

A NEW NORMAL: TRANSFORMATION IN THE WORLD OF HIGHER EDUCATION

ANTICIPATING AND PREPARING FOR CHANGING CIRCUMSTANCES

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The world of higher education is in a period of significant transition: today's postsecondary students are older and are concurrently balancing school demands with jobs and families. With workforce experience, they are entering (and returning to) college with expectations for skill-based career training. Demand for online coursework and credentialing, certification programs, and continuing education courses is skyrocketing among both traditional and non-traditional students. This paper outlines four data-substantiated trends that will help institutions of higher learning adapt to the needs of a diverse prospective student population.

The postsecondary landscape has changed so much in recent years that it is almost unrecognizable. As recently as the 1990s, the typical college student was 19 years old, studying full time and living on campus at a four-year university. Now, the average 21st-century student studies part time, works full time, and has children and a decade in the workforce. With the rise of online degrees and skill-specific certification programs, the world of higher education is changing rapidly.

Consider a few statistics: college enrollment among people ages 25 through 44 increased by 51% between 1991 and 2011, even though U.S. population growth remained essentially stagnant for that age group during the same period.¹ More than one of every three

undergraduates today are older than 25 years old.² And, one quarter of all students are now looking to earn credentials entirely or mostly online.³

This and other compelling data reveal four trends that are transforming the landscape of higher education: student demographics, job-related goals, online education, and certificate programs.

STUDENT DEMOGRAPHICS

Due in part to the fact that 38% of today's undergraduates are over 25 years old,⁴ three quarters of students are balancing jobs and families amid the demands of classes and coursework. An estimated 26% of undergraduate students—about 4.8 million—are raising children.⁵ Only *one quarter* of undergraduates are traditional students attending a full-time program at a residential college with parents footing the bill.⁶

It is no wonder then that students are now taking longer to graduate. Of full-time students, 40% need more than eight years to complete a four-year bachelor's degree. Of part-time college students, 76% need more than eight years to complete a four-year bachelor's degree.⁷

At Cicero, we have advised a range of institutions on how to stay ahead of the rapid evolution of postsecondary student populations. Our experience, and the data we

¹ Eduventures (2012). The Adult Higher Education Consumer 2012. Retrieved from: http://www.usnews.com/pubfiles/the_adult_higher_education_consumer_2012.pdf

² Lumina Foundation. Today's student. Retrieved from: <https://www.luminafoundation.org/todays-student-statistics>

³ Hagelskamp, Carolin, David Schleifer, and Christopher DiStasi (2013). Is College Worth It for Me? Public Agenda. Retrieved from:

http://www.publicagenda.org/files/IsCollegeWorthItForMe_PublicAgenda_2013.pdf

⁴ Lumina Foundation. Today's student. Retrieved from: <https://www.luminafoundation.org/todays-student-statistics>

⁵ Gault, Barbara, Lindsey Reichlin, Elizabeth Reynolds, and Meghan Froehner (2014). 4.8 Million College Students are Raising Children. Institute for Women's Policy Research. Retrieved from: <http://www.iwpr.org/publications/pubs/4.8-million-college-students-are-raising-children>

⁶ Complete College America (2011). Time is the Enemy. Retrieved from: http://www.completecollege.org/docs/Time_Is_the_Enemy.pdf

⁷ Complete College America (2011). Time is the Enemy. Retrieved from: http://www.completecollege.org/docs/Time_Is_the_Enemy.pdf

have captured and observed in recent years, has demonstrated that institutions can no longer rely on policies and programs with primarily younger, full-time students in mind. Universities and colleges who focus exclusively on this type of traditional student—from recruitment through graduation and at all points between—are increasingly falling behind, in terms of both enrollment metrics and student success outcomes. Successful institutions are strategically altering their approaches to registration, scheduling, advising, and mentoring, among other key initiatives and services in order to accommodate these rapidly changing student demographics.

Postsecondary student demographics are highly unlikely to ever look like they once did. We regularly recommend that our partners adopt nimble policies and programs targeted to 21st century student demographics in order to ensure greater rates of success in the years to come.

JOB-RELATED GOALS

With jobs and families, today's students are entering college with job-related goals in mind. In a 2012 study of 192,912 freshman college students, nearly nine out of ten freshmen said they were going to college "to get a better job." Just ten years prior, fewer than three quarters of students gave the same answer.⁸ These statistics reflect, in part, the lasting impact of the global recession and increasing competition in the job market, as well as a broader trans-generational shift in perceptions about the purpose of college.

⁸ Higher Education Research Institute at UCLA (2013). The American Freshman: National Norms Fall 2012. Retrieved from: <http://www.heri.ucla.edu/briefs/TheAmericanFreshman2012-Brief.pdf>

At Cicero, we recognize that postsecondary education exists to prepare and educate students broadly, beyond a singular-minded focus on vocational skills and career preparation, and our work with chief academic, operating, student affairs, and financial officers at postsecondary institutions has always reflected this perspective.

However, in our experience, ignorance or defiance of increasing market demand for intensive occupation and career-specific training and preparation comes at an institution's own peril. Quite simply, most students, parents, employers, and policymakers now believe that postsecondary institutions should bear responsibility for specific job preparation and training.

Therefore, it is our perspective that programs and curricula must balance the provision of broader educational goals with a considerable focus on real, tangible, practical career preparation in order to remain relevant in the shifting postsecondary landscape.

ONLINE EDUCATION

Combine rapidly-evolving technology with current student demographics, and it's no surprise that online education is skyrocketing. From 2002–2012 the number of students enrolled in at least one online course from a degree-granting institution more than tripled—rising from just over 2 million to 7 million.⁹ Now, 25% of prospective students plan to earn credentials entirely or mostly

⁹ Erisman, Wendy and Patricia Steele (2015). Adult College Completion in the 21st Century. Higher Ed Insight. Retrieved from: https://higheredinsight.files.wordpress.com/2015/06/adult_college_completion_20151.pdf

online.¹⁰ While online education has historically been popular among older students, more than a third of online undergrad students in 2013 were younger than age 25—up from one quarter in 2012.¹¹

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Academic officers have historically been skeptical of the quality and legitimacy of online education, but advancements in technology, web platforms, and instructional methods demonstrate dramatically-improved learning outcomes. In fact, in 2014, three quarters of chief academic officers reported that learning outcomes for online courses are on par with or even superior to outcomes for in-person courses—a substantial increase from 48% in 2003.¹²

At this point, nearly two-thirds of colleges offer fully-online degree programs—this number has doubled in the last ten years.¹³ In 2012–13 alone, 421 institutions began offering online programs for the first time.¹⁴

This data coincides with our experience over the last decade. We have found that institutions of higher education can no longer

afford to relegate online learning to the margins or think of online courses as a secondary offering. And as we have helped institutions either revamp their online offerings or bring them to market for the first time, virtually without exception, we have noted the successes they have experienced in terms of increased enrollment figures and improved student outcomes. Simply put, a robust online learning platform must now be considered central to the core strategy of any institution of higher learning that wishes to remain competitive from an enrollment perspective and meet the increasingly diverse and shifting needs of its students.

CERTIFICATE PROGRAMS

Although traditional bachelor's degrees still account for the highest percentage of postsecondary credentials awarded each year (39%),¹⁵ certificate programs are booming in popularity. Over the past three decades, the number of certificates awarded by postsecondary institutions has increased by 800%, making certificates the second most common credential after bachelor's degrees.¹⁶ Approximately 1 million certificates are awarded each year in the U.S.,¹⁷ and over 1 in 10 Americans now holds a certificate.¹⁸

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¹⁰ Hagelskamp, Carolin, David Schleifer, and Christopher DiStasi (2013). *Is College Worth It for Me?* Public Agenda. Retrieved from: http://www.publicagenda.org/files/IsCollegeWorthItForMe_PublicAgenda_2013.pdf

¹¹ Clinefelter, David and Carol Aslanian (2015). *Online College Students 2015*. The Learning House, Inc. Retrieved from: <http://www.learninghouse.com/wp-content/uploads/2015/07/OnlineCollegeStudents2015.pdf>

¹² See footnote 9

¹³ Sheehy, Kelsey (2013). *Online Enrollment Climbs for 10th Straight Year*. U.S. News. Retrieved from: <http://www.usnews.com/education/online-education/articles/2013/01/08/online-course-enrollment-climbs-for-10th-straight-year>

¹⁴ See footnote 11

¹⁵ Institute of Education Sciences (2015). *Degrees Conferred by Public and Private Institutions*. Retrieved from: http://nces.ed.gov/programs/coe/indicator_cvc.asp

¹⁶ Carnevale, Anthony, Stephen Rose, and Andrew Hanson (2012). *Certificates: Gateway to Gainful Employment and College Degrees*. Georgetown University. Retrieved from: <https://cew.georgetown.edu/wpcontent/uploads/2014/11/Certificates.FullReport.061812.pdf>

¹⁷ Institute of Education Sciences (2015). *Degrees Conferred by Public and Private Institutions*. Retrieved from: http://nces.ed.gov/programs/coe/indicator_cvc.asp

¹⁸ Carnevale, Anthony, Stephen Rose, and Andrew Hanson (2012). *Certificates: Gateway to Gainful Employment and College Degrees*. Georgetown University. Retrieved from: <https://cew.georgetown.edu/wpcontent/uploads/2014/11/Certificates.FullReport.061812.pdf>

Certificate programs are attractive as a relatively-convenient and affordable means for students to increase targeted, specific skills, education and opportunities. Compared with earning a college degree, earning a certificate is much quicker—just over half of certificates take less than a year to complete, and another 41% take one to two years to complete. While total tuition costs for a four-year degree can easily reach \$50,000 to \$100,000,¹⁹ an average certificate program costs \$6,780 at a public institution and \$19,635 at a private for-profit institution.²⁰

Over one third of certificate holders also have an associate's, bachelor's, or graduate degree.

Certificates generally boost wages, and may even be paid for by a student's current employer. The wage premium for holding a certificate is 20% at the high school diploma level, 6% at the associate's degree level, and 3% at the Bachelor's degree level.²¹ Many employers cover the cost of certification programs, seeing this as a meaningful way to increase employee skills, knowledge, and advancement opportunities. In return, certificate-earning employees tend to stick around: companies that offer excellent training opportunities have up to 66% higher employee retention rates than companies that do not offer such opportunities.²²

Data suggests that the target market for prospective certificate earners is quite broad. Over one third of certificate holders also have

an associate's, bachelor's, or graduate degree. Additionally, one third of certificates are earned by students over the age of 30.²³

Based on our work in both education and industry, the gap between employer need for up-to-date, relevant skills and individual capacity to develop those skills is successfully bridged with increasing frequency by targeted certification programs. We are convinced, on the basis of both extensive observation and trend analysis, that market demand for these certification programs will only continue to increase in the coming years. Traditional degrees won't go away anytime soon, but university certificate programs for populations who want to quickly acquire specific skills and credentials for relatively-lower costs will continue to proliferate in the evolving higher education landscape.

CONCLUSION

College courses in 2016 look significantly different than they did just a few short years ago. Although students have familiar excitement and anxiety, they are older than their counterparts from previous generations. Many are raising children and managing full-time work, and most expect job-specific training. Increasing numbers will opt for certificates instead of—or in addition to—full degrees, and many will gravitate toward online courses for part or all of their overall education. Institutions of higher learning that embrace and adapt to these trends will find abundant opportunities for sustainable growth.

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¹⁹ Associated Press (2014). Stock Up On Ramen: Average Cost of College Rises Again. USA Today. Retrieved from: <http://college.usatoday.com/2014/11/13/stock-up-on-ramen-average-cost-of-college-rises-again/>

²⁰ See footnote 18

²¹ See footnote 18

²² Dubois, Lou (2010). How to Implement a Continuing Education Program. Inc.com. Retrieved from:

<http://www.inc.com/guides/2010/08/how-to-implement-a-continuing-education-program.html>

²³ See footnote 18

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