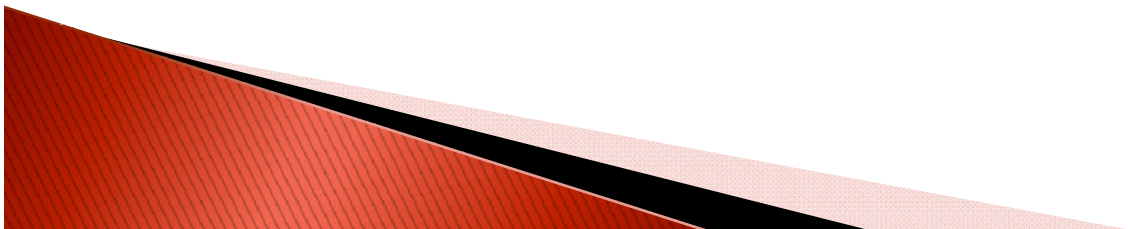


# Actions to Reduce Demands



## Each Student Places on the System (Reduce Cost Per Degree)

- ▶ **Ensure that students come to college fully prepared**
  - Ensure rigor in preparation
  - Base financial aid on completion of college prep. curriculum

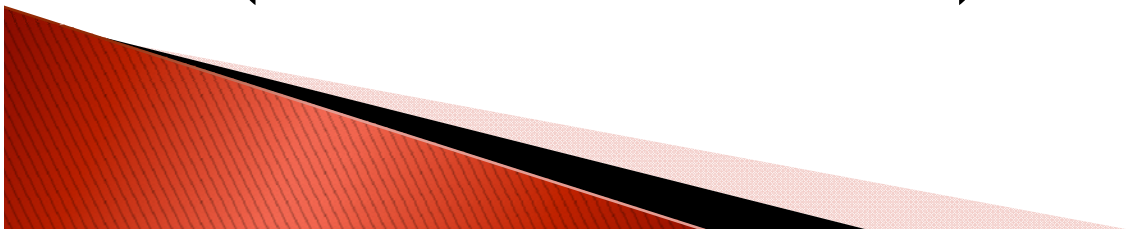


# Actions to Reduce Demands Each Student Places on the System (Reduce Cost Per Degree)



## Accelerate learning

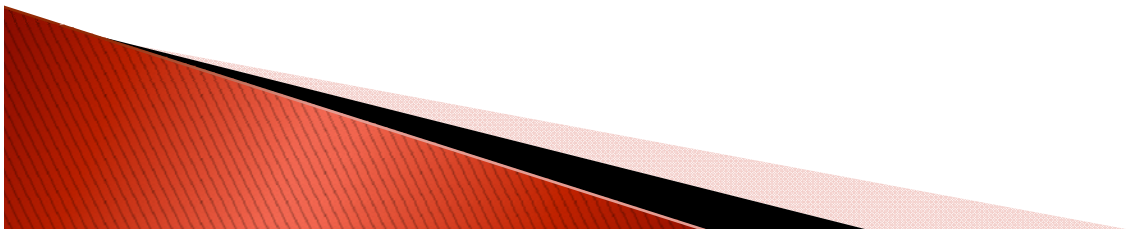
- Remove timeline barriers such as semesters
- Award credit for experience / e-learning in the workplace using rigorous assessments
- Make “test out” options available (Advance Placement)



# **Actions to Reduce Demands Each Student Places on the System** (Reduce Cost Per Degree)



- ▶ Improve course completion rates
- ▶ Reduce credit hours to degree
- ▶ Three-year degree option (U of Maine System)
- ▶ Set degree targets by program

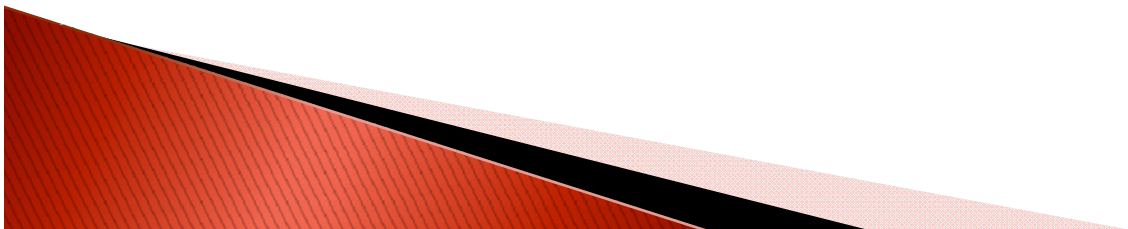


# Actions to Change the Academic **Production Function**



- ▶ Focus on assessment of learning rather than process

(course credits, time barriers, schedule class times)

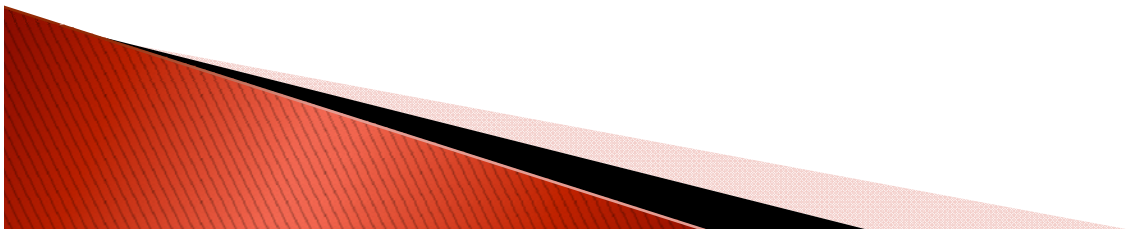


# Actions to Change the Academic Production Function



## ► Reengineer course delivery

- Extensive use of technology for instruction, tutoring, and administrative tasks
  - Don't use technology to just replicate what is already happening in face-to-face instruction. This could add cost.



# Change the Academic Production Function - Examples



## ▶ British Open University

- 200,000 students per year
- Faculty develop course content and assessment
- Classes meet online or via video conferencing
- Cost savings achieved by using adjunct faculty to teach and full-time faculty to develop course and assessment design

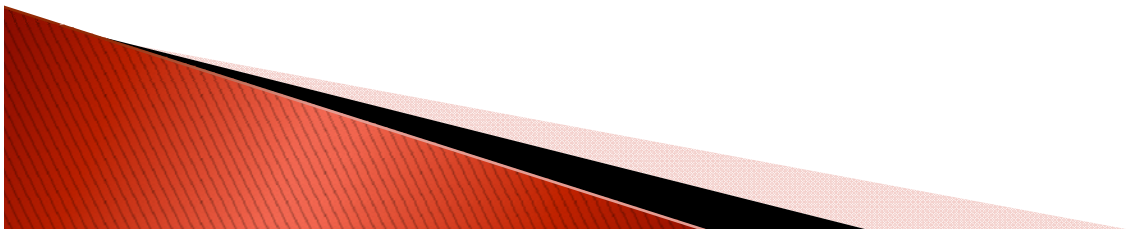


# Change the Academic Production Function - Examples



## ▶ Western Governors University

- Based on proficiency and/or competency
- At any time
- Students progress by completing required assessments rather than courses
- Enrollment exploding

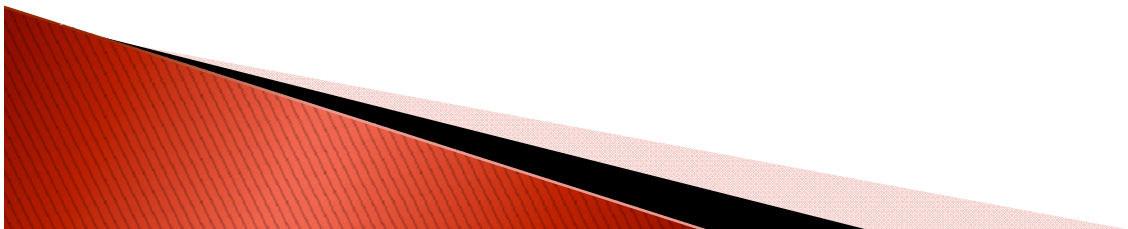




# Actions to Change the Academic Production Function



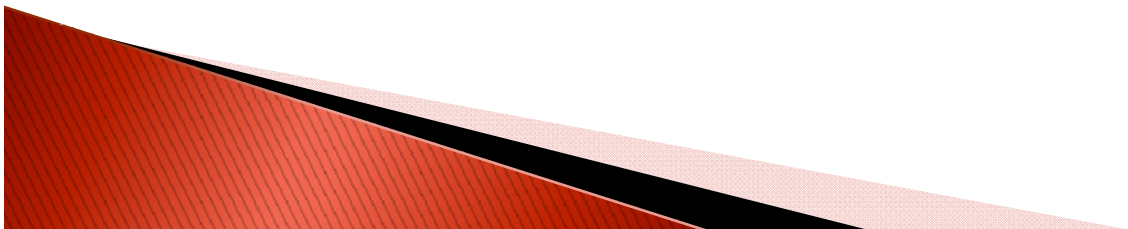
- ▶ Reward collaboration among departments and institutions to offer courses
- ▶ Reward departments that achieve “least cost” based on appropriate benchmarks
- ▶ Create programs and functions of cost-effective size



# Actions to Create Cost-Effective Systems



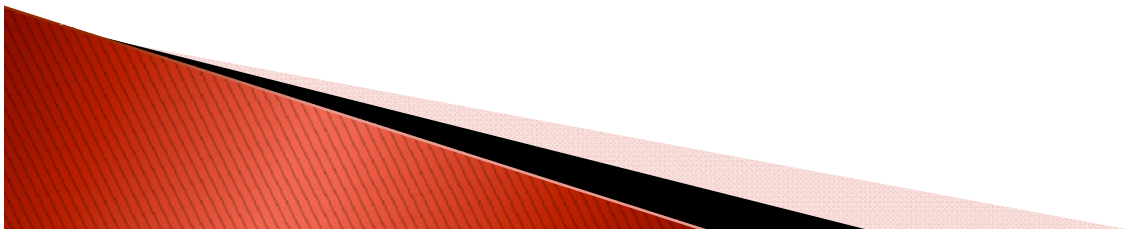
- ▶ Continually define appropriate mix of institutions
  - Research, 2-year, and 4-year institutions (Terms may become obsolete in cases.)
  - Don't let rigid definitions become a barrier for offering programs
- ▶ Focus growth strategies on lower-cost institutions/providers



# Actions to Create Cost-Effective Systems



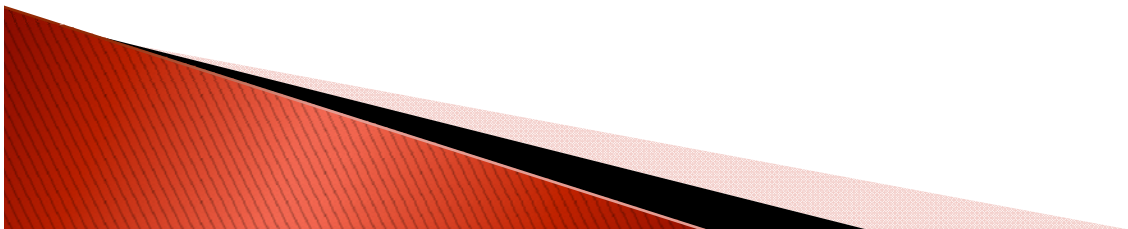
- ▶ Collaborate, Collaborate, Collaborate
  - Libraries
  - Degrees and courses
  - Select campuses offer remediation
- ▶ Create new types of providers
  - Arizona no frills campuses



# Actions to Create Cost-Effective Systems



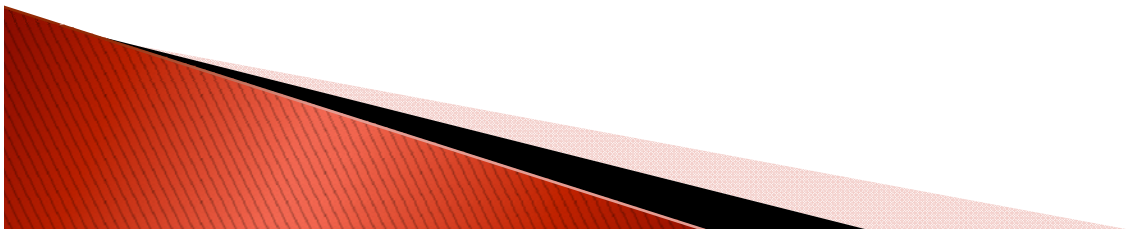
- ▶ Streamline administrative operations
- ▶ Hire and evaluate leaders based on these principles



# Use State Policy Levers Effectively and Strategically



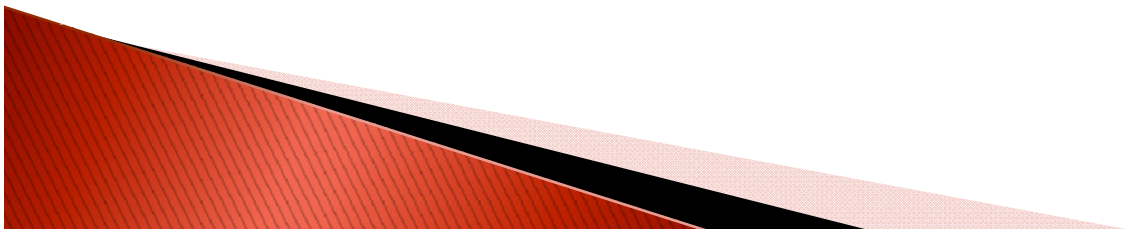
- ▶ Focus state policy – legislature and governing board – on big goals rather than too many regulatory type policies
- ▶ Define responsibility for oversight



# Use State Policy Levers Effectively and Strategically



- ▶ Align state policies surrounding higher education to state priorities
  - Create mechanism to define state priorities
  - Be very clear about expectations of higher education



# Use State Policy Levers Effectively and Strategically



- ▶ Make strategic investments (appropriations) rather than one-size-fits-all budgeting
  - Invest in completion (Ohio, Indiana, Tennessee, Washington)
  - Invest in technology to lower cost per degree
    - Changing academic production function
    - Streamline administrative tasks
  - Invest in facilities very, very strategically

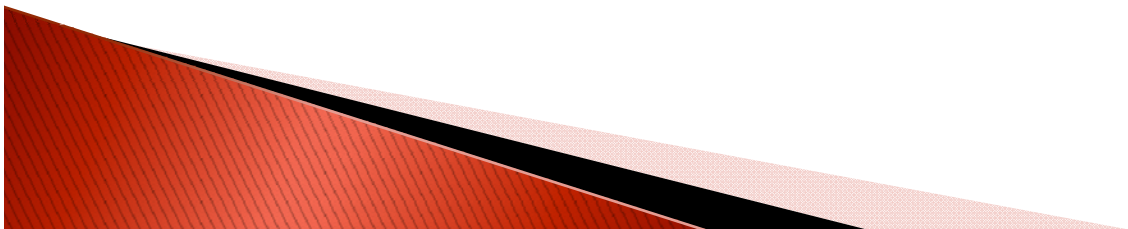




# Use State Policy Levers Effectively and Strategically



- ▶ Develop meaningful accountability measures.
  - Focus on student success and affordability and reducing costs.
  - Develop 10–15 measures. (More begins to take the focus off of the big goals.)



# Use State Policy Levers Effectively and Strategically



## ▶ Remove barriers to success – Examples:

### Examples:

- High cost purchasing process for low cost items
- Lengthy hiring procedures
- Requiring minimum classroom contact hours
- Requiring credits to be earned “in residence”
- Centralizing functions in state bureaucracies not related to higher education



# Use State Policy Levers Effectively and Strategically



- ▶ Use tuition policy to reward student access and success
  - Lower charges for 100 and 200 level courses
  - Charge based on cost
  - Rebates for students who complete early
  - Link tuition increases to changes in family income



# Use State Policy Levers Effectively and Strategically



Use financial aid to improve productivity

- Increase financial aid based on completion
- Make college preparatory curriculum a condition for financial aid
- Vary financial aid amount depending on how well students are prepared and their course completion rates
- Make aid available for the part-time adult learner
- Link financial aid to state priorities



# Old Chinese Proverb



- ▶ *If you don't change your direction,  
you may end up  
where you are headed.*

