

# The University of Alaska

## 2014 Shaping Alaska's Future Initiative

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June 6, 2013

**David Longanecker**

President, Western  
Interstate Commission  
for Higher Education  
(WICHE)

## The Direction of American Higher Education

### *Perspectives from and for Alaska*

# How Alaska Compares

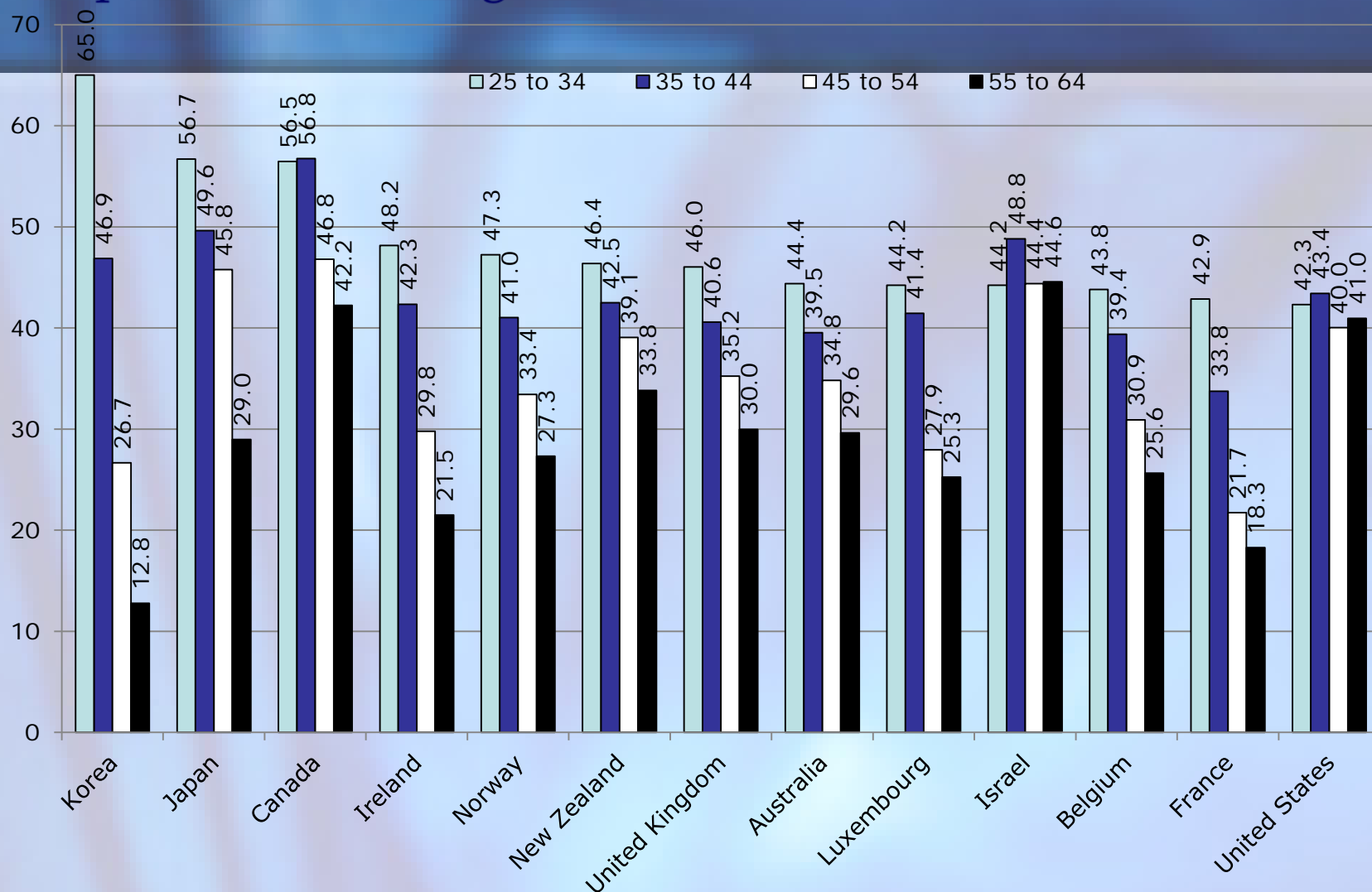
Competitiveness

Demographics

Finances

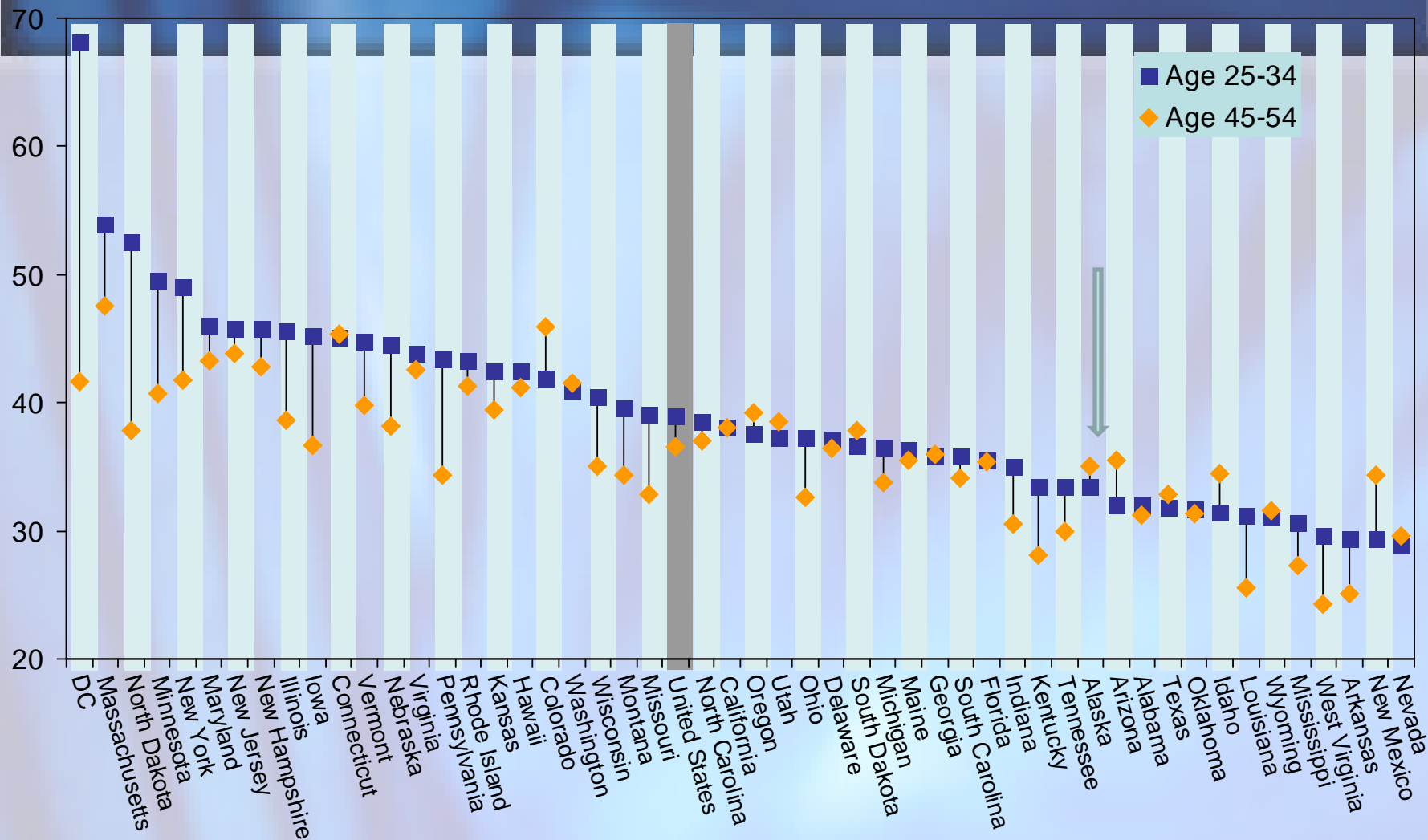
Productivity

# Percent of Adults with an Associate Degree or Higher by Age Group – U.S. & Leading OECD Countries, 2010



Source: OECD, Education at a Glance 2012, U.S. Census Bureau, 2010 American Community Survey One-Year Public Use Microdata Sample File

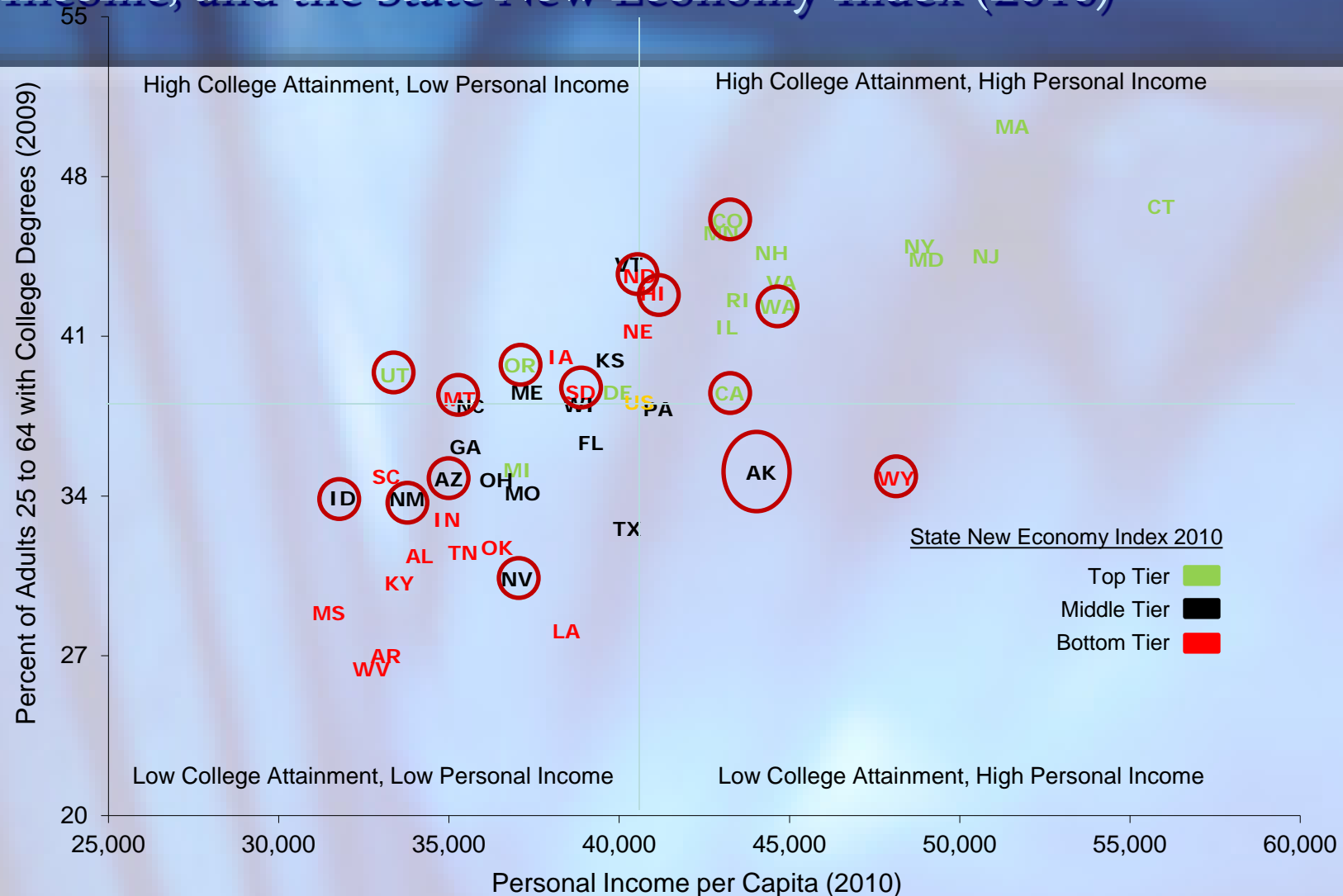
# Differences in College Attainment (Associate & Higher) Between Younger & Older Adults - U.S., 2009



# Comparing WICHE States with Nations and Other States in the Percentage of Young Adult Degree Attainment (Ages 25-34)

U.S. States	%	OECD Country
	↑	Korea (65.0)
	60	
	58	
	56	Japan, Canada
Massachusetts	54	
North Dakota	52	
Minnesota • New York	50	
New Jersey	48	Ireland
New Hampshire		Norway
Connecticut • Iowa	46	New Zealand, United Kingdom
Virginia • Illinois • Maryland • South Dakota		
Pennsylvania • Nebraska • Colorado • Vermont	44	Australia, Luxembourg, Israel, Belgium
Rhode Island • Kansas		France
Montana • Wisconsin	42	UNITED STATES, Sweden
• Washington		Netherlands, Switzerland
Missouri • Hawaii	40	
Wyoming • Maine • Delaware • Utah		Finland, Spain, Chile
Ohio • California • Oregon	38	Estonia, Denmark
Michigan • North Carolina		Poland
Indiana • Florida • South Carolina	36	Iceland
Georgia		
Alaska • Kentucky • Tennessee	34	
Arizona • Mississippi • Texas		
Alabama • Idaho	32	
Louisiana		Slovenia, Greece
Oklahoma • Arkansas • West Virginia	30	
Nevada	28	
New Mexico		
	26	Germany, Hungary
		Portugal
	24	Slovak Rep
		Czech Rep
	22	Mexico
		Austria, Italy
	20	
		Turkey (17.4)

# The Relationship Between Educational Attainment, Personal Income, and the State New Economy Index (2010)



Source: U.S. Census Bureau, 2010 American Community Survey; Bureau of Economic Analysis; Kauffman Foundation

# How Alaska Compares

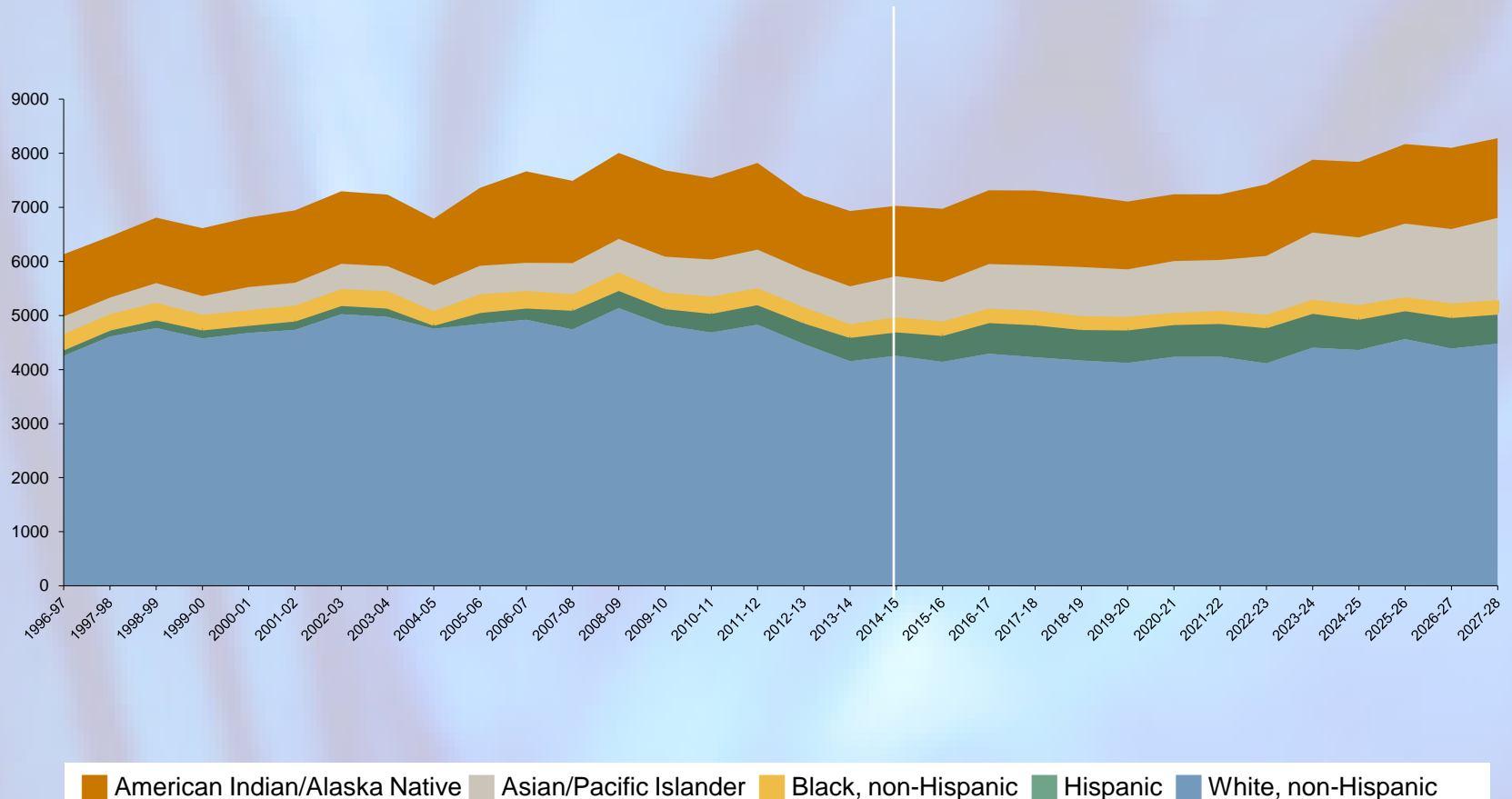
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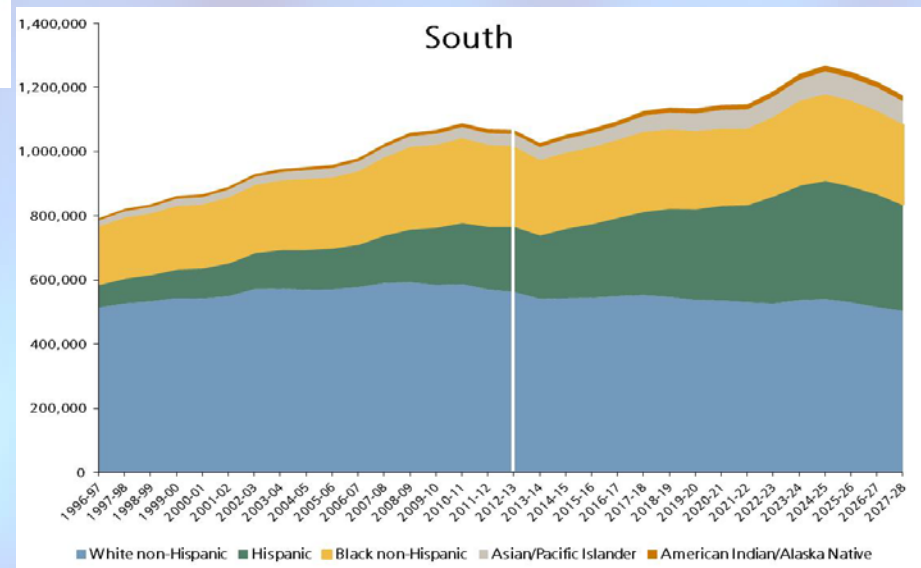
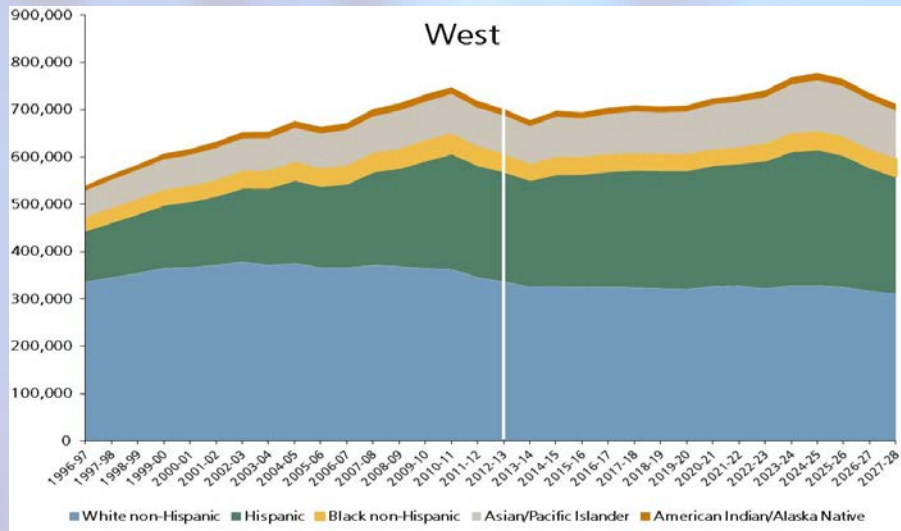
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# Alaska Public High School Graduates by Race/Ethnicity 2008-09 (Projected) and 2009-10 to 2027-28 (Projected)

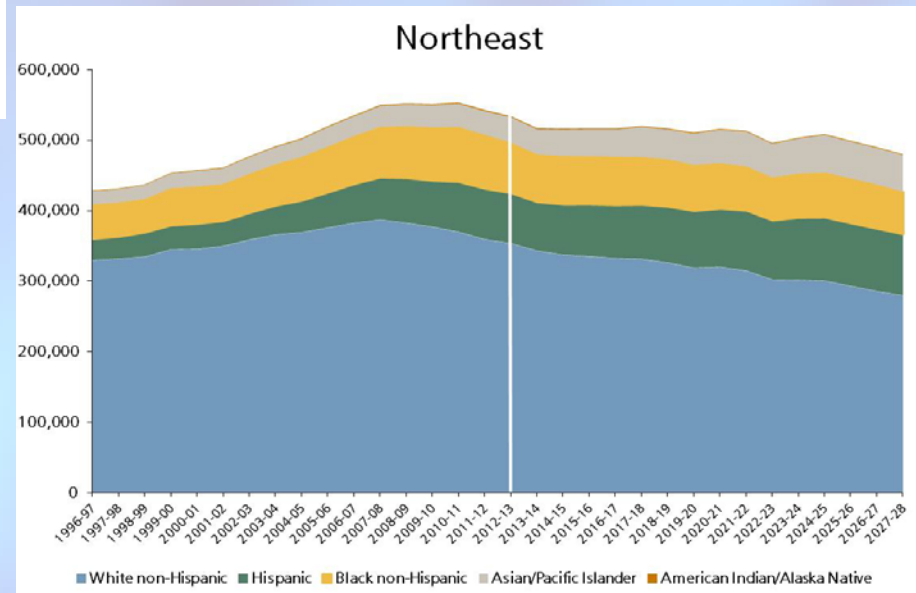
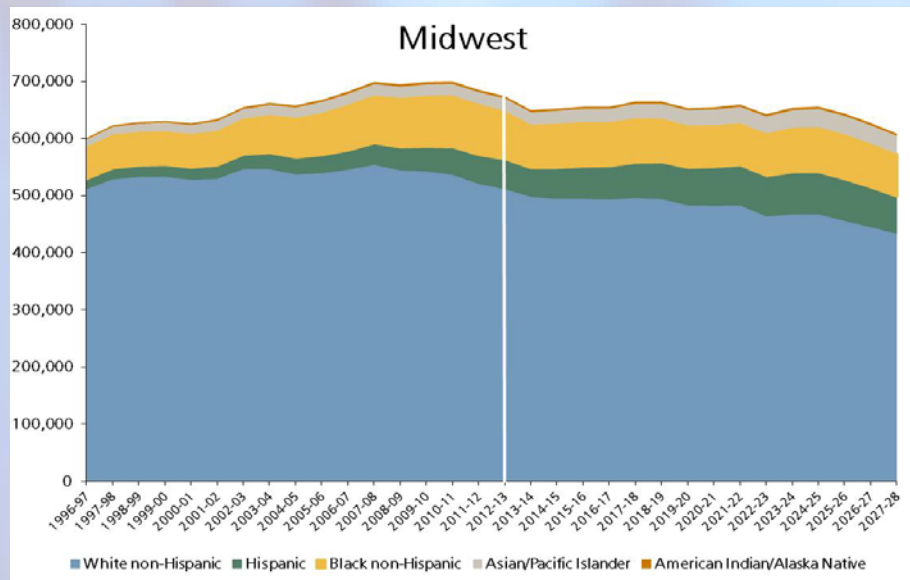




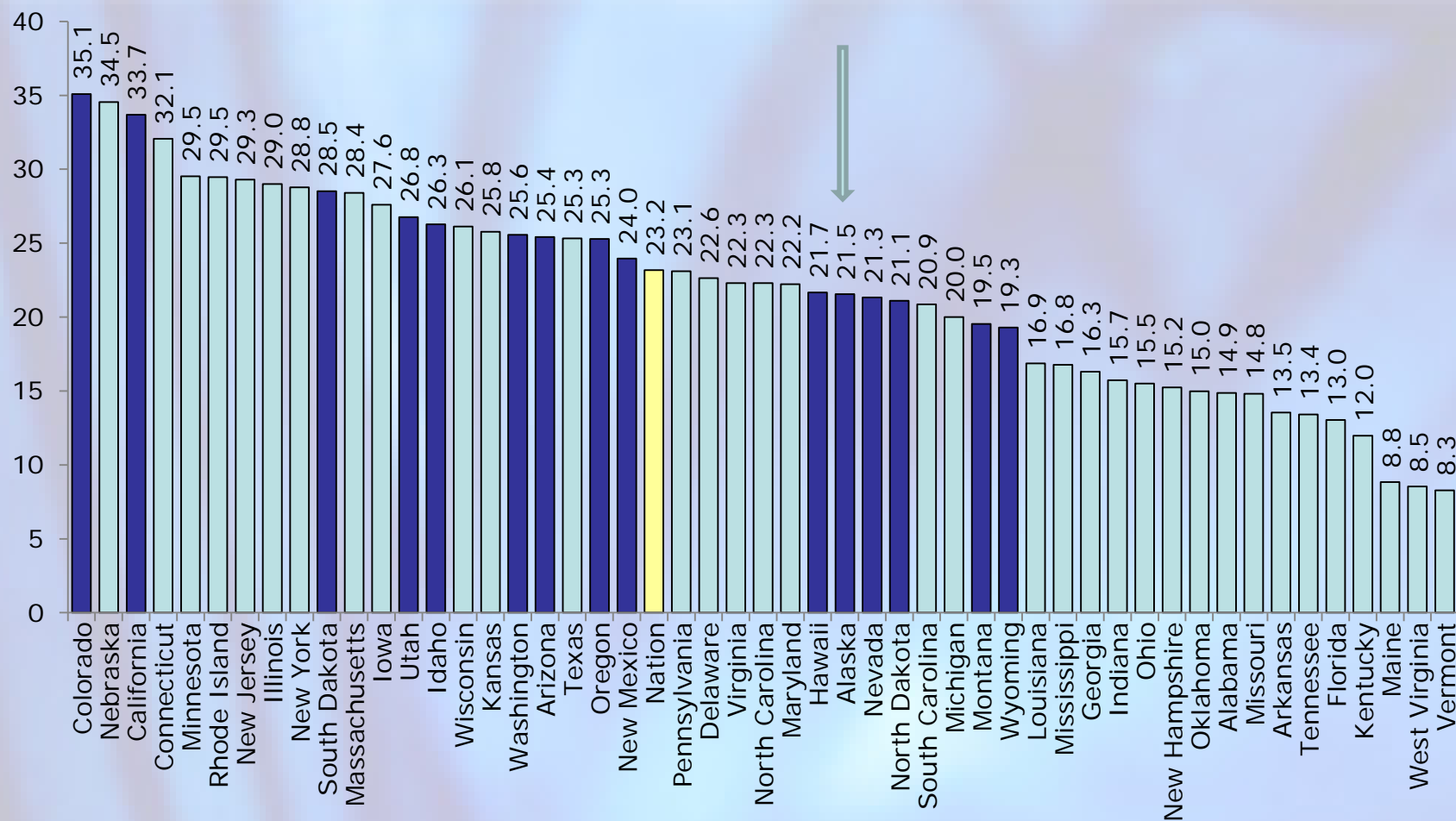
# Composition of Public Higher School Graduates By Race/Ethnicity 2008-09 (Actual) and 2009-10 to 2027-28 (Projected)



# Composition of Public Higher School Graduates By Race/Ethnicity 2008-09 (Actual) and 2009-10 to 2027-28 (Projected)



# Difference in College Attainment Between Whites and Minorities (Blacks, Hispanics, & Native Americans) 2008-10



Source: U.S. Census Bureau, 2008-10 American Community Survey

# How Alaska Compares

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Productivity

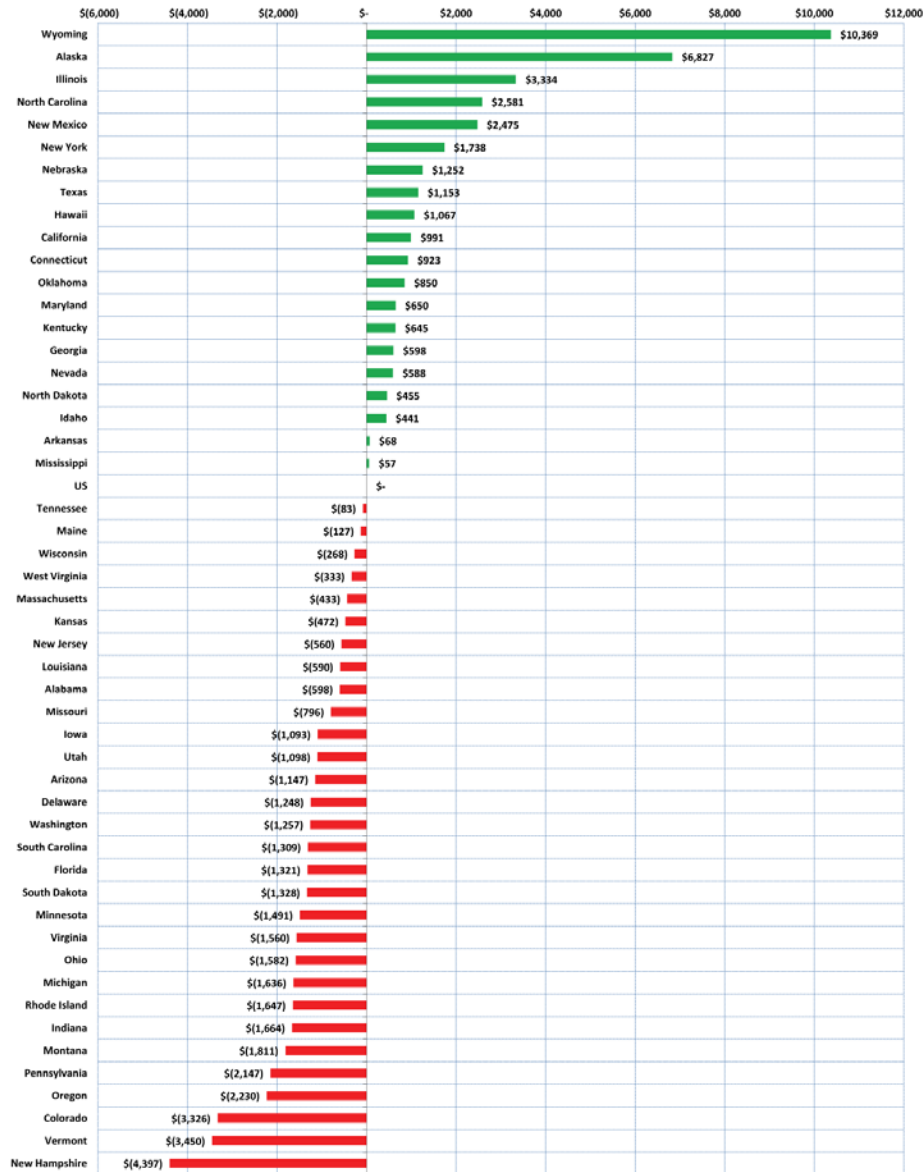
# Alaska Finances – In Comparison

- Above Average Wealth
  - Per capita income (2011 – Source: NCHEMS):
    - Alaska: \$45,529 (9% above U.S. average; rank – 10<sup>th</sup>)
    - U.S. Average: \$41,663

# Alaska Support of Higher Education – (2011)

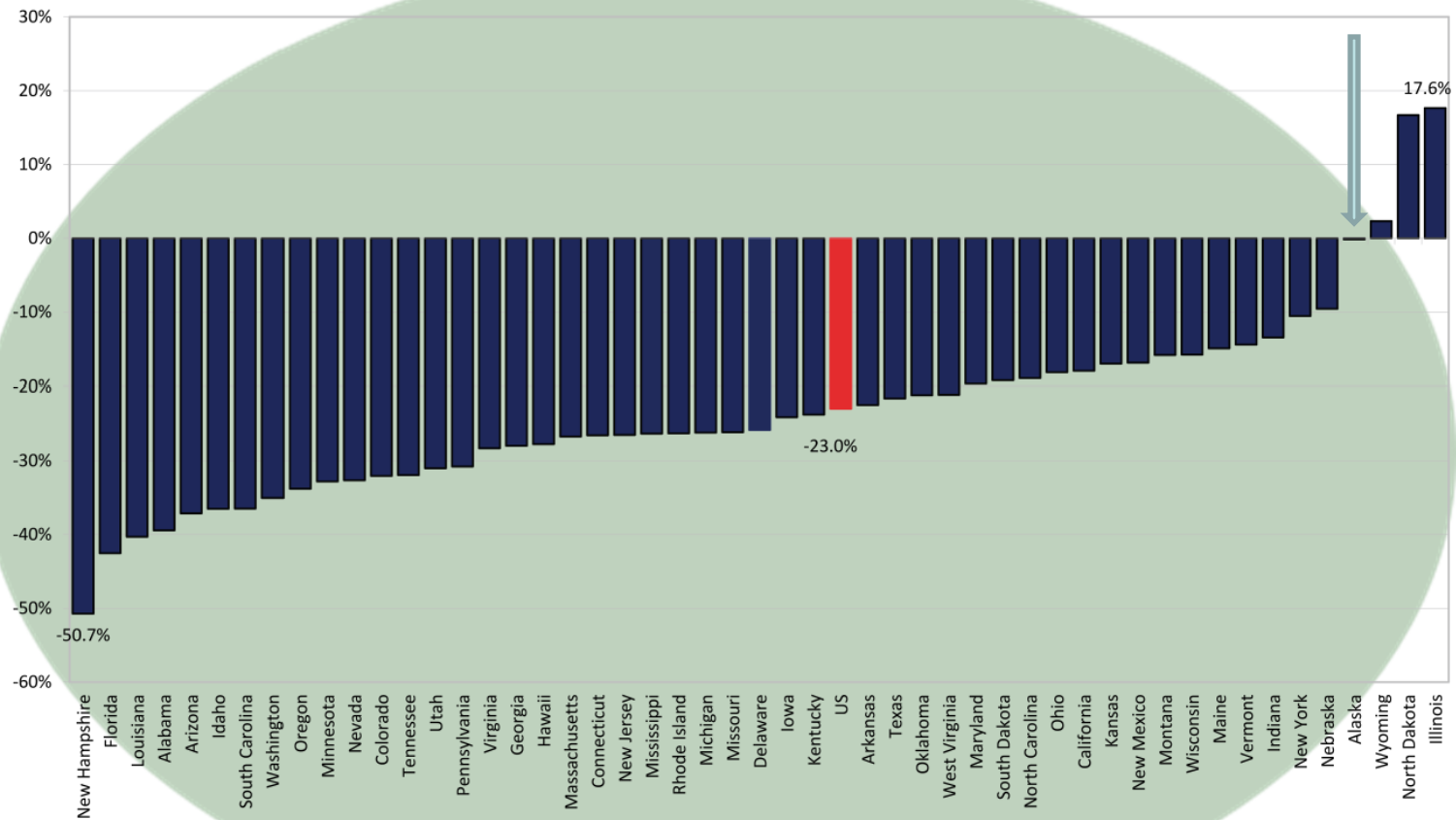
- Higher Education Appropriation per Capita
  - Alaska: \$489 (189% of U.S.; rank – 3<sup>rd</sup>)
  - U.S. Average: \$259
- Higher Education Appropriation/FTE
  - Alaska: \$12,932 (212% of U.S.; rank 2<sup>nd</sup>)
  - U.S. Average: \$6,105

# **Educational Appropriations per FTE** **State Differences from U.S. Average Fiscal 2013**



**Notes:** Dollars adjusted by Cost of Living Adjustment and Enrollment Index  
**Source:** State Higher Education Executive Officers

## Educational Appropriations per FTE Percent Change by State, Fiscal 2008-2013



**Note:** Dollars adjusted by 2013 HECA, Cost of Living Adjustment, and Enrollment Index.

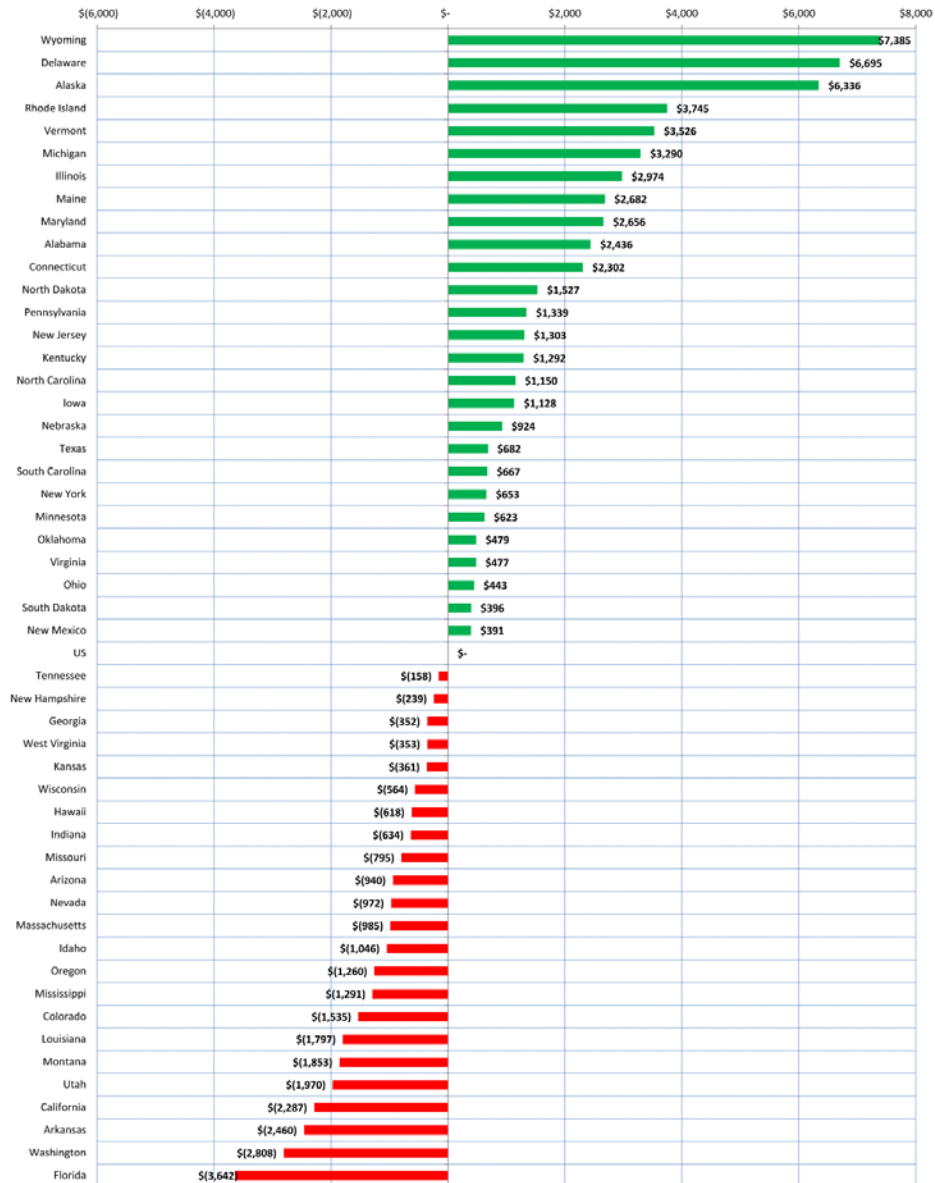
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- Total Educational Revenues (Appropriations & Net Tuition Revenue)/FTE
  - Alaska: \$17,859 (155% of U.S.; rank–3<sup>rd</sup>)
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# **Total Educational Revenue per FTE** **State Differences from U.S. Average Fiscal 2013**



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- Public Higher Education Tuition Revenue Per FTE
  - Alaska: \$4,927 (90% of U.S.; rank -- 34<sup>th</sup>)
  - U.S. Average: \$5,475

# How Alaska Compares

Competitiveness

Demographics

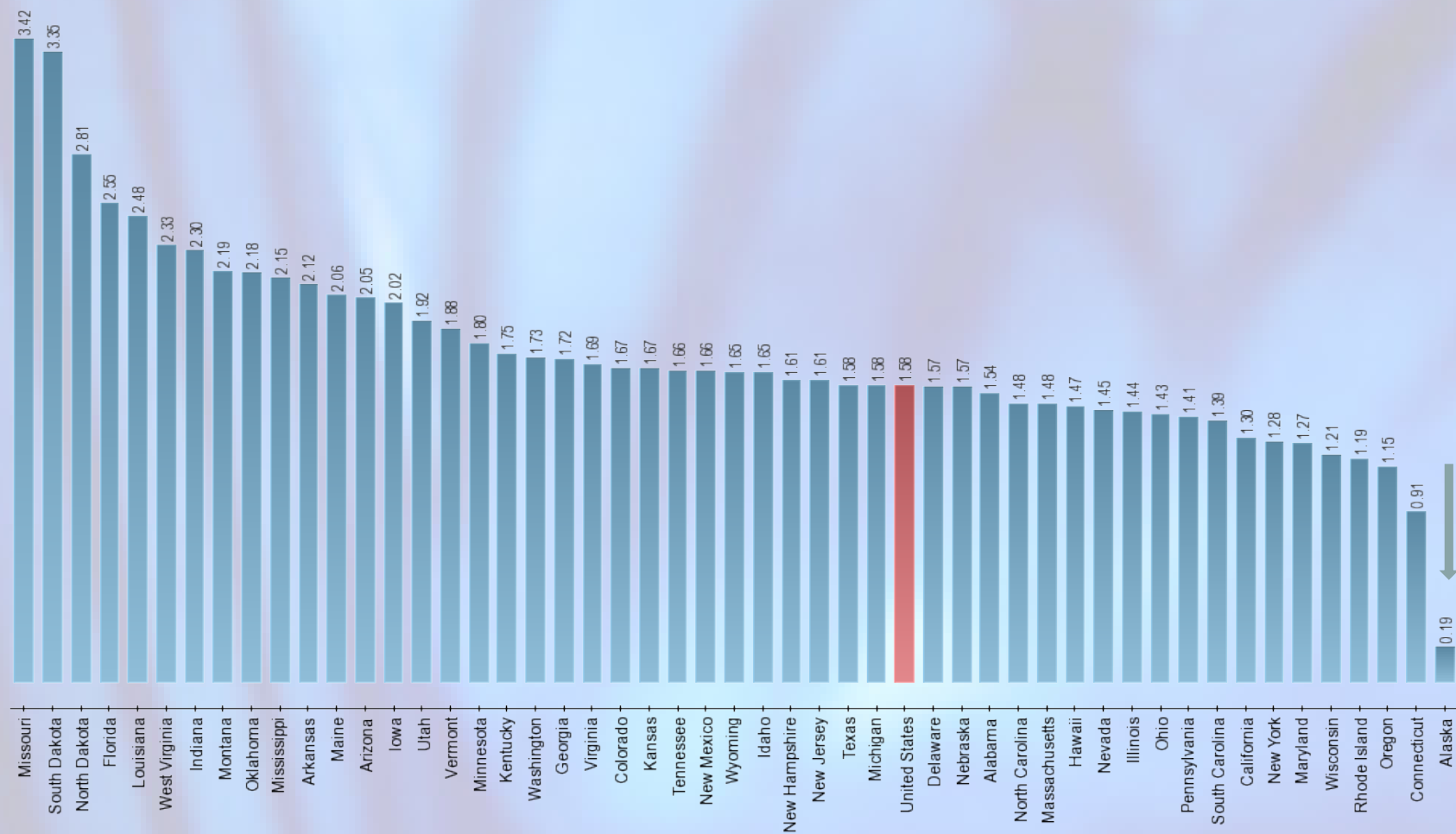
Finances

**Productivity**

# National Student Clearinghouse Information on Student Completion in Six Years

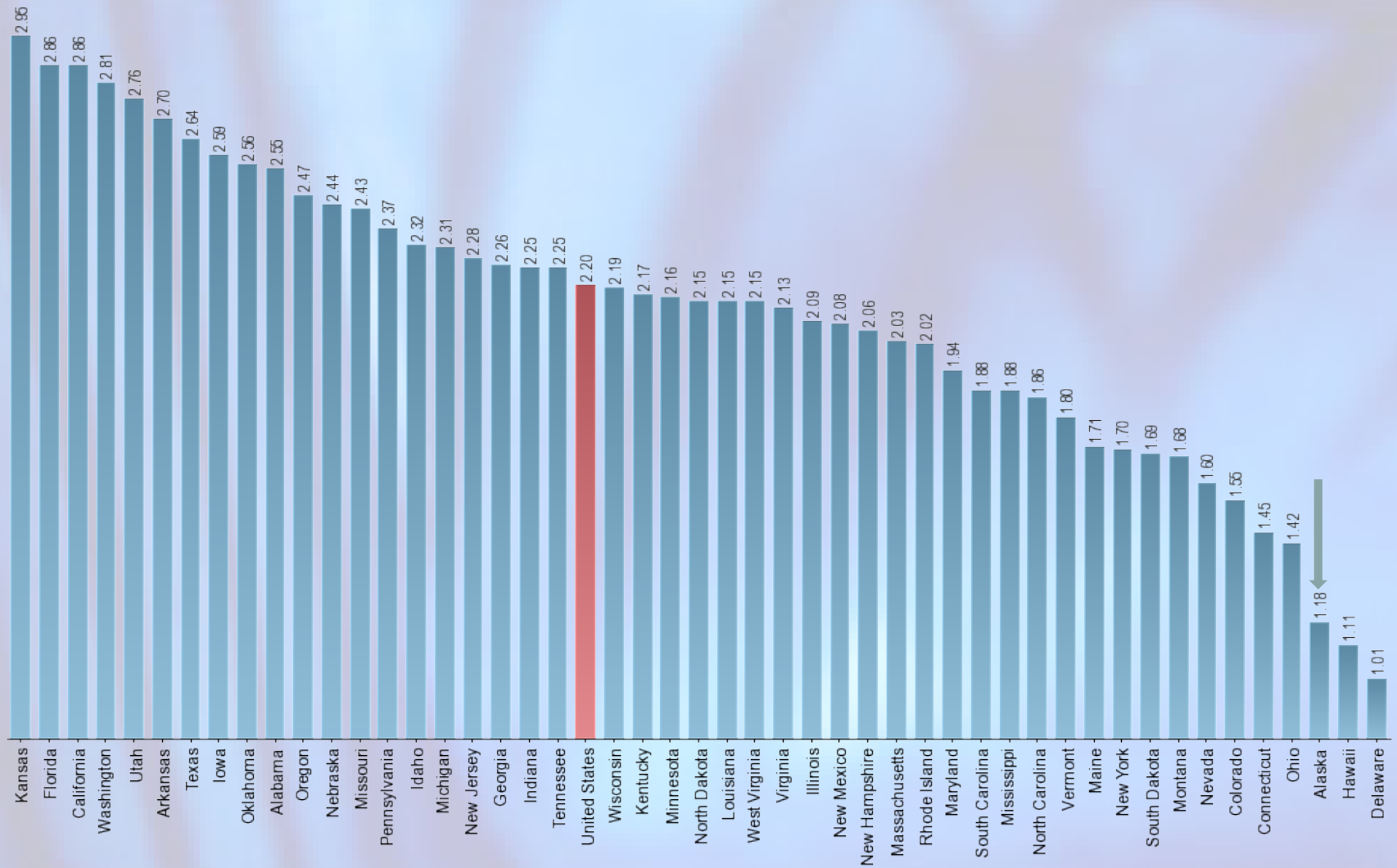
	Completion		Not Enrolled or Completed	
	<i>AK</i>	<i>US</i>	<i>AK</i>	<i>US</i>
4-year Programs	36%	61%	44%	23%
2-year Programs	21%	36%	65%	44%

# Credential & Degrees Awarded Per \$100,000 of Education & Related Expenditures – Public Two-Year Institutions



Source: NCES, IPEDS Completions and Finance Surveys; U.S. Census Bureau, American Community Survey (Public Use Microdata Samples)

# Credential & Degrees Awarded Per \$100,000 of Education & Related Expenditures – Public Bachelor's & Master's Colleges & Universities



Source: NCES, IPEDS Completions and Finance Surveys; U.S. Census Bureau, American Community Survey (Public Use Microdata Samples)

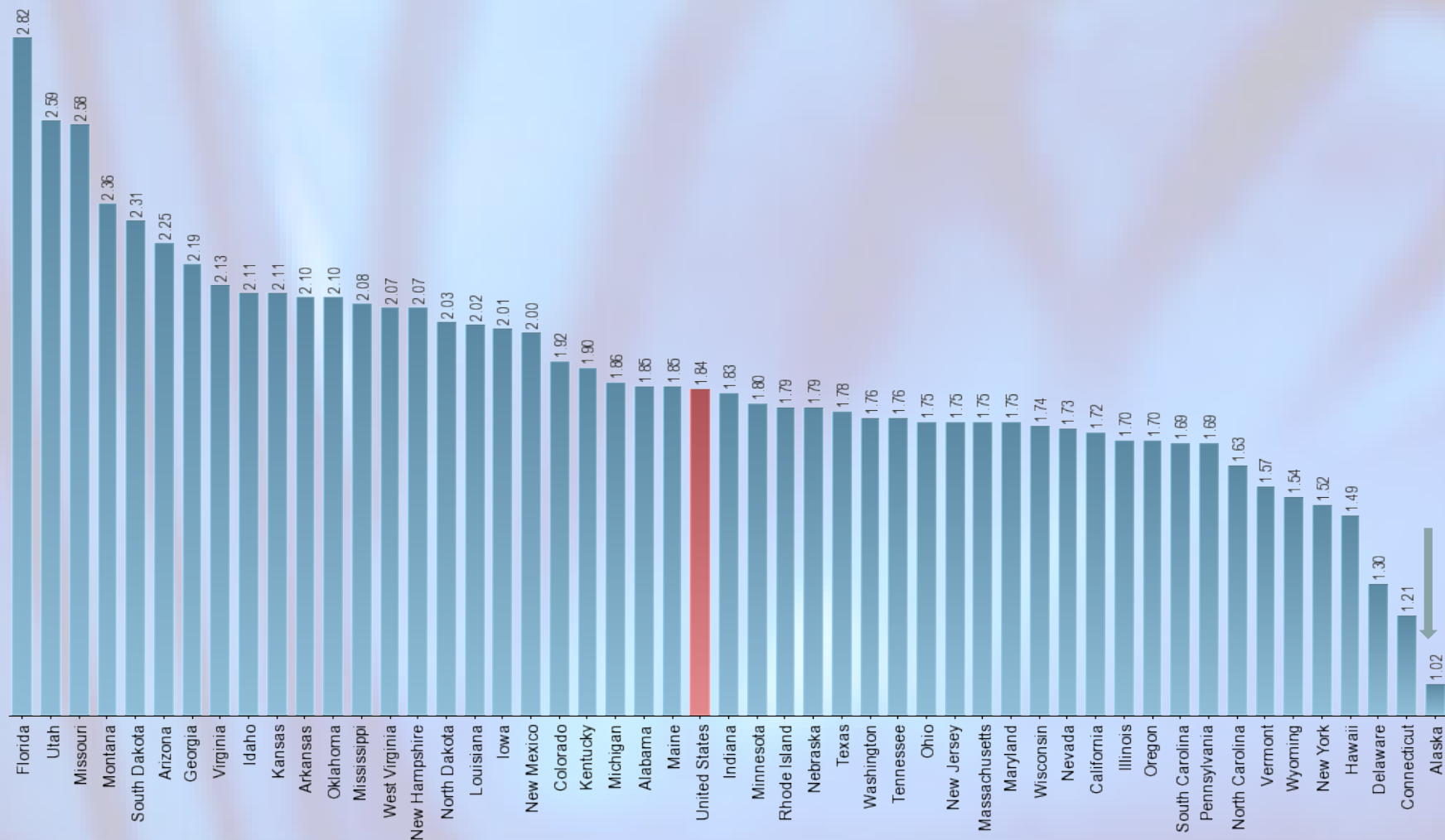
# Credential & Degrees Awarded Per \$100,000 of Education & Related Expenditures – Public Research Universities



Source: NCES, IPEDS Completions and Finance Surveys; U.S. Census Bureau, American Community Survey (Public Use Microdata Samples)



# Credential & Degrees Awarded Per \$100,000 of Education & Related Expenditures – Total: Public Colleges & Universities



# Alaskan Anomalies

- Low skill, high wage economy
  - But not universally high wage
- Demographic growth will be among least well educated populations
- Funding is robust; suggesting not much room for “more”
- Current completion rates are not competitive
- In sum: you face challenges ahead
- So, how does this fit the current higher education scene?

# Four Generic Themes

- The Completion Agenda (A Play in Two Acts)
- The Productivity Agenda (Another Two Act Play)
- Fascination with Innovation
- The New Normal for Funding

# ***The Completion Agenda – Access to Success***

- ❑ *The President's Challenge*
  - ❑ *First in the World Again -- to Meet Workforce Needs*

# ***The Completion Agenda – Access to Success***

- ❑ *The President's Challenge*
  - ❑ *First in the World Again -- to Meet Workforce Needs*
  - ❑ *65% of Young Adults – some postsecondary credential of value – 2020*
- ❑ *Lumina -- 60% by 2025*
- ❑ *Complete College America -- 32 States*
- ❑ *Angst*
  - ❑ *Do we really need to get there?*
    - ❑ *Georgetown Center – 67% of Colorado Workforce will need pse*
  - ❑ *Can we get there from here?*
  - ❑ *Will quality suffer?*

# ***The Completion Agenda – Access to Success***

- ❑ *Implications for Alaska*
  - ❑ *University of Alaska has a “public agenda” Shaping Alaska’s Future*
  - ❑ *But does Alaska?*
  - ❑ *Shaping Alaska’s Future captures well the need, but*
    - ❑ *Is there a sufficient **change agenda** to move from today to what’s needed tomorrow?*
    - ❑ *Two quotes that may have relevance here:*
      - ❑ *Dilbert: “Change is great, you go first.”*
      - ❑ *Einstein: “The definition of insanity is doing the same thing over and over again and expecting different results.”*
  - ❑ *The lift is huge,*
  - ❑ *So, the response must be as well*

# *The Completion Agenda – Act II: Expanding the Concept of student*

- ❑ *Looking down*
  - ❑ *Early learning high schools (the Gates redesign)*
  - ❑ *College/Postsecondary in all high schools (AP, dual & concurrent enrolment, IB, CTE)*
  - ❑ *Improving Preparation*
    - ❑ *Common Core*
    - ❑ *Reinventing Remedial – The High School as partner*
- ❑ *Looking up*
  - ❑ *Adult College Completion – low hanging fruit*
  - ❑ *New Adult Focus – A mighty heavy lift*
    - ❑ *The new GED (s)*
- ❑ *Redefining college*
  - ❑ *The “course level” movement*
  - ❑ *Demonstrated competence (more to come)*
- ❑ *Implications for Alaska*
  - ❑ *In this game; but only partly – either looking down or up*

# *The Productivity Agenda -- Act I*

## *Student Learning – the new name of the game*

- ❑ *A good idea whose time has come*
  - ❑ *Acceptance within Academe has “evolved”*
  - ❑ *“Evidence based practice” has caught on in public policy*
    - ❑ *Analytics can support evidence based practice (CLA, CAAP, ETS Proficiency Profile, AHELO, Work-keys, etc.)*
    - ❑ *Being Supported financially – Lumina’s DQP & Tuning work*
- ❑ *Angst*
  - ❑ *Whopping big change – moving to external validity*
  - ❑ *Still sorting out right respective roles -- Teacher’s role, Institution’s role, Governing board’s role, Government’s role*
  - ❑ *Some solutions are impractical – “the perfect as the enemy of the good:*
- ❑ *Implications for Alaska*
  - ❑ *Not much yet in “external validity” of measured outcomes*
    - ❑ *How are you measuring outcomes?*
    - ❑ *And, how comfortable are you with this thrust?*



# *The Productivity Agenda – Act II*

## *Competence – the new coin of the realm*

- ❑ *Competency Assessment for Student Sake*
  - ❑ *Demonstrated college level learning outside the Academy*
    - ❑ *Standard measures – CLEP, testing out, etc.*
    - ❑ *Prior Learning Assessment – PLA*
- ❑ *Competency Assessment for Institution's Sake (Educational Improvement & Credibility)*
  - ❑ *Predictive Analytics*
  - ❑ *Degree Qualifications Profiles, Tuning*
- ❑ *Implications for Alaska*
  - ❑ *Kudos on accepting PLA and/or equivalency in transfer?*
  - ❑ *Where are you on accepting credits from non-traditional for their traditional students (ie., MOOCS)*
  - ❑ *I haven't seen you involved in these efforts nationally*

# *Innovation & Disruption are good (everything else is boring)*

- ❖ *The list (partially)*
  - ❖ *New providers of degrees*
    - ❖ *The expansion of the for-profit sector & WGU*
    - ❖ *The expansion of on-line*
  - ❖ *New providers of courses & services*
    - ❖ *MOOCS*
    - ❖ *Courses only – Straighter Line, DreamDegree, etc.*
    - ❖ *Support services only – Insidetrack, Kahn Academy, Smartthinking, etc.*

## *Innovation & Disruption are good (everything else is boring)*

- ❖ *Implications for Alaska*
  - ❖ *Is the University of Alaska supportive of others innovation?*
  - ❖ *Is the University of Alaska active in its own innovation agenda?*
  - ❖ *Are you demanding evidence of effectiveness?*

# *The New Normal for Funding*

- ❑ *Why a new normal & not return to the old normal (public and non-public finance)*
  - ❑ *Can't afford the old normal*
    - ❑ *Hyper-inflationary model is unsustainable (unaffordable)*
  - ❑ *Shouldn't afford the old normal*
- ❑ *What the new normal will look like*
  - ❑ *In public sector -- Performance funding is the wave to be on*
    - ❑ *Blends finance and productivity agendas*
    - ❑ *42 states involved (or saying they*
    - ❑ *Seeping into institutional finance – RCM*

# *The New Normal for Funding*

- ❑ *What the new normal is beginning to look like*
  - ❑ *Performance funding isn't the only new dog in the hunt*
  - ❑ *Expenditure strategies*
    - ❑ *The cheap way out -- \$10,000 degree*
    - ❑ *Outsourcing*
      - ❑ *WGU expansion*
      - ❑ *Coursework outsourced*
    - ❑ *Enrolment Management (more or less)*
  - ❑ *Revenue enhancement strategies*
    - ❑ *Chase rich students*
    - ❑ *Chase any students*
    - ❑ *Rethink tuition discounting & financial aid*

# *The New Normal for Funding*

## ❑ *Implications for Alaska*

- ❑ *You are the most expensive house on the block*
  - ❑ *HGTV – You don't want to be the most expensive house on the block*
  - ❑ *You can't expect more money*
  - ❑ *But you can expect more students*
  - ❑ *That forces a merger of "the productivity agenda" and the "new normal for funding"*

# Managing Change – Choosing Chaos or Intentionality

- ❑ *The Change Agenda*
  - ❑ *Massive*
  - ❑ *Rapid*
  - ❑ *Often fact free*
- ❑ *Impact*
  - ❑ *The way we provide education*
  - ❑ *Who we educate*
  - ❑ *The way we assess quality & effectiveness*
  - ❑ *The way we finance the enterprise*
- ❑ *Alaska and the UofA*
  - ❑ *Traditional in how you provide education*
  - ❑ *Traditional in who you educate*
  - ❑ *Traditional in the way you assess quality*
  - ❑ *Traditional in financing the enterprise*
- ❑ ***Is there a disconnect here?***

# Managing Change – Choosing Chaos or Intentionality

- ❑ *Implications for Alaska and the UofA*
  - ❑ *Be Aware*
  - ❑ *Be nimble*
  - ❑ *Be ready to change, even where you are already good*
  - ❑ *Break the Mold*
  - ❑ *Intentionality requires evidence*

***Thanks***