

“Meeting the Big Goal: What Can Trustees Do?”
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Thank you, and good afternoon everyone. I’m pleased to be with you today — for several reasons. First of all, it’s always nice to be able to deliver Lumina’s message right here in my own backyard ... without having to get on a plane.

Of course, I’m not with you here today simply because I’m trying to avoid jet lag. Clearly, Indiana is very fitting place for me to share this message. In fact, it would be hard to find a place where it would be better received. The Hoosier state is an active and productive laboratory for progress in higher education — in some ways a national model ... and many of you in this room today have been instrumental in making that happen. So, first of all, I want to say thank you for what you’ve already done — what you have been doing for many years — to increase college success here in Indiana. I especially want to thank our colleagues at the Commission on Higher Education, under the extraordinarily effective leadership of Commissioner Teresa Lubbers and Chair Mike Smith.

Of course, the question now before us is: “What next?” How can we build on our successes and keep the momentum going? Because it’s clear that we are going to need every bit of that momentum — and more — to meet the growing economic and social challenges that confront our state and this nation.

As I think you are certainly aware by now, Lumina has tried to properly channel that momentum by focusing all of its energy and resources on the achievement of one ambitious national goal: **By 2025, we want 60 percent of Americans to have high-quality college degrees or credentials.** We’re convinced that this goal is both necessary and achievable, and so we’ve made it the driving force of all we do. We’ve organized all of our work around this goal. We’ve developed a detailed Strategic Plan to achieve it — a copy of which is included in your materials this morning. And we’ve been working aggressively to spread the word about the Big Goal so other organizations and individuals will embrace it and work with us toward its achievement.

As I said, we’ve found wonderful partners here in Indiana — in the institutions you represent, in the halls of state government, in the Indiana Chamber of Commerce, and certainly among those who serve on the Commission. Together, we have made a good start toward achieving the Big Goal, beginning with the all-important step that the Commission has

taken: formally, publicly and enthusiastically adopting a “Big Goal” for college attainment right here in Indiana.

Still, as you can see in the one-page handout that you’ve been given today, there is much work to be done. Only 33 percent of Indiana’s working-age residents (ages 25-64) have at least a two-year degree — and there are great disparities in college completion by county. I know it may seem daunting to jump from 33 percent to 60 percent by 2025. But consider this: more than 730,000 working-age Hoosiers — almost 22 percent of Indiana’s workforce — have already earned some college credit. If we start by meeting the needs of these students, we can make huge strides toward achieving the Big Goal.

And that concept — meeting the needs of students — is one I can’t emphasize enough, because that’s the key to meeting the needs of all stakeholders. At Lumina, we believe strongly that higher education needs to be far more focused on the needs of students and less on the needs of higher education institutions. And it’s critically important that we focus on today’s students — the ever-growing number of low-income, first-generation, minority and adult students whom we are calling **21st century students** ... the people who constitute the “real world” on campuses these days.

Today's 21st century students are amazingly diverse — racially, ethnically, socially and demographically. Now, I want to be clear that my Lumina colleagues and I don't refer to them as 21st century students just because it's a catchy term. For us, the term has a particular and powerful meaning. It demonstrates that these students are essential to our nation's future. It reminds us that the time is long past when we can put such students in a box labeled “non-traditional” or “under-represented.” By calling them 21st century students, we're trying to shift the dialogue from a deficit model to a growth model — one in which all of society sees these students, not as challenges to be worked around, but as future leaders, as taxpayers, as full contributors to the quality of life we all cherish.

Clearly, no one-size-fits-all system of higher education will work for these students. It won't serve Indiana, and it won't serve us as a nation. If we are to reach the Big Goal, all types of students must succeed, and they must succeed in far greater numbers. That means we need a student-centered system — one that is flexible, accessible, accountable and committed to quality.

And that brings us to the need to explicitly address the **quality** of higher education. At Lumina, we believe it is time to move away from defining quality in higher education on the basis of inputs — things like

resources, faculty workload, and institutional selectivity — and shift to defining quality in terms of student outcomes, specifically the quality and relevance of degrees and credentials. You may be interested to know that this evolving definition of quality is the subject of a series of articles that the Chronicle of Higher Education is beginning this week. That’s an encouraging sign that this discussion about clarifying and improving what we mean about quality is getting increasing traction.

There is no question that the global economy has raised the bar on workforce preparation ... and raised the stakes for all Americans. Labor economist Tony Carnevale at the Georgetown University Center on Education and the Workforce has estimated that by 2018, 63 percent of all jobs will require some form of postsecondary education or training. That's a huge increase since the mid-'70s, when less than 30 percent of jobs required any education beyond high school. Carnevale’s analysis shows that in virtually every major job category, more postsecondary education is critical to job success.

It’s also important to note that increasing the supply of college graduates won’t just help us *fill* jobs, it can actually help *create* them. Economists tell us that much of the economic growth over the last half-century is attributable to two things: technology, and increasing educational attainment. What’s more, when employers are given a more highly

educated workforce, they've actually been shown to organize the work in more efficient and productive ways.

Quality, then, is key. And for Lumina Foundation — and for employers as well — quality means one thing: learning. We must work to ensure that the learning that any college credential represents is both explicit and transparent. What that means is that faculty and students must have a shared understanding of the skills and knowledge that a graduate in a particular discipline will possess. Policymakers must be able to allocate resources based on those required outcomes, and employers must be able to hire graduates with confidence, knowing that students have *attained* those outcomes.

If we truly want to shift higher education decision-making to focus on quality outcomes, we must explore alternatives to the credit-hour system, especially competency-based formats that involve assessment of prior learning. It's also important that we explore the wide array of certificate programs and assess their comparative value in the workplace.

To help make all of this happen, my Lumina colleagues and I will continue to frame the issue of **productivity** in higher education. We've already talked a great deal this morning about increasing productivity —

about what that means here in Indiana, especially in the context of the Commission's productivity grant. Frankly, that is why I am here this morning: to reinforce the productivity message ... to drive home the obvious truth that the rules of the game have changed, and that higher education must become more effective and efficient in serving students and the public.

We know the Big Goal presents an immense challenge, one that requires significant changes in the nation's postsecondary system. "Business as usual" simply won't work. For the goal to be reached, institutions — and yes, entire systems and states — must contain costs and reallocate their resources to programs that help more students succeed. They must be rewarded, not merely for enrolling students, but for graduating them from high-quality programs. They must expand and strengthen lower-cost, innovative options for delivering coursework. They also need high-quality data-systems that include student outcome data and that are used top to bottom to make day-to-day decisions about how to serve students more effectively.

So that, in a nutshell, is the way Lumina is framing the work that lies ahead here in Indiana — and really, in every state. Stated most plainly, it's a *who, what, how* framework. **Who** we want to see educated are the 21st century students who form the backbone of our economy, our civic

well-being, and our collective prosperity. **What** we want them to get is high-quality postsecondary education that is well defined, transparent, and focused on the learning that a degree or credential represents. And **how** we want to get there is through a productive system of higher education that efficiently and effectively delivers higher education to those dramatically larger numbers of people who need it.

So...the big question for today — the question that forms the title of my remarks this morning — still remains: What can you do, as trustees, to help Indiana and the nation reach the Big Goal? What is your role in the vital work before us?

I have some suggestions.

But before I list them, I want to emphasize that I make them, not only as Lumina's president, but as someone who is truly invested in this community and who understands and appreciates the work that you are doing. Indiana is my home. As a board member of the Central Indiana Corporate Partnership and the state Chamber of Commerce, I share your desire to bolster Indiana's workforce, boost its economy and secure its future. As a trustee of my own alma mater, Bates College in Maine, I also share the sense of loyalty and devotion that no doubt drives many of you. And I certainly understand the inherent conflicts and pressures that

can result from trying to balance the demands of board membership and corporate citizenship.

And so, I suppose my suggestions can best be summed up this way: The best way to meet the demands of both camps is to focus on neither. Rather, remind yourself where your ultimate responsibility lies — in either role. It is not to any institution, not to a particular economic sector or industry, not even to “society.” No, your ultimate responsibility is to the individuals your institution has pledged to serve ... the students who choose to attend there.

If you truly serve the students, you’ll find the proper balance. What’s more, you’ll do more good — for everyone involved — than you can even imagine. Truly serving these students means that you put their needs first, even before those of the institution you represent. Practically speaking, that should lead you to several steps, most of which I’ve already touched on today — and at least three that are explicitly laid out in Lumina’s explanation of the productivity work.

- **No. 1: Pay for results:** Institutions need to find ways to pay for real results, not simply reward effort or rank or potential. This means that, as a trustee, you must ensure that attention — and resources — are focused on helping students stay in school, truly learn while they are there, and complete their programs.

Graduation rates matter, and so do dropout rates. Accelerating the time that it takes for students to get a degree is also important to ensure that students—and society—achieve the benefits from that credential in a reasonable amount of time. And learning outcomes matter, so that your students — and the employers who hire them — can be assured of quality. It's not just about enrollment any more. It can't be — not if we care about the Big Goal ... or about the students who personify that goal.

- **No. 2: Educate in new ways and places:** Today's colleges and universities must change to meet the new demands of the 21st century student. They must educate these students in innovative and affordable ways, not merely perpetuate the traditional classroom setting. All Hoosiers — all Americans — need access to high-quality instruction and to the services that can give them every opportunity to succeed. As trustees, it's your job to ensure that your institutions employ new models that are nimble enough to respond to students' needs.
- **No. 3: Reallocate and reinvest in student success:** Colleges must analyze their spending, eliminate unnecessary outlays and apply the savings where it matters most: in helping more students graduate with high-quality degrees and credentials. As trustees, your role here is absolutely central. Yes, these decisions are sometimes difficult. And if you're meeting your responsibilities,

they will sometimes put you at odds with the leaders of the institutions you represent. But again, remember who you're there to serve: the student, not the institution.

That student needs you — even though she may not even know it. She needs you — even though she'll probably never realize that you've helped. The point is: students truly need your help to succeed. And if they fail, no one involved can succeed — not your institutions, not area employers, not the state of Indiana, not this nation.

It's a Big Goal, and a big challenge. But you can play an immensely important role in making it a reality. I thank you for your commitment to that role, and for the privilege of inviting me to be with you here today.

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