

college-readiness  
skill **Knowledge**  
Postsecondary success  
economic recovery **Education**  
**rebuild** **students**  
goals **Leadership** preparation  
global **Bold**  
workforce

**Economics 101: Today's Students =  
Tomorrow's Workforce**

 JAMES B HUNT, JR INSTITUTE  
for EDUCATIONAL LEADERSHIP and POLICY

*A Report from the 8<sup>th</sup> Annual North Carolina Legislators Retreat  
and Legislative Dinner Discussion Series*



## INTRODUCTION

As North Carolina continues to rebuild its economy in the aftermath of the recent recession, state leaders must stay focused on what is needed to attract and create high-paying jobs. It has long been known that education is essential for economic development, and North Carolina has worked hard to increase the number of students graduating from its K-12 system. But, a high school diploma is no longer enough to compete for jobs in an ever more global economy and to earn a middle-class wage. If North Carolina wants to have a workforce that can compete globally and attract industry, state policymakers must work to increase the number of students who are completing a credential or degree beyond high school.

In 2009, only 38 percent of North Carolinians age 25 to 64 had an associate's degree or higher, ranking North Carolina 27th out of 50 states. While North Carolina has made great strides in increasing access to postsecondary education, many of the students who are entering postsecondary programs are not completing their degrees or credentials. In 2008, the three-year graduation rate for first-time, full-time students who entered North Carolina community colleges was 20 percent; the six-year graduation rate for first-time, full-time students who entered public universities in North Carolina was 59 percent.

Since 2003, the Hunt Institute has brought together state legislators and national experts to discuss the most urgent issues facing public education in North Carolina. In that tradition, the 8<sup>th</sup> *Annual North Carolina Legislators Retreat*, **Economics 101: Today's Students = Tomorrow's Workforce**, presented key strategies for improving education in the state.

This year's *Retreat* centered on the economic necessity for postsecondary education and what it will take to keep North Carolina's workforce at the top of the pack and to attract new industry and jobs. In addition, this year the Institute hosted a series of follow-up dinners to continue the conversations started at the *Retreat*. This report highlights four key messages that arose from the discussions at these events. For a more in-depth look at any of these issues, please see the briefing which was prepared for the *Retreat*, available online at [www.hunt-institute.org](http://www.hunt-institute.org).

## 8<sup>th</sup> Annual North Carolina Legislators Retreat Resource Experts

The content of this report draws from discussions at the Retreat and follow-up dinner discussions, featuring the following resource experts:

### Retreat

**F. King Alexander**, California State University, Long Beach

**Bill Atkinson**, WakeMed Health and Hospitals

**June Atkinson**, North Carolina Department of Public Instruction

**Don Cameron**, Guilford Technical Community College

**Lt. Governor Walter Dalton**, State of North Carolina

**Emily DeRocco**, National Association of Manufacturers

**Eric Fingerhut**, Ohio Board of Regents

**Dennis Jones**, National Center for Higher Education Management Systems

**Doug Lederman**, *Inside Higher Ed*

**Hans L'Orange**, State Higher Education Executive Officers

**Charlie Nelms**, North Carolina Central University

**Delia Pompa**, National Council of La Raza

**Scott Ralls**, North Carolina Community College System

**Nicole Smith**, Georgetown University Center on Education and the Workforce

**Dave Spence**, Southern Regional Education Board

### Dinner Discussions

**Alisa Chapman**, The University of North Carolina

**Michael Collins**, Jobs for the Future

**Joan Lorden**, UNC-Charlotte

**Sharon Morrissey**, North Carolina Community College System

**Randy Parker**, Vance-Granville Community College

**Ray Spain**, Warren County Public Schools

## TAKE-AWAY #1:

### Postsecondary education is more important than ever for economic success.

Careers across all sectors of the economy are requiring more education than they did in the past. A job that might have previously required only a high school diploma now requires a bachelor's degree. Jobs that used to require a bachelor's degree might now require a master's degree. This leaves fewer and fewer opportunities for high school dropouts and those with only a high school diploma. This does not mean that all students will need to obtain a four-year degree: associate's degrees, vocational certificates, and licensing certificates, as well as bachelor's and master's degrees, are all important for ensuring that North Carolina's workforce is ready for the jobs of the future.

By 2018, 63 percent of all employment nationwide will require some sort of postsecondary education, according to Dr. Nicole Smith of the Georgetown University Center on Education and the Workforce. **In North Carolina, it is projected that 59 percent of all jobs will require a postsecondary degree by 2018.** While there will be more jobs in North Carolina for all education levels, the increase in the number of jobs requiring training or a credential beyond high school is the greatest, with almost three times as many new jobs requiring postsecondary training, compared to those requiring a high school diploma (see chart below).

CHANGE IN JOBS IN NORTH CAROLINA BY EDUCATION LEVEL, 2008-2018

Education Level	2008 Jobs	2018 Jobs	Difference	% Change
High school dropouts	550,000	593,000	42,000	7.8%
High school graduates	1,310,000	1,425,000	115,000	8.8%
Postsecondary	2,553,000	2,875,000	322,000	12.6%

Source: Georgetown University Center on Education and the Workforce, 2010

It is not just "high-tech" jobs that will require postsecondary education; postsecondary education matters in **all** sectors. Emily DeRocco, president of the Manufacturing Institute at the National Association of Manufacturers, drove home the point that North Carolina shouldn't write off any sector of its economy or workforce. North Carolina still has close to half a million manufacturing jobs, and these jobs are good jobs – providing at least 21 percent higher benefits to our citizens than other types of jobs. It is important to note, however, that these are not the manufacturing jobs of the 20<sup>th</sup> century. **Today's manufacturing jobs require more skills and knowledge; up to 75 percent of these jobs require some postsecondary education.** Dr. Bill Atkinson, president and CEO of WakeMed, reiterated this point by stating that most of the jobs in the WakeMed healthcare system – including police officers – require a postsecondary degree.

*"Today, if you're going to be successful, you must have an education beyond high school... This doesn't necessarily mean a four-year degree – a lot of jobs will require associate's degrees or other types of preparation. But students are going to need more than 13 years of education."*

– Governor James B. Hunt, Jr.

## TAKE-AWAY #2:

### Collaboration across the K-12, Community College, and University systems is vital.

College-ready expectations vary widely between our K-12 and postsecondary systems, and a high school diploma is not a guarantee that students are ready for college-level work. Too many North Carolina students are enrolling in community colleges and universities, only to find that they need to take one or more remedial courses before they can take credit-bearing classes. ACT estimates that as many as 60 to 70 percent of high school graduates are not well-prepared academically for college.<sup>3</sup> Those students who fail to meet a proficient level on college-entry or placement tests can easily become stuck in a cycle of remedial courses that significantly delays their academic progress and poses additional financial costs. In the fall of 2009, nearly two-thirds (61 percent) of first-time, credential-seeking North Carolina community college students were enrolled in at least one developmental course in English, reading, or math; 33 percent were enrolled in two or more developmental courses.<sup>4</sup> Nine percent of first-year students who began at a UNC institution in the fall of 2008 took at least one remedial course in the fall.<sup>5</sup>

Many students spend their first semester of college in classes that do not count towards their degrees. Nationally, less than 25 percent of students who begin in developmental education in two-year institutions ultimately complete a degree or certificate program, compared to 40 percent of those who do not take developmental courses.<sup>6</sup> Only 17 percent of students in four-year institutions who take a remedial reading course, and 27 percent who take a remedial math course, eventually graduate.<sup>7</sup>

Better alignment of high school graduation and college placement expectations will decrease the need for remediation and increase productivity – and eventually completion – throughout the system. **In order to ensure that all students are ready for college-level work, all three systems must collaborate to make certain that everyone is working towards the same definition of college-readiness.** North Carolina’s adoption of the Common Core State Standards in English Language Arts and mathematics provides a perfect opportunity for North Carolina’s K-12 and postsecondary systems to come to consensus around shared high school graduation and college placement expectations. Collaboration between the community college system and the university system is also key. NC Community College System President Dr. Scott Ralls shared that one-third of the community college system’s students have the goal of transferring to the university system. “If the goal is to get to the university, our goal is to get them to the higher level of math,” he shared. For students who wish to enter the workforce after they complete their community college programs, the system is looking at national competencies that those students will need to be successful. “Our goals depend on the students’ goals and align with that,” Ralls added.

However, the challenge goes beyond making sure students are ready – the system must also have mechanisms that let them know if they aren't, and then provide the assistance they need before they leave high school. Dr. F. King Alexander, president of California State University, Long Beach (CSU-LB), shared his experiences using the California Early Assessment Program. This test was developed by the California State University system and is used to assess college readiness in reading and math in the junior year of high school. Students who are not deemed college-ready are able to get additional help during their senior year. In the Long Beach School District, this test is mandated as a result of a partnership between the district, CSU-LB, and the local community college.

It should be noted, however, that there will always be some students who need additional academic assistance as they transition to postsecondary education. This is especially true at the community college level, according to Dr. Sharon Morrissey of the NC Community College System, given the amount of adult basic education and worker re-training the system provides (the average age in the NC Community College System is 34). While working to better align with K-12 is important, postsecondary institutions must also focus on finding new, innovative ways of delivering remedial education so that students are able to enter credit-bearing courses and complete their degrees in a more timely manner. The NC Community College System has been working to restructure placement assessments so that students can receive targeted support through tutorials or course modules rather than having to take a semester or year-long course that might cover material in which they are already proficient.

*“Dealing with the alignment issue is fundamental  
to the productivity piece.”*

*– Dr. Scott Ralls, North Carolina Community College System*

### **TAKE-AWAY #3:**

#### **We must set clear goals for the state's postsecondary education systems.**

In the past, the performance of postsecondary education systems has largely been measured on inputs such as how many students apply, the grades and scores of admitted students, and measures of accessibility. Nationally, there is a growing focus on outcome or performance measures, such as graduation and completion rates. If North Carolina is to increase the productivity of its postsecondary system to meet predicted workforce needs, it is clear that the state must also move in this direction.

Before the state begins thinking about metrics and data systems, it is imperative to start with a clear understanding of what the goals are for the state's postsecondary education systems. Dennis Jones, president of the National Center for Higher Education Management Systems, explained that you can't hold postsecondary education accountable for anything unless you answer the question, "accountable for what?" Eric Fingerhut, former chancellor of the Ohio Board of Regents, shared that in Ohio, the Board of Regents determined that their main concern was overall educational attainment within the state. From there, they were able to set three measurable goals for the postsecondary system:

- 1) Graduate more students;
- 2) Keep those students in Ohio; and
- 3) Be an importer of talent.

Once the goals are determined, it is then crucial to choose the **right** metrics, and only the most important ones, to measure progress towards the goals. According to Fingerhut, after Ohio set their three goals, they were able to start looking at accountability measures around those goals. The Board started with a list of 100 metrics, and then narrowed it down to 20. Fingerhut acknowledged that they may not have the perfect combination of measures and they may need to adjust by adding some and removing others over time, but having only a few measurable goals allowed them to set accountability benchmarks that are accessible to policymakers and the public and are easy to judge.

In order to effectively and accurately measure progress against these metrics, it is vital to have a longitudinal data system. Hans L'Orange, vice president for research and information resources at the State Higher Education Executive Officers, explained that education systems are moving from silos to symbiotic conversations. Everything is interconnected, and to understand what is going on, policymakers must be able to track students from before kindergarten through postsecondary education and into the workforce. In order to do this, it is crucial to have a unique statewide student identifier so that students can be identified at various points in time and K-12 and postsecondary data can be matched. It is also imperative that states are able to link this data with its department of labor so that students can be tracked when they enter the workforce.

#### **TAKE-AWAY #4:**

#### **Postsecondary student populations are changing; the state must think of new ways to meet the needs of all students.**

North Carolina's postsecondary population is more diverse than ever before. North Carolina is not alone — this is happening in all states. But the student population is changing, and as Delia Pompa, senior vice president for programs at the National Council of La Raza, pointed out, this diversity is beyond ethnicity and race: more students are the first in their families to attend college, adults are returning in large numbers to get a credential or degree, and many part-time students are working while pursuing postsecondary education. In the fall of 2008, more than half (55.7 percent) of the students attending two-year institutions in North Carolina were enrolled part time; at four-year institutions, 20 percent of students were enrolled part time.<sup>8</sup> Additionally, 27.1 percent of students attending a postsecondary program in North Carolina were over the age of 25 in 2008.<sup>9</sup> More and more students do not fit the traditional mold of 18 to 22 year olds attending college full-time and living in dorms, and it is imperative that the state address the needs of these non-traditional students if completion rates are to improve.

Research suggests that one of the most common points of attrition in postsecondary education is between the first and second years.<sup>10</sup> In 2007, 72 percent of first-time North Carolina community college students persisted from fall to spring in the first year, and only 52 percent persisted to the second year.<sup>11</sup> In The University of North Carolina, the overall retention rate from the first to second year in 2007 was 81.2 percent (ranging from 67.3 percent at UNC-Pembroke to 96.2 percent at UNC-Chapel Hill).<sup>12</sup> Students often leave postsecondary programs for a variety of reasons such as the need to work to support themselves, family responsibilities, and a lack of financial resources.<sup>13</sup>

In addition, non-traditional students may not have the benefit of having someone with experience to help them navigate the postsecondary education system and may require more assistance as they transition into postsecondary education and continue through to completion. Mentoring and other “high touch” types of support are crucial for retaining these students. Dr. Don Cameron, president of Guilford Technical Community College (GTCC), shared that they have found success in providing a longer, more thorough orientation that walks students through academic advising, scheduling, and registration. They also provide students who are placed in developmental or remedial education with an additional course to help them develop strategies for academic success as well as life and critical thinking skills that will benefit them after they join the workforce. GTCC has also had success with more intensive mentoring, relying on volunteer “advocates” who mentor three students each, through regular phone calls every other week and regular check-ins after grade reports.

North Carolina Central University (NCCU) has instituted similar supports for its students and has been lauded nationally for its efforts. NCCU's “University College” program for first-year students includes academic advising, mandatory orientation, tutorial services, and a feedback system for professors to contact advisors when students fail to show up for class. In the first year of the program, their retention rate for first-year students going into their second year grew from 68 percent to 77 percent.

These types of supports alone are not enough, however; transformational leadership and institutional buy-in are essential. According to Dr. Charlie Nelms, chancellor of NCCU, if all students are to be successful, leaders of postsecondary institutions must take personal responsibility for their success. At NCCU, Nelms has worked to raise the expectations not just for students, but also for administrators and faculty. He attributes NCCU's success to having the buy-in and dedication of the faculty and staff towards the goal of helping all students graduate.

State policymakers should also look at ways to increase the likelihood of success before students begin their postsecondary pursuits. One way to better prepare students for the rigors of postsecondary education is to reach them before they leave high school through initiatives like dual enrollment and early college high schools. These types of programs provide college course access to high school students who might have never previously considered college. These programs can reduce time to degree completion by allowing students to graduate from high school with college credits – and sometimes even an associate's degree – under their belts. Dual enrollment programs also allow students to acclimate to the college culture while still getting support, increasing their likelihood of success as they continue with their postsecondary education.

In spring 2010, roughly 23,000 North Carolina high school students were dually enrolled in high school and college courses – either as students at an early college high school or through other types of dual enrollment programs. However, this only accounts for approximately five percent of the total high school student population. Dr. Randy Parker, president of Vance-Granville Community College, shared that in order to increase access to these types of programs, the state must move towards a system that is more structured and provides students with an easy-to-understand sequence of college coursework leading towards a credential or degree. Currently, the state is considering pathways for dual enrollment students that would lay out the primary credit hours necessary to put students ahead when they enroll in a postsecondary institution and further decrease their time to degree completion.

## CONCLUSION

The discussions at the 8<sup>th</sup> Annual North Carolina Legislators Retreat and follow-up dinners were intended to launch an ongoing conversation around how North Carolina can improve the number of students who complete a credential or degree beyond high school. As North Carolina continues to recover, it is critical to have a strong, well-trained workforce. Substantially increasing the number of North Carolina citizens with postsecondary degrees or certificates will be challenging, but it also presents an opportunity for policymakers to build upon a strong history of improving education in North Carolina.

*“Access without success is hollow.”*

*– Dr. Charlie Nelms, North Carolina Central University*

## ENDNOTES

- <sup>1</sup> U.S. Census Bureau as cited in presentation by Dr. Dave Spence, President of Southern Regional Education Board at the 8<sup>th</sup> Annual North Carolina Legislators Retreat.
- <sup>2</sup> Complete College America. (2009). *North Carolina State Data*. Washington, DC: Author. Available: [http://www.completecollege.org/docs/North\\_Carolina.pdf](http://www.completecollege.org/docs/North_Carolina.pdf)
- <sup>3</sup> Southern Regional Education Board (2007). *High School to College and Careers: Aligning State Policies*. Atlanta, GA: Author.
- <sup>4</sup> North Carolina Community College System. Information distributed at October 2011 Meeting of the NCCCS Developmental Education Initiative State Policy Team Meeting.
- <sup>5</sup> Information provided by The University of North Carolina General Administration.
- <sup>6</sup> Bailey, Thomas and Sung-Woo Cho. (2010). *Issue Brief: Developmental Education in Community Colleges*. New York, NY: Columbia University, Teachers College, Community College Research Center. Available: <http://www2.ed.gov/PDFDocs/college-completion/07-developmental-education-in-community-colleges.pdf>
- <sup>7</sup> U.S. Department of Education, National Center for Education Statistics. (2004). *Condition of Education*. Washington, DC: Author.
- <sup>8</sup> U.S. Department of Education, National Center for Education Statistics. Integrated Postsecondary Education Data Systems (IPEDS): Fall Enrollment, 2008.
- <sup>9</sup> Ibid.
- <sup>10</sup> Ewell, Peter, Dennis Jones and Patrick Kelly. (2003). *Conceptualizing and Researching the Educational Pipeline*. Boulder, CO: National Center for Higher Education Management Systems.
- <sup>11</sup> North Carolina Community College System. (2010). *Data Trends and Briefings*. Raleigh, NC: Author. Available: [http://www.nccommunitycolleges.edu/Reports/docs/data\\_trends\\_and\\_briefings/Data\\_Trends\\_01-13-2010.pdf](http://www.nccommunitycolleges.edu/Reports/docs/data_trends_and_briefings/Data_Trends_01-13-2010.pdf)
- <sup>12</sup> University of North Carolina General Administration. (2009). *Report on Retention, Graduation, and Time-to-Degree*. Chapel Hill, NC: Author.
- <sup>13</sup> Johnson, Jean and Jon Rochkind. (2009). *With Their Whole Lives Ahead of Them: Myths and Realities About Why So Many Students Fail to Finish College*. New York: Public Agenda. Available: <http://www.publicagenda.org/files/pdf/theirwholelivesaheadofthem.pdf>

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