Higher Education’s Role
In Michigan’s Economic Future

North Central Michigan College
Petoskey, Michigan

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It is a great pleasure to be here with you today. I appreciate the opportunity to share some thoughts with you about the relationship between higher education and Michigan’s economic future. From my perspective this is the single greatest factor that will determine both our collective and individual success here in Michigan.

I always enjoy visiting your campus here at North Central Michigan College. It was my honor to speak at your Commencement, which is the greatest day in a college’s academic year. This is a jewel of a college, a remarkable institution of which you should justifiably be very proud. We want students to transfer from North Central Michigan College to Ferris State University because they come well-prepared to continue their education and successfully complete their bachelor degrees.

I am a great admirer of your President, Dr. Cameron Brunet-Koch. She is doing a spectacular job heading your college. You are fortunate to have a leader who cares so passionately about students and your community. When we began a doctoral program in community college leadership at Ferris to help prepare the next generation of higher education innovators, it was clear to me that Cameron needed to be a part of this. I am so very pleased that she is a member of our faculty for this program, sharing her considerable experience and insights with these aspiring leaders.

The Big Goal

The Lumina Foundation has dedicated itself to raising the percentage of college-educated adults in America by establishing the goal of having 60 percent of American adults holding college degrees by the year 2025. The reality is that the United States is falling behind the world in this regard, especially among younger people between the ages of 25 and 34. (Slide 2)

Countries around the world far exceed our efforts in creating a college-educated population. Currently, South Korea leads the world in educating its citizens, with 62 percent of its 25-34 year olds holding degrees. They are followed by Canada and Japan at 56 percent. Ireland, Norway, New Zealand, the United Kingdom, Australia, Denmark, Luxemburg, France, Israel, Belgium, and Sweden all are outpacing our country. The United States is a disappointing fifteenth overall with 41 percent of our citizens aged 25-34 earning college degrees. This means the current generation of 25-34 year olds is less educated than its predecessors for the first time in our history. (Slide 3)

The story in Michigan is even worse with just a 36 percent college completion rate. We are tied at 26th, far behind the national leader, Massachusetts, at 54 percent. This means that people aged 25-34 are better educated in the countries named above, plus the Netherlands, Switzerland, Finland, Spain and Estonia than citizens here in Michigan. Emmett County fares slightly better than Michigan, but is still below the national average at 40 percent. (Slide 4)

Why does earning a college degree matter? The answer is that people with college degrees get jobs at a higher rate than those without degrees and earn more.
Why Attend and Graduate from College?

Education attainment is a clear factor in finding employment. Using 2009 Department of Labor data, 15 percent of high school dropouts are unemployed. The completion of a high school degree reduces this unemployment by a third. For those with an associate degree unemployment is cut in half. (Slide 5)

This progression becomes far more compelling when looking at people who are unemployed or underemployed. For those without a high school diploma, about 33 percent are either unemployed or underemployed. For those who complete high school, the rate drops to just over 20 percent. Having some college education helps reduce this by over half, bringing the rate down to 15 percent, while for those with a bachelor’s degree the jobless or underemployed rate is over two thirds less, or nine percent. (Slide 6)

The impact of the last decade on jobs for those with only moderate skills is well known. Statistically, during this period, jobs for high-skilled or low-skilled workers nationally increased by 10 percent. For this same time period, middle-skilled jobs decreased by 15 percent. The message is clear; the days of high paying jobs for people with moderate skills are over. People without college-level skills entering the workplace will find their options very limited. While these data reflect national figures from the Labor Department, they are certainly the case in Michigan, which has lived through an unprecedented realignment of the domestic automobile industry. Hidden within these figures is a stark reality. The brunt of the economic downturn has been suffered by middle-skilled workers. These jobs are vanishing while jobs for high- and low-skilled workers have increased since 2000. When you hear people talk about the shrinking middle class, this is the reason why. (Slide 7)

The impact of this on young people, aged 23 and 24 in the job market is profound. 90 percent of those with a college degree find employment. Just 40 percent without a high school degree and 60 percent with one find employment. Those figures improve to nearly 80% with some college. For young people it is very clear, the path to employment begins with college. (Slide 8)

In addition to being employed at a greater rate, adults with a college education earn more. The latest figures from the Bureau of Labor Statistics, this time for full-time workers age 25 and over reveal that those without a high school diploma had median weekly earnings of just $458, or $23,816 per year; high school graduates with no college education earned $643 per week, or $33,436; those with some college or an associate’s degree earned $743 per week, or 38,636; while people with a bachelor’s degree earned on average $1,141 per week, or $59,332. (Slide 9)

What do these figures mean for Michigan and its future? It is projected Michigan will have 1.3 million job vacancies through 2018. 836,000 or 64 percent of these jobs will require post-secondary education. Of these, 138,000 will be new positions. A stunning 84 percent, or 116,000, will require post-secondary education. The national lessons are most certainly true in Michigan. (Slide 10)

Knowing the importance of higher education for employment and access to high paying positions, there is much work to be done in Michigan. For all adults nearly 65 percent of Michigan residents do not have a college degree. In higher education we must refocus and redouble our efforts on the 26 percent of our population, 1,366,000 citizens, who have attended
college and not completed a degree, and on the 30 percent of our population that did earn a high school degree, but did not attend college. (Slide 11)

**Growth and Success at Ferris State University**

These are statewide and national problems. However, closing the education gap and making it possible for people to acquire the skills they need for the new economy requires solutions that will often begin at the local level. I want to outline a few of the things that Ferris State University is doing to address these fundamental issues.

For most of the past decade, Ferris has been the fastest growing public university in the state. In fall 2002 before I became president, we had 11,074 students. This fall we enrolled 14,560 students, an increase of more than 31 percent. This has taken place in an environment in which for the past five years the number of students graduating from Michigan high school has steadily declined.

There are a number of strategies we have used in our recruitment efforts to spur this growth, but I believe at the core of our success is a commitment to educating students who graduate prepared for career success. At Ferris we call this integrative education. Simply put, this is education in which theory meets practice. From our perspective it is not enough to know how something is done; students should also have the experience of doing the things they study. We embed this within programs through student internships, have faculty with real world experience in the classroom, and create program advisory boards composed of professionals working in their field of expertise.

As a University community we have chosen to focus on student success. In speaking with prospective and current students I emphasize that the object is not to attend college, but to graduate from it. Students have different strengths and weaknesses, and it is important to give students the resources they need to process information in areas that challenge them the most. At Ferris, we help at-risk students through programs such as Structured Learning Assistance. Workshops offer extra course-specific content and stress study strategies such as note taking, listening, study habits, and test taking are skills. On the other hand, Ferris’ Honors program challenges high-performing students with courses that have advanced content.

Since 2003 we have increased our graduation rate at Ferris State University by 54 percent. This is the 15th best increase among all colleges and universities in the nation. Last year 50 percent of the students who had entered Ferris in 2005 graduated. Additionally, of those students who began college in the fall of 2005, 30 percent transferred to continue their education at another institution. That means 80 percent of the students who began with us either graduated or continued their education. This is excellent progress, but our focus is to see how we can encourage every student to succeed. (Slide 12)

**Creating Access**

When Woodbridge Ferris created our University in 1884 he did so with a commitment to providing opportunity for people who did not have access to education. One of our most important values as an institution is the commitment to providing access to education. We do this through a variety of programs. An area of great success has been the state’s Tuition Incentive Program, or TIP.
TIP provides tuition assistance for the first two years of college, and beyond. To be eligible, a student must have (or have had) Medicaid coverage for 24 months within a 36-consecutive-month period. Phase I of the program focuses on the first two years of a college education and pays for full tuition for students pursuing a career-oriented associate degree. Phase II covers the next two year period for students and provides $1,000 a year for students who are continuing on to complete a bachelor’s degree. Ferris attracts the largest number of TIP students among Michigan public universities, enrolling more than 800 TIP students this fall. From my perspective there is no greater tool to break the relentless cycle of economic poverty than the TIP program.

Ferris is a statewide leader in providing on-line programs. On-line study is certainly not a panacea and is not the preferred educational approach for everyone. It requires a student who is self-directed and self-motivated, but for people who are working full-time, raising families, or who have other scheduling challenges, it can be an effective pathway to a bachelor’s degree. We are experiencing explosive growth in the number of students pursuing on-line learning, growing 27 percent this past year. Currently we enroll more than 800 students in programs that are offered entirely on-line.

Each year there are increasing numbers of traditional students who combine in-class learning with on-line learning. Many students are comfortable with learning via computer and like the resources, feedback and flexibility that online learning can provide. The combination of classroom and on-line learning can be a powerful and effective approach to learning. Just this month Ferris State University adopted new recommendation for E-learning that will guide its future and ensure that the quality of instruction and access remain high. (Slide 13)

Helping Students

Ferris has long been a university that attracts students who are the first in their families to pursue a college degree. We have a number of degree programs where students can “ladder” a two-year degree into a four-year degree. For some students unfamiliar with higher education, this approach allows them first to become comfortable with their studies. Many students begin their studies thinking they will earn an associate degree, find themselves excelling at their studies, and so complete their bachelor's degree. This also makes it easier for community college students to transfer to Ferris and continue their path to a bachelor’s degree.

A very important part of providing access to students is our partnerships with community colleges in the state. Michigan’s system of community colleges provides students the ability to begin study near home where they have a strong support network and the costs are lower. After success at the community college they transfer to a public university. Last fall 1,900 students transferred to Ferris – many of them from community colleges. We strive to make the transfer process as seamless as possible.

Beyond this we have worked to establish partnerships with community colleges across the state where we provide access by offering bachelor degree programs right on the community college campus. Today we are on the campus of seventeen community colleges including right here at North Central Michigan College. This can be extraordinarily beneficial in helping students find the best path to a degree and there is an increasing number of four-year degrees students can earn right at their community college.
Today we offer 32 bachelor degree programs, 10 master degree programs, and 17 certificate degree programs on community college campuses. Throughout Michigan we offer 151 programs outside of Big Rapids. Combined with the popularity of on-line learning, this gives students great flexibility both in beginning and completing their degrees. Today nearly one third of our students are educated outside of Big Rapids. (Slide 14)

**Building Partnerships**

Even good access and increased graduation rates are not enough. Remember, the rate of college completion in Michigan is currently just 36 percent. While it’s clearly important for individual students to complete college with a degree that leads to a good career, as a society we need many more such graduates to re-establish a middle class with the new skills that a new economy requires. To do this will require a greater level of cooperation between high schools, universities and industry.

But even with this cooperation can higher education achieve the goal of reaching 60 percent of Americans with college degrees, especially degrees that align with the needs of our economy? As one studies this target and looks to plot a path to achieve the goal, it quickly becomes apparent that no matter how successful we may be in improving our institutions and developing and using best practices, we cannot achieve this with higher education’s efforts alone. Radical progress in Michigan and in our country will require efforts that involve far more partners and advocates and that cut across our society.

To succeed at this task, higher education will need to build powerful working partnerships with all levels of education providers, business and industry. We need to work with our K-12 school systems so that students graduate from high school both prepared for and intending to achieve a college degree. While a high school diploma is essential for success, it is only an educational starting point. Together we all need to create a shared understanding and expectation that a college degree is an essential component in a person’s future success. (Slide 15)

**Talent 2025**

An exceptional example of the type of new partnership needed to achieve this goal is Talent 2025. At the regional level I am actively engaged in this initiative, spearheaded by the West Michigan Strategic Alliance. Talent 2025 brings together CEOs in business and industry with college presidents to help expand the efforts of higher education. Working together we intend to produce many more graduates who will help create a new economic environment in west Michigan.

Through Talent 2025 we have brought together presidents from all thirteen higher education institutions in west Michigan – public universities, private colleges, community colleges, and proprietary institutions. Our efforts are not on the advancement of our individual institutions, but on how working together in an open-sourced, shared environment we can help all students throughout the region and encourage college completion for all adults. For the first time we have developed shared data systems so we know the number of students who are completing postsecondary education in our region and understand better the challenges we face. (Slide 16)

One of the first successes of this partnership is a “reverse transfer” agreement between Grand Rapids Community College, Ferris State University, Davenport University, Grand Valley

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State University and Western Michigan University. Under the partnership agreement, students who transferred from Grand Rapids Community College to these four-year schools can earn associate degree by combining credits from their transfer school with credits previously earned at the community college. This is an exciting development, which is in the interest of all the participating schools, but most importantly is in the interest of our students. This is an agreement that can be replicated elsewhere. It is an exciting beginning of discovering new ways that educational institutions and those they serve can work together. This morning I spoke with President Koch regarding establishing a similar agreement at North Central Michigan College and I am delighted to announce that we have agreed to do so. (Slide 17)

You Can Help

What can you do, to help the next generation of students want to earn a degree that will be their key to being productive citizens? I would suggest you begin by strongly supporting North Central Michigan College. NCMC is an important regional resource and if you have the ability to support NCMC financially, please do so. There is a broad range of ways to this, and I am sure that the college would be happy to help you figure out the best way for you to show your support. If you are employer, open your doors to NCMC students as interns. You can help a young person gain valuable real world experience.

Persuade elected officials to make higher education a priority. There is no denying that there are many competing needs for scarce funds, but what should be a higher priority than an investment in our children and future generations?

Encourage friends, neighbors, children, grandchildren, and those around you to attend college and to complete their degree. More important than any advertising campaign is someone who has a college degree affirming the important of that degree to others. As a model for someone younger – or even someone older who is looking to upgrade his or her career – your experience can serve as a guide. Never discount the importance of personal experience. If you are a college graduate and feel that your degree has placed a role in your success, please let others know that. Having a personal connection to someone successful and seeing that first-hand is tremendously powerful.

Concluding Thoughts

Thank you so much for providing me this opportunity to share these thoughts. My hope is that you now see the interdependence of our economic future and the importance of a college education. Just as here at North Central Michigan College, Ferris State University is committed to leading the way for Michigan. Thank you again President Koch for the kind invitation. We are proud to be your partner and look forward to an even deeper and more productive relationship in the years to come.

Working together we all can and will make a difference for Michigan, its citizens, and for our shared future.

These remarks and the accompanying slides are available on-line at: