



PARTHENON

Competency Based Education

A Digest of Reflections from the Field

Fall 2014



What Is a Competency Based Education Model?

Though marketing messages carry some common themes, they cover a remarkable range of motivations

Earn your degree. On your terms

“Flexibly scheduled to fit in busy lives, and extraordinarily affordable”

Concretely demonstrate their knowledge, skills and abilities, without requiring them to sit through a traditional 8 or 12 week course

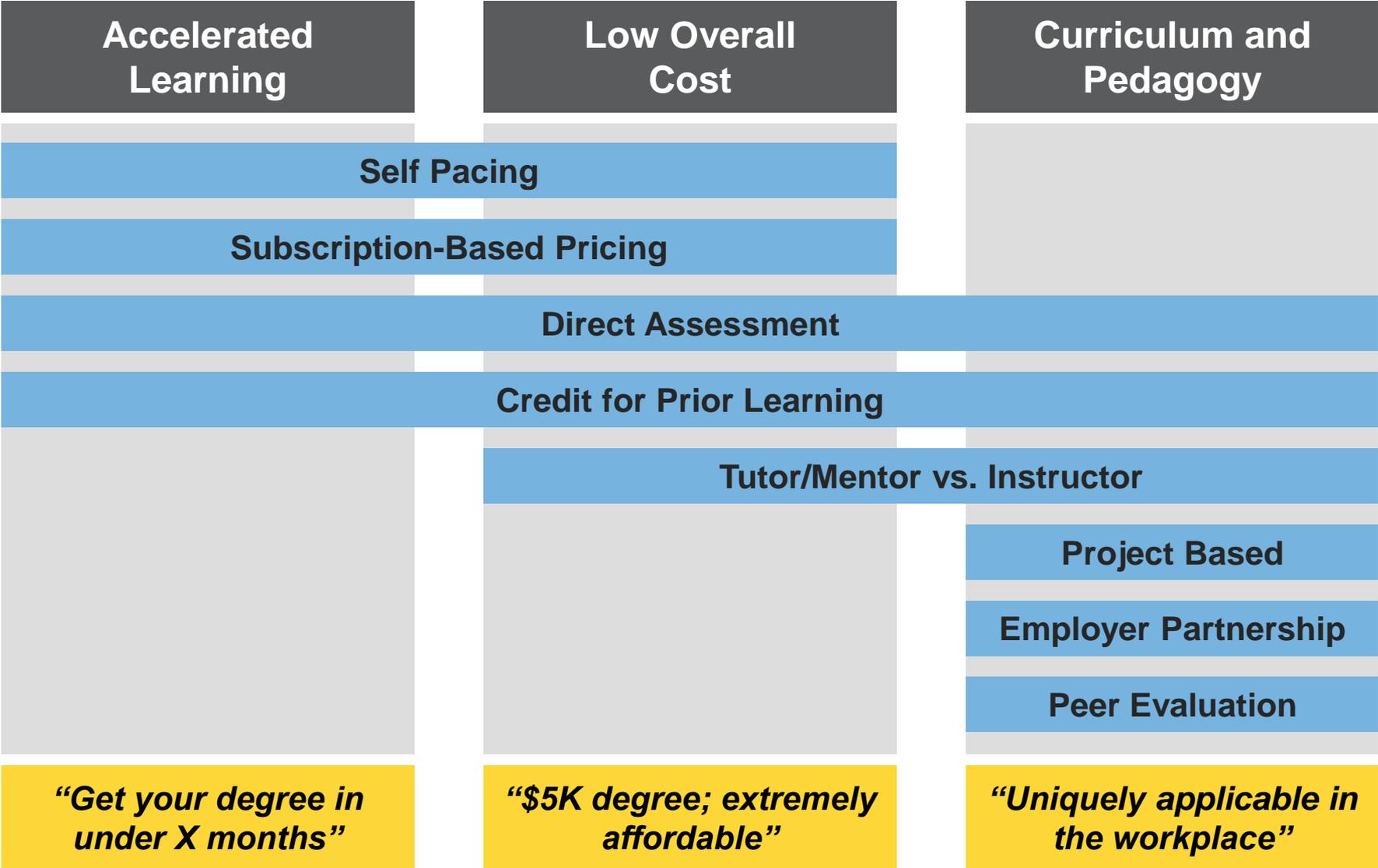
With half the cost of other online schools

30% faster time to degree

“Partners with Employers Nationwide”

What Is a Competency Based Education Model?

Common value proposition themes and program elements are, however, beginning to emerge



With What Student Segments Does CBE Resonate?

Using motivation as the basis for clustering, six high-level student segments can be identified



Aspiring Academics
(24%)

Typically 18-21 year old students who are more academically driven to achieve and often intent on graduate school



Coming of Age
(10%)

Traditional (18-21 year old) students who are not yet sure what they want to get out of college, but have the luxury of taking the time to figure it out



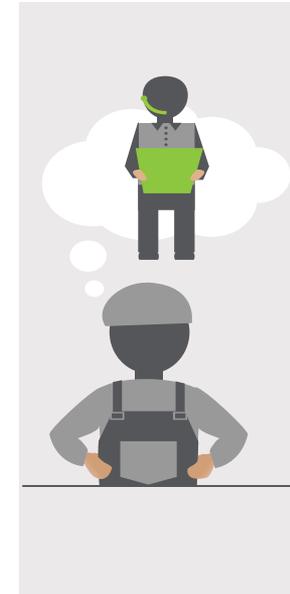
Career Starters
(18%)

Traditional age students who use college to advance their lot in life. While some have specific degrees in mind, others just know that college will help them figure it out



Career Accelerators
(20%)

Typically older, often currently employed students who are going to college with the aim of advancing their career



Industry Switchers
(17%)

Typically older, students whose aim is to find a new career that suits their interests and provides them with financial security



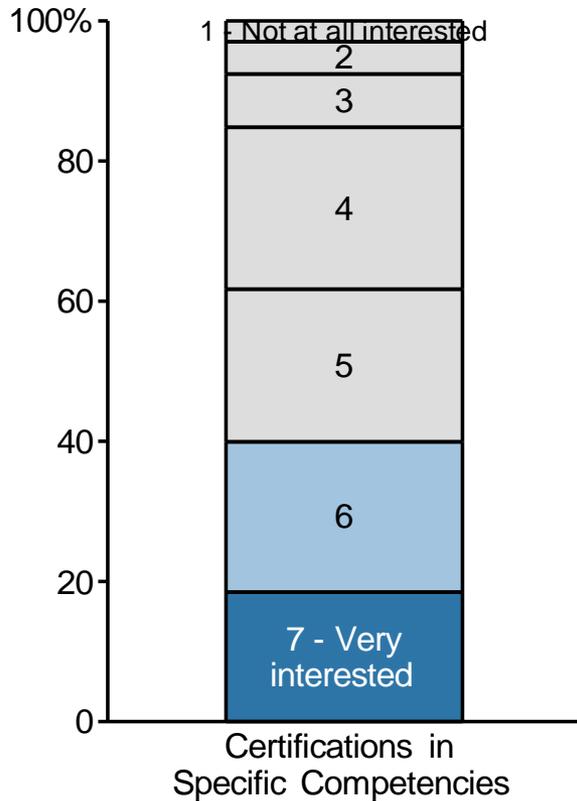
Academic Wanderers
(8%)

Adult students who don't know exactly what they want out of college, but imagine that getting some type of degree is worth it

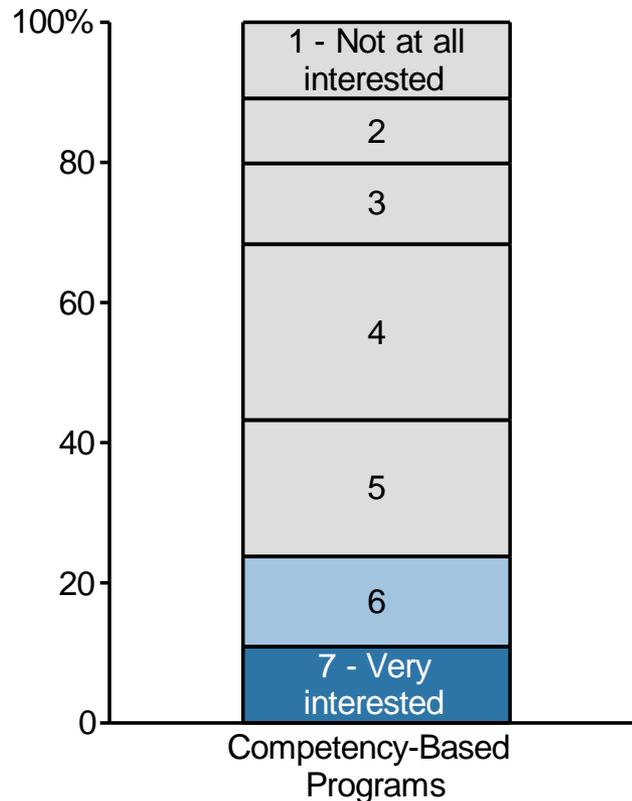
With What Student Segments Does CBE Resonate?

While ~10 to 25% of HED students are attracted to full competency-based models, a much broader segment of the population values competency certification

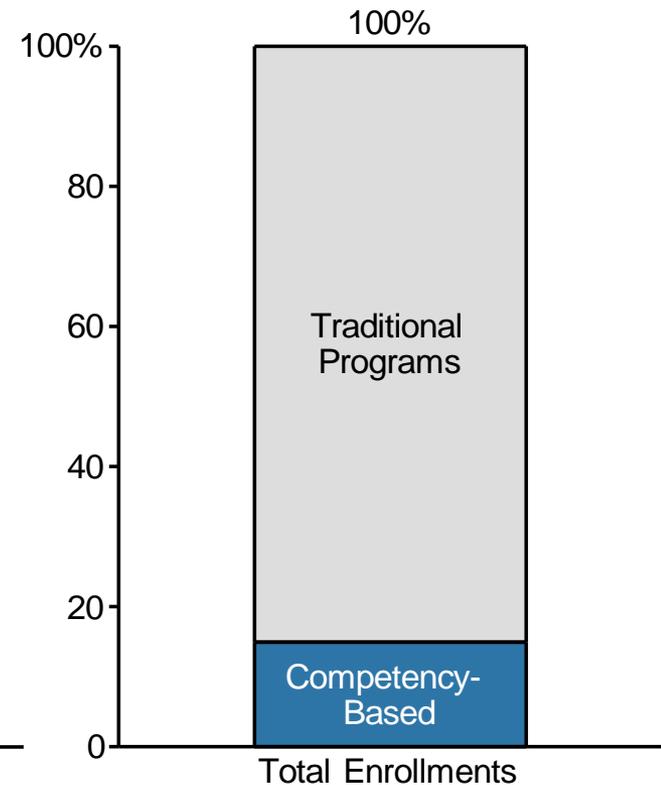
Student Interest in Specific Competencies



Student Interest in Competency-Based Programs



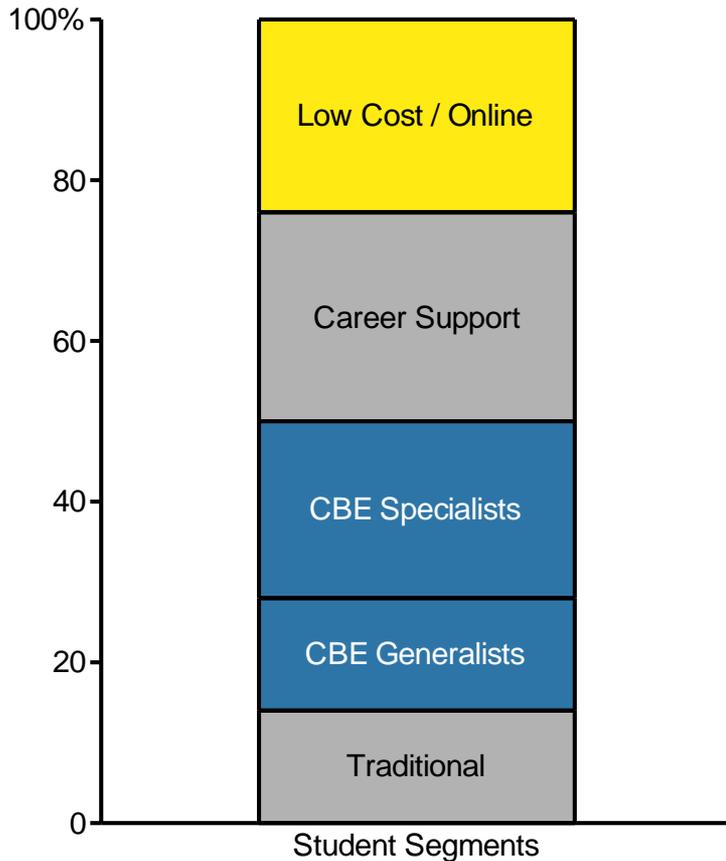
Low Cost, Competency-Based Share, Existing Offerings Full Potential



With What Student Segments Does CBE Resonate?

When evaluating potential benefits of CBE programs, relevant student segments focus on different value propositions

Segment Breakdown by Size and Key Attributes



- Interest in CBE, but mostly as a low-cost play
- Less overall interest in CBE
- Interest in CBE, particularly in developing specific skills
- Interest in CBE as a way to build general knowledge
- Low interest in CBE

What Elements of CBE Create Viable Value Propositions?

Student perspectives highlight opportunities to more proactively market CBE programs at targeted student needs

CBE Generalists

- Mostly older students
- Very interested in switching careers
- Value life-long learning

- *“CBE helps students succeed in their career with a better grasp of worldly knowledge and mastery of general skills”*
- *“For people who are unsure what they want to do after college, CBE can give them basic skills that are applicable in all walks of life”*

CBE Specialists

- Least likely to be employed
- Focused on making more money by pursuing a new job
- Value skills certifications
- Tend to be online

- *“CBE allows you to tailor your curriculum and pursue a specialization to prepare for specific job requirements”*
- *“A degree or certification from a CBE program that shows a student’s mastery in an area of expertise could be extremely beneficial in the job market”*

Low Cost / Online

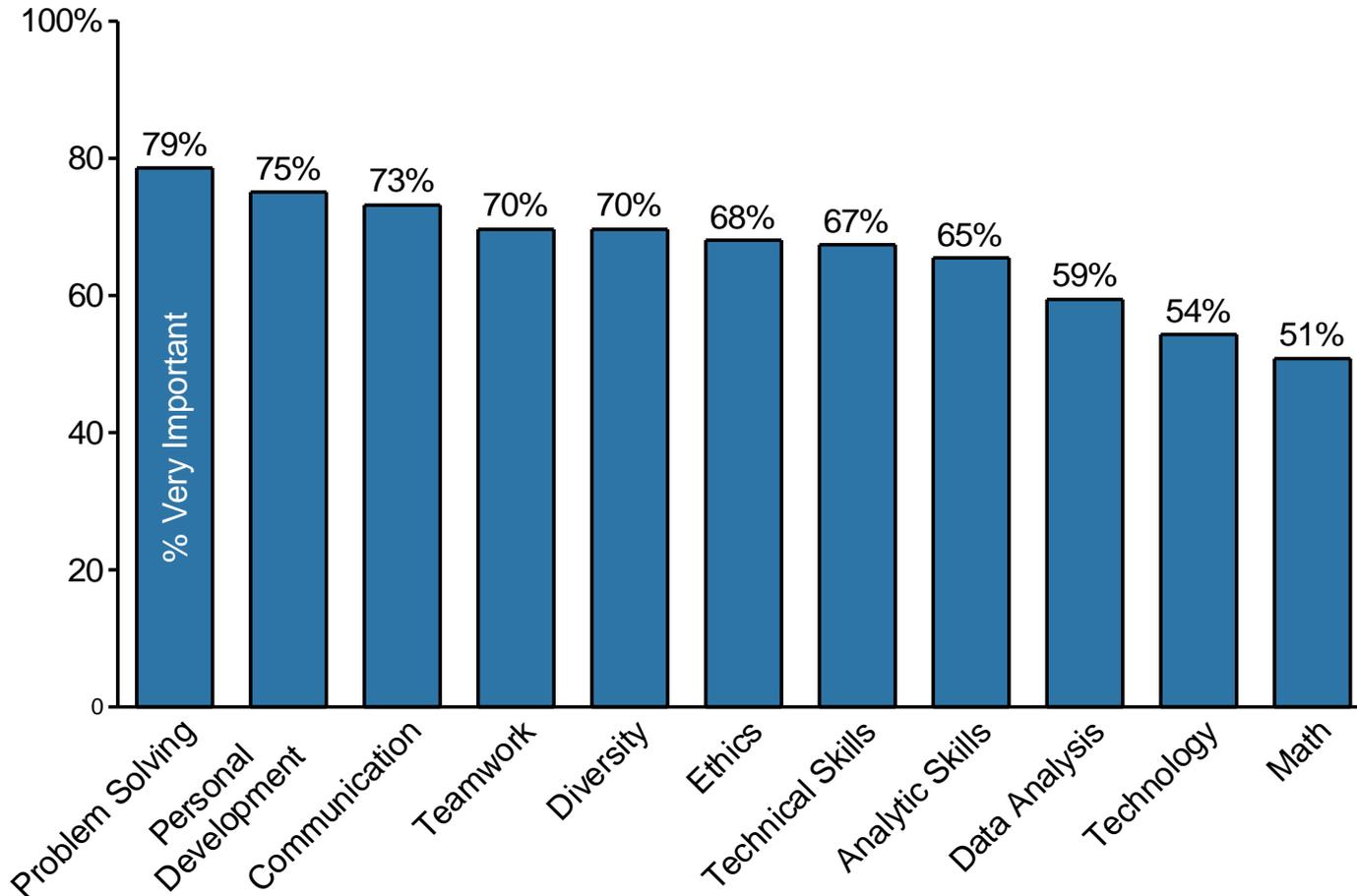
- Typically older students
- Focused on low cost options above all else
- Seek to avoid re-learning content or skills

- *“In other programs, a student might have to retake subjects in which they are already proficient, which is a waste of resources”*
- *“Shorter course time and less student expense will always be attractive”*

What Elements of CBE Create Viable Value Propositions?

Specific competency areas resonate broadly with students, with Problem Solving, Personal Development and Communication Skills most important

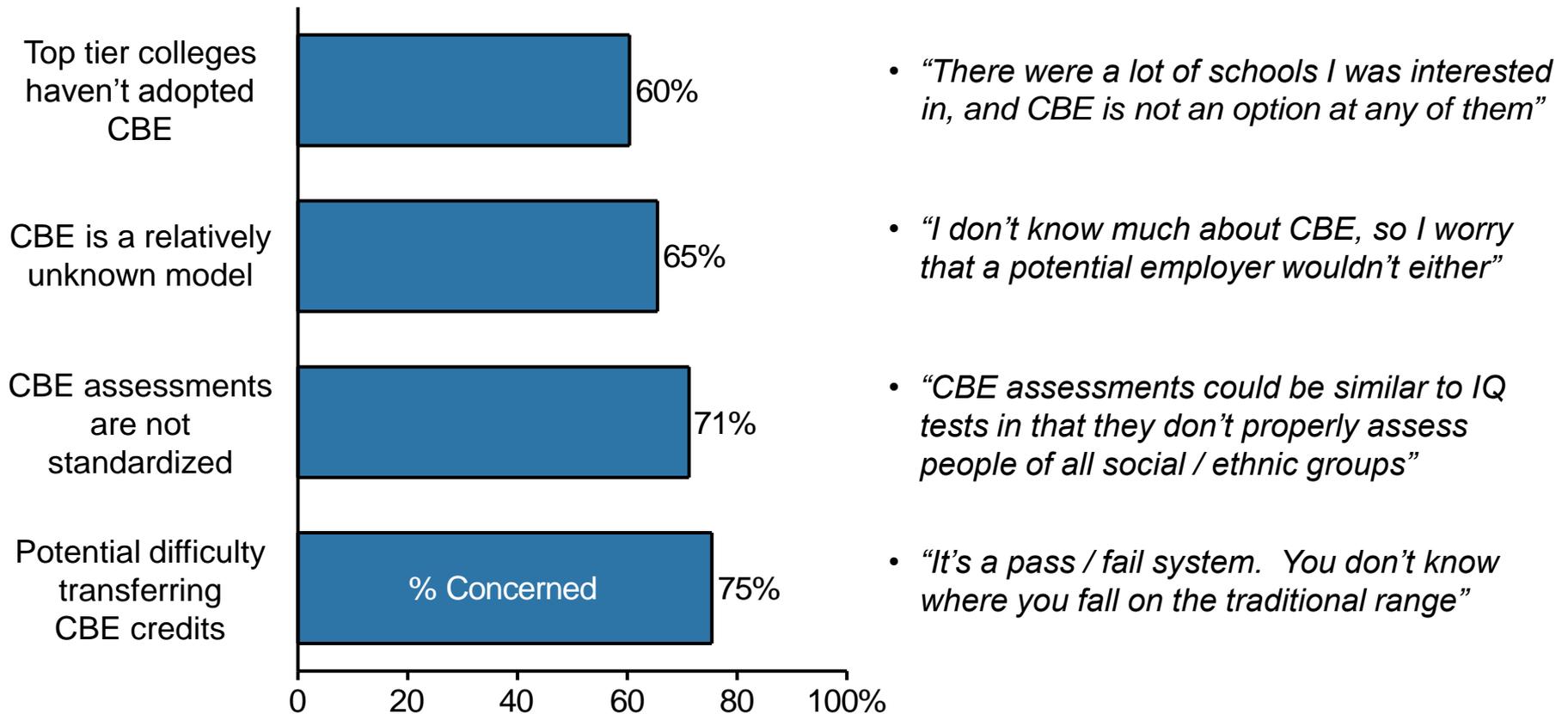
Student Perspectives on the Importance of Competency Areas



What Elements of CBE Create Viable Value Propositions?

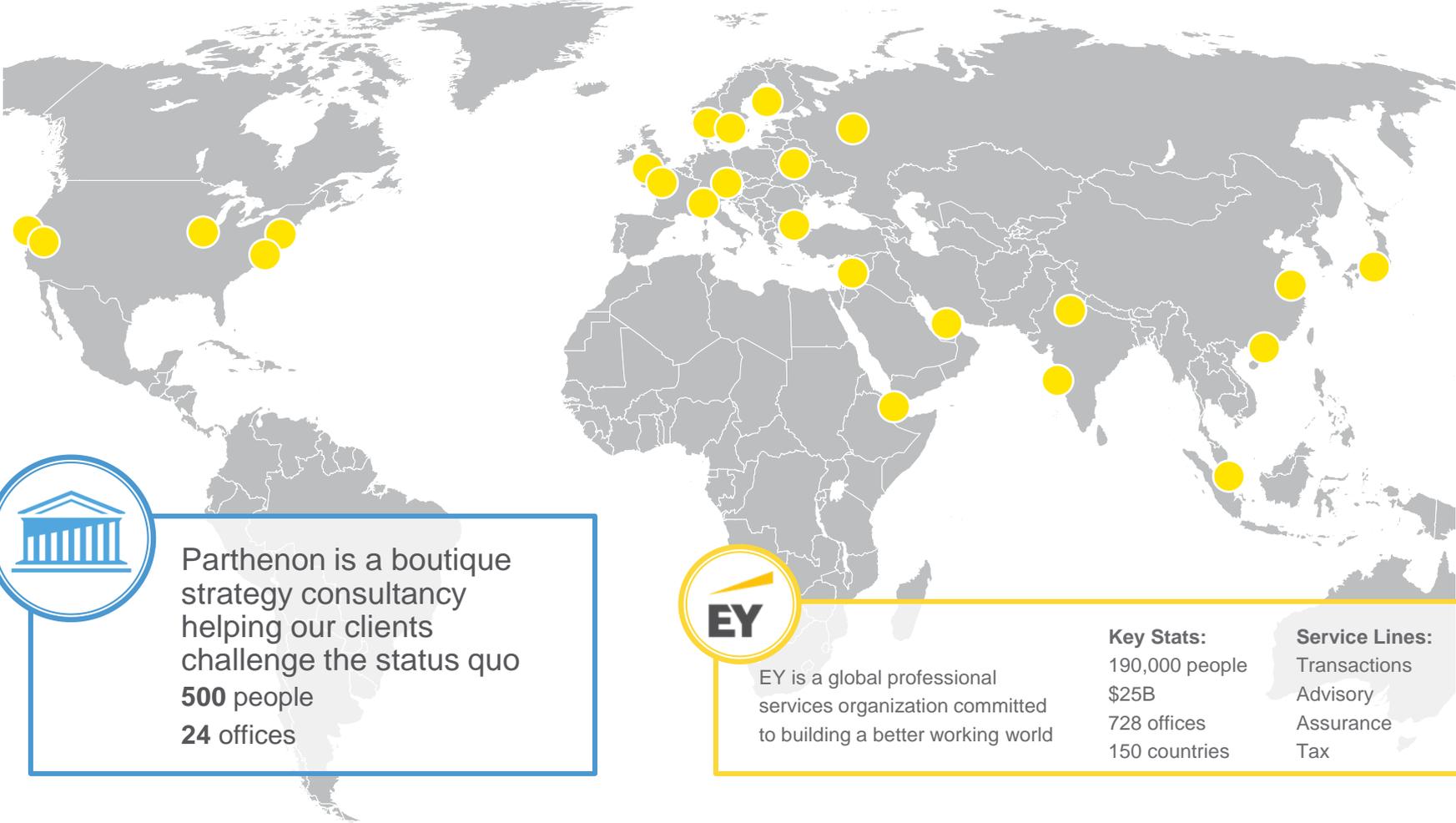
Primary student concerns with CBE center on a an unproven model not yet accepted across the broad higher education landscape

Student Concerns with Competency-Based Approaches



Introduction to Parthenon and EY

Global strategic advisory firm and leading education consultancy



Parthenon is a boutique strategy consultancy helping our clients challenge the status quo
500 people
24 offices



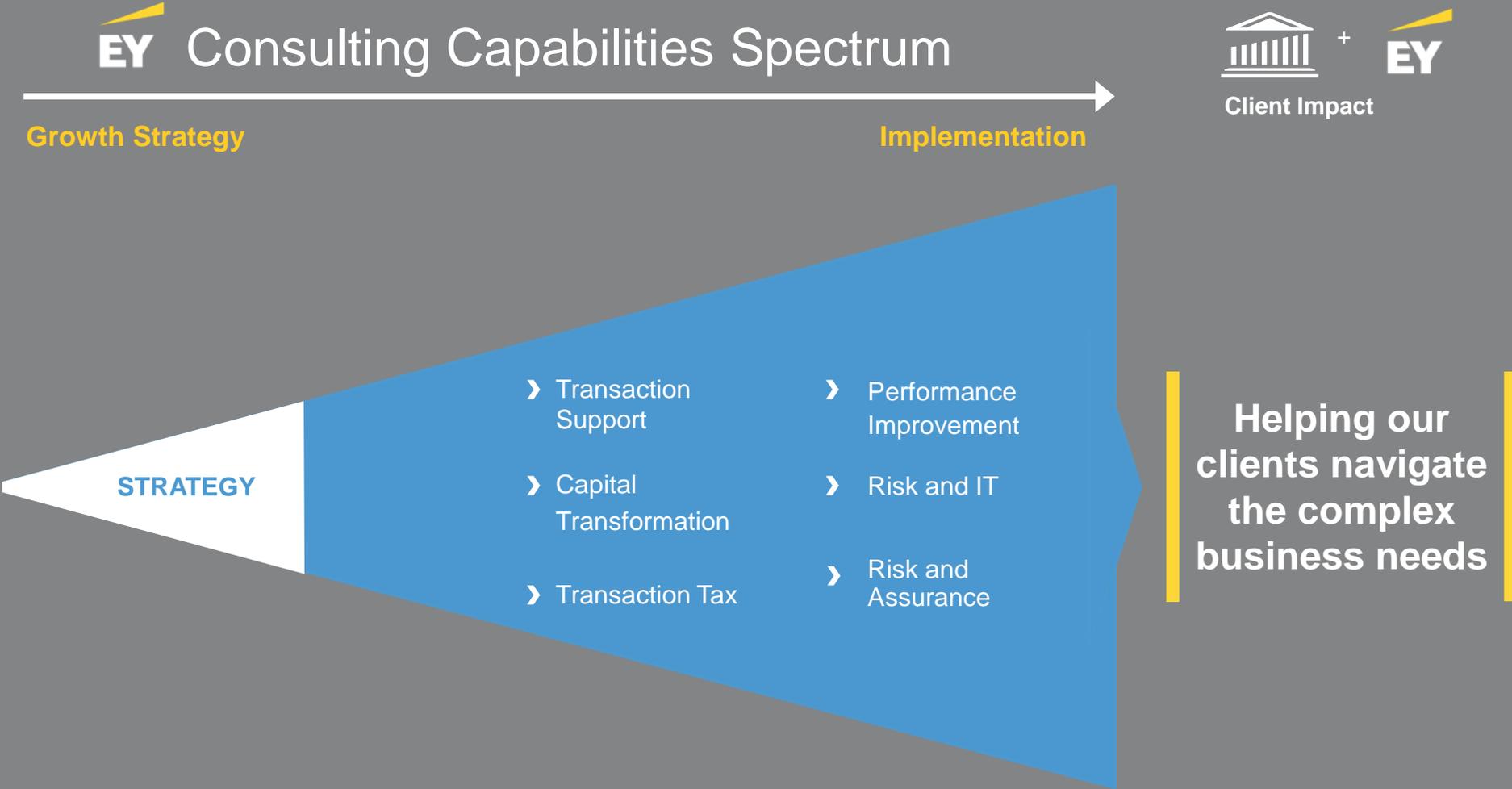
EY is a global professional services organization committed to building a better working world

Key Stats:
190,000 people
\$25B
728 offices
150 countries

Service Lines:
Transactions
Advisory
Assurance
Tax

Introduction to Parthenon and EY

Parthenon's teams, focusing on strategy, leverage the broader EY consulting platform to meet our client's complex business needs



Parthenon's Education Practice

Public and private sector work provides a strong sense of what is happening “on the front lines”

We advise leading education institutions...

- Federal, state, and local educational authorities
- Charter schools, private K-12 schools, and other innovative education providers
- Global post-secondary institutions
- Foundations on the forefront of education reform

...work with the organizations that help meet their needs...

- Educational publishing
- Testing and assessments
- Tutoring
- Intervention
- Special education
- Technology providers
- Consumer education products

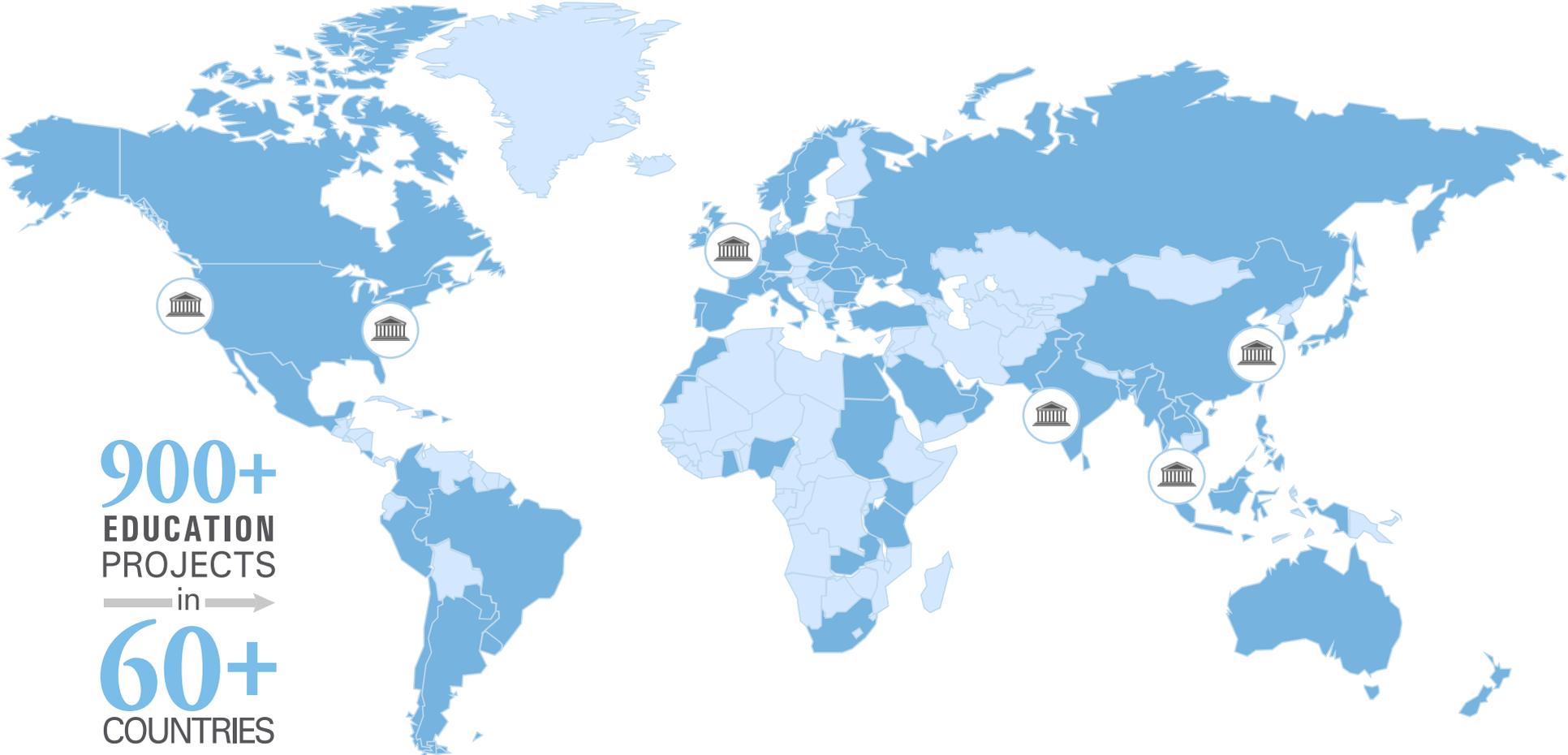
...and cover almost every large and mid-sized transaction in global markets

- North America
- Latin America
- Europe
- Gulf Cooperative Countries
- Africa
- Asia, Southeast Asia, and Asia-Pacific

- **Parthenon has worked with a wide range of higher education organizations whose collective annual enrollments represent nearly 2M students worldwide**
- **Our diverse work in the higher education sector spans new program development, online education, student funding, cost containment and efficiencies, innovation, return on investment from associate and bachelor's degrees, drivers of persistence, management design, enrollment and revenue optimization, organizational re-design, and various regulatory landscape assessments**

Parthenon's Education Practice

Parthenon completes more than 150 education projects per year, in over 60 countries worldwide, and in every education sector



900+
EDUCATION
PROJECTS
in
60+
COUNTRIES

 Parthenon Offices

 Education Projects Completed by Parthenon

About Parthenon and the Education Practice

About Parthenon and EY

Parthenon combined with Ernst & Young LLP on August 29, 2014. Parthenon is a leading advisory organization focused on strategy consulting. We are committed to combining our unconventional thinking with our clients' smarts to deliver actionable strategies. In today's complex business landscape, creativity has become a necessary ingredient for sustained success. Together with EY, we have an ideal balance of strengths – specialized expertise with broad executional capabilities, intimate client relationships with larger networks of support, and proven processes along with a progressive spirit – to unlock opportunity for our clients, amplify the impact of our strategies, and make Parthenon the global partner of choice for business leaders.

About Parthenon's Education Practice

Parthenon has served as an advisor to the education sector since our inception in 1991. Our Education Practice – the first of its kind across management consulting firms – has an explicit mission and vision to be the leading strategy advisor to the global education industry. To achieve this, we invest significantly in dedicated management and team resources to ensure that our global expertise extends across public sector and non-profit education providers, foundations, for-profit companies and service providers, and investors. Parthenon has deep experience and a track record of consistent success in working closely with universities, colleges, states, districts, and leading educational reform and service organizations across the globe.



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