



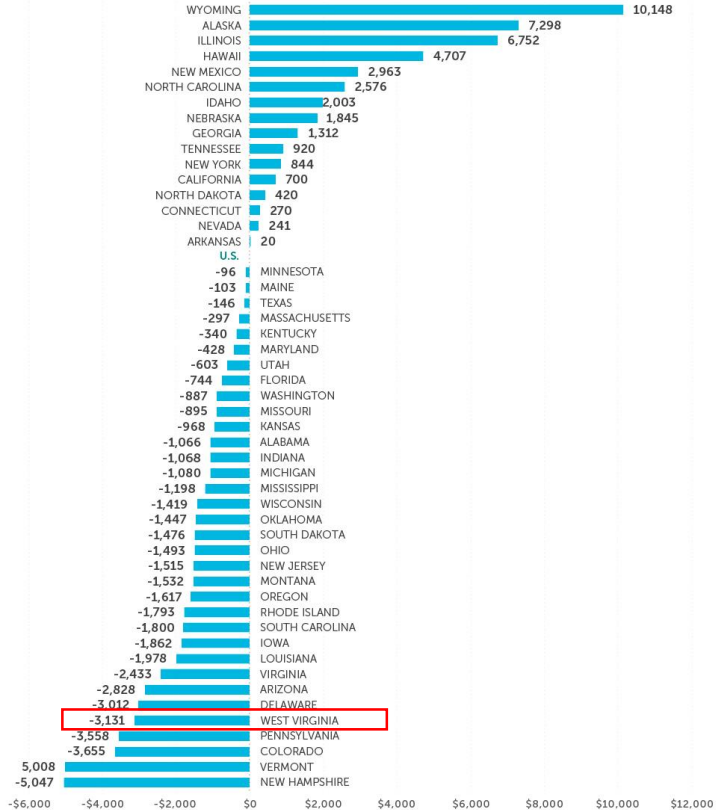
# The Changing Higher Education Landscape

West Virginia University  
December 9, 2019



- Declining State Support Leads to Greater Tuition Dependence
- Fewer High School Graduates Increases Competition
- Greater Student Focus on Return on Investment
- Mega-Universities Growing Market Share in Adult and Online
- Pressure on the Traditional Individual Investigator Model of Research

# WV's State Funding Well Below US Average

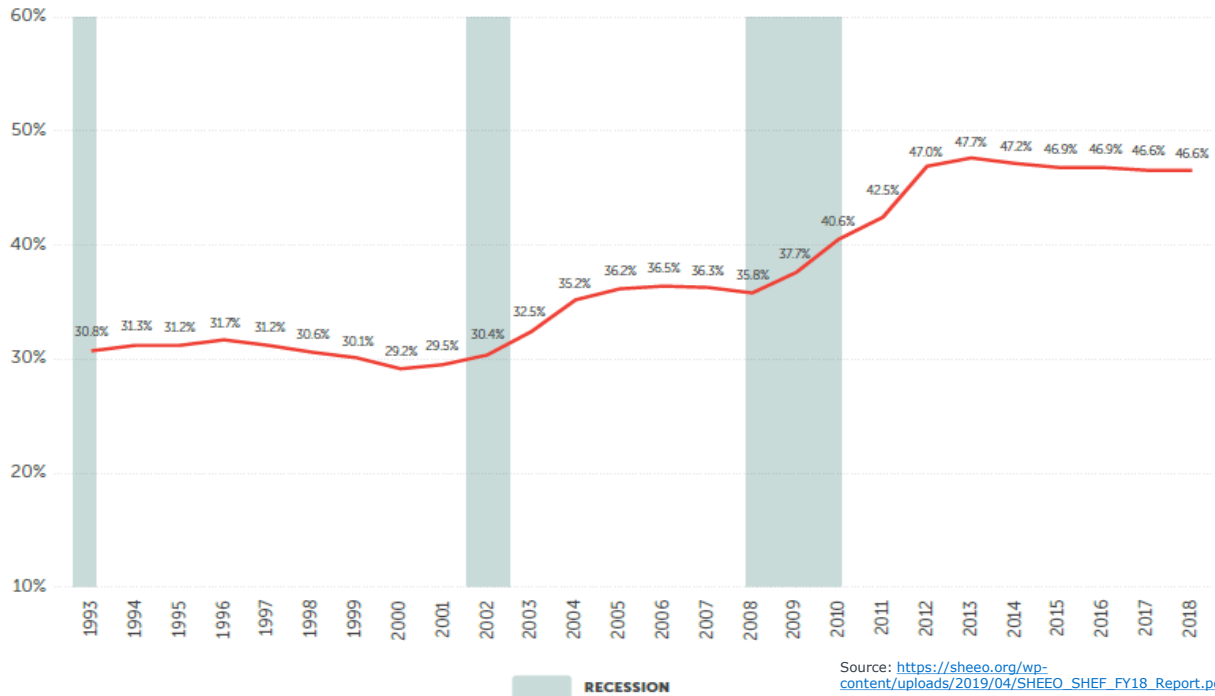




# The Privatization of Public Higher Education

## Public Funding Fails to Recover Even as the Economy Grows

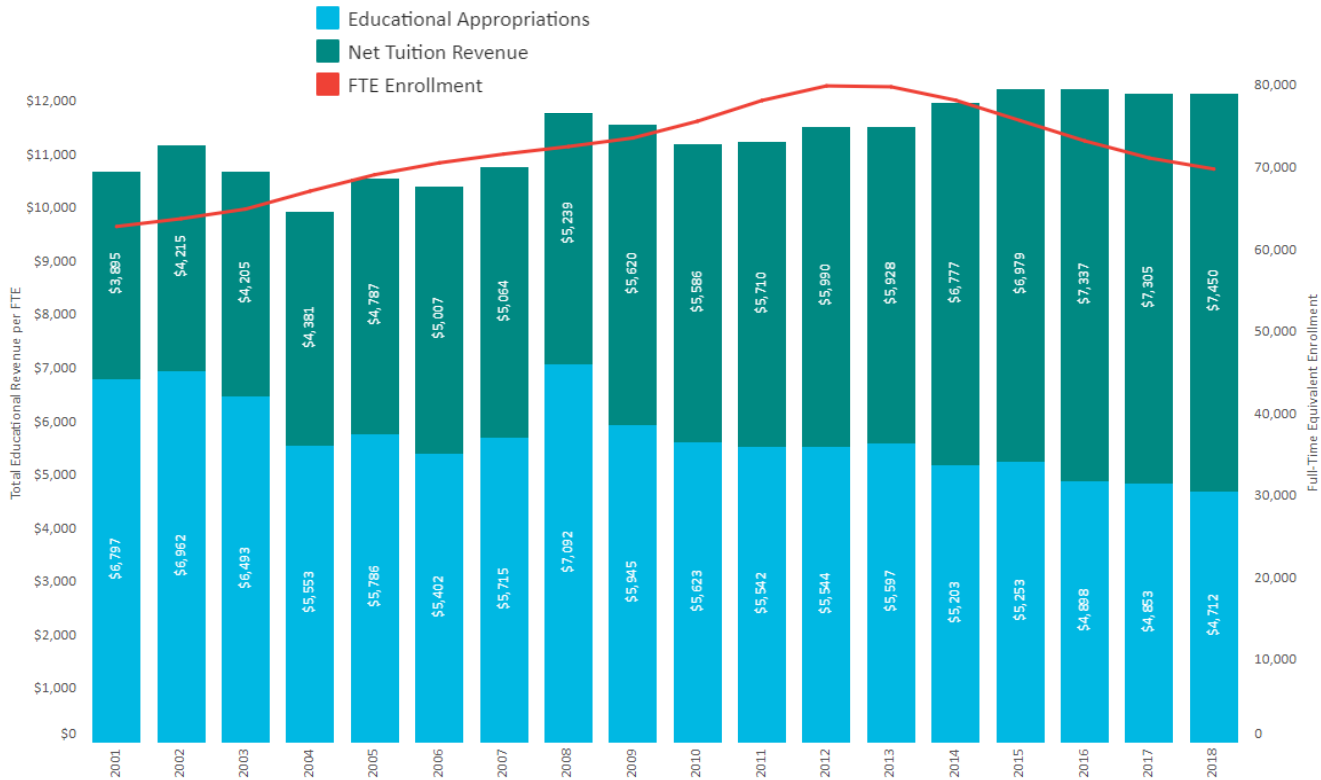
NET TUITION AS A PERCENT OF PUBLIC HIGHER EDUCATION  
TOTAL EDUCATIONAL REVENUE, U.S., FY 1993-2018



Source: [https://sheeo.org/wp-content/uploads/2019/04/SHEEO\\_SHEF\\_FY18\\_Report.pdf](https://sheeo.org/wp-content/uploads/2019/04/SHEEO_SHEF_FY18_Report.pdf)

# Declining State Support, Rising Tuition

## West Virginia State Funding for Higher Education (per FTE Student)



# Key Trends for West Virginia University



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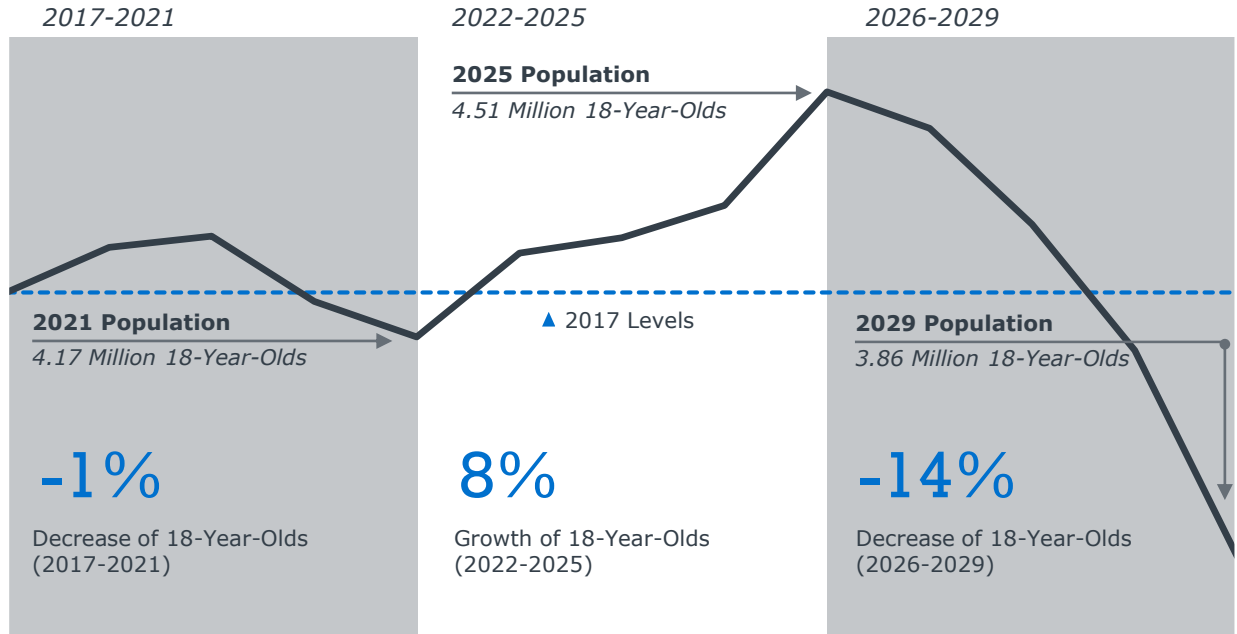
# The Coming Demographic Cliff

## Population of 18-Year-Olds to Contract Sharply After 2025

**Modest Decrease...**

**...Followed by Growth Spike...**

**...Met with A Sharp Decline**



# Regionals Will Struggle While Elites Remain Strong



## Elite HEIs

Top 50 research universities,  
Top 50 liberal arts colleges  
(USNWR rankings)



Timespan	% Change in Demand
2019 to 2023	3%
2024 to 2026	2%
2027 to 2029	-5%

- Continued strong demand for elite HEIs. Some may struggle to shape a diverse class as demographics shift.

## National HEIs

Top 50-100 research universities,  
Top 50-100 liberal arts colleges  
(USNWR rankings)



Timespan	% Change in Demand
2019 to 2023	1%
2024 to 2026	2%
2027 to 2029	-11%

- Aggregate gains among elite HEIs could offset projected losses at national HEIs who capture "spillover" demand.

## Regional HEIs

Research universities and liberal arts colleges ranked outside of Top 100 (USNWR rankings)



Timespan	% Change in Demand
2019 to 2023	0%
2024 to 2026	2%
2027 to 2029	-12%

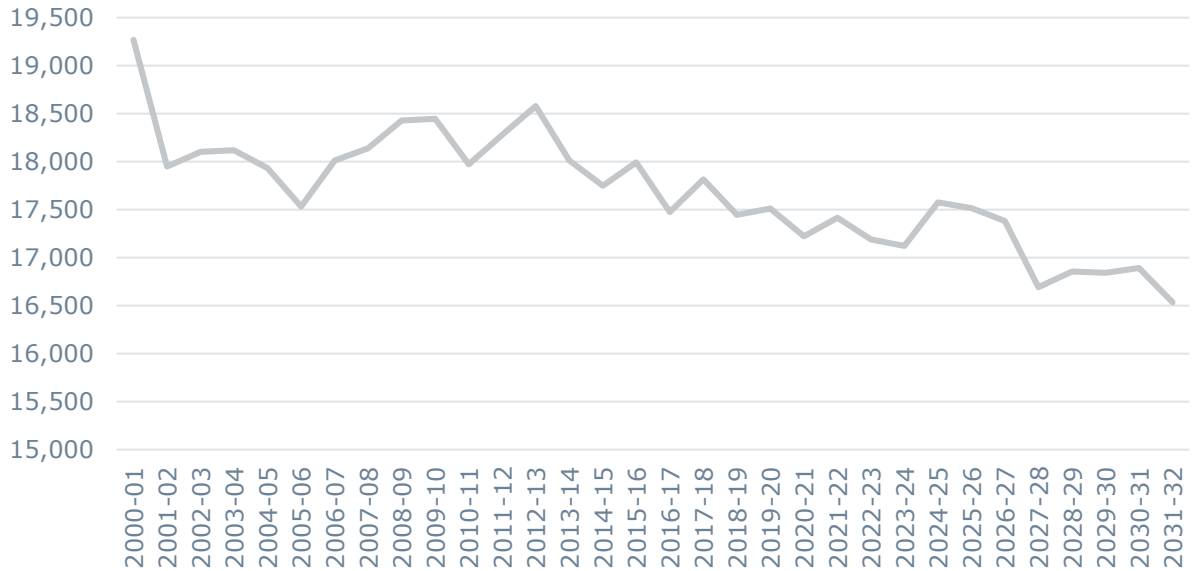
- Most subject to demographic volatility as core student population is least likely to travel and most skeptical of college value proposition.





# Expected Declines in High School Graduates

## Projected High School Graduates in West Virginia

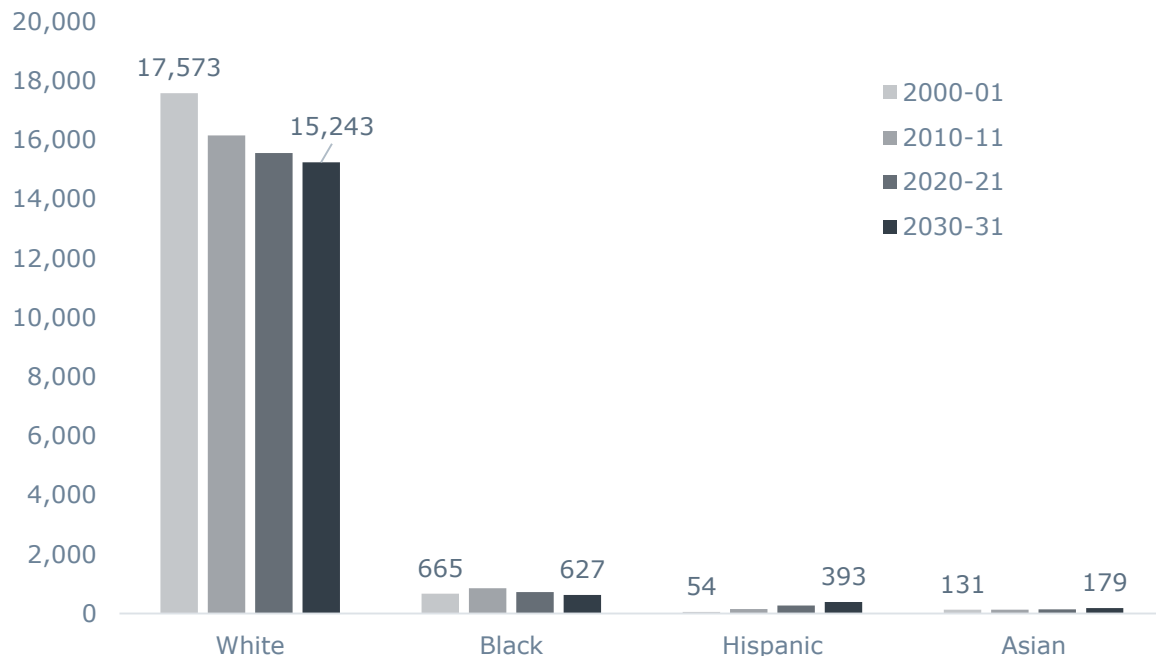


Source: Western Interstate Commission for Higher Education, Knocking at the College Door: Projections of High School Graduates, 2016, [www.wiche.edu/knocking](http://www.wiche.edu/knocking).

# Non-White Students Not Projected to Increase Significantly



## West Virginia High School Graduates by Race/ Ethnicity



Source: Western Interstate Commission for Higher Education, Knocking at the College Door: Projections of High School Graduates, 2016, [www.wiche.edu/knocking](http://www.wiche.edu/knocking).

# Responding to Demographic Decline

## Four Imperatives





## The Student Success Playbook

**14 strategies** to improve student outcomes and ensure financial sustainability across the next decade

### PART 1: Student Success Management

#### Eliminating Registration and Financial Barriers

1. Reform Administrative Processes and Policies • 12
2. Create an Emergency Microgrant Program • 14
3. Simplify Early Academic Planning • 16

#### Supporting Students with Technology-Enabled Advising

4. Proactively Manage Advising Caseloads • 20
5. Coordinate Student Support Networks • 22
6. Formalize Student Success Organization and Leadership • 26

#### Building Belonging and Academic Confidence

7. Enroll Students in Pre-College Academic Preparation Programs • 30
8. Foster Social Support and Personal Belongingness • 32
9. Assess Campus Climate and Prepare for Flashpoints • 34

### PART 2: Delivering a Return on Education

#### Reducing the Number of Nonproductive Credits

10. Redesign High-DFW Milestone Courses • 40
11. Streamline Prerequisite and Program Requirement Pathways • 42
12. Encourage Pedagogical Development of Instructors • 44

#### Enhancing the Value of the Curriculum

13. Embed Experiential Learning in the Curriculum • 48
14. Sequence Career Guidance and Exploration in Parallel to Courses • 50



# Different Student Populations, Different Needs

## Understanding the Opportunities and Challenges in Serving Each Group

### **Direct from High School**

#### *Challenges*

- Demographic “cliff” in 2026
- Intensifying competition esp. for high income, high ability

#### *Opportunities*

- Serving students with diverse backgrounds

### **Adult Degree Completers**

#### *Challenges*

- Credit articulation
- Low persistence in online programs

#### *Opportunities*

- Prior learning assessment and competency-based education

### **Community College Transfers**

#### *Challenges*

- Declining comm college enrollments
- Affordability concerns

#### *Opportunities*

- Improving credit articulation and advising

### **Professional Masters/ Certs**

#### *Challenges*

- Intensely competitive
- Rapid program innovation and launch

#### *Opportunities*

- Niche programs focused on regional employer needs

### **International Undergraduates**

#### *Challenges*

- U.S. immigration policies
- Foreign government scholarship funding

#### *Opportunities*

- Better career counseling

### **Research Graduate Students**

#### *Challenges*

- Require large institutional subsidies
- Competitive federal funding

#### *Opportunities*

- Cross-disciplinary, grand challenge projects

# Key Trends for West Virginia University



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# The Evolution of a More Discerning Customer

## Key Life Events Shape the Gen Z Mindset

### Paradigm Shift in Information Access



Gen Z have always had information at their fingertips and now expect transparency in all interactions

49%

want brands to make it easy for them to find what they want quickly

### Great Recession & Financial Crises



Gen Z watched savings shrink and markets crash during their formative years, making them more pragmatic and cautious

79%

of students say cost is a factor in college choice

### A New Way of Shopping



Gen Z is looking for a good deal. They are used to comparing prices across products, and not sacrificing quality for cost

43%

compare prices when making a purchase decision

### Weight of Student Debt on Millennials



Millennials have more student debt than previous generations and their struggles to pay have received a lot of media coverage

69%

of Gen Z is "seriously concerned" about taking on student loan debt

## Baseline Thresholds for Communicating Value to Prospective Students

### PRE-APPLICATION

#### Increase Clarity about Pricing and Aid



##### Make Net Price Calculators User-Friendly

Many net price calculators are time-intensive and cumbersome; a streamlined calculator can improve usage.



##### Simplify Aid Award Letters

The best aid award letters will use language those unfamiliar with FA jargon will be able to understand.

#### Communicate Aid Pre-Application



##### Send Scholarship Notices as First Outreach

Communicate anticipated aid awards early in the recruitment process.



##### Personalize Aid Award Estimates

Ensure estimated aid awards are personalized to the particular characteristics of the student.

### POST-ADMITTANCE

#### Incorporate ROI into Award Notifications



##### Focus Aid Award Letter on Outcomes

Aid award letters should include information on expected outcomes/return-on-investment of college education.



##### Focus Aid Conversations on Discussion of Value

In conversations with families appealing aid awards, the focus should be on value rather than strictly cost.

#### On-Demand Webconference:

“Promoting Cost Transparency, Simplifying Financial Aid Communications”

#### Future Research Projects



# (Perceived) Value More Important Than Price

Proliferation of Rankings and Search Tools Based on Career Outcomes

## New Resources to Measure ROI Emerge Post-Recession

2010



College salary and ROI reports

BUSINESS INSIDER

Survey asks which schools best prepare for postgrad success

2012



State-level salary data for VA, AR; later expanded to CO, FL, TN, TX

2013



Alumni giving as indicator of outcomes, ROI



20% of ranking based on earnings

2014



Placement rate at top companies in hot industries



One-third of rankings by career outcomes

2015



Value added vs. predicted salary



Colleges' value added based on Scorecard data



Increased weight for outcomes in rankings formula



College Scorecard

Median earnings 10 years out; Percent students earning >\$25K


### College Scorecard Now Front and Center in Online Search

Georgia State Undergraduate Admissions website requirements • Georgia State University • Items to submit SAT or ACT scores. Please refer to the state accepted GSD students.

review - CollegeData College Profile getcollege\_page1.html?utm\_source=1208 • 1913 is a public university in the South - Council boards were admitted. Early Action.

admission Chances, SAT and ACT Scores ... orgia georgia state university admission • 1913 • What are the SAT and ACT requirements for students to apply and what score do you need to get in? - 47 percent of high school students.

admissions - Niche state university admissions • Including tips from current students on ... if it's not within an 800000 mile radius. applications: 8,445 on file: 37% niche university



Georgia State University

Admissions

Georgia State University is a public research university in downtown Atlanta, Georgia, United States. Founded in 1913, it is one of the University System of Georgia's four research universities. [Wikipedia]

Acceptance rate: 57.1% (2014)

Graduation rate: 53.2% (2014) (College Scorecard)

Average cost for students residing in/out of state: 16,963 USD (2013) (College Scorecard)

Average salary after attending undergraduate: 65,888 USD (2013) (College Scorecard)

Undergraduate tuition and fees: International tuition: 28,856 USD (2013), In-state



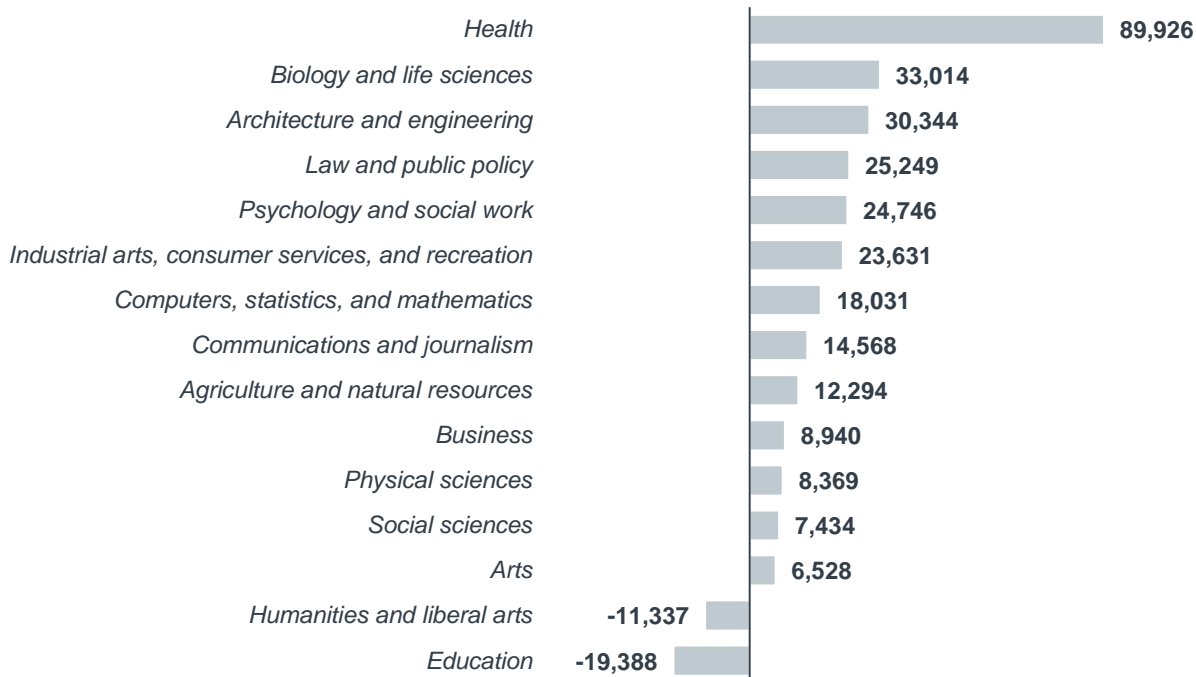
Source: [http://www.collegemeasures.org/4-year\\_colleges/college-performance-rank/](http://www.collegemeasures.org/4-year_colleges/college-performance-rank/).

# Following the Money



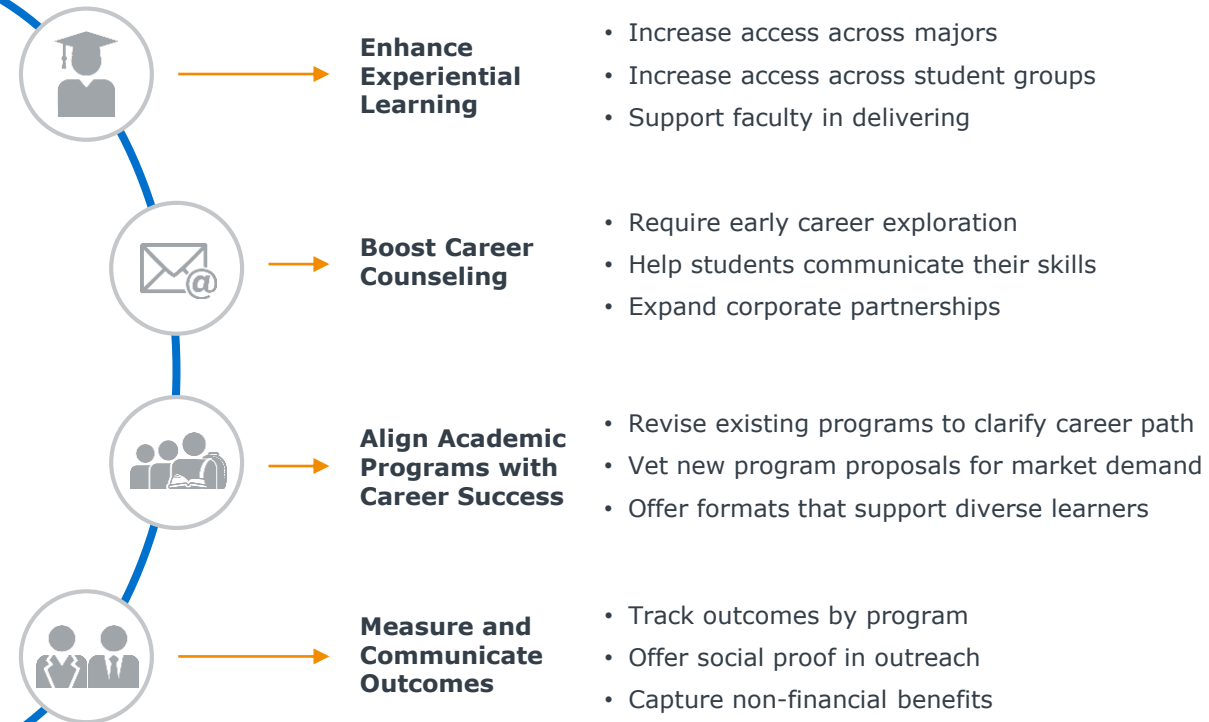
Students Move to Health & Engineering, Away from Education & Humanities

## Change in Number of BA Degree Completions by Major Group, 2007-2015, All Institutions



# Responding to ROI Concerns

## Helping Students See the Value Trumps Price



# Key Trends for West Virginia University



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# Online for Whom?

## Differentiating the Major Market Segments



### Residential Undergraduates

*Opting for Convenience and Enrichment*



### Professional Master's Students

*Investing in Career Advancement*



### Adult Degree Completers

*Looking for Fast, Flexible Degrees*

#### Goals

On-Time Graduation  
Exploration

Promotion  
Career Change

Salary Bump  
Personal Fulfillment

#### Typical Program Structure

Summer Sessions  
Hybrid Courses

Part-Time  
Project-Based

Competency / PLA  
Accelerated Programs

#### Selection Process

Location  
Reputation  
Cost

“Search and Shop”  
Reputation in Industry

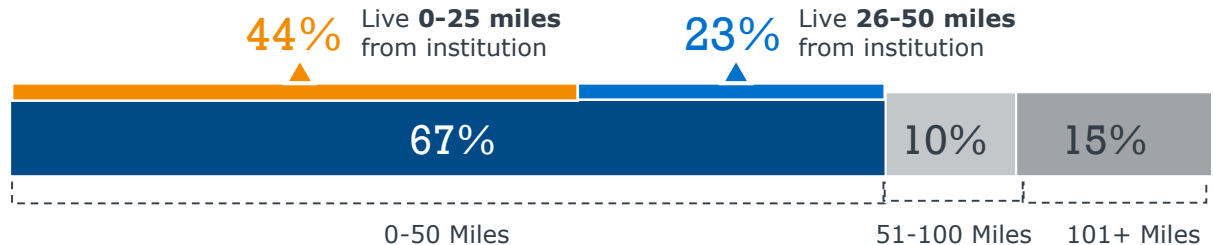
“Search and Shop”  
Cost  
Convenience

# Most Online Students Reside In-State

## Online Students Value Access to In-Person Services

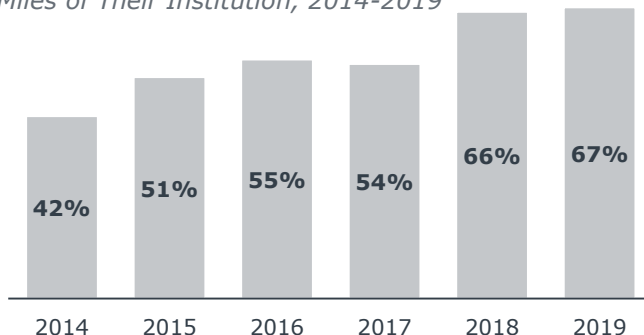
### Online Students are Local to their Institution

Online Student Distance from Institution, 2019



### Proportion of Local Online Students Increasing

Percentage of Online Students Enrolled Within 50 or Fewer Miles of Their Institution, 2014-2019



### Access to In-Person Services Valued

76%

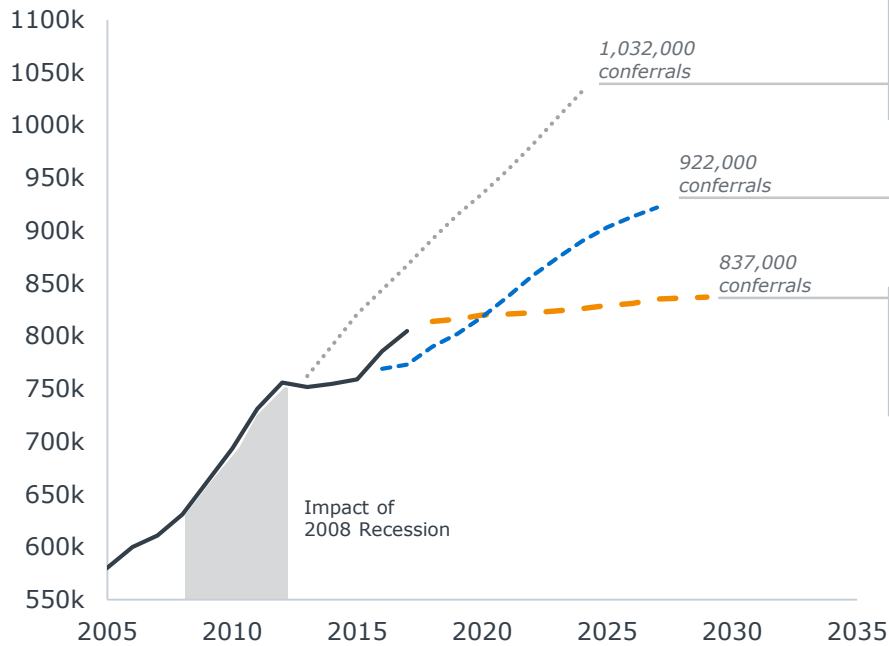
Proportion of students who visited campus or a campus center at least once during program

Source: Andrew J. Magda and Carol B. Aslanian, *Online College Students 2018: Comprehensive Data on Demands and Preferences* (Louisville: The Learning House, Inc., 2018); Clinefelter, D. L., Aslanian, C. B., & Magda, A. J. (2019). Online college students 2019: Comprehensive data on demands and preferences. Louisville, KY: Wiley edu, LLC; Doug Lederman, "Online Is (Increasingly) Local," *Inside Higher Ed*, June 5, 2019.

# The Master's Degree Bubble Has Already Burst

## Lower Expectations for Growth Every Year Since 2013

*Master's Degree Conferrals*



### 10-Year Projections

**2.8%**  
 Projected Annual Growth  
 2014 - 2024

**1.7%**  
 Projected Annual Growth  
 2017 - 2027

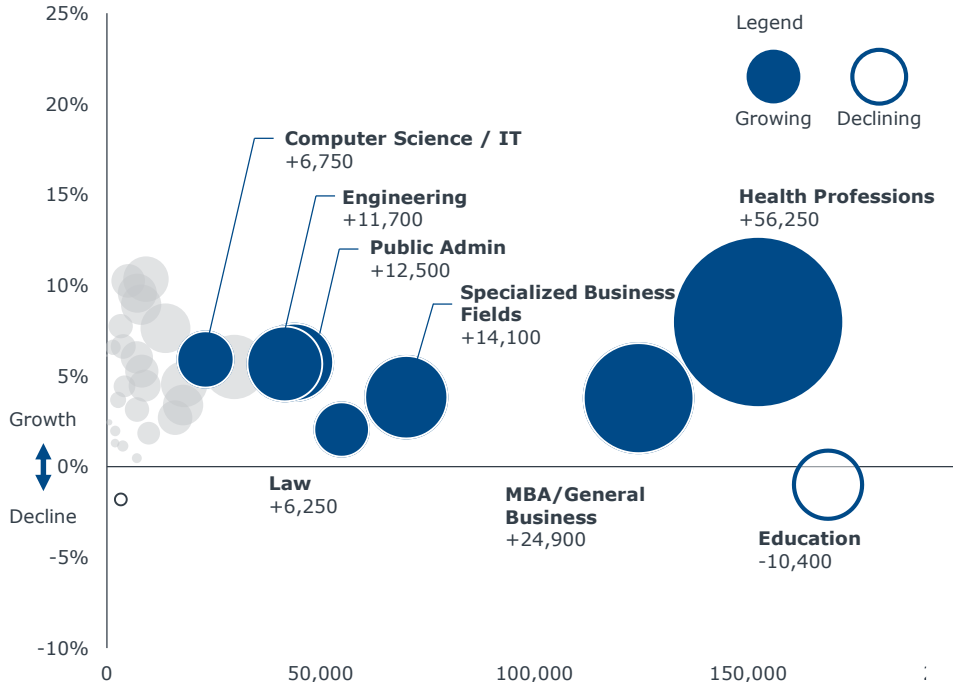
**0.3%**  
 Projected Annual Growth  
 2019 - 2029

**1.7%**  
 Actual Annual Growth  
 2013-2017

# Almost Every Major Field Growing Five Years Ago

## Change in Master's and Professional Doctorate Conferrals by Field (2-Digit CIP) 2007-2013

Annual Growth Rate in Degrees



**3.7%**  
**Overall Annual Growth Rate**  
 Total Graduate Degree Conferrals 2007-2013

**+171K**  
**Net Increase in Conferrals**  
 2007-2013

**+182K**  
**Increase from Growing Fields**  
 2007-2013

**-11K**  
**Decrease from Declining Fields**  
 2007-2013

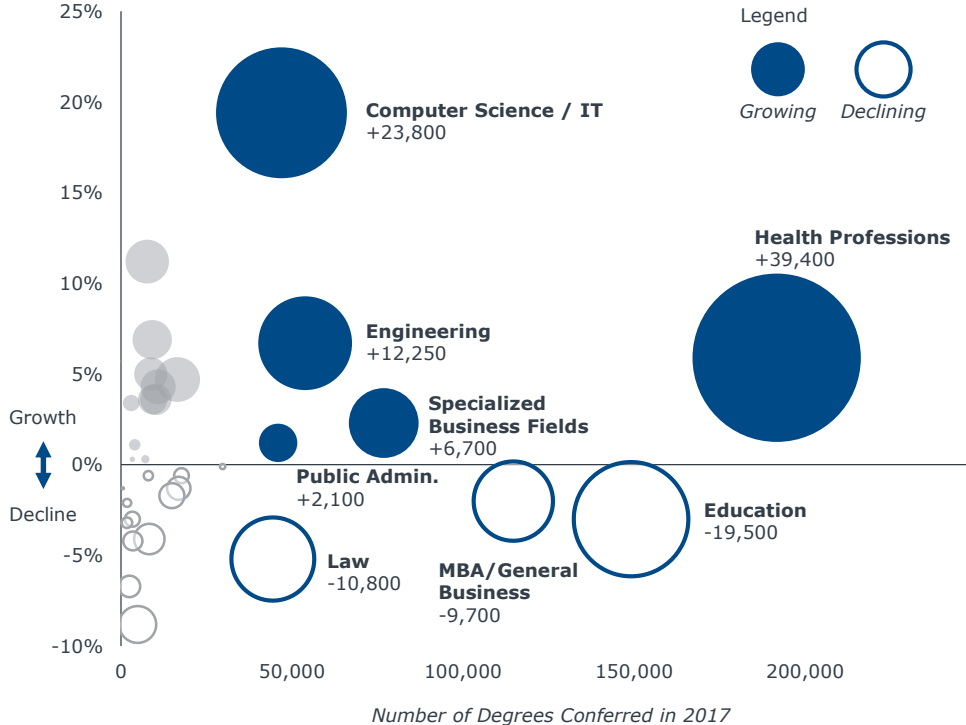
Number of Degrees Conferred in 2013



# Now Growth Limited to High-Cost to Deliver

Change in Master's and Professional Doctorate Conferrals by Field (2-Digit CIP) 2013-2017

Annual Growth  
Rate in Degrees  
25%



**1.4%**  
**Overall Annual Growth Rate**  
 Total Graduate Degree Conferrals 2013-2017

**+50K**  
**Net Increase in Conferrals**  
 2013-2017

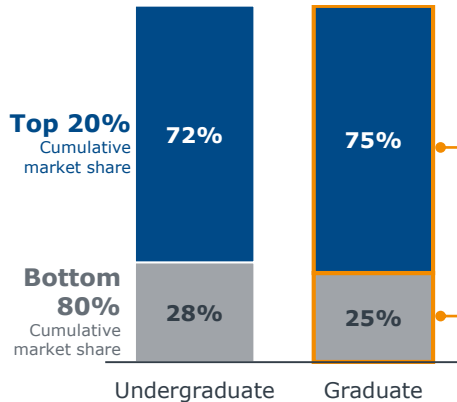
**+99K**  
**Increase from Growing Fields**  
 2013-2017

**-49K**  
**Decrease from Declining Fields**  
 2013-2017

# Portrait of a Concentrated Market

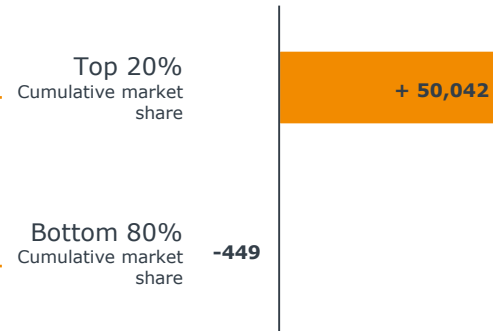
## Institutions with Highest Conferrals Control Most of the Market

Market share, 2017



## And for Graduate Degrees, the Biggest Have Only Gotten Bigger

Net change in number of graduate degrees conferred, 2013-2017



## What Does the Top 20% of the Graduate Market Look Like?



- 423 institutions
- 26% are R1 institutions
- 36% are in large cities



- 54% are public
- 41% are private, non-profit
- 5% are private, for-profit

# It's All in the Delivery

Format Increasingly Essential for Program Success

## A Tour of Emerging Program Design Options



### Accelerated

*Shorter than a typical academic program*

- Microcredentials
- Mini-MBA
- Second Bachelor's
- Bootcamps



### Modular

*Short modules that combine into credentials*

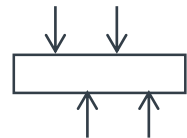
- DIY Programs
- Modular Master's
- Tiered Content Portfolio



### Experiential

*Integrated opportunities to build skills*

- Client-Based Projects
- Team Capstone Projects
- Virtual Internships



### Demonstrated Mastery

*Progress based on assessment of competencies*

- Project Based Master's
- MOOC to Master's
- Course to Assessment
- Competency-Based Education

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# Remembering the Good Old Days

## Four Pillars of “The Strategy of Having No Real Strategy”

A+



**Pursue Every Opportunity**

**Approach Each Opportunity the Same Way**

**Ignore Competitor Strengths and Strategies**

**Assume Faculty Can Go It Alone**

*Assumption:*

“We can be excellent at all kinds of research and in all disciplines. So we should treat all opportunities equally.”

*Assumption:*

“Our historic approach to competing for dollars has served us this long. No need to reinvent the wheel.”

*Assumption:*

“We shouldn’t waste time evaluating our competitors—since we can’t control what they do, it won’t help our success rates.”

*Assumption:*

“Our faculty are smart and more than capable of submitting competitive proposals without any campus support or investment.”

### Historic Approach No Longer Sufficient for Growth

“I’d love to have a culture where every person has a grant, but we aren’t going to reach \$300 million on a single-PI portfolio.”

*Vice President, Research  
Public R1 University*

## The Quantitative Evidence Is Not Definitive...

0101  
1100  
1111

### Data Sources EAB Reviewed

- Federal agency budgets and strategic documents
- Appropriating committee hearings
- Agency proposal data (e.g., Grants.gov)
- Higher Education Research and Development (HERD) survey

### Limitations of Data

- Allocation discretion at program officer level
- Cannot drill down to tactical decisions or determine causality
- Annual opportunity volatility
- Insufficient granularity

## ...But All Signs Suggest Agencies Are Shifting Dollars Toward Large and Complex Opportunities



### Lagging Indicators

- Increase in multi-PI awards (especially for high-dollar opportunities)
- Increase in number of centers and center-level awards
- Increase in limited submission opportunities
- Increase in agency rhetoric about “interdisciplinarity,” “convergence,” and “collaborative” research



### Agency Rationale

- Reduce agency **administrative burden**
- Yield greater impact and **return on investment**
- Gain **political cover** from demands to explicitly fund “national priorities”
- **De-risk** agency investments by investing in universities most likely to “succeed”

“When I was at NSF, I saw a shifting or reshuffling of existing research dollars toward larger opportunities that required multiple PIs and aligned with multidisciplinary areas of interest for the agency.”

Former Program Officer,  
National Science Foundation

## Universities Must Evolve RD Priorities to Reflect L&C Grants

### Evolving RD Strategy



How can we position ourselves to be more competitive for L&C awards?



How can we adjust our existing resources to support the pursuit of L&C awards?

#### **Refining Institutional Research Strategy**

How can we make research strategy more comprehensive and institutionally aligned?

#### **Developing Research Partnerships**

How can we tap a range of external and internal stakeholders (not just RD staff) to increase competitiveness

#### **Adapting Research Office Services and Resources**

How can we prioritize activities and services based on institution-specific goals and objectives?

#### **Supporting Building Research Teams**

How can we support faculty collaborate by breaking disciplinary siloes?

# Seeking Funding from Mission-Driven Agencies



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## Understanding the Differences in Process and Culture

### Traditional Federal Funding Sources

### Mission-Driven Funding Sources

#### Type of Research



Focus on basic research



More emphasis on applied research

#### Level of Restriction



Carry no (or few) publication or access restrictions



Greater restrictions on work and product

#### Award Process



Solicit broadly for research ideas to fund



Focused on ideas that meet specific agency mission and needs





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