

# SENSEMAKING

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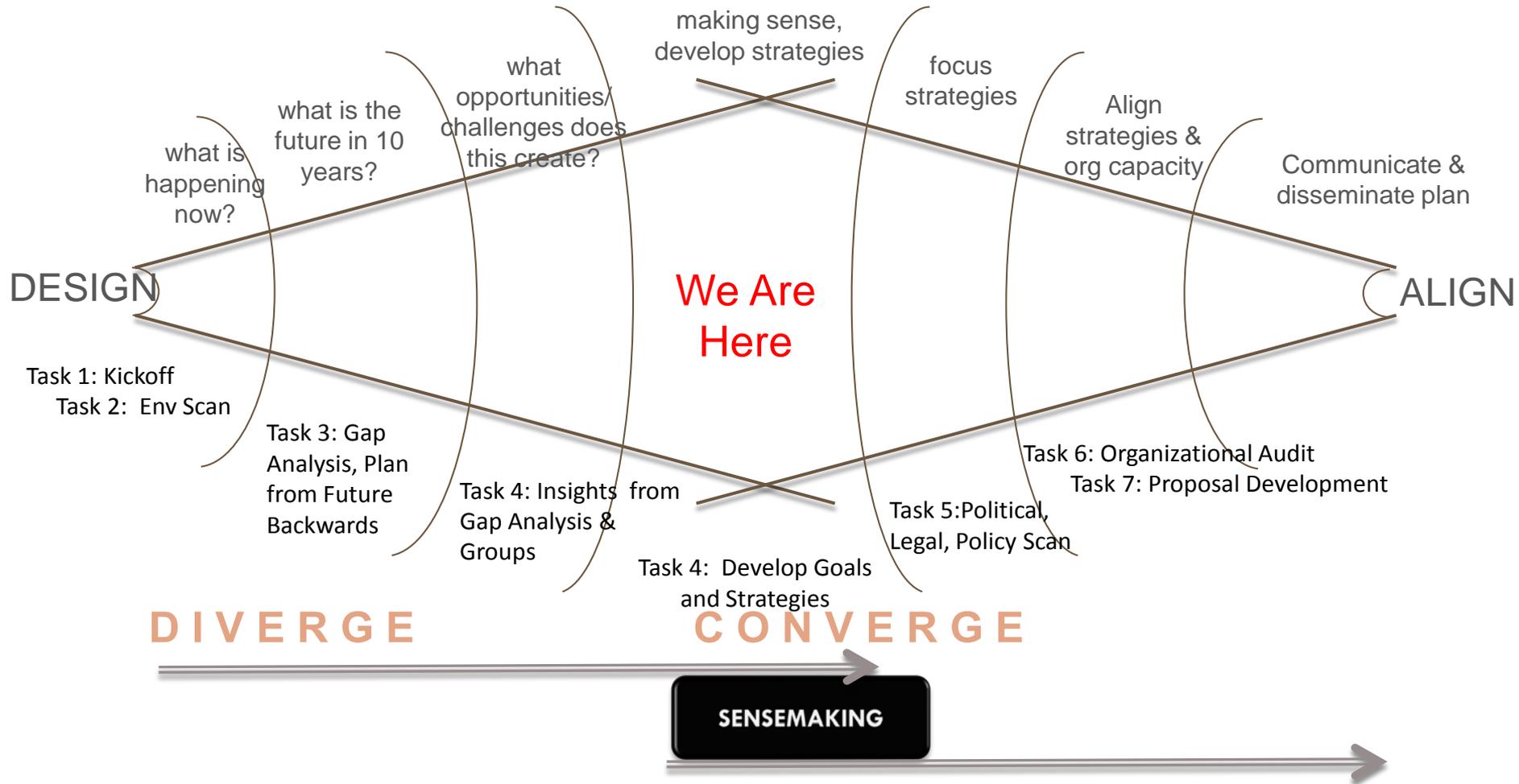
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Research that Matters

# SCHEV Strategic Planning

design → divergent thinking → convergent planning → alignment

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# Regional Differences

- Virginia can only be understood as a collection of distinctive regions, each of which are important to the Commonwealth's success.
- Northern VA dominates in population, wealth, economic vibrancy, education, and income.
- The rural regions in the south, west and east need different solutions than do the suburbs of Washington, Richmond and Virginia Beach.
- The average family from the Southwest part of the state has income of  $\approx$ \$36,000.

## Median income by region, 2008-12



Source: U.S. Census Bureau

# Demographics

- Slow to no growth is expected in the college-age population between now and 2020.
- Half the high school graduates who are interested in college are not well prepared to succeed academically.
- The two largest groups of adults by education level are high school graduates and those with some education; these are good candidates for returning to college.
- Hispanic/Latino high school graduates are the fastest growing ethnic group in Virginia and currently they are the least likely among groups to enroll in college.
- Black/African American high school graduates have a high college dropout rate.

# Affordability

- The public universities with the fewest Pell Grant recipients and the highest tuition provide the lowest net price for low-income students and students graduate with the lowest loan balance.
- The public colleges and universities with the most Pell Grant recipients have the lowest tuition, but higher net price for low-income students and the largest loan balances for graduates.
- Virginia is a high-tuition, middle- aid state.

# Graduation Rates – Pub 4-Year

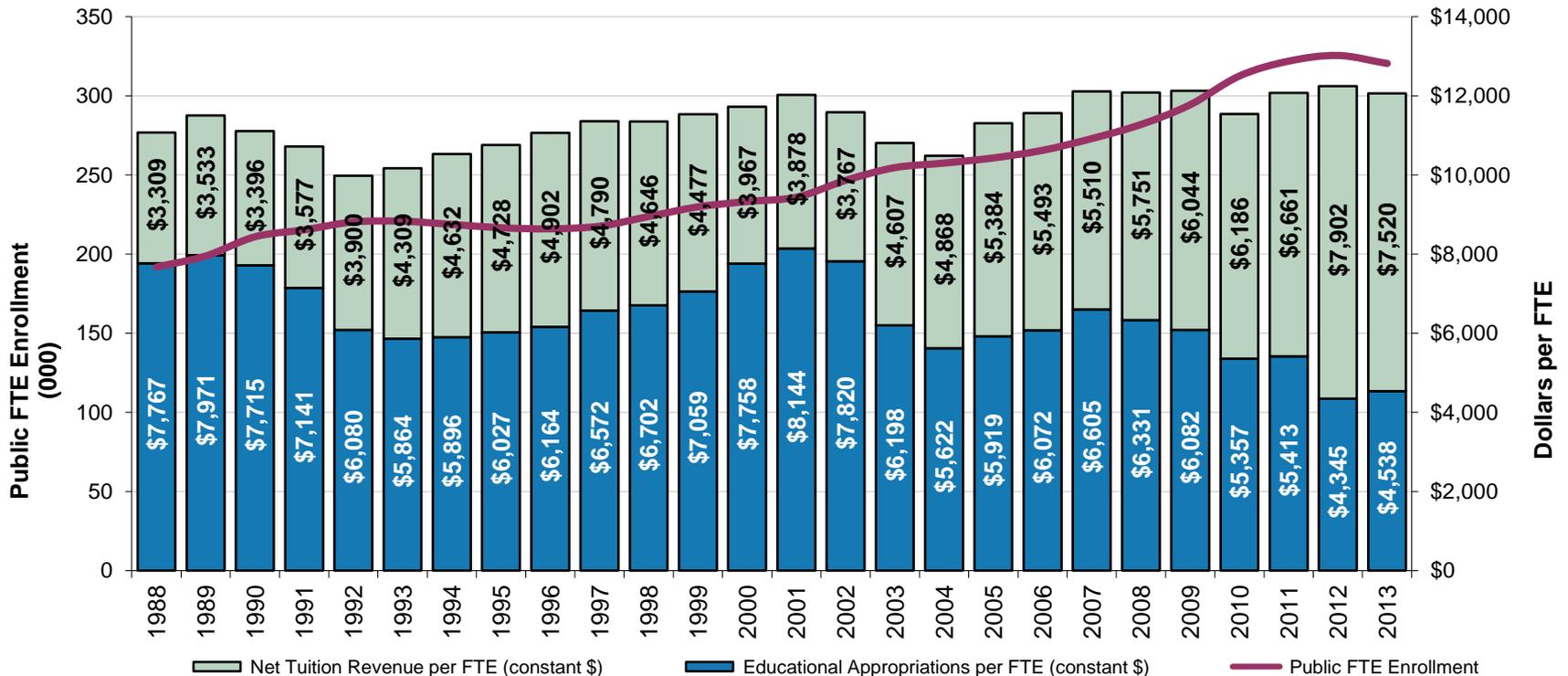
<b>Public four-year institutions</b>	<b>Bachelor's degree within 100% of normal time (4-years)</b>	<b>Bachelor's degree within 150% of normal time (6-years)</b>
University of Virginia-Main Campus	85%	93%
College of William and Mary	82%	90%
James Madison University	68%	82%
Virginia Polytechnic Institute and State University	53%	80%
University of Mary Washington	68%	75%
Virginia Military Institute	60%	70%
George Mason University	39%	63%
Christopher Newport University	42%	60%
Longwood University	40%	59%
Radford University	39%	57%
Old Dominion University	25%	50%
Virginia Commonwealth University	23%	50%
The University of Virginia's College at Wise	35%	48%
Virginia State University	24%	41%
Norfolk State University	11%	34%

# Graduation Rate – Pub 2-Year

<b>Public two-year institutions</b>	<b>Degree/certificate within 100% of normal time</b>	<b>Degree/certificate within 150% of normal time</b>
Wytheville Community College	22%	36%
Southwest Virginia Community College	25%	35%
Dabney S Lancaster Community College	17%	30%
Eastern Shore Community College	13%	26%
Lord Fairfax Community College	13%	26%
Paul D Camp Community College	14%	26%
Southside Virginia Community College	18%	26%
Patrick Henry Community College	15%	24%
Rappahannock Community College	10%	24%
Blue Ridge Community College	11%	21%
New River Community College	11%	21%
Richard Bland College of the College of William and Mary	13%	21%
Central Virginia Community College	14%	20%
Mountain Empire Community College	12%	20%
Virginia Western Community College	11%	20%
Danville Community College	9%	19%
Northern Virginia Community College	8%	18%
Piedmont Virginia Community College	9%	18%
Virginia Highlands Community College	9%	18%
Germanna Community College	8%	17%
John Tyler Community College	5%	13%
Tidewater Community College	5%	13%
Thomas Nelson Community College	5%	11%
J Sargeant Reynolds Community College	3%	9%

# Sustainability

**Public FTE enrollment, educational appropriations and total educational revenue per FTE, Virginia—FY1988-2013**



**Note:** Constant 2013 dollars adjusted by SHEEO Higher Education Cost Adjustment (HECA). Educational Appropriations include ARRA funds.  
**Source:** SHEEO

# Sustainability (Continued)

- Higher education support per capita VA=0.85, US=1.00
- Higher education support per \$1,000 in personal income VA=0.76, US=1.00
- Allocation of state tax returns and lottery profit to higher education VA=5.8%, US=6.8%
- The return on investment in higher education adds billions of dollars annually to Virginia's GDP.
- Virginia higher education is well regarded considering existing standards of excellence. Other states are investing more in new initiatives and directions, however.

# Policy Scan - Federal Student Aid

- Has grown in importance in higher education financing—help low income students or incentive to increase tuition
- Regulatory burden
- Cost control
- Expanding student debt
- Basis for accountability
- Consumer protection rules

# Governor's Policy (so far)

- Gov. McAuliffe's platform
  - CC's
    - Emphasis on workforce
    - K-12 linkages, career coaches
    - Institutional autonomy
  - Four-years
    - Efficiency and governance
    - Affordability and financial aid
  - Strategic Workforce Initiative
    - How does this affect the balance between workforce and transfer in the CCs

# Restructuring Act (2005)

- Has granting public institutions autonomy in setting tuition and fees affected their responsiveness to state needs?
  - ▣ Inconsistent levels of affordability across institutions
  - ▣ Puts less selective colleges at disadvantage
- Has giving public institutions autonomy over operations resulted in increased access and affordability by controlling costs and tuition?
  - ▣ Tuition has increased across the board
- Has not been effective
  - ▣ Benefits concentrated on highly selective, Level III institutions

# Political Scan

## □ Challenges

- Increasing enrollment and attainment rates for underserved minority students, especially Black/African American and Hispanic students
- Increasing enrollment and attainment rates for low-income students
- Break cycle of using tuition increases to maintain revenue when state support lags

## □ Opportunities

- Leverage support for workforce and economic development
- Develop financial commitment to improving affordability through base funding and financial aid

# Strategic Risks

- Current funding and accountability model trending toward a two-tiered system
  - ▣ Selective universities benefit from out-of-state tuition
  - ▣ Less selective institutions face the potential of downward spiral
  - ▣ Access for low-income students falls behind affordability in funding-poor environment
- Falling behind due to inaction on Research Centers of Excellence

# Making Sense of the Inputs

Review of Inputs/Expected Results

Futuring Framework

Extrapolated Trends

Emerging Issues

Trends & Issues to Themes

Five Themes and Their Success Factors

# Sensemaking Inputs and Results

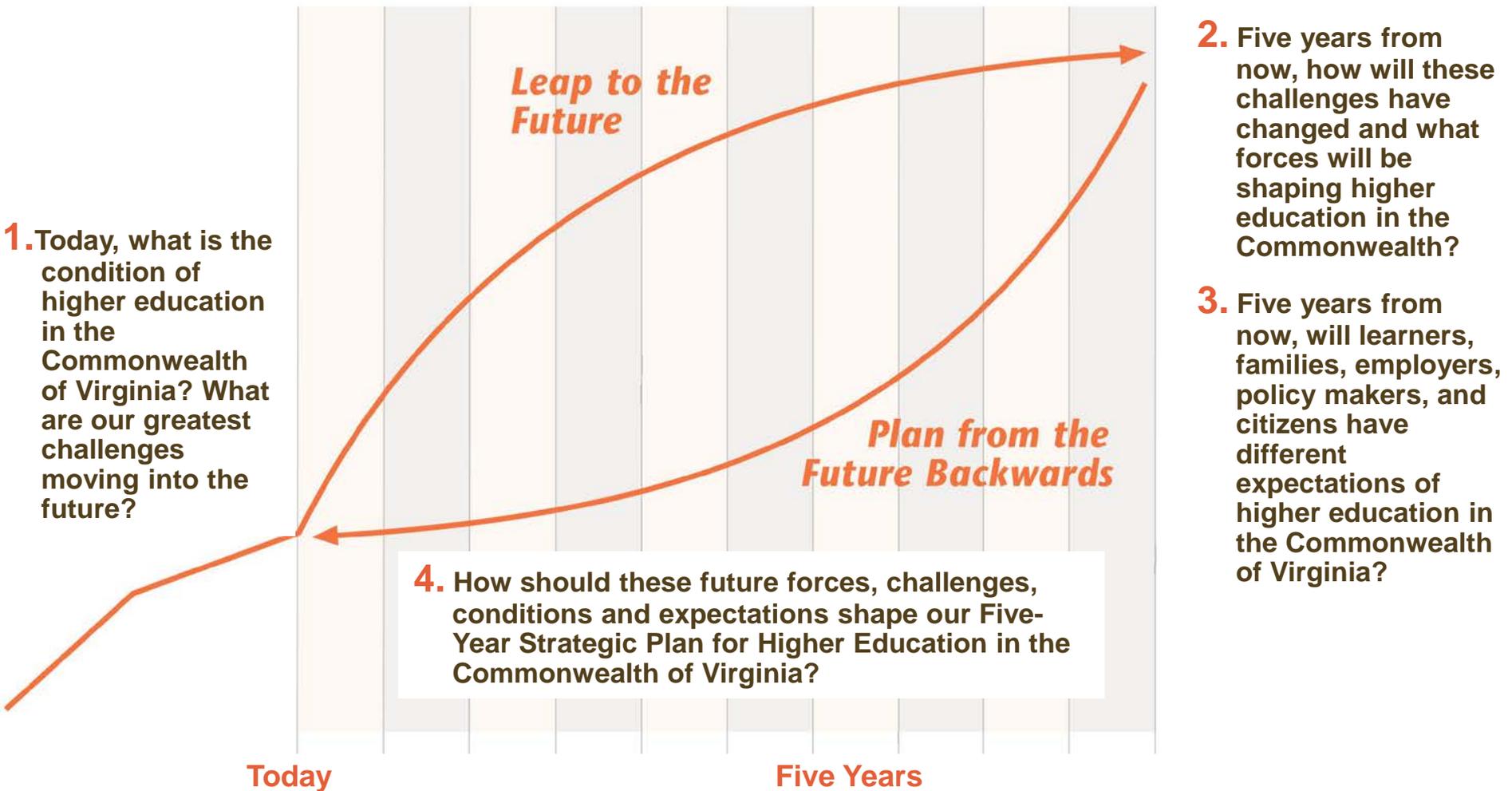
## Inputs

- Meetings with SCHEV Staff, Council Members, Presidents
- Data Memo
- Gap Analysis
- Policy Scan/Memo
- Interviews and Synthesis from Regional Visits, Surveys
- Expert Insights on Higher Education over the Next Five Years
- Strategic Plans from Other States, Insights on Successful Actions
- Strategic Plans, Virginia Institutions
- Background Readings

## Results

- Identification of Critical Issues, Themes, Success Factors
- Identify Barriers and Differences of Opinion Among Political/Policy Leaders
- Synthesize Insights on What Has Worked in Other States
- Elements of a Plan Emerge—including Mission, Vision, Values, Goals, Objectives/Strategies, Actions/Initiatives

# Futuring Framework



# Extrapolated Trends

## Today

- Tuition/fees poised to increase 5-7% per year.
- Virginia economy experiencing weak recovery; additional cuts in defense/govt spending loom.
- Virginia tax revenues dipped this year; led to reduction of planned budget increases.
- VCU study shows the public supports tax increases to keep funding the same for: public K-12 (70%) and/or higher education (49%). A 21% point neediness gap.

## Five Years in the Future

- Compounded increase of 25-35%+ over five years without relief. This number scares people.
- Likely to plateau for next few years, possible growth in years 3-5.
- Tax revenues/state budgets likely to be flat for 3 years, possible improvement after that.
- Tax increases unlikely in any case, but the benefit from funding higher education needs to be demonstrated & communicated more effectively to close the perception gap with public K-12.

# Extrapolated Trends (Continued)

## Today

- Increasing numbers of Hispanic students and other minorities.
- Pipeline from Northeast/Mid-Atlantic states is important to Virginia institutions.
- Availability of publicly-funded research dollars is tightening.

## Five Years in the Future

- Trends will continue. Need to improve culture of learning and readiness of these students if HE degree production is to increase.
- Decreasing numbers of college-ready students in the Mid-Atlantic and Northeast able to pay out-of-state tuitions, providing a challenge for the pipeline for top Virginia institutions.
- Competition for research funding will increase and institutions will turn to alternative sources of R&D funding.

# From Trends/Issues to Themes

- Synthesizing our research, interviews and extrapolated trends/emerging issues yields a cluster of five themes.
- The synthesis also identifies a set of elements of potential initiatives/actions under each themes. These are success factors to achieve the themes.
- Further conversation and synthesis will refine these themes into goals, objectives, and initiatives.

# Five Themes and Their Success Factors

## ***Access/Affordability***

- Enhance Culture of Learning
  - Accessible Pathways
- Seamless Transfer/Articulation
- Affordable Tuition/Net Price
  - Needs-Based Aid
- Manage Total Price of Completion
  - Accelerate Completion
- Recognize Regional Variations

## ***Sustainability***

- Institutional Leadership
  - Dependable State Funding
- Streamline Mandates/Regulation
- Deliver Expected Outcomes/Value
  - Improve Productivity/Efficiency
  - Achieve Innovation at Scale
- Collaboration/Collective Action
  - Shared Services
  - New Revenue Streams
- Leverage Technology-Based Tools/  
Practices/Experiences
- Refine Capital Construction Model

## ***Student Success***

- Respond to Changing Demography
  - Nurture Pre-K-20 Pipeline
- High School Bridge Programs
- Improve College Readiness
  - Elevate Completion Rates
- Degree Completion Tracks

### ***Graduates Prepared for Useful Lives:***

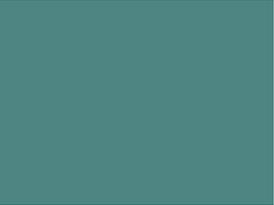
- Critical Thinking Skills***
- Active Citizens***
- Employability/Work Habits***
- Capacity for Perpetual Learning***

## ***Excellence***

- Institutional Leadership
  - Distinctiveness of Virginia Institutions
- Excellence in Performance/Outcomes/Value
  - Academic Quality
- Competitive Salaries & Compensation
- Innovation in New Modes of Learning
  - Resilience/Responsiveness

## ***Prosperity & Economic Vitality***

- Higher Education is **Critical** to EGD
- Achieve a Well-Prepared Workforce, at All Levels
- Support Regional Distinctiveness/Development
  - Increase/Leverage Research Activity
- Accelerate Entrepreneurship/Innovation
  - Commercialize Ideas/Ventures
- Eliminate Impediments/Barriers
- Support Clusters/Centers of Excellence



# Group Discussion

# Proposed Framework for Virginia's Strategic Plan for Higher Education

Principles that govern your behavior and decisions

Value

Value

Value

Value

Value

**Mission**

The fundamental reason you exist, aka the purpose

**Vision**

A word picture of your desired future, aspirational and inspirational consistent with Mission

**Goal 1**  
[Outcome measures]

**Goal 2**

**Goal 3**

**Goal 4**

Broad statements of measurable outcomes to be achieved on behalf of customers

**Objective 1.1**  
[Intermediate measures & targets]

**Objective 1.2**

**Objective 2.1**

**Objective 3.1**

**Objective 3.2**

**Objective 3.3**

**Objective 4.1**

Statements of what you must do well or barriers you can overcome to achieve your Goal

**Initiative 1.1.1**

**Initiative 1.1.2**

**Initiative 3.2.1**

**Initiative 4.1.1**

**Initiative 4.1.2**

Programs, activities, initiatives, tasks that will help meet targets

# DRAFT MISSION

The fundamental reason  
you exist, aka the purpose

- 1) To provide learning, research, and public service to advance the prosperity of the Commonwealth and the well-being of its people

# DRAFT VISION

A word picture of your  
desired future, aspirational  
and inspirational  
consistent with Mission

- 1) Every Virginian will have an education beyond high school
- 2) Virginia will have educational achievement, research, and public service—second to none

# DRAFT VALUES

Principles that govern  
your behavior  
and decisions

## 1) Opportunity

- Options, choice, access, affordability, diversity, holistic education, liberal arts

## 2) Adding Value

- Customer-service, responsive, commitment, effectiveness, excellence

## 3) Collaboration

## 4) Leadership

- Adaptability, flexibility, trust, credibility, entrepreneurs, disruption

## 5) Stewardship

- Resources, accountability, shared responsibility, effectiveness

# Virginia's Strategic Plan for Higher Education

Mission

Vision

Goal 1  
[Outcome measures]

Goal 2

Goal 3

Goal 4

Objective 1.1  
[Intermediate  
measures & targets]

Objective 1.2

Objective 2.1

Objective 3.1

Objective 3.2

Objective 3.3

Objective 4.1

Initiative 1.1.1

Initiative 1.1.2

Initiative 3.2.1

Initiative 4.1.1

Initiative 4.1.2

Value

Value

Value

Value

Value