



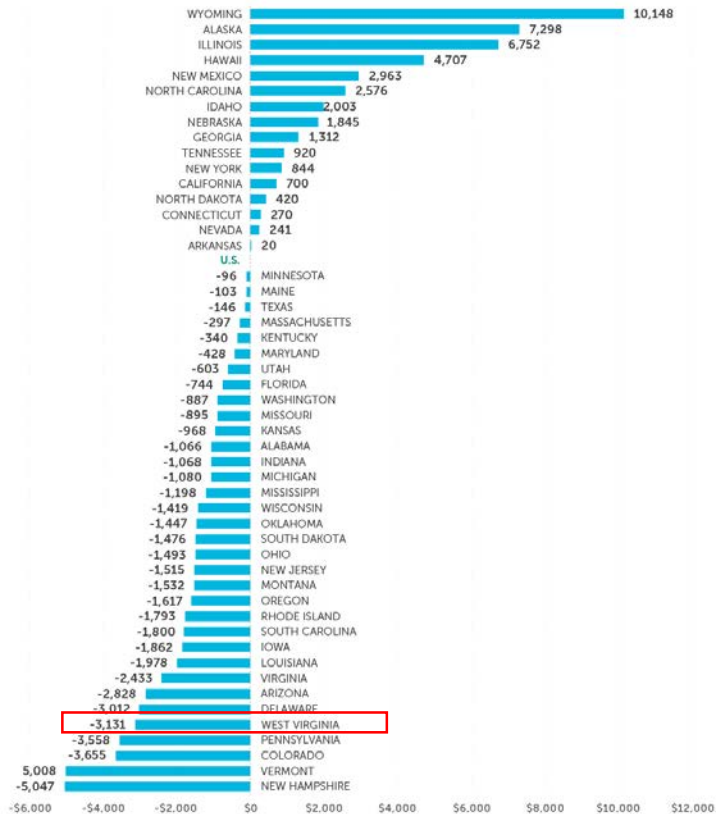
# The Changing Higher Education Landscape

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

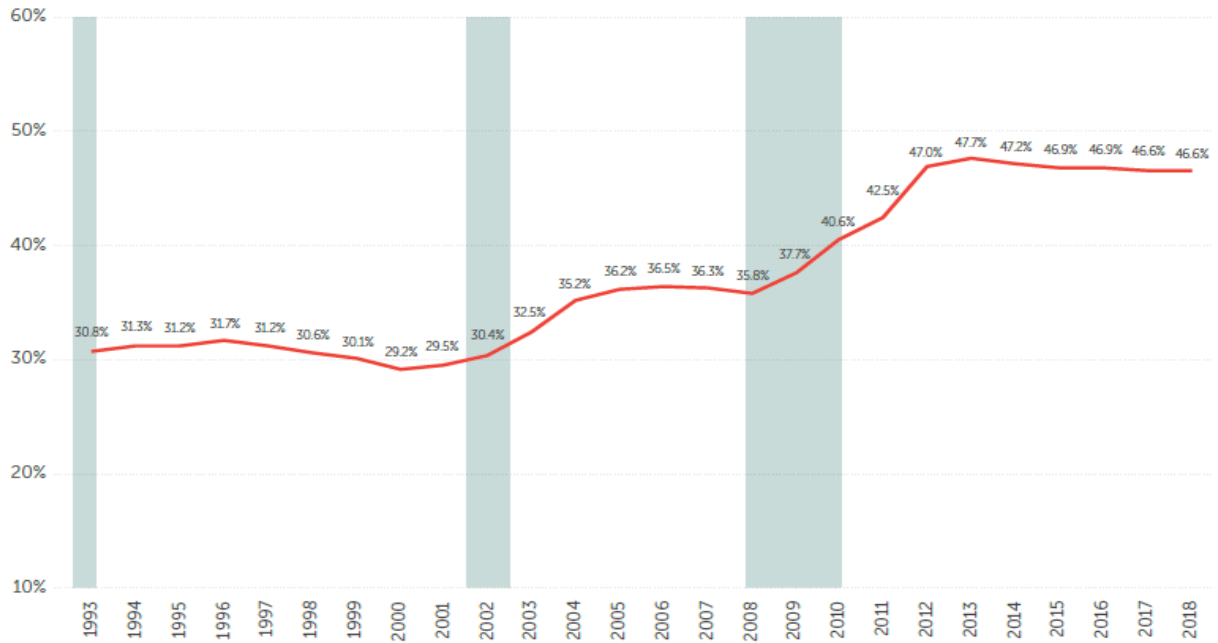




# The Privatization of Public Higher Education

## 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

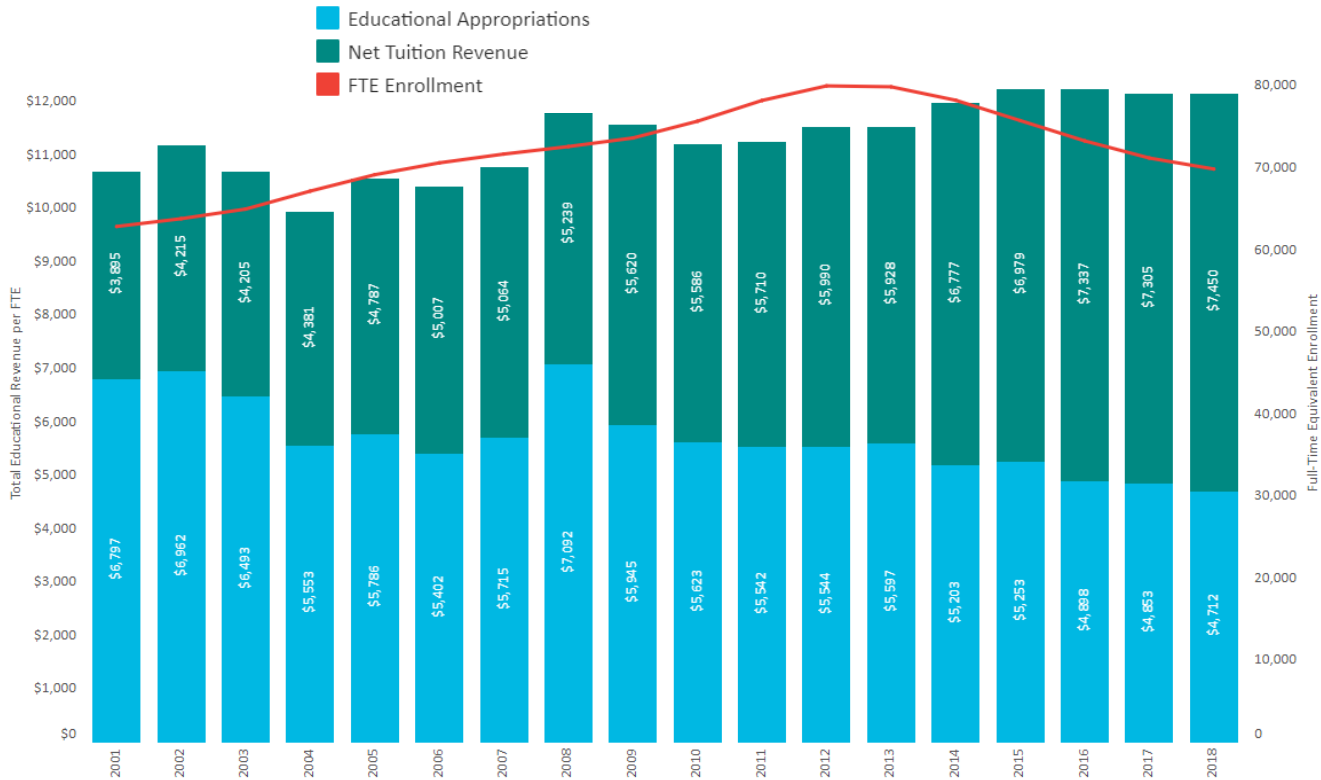


Source: [https://sheeo.org/wp-content/uploads/2019/04/SHEEO\\_SHEF\\_FY18\\_Report.pdf](https://sheeo.org/wp-content/uploads/2019/04/SHEEO_SHEF_FY18_Report.pdf)

RECESSION

# 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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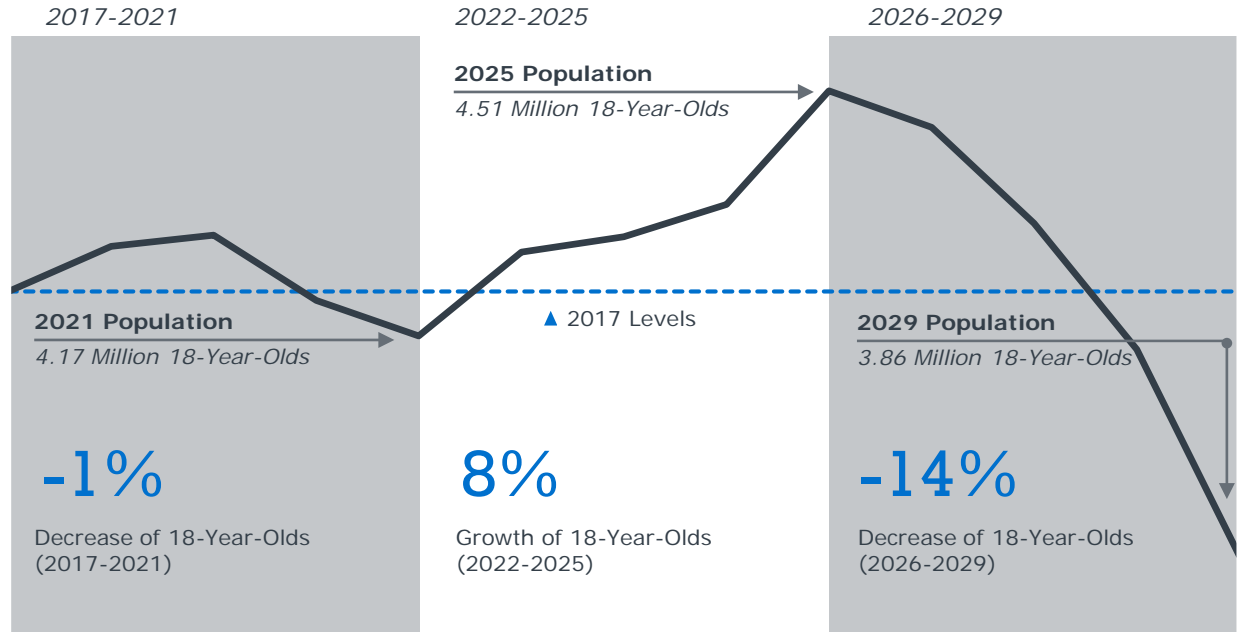
# The Coming Demographic Cliff

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%

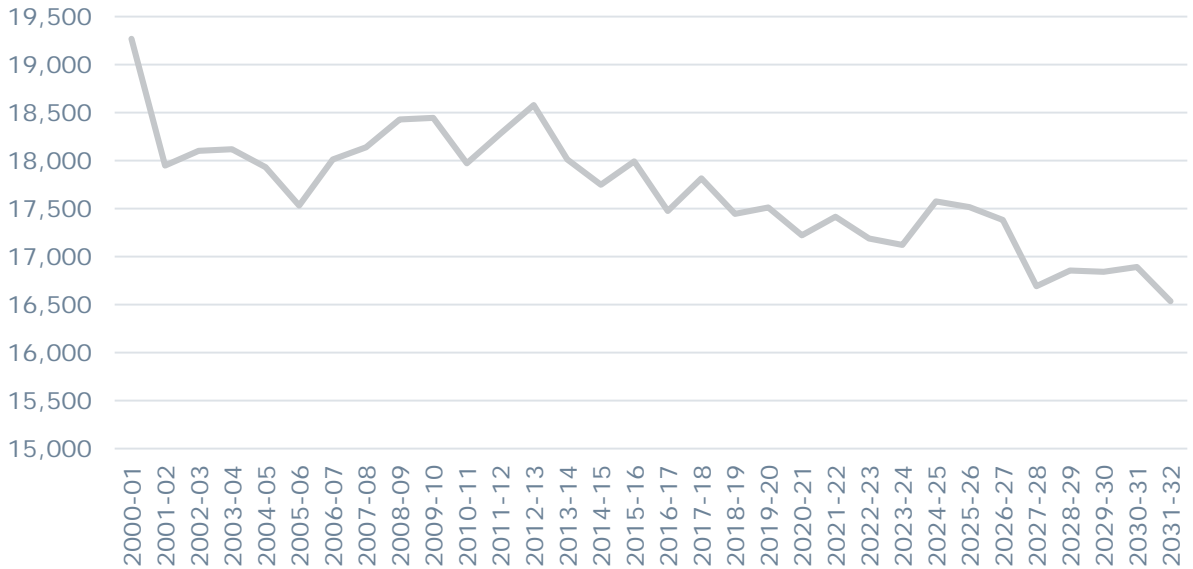
- Most subject to demographic volatility as core student population is least likely to travel and most skeptical of college value proposition.





# Expected Declines in High School Graduates

## Projected High School Graduates in West Virginia

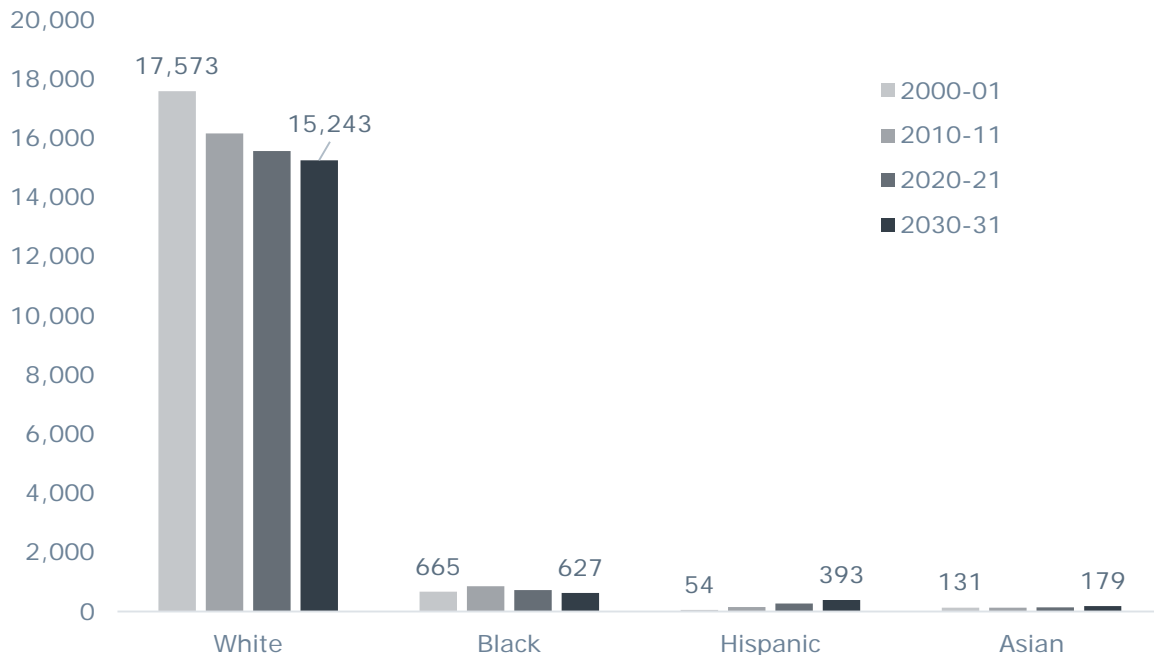


Source: Western Interstate Commission for Higher Education, Knocking at the College Door: Projections of High School Graduates, 2016, [www.wiche.edu/knocking](http://www.wiche.edu/knocking).

# Non-White Students Not Projected to Increase Significantly



## West Virginia High School Graduates by Race/ Ethnicity

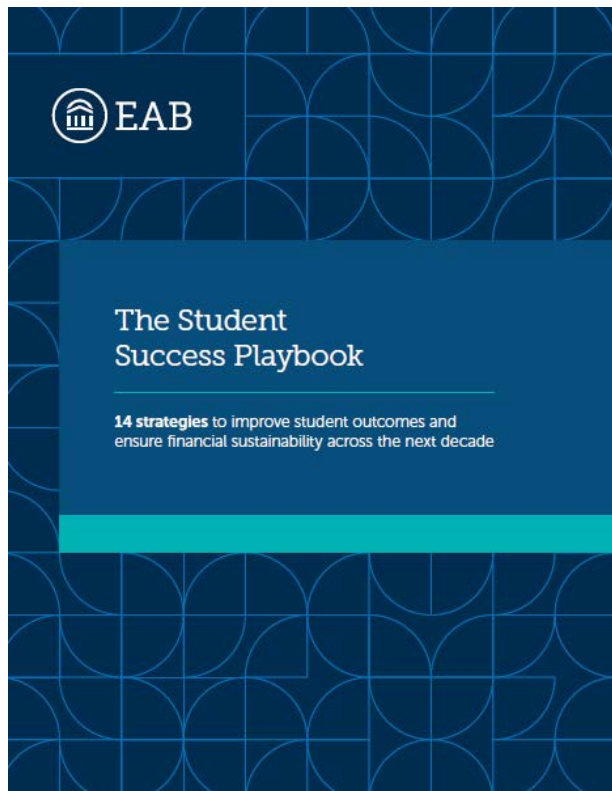


Source: Western Interstate Commission for Higher Education, Knocking at the College Door: Projections of High School Graduates, 2016, [www.wiche.edu/knocking](http://www.wiche.edu/knocking).

# Responding to Demographic Decline

## Four Imperatives





## 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

# Affordability Marketing 101



## 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 Now Front and Center in Online Search

Georgia State Undergraduate Admissions  
 website requirements • Georgia State University •  
 links to related SAT or ACT scores. Please refer to the state  
 accepted GMAT students.

revolve • CollegeData College Profile  
 getcollege\_ppt1\_5ng1\_Primo?school=1200 •  
 100% in public university. 5 in the South • Overall  
 admits rates admitted Early Action.

Admission Chances, SAT and ACT Scores ...  
 Georgia State University admission: •  
 100% in public university. 5 in the South • Overall  
 admits rates admitted Early Action.

Admissions • Niche  
 state university admissions: •  
 including top three common students on - if it's not within  
 six or twelve mile zone.  
 applicants: 8,440  
 on file: 17%.

Rich  
 university



Georgia State University

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. [View page](#)

Georgia State University •  
 Admissions

Acceptance rate: 17.1% (2014)

Graduation rate: 53.2% (2014) (Lower than most)

Average cost for students receiving federal aid: \$5,963 USD (2013) (Lower than most)

Average salary after attending undergraduate: \$5,888 USD (2013) (Lower than most)

Undergraduate tuition and fees: International tuition: 28,896 USD (2013), State



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



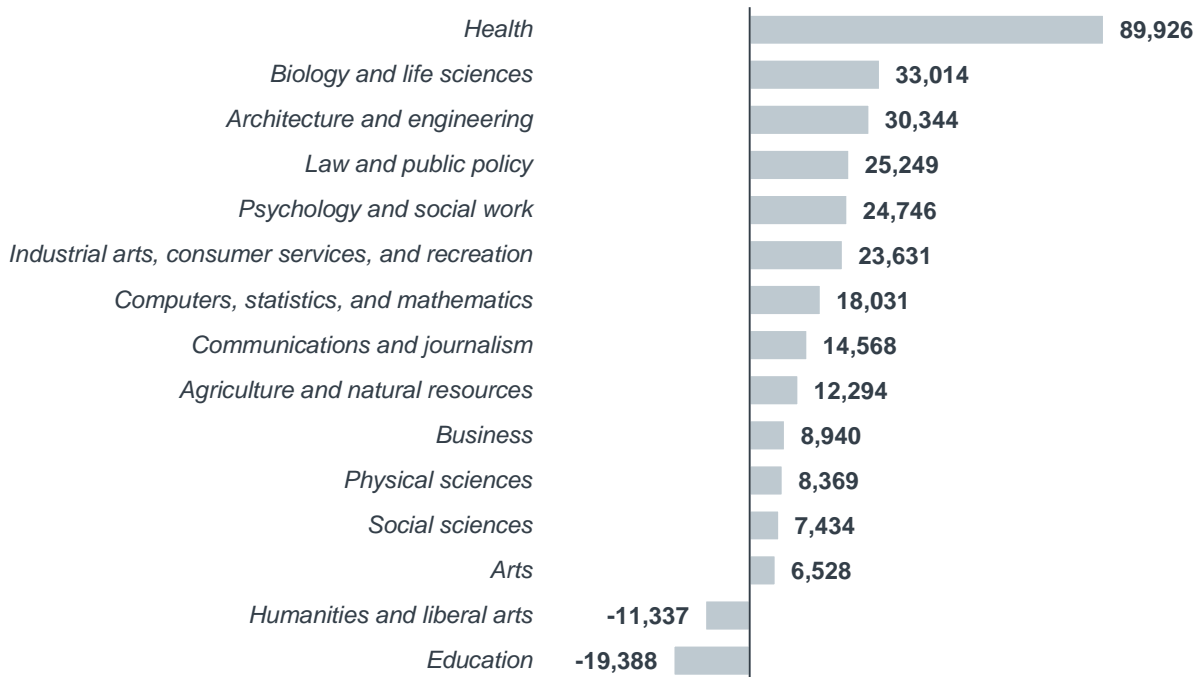
Source: [http://www.collegemeasures.org/4-year\\_colleges/college-performance-rank/](http://www.collegemeasures.org/4-year_colleges/college-performance-rank/).

# 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

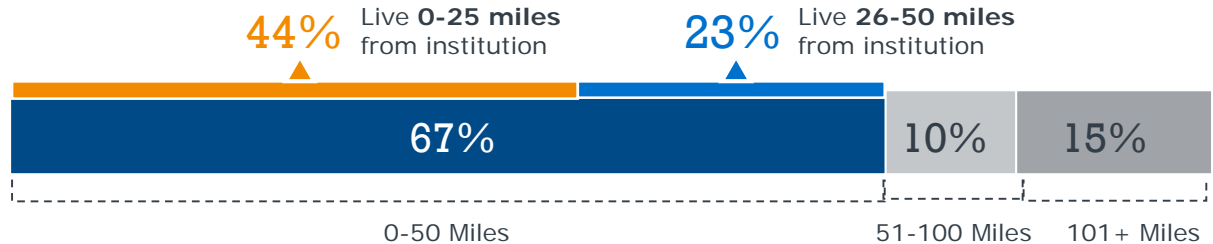
“Search and Shop”  
Cost  
Convenience

# Most Online Students Reside In-State

## Online Students Value Access to In-Person Services

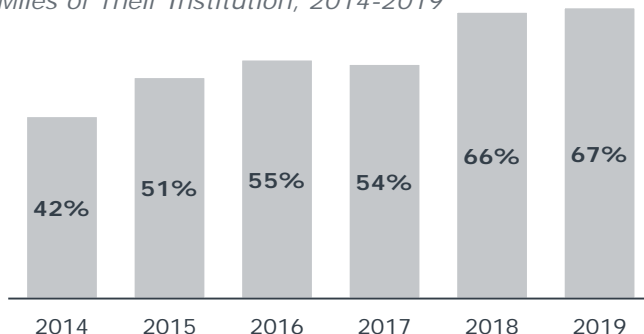
### Online Students are Local to their Institution

*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%

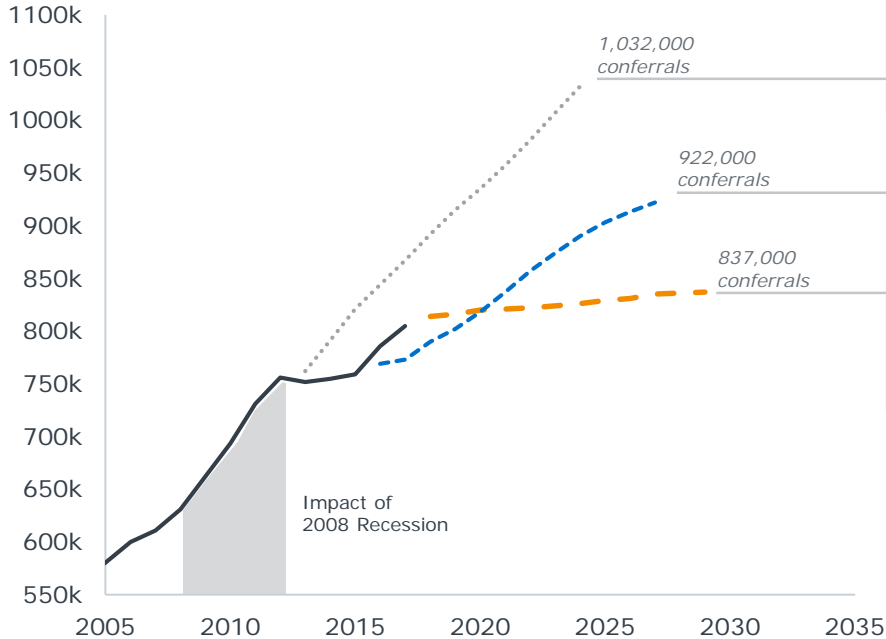
Proportion of students who visited campus or a campus center at least once during program

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

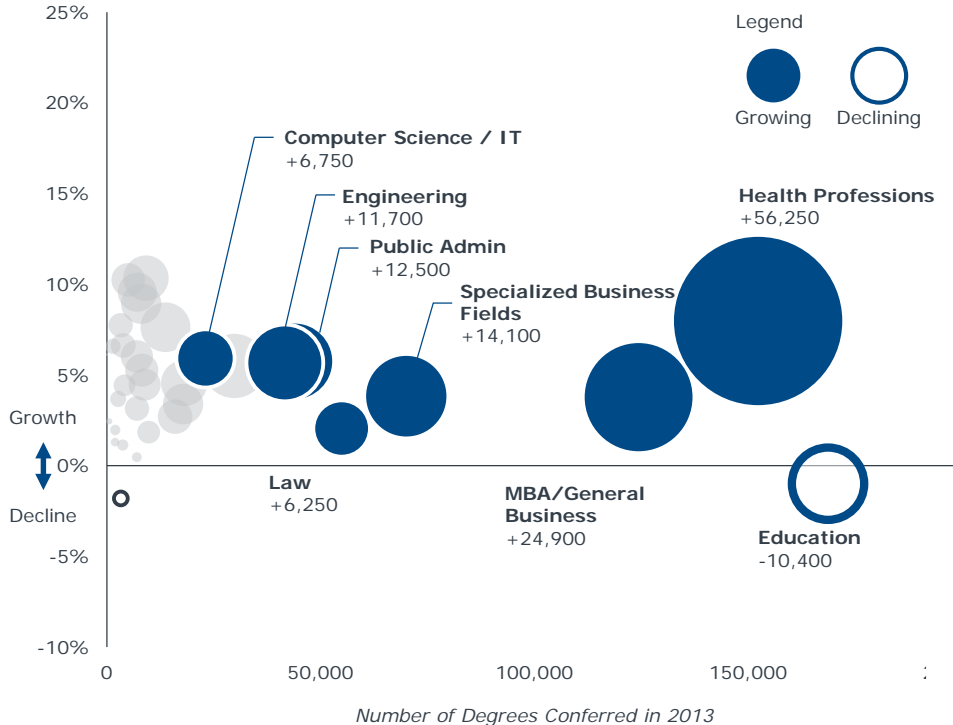
**1.7%**

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

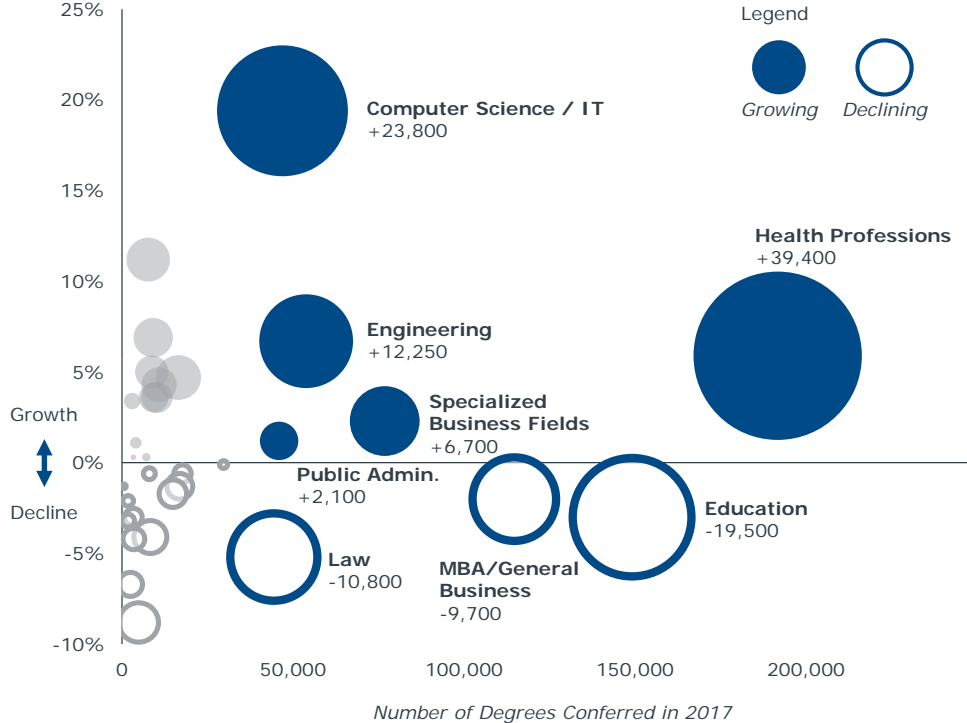
**-11K**  
Decrease from Declining Fields  
2007-2013



# 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*

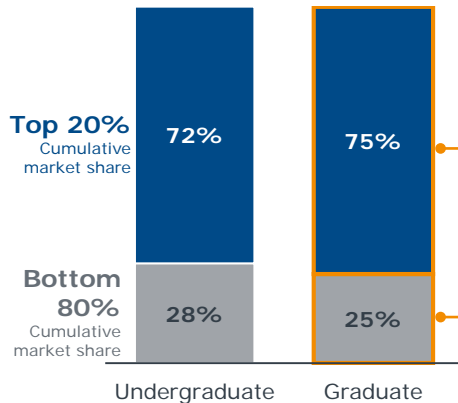
**+99K**  
**Increase from  
 Growing Fields**  
*2013-2017*

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

# Portrait of a Concentrated Market

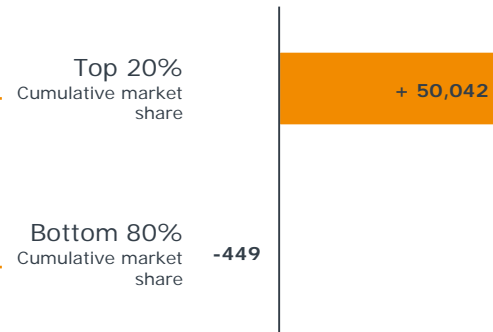
## Institutions with Highest Conferrals Control Most of the Market

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*

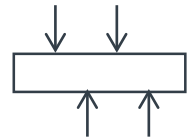
- DIY Programs
- Modular Master's
- Tiered Content Portfolio



### 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**

*Assumption:*

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



**Approach Each Opportunity the Same Way**

*Assumption:*

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



**Ignore Competitor Strengths and Strategies**

*Assumption:*

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



**Assume Faculty Can Go It Alone**

*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*



# Federal Tide Has Already Begun to Turn

## The Quantitative Evidence Is Not Definitive...



### 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



*“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.”*



### 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”

*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



32

## 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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